MAKENI COMMERCIAL ACTIVITY ANALYSIS

Results and recommendations
January 2020

CEU Universidad San Pablo

COMMERCIAL DEVELOPMENT

JANUARY, 2020

ECONOMIC SEEDBED
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BACKGROUND

The present study is the result of two years of work in the commercial area of Makeni. In a first phase, a quantitative study was conducted with a representative sample of more than 400 interviews with buyers and sellers in that area. More than 20 people from UNIMAK and CEU San Pablo participated in it. The second qualitative phase of the study has sought to contrast and explain the data obtained in the first phase, as well as seek recommendations for the improvement of commercial activity. In this phase, there have been participate 6 persons from UNIMAK, the HUB and CEU San Pablo. The full study has had the full support of the Town Hall of Makeni

Field Work July 2018

This project, within the Seedbed of Economics, offers the main conclusions of the ANALYSIS OF COMMERCIAL ACTIVITY IN MAKENI (July 2018), whose scope of action focuses on the market and the main street (Lunsar Road) that unites the market with UNIMAK.

This analysis is essential to know in depth the local reality and to be able to define next steps of action between UNIMAK and CEU together.To carry out this activity, a series of steps were carried out that facilitated the fieldwork. In the first place, the object of analysis was divided into zones in order to determine the magnitude that could be covered during the two weeks of work. Subsequently, a pre-test was carried out to verify that the questionnaires, designed in Spain, were adapted to the local reality and were perfectly understandable. The information focuses on sellers and buyers, in order to analyze distribution and consumption behaviors and, thus, be able to extract recommendations for the future.

For the collection of information, groups consisting of two CEU students and three or four UNIMAK students were created. These groups divided the segmented areas of the commercial area under study to carry out the different questionnaires in order to reach 200 in total at the end of the stay in Makeni. The valid questionnaires obtained are detailed below, which in total were 412. The participation of local students was essential to help translate in some cases, as well as to better understand the local commercial activity.

The actions carried out per day are specified in:

The first day consisted of a preparatory and organizational work that began with an informal meeting with UNIMAK students who collaborated in Market Research, in order to guide us and communicate with the inhabitants of Makeni. We attended a meeting with Father Benjamin (Dean of Unimak) and the rest of the University Staff. It presented the project to be carried out during the stay in Makeni, for its approval. At the end of the day, the students made a small contact through the streets of the market while it was closed, which allowed us to observe the contrast with the hours of activity.

The following day a series of protocol visits were made to the various authorities:

-Paramount Chief (Kasangba): Has authority over land in the district of Bombali. He expressed concern about the difficulty of collecting taxes and the consequent damage to municipal coffers and the deficit of services that the authorities can offer.

-Mayor (Sunkarie): He explained us the operation of the market, offered us various tips and made us partakers of the new City Hall Project to build a new market in Makeni.

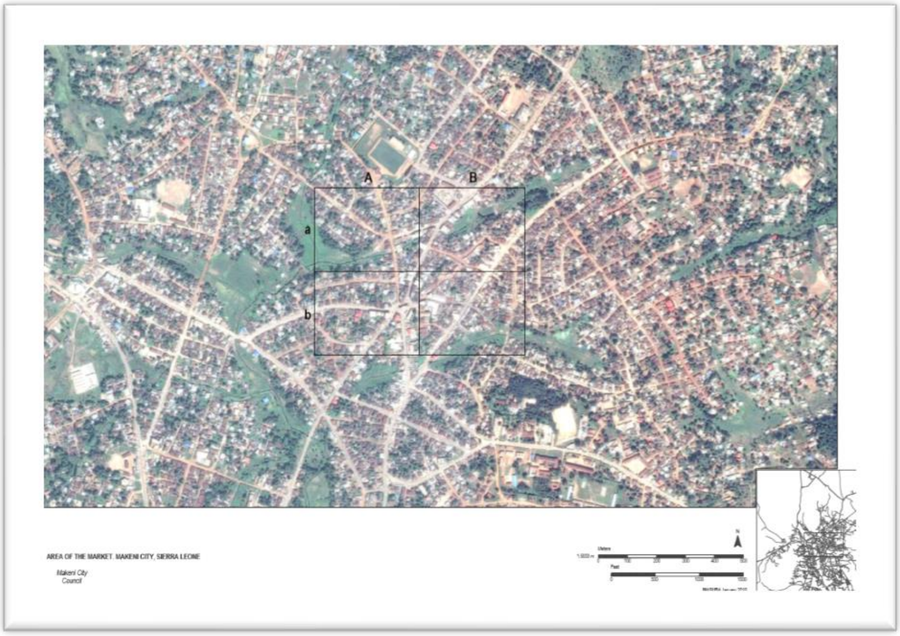
-Resident Minister: The meeting was with his team, being brief, protocol and informative.

Once these meetings were finished, back at UNIMAK, a sharing was carried out and the division and organization of the CEU-UNIMAK student teams began. Approximately 3 teams of 6/7 people were formed in each one (1 teacher, 2 students from CEU and 4 from UNIMAK).

Taking advantage of the stay at UNIMAK, we organized a small meeting with the professor and director of the Master in Economic Development, who offered us his opinion and advice to properly address the market study.

To begin the fieldwork of the market research, a pre-test of the survey was carried out in a place close to the market together with the students of UNIMAK. Next, a sharing was made to make changes and adaptations to the questions and the structure of the surveys. In the following days the market research days began by conducting surveys in the commercial area of Makeni. The market area was divided into 4 sectors and each team was assigned to the study of one of them (see figure 1).

Figure 1. Mapped areas



Three different types of surveys were carried out: seller surveys, buyer surveys and a third qualitative analysis based on observation. Commercial surveys and observations were carried out at each of the points of sale. On the other hand, customer surveys were carried out both in establishments and passersby that were close to the business.

In addition, the market streets were mapped, representing and identifying on the map the different types of businesses and positions to know their position and activity.

At the end of the fieldwork, a total of 412 questionnaires were carried out: 138 surveys to vendors, 138 observations and 136 interviews to consumers. The mapping of the main streets and much of the interior areas was also completed.

OBJECTIVES

Below are the objectives that are intended to be achieved with the work that has been carried out since 2018, the phases of execution since then, as well as the conclusions of the field research carried out to date.

Although the strategic objective of this project is focused on local development, two main tactical objectives that support the achievement of this strategic objective are worth mentioning:

• Offer a final report with recommendations that serve to improve the development of local commercial activity.

• Support with information a new line of work: Collaborative Commerce Network, as a platform for access of Makeni products to the markets of Spain and Europe.

"Information as a basis for development".

PHASES

I. ANALYSIS OF COMMERCIAL ACTIVITY

“Enhancement of the information collected”

1. July 2018: field work was carried out. For 6 days, 7 CEU San Pablo students, 5 Unimak students and 4 CEU San Pablo teachers mapped the Makeni shopping area and interviewed merchants and buyers.

2. September 2018 - November 2019: in September 2018 the dump of the collected data began. The program used is SSPS. Once overturned, it was analyzed to be able to make this report. In this process, 5 teachers and 4 CEU San Pablo students have been involved.

3. December 2019: Generation of a previous report, in which 2 teachers and 3 CEU San Pablo students have collaborated.

4. January 2020: The trip to Makeni is carried out, in which the following actions will be carried out:

    a) Qualitative contrast of field data.
    First, the Makeni commercial area will be visited again to check the modifications that may have occurred since the beginning of the investigation in July 2018, both due to the change of season, since the first data collection was made in rainy season and it seems appropriate to check the commercial reality in times of drought, as per the evolution that the commerce of the area has been able to experience, due to new measures of promotion of the commercial activity that may have been initiated promoted by the merchants themselves and by the town hall.
    Second, 3 Focus Group (qualitative research with groups of 7 to 10 people) will be carried out in order to contrast and deepen the conclusions obtained. All this work will be carried out by 2 professors and 1 CEU student, plus 2 UNIMAK students.

    b) Share with the local authorities the first results of the study and discuss their evolution with them. In this meeting 2 teachers, 1 CEU student and 2 UNIMAK students will be present.

    c) Share with the UNIMAK authorities, the first results of the study as well as possible recommendations. In this meeting 2 teachers, 1 CEU student and 2 UNIMAK students will be present.

d) Establishment of monitoring indicators in order to check the evolution of the commercial activity. In this activity 2 teachers, 1 CEU student and 2 UNIMAK students will be involved.

5. July 2020: follow-up through field analysis, meetings with UNIMAK and local authorities. This monitoring will be carried out by 2 teachers, 2 CEU San Pablo students and 2 UNIMAK students.

II. COLLABORATIVE COMMERCE NETWORK

“Field analysis of alternatives”

As a result of the research carried out since July 2018, one of the proposed strategies is to support local development through the creation of a collaborative trade network that unites, in a continuous and growing way, the productive activity of artisans in Makeni with Local commerce in Spain.

The characteristics of these products to be exported, in addition to adapting to European demand, should promote sustainability and local growth, based on ethical characteristics of “Fair Trade”:

1. Fair working conditions.
2. No exploitation of children or women
3. Long term commitment
4. Respect for the environment
5. Handmade product
6. Transparency and responsibility
7. Capacity development

For this, it´s sought to create a network of both local producers and local “commercial agents” that, after the signing of agreements, under the points mentioned above, ensure a continous production of their products.

The function of these local “commercial agents” will be:

- Supervision of agreed conditions.

- Ensure the production and delivery of products on time.

- Search and evaluation of new producers in the Network.

In the implementation of this project, the following phases are found:

6. January - December 2019. Strategic, logistic approach and valuation of points of sale options in Madrid (2 CEU San Pablo teachers + 2 CEU San Pablo students).

7. December 2019 - January 2020: testing possible points of sale Madrid (2 CEU San Pablo teachers).

8. January 2020. (2 teachers and 1 CEU student + 2 UNIMAK students)

    a) Search for local producers related to needs found
    b) Search network of collaborators and commercial / contractual approach
    c) Logistic approach.

9. February - April 2020. Confirmation of the range of products, producers and network of commercial agents. Signing of agreements.

10. July 2020. Follow-up (2 CEU San Pablo teachers + 2 UNIMAK students)

FIRST PHASE:

COMMERCIAL STUDY CONCLUSIONS

2018

QUESTIONNAIRES TO MERCHANTS

The present results have been obtained from a structured survey (see annex I) that was carried out randomly to the dependents who were in charge of 138 positions or stores in July 2018 (see table 1).

