

ACRE Africa

Farmer Insights

Kenya





• Nigeria
• Ethiopia
• Kenya
• Uganda
• Tanzania
• Zimbabwe
• Zambia
• Indonesia

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 AND ACRE

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 & ACRE

Agriculture and Climate Risk Enterprise Ltd (brand name ACRE Africa), links farmers to insurance products so they can confidently invest in their farms. ACRE Africa is not an insurance company, but rather a service provider working with local insurers and other stakeholders in the agricultural insurance value chain. ACRE Africa evolved from the five-year Kilimo Salama project, established in 2009 and funded by the Syngenta Foundation for Sustainable Agriculture (SFSA). ACRE Africa is a registered insurance surveyor and micro-insurance designer with 7 years of expertise in product development; risk monitoring; technical support of local insurers in claim management and execution of agricultural index insurance products.

Over the past four years, Agrifin has partnered with Acre on various engagements to offer micro-insurance to farmers in Kenya, Tanzania, and Nigeria through denominated insurance cards distributed through an extensive agent network, leveraging the mobile phone to onboard farmers. We have also worked with them in women inclusion and insurance education where they have provided technical expertise to develop training materials targeting women farmers in Tanzania. We recently worked with ACRE Africa, a digital pivot to onboarding farmers for insurance using bulk SMS invitations to sign up following COVID-19 movement restrictions and have additionally supported the development of a crop selection digital tool to advise farmers on best crops to grow based on their location.

Welcome To Your 60dB Results

We enjoyed hearing from 241 of your farmers - they had a lot to say!

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ACRE Africa Performance Snapshot

ACRE Africa is reaching some of the poorest farmers in Kenya. Its focus should be on addressing farmer challenges and improving their satisfaction.

Inclusivity Ratio

1.14

degree of reaching low-income farmers



Impact

13%

quality of life
'very much improved'



What Impact

- 35% speak about increase in household income
- 23% speak about increased production
- 20% speak about large scale farming

First Access

89%

first time accessing service provided



Farmer Voice

"I was able to obtain a compensation for my farm when my produce was affected by the drought. However, ACRE Africa started well but decided to disappear. I do not know when they'll be back."

Data Summary

ACRE Africa Performance: 241 farmers interviewed during September 2020.

Quintile Assessment compares ACRE Africa's performance with 60dB Agriculture Benchmark for Farmer as Customer comprised of 32 companies, 15 countries, and 8000 farmers. Full details can be found in [Appendix](#).

Net Promoter Score®

-15

on a -100 to 100 scale



Challenges

52%

report challenges



Crop Revenue

9%

'very much increased'



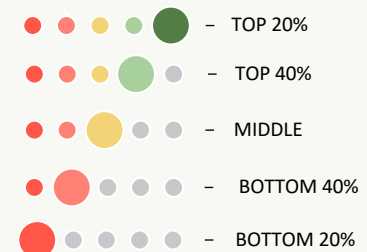
Crop Production

10%

'very much increased'



Performance vs. 60dB Benchmark



Top Impact Insights

ACRE Africa is an underserved market with a new livelihood enabling service. Farmers who receiving insurance and complementary agriculture services report deeper impact.

Headline

Detail & Suggested Action



ACRE Africa is reaching marginalized populations in Kenya with a unique service

54% of ACRE Africa's farmers live in poverty compared to 47% in Kenya. A large proportion of them are women.

89% of the farmers had not accessed insurance services like ACRE Africa's before working with the company, and 87% still cannot find a good alternative to it.



Farmers who received complementary services with Bima Pima were much more likely to report improvements in farm outcomes and overall wellbeing

Less than 50% of farmers reported experiencing improvements in their farming practices, farm production and revenue, and quality of life.

However, those who received Bima Pima insurance **and** an agriculture intervention, like GAP advisory or soil testing, were much more likely to report improvements than those who purchased only insurance. From the former group, 70% spoke of improvements in their way of farming, 57% in farm production, 47% in farm revenue and 67% in overall quality of life because of ACRE Africa's support. Only 20-32% of the respondents who received just insurance spoke about changes in these outcomes.

Top Actionable Insights

Farmer impact can be increased by bundling insurance with agriculture interventions. Satisfaction can be improved through better explanation of claim rejections and regular communication.

Headline

Detail & Suggested Action



Bundled offerings can deepen ACRE Africa's impact on farmers and help them cope with COVID-19

Farmers who received Bima Pima insurance bundled with GAP advisory or soil testing services were much more likely to report improvements in farm practices and outcomes. Additionally, in the context of COVID-19, a large proportion of farmers reported financial difficulty and requested cash-based support to access subsidized inputs such as fertilizers, seeds and pesticides, especially over the next six months.



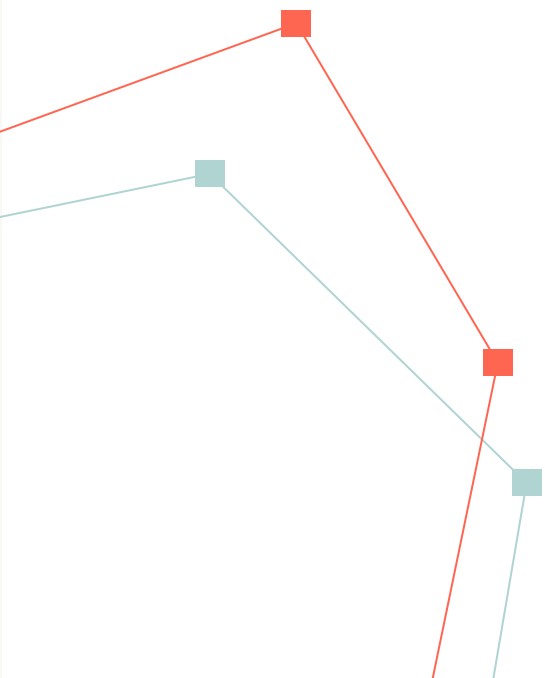
Dissatisfied farmers want ACRE Africa to improve communication, make insurance pay-outs and conduct more follow-ups

ACRE Africa has a Net Promoter Score (NPS) of -15, such that 45% of its farmers are dissatisfied. Additionally, 52% of the farmers report facing challenges with ACRE Africa. Top reasons reported by the dissatisfied farmers included, lack of, or no communication around claim status, not receiving pay-outs despite facing calamity, and lack of company follow-ups after registering for the service. Across the whole base of farmers that we interviewed, 77% reported at least one of these three challenges.

For discussion: How can ACRE establish regular touchpoints with its farmers?

Farmer Voices

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



Impact Stories

45% shared how ACRE Africa services had improved their quality of life

“Incase crops are destroyed by extreme rain or sun, I can get compensated. In the past, I have received good advice that has helped my crop production.”

“Because of ACRE Africa, I can now comfortably feed my family. I used to only harvest 3 bags of maize. Now, I can harvest up to 15 bags of maize. With this food provision, life has become a little less stressful than before - when we would sometimes lack enough food. I plant both beans and maize. These are the most staple crops in my area.”

“When my husband passed away in 2007, I got really stressed about how I would be able to afford supporting my family. Years later, I got in touch with ACRE Africa and started following their advice. The farming advice they provide gives hope to farmers to try new ways and improve their farming experience. I can now comfortably feed my family. From the produce I sell, I am able to buy other food and items that my family needs. From the same produce, I was able to finish building a home and even introduced other crops to my farm such as potatoes, beans, bananas, cassava, arrow roots and groundnuts.”

Opinions On ACRE Africa Value Proposition

45% were Detractors and were least likely to recommend

“I think ACRE Africa should be more trustworthy in their dealings. If they promise to pay, then they should do exactly that. I registered with them and paid the monthly payments consistently as the agent had told me to but when the rains failed, I received nothing. Even if it were you would you suggest them to a friend?

“I bought a card for 200 bob, went to the farm and scratched the card. I sent my details to the company, but nobody followed up later.

Opportunities For Improvement

43% had a specific suggestion for improvement

“ACRE Africa need to work on their communication to farmers and keeping their word. If they say that they offer insurance services, they should actually offer insurance services to farmers. I would not mind even if it came in the form of seeds for planting.”

“They should come to the ground and see how farmers encounter losses this year and maintain communication and compensation to affected farmers.”

Key Questions We Set Out To Answer

- Who is ACRE Africa reaching?
 - Income, farm and disability profile
 - Importance of ACRE Africa offerings
 - Availability of alternatives in market
 - Exposure and resilience to climate shocks
- What impact is ACRE Africa having?
 - Impact on 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 ACRE Africa & why / why not?
 - Net Promoter Score & drivers
 - Top challenges experienced
 - Suggestions for improvement
- Additional insights of interest to ACRE Africa
 - Experience with COVID-19
 - Future willingness to plant new crops
 - COVID-19 challenges and requests
 - Farmer loan burden and repayments

“Given the fact that I am insured, I can now plant without fear and this is something that I would like other farmers to enjoy too!”

About The Farmer

ACRE Africa's typical farmer is a woman who cultivated 1.7 acres of land last year and farming accounted for 74% of total household income.

We asked questions to understand the farmers' homes, farms, and engagement with ACRE Africa.

Majority of the farmers (94%) reside in rural Kenya, and about 74% resided in Ugenya, Meru, Kakamega, Funyula and Bungoma counties in Kenya.

On average, farmers had interacted with the company for 22 months.

In terms of services, 83% of farmers reported registering for Bima Pima insurance, 40% received GAP advisory and 12% received soil testing services.

