

Hello Tractor Farmer Insights Nigeria



AGRIFIN

> We work with +14m farmers & over 130 partners across Africa

Mercy Corps' AgriFin is funded by the Mastercard Foundation and Bill and Melinda Gates Foundation to help organizations design, test and scale digitally-enabled services for Africa's smallholder farmers.

- Objective to develop services that increase farmer income, productivity and resilience, with 50% outreach to women.
- Work with private & public sector scale partners such as banks, mobile network operators, agribusinesses, technology innovators and governments.
- We help our partners develop bundles of digitally-enabled services, including smart farming, financial services, market access and logistics supporting data-driven partnerships.



AGRIFIN IMPACT SERIES: HELLO TRACTOR

AgriFin Impact Series

In recognition of the wide reach and diverse range of products and services offered through the AgriFin ecosystem we are working with 60 Decibels to measure our impact across some of our strategic partners. Partners were selected based on their area of expertise and level of engagement. This approach considers differences across the following categories by adding the element of flexibility in the research approach; products and services offered, expected outcomes, harvest periods and data available.

AgriFin & Hello Tractor

Hello Tractor (est 2014) is an Internet-of-Things (IoT) solution that supports improved efficiencies, profitability, and transparency in the tractor contracting market. The solution revolves on a tractor monitoring device that can be installed on any tractor, connecting it to the Hello Tractor cloud. Once connected the device transmits relevant data across the Hello Tractor ecosystem. Smallholder farmers need farm power and mechanization to raise the productivity of their land and to see improvements in farm family livelihoods. Mechanization is required not only for crop production, but also for processing and along the entire value chain. Mechanization inputs are usually expensive and so specialist service provision is required to make them accessible to small holder farmers. Hello Tractor is one such specialist service provision platform and model that increases access to mechanization for small holder farmers. Hello Tractor makes tractor contracting profitable and farmers more productive through a software and data analytics platform that improves decision making, transparency, and efficiency across the ecosystem.

Data sits at the center of this value proposition allowing for different market actors to play a critical role to service delivery. Scaling Hello Tractors solution and gathering insights into the adoption challenges for mechanization amongst small holder farmers will greatly increase the potential for future continent wide adoption of mechanization inputs. Project: The main objective of this project is to increase mechanization inputs affordability and accessibility to the targeted farmer segments. In order to achieve this HT will need to update its business model and accompanying technology to allow for small holder farmers to book their requests for mechanization services, in advance, and with access to a transparent and simpler payment solution.

- Activity 1: Support business modeling and mapping of payments and credit solution in partnership with Sterling Bank Integrate payments solution within HT platform to increase transparency on transactions between farmers, booking agents, tractor owners, and financial service providers. Automate payments along a pre-booked tractor route by setting up a sweep account, which would direct a portion of payments, between farmer and agent, directly to the bank that financed the tractor.
- Activity 2: Create tractor optimization modeling to establish a vehicle to farm prioritization and deployment decision tool.

Welcome To Your 60dB Results

We enjoyed hearing from 253 of your farmers - they had a lot to say!

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Hello Tractor Performance Snapshot

Hello Tractor performs very well on customer satisfaction, as reflected in the NPS. There’s room for improvement in identifying and reaching farmers who have never accessed similar services before .

Profile

86%

live in poverty



Impact

77%

quality of life
'very much improved'



What Impact

- 39% speak about increased food production
- 36% mentioned better yield and/or harvest
- 26% were able to better afford household expenses

First Access

55%

first time accessing service provided



Farmer Voice

“Because of their work I get a capital to start running a new business and I paid my children school fees with out any worry. I also started rearing animals all due to their help and there is also availability of food in my house.”

Data Summary

Hello Tractor Performance: 253 farmers interviewed during September and October 2020.

Quintile Assessment compares Hello Tractor’s performance with 60dB Agriculture Benchmark for Farmer as Customer comprised of 34 companies, 15 countries, and 8,000 farmers. Full details can be found in [Appendix](#).

Net Promoter Score®

82

on a -100 to 100 scale



Challenges

16%

report challenges



Crop Revenue

73%

'very much increased'



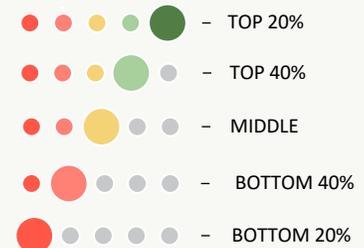
Crop Production

83%

'very much increased'



Performance vs. 60dB Benchmark



Top Impact Highlights

We know you care about social impact.

We've summarized your impact headlines below and on the right.

Hello Tractor improved farming practices by reducing farming effort and increasing speed and efficiency. This resulted in increased production and higher yield per acre. This in turn translated to higher sales. The revenue increases were significant and improved farmers' overall quality of life as farmers were able to consume more food, better afford household expenses, and buy/invest in assets.

Importantly, this impact seems to deepen over time.

Who is Hello Tractor Reaching?

A largely underserved market...

- 55% Accessing tractor service like Hello Tractor's, for the first time
- 66% Could not easily find a good alternative to Hello Tractor
- 86% live on less than \$3.20 per person per day, compared to 73% in Nigeria overall

What Impact Is Hello Tractor Having?

Changing farming practices, improving crop outcomes and farmers' overall quality of life

- 96% Improved their 'way of farming' to some extent
- 83% Increased their 'production' on their farm to some extent
- 87% Increased their 'revenue' from farming to some extent
- 44% Was the average increase in revenue; this was deemed significant to the household by almost all farmers
- 93% Improved their overall 'quality of life' to some extent

...and supporting farmers become more climate resilient

- 50% Who were hit by a climatic shock and affected, said that Hello Tractor had a positive role to play in their recovery

Top Actionable Insights

Hello Tractor is doing extremely well on farmer satisfaction resulting in high demand. Resolving bottlenecks in service fulfilment and providing complementary services will further cement its market position.

Headline



Going Great:

Hello Tractor's affordable and high-quality service is helping build a satisfied and loyal base of farmers

Detail & Suggested Action

Hello Tractor has a Net Promoter Score® of 82 which is excellent, and among the highest in 60dB benchmarks. Farmers value the affordability and overall quality and efficiency of Hello Tractor's services.

Interestingly, Hello Tractor's NPS has increased nearly four folds in two years, from a score of 21 in 2018 to a score of 82 now. In 2018, lack of affordability was the primary reason behind farmer dissatisfaction, but today the affordability of the service is Hello Tractor's primary value proposition.

An idea: Consider leveraging Promoters by incentivizing word-of-mouth referrals to further scale your service.



Area For Improvement:

1 in 6 find it difficult to access your services in their time of need

16% of farmers experienced challenges with Hello Tractor services. Limited availability of tractors and long wait times were most often reported challenges. Farmers also identified these as areas of improvement for Hello Tractor.

A recommendation: Your services are in demand! Consider growing your pool of fleet owners in demand hotspots to reduce request fulfilment time.



Need of the Hour

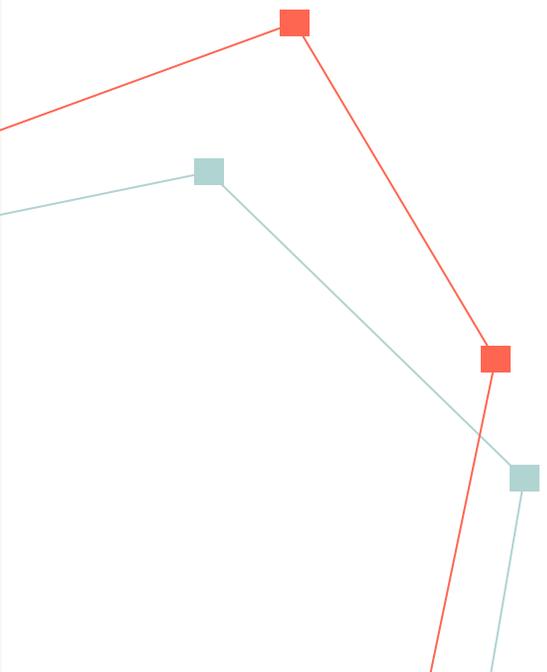
During COVID-19, farmers want support in accessing inputs

87% of farmers anticipate input prices being high and as a result the majority are concerned about access to fertilizer and pesticide in the next six months. These worries were more pronounced in the context of COVID-19. A large proportion of farmers reported financial difficulty and requested cash-based support.

For discussion: Can Hello Tractor cater to demands for complementary service offerings, especially during this difficult time?

Farmer Voices

We love hearing farmer voices.
Here are some that stood out.



Impact Stories

93% shared how Hello Tractor services had improved their quality of life

“Before when I did not use the tractor, I would get like 100- 120 bags of maize in harvest. But now when I use tractor, I get like 200 bags of maize in harvest. ”

“Anything I plant grows well if I use tractor. I have more income from my farm. My live has improved because I have more money to spend.”

“The crops I sold as a result of working with Hello tractor, I used part of the money to start up a business and the remaining money went to my wife's medical bills when she was sick.

“I am now able to live comfortably, feed my family three square meals and also provide for some of my extended family members.”

“I have gained more profits from my crops because of the tractor, I can take care of my bills, like light bills and even paying my rent.”

“I have been able to produce enough food for my family and purchase more land for farming.”

Opinions On Hello Tractor Value Proposition

86% were Promoters and were highly likely to recommend

“I will recommend him (the agent) because he educates farmers like me. Educating farmers in the sense like teaching them things that will help them improve in their farming, given farms positive advice that will help them form his own experience. Given them lecture about modern and easier ways in doing things.”

“Their tractor is new, they worked very good and they are cheap. They are easy going people, kind and very dedicative to their work.”

Opportunities For Improvement

66% had a specific suggestion for improvement

“They should give us more tractors... like in my local government area we should have at least three tractors, though I have not had situation where we had shortage of tractors but more people are showing interest in using the tractors so to avoid waiting they should provide more tractors.”

“The company should provide engineer who will take care of the tractor on the field whenever it has fault.”

Key Questions We Set Out To Answer

- Who is Hello Tractor reaching?
 - Income, farm and disability profile
 - Importance of Hello Tractor offerings
 - Availability of alternatives in market
 - Exposure and resilience to climate shocks
- What impact is Hello Tractor having?
 - Changes in way of farming
 - Changes in crop production, productivity and revenue
 - Impact on quality of life
 - Impact on recovery from climate shocks
- Are farmers satisfied with Hello Tractor & why / why not?
 - Net Promoter Score & drivers
 - Top challenges experienced
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- Additional insights of interest to Hello Tractor
 - Experience with COVID-19
 - COVID-19 and access to inputs
 - COVID-19 and access to information
 - COVID-19 and market access

“Our major problems is food insecurity- we can't produce the amount of food that will satisfy our need. We have land mass but lack skills and technical know how.”