Table 1. Merchants research sheet

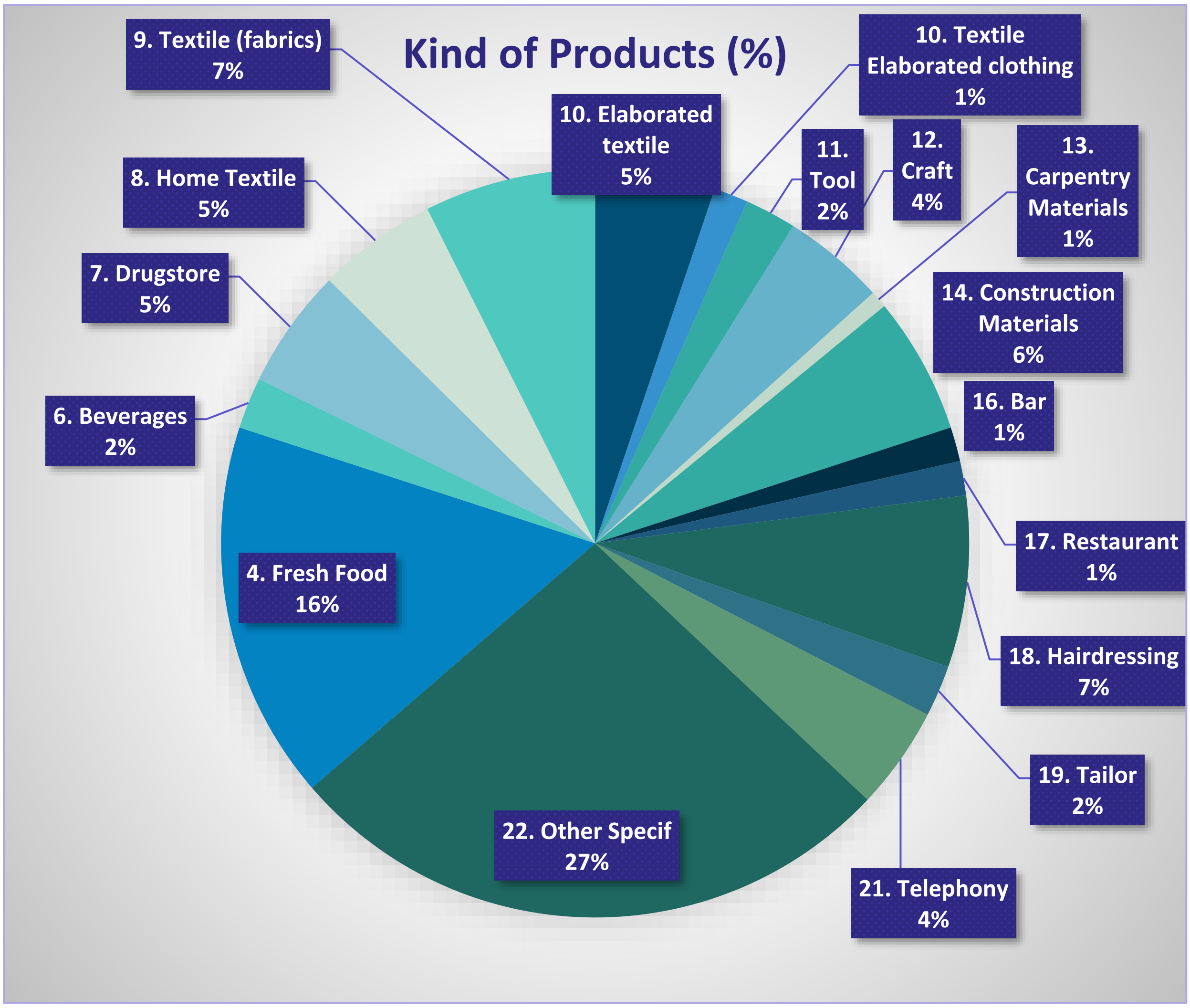
Universe	Merchants and dependents of the commercial area of Makeni
Sample size	138 merchants and dependents
Sampling	Non-probabilistic convenience
Data analysis	SPSS statistical program

The work carried out obtained the following results after its preliminary analysis.
:

1. Wide range of different categories, highlighting fresh food (16%) and textile (all types 20%). See chart 1.

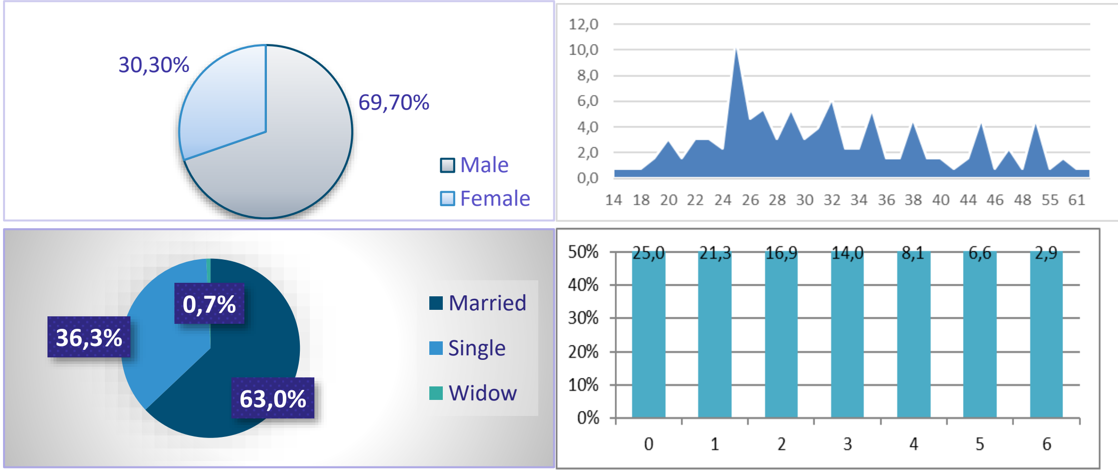
   There is essentially availability of products of first necessity, whose offer is repeated in different nearby positions without an apparent organization by zones. This implies competition between stalls and stores without a clear differentiation.
   Allthough, as we can see at the buyer research, they demands more variety and diversity of supply.

Chart 1. Offer by business category



2. The average profile of the dependent of the position is masculine (70%), from 25 to 35 years (52%), married (63%), with children (75%) and native of Makeni (100%). See chart 2.
   This description of the dependent profile in the positions / stores observed, allows us to understand the figure of the local merchant in order to design actions according to their needs.

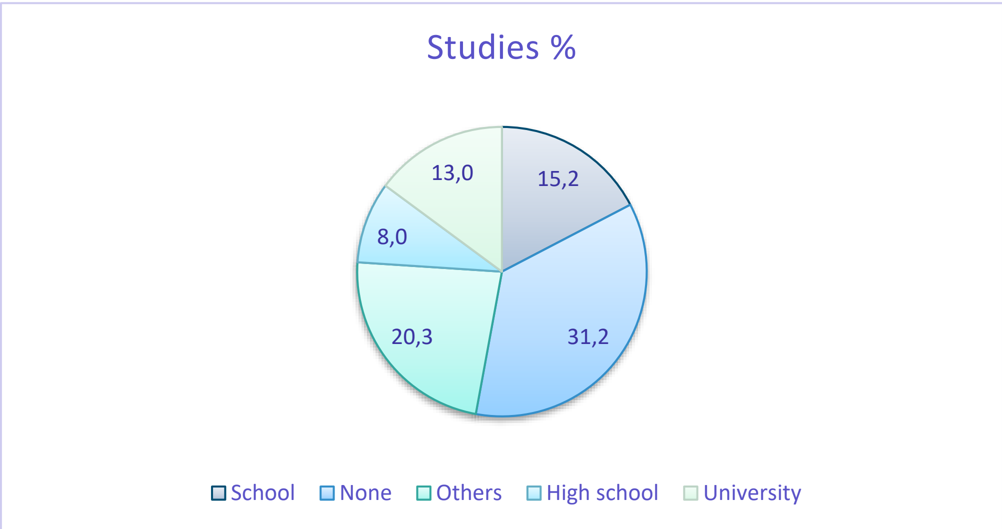
Chart 2. Average dependent profile.



3. Regarding the level of studies, 51% have no studies or are of a basic level. See chart 3.

   This is an important fact that brings us closer to the local reality and the possibilities of implementing actions to improve trade. The lack of general training of the profile of local sellers, adds information regarding the possibilities of product segmentation, competition analysis, generation of profitable prices and making information available to the buyer.

Chart 3. Level of studies



4. These are mostly fixed-non-mobile (91%), rented (75%), which are between 1 and 8 years old (53%), where the owner (65%) comes from in Makeni (87%) or have a family relationship with them (39%).

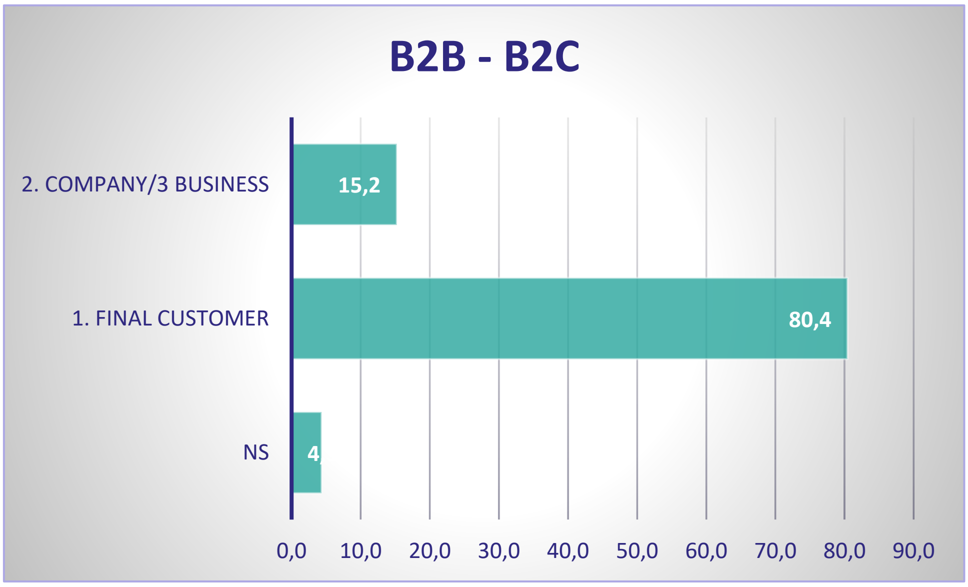
The commercial structure of the local stalls or stores, the involvement of the owners, the age of the locations and the residence of the sellers, offers us valuable information when it comes to addressing improvement actions as we describe at the recommendations.

5. Its activity is mainly dedicated to the final customer (80%) compared to 15% that it sells to companies or other businesses.

   This data contrasts with other commercial structures, where B2C activity is more supported by companies dedicated to the service of the same B2B.

   They miss companies dedicated to the functions of the distribution channel as wholesalers, distributors or business support services (see chart 4).

Chart 4. Recipient of the activity

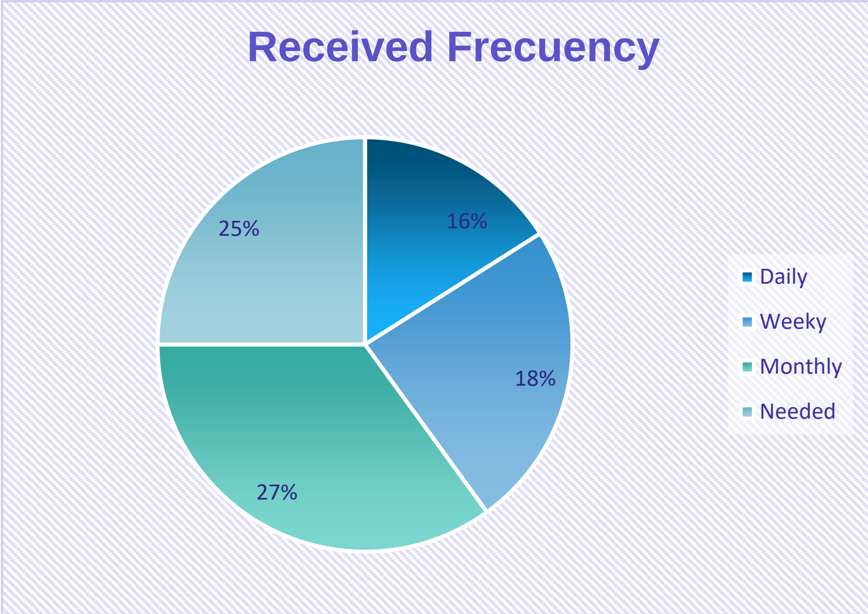


6. Receive goods from abroad from Makeni (20%) or from producers / small businesses (20%) monthly (27%) weekly (18%) or when required (25%), directly in other stores or stalls (81%). See chart 5.

