COVID-19 PARTNER SURVEY RESULTS: SALES

Achieving strong sales is a challenge in any business climate. For agribusinesses in emerging markets, COVID-19 has intensified these challenges by disrupting supply chains, production, and the movement of people and products.

To gain a deeper understanding of the pandemic’s impact on sales and how businesses are responding, Feed the Future Partnering for Innovation surveyed 44 of its private sector partners in 19 countries across four sectors: Improved Inputs and Production, Postharvest Processing and Storage, Information and Communications Technology, and Access to Finance.

COVID-19 PARTNER SURVEY RESULTS:

SALES

- Significant Impact on Sales
  - 86% of all businesses experienced a decrease in sales.
  - 50% saw sales fall by half.

- Bleak Outlook
  - 6 months is the expected time nearly half of businesses with decreased sales need to fully recover.
  - 68% of all businesses expect lower revenue in 2020 compared to 2019.

- What’s Driving Falling Sales?
  - Top 3 reasons identified by business owners:
    - Movement restrictions: 32%
    - Lower consumer demand: 29%
    - Supply chain disruptions: 21%

- Who’s Most Affected?
  - Of the four sectors surveyed, postharvest processing and storage businesses fared the worst with 70% of these businesses experiencing a 50% drop in sales.

- How Are Businesses Responding?
  - Business owners reported taking strategic and oftentimes creative approaches to turn around declining sales:
    - Cutting prices: 30%
    - Running special sales promotions: 20%
    - Offering delayed payment plans: 33%
    - Shifting delivery and/or marketing approach: 70%