

Intervention challenges

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Products and services not reaching poor customers

Products and services not reaching poor customers refers to situations where a market function exists but is not accessible to the poor. For example, this may be a case where packaging is done in quantities that are unaffordable, where products are designed for higher-end consumers, or situations where marketing simply isn't catered for poor people.

This [blog](#) is useful in helping to think through and define who the poor are in your market context

In underperforming markets, businesses that sell products or services to the poor tend to focus on maximising short-term returns from individual transactions and on customers coming to them rather than actively marketing to current and potential customers.

In the case where the poor don't know about or don't think they want, a product/service, market systems programmes can often be address this through supply-side players. They may choose to encourage partners to improve the nature of their relationships – or lack thereof – with customers.

Feed the Future Uganda Agriculture Inputs Activity - strategic assessment report

Tactics to encourage customer-service orientation at various points in the agricultural inputs value chain.

Market facilitators focusing on improving relationships between partner firms and customers can adopt the following types of approaches:



- **Customer Management Systems.** Support with setting up systems (e.g. linkages to ICT firms) to collect and organise information on customers and their purchasing behaviors can be used by partner firms to better understand customer needs, plan inventory accordingly, and conduct targeted marketing and outreach activities.
- **Marketing and outreach.** The program may encourage partner firms in trialing outreach strategies such promotional events during which business owners share information on choosing the right products and appropriate usage; and communication strategies such as SMS and radio marketing.
- **Go to where the customers are.** This may include supporting partner firms in setting up networks of sales and/or technical support agents (e.g. extension agents) in areas outside of major towns who are paid on a commission basis, or in working via existing retailers in these smaller areas.
- **Diversification in product lines.** This can include, for example, supporting partners in developing smaller product sizes more suited to the needs and budget of lower-income customers. See Intervention Tactics: Buying Down Risk for more.

■ **Mapping successful cookstove distribution models: eight success factors to reach the last mile**

Best practices to raise access and affordability of clean cookstoves.