   Contrast the percentage of merchandise received from outside Makeni and other businesses with the lack of dedicated infrastructure.

   Likewise, the frequency of supply of the positions suggests a large quantity of available stock that could well be supported by warehouses, organizations or common intermediary wholesalers.

Chart 5. Frequency in receiving products



7. Waste is stored in a container (38%) or someone comes to collect it (37%).

   These results emphasize the lack of organization of waste collection. It is also important to highlight the lack of containers for this use, collected in the questionnaires of observations.

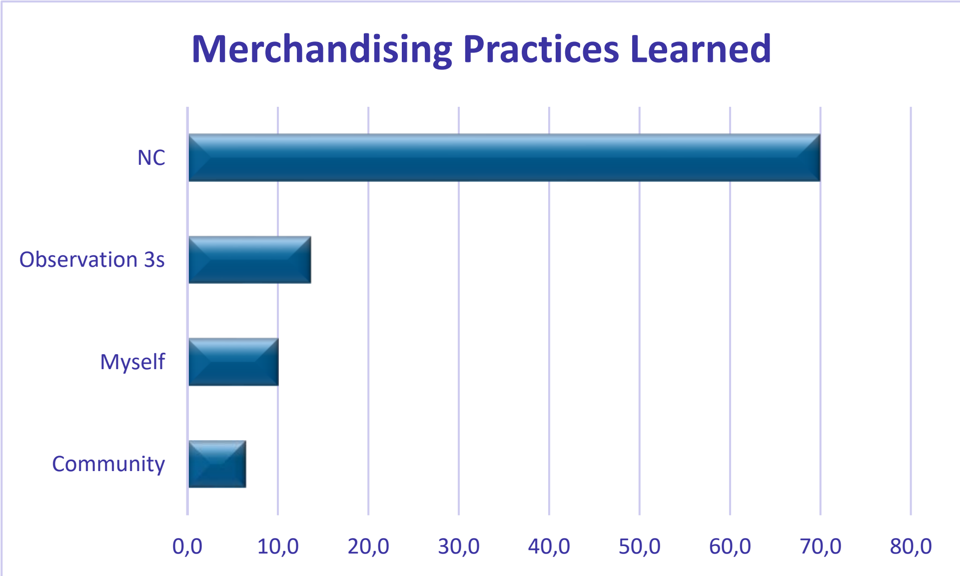
8. 15% declare to have their own bathroom and 13% share.

   This data has not been provided by a large majority of the dependents. In addition, it contrasts with the observations made in its development.

9. 60% declare not to follow any technique in the placement of the products and those who do have learned by observation or self learning (See chart 6).

   In the questionnaire of observations, there is a notable lack of basic merchandising elements such as product signage, price, location and product differentiation. These observations are supported by a lack of training in this field, with informal learning sources such as observation or self-learning being the most pronounced.

Chart 6. Merchandising Practices Learned

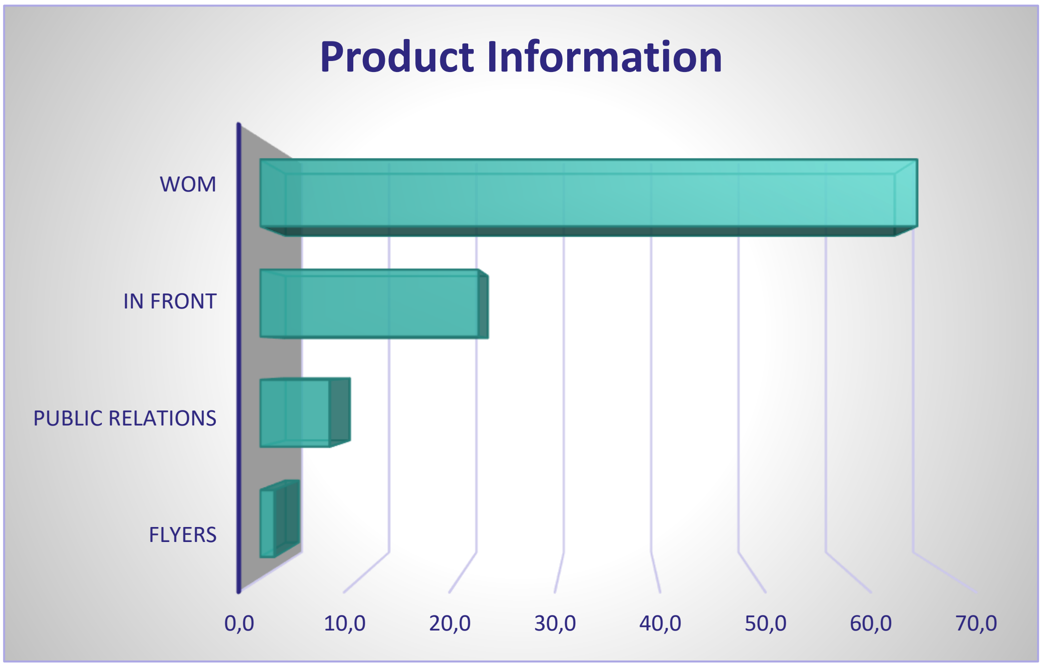


10. Regarding product information, it is carried out between customers (64%) or placed in front of the product (21%) although there is a high percentage that does not place such information in the position (62%).

    As it is a multi-choice question, different answers are supported that support each other.

    The fact of trusting in the mouth-ear communication of the offer between their clients, favors the non-disposition of their signaling material at the point of sale. This element reinforces the lack of differentiation in the offer of each position as well as the confusion of it between different positions (See chart 7).

Chart 7. Product information



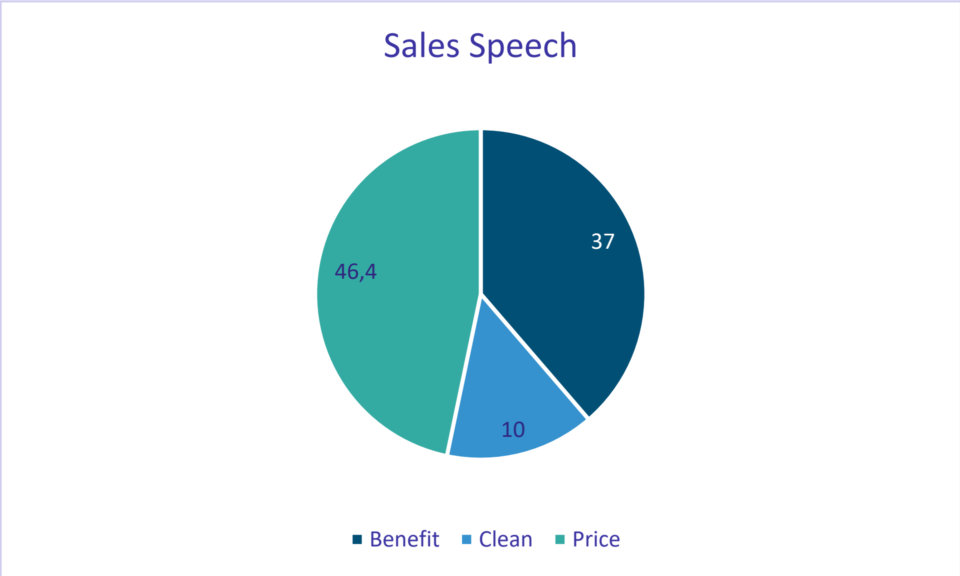
11. Its main selling point is the price (46%) and the benefits of the product (37%), as well as the cleanliness of the store (10%).

    The weight of the "store cleaning" argument is significant when it should be a necessary element to be able to sell.

    As for the weight of the price element, it is aligned with the type of product and the formation of the declared seller.

    For greater differentiation of the offer it is considered necessary to emphasize the benefits of the product. (See chart 8).

Chart 8. Sales speech



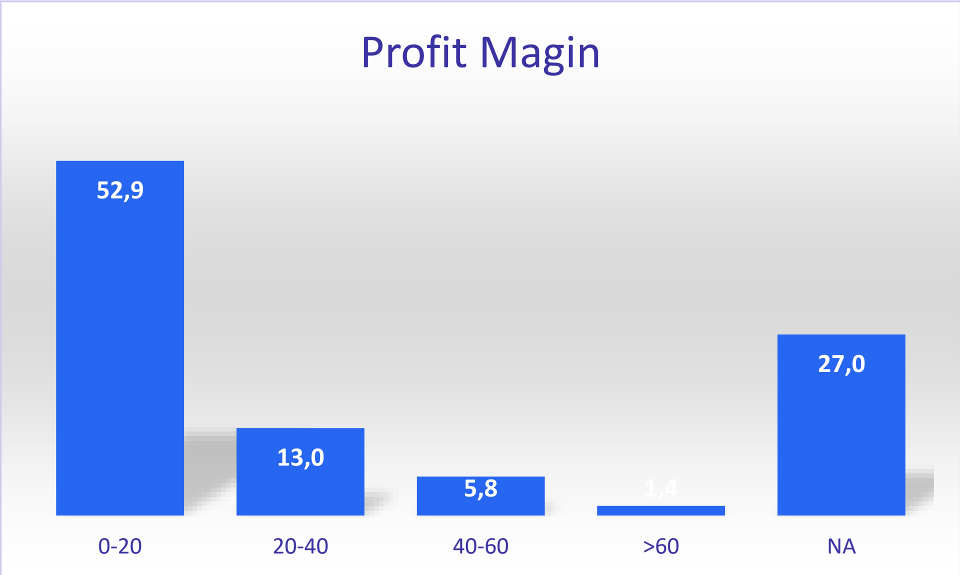
12. Define the sale price based on cost (84%) without taking into account the prices of the competition (87%), nor its demand (78%).

    They do not declare promotions and their average margin is less than 20% (53%).

    This pricing strategy, obviates the buyer's criteria and aligns the entire offer avoiding adding value with the price variable.

    It stands out, according to the importance conferred to the price, the lack of promotional effort that supports the elimination of surplus stock and improves seasonality. (See chart 9).

Chart 9. Profit margin



13. They declare to know their competition (90%) but the relationship with them is null or occasional (50%). 33% declare belonging to some type of purchasing association, storage ...

    In such a close population, this high knowledge of competition makes sense. It highlights the collaboration with others, in tasks that could add value in the common infrastructure of all positions such as common purchases or storage.

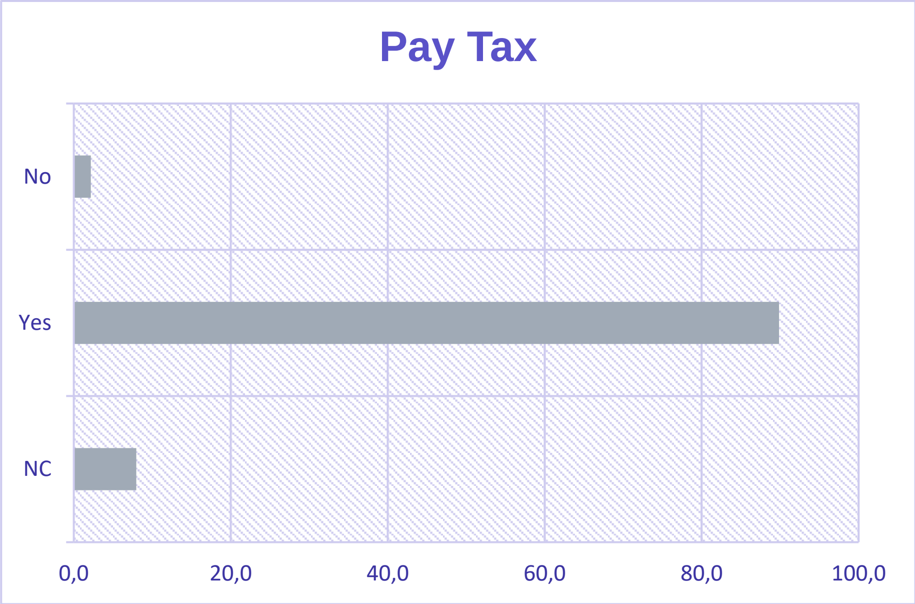
14. 92% do not declare having fixed schedules. In addition they do not perceive changes in demand according to schedules or dates or seasons of the year.

