

Lessons from Farming Households: Agricultural Decision Making and Shifting Social Norms for Women's Economic Empowerment

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About INNOVATE:

INNOVATE – Adoption of Agricultural Innovations through Non-Traditional Financial Services, is a three-year initiative implemented by MEDA and funded by the International Development Research Centre (IDRC). MEDA and its partners are assessing the potential of non-traditional finance to enable large scale adoption of agricultural innovations among women and men smallholder farmers in South Asia, South America and East Africa. The research and learnings will contribute to developing policy and programming recommendations.

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List of Acronyms

5DE	Five key domains of empowerment of the WEAI
AFL	Agriculture for Life
BA	Bank Asia Limited
FAO	Food and Agriculture Organization
FFS	Farmer Field Schools
GDIC	Green Delta Insurance Company
IDRC	International Development Research Centre
IFPRI	International Food Policy Research Institute
KU	Krishi Utsho
MEDA	Mennonite Economic Development Associated
NTFS	Non-Traditional Financial Services
SFL	Savings for Life
VSLA	Village savings and loans associations
WEAI	Women's Empowerment in Agriculture Index
WEE	Women's Economic Empowerment
WR	World Relief

Introduction

It is well understood in agricultural development and financial inclusion efforts that rural women face compounded socio-cultural and economic barriers in accessing training, information, finance, land, and other inputs and assets critical to achieving success in agriculture-related enterprises. In many developing countries, women represent 40-50%¹ of the agricultural labour force but continue to face barriers at the household, community and national levels in building resilient livelihoods despite their important role in transforming rural economies.

The 2019 Rural and Agricultural Finance State of the Sector report outlines some of the barriers to women's meaningful engagement in agriculture and women's economic empowerment (WEE).² These include a weak enabling environment for women, characterized by underdeveloped rural markets and services, as well as limited financial resources and opportunities to access markets. These barriers are present throughout all stages of a woman's life cycle, from childhood to elderly years.

It is critical for those working in WEE programming to consider the impacts of a constrained enabling environment, as well as socio-cultural barriers such as traditional or harmful social norms, on the differential access women and other underserved populations may have to the important drivers of financial inclusion in agriculture – education, entrepreneurship or employment opportunities, and financial services.³ The decisions that smallholder women and men make within their households are not influenced by productivity gains and cost-savings alone. Household-level decisions on agriculture take place within the context of intramarital and other familial

relationships, as well as within the context of the larger community, and are shaped by social norms, beliefs, attitudes, livelihood constraints, familial obligations and other factors which can encourage, or hinder, success in agricultural activities. Many existing studies have looked at the factors that contribute to lower agricultural productivity for women, including time availability, legal rights, security concerns and limited physical capacity,⁴ but fail to account for the social norms that underpin these individual and societal barriers.

“Affordability is not the only barrier we are trying to overcome. How can a lady farmer get hold of a new tarpaulin canvas that won't break in one season? Does she even know Bidhaa Sasa exists?”

– Bidhaa Sasa Final Learning Report

Through a three-year initiative implemented by MEDA and funded by the International Development Research Centre (IDRC), the INNOVATE project partnered with 10 organizations in South Asia, South America and East Africa to assess the potential of non-traditional finance to enable large scale adoption of agricultural innovations among women and men smallholder farmers. INNOVATE further explored how decisions are made within agricultural households around production, including the adoption and uptake of new practices or inputs along with savings, credit and insurance products. MEDA worked with each partner to prioritize learnings on the differential impacts on women and men within a household related to their pilot or case study objectives.

¹ World Bank. (2017). “[Help Women Farmers ‘Get to Equal’](#).”

² For more information on WEE see: Jones, Bramm. (2019). “[Women's Economic Empowerment: Transforming Systems through Development Practice](#).” *Practical Action*.

³ ISF Advisors. (2019). “[Pathways to Prosperity: Understanding Women's Rural Transitions & Service Needs – Gender Deep Dive](#),” pg. 5.