About The Farmers We Spoke With

Data relating to farmer characteristics (n = 241)

66%

Were female

74%

Of household income last year came from farming

6.5

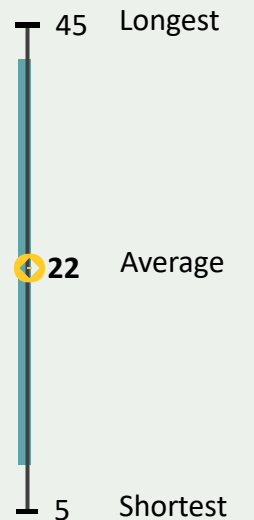
Average household size

1.7

Acres were cultivated by the average farmer last year

ACRE Africa Engagement Duration

(months)



Poverty And Inclusivity

ACRE Africa is reaching some of the poorest farmers in the country.

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

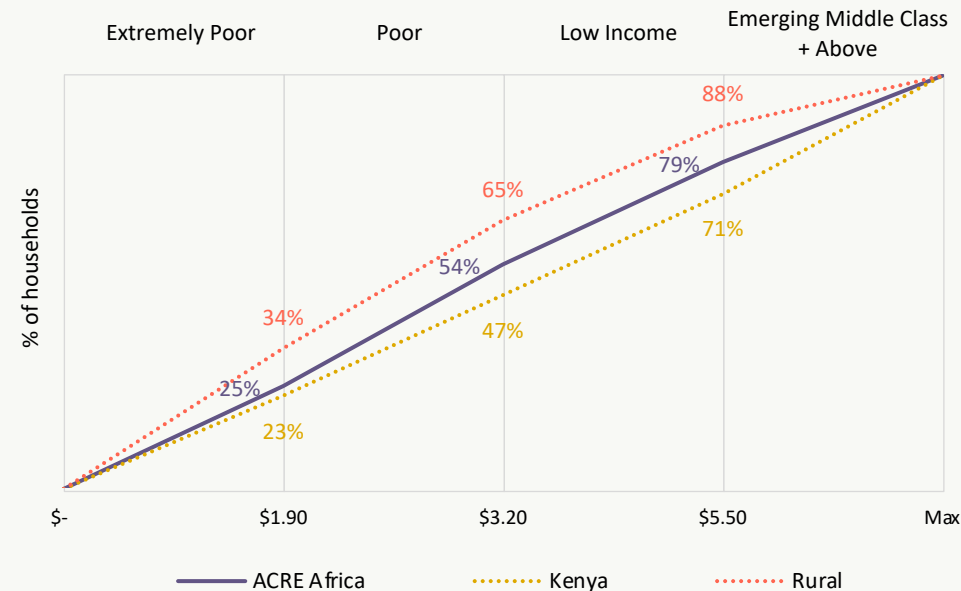
54% of ACRE Africa farmers live on less than \$3.20 per day. This is more than the Kenyan national average of 47%.

ACRE Africa is serving poorer customers than the Kenya national averages, resulting in an inclusivity ratio of 1.14.

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

Income Distribution of ACRE Africa Farmers Relative to Kenya Average

% living below \$XX per person / per day (2011 PPP) (n = 240)



Inclusivity Ratio

Degree that ACRE Africa is reaching low-income farmers in Kenya

1.14

● ● ● ● ● - TOP 40%

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

See Appendix for calculation.

First Access and Alternatives

89% of farmers are accessing crop insurance for the first time and 13% could easily find a good alternative to it.

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.

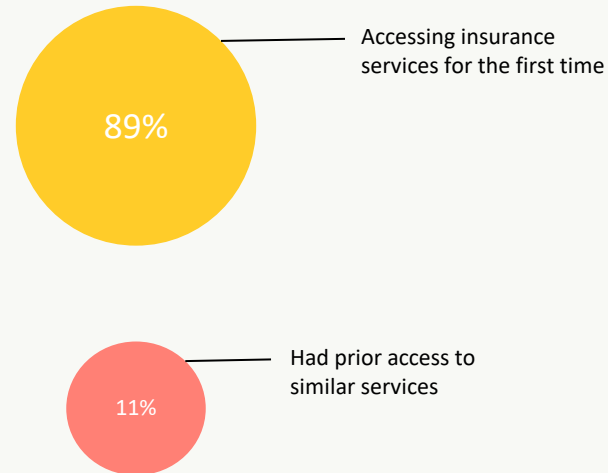
Almost all farmers are accessing services like ACRE Africa's for the first time suggesting that it is reaching an under-served farmer base.

That a similar proportion cannot find a good alternative implies that ACRE Africa is providing a unique service in the market

First Access

Q: Before you started interacting with ACRE Africa, did you have access to insurance services like those that ACRE Africa provides? (n = 240)

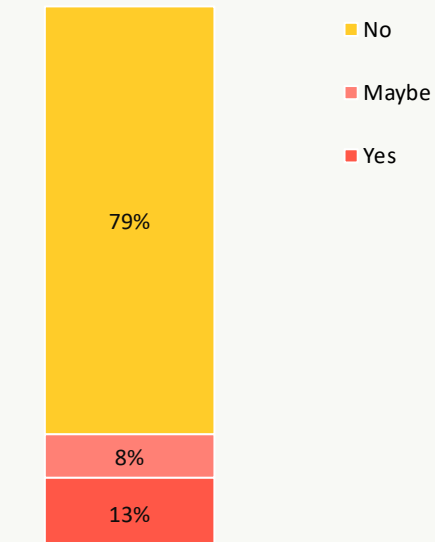
● ● ● ● ● — TOP 40%



Access to Alternatives

Q: Could you easily find a good alternative to ACRE Africa's insurance services? (n = 237)

● ● ● ● ● — BOTTOM 20%



Resilience to Shocks

Nearly all farmers said their community faced a climate shock in the last 2 years. 50% of this group have bounced back while 38% are yet to recover.

95%

Of all farmers said their community experienced at least one climate related shock in the last 24 months

Of this group of 230 farmers...

11%

Were not affected by the shock that hit their community

50%

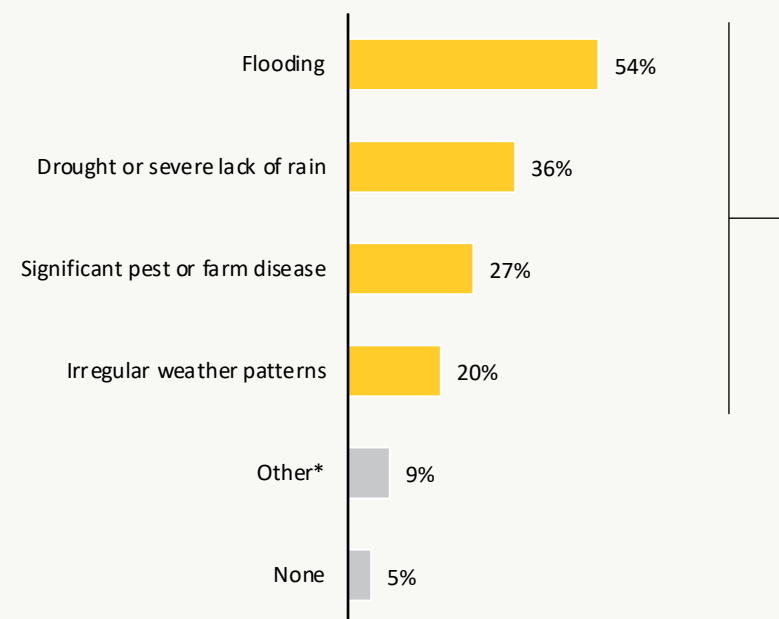
Have recovered fully

38%

Have not recovered

Shocks Experienced By Community

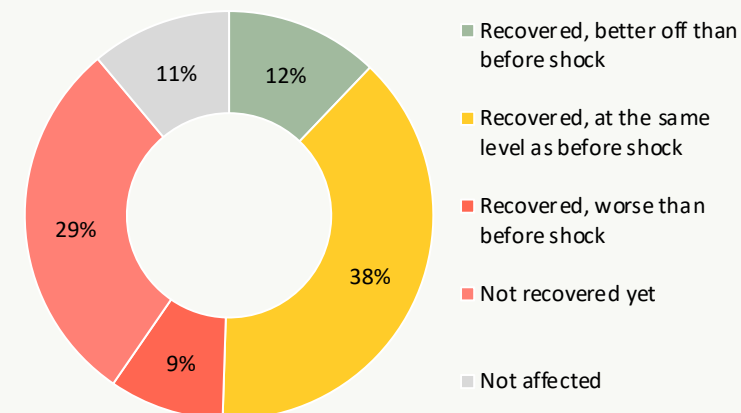
Q: In the last 24 months, which of the following shocks affected your community / village? (n = 241, multiple responses allowed except 'None')



* Responses in Other include soil erosion and unexpected frost

Affect and Recovery for Household

Q: To what extent was your household able to recover from this event? (n = 230)



** Not affected is based on farmers reporting None to 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.

ACRE Africa farmer households have a 8.3% disability prevalence, which is higher than Kenya’s national population disability rate of 3.5%.

You can use this information to identify ways to better serve your farmers. For example, 3.3% of the respondents have challenges with eyesight - consider larger informational stickers or brochures. 3.7% have challenges with walking or climbing steps - consider whether the soil test reports are easily accessible for these farmers.

The disability rate among ACRE Africa farmer households is more than twice than that of Kenya’s national population.

