

CASE STUDY: GIGANTE CENTRAL WET-MILL

HELPING BUSINESS TO CREATE IMPACT IN A FRAGILE AREA



APPROACH & OUTCOMES

1. BACKGROUND

- + La Central aka Gigante Central Wet-Mill (GCW) is giving farmers in Huila, Colombia a chance to sell coffee as cherries instead of processing it over many days, which had been the status quo for decades.
- + Despite having 108 registered farmers, only 25 were actively selling to GCW. They were curious why and what they could do to increase sales.

2. LEAN DATA SURVEYS

- + **Our Core Agri Insights Survey** provided insight into La Central's impact and collected feedback from its active suppliers.
- + **A bespoke module** of the survey revealed why inactive farmers were not selling to La Central.
- + **Focus groups** alongside survey data was used estimate the increase in net income from selling coffee to the company.

3. OUTCOMES

- + **Introduction of fertilizers/cash on credit** in response to inactive farmers' reporting that they were forced to sell to other buyers to repay debt.
- + **Improving the path to the mill** to address farmers' concern that the windy route up the hill was too risky to carry coffee.
- + **Increase outreach** since it was only the first year of mill operation and both active and inactive farmers mentioned the need for greater marketing.

4. ENTREPRENEUR'S VIEW

"Lean Data helped us understand the needs of our farmers and find ways of meeting them."

Carlos Ibagon,
Manager,
La Central



DATA & ANALYSIS

- 61%** of farmers feel their quality of life has "improved a lot" since selling to GCW
- 35%** increase in net income from selling coffee cherries to GCW over the next best alternative: selling wet coffee to traders
- None of the farmer** had sold coffee as cherries for the before La Central starting buying in the area

KEY LESSONS

Farmers value savings in time and effort the most since they don't have to process coffee into wet and dry forms to be able to sell it.

Selling coffee as cherries is farmers' most accessible and profitable option. While dry coffee fetches the best price, most farmers don't have the infrastructure needed. Most were forced to sell wet coffee, their least preferred option with lowest profitability.

Farmers demanded inputs on credit & support with transportation to be able to sell to La Central. Most preferred selling to La Central but were indebted to other buyers and/or were worried about losing their produce up the rickety path up the mill.