About The Farmer

On average, farmers cultivated 12 acres in the last 12 months and used Hello Tractor's services on three quarters of this land.

We asked questions to understand the farmers' homes, farms, and engagement with Hello Tractor.

Nearly all the farmers (97%) we interviewed, resided in North West, North East or North Central zones.

Farmers were predominantly male and on average had interacted with the company for 9 months and cultivated 12.4 acres of land last year.

Land under cultivation varies a lot - 25% of farmers cultivate less than 5 acres of land, and 5% of the farmers cultivate over 70 acres of land. This shows that Hello Tractor is serving the needs of a heterogenous group of farmers.

About The Farmers We Spoke With

Data relating to farmer characteristics (n = 253)

12.4

Acres were cultivated by the median farmer last year

76%

Of land cultivated last year using Hello Tractor services

11

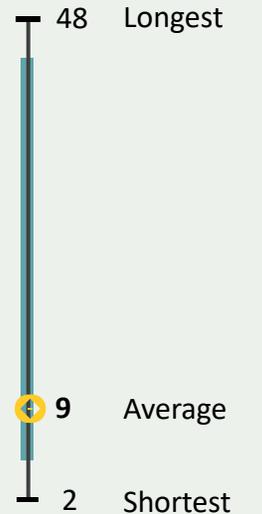
Median household size

45%

Of household income last year came from land that used Hello Tractor services

Hello Tractor Engagement Duration

Reporting Median (months)



Poverty And Inclusivity

Hello Tractor is serving farmers whose poverty profile is comparable with Nigerian national averages.

Using the Poverty Probability Index® we measured how the income profile of your farmers compares to the Nigeria average.

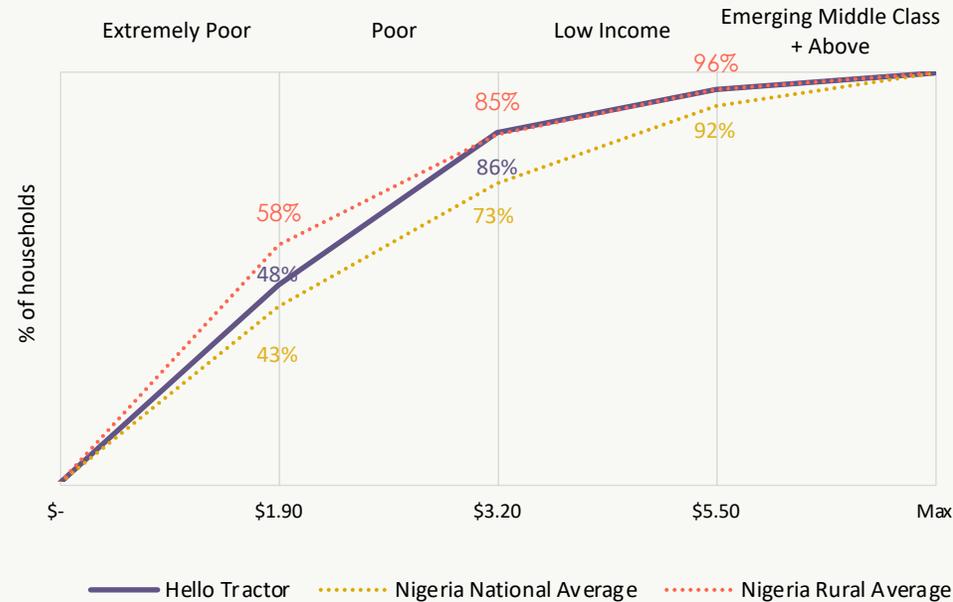
86% of Hello Tractor farmer households live on less than \$3.20 per person per day.

Hello Tractor is serving farmers from households that are slightly poorer compared to Nigeria national average, but slightly better off compared to Nigeria's rural average. This results in an inclusivity ratio of 1.12 at the national level, and 0.94 at the rural level.

You can read more about inclusivity ratio on the right and [here](#).

Income Distribution of Hello Tractor Farmers Relative to Nigeria Average

% living below \$XX per person per day (2011 PPP) (n = 248)



Inclusivity Ratio

Degree that Hello Tractor is reaching low-income farmers in Nigeria

1.12

● ● ● ● ● - TOP 40%

We calculate the degree to which you are serving low-income farmers compared to the general population. 1 = parity with national population. ; > 1 = over-serving; < 1 = under-serving. See Appendix for calculation.

First Access and Alternatives

Hello Tractor is providing first access to a service of its kind for over half of its customers. The majority of the farmers cannot find a good alternative to Hello Tractor.

To understand the company's contribution, we ask farmers if it is facilitating access to a new product or service and whether this offering can be easily replaced by an alternative.

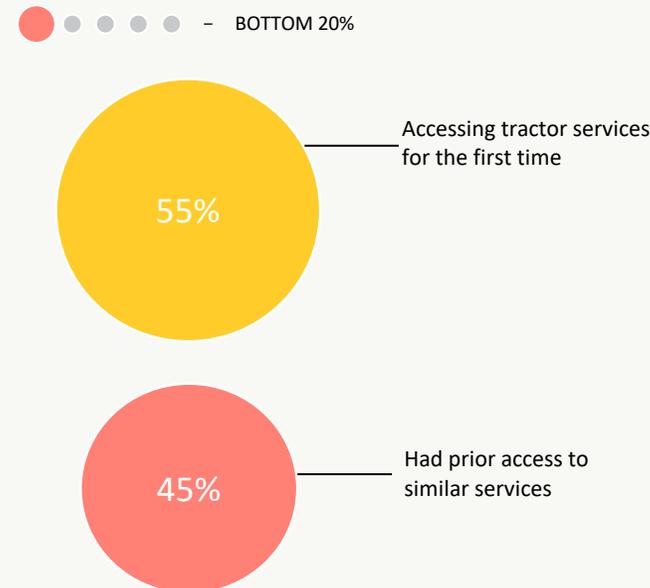
First time access differed by region- farmers in the North East were more likely to be underserved, with only 28% reporting prior access to a similar service, compared to 57% farmers in the North Central with prior access.

Before Hello Tractor, farmers:

1. Used similar services provided by local government, farmer co-operatives, and NGOs (43%)
2. Borrowed equipment from friends or neighbours (30%)
3. Rented equipment from the local market (12%)

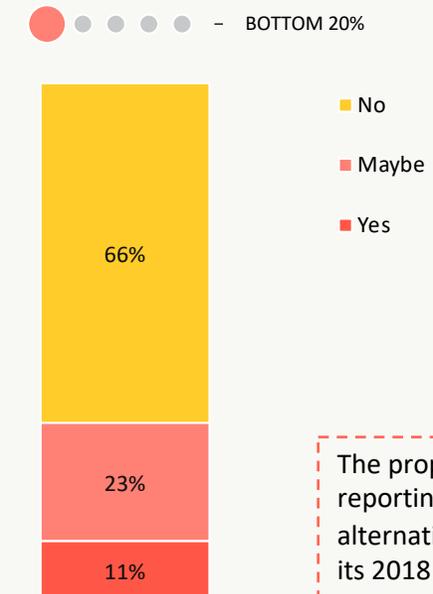
First Access

Q: Before you started interacting with [agent name]'s tractor services, did you have access to services like those that [agent name]'s tractor services provides? (n = 253)



Access to Alternatives

Q: Could you easily find a good alternative to [agent name]'s tractor services? (n = 253)



The proportion of farmers reporting no access to a good alternatives in 2020 is similar to its 2018 levels (64%)

Resilience to Shocks

In the last two years, 83% of farmers faced a shock in their community; flooding and pest infestation or farm disease were the most commonly reported. Of these, 44% have fully recovered from the shock.

94% said their community experienced at least one climate related shock in the last 24 months

Of this group of 208 farmers...

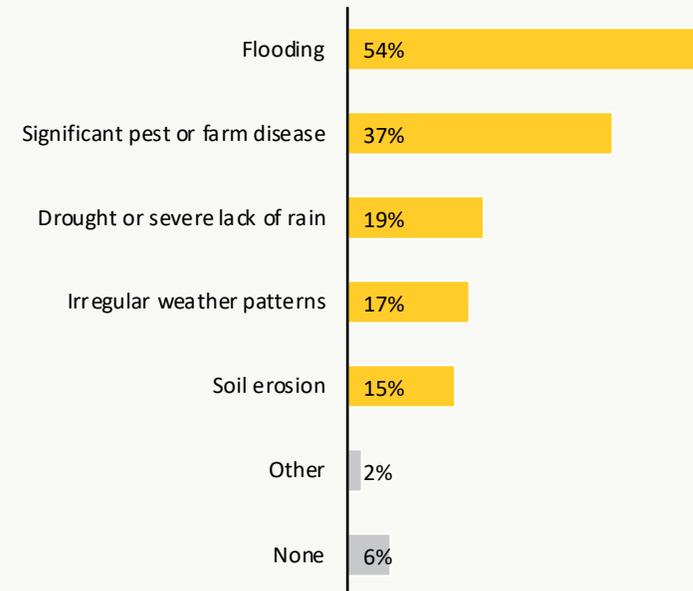
29% Were not affected by the shock that hit their community

44% Have recovered fully

28% Have not recovered

Shocks Experienced By Community

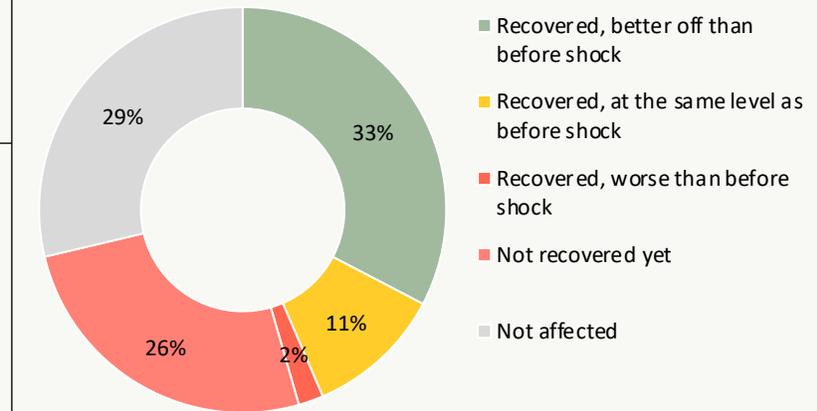
Q: In the last 24 months, which of the following shocks affected your community / village? (n = 222, multiple responses allowed except 'None')



* 30 respondents did not know the answer to this question.

Affect and Recovery for Household

Q: To what extent was your household able to recover from this event? (n = 208)



* Not affected is based on farmers reporting 'None' to this question: Which of these shocks affected your household the most?

