

The hidden **Agripreneur Economy**

Insights from studies with **1,053** rural
agripreneurs across **43** counties in Kenya.



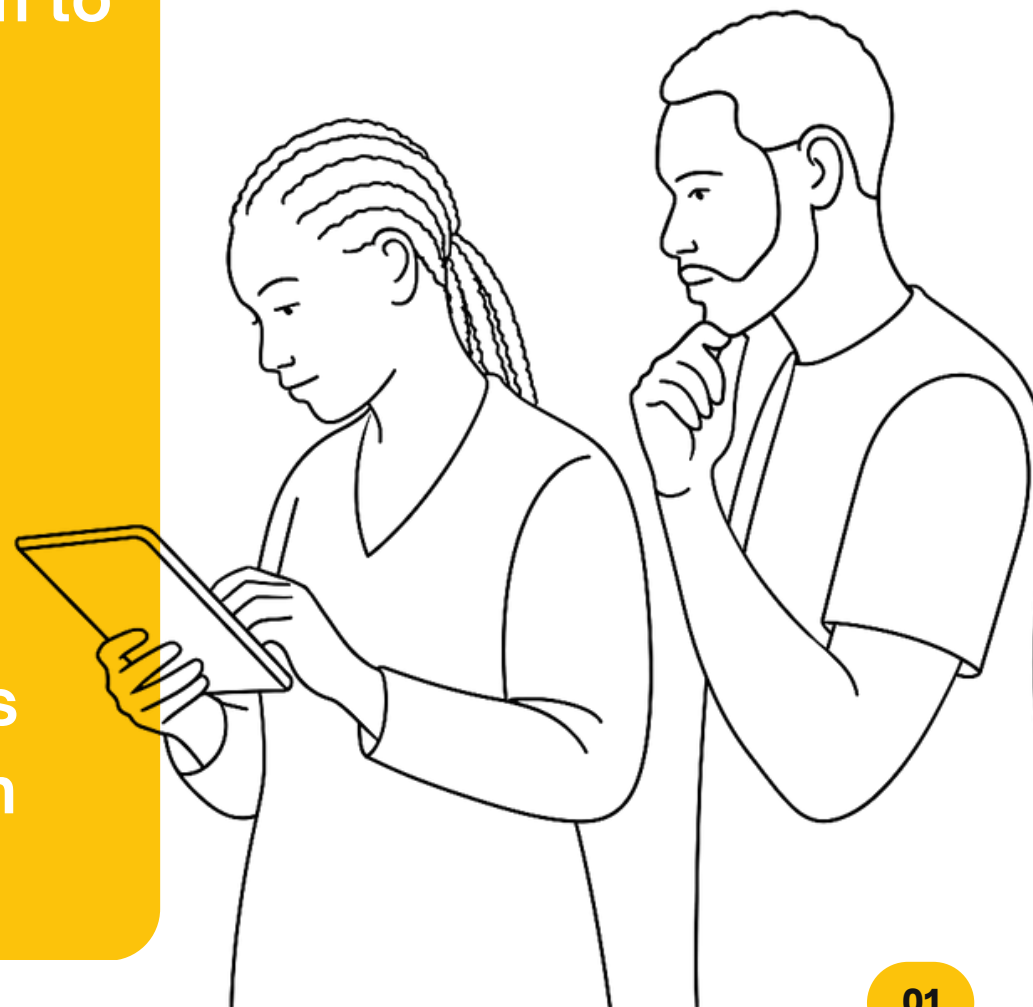
Voices From the **Frontline**



We often speak about rural enterprises, but rarely listen to the people actually running them.

So we paused & asked.

A survey with 1,053 agripreneurs across Kenya revealed a reality that looks very different from common assumptions.

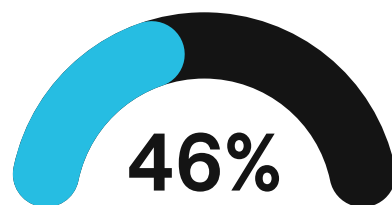


The Myth of Informality

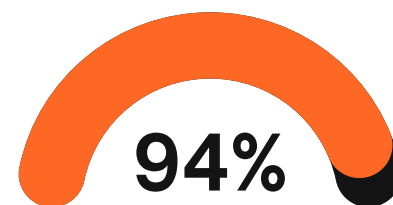
“We are not as informal as you think.”