⁴ Ng'weno et al. (2018). “[Demand-side review of Financial Inclusion for Women in entrepreneurship and smallholder agriculture](#).” IDRC.

1. Social Norms and Agricultural Decision Making

Social norms refer to the commonly held rules of behaviour which are shared, reinforced and upheld by individuals and groups within a society, and are often enforced by social expectations and sanctions. Sanctions refer to positive or negative response or reactions by others in a household or society to the behaviours of an individual, for example, smiling or laughing, or scolding and aggression. These sanctions influence the way people 'think they should behave' and what others think should be done.⁵ Social norms are also upheld or challenged by laws and regulations present in the enabling environment.

Women small producers are constrained by a multitude of factors which restrict their ability to learn about, access and utilize finance for agriculture or agribusiness and entrepreneurship. The Demand-side review of Financial Inclusion for Women in entrepreneurship and smallholder agriculture (IDRC 2018, pg. 12) highlights some of the common issues that affect smallholder women's economic engagement and influence their agricultural decision-making:

- **Different priorities:** Women prioritize household responsibilities such as children's education and housing. Men prioritize business expenses and large investments such as land.
- **Risk-avoidance:** Women are much less likely to take risks than men. Women's role tends to be that of defending and protecting the household from outside shocks.
- **Life interruptions:** Women face interruptions to business or farming enterprises when they give birth and look after family members.
- **Lower, less consistent incomes:** Women's incomes are generally lower and less consistent, which provides them with less capital to invest in business or farming enterprises.
- **Horizontal networks:** Women tend to know other women in similar situations as themselves; this can be a source of resilience in hard times. Men tend to know other men from a range of social and economic stations, enhancing their ability to expand their enterprises.
- **Earning closer to home/mobility:** Women are less likely to travel far from home; most of their transactions and income-generating activities take place close to home. Women's lower rates of phone ownership also impacts their ability to interact with people farther away.
- **Role conformity:** Women face strong societal pressure to conform to gender norms and may face judgement from family members if they do not conform.

⁵ Nisha Singh, Anam Parvez Butt & Claudia Canepa. (2018). "[Shifting Social Norms in the Economy for Women's Economic Empowerment - Insights from A Practitioner Learning Group.](#)"



To better understand women's role and WEE in agriculture, IFPRI developed the Women's Empowerment in Agriculture Index (WEAI), "an aggregate index, reported at the country or regional level, based on individual-level data collected by interviewing men and women within the same households."⁶ The WEAI tool can assist practitioners in better understanding the different dimensions that gendered social norms play in women's agricultural decision-making and within their households. One of two indices explored by the WEAI is the degree

to which individuals are empowered in five key domains of empowerment (5DE) in agriculture.

The WEAI tool can support organizations working in WEE programming in agriculture to better understand the unique drivers of decision-making in production and how other resources, income, leadership roles and time constraints can influence and impact the success of increasing livelihoods or farming revenues within smallholder households.

TABLE 1. Five Domains of Empowerment in the WEAI⁷

Domain	Indicators
Production	<ul style="list-style-type: none">• Input in productive decisions• Autonomy in production
Resources	<ul style="list-style-type: none">• Ownership of assets• Purchase, sale or transfer of assets• Access to and decisions on credit
Income	<ul style="list-style-type: none">• Control over use of income
Leadership	<ul style="list-style-type: none">• Group member• Speaking in public
Time	<ul style="list-style-type: none">• Workload• Leisure

⁶ IFPRI. (2019). "[Women's Empowerment in Agriculture Index \(WEAI\)](#)."

⁷ USAID. (2012). "Women's Empowerment in Agriculture Index," pg.3.