Disability Profile

We used the [Washington Group Disability questions](#) on disability to understand the profile of households and how products, services, marketing, training, or after-sales support could be more inclusive.

Hello Tractor farmer households have a 6.7% disability prevalence, which is higher than Nigeria's national population disability rate of 2%.

You can use this information to identify ways to better serve your farmers. For example, if respondents have challenges with eyesight, consider larger informational stickers or brochures. If they have challenges with walking or climbing steps, consider whether booking agents are easily accessible for these farmers.

The disability rate among Hello Tractor farmer households is more than thrice that of Nigeria's national disability rate.

Disability Profile of Hello Tractor's farmer Households

% who said a member of their household had a lot of difficulty doing any of the following or cannot do at all. (n = 250)

6.7%

Respondents said that one or more of their household members had at least one of six disabilities



3.1%

difficulty seeing, even if wearing glasses (if available)



0.0%

difficulty remembering or concentrating



1.2%

difficulty hearing, even if using a hearing aid (if available)



1.2%

difficulty with self-care, such as washing all over or dressing



2.4%

difficulty walking or climbing steps



0.0%

difficulty communicating or being understood, using their usual language

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“Five years ago I was not using fertilizer and tractor services. My farming was very poor. Today my friend I get more increase in productivity , more profit as a result of fertilizer and tractor, no need of my energy to be wasted.”

Way of Farming

To gauge the effect of Hello Tractor’s service on the respondent’s way of farming, we asked them how it had changed since they started using the service.

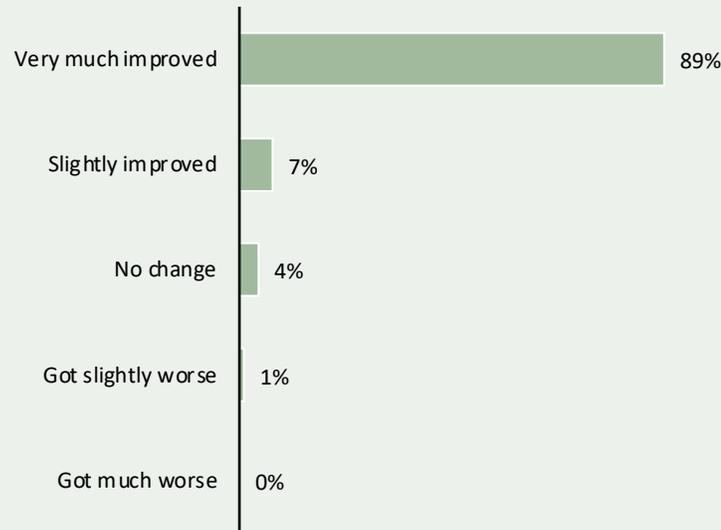
89% of farmers reported a ‘very much improved’ way of farming due to Hello Tractor.

We found a strong link between way of farming and changes in production, such that farmers that reported improvements in their way of farming, also reported increased production because of Hello Tractor’s services.

96% of farmers report an improvement in the way they farm because of Hello Tractor’s services.

Changes In Way Of Farming

Q: Has your way of farming changed because of [agent name]’s tractor services? (n = 228)



Very much improved:

“The usage of mechanised farming has really improved my farming, it also enables me to produce more crops. It ensures early harvest which led to more profit .”

“Our farming has improved because it doesn't take time like it used to before, it is much faster and more increase in farm produce”

Slightly improved:

“The land became more finer, smooth and this made my work easier with no stress. I harvest more product at the end of my harvest”

Way of Farming: Top Outcomes

Farmers were asked to describe – in their own words – the positive changes they were experiencing because of Hello Tractor’s services.

The top outcomes are shown on the right.

Others included:

- Ability to cultivate more land (20%)
- Reduced farming costs (15%)

Of the 4% farmers reporting no change in way of farming, half reported that they could not successfully book a tractor or have not used one enough to notice any changes.

Farmers talk about being able to produce more, reduce farming effort and shorten turn-around time on farming activities.

Top Three Self-Reported Outcomes for 96% of Farmers Who Say Way of Farming Improved

Q: How has your way of farming improved? . (n = 218, multiple responses allowed). Open-ended, coded by 60 Decibels.

46%

Spoke about **increased yield**
(44% of all respondents)

“There is a lot of improvement because get more than double of what I was getting before.”

25%

Reported a **reduction in farming effort**
(24% of all respondents)

“Before I was doing the farm work myself, using my energy. I didn't plant much crops. But with the coming of the tractor I have planted more.”

23%

Spoke about **speedy and efficient service**
(11% of all respondents)

“The speed of the work has changed, now I finish my work in a short period of time now like harrowing, ridges, and I am harvesting with it.”

Crop Production

93% of farmers report an increase in crop production and 65% of this group realized the increase with planting additional land. The increase in land under farming could be an outcome of accessing a mechanization tool like a tractor.

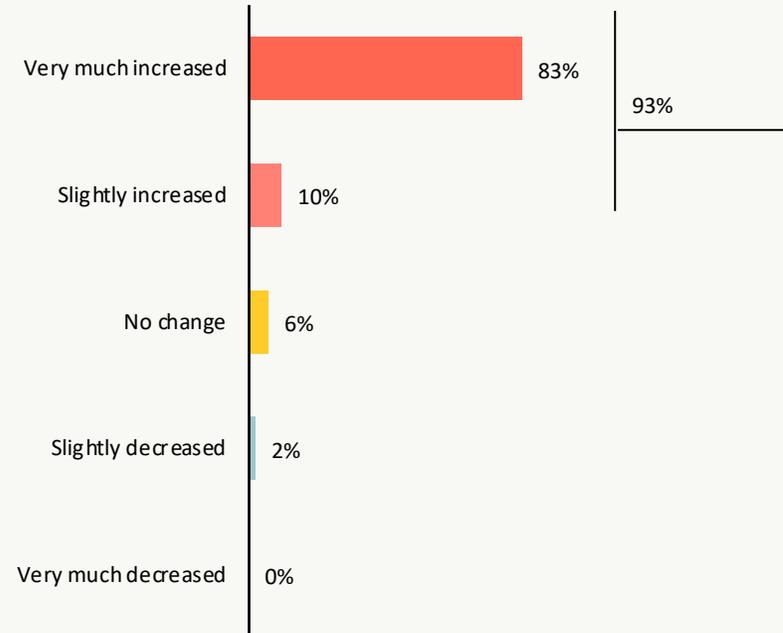
We asked farmers if they had noticed changes in their crop production from the land that used Hello Tractor services, and what might have caused it.

Farmers who have been using Hello Tractor services for over 12 months on average are significantly more likely to report increased production.

Change in Production

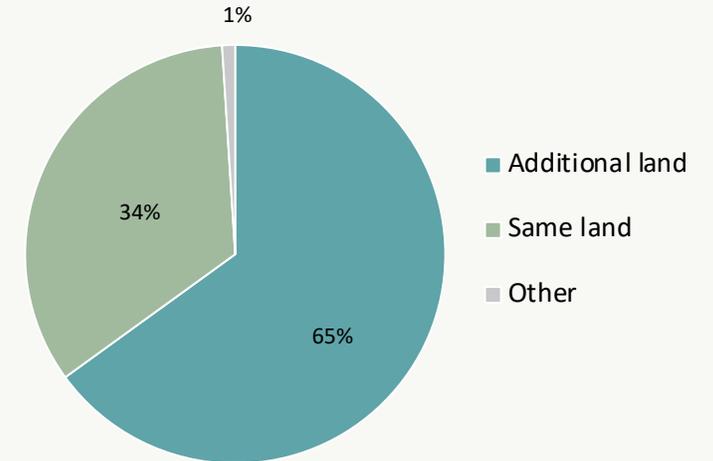
Q: Has the total production from your crop changed because of [agent name]'s tractor services? (n=252)

● ● ● ● ● - TOP 20%



Reasons for increases in production

Q: Was this increase because you planted additional land or was it from the same amount of land? (n=234)



Crop Revenue (1/2)

87% of farmers reported increase in money earned from crops that used Hello Tractor offering. Ability to sell more and better prices were primary reasons for the increases.

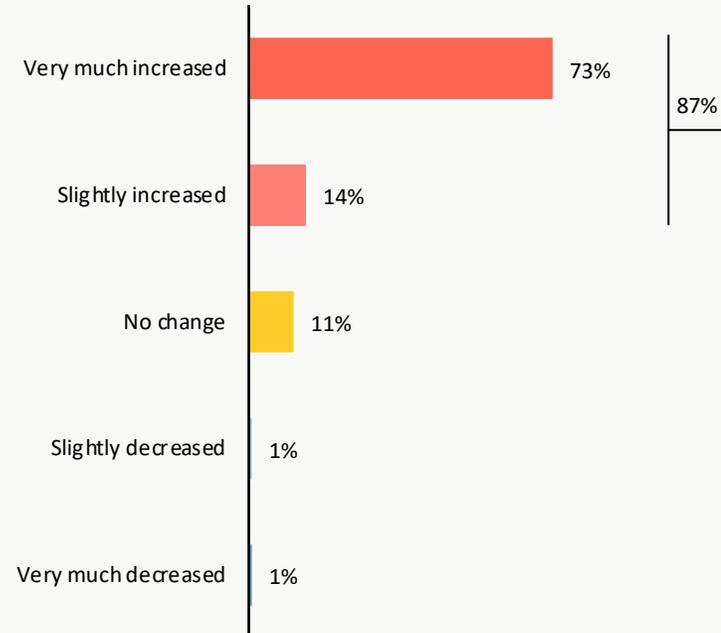
We asked farmers if they had noticed changes in revenue from the land on which they used Hello Tractor services.

Increased crop revenues are strongly linked with increased production - this indicates that Hello Tractor's services could have led to an increase in crop production, which in turn led to increased revenues from the sale of crops.

