

The Accesserator Story

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Chapter 4: At the top

Here we were, during Christmas of 2017, standing at the top of Mt. Stupid and telling each other: “We will fill that missing middle of SMEs in Malawi!!” The traction within Malawi was enormous, as we had coverage in national newspapers and on television. Also, in The Netherlands we found ways to promote our mission to business angels, start-up awards and to financial networks. The previous learnings found its way to our corporate story and as we spoke about Accesserator with everybody we knew more cash came in. Besides this, the number of business cases presented to us was overwhelming, and at the beginning of 2018 for three investments we raised enough money.

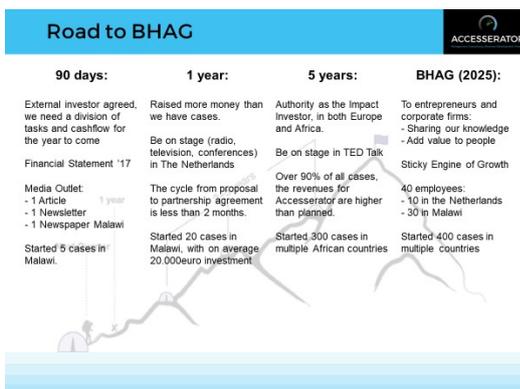


Picture 1: Accesserator covered in newspaper



Picture 2: Business cards for our country director

These investments were all in the agriculture, a goat farm, a horticulture farm and a combination farm of chickens, pigs, vegetables and herbs. The fact that these investments were not situated near our office didn't seem to be interesting, in fact it was good for our visibility and interests. Our guide and country director did everything he could to screen the potential partners, visit them and keep us informed about all that was happening on the ground. On some days he spent hours in the car, having overnights in hotels while running his own businesses. To make it even more overwhelming we hired two young, smart graduates as interns to take some of his workload.



Picture 3: Our Strategic plan in 2018

Next months some larger business angels were able to provide us cash for another five investments and to invest in hardware, rentals and salaries for our staff in Malawi. We installed business routines like weekly calls, monthly lectures and quarterly strategic sessions. From The Netherlands we delegated important tasks of screening business proposals, side visits to our investees and explaining the mission of Accesserator in Malawi. In our mind, most work had to be done locally so we could shift our focus on the big picture: starting 'Accesserator Zambia'. We envisioned ourselves already doing a TED Talk about the new (and profitable) way of doing business in Africa.

By that time, it was all we could wish for and we envisioned the next mountain top on our journey that couldn't fail: 500 investments by 2025 of which half would be financed by the profits of the first investments. With the new investors on board and our ambitious plan, other large investors would join to make this growth happen.

However, in retrospect we were not going up, but this was the start of our way down, as new investments in Malawi were not screened to our current knowledge, investments done were not guided nor evaluated thoroughly, our staff wasn't ready for responsibilities given and our transfer of knowledge became difficult due to distance and bad internet connections. Basically, we did not allocate our resources well and important decisions made earlier were overlooked in the journey towards the next top. Was there a reason why we were the first and only company to invest in start-ups with a for-profit model in Malawi?



Picture 4: Malawi team beginning of 2018

A travellers' journey

Standing at Dune 45 in the striking light of the sun we were mesmerized. When we turned around to look the other way, we were even more overwhelmed. What a beauty! On top of the world! And the road we drove to get this far goes even further into the dunes. Even some cars are driving there. And when we asked around, it seems there is an even more beautiful place at the end of the road: 'Big Daddy' Dune, the highest dune of this surroundings.

We had our car, we had food, in fact we had everything with us as we are driving a camper. What could withhold us to go to that place, to that next level of even more beauty? Some people, traveling organised in a group, were so jealous, as they had to go straight back to Sesriem once coming down from Dune 45.

Key take aways

- Don't fear competition, and if you think it's not there and you're the only one seeing this opportunity: you're not that brilliant... Competition at least shows that your idea 'can be done', otherwise there might be a good reason no one ever succeeded before.
- Just assume competition is there and think how to deal with it. Afraid someone steals your idea? By sharing, you probably will discover interesting potential partners to work with. Even inevitable that 'copying your idea' happens sooner or later, so be prepared, not afraid.
- Ones you want to start to deliver your product, unknown forces will appear 'out of the blind' which you don't understand at first. But, don't be discouraged and see how you can handle this.
- Don't fit a PMC in your business model but explore if it can be done the other way around. The PMC should be your 'brilliant idea' and most

business models are a straightforward calculation of balancing revenues and costs.

- Not every problem can be solved, or not every PMC turned into a for-profit business model. 'Making money' as lead motivation to start a business creates a bias that all problems can be solved in a business model. Explore if your PMC can 1) solve the problem and fulfil your mission and 2) if money can be earned. And in this order.

Example Likuni:

The initial business plan was already ambitious, and after the first round of sales the sky was the limit. An borehole came, purchase of new land and plans were made to become THE role model in farming... All based on some revenues from selling pigs and chickens.

Example Mzuzu Dairy:

Revive the milk industry in the northern region of Malawi with brand new machinery and lots of suppliers available. Billboards were displayed in Mzuzu to announce the variety of products 'coming soon'... All based on a few runs of small quantities of fresh milk



Example Accesserator:

Accesserator was convinced it would stimulate economic growth through a completely new way of working: full commercial investment in start-ups. Even inviting all Malawian entrepreneurs with good ideas to share their business plans in national newspapers... All based on five investments done that were still not making any profits.