



CASE STUDY

XLRI - JAMSHEDPUR • AGROSTAR



Company Overview:

Founded in 2013, AgroStar is India's leading direct-to-farmer digital platform where farmers can procure quality agri inputs at fair price just by using a mobile phone. Indian farmers face multiple challenges in procuring agri inputs for their farming needs.

The challenges farmers face vary from product unavailability, unfair pricing, sub-standard quality or spurious products to lack of right & timely information and poor service. AgroStar aims to simplify the whole Agri-Business experience of farmers in Rural India by addressing the challenges of the Indian farmer through smart and innovative uses of technology.

AgroStar works on an inventory based model. The traditional ATL (above the line) and BTL (below the line) marketing channels like effective localised print media, regional television, agri exhibitions, village level focused farmer meetings, participation in local festivals and events etc. are used to create the awareness in the farming community. A farmer aware about AgroStar expresses his interest to transact with AgroStar either through a missed call on a toll-free number or through an 'AgroStar' android app. AgroStar's intelligent predictive dialler connects qualified customer relations executive with the farmer. The executive understands his query and provides him with personalised agronomy and product solutions based on his crop cycle and places an order on behalf of the customer with the aid of a smart CRM. The products are dispatched from the central warehouse through one of the delivery channels viz. India Post, local entrepreneurial logistics partners or through field sales executives and are delivered at the farmer's doorstep.

AgroStar has been transforming the Indian agriculture retail landscape through the right and innovative use of technology and data with a focus on customer satisfaction, and has grown over 300% in the last two years. AgroStar has experienced a transformational journey from 1 missed call to over 2 million missed calls and has served over 4 lac farmers across Gujarat, Maharashtra and Rajasthan within two years. More than 150 reputed agri brands across the input categories of seeds, crop protection, crop nutrition and hardware have partnered with AgroStar.

AgroStar focuses on four consumer centric pillars - Genuine & quality products, fair pricing, agri advisory solutions and quality service. AgroStar differentiates itself from conventional players through extensive utilisation of technology and data to build scalable systems & processes.

Case Context:

Agriculture contributes to 13.5% of the country's GDP with more than 50% of the workforce being employed in this sector, and faces a variety of problems w.r.t. inputs (seeds, crop protection agents, crop nutrition agents, and hardware & farm equipment). As mentioned earlier, farmers experience diverse problems such as sub-standard products, lack of right information & limited assistance, unfair pricing, forced selling etc. with the traditional system which is an unorganized and fragmented retail market, leading to lack of trust and suspicion for a new player or a brand in the market.

With the market size of agri-inputs in the country estimated to be around \$50 billion and with ever-increasing technology penetration and adoption in rural India, there lies an immense opportunity to provide technology-driven services/solutions to the age-old problems of farmers mentioned earlier. However, establishing trust with farmers remains a challenge to be solved. Many companies through their commitment and long field presence have developed a sense of trust in the farming community over ages. For a new age company like AgroStar, who has the right intention and capabilities to make the necessary impact, it is important to bring about a significant change in consumer behavior so that the farmers see AgroStar as a trustworthy option.

Target Group:

The target group is farmers across rural India. Currently, AgroStar is present at Gujarat, Maharashtra and Rajasthan.



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Challenge/Opportunity:

- In rural communities where trust is a prime factor for making any decision of buying, credit, selling etc., AgroStar aims to build trust among the consumers and become a one-stop solution for all their agri needs by the smart use of technology
- To do this, we want farmers to change their approach from traditional buying mode to mobile first approach. With over 4 lac farmers currently connected to AgroStar, what marketing campaigns or trust building activities should AgroStar do to develop and strengthen the element of trust in the farming community by the smart use of technology and make farmers perceive AgroStar as a genuine platform to procure agri inputs and address their challenges

Expected Outcome/ Deliverables:

- Understanding the farmer as a consumer by deep diving into the elements that impact the buying decision of a farmer
- Use the consumer insights to develop a marketing strategy and deployment plan (short & medium term) to develop and strengthen adoption for Agrostar among farmers by understanding their mindset, the AgroStar business and its overall proposition to make AgroStar as a one-stop solution for all the agri input needs of the farmer. The KPIs to move would be:
 - ~ Improved sales conversion percentage for first-time callers
 - ~ Increase in percentage of repeat customers in any given crop season
 - ~ Increase in percentage of farmers coming from other farmer references
 - ~ Increase in purchase activity of AgroStar's recommended products
 - ~ Increase in NPS (Net Promoter Score)

Recommended Methodology:

The farmer as a consumer is different from the conventional urban consumer given that he can also be viewed as a producer, is emotional and has little digital presence. Given the consumer persona and a rural landscape, the approach should encompass emotions and make use of data (primary/secondary research), gain insights and present recommendations.

From a case study perspective, the participants need to come up with a marketing strategy and plan which is either relevant to consumers across the following states or specifically to one of them:

1. Rajasthan
2. Maharashtra
3. Gujarat
4. Madhya Pradesh

Useful References for Facts and Industry Insights:

A few quick facts about the rural landscape

- 50% of rural population in India own a mobile phone and 30% of them own a smart phone
- There is one post office for every 6-7 villages
- Nearly 4 lac unique farmers have experienced AgroStar's services
- 3 out of 10 farmers who have transacted with AgroStar have access to What's App

More information can be found on a BCG and IMAI report - [India@Digital.Bharat](#)

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