Returns from Crops

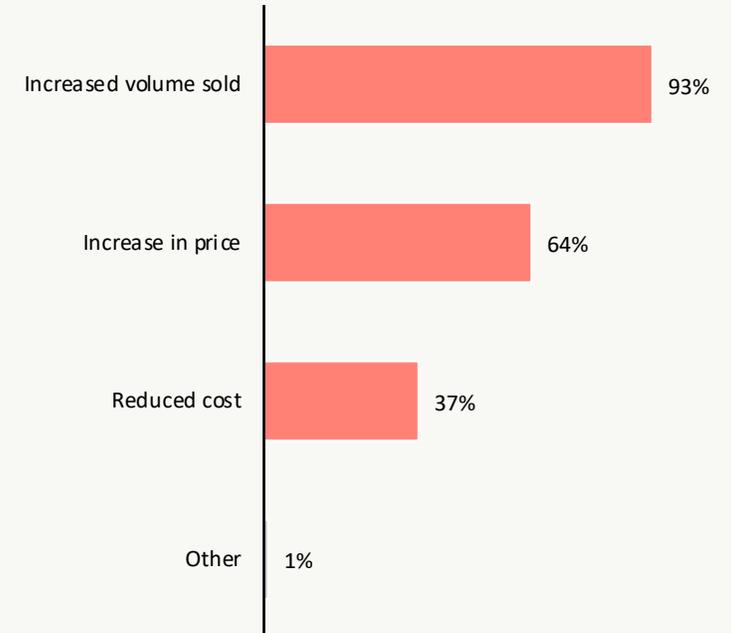
Q: Has the money you earn from crops changed because of [agent name]'s tractor services? (n=253)

● ● ● ● ● - TOP 20%



Reasons for Increased Returns

Q: What were the main reasons for the increase in money earned? (n=211)



Crop Revenue (2/2)

Farmers reported an average revenue increase of 44%. This increase was considered significant for virtually all households.

45%

Of household income last year came from the land that Hello Tractor services were used on

44%

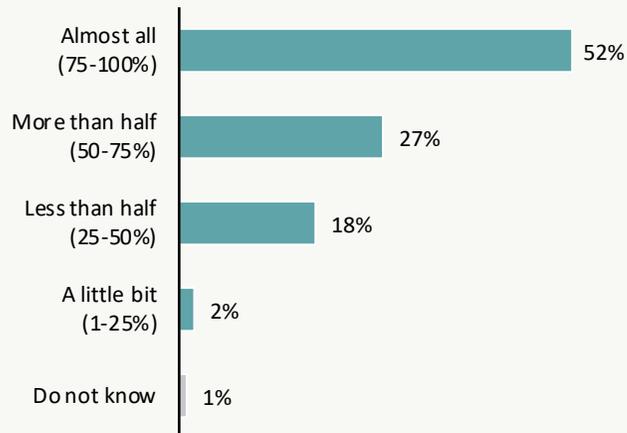
Was the average increase in revenue from land that Hello Tractor services were used on

97%

Rated this change a significance of 4 or 5 when thinking about its contribution to household income

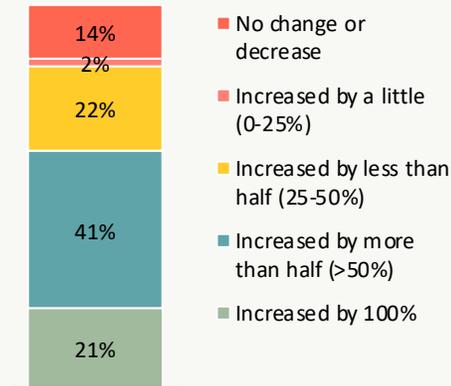
Household Income Impacted By Hello Tractor

Q: In the last 12 months, what proportion (%) of your household's total income came from farming? (n=248)



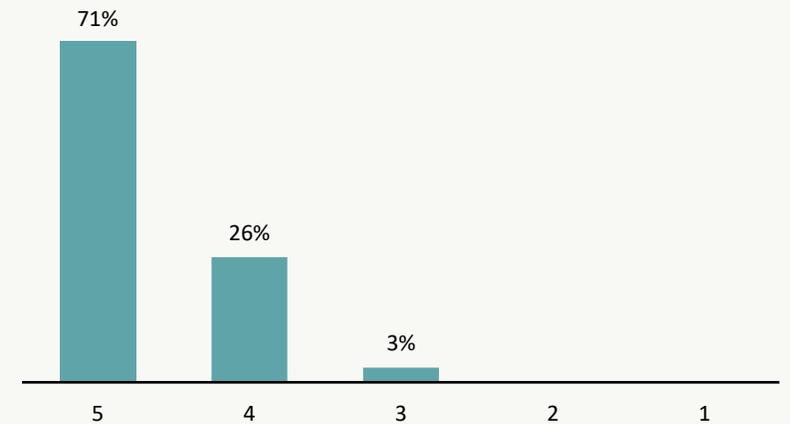
Change In Crop Returns

Q: Can you give a rough estimate how much your money earned from the land has increased because of [agent name]'s tractor services? (n=238)



Significance of Change in Crop Returns

Q: On a scale of 1 to 5, where 1 is not significant at all and 5 is very significant how significant is this increase to your overall household income? (n=211*)



Quality of Life

To gauge depth of impact, farmers were asked to reflect on whether their quality of life has changed because of Hello Tractor.

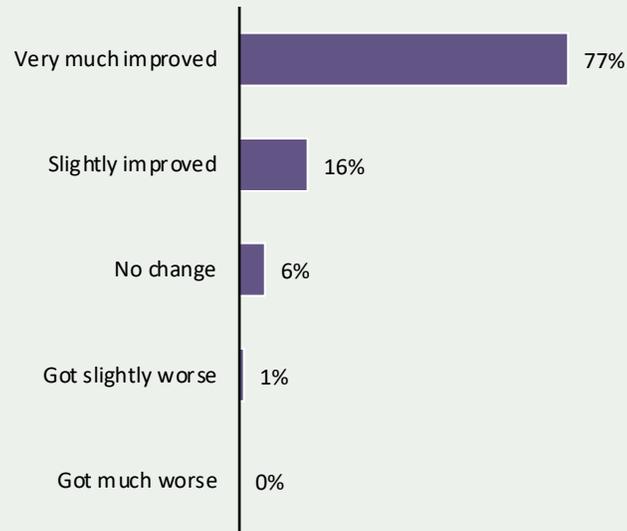
Increase in revenue due to tractor services is strongly linked with reported improvements in quality of life. 88% of those who reported that money earned 'very much increased' due to the tractor service also report that their quality of life 'very much improved'.

93% of farmers report experiencing quality of life improvements because of Hello Tractor.

Perceived Quality of Life Change

Q: Has your quality of life changed because of [agent name]'s tractor services? (n = 252)

● ● ● ● ● - TOP 40%



Very much improved:

"I've been able to buy additional land and my family members eat good food since I've hired tractor because we don't stress ourselves out like before."

"Today I'm earning more money than before because of this mechanized farming."

Slightly improved

"There was a slightly improvement. The only problem we had was a delay at the first time in bringing the tractor, but this time around there was no any problem."

Quality of Life: Top Outcomes

Farmers were asked to describe – in their own words – the positive changes they were experiencing because of Hello Tractor’s services.

The top outcomes are shown on the right. Other outcomes among those who reported improvements in quality of life include:

- Ability to buy assets or invest in business (26%)
- Ability to cultivate more land (20%)
- Increased household income (20%)

5% respondents reported no change in quality of life. Some of these respondents reported that they had not yet harvested the crops, and hence not noticed any changes (29%) or that the tractor they booked arrived too late (21%).

Farmers talked about being able to grow and consume more food, and better afford household expenses.

Top Three Self-Reported Outcomes for 93% of Farmers Who Say Quality of Life Improved

Q: Please explain how your quality of life has improved. (n = 235, multiple responses allowed). Open-ended, coded by 60 Decibels.

39%

Spoke about **increased food consumption by family**

(36% of all respondents)

“Whenever I get good farm materials, it comes out with positive results- we get more food in the house and it saves a lot of our labour time.”

36%

Mentioned a **better yield and/or harvest**

(33% of all respondents)

“I was able to get more farm produce and more income as the result of company doing the harrow work good and early.”

26%

Spoke about **being able to better afford household expenses**

(21% of all respondents)

“My life has changed because of the more income I got from my yields. I was able to take my child to hospital to cure his illness, and I spent so much on my family and friends.”

Recovery From Climate Shocks

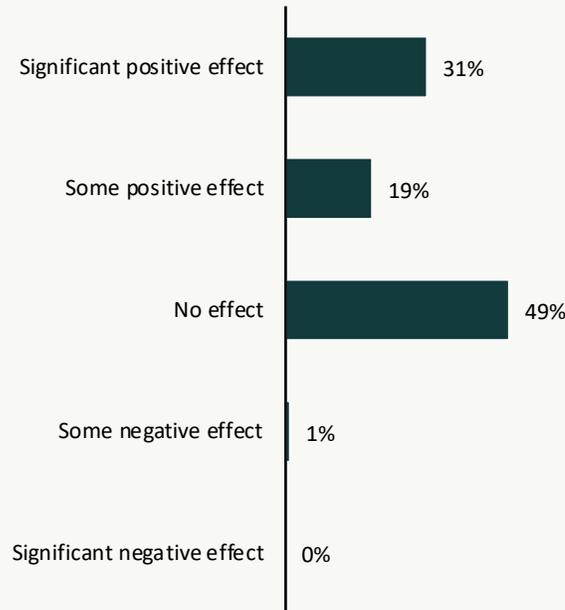
Half of the farmers whose community was hit by a climate shock said that the tractor service had a positive impact on their recovery.

We asked 149 producers who reported being affected by a climate shock if involvement with their tractor partner had impacted their recovery from the climate shock reported earlier.

While nearly half of the respondents reported no impact, the other half said that their tractor partner's services had at least some positive impact of their recovery.

Impact of Hello Tractor on Recovery

Q: Did your involvement with the agent have a positive, negative or no effect on your recovery? (n=149)



“The work is very fast now, and the ploughing helps the land to retain water, so I don't need any form of irrigation even if there is no rain fall.”

“Nothing has changed because after they worked on my farm flood destroyed my crops almost half of my farmland was washed away by flood, so I am still at that level as before they came to work on my farm.”

Additional Insights: Disaggregation By Tenure

Farmers who have worked with Hello Tractor for longer report deeper impact, especially with respect to customer satisfaction and improvements in money earned.

We wanted to understand if farmer experience with the service and the farming outcomes changed over time.

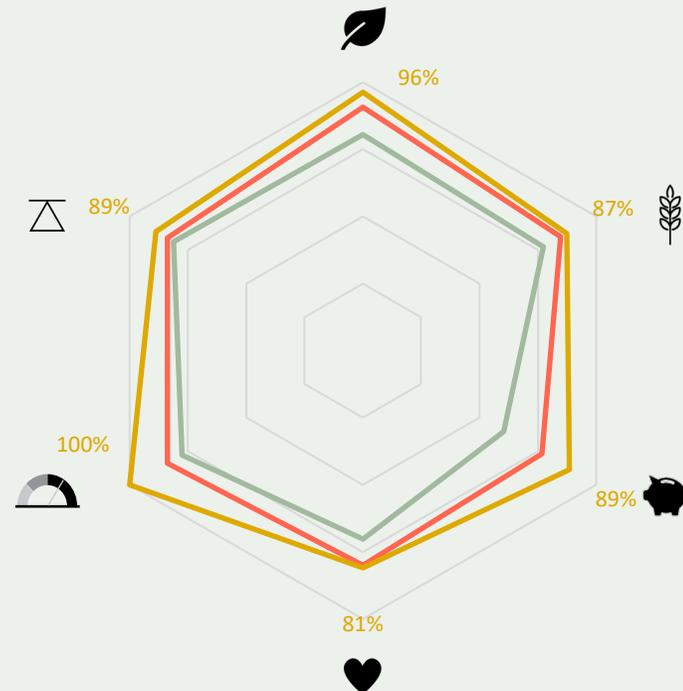
Those who had been with the company for more than 6 months were significantly more likely to report improvements in way of farming and higher NPS.