    The correct management of the schedules as well as their publication are vital in the organization and fidelity of the demand.Contrast the lack of variability of the offer in seasons as different as the rainy or the dry season. This data must be verified in subsequent studies.

15. 90% pay taxes and of these 60% to the City Council. The majority declare that they do not know of any institution that gathers or advises them (87%). (See chart 10)

    This data contrasts with the information received by the authorities of the City Council regarding the payment of local taxes. The shared support of items that support necessary infrastructure services such as maintenance or cleaning is necessary.

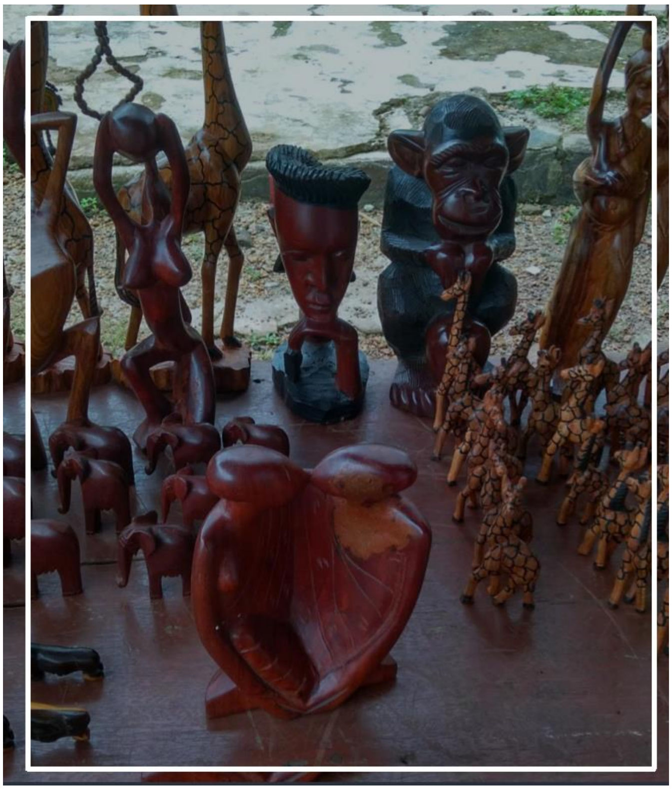
Chart 10. Pay tax



16. 46% declare that their position is supervised by an inspector.

It seems necessary a homogeneous supervision with criteria of product quality, hygiene and information to the buyer.

This key figure could be a great support in the standardization of best commercial practices.



QUESTIONNAIRES TO BUYERS

These results have been obtained from a structured survey (see annex II) that was carried out in person to the 136 buyers who were in front of stalls or stores in July 2018 (see table 2).

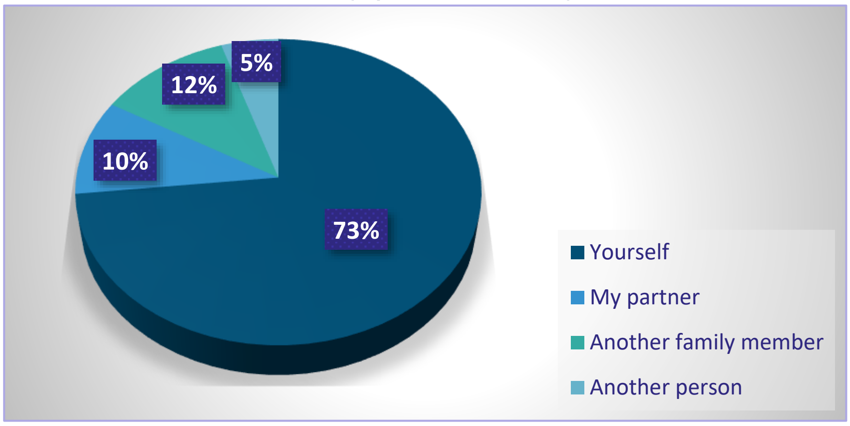
Table 2. Buyers research sheet

Universe	Buyers of the Makeni commercial area
Sample size	136 buyers
Sampling	Non-probabilistic convenience
Data analysis	SPSS statistical program

The results obtained after analyzing the data are those presented below and reflect the profile of the buyer in Makeni.

1. There is a figure in the family in charge of making the purchase regularly (73%). This circumstance favors the targeting of promotional actions that traders may carry out in the future. See chart 11.

Chart 11. Who usually purchases in your household?



2. Make purchases alone (83.3%).

   In the definition of the target audience, the realization of the purchases alone, as well as the existence of a figure in the family in charge of making the purchase usually, implies the accumulation of the roles of information search, influential, decision maker and buyer, as minimum, so it will be easier to define the buying behavior and the most effective actions to influence your decision.

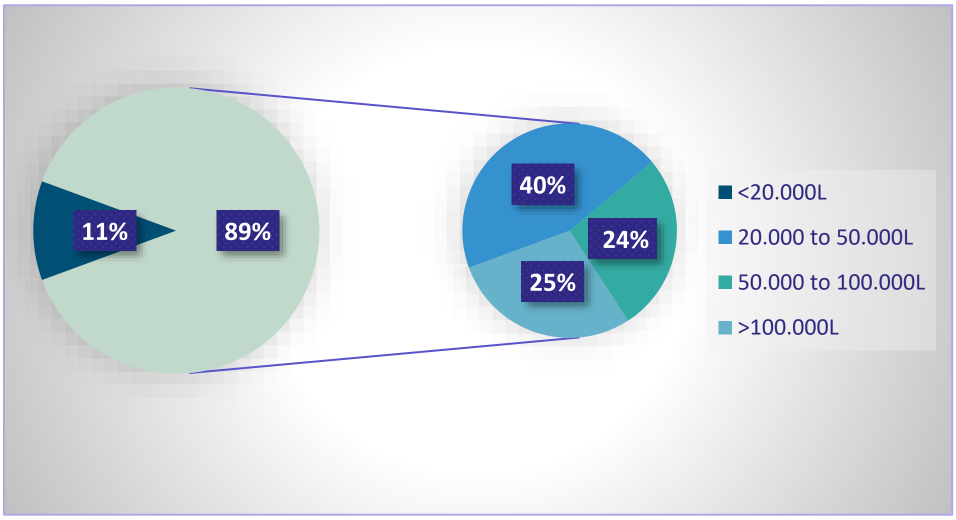
3. Frequent purchase. Go to buy daily (39.1%) or when you need it (19.6%). The monthly purchase (18.8%) is also within your habits. See chart 12.

   This behavior is characteristic of those family units in which not all members work outside the home or have time to make a frequent purchase of perishable products. The study should be completed with an investigation in which the frequency of purchase is contrasted with the type of product (frequent consumption, durable, etc.)

Chart 12. How often do you do the shopping?

4. They allocate a large part of their disposable income to the acquisition of essential products. The average expenditure per week on commodities exceeds 100,000 lions, at 40%, it is between 50,000 and 100,000 lions, at 25%, and between 20,000 and 50,000, at 24%. (see chart 13).

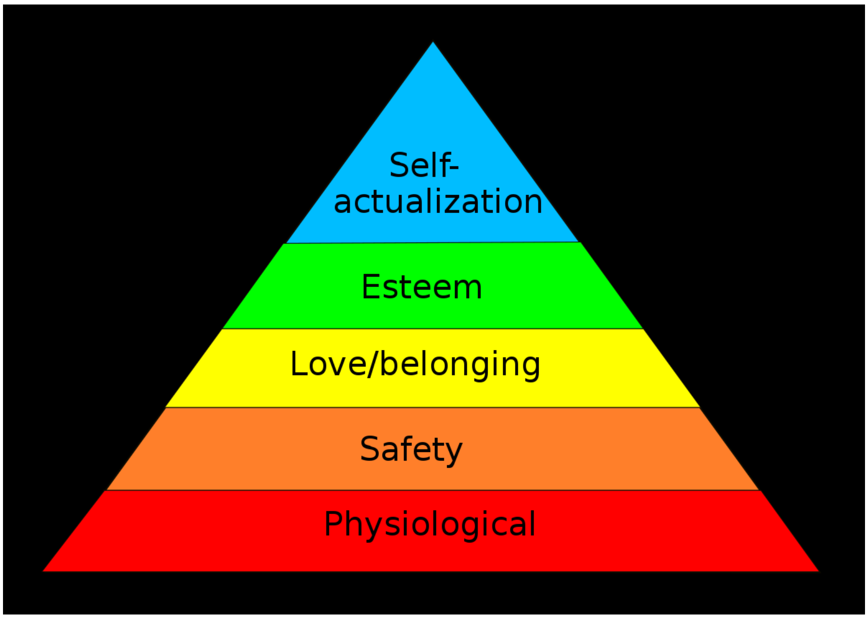
Chart 13. What is the average you spend a week on basic-need products?



In subsistence economies, such as the sierroleonesa, the population allocates its resources to the acquisition of food products and other basic goods that allow them to survive.

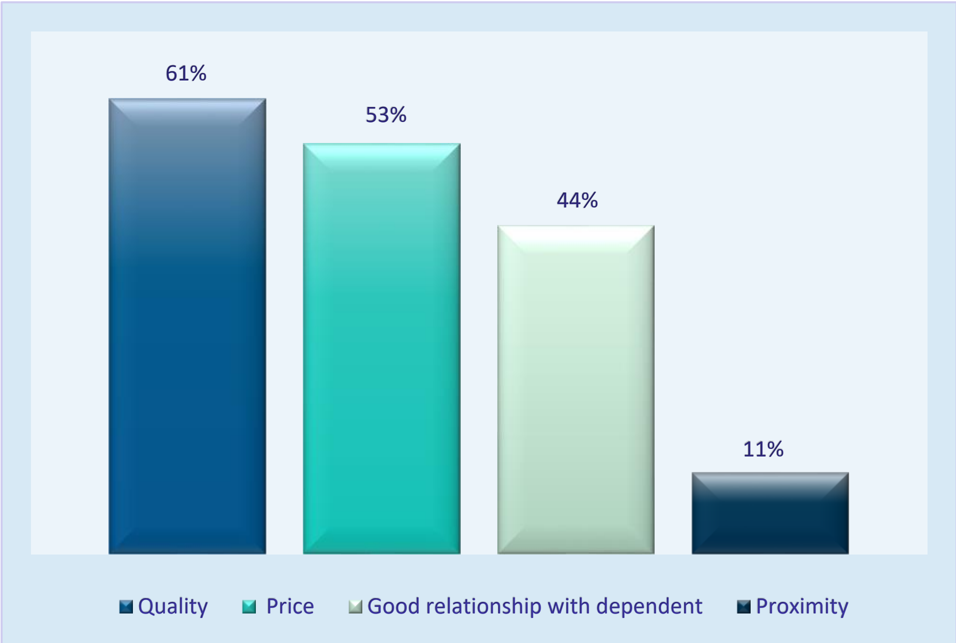
To the extent that personal income increases and the supply of consumer and leisure products diversifying, a different distribution of disposable income will be appreciated, more focused on covering other types of needs, in addition to physiological ones. In this regard, the hierarchy of Maslow's needs should be mentioned (see figure 1).