2. INNOVATE Case Examples

The domain of empowerment within agricultural decision-making is highlighted in the below cases from the INNOVATE portfolio. Each case demonstrates alternative business models and approaches for reaching women and underserved smallholders with client-centric products and services. The cases explore how women and smallholder families prioritize agricultural and financial decisions in Rwanda; the power of agent banking in Bangladesh; the accessibility of rural, formal finance through community-based aggregation hubs in Nepal; and women-friendly product outreach in Kenya. Each case demonstrates that decision-making around agricultural production is not motivated solely by increased net revenue; but rather decisions made by women and men are constrained by a complex system of negotiations within a community and larger enabling environment influenced by socio-cultural beliefs and behaviours which can influence agricultural investments and productivity.

2.1. RWANDA: SAVINGS AND AGRICULTURAL TRAINING MODELS FOR RURAL WOMEN AND FAMILIES

In many parts of Sub-Saharan Africa, Village Savings and Loans Associations (VSLAs) and other forms of savings groups are a proven model to provide many rural, agricultural and underbanked individuals with access to information, financial literacy training, and capital (in the form of loans and dividends, or 'share out' funds). The group feature of VSLAs promote increased agency, community building, leadership and eventual engagement with formal financial institutions, including microfinance institutions. VSLAs tend to go hand-in-hand with agricultural programming, since they are often promoted among poor producer communities, especially among



women.⁸ Farmer Field Schools (FFS), are another model used to engage women and men producers; FFS focus on technical training and experiential learning to promote the adoption of improved techniques and inputs to increase yields for smallholder farmers.

In Rwanda, World Relief (WR), an international organization that primarily works through a network of churches to access last-mile households with an emphasis on women, utilizes both the VSLA and FFS models to build resiliency through trainings and increased life skills. In partnership with INNOVATE, WR sought to better understand the impacts of the 'Savings for Life' (SFL) VSLA program and the 'Agriculture for Life' (AFL) FFS program on increasing investments in agricultural inputs (seeds, fertilizer, etc.) and improving skills. The project placed an emphasis on understanding the impacts for poor women farmers on production and access to more diverse food sources.

Results from WR's research showed a 75% increase in crop productivity for individuals (80% female, 20% male) enrolled in both the SFL and AFL programs. After one year of the intervention, households participating in SFL only or in both AFL and SFL had a higher likelihood of saving in the last month; among households participating in SFL only, 73% of those involved saved in the last month when compared to baseline and among households engaged in AFL and SFL, 79% more saved in the last month. Households engaged in SFL only and in both AFL and SFL were also more likely to utilize funds through VSLA loans; 37% and 30% more households used loans in the previous month when compared to households at baseline.

On decision-making within households between husbands and wives, there was a positive correlation between participating in AFL and SFL

or AFL only on joint decision-making, suggesting that the AFL program may encourage women to engage their husbands in decisions that they previously made by themselves or with someone else. At the close of the study, there was no significant change in joint decision-making for those individuals in SFL only.

One of the most striking results related to household prioritization and decision-making was with respect to food security. The majority of WR client households within the parameters of the study were classified as 'severely food insecure,' meaning that most respondents reported experiencing of hunger on a regular basis.⁹ The endline survey found that those in the combined AFL and SFL groups dramatically decreased their status as food insecure by 40% over the course of the study, and for those in AFL only, it decreased by 15%. For those in SFL only, the decrease was less than 1%. The research also found that the diet diversity for children of farmers who participated in AFL only or in both the AFL and SFL groups increased, likely as a result of nutrition education and increased crop production promoted through AFL.

These findings demonstrate that increased training in agriculture can provide more income and/or production diversity so that farmers acquire more nutritious food for the family, and the impact is further enhanced when combined with savings, indicating that more resources may be funneled into production as well as household consumption for potentially increased diet diversity and nutrition outcomes. Additionally, these findings demonstrate that women, the target client segment of the research, may make different decisions for themselves and their children with respect to food consumption when equipped with more knowledge, resources and agricultural innovations.

⁸ SEEP Network. (2017). "[Understanding the Impact of Savings Groups.](#)"

⁹ FAO. Nd. "[The Food Insecurity Experience Scale.](#)" pg. 4.

