

PROVISION OF EMBEDDED SERVICES TO CUSTOMERS

Outcome indicator, Output indicator

Indicator Phrasing

English: number or % of sellers providing embedded [select: advisory / transportation ...] services

French: nombre ou % de vendeurs offrant des services intégrés de [spécifiez: conseil / transport / ...]

Spanish: número o % de vendedores que prestan servicios integrados [seleccione: asesoramiento / transporte ...]

Portuguese: número ou % de comerciantes que prestam serviços combinados de [selecione: assessoria / transporte / ...]

Czech: počet nebo % prodejců poskytující bezplatné [určete: poradenské / přepravní / ...] služby jako nedílnou součást jejich prodeje

What is its purpose?

The indicator assesses the proportion of businesses that provide their customers with complementary, free of charge services, as part of their transactional relationship. For example, sellers of agricultural inputs providing advice to customers on how to use their seeds and fertilizers; solar energy suppliers providing promo materials and training to shops selling their products; or sellers of materials for toilet construction offering transport.

How to Collect and Analyse the Required Data

Determine the indicator's value by using the following methodology:

- 1) **Prepare a list** of all embedded services that the sellers are expected to provide to their clients following promotion or support by the project. Consider how this service is expected to be offered: should it be available on demand or actively offered to customers?
- 2) **Set a benchmark** for how many/ what type of services must be provided in order for a seller to be labelled as "providing embedded services" (e.g. 2 out of 5).
- 3) **Interview the sellers** on whether they provide the services. Crosscheck the information (with their clients, by requesting relevant materials, etc.). If you support a very high number of sellers, interview only a <u>representative sample</u> of sellers.

4) To **calculate the indicator's value** in percentages, divide the number of sellers providing embedded services (using the benchmarks set in point 2) by the total number of surveyed sellers. Multiply the result by 100 to convert it to a percentage.

Disaggregate by

<u>Disaggregate</u> the data by gender, type of provided embedded services, type of business the sellers are engaged in and the types of clients served by these businesses (e.g. embedded services for an end customer / for another seller in the value chain).

Important Comments

1) See the following **example of embedded services**: A seller owns a shop with veterinary inputs and medicines. When a client comes to purchase a drug, the seller always advises the client on the drug's correct use. The seller also cooperates with 15 Animal Health Workers (AHWs) who provide veterinary services to local farmers. The seller provides AHWs with small loans that help them to pre-finance their services and to sell more products. Once every six months, the vet shop requests a representative of a large company with veterinary products to come and train all AHWs on the effective marketing and use of new veterinary products. The company also provides the shop sellers and all AHWs with free promotional materials. This support from the company is provided free of charge and effectively contributes to a single, shared objective – to increase the AHWs', the seller's and the company's income while effectively meeting the needs of their clients.

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