Disability Profile of ACRE Africa’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 = 241)

8.3%

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



3.3%
difficulty seeing, even if wearing glasses (if available)



1.7%
difficulty remembering or concentrating



0.8%
difficulty hearing, even if using a hearing aid (if available)



1.2%
difficulty with self-care, such as washing all over or dressing



3.7%
difficulty walking or climbing steps



0.4%
difficulty communicating or being understood, using their usual language

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“There are diseases I am dealing with in the farm which I have learnt how to handle.”

Way of Farming

To gauge the effect of ACRE Africa's insurance services on the farmer's way of farming, we asked them how it had changes since they used the insurance service.

48% of farmers reported improvements in their way of farming, in which 35% reported it be "slightly improved."

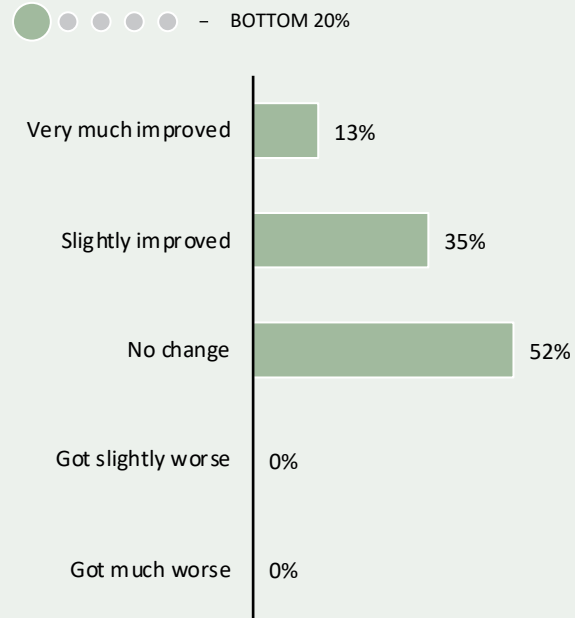
Interestingly, 80% farmers who received GAP advisory along with insurance services reported improvements versus 48% farmers who received insurance services only.

Those reporting improvements in way of farming were more likely to report improvements in production.

About half of the farmers reported an improvement, while the remaining reported no change in the way they farm, because of ACRE Africa's services. Those who received GAP advisory were much more likely to report improvements.

Changes In Way Of Farming

Q: Has your way of farming changed because of ACRE Africa's services? (n = 232)



Slightly improved:

"I now use tractors and cows to plough my land This is because I am motivated to plant more since ACRE Africa is covering for the risks involved."

No change:

"I only practice what I know and cannot try the unknown as it involves risk and incurring losses."

"From the time ACRE Africa has visited my farm, they have not sent a representative to guide us on improving farming skills and provide information to improve my harvest."

Way of Farming: Top Outcomes

Farmers were asked to describe – in their own words – the positive changes they were experiencing because of ACRE Africa’s insurance services. The top outcomes are shown on the right.

Other changes included:

- Reported being better informed about amount and application of fertilizer to be used (20%)
- More confident in their ability to farm due to the insurance (12%)

Among the 52% farmers that reported ‘no change’ in their way of farming, following were the top reasons:

- 68% still preferred using prior farming methods known to them
- 19% didn’t receive any communication or training from ACRE Africa on farming methods

Farmers talked about improved knowledge on planting methods and land preparation along with using better seeds and fertilizers.

Top Three Self-Reported Outcomes for 48% of Farmers Who Say Way of Farming Improved

Q: Please explain how your way of farming has improved. (n = 105, multiple responses allowed). Open-ended, coded by 60 Decibels.

42%	Spoke about improved knowledge on better planting methods (18% of all respondents)	“I have started planting beans and maize in different portions of the farm instead of opting to plant one vegetable in the same area.”
23%	Reported using better variety of seeds and fertilizers (10% of all respondents)	“Thanks to the information I got from Acre Africa, I’ve stopped planting cassava and now plant maize and beans and turned to buying organic manure which is better
20%	Reported being better informed about better land preparation methods (9% of all respondents)	“Thanks to ACRE Africa, I have been able to plant on more land. Sometimes I lease land and grow other crops”

Crop Production

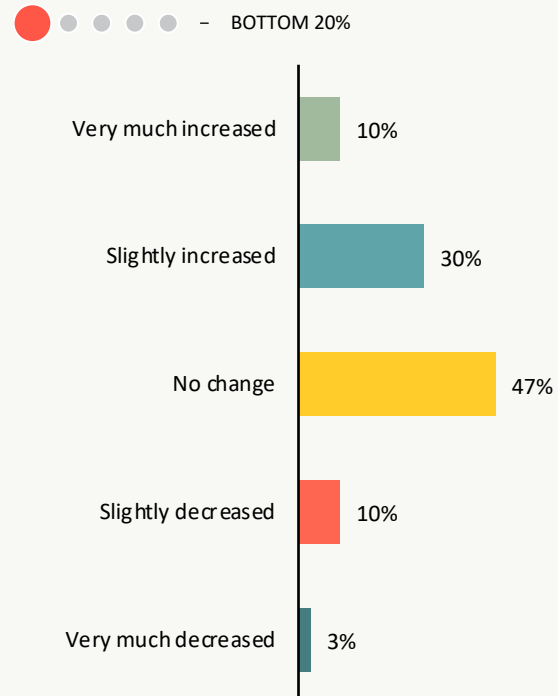
40% of farmers report an increase in farm production. 72% of this group realized the increase without planting additional land, suggesting an increase in productivity.

We asked farmers if they had noticed changes in farm production and what might have caused it.

Farmers who reported “no change” in their production, were also very likely to have reported “no change” in their way of farming, and subsequently, “no change” in their quality of life.

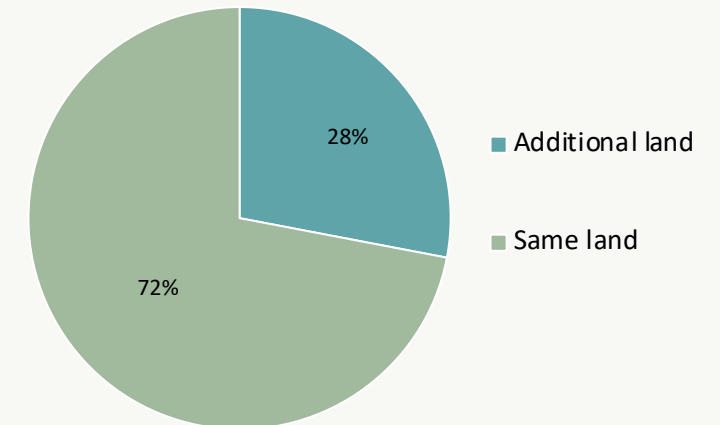
Impact on Production

Q: Has the total production from your farm changed because of ACRE Africa’s services? (n = 240)



Reasons for increases in production

Q: Was this increase because you planted additional land or was it from the same amount of land? (n = 97)



Crop Revenue (1/2)

34% of farmers reported at least some increase in farm revenue because of ACRE Africa's offerings. Ability to sell more was the primary reason for this increase.

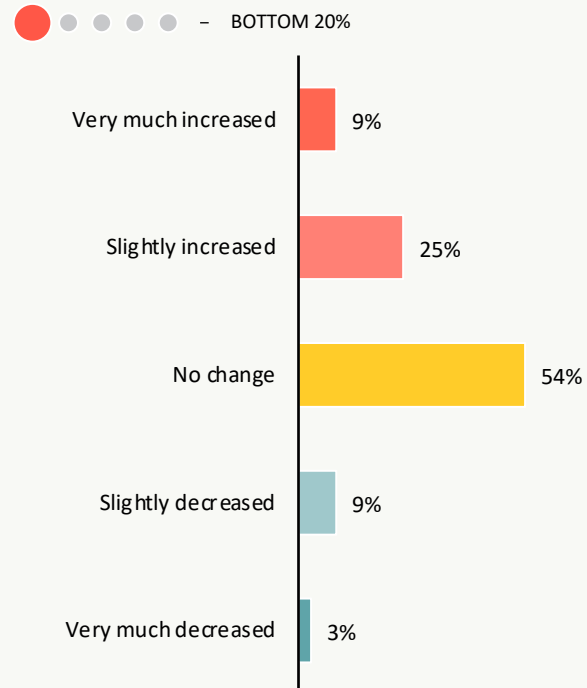
We asked farmers if they had noticed changes in farm revenue due to ACRE Africa.

Farmers attributed no change in money earned:

1. External factors such as bad weather (22%)
2. Crop production not increasing (21%)

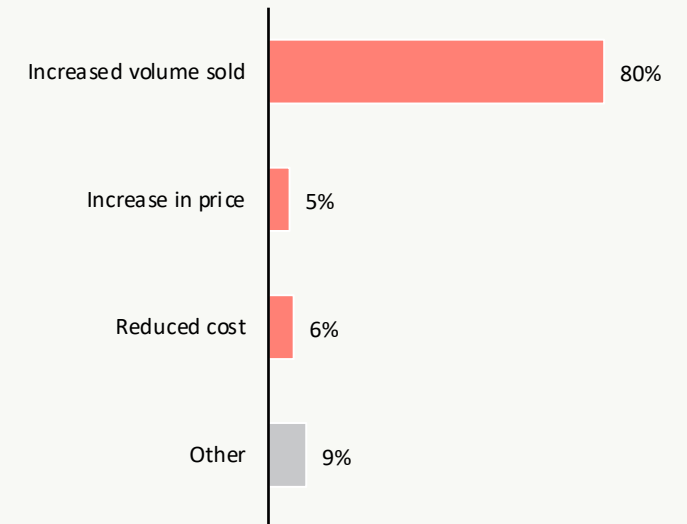
Returns from Crops

Q: Has the money you earn from farm changed because of ACRE Africa's services? (n = 235)



Reasons for Increased Returns

Q: What were the main reasons for the increase in money earned? (n = 83)



Crop Revenue (2/2)

Looking across the sample, the average farmer reported a 15% increase in farm revenue, which contributed 74% to household income in the last 12 months.