Figure 1. Pyramid of Maslow's hierarchy of needs. Own elaboration



5. The main factors for selecting a position or store are quality (61%), price (53%), good relationship with the dependent (44%) and proximity (11%), as shown in the chart 14.

Chart 14. What are your criteria for choosing one establishment over another for the purchase of similar products?

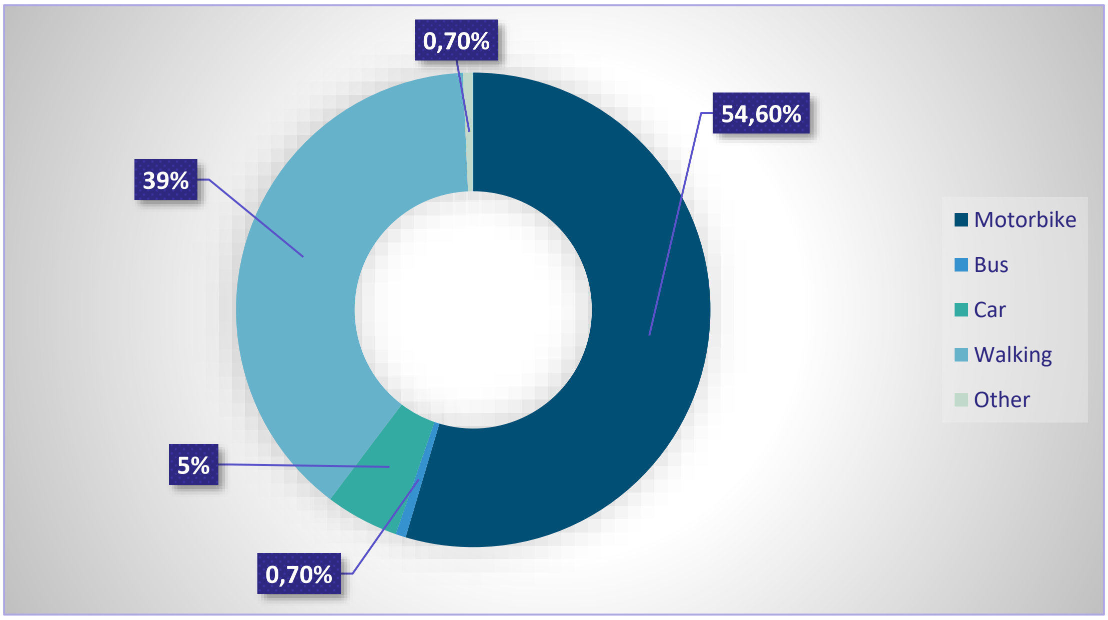


The buyer values the attributes of the product and the sales skills of the seller more than the location of the store. In this case, it would be advisable to provide training to dependents and merchants to maintain a good value for their products and improve their sales techniques.

6. There is no loyalty to a position or store. Somewhat more than half (48%) of respondents say they always buy at the same establishment, however, 52% prefer to change. A slightly differentiated offer is that which leads to the consumer not having fidelity to a brand or establishment.

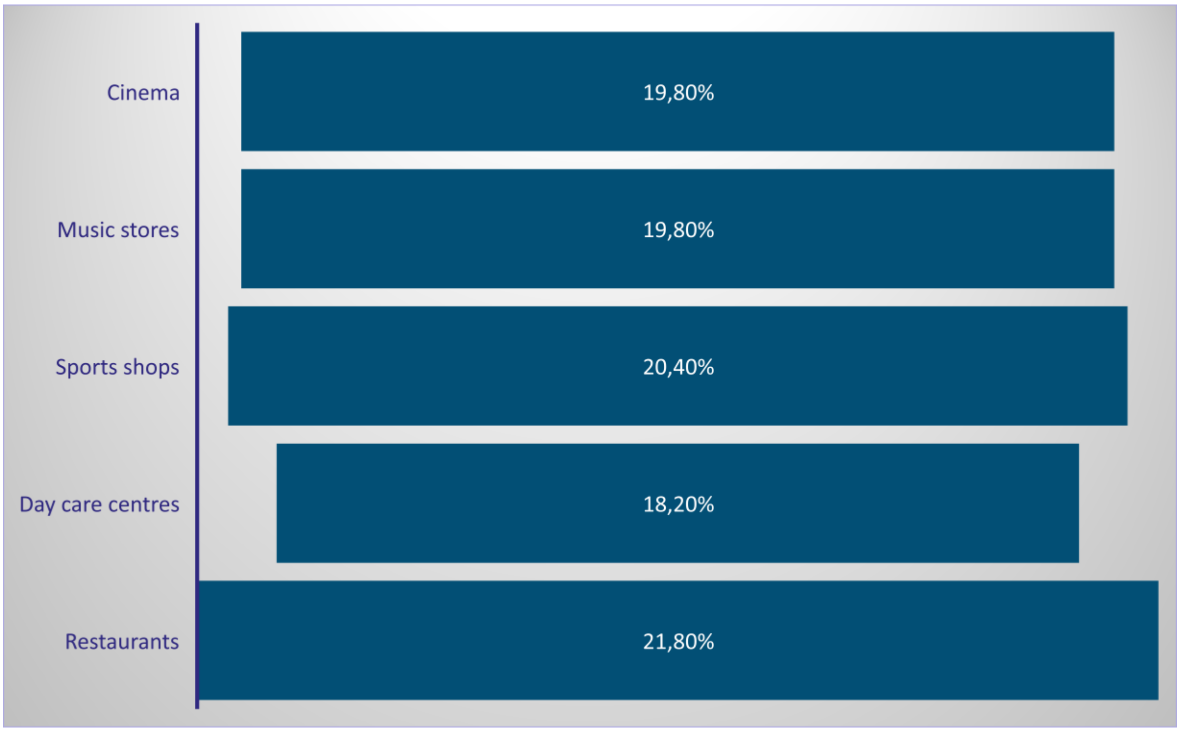
7. The means of transportation to go shopping are the motorcycle (54.6%) or walking (39%), the rest has a more residual character (see chart 15). This habit should be considered in the urban planning of the commercial area and in the planning of public transport. At the time of the study, only 5% of the population used the bus.

Chart 15. How do you come to the shopping area? By what way of transport?



8. Regarding the supply of services, 57% miss some leisure or service provision in their city, highlighting, in a guided question, restaurants (21.8%), sports facilities (20.3%), the cinema or the music centers (19.8%, each) and nurseries (18.2%), as shown in chart 16.

Chart 16. Is there anything you miss in the city?



In open question, the answers were heterogeneous, mentioning from electronic equipment, health centers, discos, passport office, parks and toy stores, highlighting in greater measure the mobile stores and stadiums.

It is worth noting the desirable provision of services and leisure infrastructure necessary for the economic activation of a city like Makeni.

9. With regard to the offer of products that they would like to find in the establishments they frequent, there is no outstanding product among those mentioned: phones, data cards, footwear, clothing, bicycles, sunglasses, snacks, stationery for celebrations, food or medicines, among others.

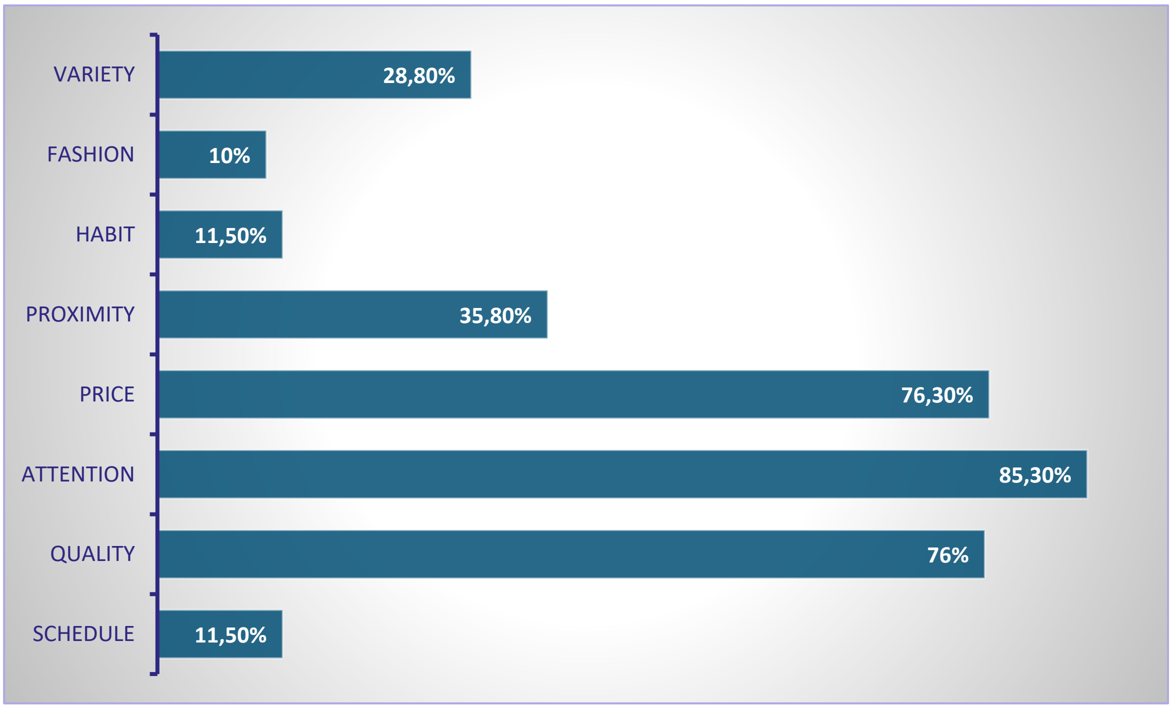
   Once again, it seems that the Makeni buyer demands more variety and diversity of supply.

10. Nor do they mention, to a greater extent, any element of improvement in the stalls or stores where they make the purchase. They allude, for example, to the decrease in prices, to the amplitude of the spaces, improvement of ventilation, cleaner, modern and well-equipped spaces.

    One might think that they would like more attractive establishments.

11. The reasons why they buy in a specific establishment are related to the factors of choice of trade, mentioned in point 5. That is, the attention (85.3%), the price (76.3%), the quality (75.9%) and proximity (35.8%). The variety is considered in 29%, the schedule and custom in 11.5%, each, and the fashion in 10% (see Chart 17).

Chart 17. Name 3 reasons for shopping at this precise establishment



12. Regarding the competition, 53% know which are the competitors of the establishments they frequent and 49.4% have ever bought from them.

PRELIMINARY RECOMMENDATIONS

The preliminary recommendations set out below, comes from field Work made in July 2018 and will be contrasted with the qualitative studies planned in January 2020.

1. Provide training to merchants on marketing, merchandising, sales techniques, loyalty and customer experience. Such training could be provided by UNIMAK in person and / or generate online content that could be shared by merchants.

2. Restructuring of the commercial offer through improvement in the organization and differentiation. To this end, we can design materials for signage and product information in the stalls or stores. For this the involvement of the authorities is necessary.

3. Develop an international trade network of local products as an alternative route to local commercial growth. This activity is planned between UNIMAK and the CEU San Pablo University.

4. Create associations of merchants with the objective of contributing to commercial revitalization and supporting common practices among commercials such as training, purchase or storage.

5. Carry out an urban planning of the commercial area that allows to solve the problems of hygiene and infrastructure, improve the spaces and the distribution of the offer.

SECOND PHASE:

FOCUS GROUP CONCLUSIONS

2020

INTRODUCTION

As a first step, on Monday, January 27, 2020, the Economics and Architecture team of the CEU San Pablo University, the Dean and the UNIMAK students, as well as the HUB Manager met with the Mayor and some members of her Government team.