Interestingly, farmers who have used Hello Tractor services for over 2 years have a perfect NPS of 100.

Average performance across metrics:

- 6 months or less: **75%**
- 7 to 12 months: **83%**
- 13 months or more: **90%**

Experience and Farming Outcomes segmented by Tenure



Key: Farmer Tenure

- **6 months or less**
n = 70
- **7 to 12 months**
n = 131

- **13 months or more**
n = 46

 **Way of Farming**
% reporting “very much improved” because of Hello Tractor

 **Production**
% reporting “very much improved” because of Hello Tractor

 **Money Earned**
% reporting “very much improved” because of Hello Tractor

 **Quality of Life Impact**
% reporting “very much improved” because of Hello Tractor

 **Net Promoter Score®**
% who are Promoters

 **Challenges**
% reporting “no” challenges with Hello Tractor

Key Questions We Set Out To Answer

- Who is Hello Tractor reaching?
 - Income, farm and disability profile
 - Importance of Hello Tractor offerings
 - Availability of alternatives in market
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 - COVID-19 and market access

“I will recommend them because getting tractor from them is not difficult like that of government. This new way of farming really helped my crop to grow well and yield more.”

Farmer Satisfaction: Net Promoter Score

Hello Tractor has a Net Promoter Score® of 82 which is excellent, and higher than the 60dB Agriculture benchmark.

The Net Promoter Score® is a gauge of satisfaction and loyalty. Anything above 50 is considered very good. A negative score is considered poor.

Asking respondents to explain their rating explains what they value and what creates dissatisfaction. These details are on the next page.

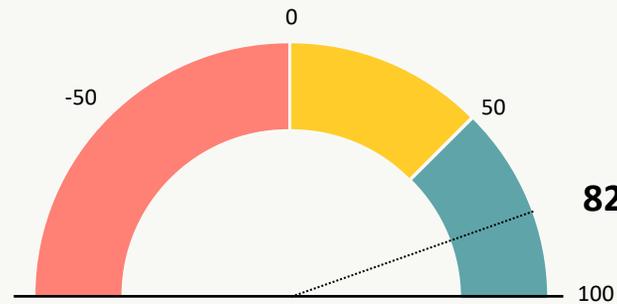
Farmers who reported facing challenges with the service were less likely to be Promoters.

Insight

You're in the top 20% of our agriculture benchmark for this indicator. Share this news with your team, partners, and investors!

Net Promoter Score® (NPS)

Q: On a scale of 0-10, how likely are you to recommend [agent name]'s tractor services to a friend or family member, where 0 is not at all likely and 10 is extremely likely? (n = 253)



NPS = % Promoters — % Detractors

9-10 likely to recommend

0-6 likely to recommend

NPS Benchmarks

● ● ● ● ● — TOP 20%

60 Decibels Global Agri Average **33**
62 companies

Farmer as customer average **32**
33 companies

West Africa average **21**
15 companies

NPS Drivers

86% of all farmers are Promoters. Promoters value the affordability of the service and the quality and speed of ploughing of the tractor.

86% are Promoters :)

They love:

- 1. Affordability
(24% of Promoters / 41% of all respondents)
- 2. Speedy and efficient ploughing
(21% of Promoters / 13% of all respondents)
- 3. Quality of ploughing
(20% of Promoters / 12% of all respondents)

“The work was done neatly, they came on time, they clear everywhere it’s supposed to be, and their price is not too high compared to others tractor I use to hire.”

Tip:

Highlight the above value drivers in marketing.
Promoters are powerful brand ambassadors — can you reward them?

10% are Passives : \

They like:

- 1. Quality of ploughing
(44% of Passives / 4% of all respondents)
- 2. Speedy and efficient ploughing
(32% of Passives / 3% of all respondents)

But complain about:

- 1. Service-related issues like delays and attitude of agents
(24% of Passives/ 2% of all respondents)

“They did the ploughing very well and it was fast, the only problem is that they didn’t come when they were supposed to come.”

Tip:

Passives won’t actively refer you in the same way that Promoters will.
What would it take to convert them?

4% are Detractors : (

They complain about:

- 1. Lack of timely fulfilment of tractor requests
(55% of Detractors / 6 of 11 Detractors)
- 2. Lack of communication with customers
(45% of Detractors / 5 of 11 Detractors)
- 3. Price of the service
(27% of Detractors / 3 of 11 Detractors)

“They should not disappoint us, because they promised to come and work on my farm, but I didn’t see them.”

Tip:

Negative word of mouth is costly.
What’s fixable here?

NPS Change Over Time

Hello Tractor has shown significant improvement in NPS since 2018. This improvement is largely led by a sharp increase in the number of Promoters, from 46% in 2018 to 86% in 2020.

Today, affordability is one of the main value propositions for Hello Tractor. However, the lack of it was the main cause of dissatisfaction among Detractors in 2018.

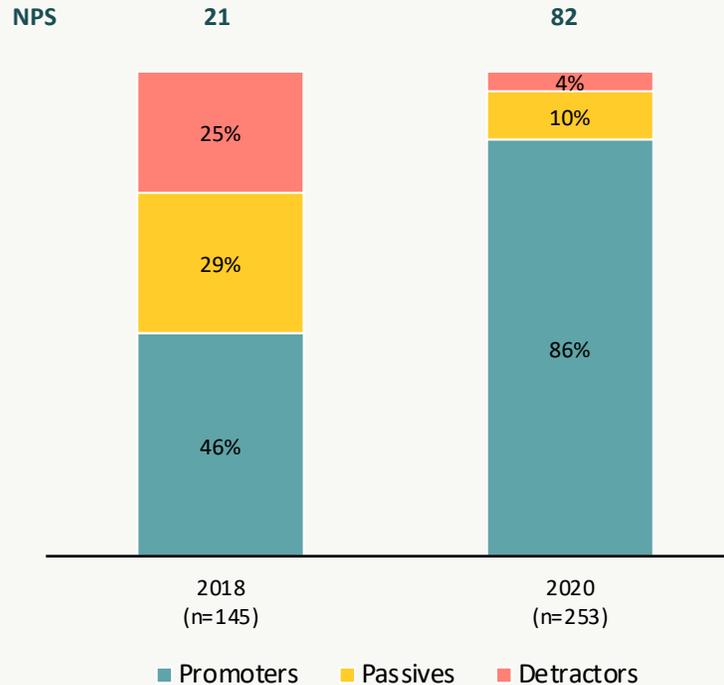
To make the comparison more meaningful, we also compared the demographic spread of the two samples, and found that:

- Distribution across regions was similar in both samples
- 1% of farmers in 2018 were females, compared 4% in this sample
- Response rate was 4% in 2018, compared to 44% now.

Hello Tractor’s NPS has increased nearly four folds, from a score of 21 in 2018 to 82 now. The primary reason for dissatisfaction among Detractors in 2018, is today Hello Tractor’s value proposition amongst the Promoters.

NPS over Time

Q: On a scale of 0 to 10, how likely are you to recommend [agent]’s tractor services to family or friends?



Farmer Challenges

Asking about farmer challenges enables Hello Tractor to identify problem areas and tackle them proactively.

60% of the reported challenges were around the delay in finding a tractor and request fulfilment, which was also the most common complain reported by [Detractors](#).

Compared to 2018, fewer farmers report challenges now (31% vs. 16%). This might indicate that Hello Tractor has been able to address customer challenges successfully.

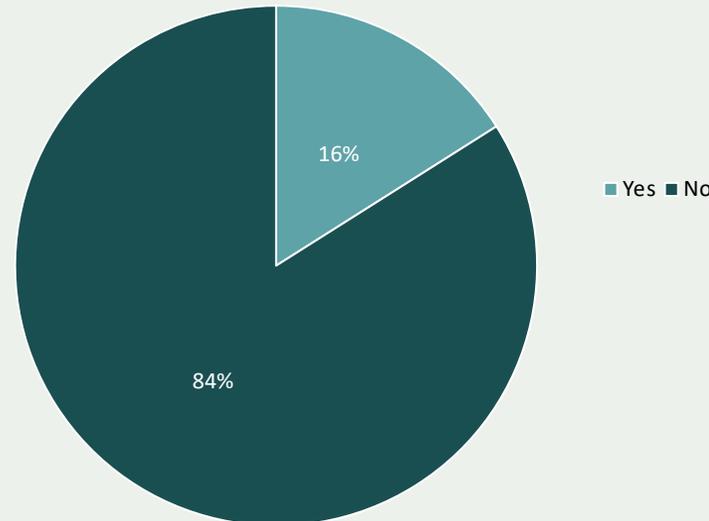
Poor quality of tractors was the top challenge in 2018, reported by 53% of people with challenges. While it still continues to be a challenge, fewer farmers have an issue with tractor quality (23% of those with challenges).

84% report facing no challenges with Hello Tractor’s services. Among those who did face challenges, delay in finding a tractor, tractor reliability and price were most often reported.

Proportion of Farmers Reporting Challenges

Q: Have you experienced any challenges with Hello Tractor? (n = 253)

● ● ● ● ● - MIDDLE



Top Challenges Reported

Q: Please explain the challenge you have experienced (n = 40)

1. Delay in finding tractor or limited availability

(60% of farmers w. challenges / 9% of all respondents)

“The challenge was not getting the tractor on time, we got it late.”

2. Reliability of tractors and tractor quality

(23% of farmers w. challenges / 4% of all respondents)

“The challenge I faced was the tractor once spoiled in my farm that my sowing work got delayed.”

3. High cost of hiring a tractor

(13% of farmers w. challenges / 2% of all respondents)

“The amount charged is very high because they ploughed 4 hectares for me which was 80,000 Naira. I had to leave 1 of my hectares out because of lack of funds.

Farmer Suggestions

We asked farmers an open-ended question about their suggestions to help Hello Tractor improve.

About a third could not think of a specific suggestion. Among those who did, farmers shared a variety of suggestions surrounding fleet size, wait time, tractor quality, and service prices.

Some of the least frequently reported suggestions have been clubbed into 'other'. These included training and demonstration of tractor use, and access to farm inputs like seeds and fertilizers.