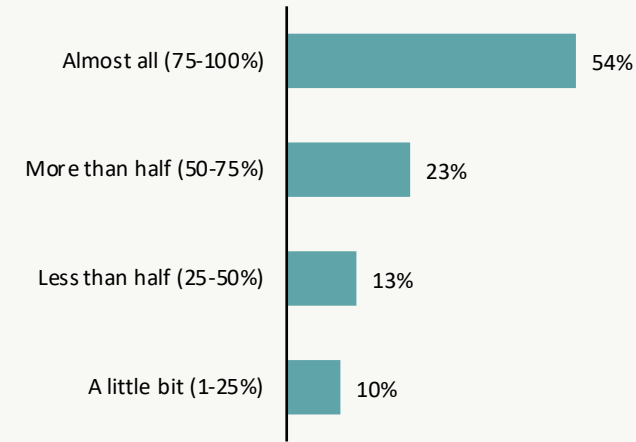
74% Of household income last year came from farming

15% Was the average increase in revenue from farm

70% Of those reporting increase gave this change a significance of 4 or 5 for its contribution to household income

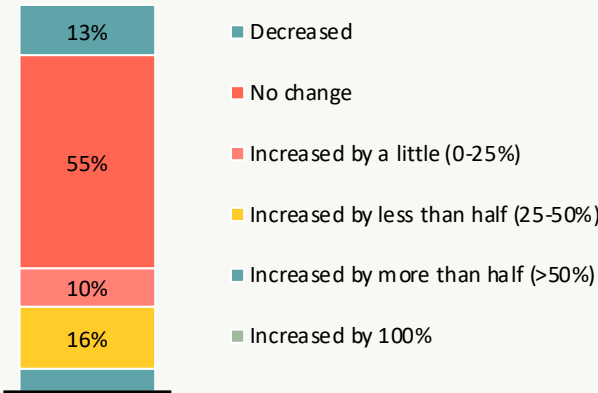
Household Income Impacted By ACRE Africa

Q: In the last 12 months, what proportion (%) of your household's total income, came from farm? (n = 238)



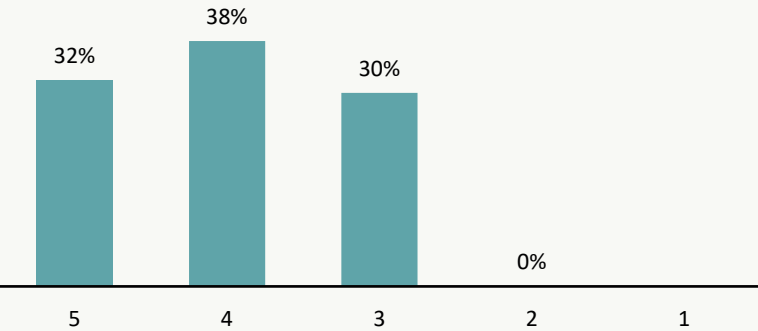
Change In Crop Returns

Q: a) Can you give a rough estimate of how much your money earned from farm has increased because of ACRE Africa's insurance services? (n = 235)



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 = 79)



Quality of Life

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

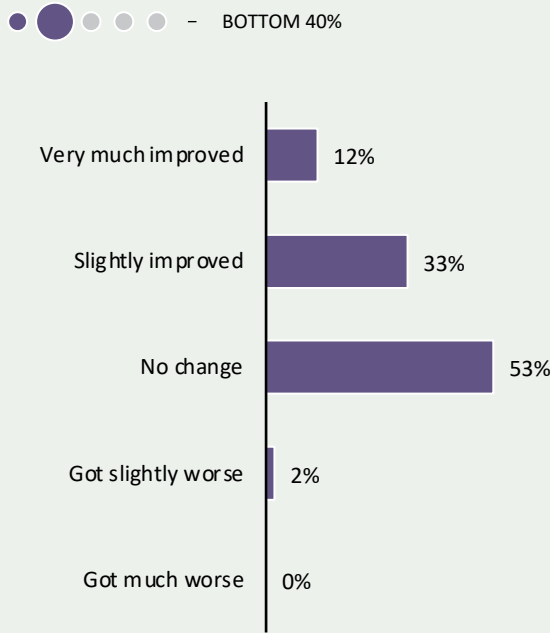
Unsurprisingly, farmers who report ‘very much improved’ quality of life are also more likely to report increases in money earned and farm production.

The top outcomes for farmers who reported improvement in quality of life are shown on the next slide.

53% farmers report no change in quality of life while 45% of farmers report experiencing quality of life improvements, because of ACRE Africa.

Perceived Quality of Life Change

Q: Has your quality of life changed because of ACRE Africa? (n = 241)



Very much improved:

“My quality of life has improved because after I harvest the crops, I get a good amount of money that I can use on necessities I could not afford before.”

No change:

“The floods ruined my crops - I never harvested anything. ACRE Africa did not compensate me financially when I was affected by it.”

“My earnings have been the same due to not knowing which type of fertilizer is compatible with the soil in my farm.”

Quality of Life: Top Outcomes

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

Of the 51% farmers who reported no change in quality of life:

- 31% had not received any compensation to cover losses
- 28% had not received any help from ACRE Africa
- 18% didn’t experience a change in production implying no change in income

Farmers talked about improved production, increase in scale of farming, and using profits to support household expenditure.

Top Three Self-Reported Outcomes for 45% of Farmers Who Say Quality of Life Improved

Q: Please explain how your quality of life has improved. (n = 115, multiple responses allowed). Open-ended, coded by 60 Decibels.

35%

Spoke about **improved income** through which they were able to cover household costs

(17% of all respondents)

“Last year, I sold maize and got items for my house. I also purchased material for making furniture.”

23%

Mentioned an **increase in production and yield.**

(11% of all respondents)

“Thanks to the guidelines I’ve been given by Acre Africa which I follow - my produce has improved, this is because I use less fertilizer leading to more efficiency.”

20%

Reported **planting new crops and large scale farming**

(10% of all respondents)

“I am able to work on large scale farming which has brought better harvest and more income in my homestead.”

Recovery From Climate Shocks

Access to ACRE Africa's services had no impact on majority of the farmers' recovery from climatic shocks.

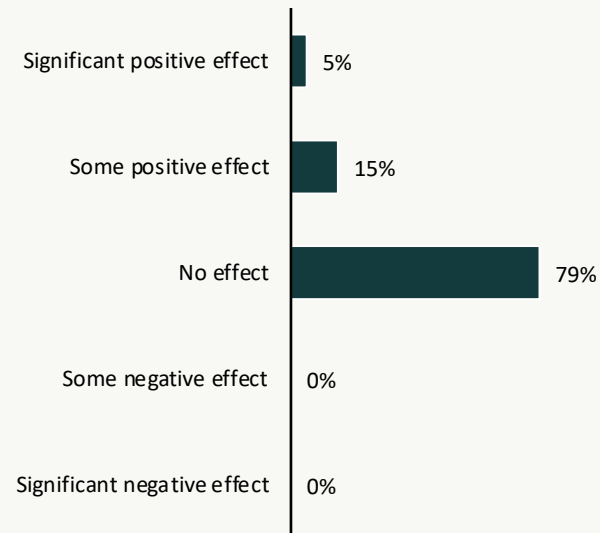
We asked 204 farmers who reported being affected by a climate shock if ACRE Africa had impacted their recovery from the climate shock reported earlier.

79% said that ACRE Africa had no effect on their recovery and 20% experienced a positive effect.

During the course of the conversation, farmers who reported receiving a pay out from ACRE Africa, were much more likely (44%) to report that the company had a significant positive effect on their recovery.

Impact of ACRE Africa on Recovery

Q: Did your involvement with the ACRE Africa have a positive, negative or no effect on your recovery? (n = 203)



"After my crops were destroyed, I was not compensated as assured when I got to register with ACRE Africa. I have not been able to recover since the flooding."

"I did not have to use funds meant to feed my family to recover from the floods after being compensated by Acre Africa. I used the money to buy maize seedlings to plant and animal feed for my cattle."

Additional Insights: Disaggregation By Services Available

Farmers who availed insurance with GAP advisory were more likely to be satisfied than those who used only insurance.

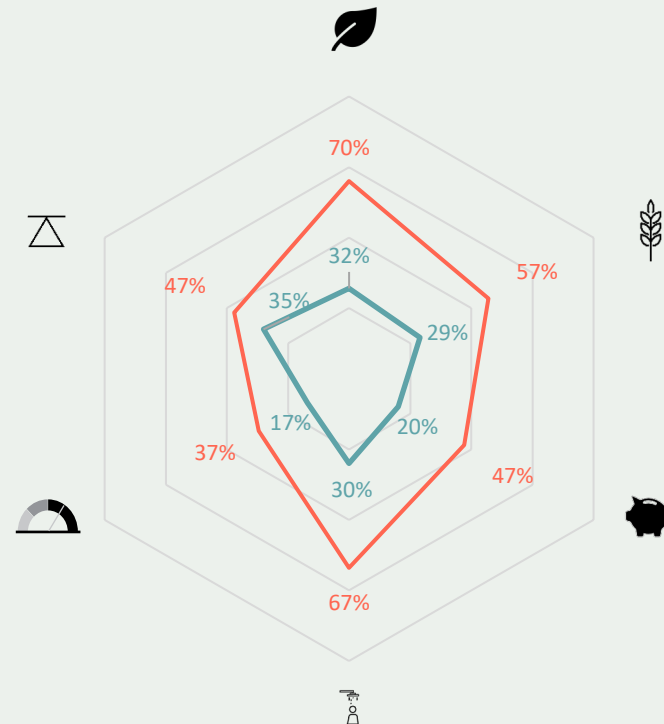
We wanted to understand if farmer experience differed based on which ACRE Africa services they availed.