Once the presentations were made, the Economics team presented to the mayor the preliminary report that appears in the first part of this dossier, who showed her interest and commissioned the groups to organize in order to carry out focus groups with merchants, another with buyers residing in the city and another with inhabitants of a town, in this case, Yoni was chosen as the object of study of the architectural team.

That same afternoon the first two focus groups were held at the Trade Union facilities. The second day, in the town of Yoni, the second of buyers was made.

OBJECTIVES

The main objectives of this qualitative analysis (focus group) are:

1. Contrast the data collected in the quantitative research conducted in July 2018.
2. Seek explanation to the data, motivations and understand behaviors.
3. Develop concepts based on the information obtained from both quantitative and qualitative analysis.

DATA SHEET

Table 3 shows the technical sheet of the qualitative analysis carried out on January 27 and 28, 2020.

Table 3. Focus Group datasheet

METHODOLOGY	The "Focus Group" technique was used, which consists of group dynamics carried out with 6 to 12 people with homogeneous characteristics, directed by an expert person in the animation of the same.
	The sessions were developed on the basis of a guideline guidelines previously planned by the team in order to meet the previously set objectives.
UNIVERSE	Merchants of different types (food, textiles, accessories, household products) of the central commercial area of Makeni
	Makeni Buyers
	Yoni village shoppers
DYNAMICS	Group dynamics were held on January 27 and 28, 2020 in the Makeni Trade Union and in the village of Yoni, near Makeni: Merchants (6), Makeni Consumers (9) and Yoni (7).

Below are some socio-demographic characteristics of the sample of each of the aforementioned focus groups (see figure 2).

Figure 2. Socio-demographic characteristics of the participants

Focus Group Merchants

It was held on January 27, 2020, with 6 merchants, 5 of stores and 1 of mobile post, of the central commercial area of Makeni.

Men between 20 and 40 years old

Focus Group Central Makeni consumers

It was carried out, on January 27, 2020, to 9 Makeni consumers

Men and women, between 25 and 40 years old, with family units between 2 and 10 members

Focus Group Yoni village consumers

It took place on January 28, 2020, 7 consumers from the village of Yoni

Women, between 17 and 45 years old, with family units between 4 and 15 members

ANALYSIS

A review of the main groups of concepts analyzed in each of the focus groups, is made below.

MAKENI TRADERS

Figure 3 shows the main issues obtained in the focus group carried out with merchants from the Makeni business area, related to price and benefit, purchasing and establishment management, as well as possible improvements. Likewise, verbatim of the focus group are exposed.

Figure 3. Guide lines of the Makeni Merchants Focus Group

PRICE AND PROFIT

It seeks to understand the price management of products

Learnings:

- The price is calculated based on the cost and the available stock.
- There is no competition analysis or the price at which their buyers are willing to pay.
- The profit margin has decreased, as costs and the lower purchasing power of buyers increase.
- There is some concern about the cost of transportation, taxes, border charges, the value of the dollar and the cost of oil in price formation
- The season of the year does not influence the price determination
- There are products that have a high margin and low stock turnover (Guinean)

MANAGEMENT

It deepens the management of purchases, storage and sales techniques

Learnings:

- No joint purchases are made on a regular basis. While there are certain initiatives in this regard
- There is no common storage that reduces stock costs.
- There are no appropriate Merchandisning techniques that expedite the purchase process or differentiate your offer

POSSIBLE IMPROVEMENTS

The possible commercial developments that are based on the exposed deficiencies are contrasted

Learnings:

- The common purchase among merchants is seen as a good growth and defense element in the face of increased purchase costs as well as foreign products
- Common Storage is perceived as a good idea since it would save displacements for the renewal of the available stock.
- Given the possibility of improving their differentiation through merchandising techniques, they are prone to their development

VERBATIM

Price and profit

“What determines my own business is my purchases. If I buy 20000, I will sell it at 30000 and in some cases it will depend on the client. However there’s a fixed price and a fixed profit I want to make. If it’s 10000 then I set all costs after this price. I also look at the prices in the market, transportation among other costs if the prices in the market goes up I have to raise my prices as well”

“Automatically the cost price for example if I buy a product at 25000, I have to check the transportation to help me set the selling price at my shop. When I see the customer I yearning for the products it tell me the demand is high and I include the cost of transportation. The cost price determines the selling price”

“when you go to Freetown the producers and suppliers invite you with a good initial price and later for a second purchase they tell you that the price is high due to the dollar rate change. The price increase and transportation cost determine my final cost this includes my expenditure as well. The price is not fixed it depends on expenditure. The retailers then look for a way to sell to the final consumers. If I put the price too high it’s going to be difficult to sell to the final consumer so I look at the environment my business is in”

“How I determine the profit in my business varies. This is because I do both retail and wholesale. The taxes are very high to that single business. So sometimes I buy in Freetown which means I have to pay high transport costs. This means that my target profit is small. Some stocks come from Guinea border and have to go through customs clearance at the border. Sometimes the buying price is low but the border charges are too high. This pushes the selling price up. The Freetown products would in turn be sold cheaper and they move faster compared to the Guinea products which move slower but have a slightly higher profit margin. It depends on how you buy your commodity. If you buy it cheaper then you don’t target very high profits. If you buy the goods at high prices then the profits in target will be high. Wholesales in my opinion doesn’t have high profits but it moves fast. Retail has more profits but slow moving”

“The taxes I pay determines the price”

“I determine my own business by where I buy the stock. I used to buy from Guinea but due to the losses I have decided to buy locally. The customs and transport cost result in small profit. I prefer to buy locally even if it’s 1000 profit it means it will move fast. I have to feed my family and the money I use to do business is what feeds us each day. We buy 50 rubbers and make 50000 and I reserve 20,000 as profit. Fortunately we only pay small fee at the market. The exchange rate to Guinea is also not favorable. If I invest 1,000,000 I have to take 200,000 for sustaining the family as profit. This is how I do my business. The microfinance options we have require 250,000 installments for 6 months from a capital of 1,000,000. The well to do people are not here they left the returns are small so we have to get microcredit to help us do business because the sales are low”

“My own business is local I buy and sell here. If I buy 35,000 and the transport is 5,000 the total cost is 40,000. The selling price to my customers is 45,000 depending on your appearance and sometimes I can choose to sell at no profit in order to push the business. They bring the food products and stock from the village and I cater to the transport. Customers will not pay for transport so through my own profits I have to cater to this”

Price tags

“If I put a price tag of for example 50,000 the clients will not buy the products”

“If he puts the price tag it will be difficult because not everyone can read”

Products together in bulk

“Sometimes is good”

“That is done when there’s a crisis in the market”

“It can be an advantage in transportation from the point of purchase like Freetown”

(Councilor Ward) “The organogram that is in Sierra Leone is different to other countries. For the matter of fact you are currently talking to retail traders. They are not importers who have their own import law. If for example you import products like cigarette ‘Gold Seal’ no one else will import goods under that name ‘Gold Seal’. But in Sierra Leone when there is a crisis the trader have different traders association. Like we have them here my lawyer is the chairperson for cotton sellers. We have the business women here and she’s a chairlady. If there is difficult situation in Guinea where they buy their shoes they can come together and say because of the crisis in dollar let us come together and change the dollar at a cheaper rate. So they can contribute if Mr. Conte has 2 million, Mr. Bangura has 3 million and Mr. Tawalie has 3 million they come together. Most of these traders are in this round about and motivate themselves like a cooperative. They sit together and ask each other do you have two million and here are the goods from your two million. They got the idea from the Sierra Leone traders union because we are the head start giving them this idea then they follow so we are doing business with them . That is why William Alpha brought you to the trader’s union chairperson because we have a lot of initiatives we are introducing to our business people”

Recommendations

“If you support the idea we welcome the idea” (share information with sellers).

“Do you want to teach us how to do our business? As for me I know how to do my business. We know how to our business we know how to manage our business”

(Councilor Ward) “It’s very much important here. You cannot say you are a professional in your business right? Business goes with different ideas. By getting ideas from other people it will help you to motivate your business in that standard. For instance my brother there sitting by my sister he has a program to upgrade different businesses like the fabric you name them. Do you understand? So if you are sitting in the office and saying you are comfortable, that is why our businesses are not working”

MAKENI BUYERS

The typology as well as the shopping experience, are shown in figure 4. Likewise, the possible improvements that the consumer perceives as adequate for the improvement in their consumption experience are exposed. Below, the verbatim is also collected with the most prominent phrases of this focus group.

Figure 4. Guide lines of the Makeni Focus Group buyers

TYPE OF PURCHASE

The frequency of purchase, the budget, the role of the buyer, the family unit, the means of transport are analyzed

Learnings:

- Average purchase 3 times a week for basic products and less for clothes (depending on the budget available)
- The price of the products has doubled and the family budget has been maintained, reducing the purchase capacity.
- They attribute the price increase to the dollar and oil

The purchasing role is mainly carried out by the woman for the whole family unit, although the man assumes said role in certain circumstances. This fact has implications in the motivations of purchase. The clothes, sometimes, are acquired by different users within the family

The family unit can be composed of the line of direct consanguinity (couple, children and ascendants) or secondary (brothers, uncles, nephews and other relatives)

- The usual means of transport is the motorbike

SHOPPING EXPERIENCE

The motivations in the choice of trade by the buyer are explained

Learnings:

- The main reason for choosing a trade is the price followed by quality. Likewise, a greater purchase intention is declared before an orderly and clean trade.
- The price is perceived as a variable element dependent on the relationship with the dependent
- Quality is a subjective element valued according to the materials, the knowledge of the business owner and is related to the guarantee received.
- The cleanliness and order of trade, can be seen as an element of differentiation with the same intensity as other elements

POSSIBLE IMPROVEMENTS

Possible commercial developments are contrasted based on the exposed deficiencies

Learnings:

- They want more variety in the productsThe possibility of communicating the price on the product is valued. Consumers do not perceive it as positive by damaging the possibilities of negotiation
- The possibility of providing more information to the consumer is explored, through product labeling (origin, materials ...)