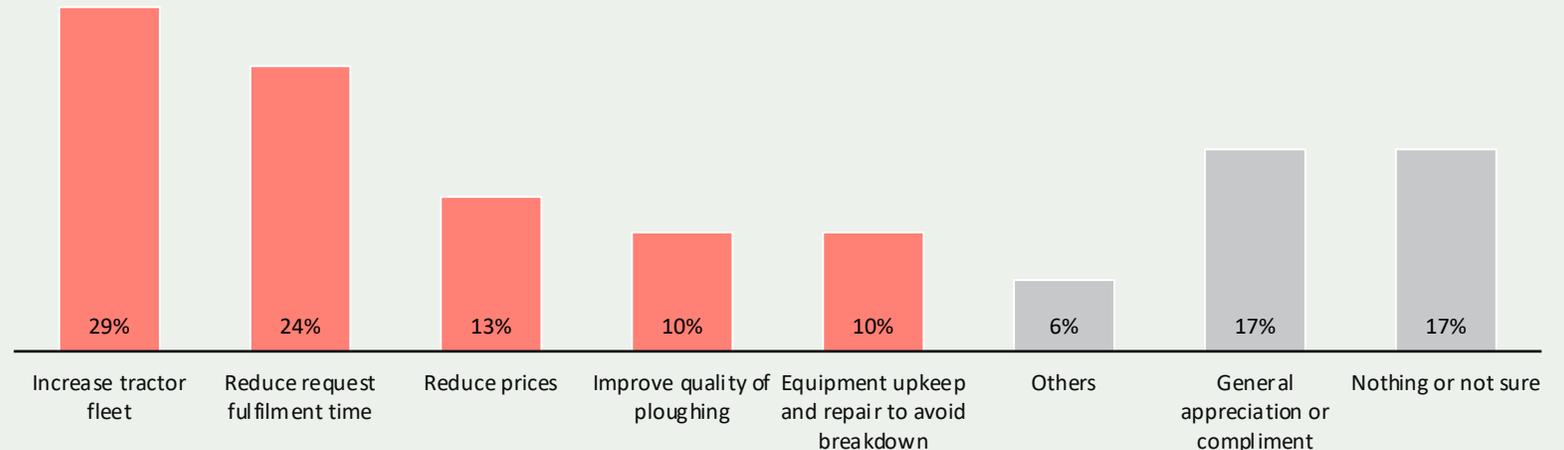
Increasing availability of tractors and reducing time taken to fulfil farmer requests emerged as the top two suggestions.

Suggested improvements

Q: What about Hello Tractor could be improved? (n = 253), Open ended coded by 60 Decibels, % of respondents)

“The only two things I will suggest Hello Tractor service to improve are that first, the company should please bring more tractors. Second, they should please bring the cost down.

“Because of their late coming I'm not planting my seeds early I have to wait for them while time is going. Sometimes I have to assign manual labour to do work in some of my small farm due to their late coming.”



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“We are businesspeople, and this Covid has made our dealings stop. We are always scared. Government should provide preventative measures so we can protect ourselves, our relatives and business partners.

Concern About COVID-19

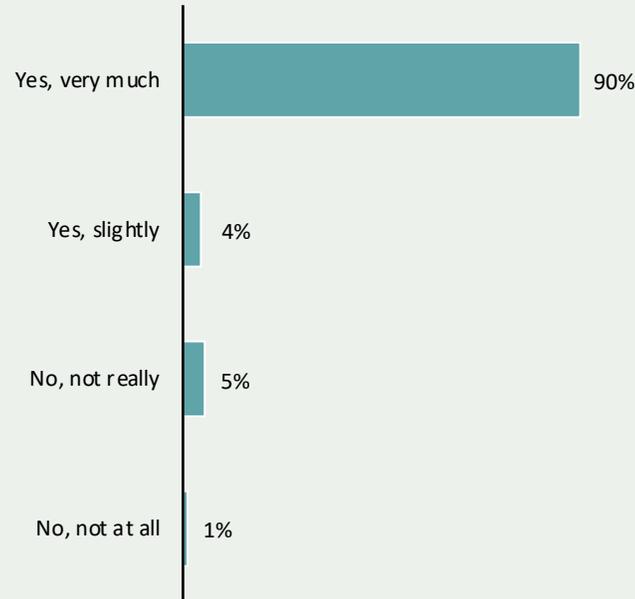
We asked farmers questions related to COVID-19 to assess their level of concern and identify potential support areas.

When asked to share how their life could be improved during this time of the COVID-19 pandemic, farmers asked for financial support for daily expenses and farming activities, and improved access to farm inputs and equipment.

90% of the farmers said they are ‘very much’ concerned about COVID-19.

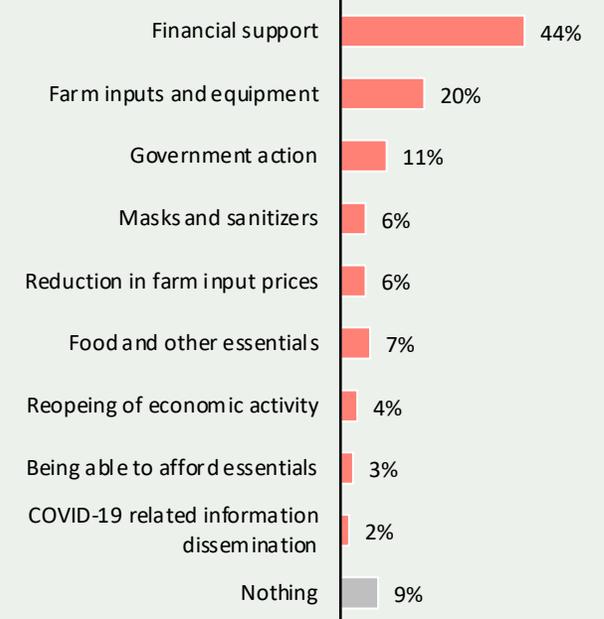
Level Of Concern About COVID-19

Q: Are you concerned about COVID-19? (n = 251)



Things That Could Improve Life

Q: Related to this pandemic, what one thing could improve your life at this time? (n = 253) Open-ended, coded by 60 Decibels



Next Month on Farm During COVID-19

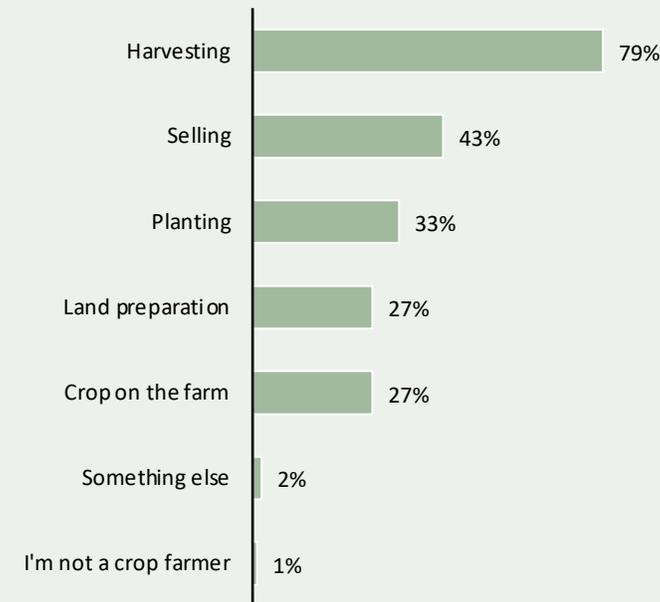
We asked farmers what phase of farming they will be in next month and whether they're confident in their ability to manage as they normally would.

89% of respondents indicated they were 'very confident' and 8% 'slightly confident' that they will fare well in the next month.

Nearly all farmers are confident they will be able to manage next month's farming activities they normally would.

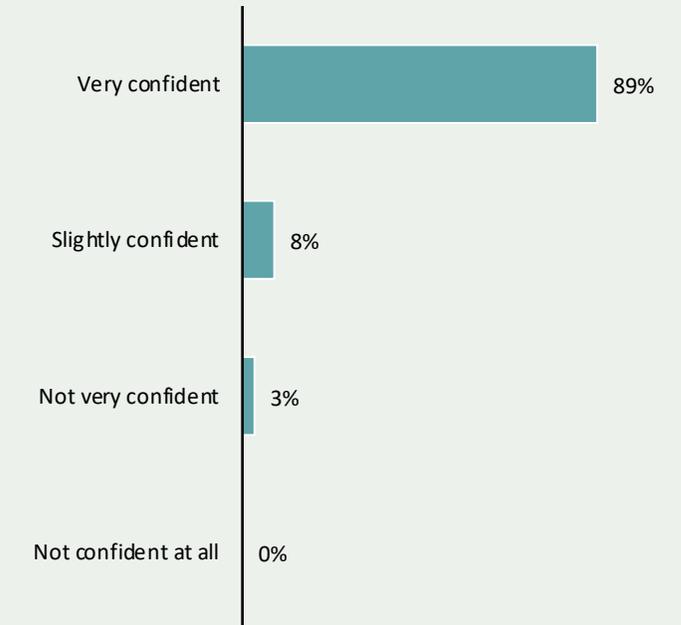
Current Agricultural Activity

Q: Which of these phases of farming will you be in for the next month? (select multiple) (n = 253)



Confidence in Performing Activity

Q: How confident do you feel that you will be able to undertake these activities as you would have normally? (n = 251)



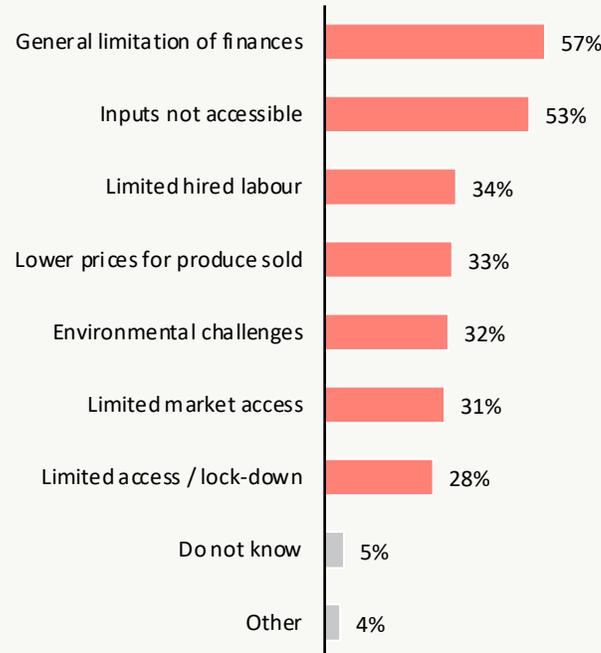
Challenges and Requests

57% of farmers reported financial limitations as their biggest challenge related to COVID-19.