Farmers who availed only Bima Pima insurance were much less likely to be satisfied and impacted than those who received insurance along with targeted agricultural interventions like GAP advisory and soil testing.

Average performance across metrics:

- Bima Pima insurance: **27%**
- Bima Pima insurance with GAP advisory and soil testing: **54%**

Experience and Farming Outcomes by Services Available



Key: Services Available



Only Bima Pima insurance

n = 84



Bima Pima insurance with GAP advisory and soil testing services

n = 60



Way of Farming

% “very much improved” and “slightly improved” because of ACRE Africa



Production

% “very much improved” and “slightly improved” because of ACRE Africa



Money Earned

% “very much improved” and “slightly improved” because of ACRE Africa



Quality of Life Impact

% “very much improved” and “slightly improved” because of ACRE Africa



Net Promoter Score®

% Promoters



Challenges

% “no” challenges with ACRE Africa

Key Questions We Set Out To Answer

“I used to spend a lot of time on my farm using traditional methods. This has given me more time to take care of my poultry and sell eggs. I do not have to buy food for my cattle, and all this is because of the guidelines provided by ACRE Africa.”

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Farmer Satisfaction: Net Promoter Score

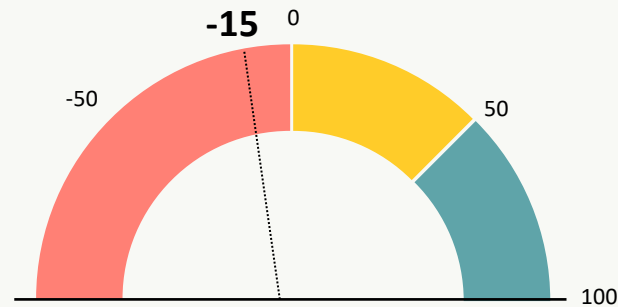
ACRE Africa has a relatively poor Net Promoter Score® of -15 which is much lower than the 60dB benchmark.

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.

Net Promoter Score® (NPS)

Q: On a scale of 0-10, how likely are you to recommend ACRE Africa to a friend or family member, where 0 is not at all likely and 10 is extremely likely? (n = 241)



NPS = % Promoters — % Detractors

9-10 likely to
recommend

0-6 likely to
recommend

NPS Benchmarks

 BOTTOM 20%

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

Farmer as customer average **32**
33 companies

East Africa average **33**
17 companies

NPS Drivers

Farmers value receiving insurance and knowledge about farming practices. Detractors were unhappy with not receiving insurance and lack of communication from the company.

29% are Promoters :)

They love:

1. Receiving the insurance/compensation
(55% of Promoters / 28% of all respondents)
2. Improved knowledge about farming practices
(36% of Promoters / 18% of all respondents)
3. Increase in production
(12% of Promoters / 6% of all respondents)

“Along with the insurance that covers us, ACRE Africa has also given us loans which we have used for farming and recovering after our crops were damaged.”

Tip:

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

26% are Passives : \

They like:

1. Receiving the insurance/compensation
(44% of Passives / 11% of all respondents)
2. Improved knowledge about farming practices
(31% of Passives / 8% of all respondents)

But also complain about:

1. Lack of follow ups from the company
(8% of Passives/ 2% of all respondents)

“I like the fact that they insure farmers when they are faced with harsh weather conditions, but they rarely communicate with the farmers.”

Tip:

Passives won’t actively refer you in the same way that Promoters will.

What would it take to convert them?

45% are Detractors : (

They complain about*:

1. Not receiving the insurance/compensation
(42% of Detractors / 19% of all respondents)
2. Lack of communication from the company
(23% of Detractors / 10% of all respondents)
3. Company not fulfilling its commitments
(17% of Detractors / 8% of all respondents)

I paid at the time of registration. However, when the drought was not kind to my farm back in 2019, I was not compensated by ACRE Africa.”

Tip:

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

NPS Disaggregated by Farmer Experience

We found that farmer satisfaction varied based on the experience they had with ACRE Africa’s services.

Those who did not receive insurance claim or received no communication from the company after signing up were much more likely to be dissatisfied than those who received the insurance claim.

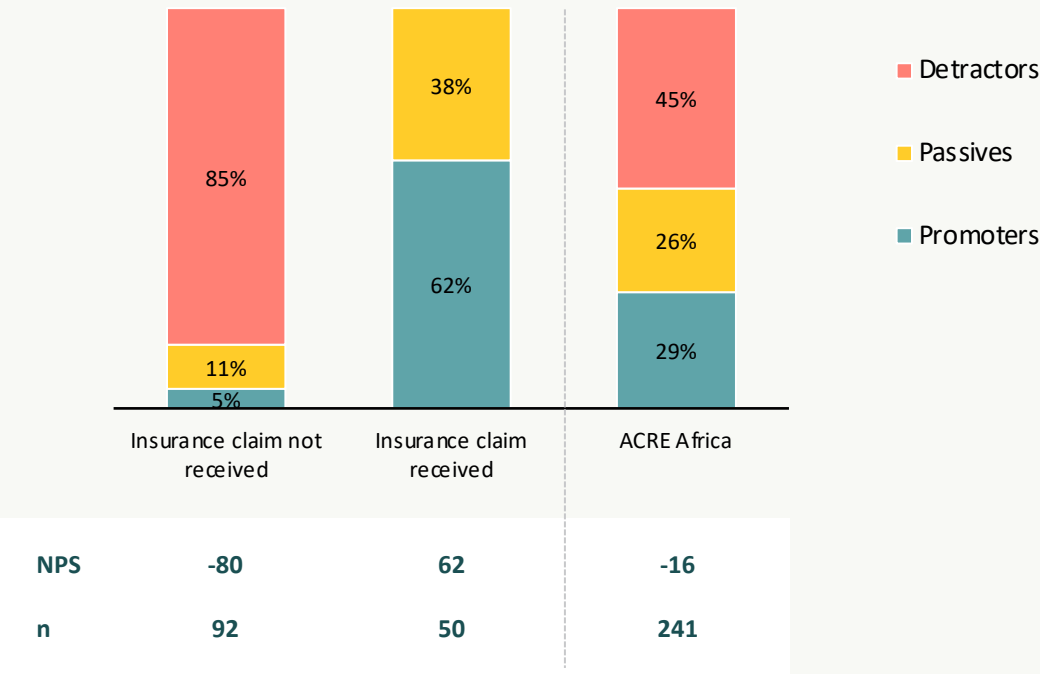
Recommendation

NPS is a helpful metric to track over time to detect subtle changes in farmer satisfaction. Companies looking to improve their NPS set a target of increasing NPS by 7 points over 12 months, on average.

Farmers who did not receive any insurance gave ACRE Africa a Net Promoter Score® of -80.

Net Promoter Score Segmented by Farmer

Q: On a scale of 0-10, how likely are you to recommend ACRE to a friend or family member, where 0 is not at all likely and 10 is extremely likely? (n = 241)



Farmer Challenges

Asking about farmer challenges enables ACRE Africa to identify problem areas and tackle them proactively.

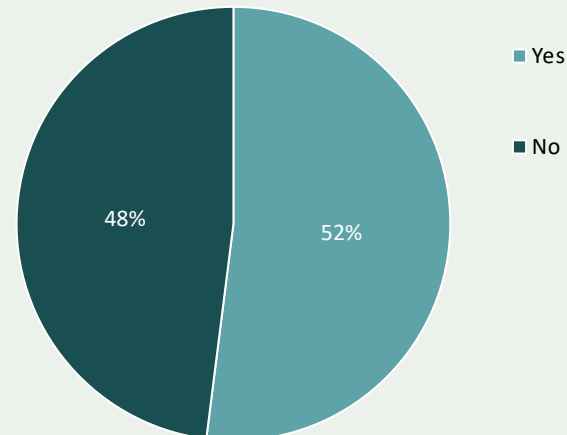
Unresolved challenges can encourage negative word-of-mouth and detract from positive impact. Farmers that reported a challenge had a NPS of -30 while those who didn't, had a NPS of 14.

52% of the farmers report challenges with ACRE Africa. Most frequently reported challenges included non-payment of insurance, destroyed harvest and irregular communication.

Proportion of Farmers Reporting Challenges

Q: Have you experienced any challenges with ACRE Africa? (n = 239)

● ● ● — MIDDLE



Top Challenges Reported

Q: Please explain the challenge you have experienced (n = 126)

1. Non-payment of claim/compensation for loss

(51% of farmers w. challenges / 26% of all respondents)

“The beans swept away with water, and I was not compensated.”

2. Lack of regular communication from the company

(40% of farmers w. challenges / 21% of all respondents)

“I was affected early this year by heavy floods which wiped out everything from my shamba. I contacted ACRE Africa but till date they have neither communicated nor compensated me for my losses.”