2.2. BANGLADESH: AGENT BANKING THROUGH AN INPUT SUPPLY NETWORK

Bangladesh is a rapidly growing economy, projected to achieve stable 7% national growth throughout the next decade owing to its investments in health and education to boost productivity.¹⁰ Despite this trend, poverty reduction is occurring at a much slower pace: 24% of the population (nearly 1 in 4 Bangladeshis) currently lives in poverty, with close to 13% of the total population living in extreme poverty.¹¹ Of those in extreme poverty, women are disproportionately impacted, particularly those engaged in subsistence farming, and living in women-headed households. Women constitute 50%¹² of the agricultural labour force in Bangladesh but are constrained by harmful social norms which often prevent mobility, access to formal credit and access to agricultural extension services provided by government, input supply shops and other service providers.

Krishi Utsho (KU), an innovative agro-input micro-franchise network and social enterprise operated by CARE Bangladesh, works with last mile farmers and women who are often excluded from formal market systems. KU aims to increase clients' farm productivity while protecting their productive assets (i.e., livestock) through access to affordable and good quality inputs and timely financial services such as credit, savings and insurance. With the support of INNOVATE, KU launched a pilot that incorporated commercial banking, in partnership with Bank Asia Limited (BA), and insurance services provided by Green Delta Insurance Company (GDIC) into the existing KU value chain in two Upazillas (sub-districts) where KU agro-shops already operated. The goal of the pilot was to measure the impact of these partnerships on the financial stability and livelihoods of small rural farmers, particularly women.

Watch:

- [Insurance Journey Map](#) (1 min)
- [Loan Journey Map](#) (1 min)
- [Organization Journey Map](#) (1 min)



¹⁰ Bloomberg. (2019). "[Asian Economies Set to Dominate 7% Growth Club During 2020s.](#)"

¹¹ The World Bank. (2017). "[Bangladesh Continues to Reduce Poverty But at Slower Pace.](#)"

¹² FAO. (2016). "[Women Farmers of Bangladesh.](#)"

Through the project, farmers were offered a small, collateral free, 6-month agriculture-based loan from Bank Asia (average loan size \$200 USD), with the option to add weather-based insurance offered by GDIC. The customer journey map depicts the different stages and number of days (average 36 working days) for a customer from application to loan disbursement. CARE Bangladesh provided a guarantee deposit to Bank Asia to incentivize the Bank's participation in the pilot and enable the collateral-free loan offering. KU agents digitally collected client information using tablets, introduced the loan and insurance products to farmers, and discussed the product terms. If the farmer was interested, s/he was required to first apply for and open a bank account with

BA through their local KU shop agent and then followed the formal credit application process. This tripartite partnership among KU, BA, and GDIC was established to encourage farmers, especially women producers to:

1. **Move into the formal financial sector** through access to bank accounts and collateral free loans (financial inclusion);
2. **Increase autonomy over financial assets** (financial empowerment); and
3. **Improve knowledge and ability** to make informed financial decisions (financial literacy).

FIGURE 1. Customer Journey Map from Application to Loan Disbursement





BA and GDIC benefited from increasing their brand awareness and customer acquisition efforts to include previously un/underbanked clients, while also developing new employment opportunities within their own agent banking and insurance networks.

Over the course of the pilot a total of **216 farmers** (73 women) opened bank accounts, through 12 agents at different KU shops across Bogura in the northwest region, and Jashore in the southwest region of Bangladesh. Of the 216 farmers that opened a new bank account, **83**

farmers (28 women) accessed a loan and 50 farmers (10 women) purchased insurance.¹³

Trainings and information sessions on the loan and insurance products were held at the KU shops. The KU team also provided home-based training to ensure access for all women, including those unable to attend the KU shop-based trainings. The pilot was implemented in two phases, accounting for learning and overcoming challenges, such as shortening the loan approval and disbursement time in phase 2. A breakdown of the pilot achievements over the two phases are shared below:

TABLE 2. Phase 1 and Phase 2 Pilot Achievements

Phase	Pilot Achievements	Women	Men	Total
Phase 1	New Bank Account	53	109	162
	Initial Loan Application	83	176	259
	Completed Loan Application	28	55	83
	Insurance Coverage	10	40	50
	Number of Agents			7
Phase 2*	New Bank Account	20	34	54
	Initial Loan Application	8	10	18
	Completed Loan Application	0	0	0
	Number of Agents			5

*Full results from phase 2 ongoing

¹³ These results are for Phase 1, as the full results from phase 2 are ongoing as of April 2020.



