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# NOTE ON MARKET LINKAGE PILOT

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by deAsra Foundation

Many small businesses in India face a crippling challenge of lack of sufficient market linkages that can help them scale up. With limited access to key resources and access to buyers, their businesses are not able to reach the potential that can help them move up the value chain. Many business mentors claim that the answer lies in collaboration and education. Elaborating on the challenge in gaining access to market, they explain that supply chains are becoming more complex by the day for every business in the urban and global context. We presently do not have an equitable framework of equal access to finance, mentorship and networking channels, adequate market knowledge, along with social and cultural openness.

Over the last few years, deAsra Foundation has learnt from experience that entrepreneurs are looking for solutions customized to the needs of their specific businesses. This led to deAsra Foundation deciding to support 5 specific trades and businesses by linking them to markets to help them get more customers and sell more which would trigger another need of access to capital (which deAsra Foundation also looks to connect entrepreneurs to). Market Linkages has been a challenge for all entrepreneurs, especially the nano and micro entrepreneurs. Acknowledging this need, deAsra Foundation sought to explore different avenues/ channels to assist the entrepreneurs in the best possible ways to get access to markets relevant to their business. It was decided to focus on the spice making/ packaged food businesses. Spice making business is a competitive business and most small sized businesses do not survive because they are competing with larger companies selling at much cheaper prices as they have achieved economies of scale. We gathered that the most preferred route for small sized spice making businesses is through D2C channels.

Therefore, based on extensive research and documented conversations with experts and entrepreneurs within the sector, we concluded that one of the promising and yielding offline channels for a spice making business to leverage is through exhibitions and other stall-based marketplaces. This pilot program was to basically test if deAsra can provide linkages to exhibitions, local markets, stalls at IT companies and other similar temporary/ short term stall- based market opportunities that will allow a spice making business to sell directly to customers.

The pilot program comprised of a capacity building session conducted by an expert by giving business tips and insights with respect to 'How to be exhibition ready'. A checklist/ prep list was prepared for entrepreneurs to refer to, which summarized the most important points of going to an Exhibition and the training session. The checklist/ prelist was shared with the cohort via WhatsApp. deAsra's Team members were present at the exhibition venue to support the entrepreneurs, to gather insights, learnings and any hand holding if required. On ground real time feedback was provided by an expert to the participants. Some of the key takeaway learnings for the business owners through this market linkage program were extensive knowledge on pricing strategy, detailed guidelines on how to set up a stall and training on product strategy and display.

Small business owners have the right intent, skills and drive to become successful business owners but what has been missing is adequate awareness and knowledge about urban and urban and global markets, professional training and financial independence. It is also important that small businesses learn how to brand and market their product more effectively. Many small businesses struggle with this aspect such as, packaging doesn't look attractive enough for a potential buyer.

Ecosystem collaboration is vital in achieving market support for small businesses. Institutions like SIDBI or entrepreneurial associations, large aggregators and marketplaces that have organic and sustainable practices can play a role in enabling market access to small business owners, by filling in the gap of cost effectively getting their products to the consumer.