3. Lack of regular follow ups

(20% of farmers w. challenges / 10% of all respondents)

“ACRE Africa came to farmers in my area, spoke with us, and we believed them to be true, only for them to disappear.”

Farmer Suggestions

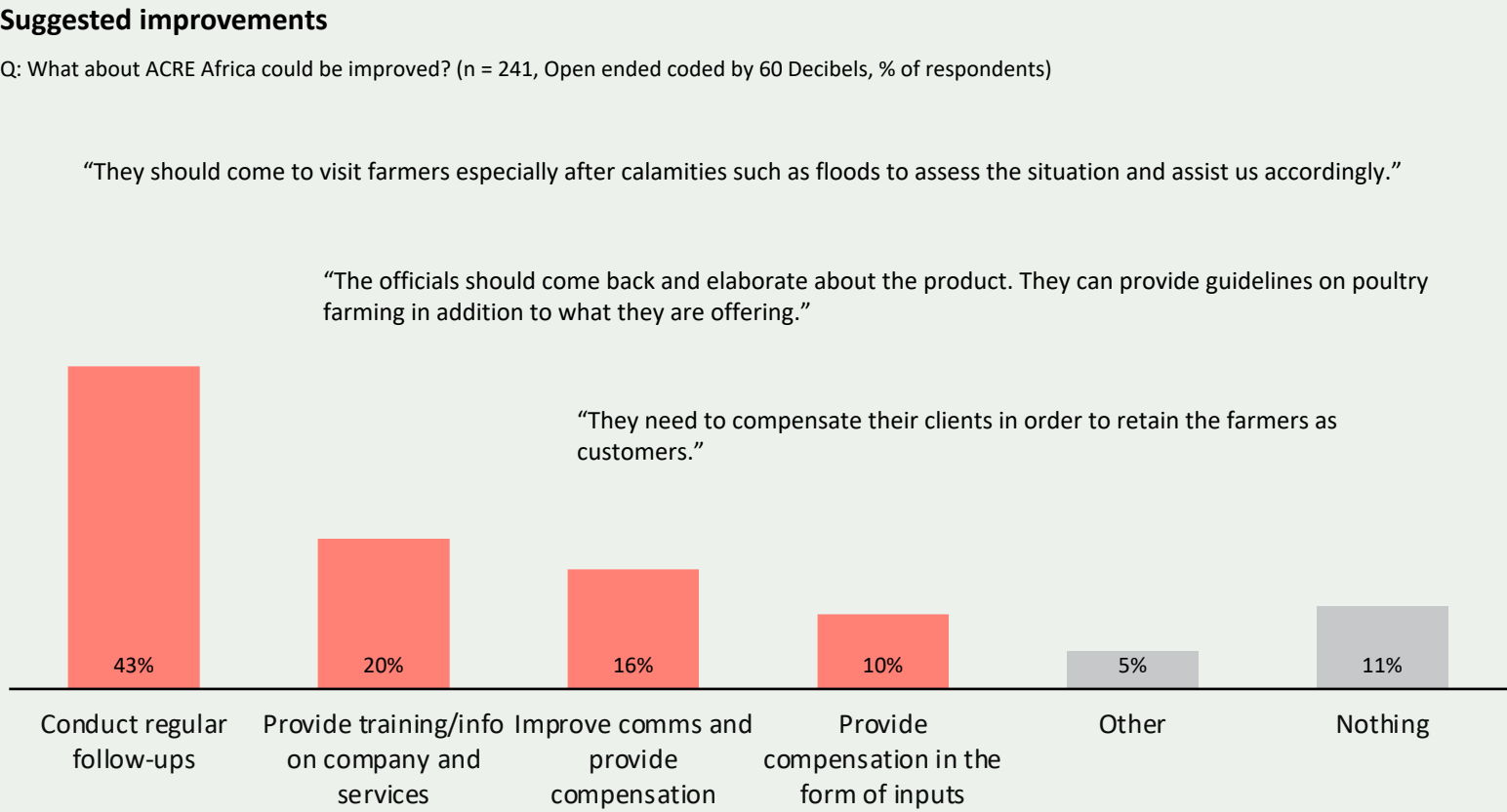
We asked farmers an open-ended question about their suggestions to help ACRE Africa improve.

While 11% of the farmers could not think of a specific suggestion.

During the interview, farmers explained how after registering with Bima Pima insurance they didn't hear from ACRE Africa at all. This manifested into 43% of all farmers requesting ACRE Africa to conduct regular follow-ups.

'Other' include-requests for additional services in the form of loans/capital, and improvements in insurance terms/coverage.

Farmers want regular follow-ups, training, information and more communication from ACRE Africa. Few suggest that compensation be provided in the form of inputs.



Additional Insights: Qualitative Feedback Deep Dive

We took a closer look at the qualitative narrative for each farmer to understand the main reasons behind farmer dissatisfaction. We aggregated qualitative responses from farmers who:

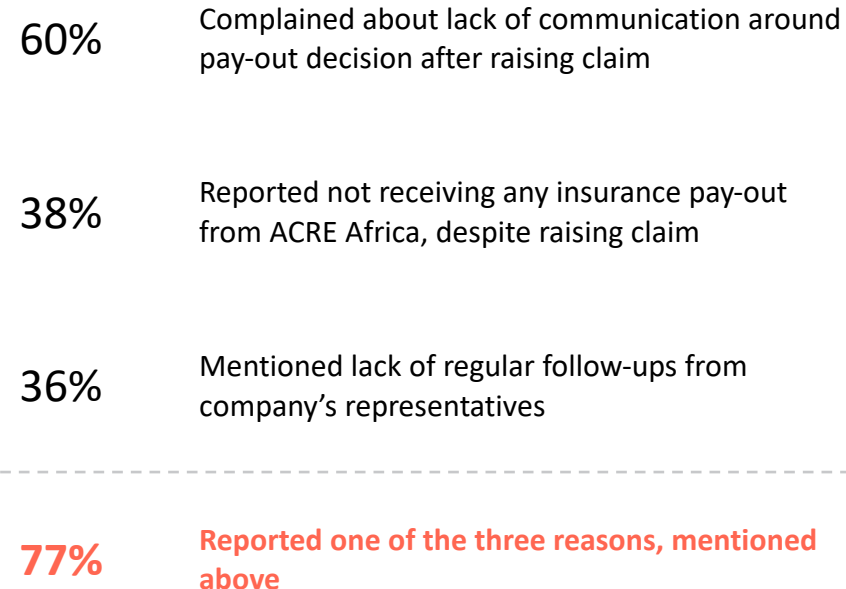
- Are Passive/Detractors
- Experienced no change in quality of life, way of farming and money earned
- Suggested improvements for the company

We were able to narrow down to the three reasons that emerged as primary. These have been shared on the right.

Interestingly, we found that, farmers who reported any of the three reasons, had a much lower [Net Promoter Score®](#) of -37 (implying immense dissatisfaction), while farmers that didn't report any of those reasons, had an excellent NPS of 58.

77% for all farmers reported dissatisfaction with lack of communication, not receiving pay-outs, and with lack of follow-ups after registering with the service.

Top Reasons for Dissatisfaction Reported across all farmers



Key Questions We Set Out To Answer

- Who is ACRE Africa reaching?
 - Income, farm and disability profile
 - Importance of ACRE Africa offerings
 - Availability of alternatives in market
 - Exposure and resilience to climate shocks
- What impact is ACRE Africa having?
 - Impact on quality of life
 - Top outcomes being experienced
 - Changes in crop production, productivity and revenue
 - Impact on recovery from climate shocks
- Are farmers satisfied with ACRE Africa & why / why not?
 - Net Promoter Score & drivers
 - Top challenges experienced
 - Suggestions for improvement
- Additional insights of interest to ACRE Africa
 - Experience with COVID-19
 - Future willingness to plant new crops
 - COVID-19 challenges and requests
 - Farmer loan burden and repayments

“If I can secure a good amount of money, I will be able to uplift my life because at the moment I have a limited supply of cash which has limited by farming”.

Concern About COVID-19

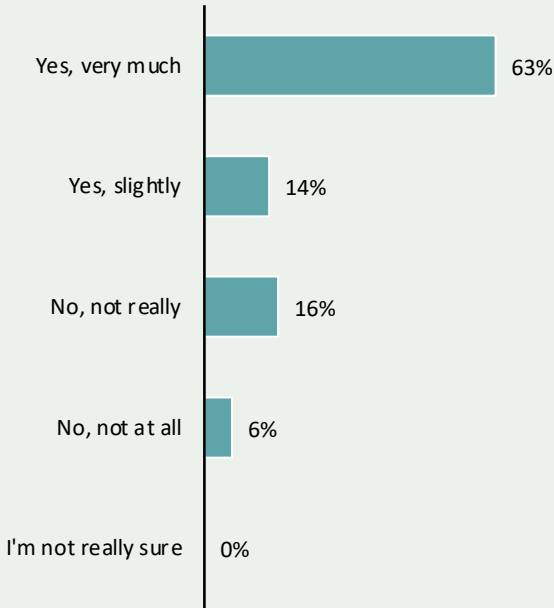
We asked farmers questions related to COVID-19 to assess their level of concern and identify potential support areas.

When asked to share how their life could be improved during this time of the COVID-19 pandemic, no single theme emerged as primary. Some asked for agricultural inputs, while others asked for medical supplies, financial support, good or cash handouts.

Seven months on, 77% of farmers remained concerned about COVID-19.