Participating smallholders received information on the available credit and insurance products and to grow and protect their farming businesses. For women and marginalized farmers, this pilot encouraged women to open their own bank accounts and obtain a flexible and collateral-free loan. The model was ultimately able to effectively overcome some of the socio-cultural and economic barriers women face in accessing information and credit and promote women's increased agency and leadership within agricultural market systems. Other key learnings for smallholder engagement with the financial sector, with a gender lens include:

- 1. Distance:** Financial Institutions (FIs) struggle to reach rural clients, even within district level networks. Agent banking is an alternative model that allows those with limited mobility, especially women, to interact with service providers within a trusted community setting.
- 2. Risk of Return:** FIs focus on large farmers rather than smallholders due to the perceived risk of low or no return on investment. The KU tripartite partnership demonstrated the interest and willingness of previously unbanked clients, especially women, to engage, adopt and pay back small, accessible, agriculture-based loans.
- 3. Collateral & Gender Bias:** Most traditional FIs require collateral to provide a loan, which excludes many women smallholders as they have limited ownership of land and hard assets like vehicles or farming equipment, often based on cultural, gendered social norms. The KU pilot demonstrated to BA the trustworthiness of women and men smallholders to utilize and repay a loan.

4. Traditional Loan Process: The ability to travel to a traditional brick and mortar bank is challenging for many rural women in Bangladesh, due to cultural norms around women's mobility, as well as safety concerns in some areas. By shortening the processing time and leveraging KU shop owners to support customers with preparing documents and completing the loan application, women and smallholders benefit from reduced travel costs to branches as well as a decrease in the number of in-person interactions.

5. Knowledge and Information: Rural producers have limited knowledge of the formal financial sector often due to constraints around literacy, telecommunications, and limited reach of FIs into rural markets. For women, this is compounded even further, as training and communication sessions are often hosted by male staff within banking institutions or input supply shops. Social norms may dictate that it is not appropriate for women to attend male-led trainings. As a response, KU offered home-based training for women who were unable to attend training that took place in KU shops.

By offering an innovative and accessible financial package and creating more inclusive products and services for women's agricultural development, this pilot demonstrated a model for improving farmers' (including women) access to finance and ability to make decisions about their livelihoods and production. The partnership also achieved a shift in perceptions within BA, GDIC and the participating KU shop network and demonstrated that women are viable customers of agricultural products.

2.3. NEPAL: COMMUNITY MANAGED ACCESS TO FINANCE

In Nepal, smallholder farmers face a series of challenges in accessing agricultural finance. Lack of available agri-finance products in rural areas, and high amounts of collateral required are some of the barriers for financial inclusion. Along with these constraints, climate change has contributed to greater erratic weather, droughts, flooding and pests – creating a greater need for crop insurance to mitigate risk.¹⁴ The outmigration of men from many rural communities in Nepal has also contributed to a shift in the dynamics of farming households, where women have taken primary responsibility for most, if not all, smallholder farming activities. This creates an even greater imperative for governments, banks, and other key actors to improve access to credit and insurance for women, who have historically been excluded due to socio-cultural and economic barriers, such as lack of ownership and control over productive resources.¹⁵

Through the INNOVATE project, International Development Enterprise (iDE) partnered with a Nepali financial institution, Muktinath Bikas Bank Limited (MNBBL), to pilot a new model of finance to reach rural farmers by utilizing an extensive network of community aggregation centres, technical support, and product sales agents who manage and distribute agricultural loans in two regions of Nepal. In order to appropriately support uptake and security of agricultural loans, this initiative also tested informal crop insurance managed by the community collection centres

to protect the farmers from crop failure and potential income losses.

