

AGRA Impact Series



Taking inputs to farmers transforms incomes for Malawian enterprise

Malawian entrepreneur Matilda Chitete, 71, had for several decades struggled to make a meaningful income from her agrodealership, Chilewo Traders, but she often came up short.

That was until 2019, when she attended a business training organized as a partnership of the Rural Market Development Trust (RUMARK), the Alliance for a Green Revolution in Africa (AGRA) and the International Fund for Agricultural Development (IFAD).

The training showed Chitete how to capture customers by showcasing her products where the purchasing power was concentrated. All Chilewo Traders had to do was to set up a display of products in different villages on the days when the village-savings groups were sharing out their contributions to members.

Different savings groups in Ms. Chitete's Chipita District had specific days and locations for the distribution of funds. By displaying her products where over 400 smallholder farmers – most women - were gathered, Chitete was able to capture their attention before the money they received was spent elsewhere.

The strategy was a great success as it increased Chilewo Traders' daily income by 50 percent in just one year. By the end of 2019, the agrodealership was averaging daily sales of MWK 200,000(\$254.84), up from MWK100, 000 (\$127.42) the previous year.

Additionally, by coming closer to farmers, Ms. Chitete rapidly increased the foot traffic to her shop in the Dwangwa Township, some 237Km north of the country's capital, Lilongwe.

"My sales have increased with the number of people visiting my shop. A lot of private seed companies now trust me, and I have managed to receive consignments from Seed Co, Demeter and Monsanto. I am very happy," she said.

To further improve her relationship with farmers, Chilewo Traders recently bought 5ha of land for use as a demonstration site for good agricultural practices, including the use of improved seed and fertilizers to increase yields. The agrodealer targets to reach 600 farmers (360 Female, 240 Male) through the project.