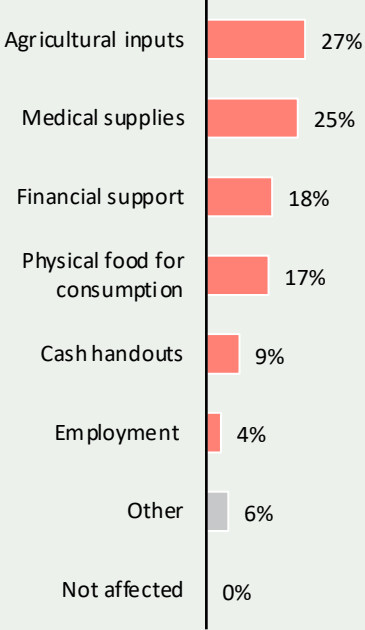
Level Of Concern About COVID-19

Q: Are you concerned about COVID-19? (n = 241)



Things That Could Improve Life

Q: Related to this pandemic, what one thing could improve your life at this time? (n = 241, multiple responses allowed, 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.

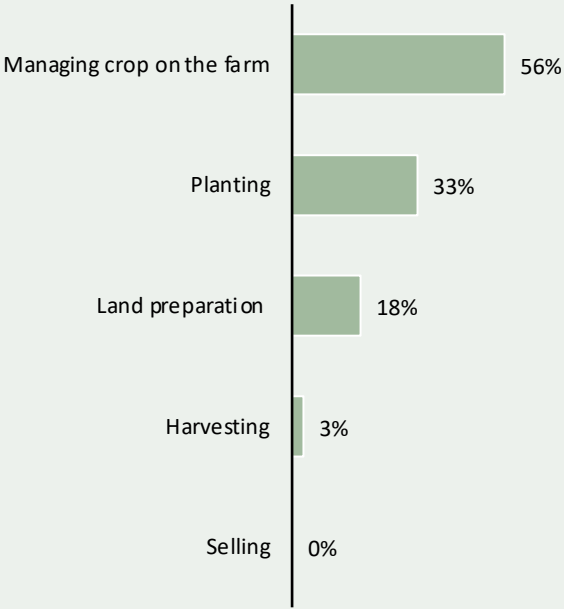
More than half of the farmers report that they will managing the crop in their farm next month. One thirds will be planting next month.

50% of respondents indicated they were 'very confident' and 38% 'slightly confident' that they will fare well in the next month.

Almost 90% of farmers are confident that they will be able to undertake farm activities next month.

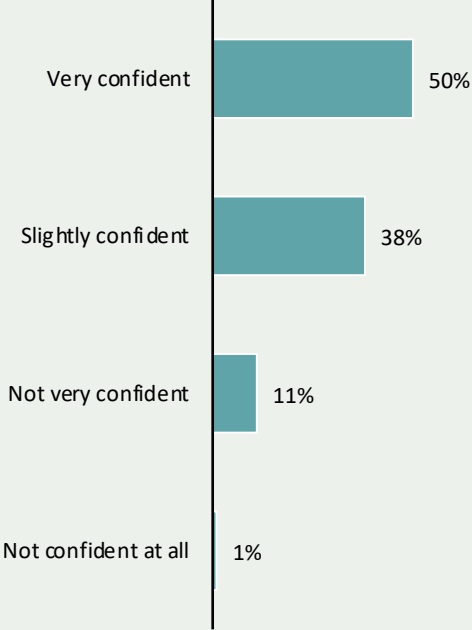
Current Agricultural Activity

Q: Which of these phases of farming will you be in for the next month? (n = 240, multiple responses allowed)



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 = 241)



Challenges and Requests

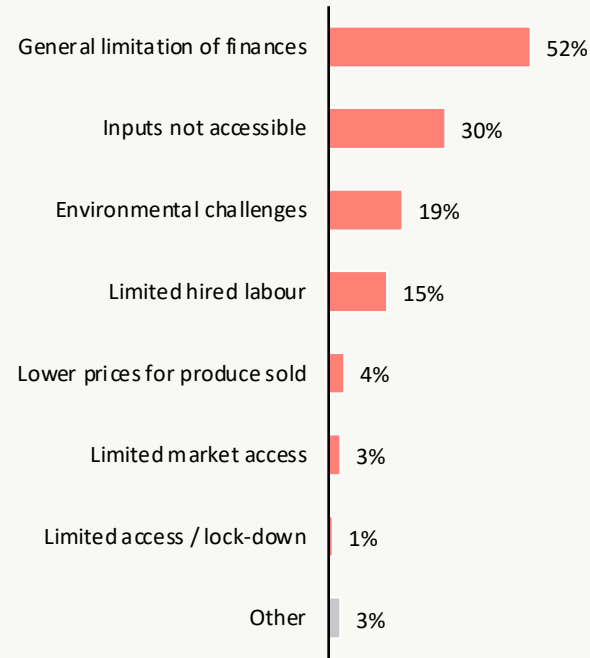
Farmers shared a variety of challenges, but lack of financing and inability to purchase inputs emerged as top two challenges. As a solution, farmers wanted subsidized inputs and cash.

When we asked farmers what they need at this time to overcome challenges they anticipate in undertaking farming activities normally at this time.

A majority asked for support through cash, followed by subsidized access to inputs and credit at this time.

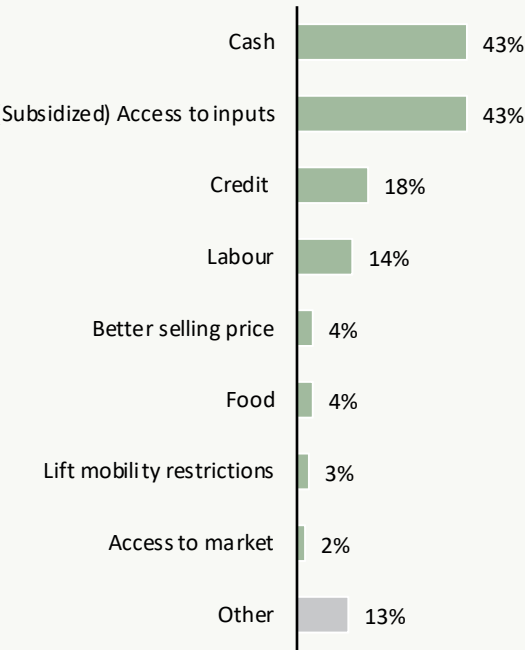
Top Challenges Related to COVID-19

Q: What do you anticipate the biggest challenges being? (n = 234, multiple responses allowed)



Solutions for Top Challenges

Q: What kinds of agricultural products / services / information would be most useful for you to overcome these challenges? (n = 233, multiple responses allowed)



COVID-19 Challenges: Inputs

Farmers anticipate that high costs of inputs, particularly fertilizer and seed, will be a challenge in the next six months.

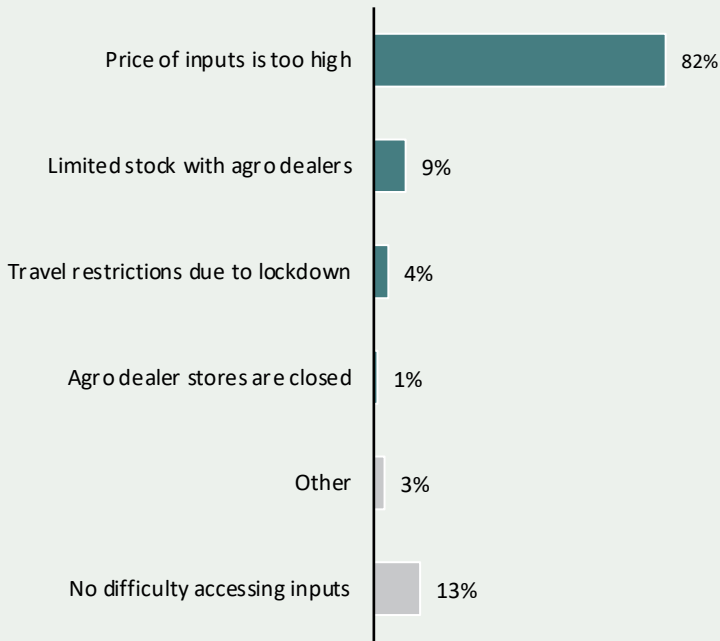
In the next six months, farmers anticipate challenges with input prices being too high.

13% also mentioned not anticipating any challenges in accessing inputs.