We assume rural businesses are **unregistered, unstructured,** and **operating in the shadows.**

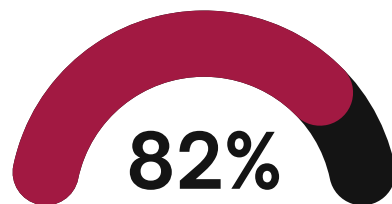
The data says otherwise:



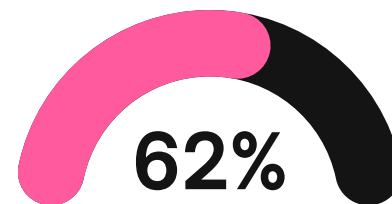
are formally
registered



keep records
(manual or digital)



use financial records
for decision making



maintain a separate
business account

These are not “**hidden economy**” actors. They are running real businesses, just underserved by formal finance.

The
Reality

The challenge is not formalisation.
It is recognition.

Growth Mindset

“We’re not in survival mode. We’re trying to grow.”

A dominant narrative:
rural enterprises = subsistence

When asked about their annual goal

Survey respondents said they wish to

64% | “expand, scale, grow customers and branches”

Many mentioned increasing production, land, stock, yields

Others spoke about hiring or creating jobs

This is not a coping mindset, **it’s a growth mindset.**



**The
Reality**

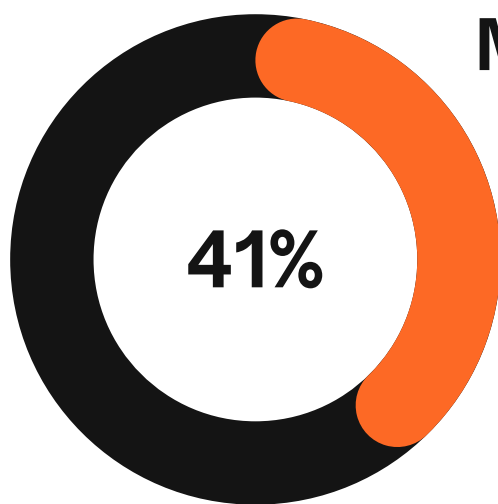
Financing must match **ambition**, not survival.

Multi-Role Reality

“We’re not one type of business - we’re many.”

Most agripreneurs do not fit into neat boxes like **aggregator**, **inputs dealer**, or **service provider**.

What they actually run:



Multi-role businesses like

- aggregation + inputs
- inputs + spraying
- services + logistics
- value addition + aggregation



The rest fall into single roles, but even they often diversify later.

Agriculture is seasonal. Diversification is how they stabilise income.

**The
Reality**

Agripreneurs are **portfolio operators**.

The Capital Archetypes

“Our capital needs depend on what we do.”

Because business models vary, capital requirements vary:

1

Stock Financing for Inputs
(25k–100k)

Seeds, fertilisers, feeds, inventory - fast-turn, predictable cycles.

2

Services / Working Capital
(100k–250k)

Sprayers, labour, transport, motorbikes, short-cycle operations.

3

Aggregation & Equipment Capital (300k–800k)

Bulking float, storage, small equipment, transport assets.

4

A Small tail
(1M+)

Equipment-heavy models

These ranges come directly from actual loan requests. They match real business functions. not demographics, not regions.