This model was comprised of Marketing and Planning Committees (MPCs), which are elected by farm production groups to manage local agricultural Collection Centers (CCs), developed by iDE in previous programs. Through this mechanism, loans were managed at the community level and made available at the appropriate time, and with technical support, to assist in the commercialization of vegetable production. Support for improved agricultural production was also coordinated by CCs via community-based last-mile input supply agents trained in past iDE projects, known as Community Business Facilitators (CBFs). The CBFs provide local access to high-quality agricultural inputs (i.e. improved seed, micro irrigation, safe integrated pest management) to farmers within their communities. CBFs earn a commission on the sales they facilitate from the input supply shop, and therefore have an incentive to promote the loan offered by Muktinath Bank, since farmers with increased access to capital will likely increase input supply purchases.

The pilot aimed to increase household income through investment in climate-smart agriculture technologies, made possible through a bundled service offering that combined loan and crop insurance products to stimulate commercial vegetable production. The pilot focused on reaching women and other marginalized groups.

During the project period, loans were approved for over 1,000 farmers, with a total loan portfolio valued at USD 200,000. Approximately 80% of those who received loans were women. Over 300 farmers took advantage of the CC vegetable crop insurance product. These farmers

¹⁴ iDE. (2019). “iDE Final Pilot Report: Non-Traditional Financial Services for Smallholder Farmers in Nepal.” Produced and published for MEDA INNOVATE.

¹⁵ Dr. Purushoam Shrestha. (2015). “Background Paper: Promoting Financial Inclusion for Women in Rural Nepal.”

realized a three-fold increase in their average annual vegetable income (up to \$800 USD), through increased investment and adoption of improved climate-smart agriculture technologies.

In addition, the pilot sought to assess whether women CBFs were more effective in reaching women farmers to foster engagement in the program and utilization of a loan. The results found that there were no significant statistical differences in terms of the characteristics of men and women CBFs. However, interestingly, customers of women CBFs on average earned 20% more income than customers of men CBFs. The end line study also found that 35% of women farmers preferred working with a woman CBF.

This finding suggests that smallholder women clients may benefit from working with women CBFs. This may be because women are more comfortable engaging with other women due to social sanctions around mixed gender interactions. As a result of working directly with women sales agents, women small producers have been able to purchase and utilize climate smart technologies. Working through trusted and local CCs also promotes greater integration of women into leadership roles within the elected roles of the MPCs.

Through the pilot, MNBBL witnessed the benefit of working through CCs to engage with small producers, women and marginalized communities. MNBBL will continue to work with iDE to grow their market reach into marginal, rural communities, which could encourage other financial institutions to evaluate the benefits of reaching marginal communities with a diversified product and service offering. If there was an eventual crowding in of formal financial institutions, it could lead to a shift in the accessibility of women and other small holders to utilize formal finance, and slowly shift norms and perceptions about their ability to engage successfully in agriculture.

The partnership revealed the importance of sharing the risk between both financial institutions, and community gatekeepers, the CCs and a development partner in iDE in developing a shared value initiative. This enabled the organizations to demonstrate the value and potential of women as viable clients for continued, formal engagement.

As a first-time commercial farmer, Dipa earned about NPR 13,500 (USD 110). Dipa noted this was her only local opportunity to earn income and “it’s much easier to spend money on the children and myself” from the income she earned from vegetables.



2.4. KENYA: EXPANDING A WOMEN-CENTRIC BUSINESS MODEL FOR PRODUCT DIVERSIFICATION

In rural Kenya, many women lack access to technologies (including agricultural technologies) to improve their productivity and overall quality of life. Some of the common barriers to adopting new agricultural technology include a lack of knowledge by farmers about what products exist, how to access them, and most importantly, affordability. These bottlenecks are further exacerbated for women in rural areas, as they perpetually earn less, have less access to finance and financial autonomy, and are less likely to have a land title or ownership over key assets. Women smallholders are traditionally ignored by input suppliers as a result of the commonly held belief that men in farming households are the money holders and are responsible for making the decisions around investments in assets or large purchases related to production. Women are often seen as being too poor, ignorant, or lacking adequate collateral to be viable customers. This shared belief stifles women's ability to engage and thrive in farming as a business.