When asked about which specific inputs farmers would find hard to purchase, 73% mentioned fertilizers, 49% seeds, and 29% pesticides

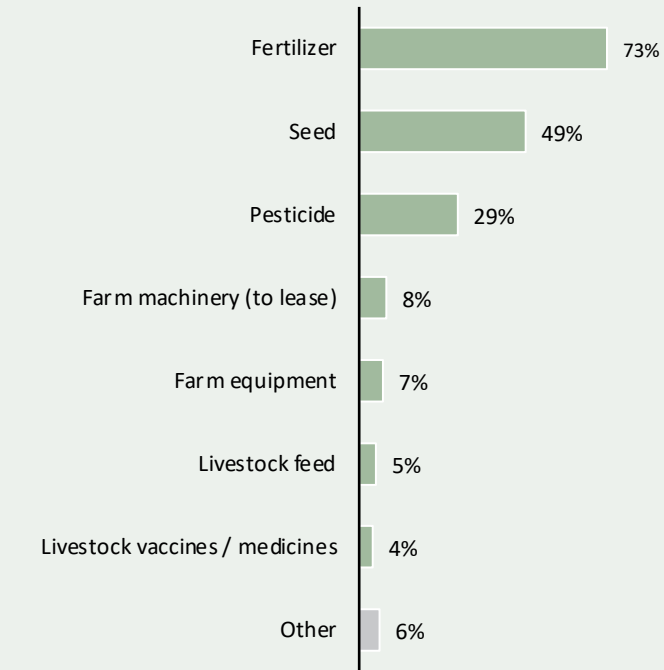
Perceived Challenges Buying Inputs

Q: When you try to purchase inputs in the next 6 months, which of these challenges do you anticipate experiencing? (n = 241, multiple responses allowed)



Type of Inputs

Q: Which types of inputs will you find particularly hard to purchase? (n= 241, multiple responses allowed)

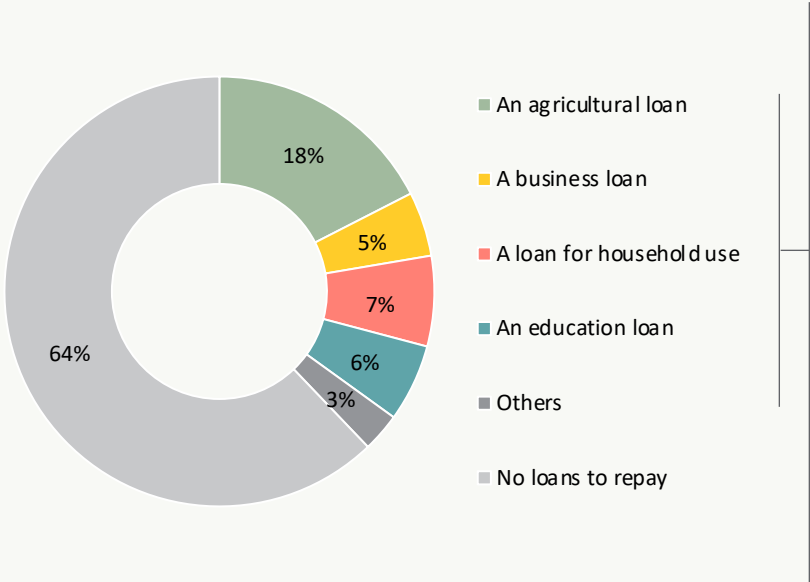


COVID-19 Challenges: Loan Burden

36% of farmers are repaying loans at this time. 77% are confident about making payments/repayments at this time. Majority are Agri loan clients who have borrowed from a table banks/savings, loans group.

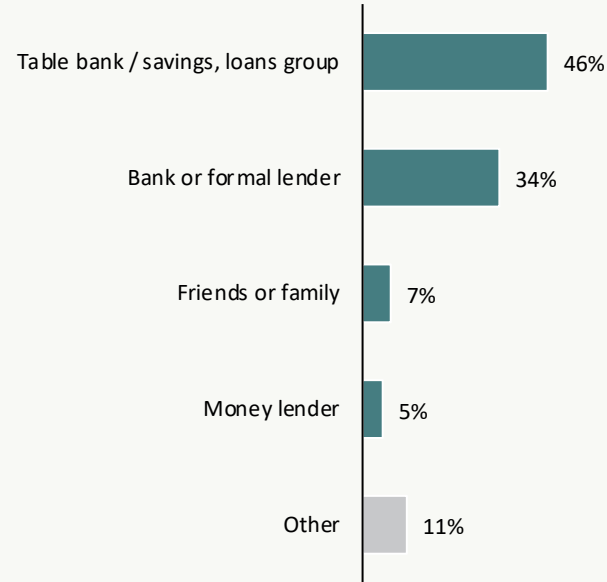
Loans Farmers Are Paying Back

Q: Currently, which loans, if any, are you paying back? (n = 241, multiple responses allowed)



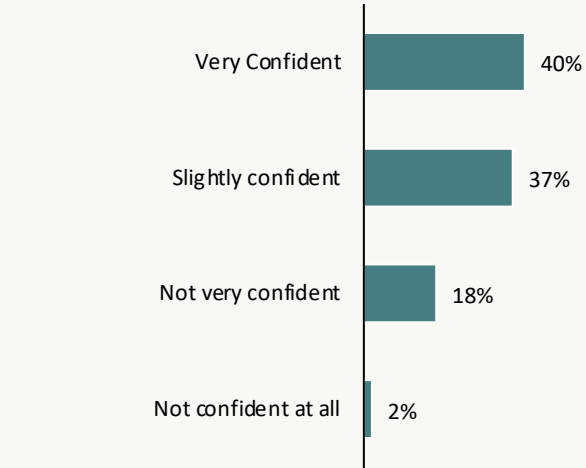
Sources of Loan

Q: Who were these loans taken from? (n = 89)



Confidence In Repayment

Q: How confident would you say you are in your ability to make [payments/repayments] for the next month as you normally would? (n = 89)



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:

ACRE Africa Data	
# farmers	241
60dB Global Agriculture Average:	
# companies	64
# farmers	12,309
60dB Agriculture Farmer as farmer Average	
# companies	32
# farmers	7968
60dB East Africa Average	
# companies	27
# farmers	5773

ACRE Africa performs particularly well on providing a unique service to an underserved farmer base. It can address farmer challenges to improve farmer satisfaction.

Comparison of ACRE Africa Performance to Selected 60dB Benchmarks

Dimension	Indicator	ACRE Africa	60dB Global Average	60dB Agriculture* Average	60dB East Africa Average
Who ○	Inclusivity Ratio	1.14	1.2	1.1	0.67
	% female	66	30	34	30
How Much ≡	% reporting quality of life very much improved	13	41	47	48
	% reporting quality of life slightly improved	33	40	36	39
	% reporting crop production very much improved	10	36	44	55
	% reporting crop revenue very much improved	9	36	39	47
What Impact □	% reporting quality of life improved due to increased production	-	-	-	-
	% reporting quality of life improved due to improved ability to farm better	-	-	-	-
Contribution +	% first time accessing ACRE Africa offerings	89	71	74	71
	% saying no good alternatives are available	79	79	88	88
Risk △	% experiencing challenges	52	28	23	26
Experience	Net Promoter Score	-15	33	32	38

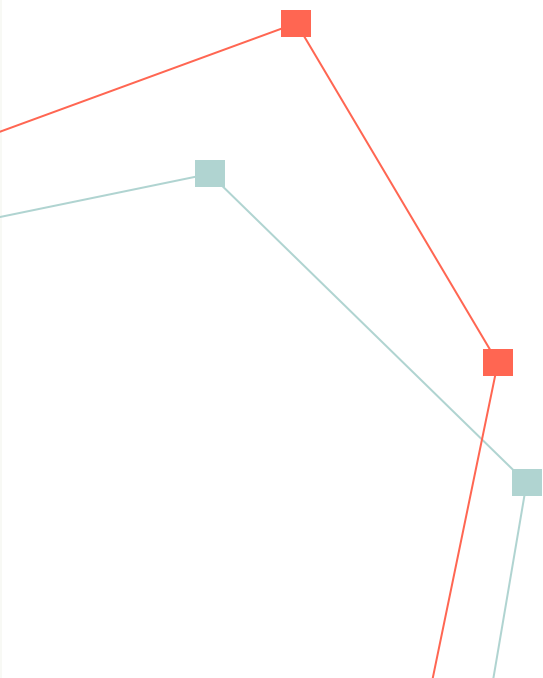
*Specifically, Agriculture – Farmer As farmer Average

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®	<p>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’.</p>
Inclusivity Ratio	<p>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 ACRE Africa % / 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:</p> $\sum_{x=1}^3 \frac{([Company] Poverty Line \$x)}{(Country Poverty Line \$x)} / 3$

Summary Of Data Collected



241 phone interviews completed in September 2020.

Methodology

Survey mode	Phone Interviews
Country	Kenya
Language	Swahili
Dates	September 2020
Sampling	Selected randomly from 1,338 ACRE Africa farmers
Response rate	81%

Responses Collected

Farmers	241
---------	-----

Sampling

	% sample	% population
Ugenya	35%	48%
Meru	17%	11%
Funyula	7%	8%
Butula	5%	8%

Accuracy*

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

*Our confidence level cannot account for two unknowns for this population: mobile penetration and extent of completeness of ACRE Africa’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.

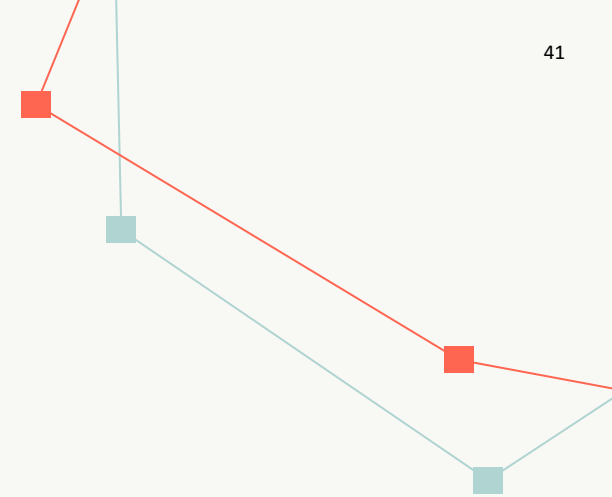
Your Feedback

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 Patrick Sampao from ACRE Africa, & 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 am more confident to farm now.

I can now plant with better seeds.

They really helped me when I experienced agricultural calamities.

When there is extreme

> Rain

and

> sun

that can destroy crops,

> Bima Pima

can help with

> compensation

of the crops.

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