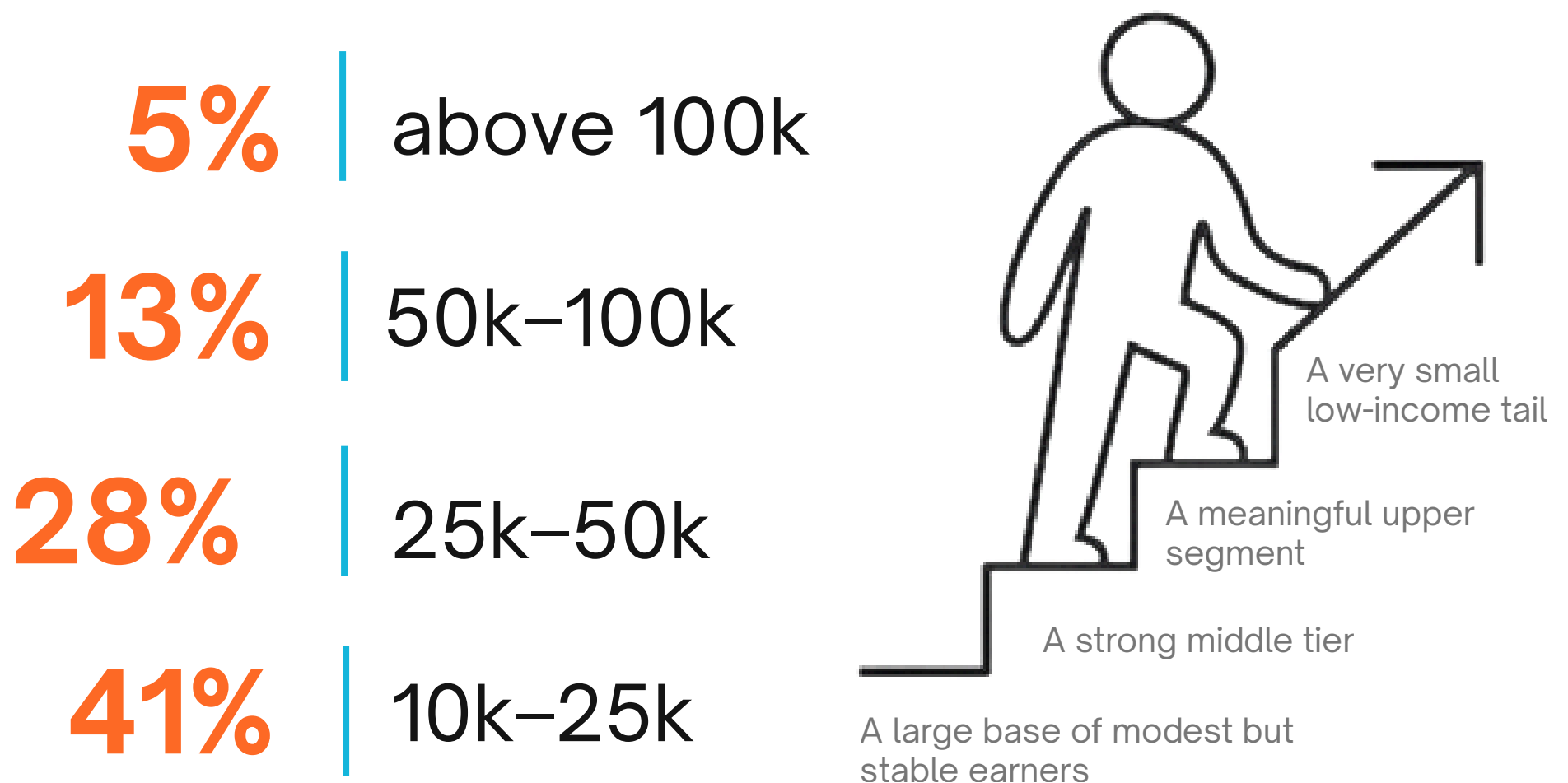
The Reality

Capital needs reflect **business activity, not labels.**

The Income Ladder

“We’re not all poor. We’re just uneven.”

Monthly agribusiness income:



These ranges come directly from actual loan requests. They match real business functions, not demographics, not regions.

The
Reality

This is not extreme poverty, it is **micro-enterprise with variability.**

Role Gender Plays

“Gender shapes the ticket sizes”



10-25k

Income Range

Request Smaller
Loan Sizes



25-50k

Income Range

Request Large Loan
Sizes (100k-500k)

Digital access and credit use are
almost identical across genders

**The
Reality**

The main gender difference is **loan size preference**. Not capability. Not ambition.
Not digital access.

Digital Ready **Africa**

is already here

97.6%

Active
smartphone
users

50%

Keep digital
records

90%

Can submit
statements

83%

Used mobile
lending products



**The
Reality**

Digital readiness is not the bottleneck.
Product design, underwriting, and trust are.

Right **Credit** fit

“We can use credit, but the products don’t fit us.”

The Trope: Rural entrepreneurs fear taking loans.

In Reality:

72% | have taken loans before

But the friction points they face are structural:

- Tenure mismatches
- Ticket sizes that don’t match business roles
- Requirements that ignore multi-role realities
- Cashflow cycles not considered
- Collateral expectations misaligned
- Processes not built for small, frequent business movements

**The
Reality**

The issue is **fit**, not fear of credit.

The Big Truth

When we **stop assuming** and **start listening**,
agripreneurs look nothing like the stereotypes.

They are



Structured



**Growth
Oriented**



**Digitally
Enabled**



**Multi-line
operator**



**Finance
User**



Record -Keeper



Ambitious



**Underserved, not
unprepared**



**The
Reality**

This is not a story about lifting people out of poverty. It is a story about **unlocking enterprise that already exists at scale.**