We asked farmers what they need at this time to overcome the top challenges they are facing due to COVID-19. Farmers indicated that access to cash, credit, and farming inputs would be most useful to them right now.

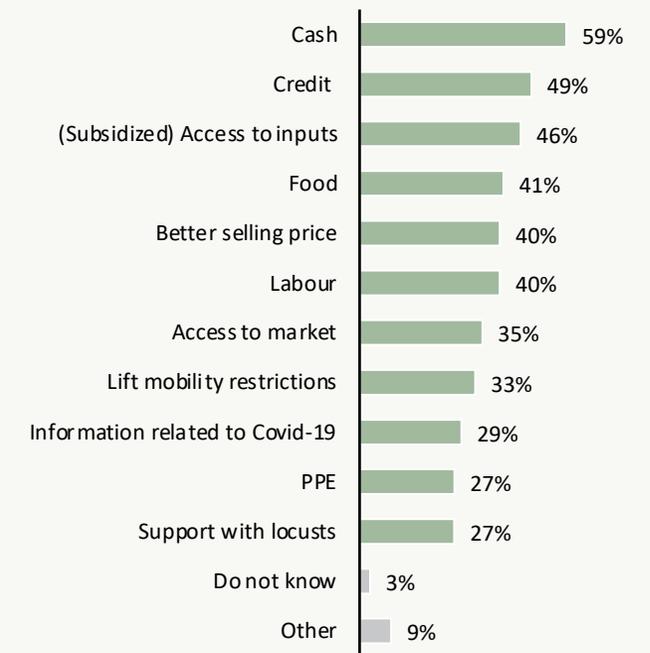
Top Challenges Related to COVID-19

Q: What do you anticipate the biggest challenges being? (n = 253)



Solutions for Top Challenges

Q: What kinds of agricultural products / services / information would be most useful for you to overcome these challenges? (n = 253)



COVID-19 Challenges: Inputs

87% of farmers anticipate input prices being too high to be a challenge in the next 6 months. The majority are concerned about being able to access fertilizer and pesticides.

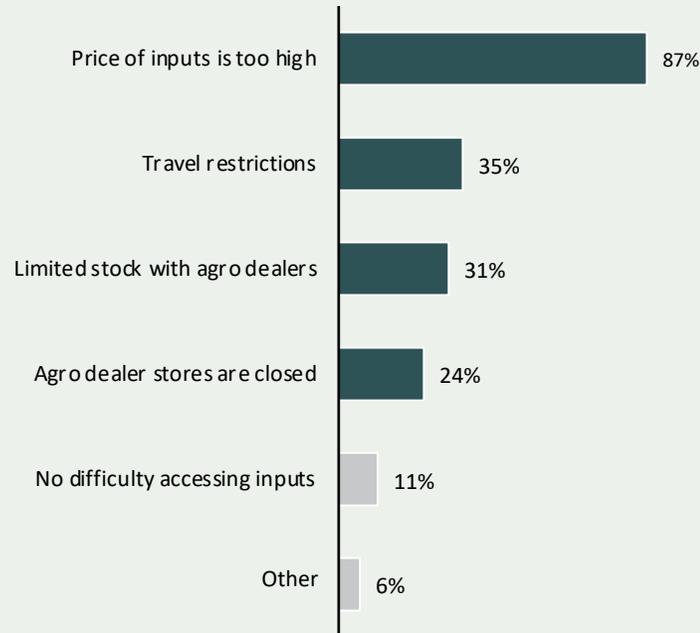
Farmers anticipate that challenges related to purchasing input will be on account of high input prices and travel restrictions due to COVID-19.

11% also mentioned not anticipating any challenges in accessing inputs.

Farmers perceive purchasing fertilizers, seeds, pesticides and farm equipment as difficult in the coming months.

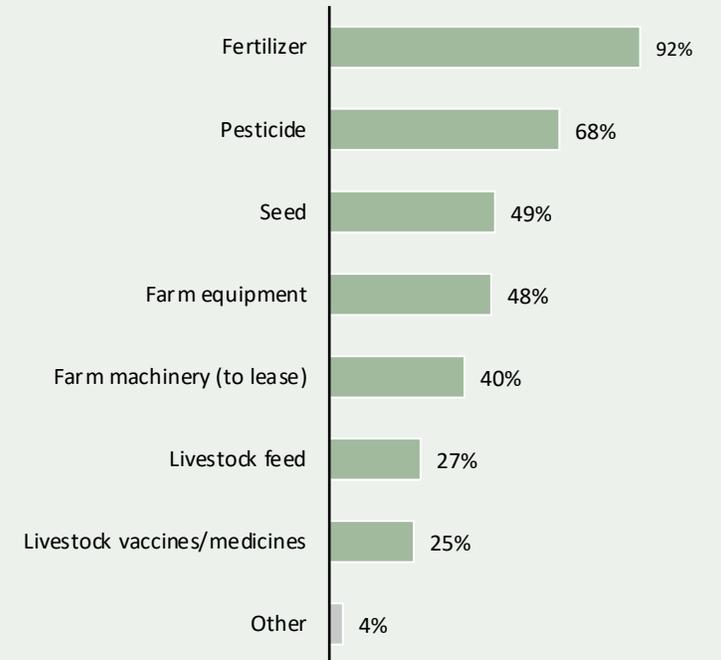
Perceived Challenges Buying Inputs

Q: When you try to purchase inputs in the next 6 months, which of these challenges do you anticipate experiencing? (n = 253 multiple responses allowed)



Type of Inputs

Q: Which types of inputs will you find particularly hard to purchase? (n= 253, multiple responses allowed)



COVID-19 Support: Information

In the next 6 months, majority of farmers want information on crop prices and buyers. Radio and SMS emerge as the top two trusted information dissemination channels.

We wanted to learn from farmers what information around farming they would find useful in the next 6 months, and what sources they tend to trust.

Apart from price and buyers, a large percentage of farmers want the highest value crops to plant and climate forecasts.

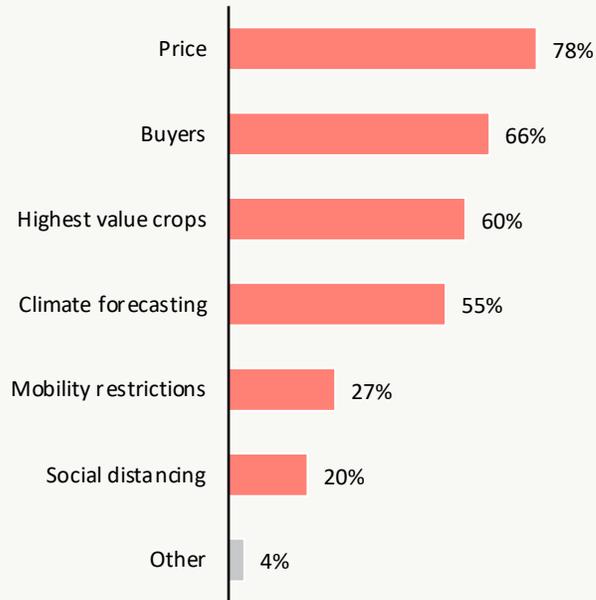
The next slide has a further breakdown on the market information that farmers would like to see.

Question

Given the high levels of concern around COVID, are there ways for Hello Tractor to pro-actively communicate this information with farmers?

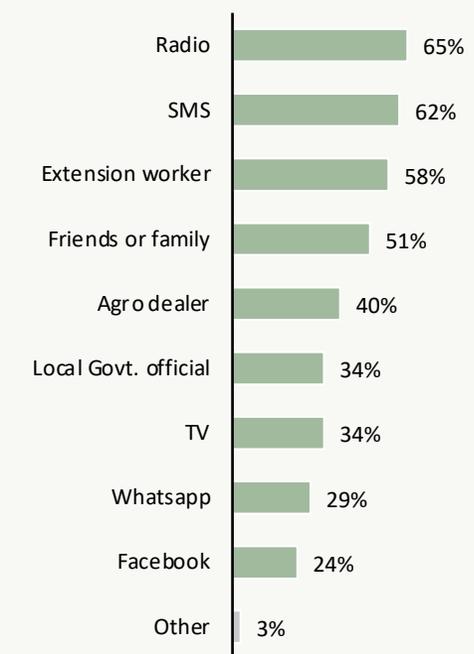
Suggestions for Useful Information

Q: What kind of advice would you find useful for the next 6 months? (n = 253)



Sources of Trusted Information

Q: What are your trusted sources for this information? (n = 253)

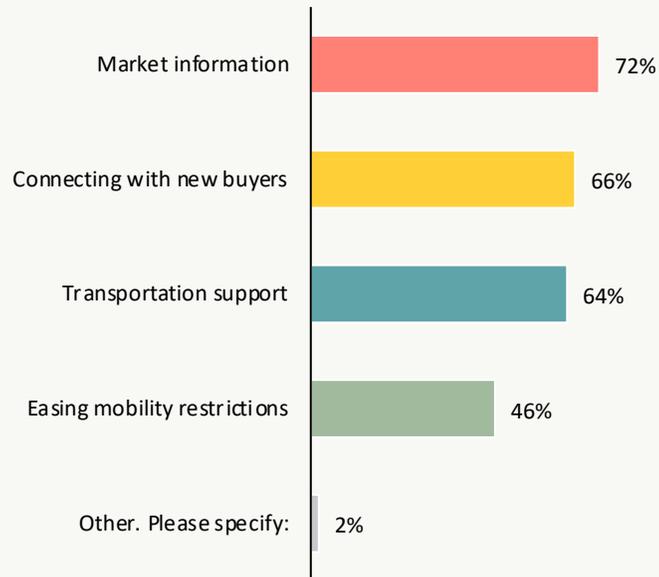


COVID-19 Support: Market Access

67% of farmers report market information would be helpful in the next 6 months, specifically on price. 77% farmers have a preference to sell their products to companies.