This element is perceived as valid although the limitations of reading of a large percentage of comparators must be taken into account

The cleanliness and order of trade, can be seen as an element of positive differentiation, so the best organization of the assortment is perceived as favorable, both at the level of commerce and of the area of products within the market

VERBATIM

Frequency, role and family unit

"In my house my mother comes to buy from the market cooking ingredients but I buy the clothes".
"We are all mortal men. I buy for myself because I believe in equality".
"I buy everything for my family"
"We buy every day for food"
"I am the only one who buys clothes and food for my family. My husband says he doesn't like negotiating and talking too much at the market and that's why I come and buy"
I am the only one who comes and buys for the children because I am the woman in the family"

"I buy from the market but my woman and I save money. I come to the market mostly because I want to buy the major things like rice and meat. When I want good fish I come get it. If its onions and small cooking ingredients my wife comes and buys them"
"I am the only one who buys everything from the market because my man doesn't know how to do it"
"I am the one who comes to the market because my wife passed away"

Budget
"I spend sixty thousand per day including transport from my house at Teco barracks. I spend Le.2, 000 to come and Le.2, 000 to go which I take from the Le.60, 000. The Le.56, 000 is what I use to buy the food stuff. Before we used to spend Le. 20,000 and get change but now it's not as easy"
"Some up to 20 people, for me I spend Le.30, 000 per day for my family. I used to spend 15 before but due to the cost of living we spend more now"
"When I go to buy at the market I use 30,000 on a daily. I am a single parent and rely on this money to feed and clothe my child."
"I have bought clothes as low as Le.1, 000. But now clothes range from Le.40, 000 to Le.15, 000. If you want neat clothes it's going to be more. The clothes in that are already made and packaged used to be Le. 50,000 are now Le.150,000. This is mostly for marriage ceremonies or programs these clothes are mostly from Guinea. There are local tailoring options which allow one to buy material (Lapa) at Le. 30,000. If you buy two lapa its Le. 60,000 and the tailor's fee is another Le.60,000 that is Le. 120,000"
"I think the market rate is expensive. Before we used to buy cotton material for Le.20,000 but now we buy the same for upto Le. 60,000. We buy two lapa for Le.120,000. Some clothes already made can go upto $100. The same clothes you used to buy them at Le. 100,000 or Le. 120,000. The same quality clothes would cost you Le. 1,000,000. Women clothes are more expensive ranging from Le.1,000,000 to 1,500,000"
"The mens's clothes can cost you upto $100 and that's just the material. The tailored clothes can go up to Le.1,500,000 it depends on the material"
"If you the goods in the car they tell you the petrol has gone up and the market sellers tells you the dollar has gone up. That's how it is in this country"

Transport
"It depends on the distance. If I live far I will take a bike to come to the market. In the past the price of petrol was low now it's high. The price has gone up from 3000 to 9000 from Cambo Street to the market so sometimes we as men walk because we are strong so we sweat it out."
"The bikes stop here at clock tower because it's too crowded to go into the market so we walk inside the market"
"We have high costs we come from far and we negotiate from 4000-3000. The bike men ask for 5000. Only bikes are available in Makeni not like Freetown which has taxis. Makeni only has bikes because of the fuel prices only bikes are favorable"

Motivations
"The quality is what determines which material I choose"

“These two (quality and price) are the main determinants if I don’t have enough money I will turn back and go home. Because I don’t want to buy poor quality clothes because they will not last beyond 2-3 days”
“It depends on the money you have really”
“The eye loves the fine products but the money is the determinant factor”
“If I go to the market and sellers are clean and their market isn’t or if the market seller is dirty and the market is clean. Then I will buy from the clean seller with the clean products by using my eyes even if it’s expensive. I will be protecting myself”
“…when I come to you as sellers you may have clean products but you are arrogant I will move from you to another seller you will lose my attention”
“I look for quality”. “Quality is the products that is good can give you guarantee if its rice we look at that which is good to eat”
“I look for quality so I negotiate the price”
“I look for cheap areas to utilize my money”

Possible product improvements
“I have an example of sandals (Half Backs) before we used to find them easily at Le. 20,000 currently they are not readily available.
“…clothes that are readily made are not available”
“I´d like more varity of products”

Possible improvements: new businesses
“Water business”. “Water Distribution is a problem”
“If you are able to help us get a better market structure it would be better”

Possible improvements in product presentation and establishment
(price tags) “That’s available in the supermarket. We don’t have that in the local market because in my opinion they have to pack up and go at the end of the day”
“My suggestion as I leave is if you want to put price tags its fine. This is because I don’t have to haggle with the seller. This is because the price is fixed”
“The problem is if the change is made 60% will be fine but 40% are illiterate so they will not be able to comprehend this”
“Not everyone has gone to school only in supermarkets. The people who go in the supermarkets have literary knowledge. But in the open market the illiterate are many so only a few would be able to read the different prices”
“Not everyone is educated that is why the sellers fear putting up fixed price tags”. “…if there was a fixed price like 50,000 we wouldn’t talk as much just buy. I think the market sellers should put the fixed prices on their products”

YONI BUYERS

The main guide lines of the Yoni village focus group are shown in Figure 5. In addition, the main verbatim phrases are offered.

Figure 5. Guide lines of the Yoni Focus Group buyers

TYPE OF PURCHASE

Taking into account, the distance between the village and the market, the frequency of purchase, the budget, the role of the buyer, the family unit are analyzed

Learnings:

- An individual displacement is made by Bike, an average of 3 times a week.

  The price of fuel has doubled, so the price increases, reducing total purchase capacity.
- The purchasing role is mainly carried out by the woman for the whole family unit, supplying said products to between 5 and 20 people belonging to her family, although the man assumes said role in the purchase of her own clothes.
- They usually buy clothes in December because it is the time of the outlet

SHOPPING EXPERIENCE

The motivations in the choice of trade by the buyer are explained

Learnings:

- In this customer profile, the price is basically the only reason for choosing a business and this is determined by the relationship with the owner.
- Quality is a low value item

POSSIBLE IMPROVEMENTS

The possible commercial developments that are based on the exposed deficiencies are contrasted

Learnings:

- The possibility of communicating the price on the product is valued. Consumers do not perceive it as positive by damaging the possibilities of negotiation
- The possibility of providing more information to the consumer is explored, through product labeling (origin, materials ...). This element is perceived as invalid by the illiteracy of the buyer
- A greater organization of the suture within the market is valued as positive
- The possibility of bringing the product to the village is explored. This element is not correctly perceived due to the lower variety and the experience of visiting the market as "leaving your routine"

VERBATIM

Transport

"We go to the market on bike, and come back on bike. I buy salt and onions to prepare meals an fish on a daily basis. I go alone and buy for the week. I go once to buy"

"When I go to Makeni market I use bike to and from"

"Me too I go to Makeni on bike and I pay 12000 to and from the market"

"I go to the market with bike to and from. I pay 6000 per trip"

“I live with my grandchildren. Nobody else goes to the market but me. I take the bike to and from the market”

Famility members
“We are 15 at home”
“We are 4”
“We are 10 in my household”
“We are six in the household”
“We are eight”

Number of visits to the market
“I go to Makeni market and use bike to and from. I go once and procure food for 3 days. I go to the market twice a week for my husband, myself and I and 2 kids”. ”I go to the market alone”
“I go to Makeni market on bike two and from. I buy goods for three days. We are five in my family my husband I and three kids”
“I buy three days- worth of goods and I have 3 kids.
“When I go to buy products I buy 4 day’s worth of products. I go two times for the week. When the four days are over I go and buy small amount of market produce. I have one child with my man and my brother. It’s expensive to go to the market and that is why we go to the market twice”
“I go twice a week. I buy rice plusus, Maggie, onions and I come store them when the week is done I go and buy again”
“So I go two times weekly”

Budget and it distribution
“For example I pay 20 each time I go and the majority of this budget is for food or clothes or milk we don’t really know. The reason to go the market two times maybe because I don’t have storage area”
“One what makes us go to the market per week is we don’t have enough money. I use 20-40 thousand”
“I buy food with the amount sometimes I buy clothes once a year mostly”
“2018 we spent 2000-3000. We used to spend 30-20 thousand”
“I go through the same thing I take 50 thousand, which is inclusive of the transport. I buy rice onions and we come survive with my child. I buy fish, cassava potatoe leaves”
“We buy clothes for the year and sell ground nuts, cassava, petete and from the money we are able to buy clothes once a year and that’s how we survive”

Did you get the same amount of plusus in 2018 or was it more?
“It was more”
“I go with 50 thousand transport is included I buy rice pepper maggie and onions”
“I thank God for 2018. I used to go with 20 thousand. I used to buy a cup of rice at 800 now its 1500 so that’s 3000 for 2 cups. In 2018 the same amount would allow you to buy fish, onions among other thing. Now they give you small fish for 10 thousand they are not even 7 pieces it hard to manage. I buy for me and my children.

“When they give me 40 thousand to buy small products. I use 10 to buy clothes in December. I buy 30 thousand for food and 10 for clothes. I have 3 children. I don’t buy for my man. 2018 I used to buy more things with 25-30 for the small products. I used to buy clothes at 15”
“I go through the same thing I take 50 thousand, which is inclusive of the transport. I buy rice onions and we come survive with my child. I buy fish, cassava potatoe leaves”

Do you buy clothes?
“No the money is too small to buy clothes”
“I spent 30,000 to get the same quantity of produce. We buy clothes once a year. Because I have children I have to buy for them as well”
“I spend 50 thousand to buy clothes for three of us my children and I. The man buys for himself”
“When I go to the market I use 45 thousand inclusive of transport. Transport is expensive so we can’t even send someone because they ask for transport”
“I only buy food. We reuse our clothes”
“I buy clothes once a year”
“We used to buy more in 2018, than now. The transport is high 6000 compared to 3000 even if you know someone”
“I use 50 thousand, 10 for clothes, 40 thousand for fish onions magie then I come cook”
“I used to spend 25 thousand for the same thing. I have doubled the price”
“It’s the same I used to go with 40 thousand. The only difference is I sell things from the garden to get something small. I go with 40 thousand. I buy rice and with the 30 thousand I buy other food ingredients.
“Not all the time but yes I do buy clothes. December is the best time to buy clothes”. “Because now things are hard. If you buy rubber of oil, you need to eat”
“In december its slightly cheap”
“In December sellers are trying to get rid of their stock. They will auction”

Source of revenue
“We go into the bushes and farm and get something small”
“Sell ground nuts, cassava, petete”

Motivations
(would you mind pulling together and inviting the sellers here?)
“When we go to the market we are able to get variety”

Reasons for choosing a merchant
“Some people approach you and tell you to be their friend so they giving me more products in order to buy customer loyalty”
“If its onion the seller are selling same thing you would buy from the other one because they speak well. I would buy from the seller as a good neighbor. I buy based on the quality of the products. If my neighbor is selling bad products I would ask them to bear with me and I will buy from the other sellers”
“What makes me buy from one place is because of added value. If a seller adds for me produce for my money I will keep buying from them. I want discounts or I go to the other seller. If the

quality is bad I will ask for the better quality product from the same seller because of customer loyalty and discounts"
"I prefer Makeni products" "Because I usually buy from here"
"When its rainy we are careful not to buy the products that are muddy"

Offer characteristics
"I would go where we can talk price. What makes me buy there is that I am able to negotiate"
What about the organized products on display?
"I buy from a sampled display the full stock is at the back"
"When I am buying the product I don't mind buying ones with display. But the ones without price are also good it means I can negotiate"
"If I go buy goods and they have a price tag with 100,000 and I only 40,000 they will not allow e negotiate. They will be very rude because they think it's obvious. That is why I prefer pick and charge system of buying where you pick a product and negotiate"
"Not everyone know how to read that is why this would be difficult"
"I prefer the products without price tag because I can negotiate"
"The reason why she prefers no price tag is because she isn't able to comprehend the information because she can't read. As for Presentation and products"
"I buy from the sample display. I prefer the lapa presentation to be good the food not so much"
"I prefer pick and charge. The presentation has to be good as I don't prefer scattered items"
"I prefer the pick and charge. When you buy the one without presentation they give you a sample and when you decide to buy they pull from the stock for both the food and products"

LAST CONCLUSIONS

After analyzing the data from the quantitative study carried out in July 2018 and its contrast with the qualitative research of January 2020, the following final conclusions are drawn:

- There is an “commodity offer”, common to many businesses and little differentiated, with great competition within the market where the only variable that traders have is the price, decreasing their profit.
- Purchase prices have increased in recent years, reducing purchasing capacity, so that the purchase of noneccesary products has been displaced, both in frequency and in the budget allocated.
- The purchase motivations are closely linked to the price and this is not closed, so there is a wide possibility of loss of margin if they are not managed correctly, taking into account the levels of stock, seasonality, committance and price arranged to pay for the customer.
- There is no cooperation between buyers, losing the possibility of improving purchasing conditions and reducing costs in replenishment. Although, it has been several similar actions in this way.
- Merchandising tools that improve the differentiation of the offer and stimulate a higher average ticket or a loyalty of the buyer, are not handled.
- There is no national product that allows differentiation from other African countries and China. Therefore, a "made in" of Makeni or Sierra Leone is not recognized.