In response to this, Bidhaa Sasa, a last-mile distribution and finance company, developed a product catalogue that specifically targets this underserved client segment with life-changing household goods and agricultural innovations. Bidhaa Sasa utilizes client-centric approaches to better understand the cashflow constraints and power dynamics that drive agricultural decision-making within the home. The company also targets women as their main customers, and women make up over 70% of their client base.

Bidhaa Sasa uses a group liability model for product outreach and sales as a form of non-traditional credit risk mitigation, commonly referred to by the company as the Tupperware approach. Top performing customers become promoters (known as group leaders) who

organize women into groups and demonstrate products like clean cookstoves or drying canvases for grain. The company uses this approach because it works well for rural women, as it leverages women's already strong social capital and networks within communities. Bidhaa Sasa utilizes these networks for product demonstrations to raise awareness of the benefits of different agricultural goods and tools among women.

Bidhaa Sasa partnered with MEDA INNOVATE to learn whether its current distribution and finance model works to effectively promote adoption of agricultural innovation and goods, in order to expand their range of product offerings to rural women. Bidhaa Sasa aimed to show that with a women-centric model, repayment rates on attractive, affordable and trusted goods, would be equal to or better than those achieved by microfinance institutions selling larger loans.

RESULTS

As a result of the pilot, Bidhaa Sasa found that only technologies that really transform the user experience are worth commercializing, both for the impact potential and the commercial viability for the company.



Bidhaa Sasa had success in marketing their range of agricultural products to rural women, by experimenting with the products that would appeal to their customers and fit within their business model. In total, 5 new agricultural products/tools were added to their product catalogue, with over 3,661 units sold to a majority (76%) of female customers during the pilot period. Bidhaa Sasa amassed good repayment rates, with PAR30 ranging between 0% to 12% depending on the product and accumulated a Net Promoter Score (NPS)¹⁶ ranging from 41-56% depending on the product.¹⁷

Through their sales during the pilot period, Bidhaa Sasa found that women are interested in purchasing high-value agriculture tools and are willing to pay for them given appropriate terms. The company learned that it is not necessarily the highest earner within a household that makes final purchase decisions, but rather the member in the household that has a relationship with the service provider. By prioritizing women as the consumer, Bidhaa Sasa proved that rural women can absorb risk, adopt new technologies and demonstrate good repayment behaviour.

The pilot results also confirm the importance of tackling perceived social norms or beliefs

at a company level, to increase market share and product offering opportunities. Women customers showed that repayment was possible even for goods not perceived as income generating. As long as a product had time and money-saving benefits, and improved farm conditions, women took an interest in it. For many women, multiple competing demands and expenditure priorities can influence the decision to invest in productive equipment or inputs. Bidhaa Sasa found that many women first invest in home-based tools related to cooking, and then prioritize agricultural tools – which may speak to their different roles within the household.

Bidhaa Sasa understands the social norms at play within rural communities and leverages women's social capital to market their products to other women and grow their market share. By doing so, Bidhaa Sasa challenges the commonly held perception that women are not interested in and/or cannot afford these products. Groups of rural women continue to purchase the company's products and demonstrate to others in their communities their commitment to increasing productivity and agency within agricultural systems.