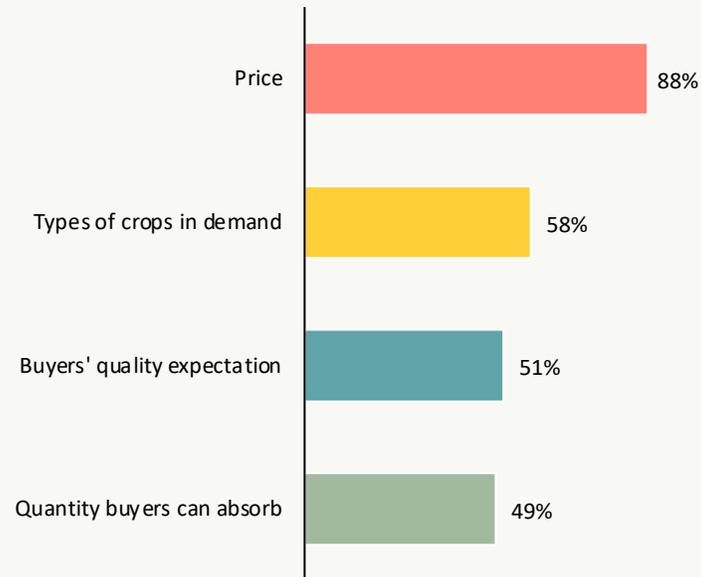
Useful Market Conditions For Crop Sale

Q: Which of these will help you sell your crop and livestock produce in the next 6 months? (n = 253, multiple responses allowed)



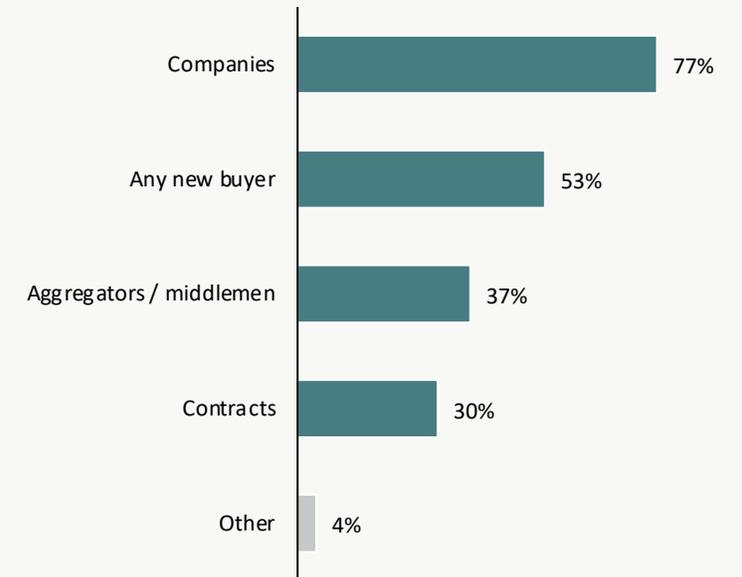
Useful Market Information

Q: What kind of market information would be useful to you? (n= 253, multiple responses allowed)



Preferred Buyers For Farmers

Q: Which of these buying engagements do you prefer? (n = 253)



How To Make The Most Of These Insights

Here are ideas for ways to engage your team and use these results to fuel discussion and inform decisions.

Example tweets or Facebook posts to share publicly

- 93% of our farmers say the quality of their lives has improved since working with us. “I was able to get more farm produce and more income as the result of company doing the harrow work good and early” #listenbetter with @60_decibels
- 86% of farmers would recommend us to a friend or family member – what are you waiting for?
- 60% of all challenges faced by our farmers are related to delay in fulfilment of their tractor request– what improvements would you like to see? We #listenbetter with @60_decibels

What You Could Do Next. An Idea Checklist From Us To You :-)

Engage Your Team	<ul style="list-style-type: none"> <input type="checkbox"/> Share staff quiz – it’s a fun way to fuel engagement & discussion <input type="checkbox"/> Send deck to team & invite feedback, questions and ideas. Sometimes the best ideas come from unexpected places! <input type="checkbox"/> Set up team meeting & discuss what’s most important, celebrate the positives & identify next steps
Spread The Word	<ul style="list-style-type: none"> <input type="checkbox"/> Reach a wider audience on social media & show you’re invested in your farmers – we’ve added some example posts on the left
Close The Loop	<ul style="list-style-type: none"> <input type="checkbox"/> Let us know if you’d like us to send an SMS to interviewed farmers with a short message letting them know feedback is valued and as a result, you’ll be working on XYZ <input type="checkbox"/> If you can, call back the farmers with challenges and/or complaints to find out more and show you care. <input type="checkbox"/> After reading this deck, don’t forget to let us know what you thought [feedback form]
Take Action!	<ul style="list-style-type: none"> <input type="checkbox"/> Collate ideas from team into action plan including responsibilities <input type="checkbox"/> Keep us updated, we’d love to know what changes you make based on these insights

Detailed Benchmarking Comparison

Comparison to benchmarks can be useful to identify where you are under- or over-performing versus peers, and help you set targets. We have aligned your results to the [Impact Management Project](#) framework – see next slide.

Information on the benchmarks is found below:

Hello Tractor Data

farmers 253

60dB Global Average:

companies 64
farmers 12,309

60dB Agriculture Farmer as Customer Average

companies 32
farmers 7968

60dB West Africa Average

companies 17
farmers 3619

Hello Tractor performs particularly well on customer experience and satisfaction

Comparison of Hello Tractor Performance to Selected 60dB Benchmarks

Dimension	Indicator	Hello Tractor	60dB Global Average	60dB Agriculture* Average	60dB West Africa Average
○	Inclusivity Ratio	1.12	0.81	1.14	1.53
	% female	4	30	34	35
How Much	% reporting quality of life very much improved	77	41	47	44
	% reporting quality of life slightly improved	16	40	36	34
≡	% reporting crop production very much improved	83	36	44	36
	% reporting crop revenue very much improved	73	36	29	26
What Impact	% reporting quality of life improved due to increased yield	36	-	-	-
	% reporting improved way of farming	96	-	-	-
□	Contribution	55	71	74	68
	% saying no good alternatives are available	66	79	88	83
+	Risk	16	28	23	26
	% experiencing challenges	16	28	23	26
△	Experience	82	33	22	21
	Net Promoter Score	82	33	22	21

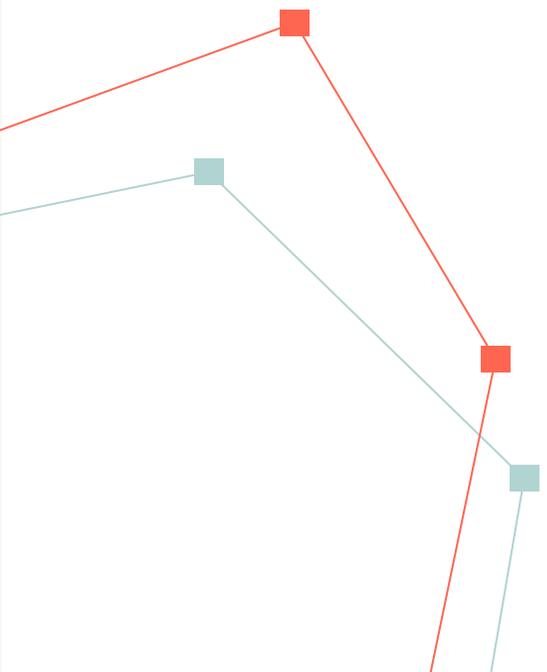
*Specifically, Agriculture – Farmer As Customer Average

Calculations & Definitions

For those who like to geek out, here's a summary of some of the calculations we used in this deck.

Metric	Calculation
Net Promoter Score[®]	The Net Promoter Score is a common gauge of farmer loyalty. It is measured through asking farmers to rate their likelihood to recommend your service to a friend on a scale of 0 to 10, where 0 is least likely and 10 is most likely. The NPS is the % of farmers rating 9 or 10 out of 10 ('Promoters') minus the % of farmers rating 0 to 6 out of 10 ('Detractors'). Those rating 7 or 8 are considered 'Passives'.
Inclusivity Ratio	The Inclusivity Ratio is a metric developed by 60 Decibels to estimate the degree to which an enterprise is reaching less well-off farmers. It is calculated by taking the average of Hello Tractor % / National %, at the \$1.90, \$3.20 & \$5.50 lines for low-middle income countries, or at the \$3.20, \$5.50 and \$11 lines for middle income countries. The formula is: $\sum_{x=1}^3 \frac{([Company] Poverty Line \$x)}{(Country Poverty Line \$x)} / 3$

Summary Of Data Collected



253 phone interviews completed in October 2020

Methodology

Survey mode	Phone Interviews
Country	Nigeria
Language	English, Pidgin and Hausa
Dates	September - October 2020
Sampling	253 farmers selected randomly from 1654 Hello Tractor farmers
Response rate	44%

Accuracy*

Confidence Level	c. 90%
Margin of error	c. 5%

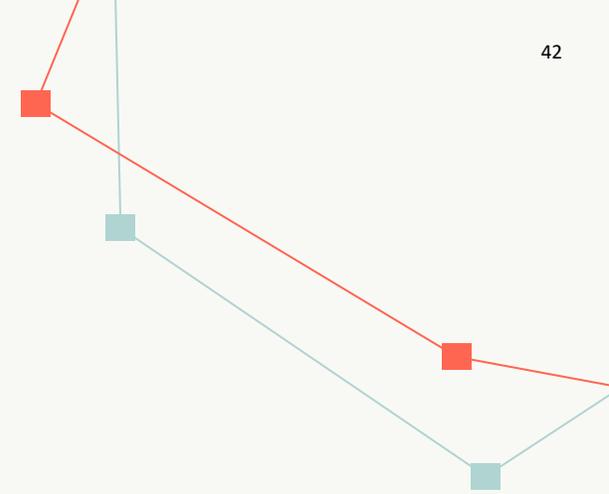
Responses Collected

Farmers	253
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*Our confidence level cannot account for two unknowns for this population: mobile penetration and extent of completeness of Hello Tractor's farmer phone number list.

Thank You For Working With Us!

Let's do it again sometime.



About 60 Decibels

60 Decibels makes it easy to listen to the people who matter most. 60 Decibels is an impact measurement company that helps organizations around the world better understand their farmers, suppliers, and beneficiaries. Its proprietary approach, Lean DataSM, brings farmer-centricity, speed and responsiveness to impact measurement.

60 Decibels has a network of 500+ trained Lean DataSM researchers in 45+ countries who speak directly to farmers to understand their lived experience. By combining voice, SMS, and other technologies to collect data remotely with proprietary survey tools, 60 Decibels helps clients listen more effectively and benchmark their social performance against their peers.

60 Decibels has offices in London, Nairobi, New York, and Bengaluru. To learn more, visit 60decibels.com.

Your Feedback

We'd love to hear your feedback on the 60dB process; take 5 minutes to fill out our feedback survey [here!](#)

Acknowledgements

Thank you to Folu Okunade and Funke Adebola from Hello Tractor, & Jack Odero and Collins Marita from Mercy Corps for their support throughout the project.

This work was generously funded by Mercy Corps AgriFin Accelerate (AFA) Programme and the Strengthening Impact Investing Markets in Agriculture (SIIMA) programme, through FCDO's Research and Evidence Division.

I have a bumper harvest.

I sold my crops.

I have a lot of money from the sales of my crops.

Because of the agent's

> efficiency

> hard work

and above all

> they appear when we need
them

we are very happy with them.

That is why I would recommend
them to my friends.

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