RECOMMENDATIONS

After the previous analysis, the following final recommendations are offered, already contrasted with the local merchant and buyer.

- Carry out a greater organization of the Market, based on an urban planning that allows the differentiation of areas by type of product, as well as the differentiation of shops and access to them.

- Encourage the differentiation of own national product, adding value to the growing influx of foreign product. Create a “made in” characteristic of Makeni or Sierra Leone, from the generation of products, added value or differentiating know-how.

- Create a network of “collaborative commerce” that expands business opportunities, linking Makeni with Europe. In order to have a good acceptance in the European market, this network should have the following characteristics:

    1. Fair working conditions.
    2. No exploitation of children or women
    3. Long term commitment
    4. Respect for the environment
    5. Handmade product
    6. Transparency and responsibility
    7. Capacity development

    To achieve these conditions, it is proposed to instruct certain producers and traders in this type of trade so that they are part of the network with a stable character.

- Support the union between sellers, which facilitates the common purchase, improving the common conditions of purchase, as well as the logistics and storage management.

- Create a consumer association (not only for supermarket products) that facilitates the best understanding of their needs and collaboration with them.

- Train the local merchant in the implementation of business management, sales techniques and merchandising.

For the correct implementation of these proposals, the involvement of the City Council through intermediaries such as the Entrepreneurship Hub, as well as the participation of UNIMAK in the training processes is recommended.

PEOPLE INVOLVED IN THE STUDY

Thank you really much, to all this people involved in the proyect, to the City Council of Makeni, UNIMAK Staff and Student and the Workflow Innovations Hub.

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ANNEX I. STRUCTURED SURVEY FOR MERCHANTS

CEU Universidad San Pablo

Questionnaire MAKENI July 2018

DIRECT QUESTIONS TO BE ASKED TO THE MERCHANT:

4. Aliment. Fresca	F		
5. Aliment. No Fresca	NF		
6. Bebidas	B		
7. Droguería	D		
8. Textil Hogar	TH		
9. Textil (Telas)	TT		
10. Textil Vest. Elaborada	TV		
11. Herramientas	H		
12. Artesanía	A		
13. Mat. Carpintería	CA		
14. Mat. Construcción	CO		
15. Prod. Saneamiento	PS		
16. Bar	B		
17. Restaurante	R		
18. Peluquería/Estética	E		
19. Sastre	S		
20. Banco/Financiación	F		
21. Telefonía	T		
22. Otros			

Inteviewer Name		Questionnaire Nº	
Team		Business Map Legend (Nº)	
Date (00/00/0000)		Nº of photos taken	
Quadrant / Sub-quadrant			

As to the characteristics of the business or stand/booth:

P1. Type of establishment or point of sale:
- Fixed booth (1)
- Mobile booth; travelling salesman; peddler (2) GO TO Q2
- Other type, informal (wandering through the streets) (3)

Q1.1 Is there permanence of the points of sale?
- Yes (1)
- No (2)

P2. Is the business/stand owned by you or rented?
Ownership (1)
Rent (2)
NA (3)

P3. Are you the owner of the business?
- Yes (1)
- No (2) GO TO Q5

QUESTIONS TO BE ASKED TO EMPLOYEES ONLY

P4. Where do you come from?
- A nearby village (1)
- City of Makeni (2)
- From another city in Sierra Leone (3)
- From abroad (4)

P5. What is the origin of the owner of the business?
- A nearby village (1)
- City of Makeni (2)
- From another city in Sierra Leone (3)
- From abroad (4)

P6. How frequently do you get paid a salary?
- Daily (1)
- Weekly (2)
- Every fortnight (every 2 weeks) (3)
- Every month (4)
- NA (5)

P7. What is your salary range?
- Less than 30.000 L (1)
- Between 30.000 – 75.000 L (2)
- Between 75.000 – 100.000 L (3)
- Over 100.000 L (4)

P8. What relationship do you maintain with the owner?
- Family (1)
- Friendship (2)
- Contractual only (3)

P9. How many people/family members/families live from the business?
Indicate exact number ....

P10. Who is your usual customer?
- Final consumer (1)
- Company / Business (2)

In relation to the supply of the goods:

P11. From where do you get the stock of the products you sell?
- Directly from the (local) producer (1)
- Wholesalers (2)
- From other small businesses (3)
- From foreign producers (4)
- Other (5)

P12. How often do you receive the merchandise?
- On a daily basis (1)
- On a weekly basis (2)
- Every 2 weeks (3)
- Every month (4)
- More than monthly intervals (5)
- Whenever we need to restock (6)

P13. Does the supply of goods take place individually or do you join forces with other merchants?
- Individual (1)
- With others (2)

P14. Where do you store the products you sell?
- At home (1)
- In the shop / store (2)
- In my own warehouse (3)
- In a shared warehouse (4)
- Other places (5)

P15. How do you manage waste (what do you do with the waste)?
- They are left in / by the store / shop (1)
- They are taken to a container for waste disposal (2)
- Someone picks up the waste (3)

P16. Regarding Bathrooms (toilets)
- There are no toilets (1)
- There are public toilets (2)
- There are shared facilities in a nearby shop (3)

In relation to the supply of the goods:

P17. How long has the business been running?
Indicate time (in months)

P18. Do you apply any technique for positioning your products?
- Yes (1)
- No (2) GO TO COMMUNICATION

P19. If you do, how did your learn about this?
- By observation, seeing what other businesses do (1)
- From what I have learnt in my community (2)
- I taught myself (from experience) (3)

Regarding communication:

P20. How do you offer product information? (multiple answers are possible)
- Word of mouth (from client to client) (1)
- In front of the business (2)
- Posters distributed in the area (3)
- Flyers delivered to the pedestrians in the area (4)
- Public relations, someone hired to invite people to come to the shop / store (5)
- Other (6)

P21. What is your sales pitch?
- Price (1)
- Product features and benefits (2)
- Cleanliness of the store / shop (3)
- Other (please indicate) (4)

Regarding the price:

P22. How do you define the price?
- The basis is what it cost me in the first place (1)
- I do not calculate the price, the owner indicates the price to me (2)
- Depending on the price of the competition (3)
- In function of demand, the price changes (bargaining) (4) GO TO Q23
- Other (please indicate) (5)

P23. ASK ONLY if the previous answer was (4) – BARGAINING
How do you define your initial bargaining price?
Indicate a percentage between 0 – 100%
ASK ALL

P24. What profit margin is included in the price?
Specify a percentage between 0 – 100%

P25. Do you have certain periods when you have special offers?
- Yes (1)
- No (2) GO TO COMPETITION

P26. When are the periods for special offers?
- Rain season (1)
- Dry season (2)
- Other (please indicate) (3)

With regard to competition:

P27. Do you know your competition?
- Yes (1)
- No (2)

P28. Do you track / follow the actions of your competition?
- Yes (1)
- No (2)

P29. What relationship do you have with your competition?
- We cooperate (1)
- Occasional relationship (2)
- Indifferent (3)
- Little relationship (4)
- No relationship at all (5)

Other aspects to consider:

P30. What are the opening hours of your business?
- I have a set timetable (1)
- There is no set timetable (2)

P31. Do you pay taxes?
- Yes (formal business) (1)
- No (formal business) (2)

P32. If yes, who do you pay taxes to (which institution)?
Indicate the name of the receiving institution.

P33. Is there an "product inspector", a person who inspects the products and confirms if they comply with regulations, hygiene, ... etc.?
- Yes (1)
- No (2)

P34. Are there any changes in activity between different times of the day (morning, afternoon, evening, night)?
- Yes (1)
- No (2) GO TO Q36

P35. If yes, what activities correspond to which time?
- Morning: (indicate)
- Afternoon: (indicate)
- Evening: (indicate)
- Night: (indicate)

P36. Are there any changes in activity between different times during the year (rain or dry season)?
- Yes (1)
- No (2) GO TO Q38

P37. If yes, what activities correspond to which season?
- Dry season: (indicate)
- Rainy season: (indicate)

P38. Are there any institutions to inform, support and assist merchants?
- Yes (1)
- No (2)

P39. Do you belong to any association for Business Management (purchases, warehouses)?
- Yes (1)
- No (2) GO TO Q41

P40. If yes, indicate which:

A. Joint Purchases (1)	D. Joint loans (4)
B. Joint Warehouse (2)	E. Communication/Joint Promotion (5)
C. Joint transport (3)	F. Other (indicate) (6)

Gender..............Age.............. Occupation...............Marital status ....Number of children..............

Place of residence.........................Studies...

ANNEX II STRUCTURED SURVEY FOR BUYERS

CEU
Universidad San Pablo

Questionnaire MAKENI July 2018

DIRECT QUESTIONS TO BE ASKED TO THE BUYER:

4. Aliment. Fresco	F
5. Aliment. No Fresco	NF
6. Bebidas	B
7. Droguería	D
8. Textil Hogar	TH
9. Textil (Telas)	TT
10. Textil Vest. Elaborada	TV
11. Herramientas	H
12. Artesanía	A
13. Mat. Carpintería	CA
14. Mat. Construcción	CO
15. Prod. Saneamiento	PS
16. Bar	B
17. Restaurante	R
18. Peluquería/Estética	E
19. Sastre	S
20. Banco/Financiación	F
21. Telefonía	T
22. Otros	

Inteviewer Name		Questionnaire Nº	
Team		Business Map Leyend (Nº) Infront of	
Date (00/00/0000)		Quadrant / Sub-quadrant	

P1. Who usually purchases in your household?
Yourself (1)
My partner (husband / wife) (2)
Another family member (3)

P2. How do you usually do the shopping?
On your own (1)
In company (2)

P3. How often do you do the shopping?
On a daily basis (1)
On a weekly basis (2)
Every 2 weeks (3)
Every month (4)
More than monthly intervals (5)
Whenever we need to (6)

P4. What is the average you spend a week on basic-need products? (and indicate interval)
- Less than 20.000 L
- Between 20.000 and 50.000 L
- Between 50.000 and 100.000 L
- More than 100.000 L

P5 .What are your criteria for choosing one establishment over another for the purchase of similar products?
- Proximity (1)
- Good relationship with the sales person (2)
- Price (3)
- Quality (4)
- Other (please indicate) (5)

P6. Do you always buy in the same store / shop? Or do you like to change?
Always the same (1)
I like to change (2)

P7. How do you come to the shopping area? By what way of transport?
- Walking (1)
- Motorbike (2)
- Bus (3)
- Car (4)
- Other (please indicate) (5)

P8. Is there anything you miss in the city?
Yes (1)
No (2) JUMP TO Q10 IF IT IS A CLIENT, IF IT IS A PASSERBY – END OF INTERVIEW.

P9. Of the following options that I am going to give you, order them from 1 to 5 according to the degree to which you miss them (1 being the one you miss most and 5 being the one you miss least):
Cinema
Music stores
Sports shops
Day care centres
Restaurants

P10. Is there any other activity or business you miss?
Please indicate.

QUESTIONS ONLY FOR ACTUAL CLIENTS

P11. What products would you like to buy that you currently cannot find at this establishment?
Please indicate

P12. What would you like to change in this store?
Please indicate

P13. Name 3 reasons for shopping at this precise establishment:
Convenient timetable (1)
Quality (2)
Attention / Customer service (3)
Price (4)
Convenience - close to home (5)
I come here out of habit (6)
Fashion (7)
Variety (8)

P14. Do you know who the competition is of this business?
Yes (1)
No (2) – END OF INTERVIEW

P15. Have you ever bought at the competition?
Yes (1)
No (2)

CHART INDEX

QUESTIONNAIRES TO MERCHANTS

QUESTIONNAIRES TO BUYERS

FOCUS GROUP