3. Conclusion and Recommendations

This paper highlights examples from INNOVATE that demonstrate the operational implications for encouraging greater engagement by women in agriculture and finance through increased decision-making over production. This is critical to explore as the World Bank estimates that if the gender gap in agriculture closes, yields on women-run farms could increase by 20-30%, effectively raising agricultural outputs in developing countries by 2.5-4%, which could lead to increased and sustained livelihoods for millions of farming families.¹⁸ Decisions by smallholder farmers are not always driven by revenue growth and perceived cash flow. For many women, decisions at the household level are influenced by a complex nexus of social norms which can promote or restrict economic empowerment within the agricultural sector. The INNOVATE cases demonstrate the importance of working with partners to develop products and services that are tailored to the needs of women

Can household decision-making on finance and agricultural innovations shift social norms on women's role in agriculture to be more inclusive? Time will tell. Social norms are sustained within the individual and are upheld at the household, community and national levels. Truly achieving long-term, sustained change in social norms takes years, if not decades of intergenerational behaviour and systems change, as well as communication among women and men within a household or society.

IFPRI (2019) notes that the first critical step in shifting social norms is to contextually diagnose the existing gender norm to better understand which behaviours are deemed acceptable, and if those attitudes or social norms are upheld by personal beliefs, social norms and sanctions.¹⁹ Social norms do not exist in a vacuum, and it's the communities, governing laws and regulations that shape the way men and women act. Norms are also learned, and are constantly being changed through new interactions and observations of public life – meaning that women and men shift their personal beliefs and positions throughout their lifetimes on what is or isn't appropriate. The INNOVATE cases show that by actively engaging with women in underserved and underrepresented communities, organizations, financial institutions and the private sector can begin to initiate social norms change. For example, many of the Bidhaa Sasa clients in rural Kenya shared the opinion that 'big investments' in agriculture are relegated to the husband. However, through Bidhaa Sasa's peer-to-peer networks, targeted communications and demonstrations, affordable pricing, and tailor-made solutions for women, this idea changed. Women decided to purchase Bidhaa Sasa products, and therefore challenge the myth that investments require men – when in fact, they can be done by all.

¹⁸ FAO. (2011). "[Closing the gender gap in agriculture.](#)"

¹⁹ IFPRI. (2019). "[Gender and Social Norms in Agriculture: A Review.](#)"

²⁰ Ibid.

3.1. RECOMMENDATIONS FOR FINANCIAL INSTITUTIONS AND IMPLEMENTING ORGANIZATIONS WORKING IN WEE AND AGRICULTURE

Customer Acquisition and Retention

- Utilize sex-disaggregated indicators to evaluate results and consider qualitative results management frameworks to ensure quality over time.
- Test assumptions of women's willingness to pay, engage, and adopt new behaviours, technologies or practices, within their agricultural settings.
- Seek to understand and uncover complex social norms, which often dictate the actions, or inactions, of men and women within what seems like practical, agricultural household decision making.
- Cash flow is imperative for rural smallholder households, but for many that is not the only constraint determining decisions on agriculture.

Product Development

- Test new ideas with small pilots in limited geographic areas to build trust, consensus and shared understanding among clients, agents and other shared parties; remain agile and focused on learning.
- Develop products and services that are tailored to client needs, by accepting alternative forms of collateral (read more about this topic in MEDA's learning paper '[Experiences in Gender-Sensitive Solutions to Collateral Constraints](#)'); integrating flexible repayment terms; and mobile or door-to-door agent banking.

- Understand client decision-making processes and priorities in the household, consider such nuances and complexities in product or service design and deployment.

Partnerships and Collaboration

- Work with grassroots women's organization when possible to ensure programming, products or services 'do no harm' within the context of intra-household relations, but also within communities and existing community structures.
- Engage women's groups and women stakeholders through participatory consultative methods to design, deploy and monitor new or existing models to ensure gender-based analyses occur.
- Engage enabling environment stakeholders, including government and community leaders, market enablers, etc. early on in your work to ensure smooth gender mainstreaming across actors.
- Work within groups, associations or collectives, and promote peer-to-peer sharing networks, as women often have rich community ties and benefit from learning and sharing new information with peers. Similarly, engage husbands and other household members alongside women, when appropriate, to encourage equality and shared understanding.

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Lessons from Farming Households: Agricultural Decision Making and Shifting Social Norms for Women's Economic Empowerment

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