

# Success Story 4.

## Diversified Business Enterprise and Improved Business Income, Embu County

### Mr. and Mrs. Njoroge

Mr. and Mrs. Njoroge co-own a business. They are married with a young family. They operate an agro- shop in Embu County, Mbeere South sub county, Kiambere Ward, Mutua valley village. It is known as Molanasi agrovet which supplies inputs to farmers. With the enrollment into the programme the agri-business owners have increased and diversified the stock which includes drugs, pesticides, tools and equipment that has seen an increase in business volumes bringing in increased income and has been able to diversify the business into other ventures including offering financial services.

#### KCEP-CRAL Intervention

The agri-business owners underwent a 6 day residential training by AGMARK a partner in the programme and was trained on business management. Recruited into the e-voucher system by Equity bank and allocated Point of Sale devices (POS) and trained on its use. Before Intervention The agro-shop started with limited stock that they used to source from third parties due to low volumes being supplied to farmers in the area. The business started with an operational capital of Ksh 500,000 (USD 500) with cash in bank of less than Ksh 200,000 (USD 2,000) serving only a handful of farmers in the town and surrounding area. The business had limited stock varieties running only one business stream of supplying inputs to farmers.

#### After Intervention

With the rollout of the e-voucher, the agro dealer customer base greatly increased with access of e-voucher beneficiaries under the programme. Due to the requirements of the programme of a variety of inputs that needed to be supplied to farmers, the business was able to diversify its stock portfolio and make large volume orders directly from manufacturers thus gaining better

prices for the inputs. Income from the business grew and currently the business has more cash in bank and a diversified stock portfolio by over 200% increase. Furthermore Mrs Njoroge has now ventured into new diversified business streams of offering financial services by being an agent to several banks including Equity bank, National bank as well as running an mpesa facility at the agrovet. This has greatly enhanced the family's earnings.

#### Unique Attributes of Beneficiary

They are innovative business persons with ability to adapt to their business environment and bring in new business concepts. The agro-vet has also taken the initiative to help in recruitment of farmers into the programme that translates into a larger market for her products.

#### Beneficiary testimony

"The programme increased my customer base enabling me to diversify my stock and also venture into new business streams that have added my income. I have been able to buy a two acre Shamba along Tana River from the increased income. From the increased income, the family has also been able to send and meet the costs for Mr. Njoroge who is currently undertaking a course in Meat inspection".

#### Challenges

- Poor reception and adoption of new products by farmers
- Delay of supply of hermetic bags and tarpaulins
- Poor road infrastructure to get supply of inputs from manufacturers
- Poor network that hampers operation of the POS

