

**INDIVIDUAL CASE STORY | MSE SYSTEM**

**FROM TEACHING TO TAILORING: A DIGITAL MARKETING SERVICE HELPS ESTIFANOS INCREASE INCOME AS A BUSINESS OWNER**

LIWAY partnered with private technology provider BelCash Technology Solutions PLC and Addis Ababa Bureau of Labour, Enterprise, and Industrial Development (BoLEID) to pilot an intervention to increase revenue potential of micro and small enterprises (MSEs) through e-commerce. Through a digital marketing platform called HelloMarket ([www.helloomarket.com](http://www.helloomarket.com)), MSEs are linked with over 1.2 million viewers monthly. The service provides improved payment capabilities and includes a warehouse receipt system where MSEs deliver and store their products, which are transported to buyers through strategic partnerships with logistic service providers. MSEs are also provided with technical and marketing training, as well as access to customer feedback and information on consumer preferences through the platform. The Digital Marketing Service (DMS) intervention aims to address MSE’s lack of access to operational space and inadequate market options.

Estifanos joined the HelloMarket platform in September 2019, which helped him increase his income and support his family after he transitioned fully from a teacher to a business owner. He tells his story:



“ Before HelloMarket, I served as a teacher for junior high school. I was teaching junior students and the success of my life was based on their achievement. I rarely thought about my own successes in life. My monthly salary was not sufficient to cover all my recurrent costs. I started engaging in my family sewing and textile business. I learned and practiced how to use a sewing machine and started to produce different tailored garments. I began to earn money as additional income to my salary. As the earnings grew, I started to think about establishing my own business and changing my profession. ”

I started my own company as Estifanos Damtew Libs Sifet, a privately owned enterprise in 2016 and was lucky to get the chance of securing a government owned working-shed. I was not ready and not fully confident to start working and do business at my own working place.

“ I continued my teaching and partly working with my family business. I started to earn income by selling my products to staff teachers on credit. Later in 2019, I decided to stand on my own and resigned from my teaching profession to fully engage my time and effort in my enterprise. I bought an old manual sewing machine automated with a dynamo and started sewing as a business. After a year I managed to add two more sewing machines at a total cost of 24,000 ETB with the support of Addis Capital and was able to expand my production. I am now left with 3,000 ETB owing and plan to settle in a months’ time. ”

But selling and market access was a challenge. I was informed about HelloMarket from a sub-city staff member. I decided to join and have sent products to the HelloMarket warehouse for sale more than 20 times. I also provide my products to supermarkets. I face no problem of getting my sales revenue from HelloMarket. They send the sales revenue to my account immediately when things are sold, while I have to wait a month (from delivery date) to get money from supermarkets. I also use bazaar options to expand my sales.

HelloMarket has enabled Estifanos to increase his income by expanding his visibility and sales reach, which helps him cover expenses for his own family including costs of schooling for his son who is in the seventh grade, as well as support extended family members. He has also recently joined the Chamber of Commerce so he can improve his business skills through higher-level business practitioner training sponsored by the Chamber. With his extended market reach and new skills, Estifanos plans to grow his business further and hire permanent staff if he can secure the working capital to do so, which continues to be a challenge. He explains:

“ I have plans to add two more sewing machines (at a current price of 24,000 ETB each) and an overlock sewing machine (29,000 ETB) and hire a permanent support employee. So far, I have two part time employees engaged in supporting excess workload... Working capital, apart from the cost of the sewing machines covered by Addis Capital, is still a big challenge. First is the issue of getting the access to finance my business and the other is the collateral requirement. I always try to find solutions. ”

Over 1,200 MSE owners like Estifanos are already benefitting from HelloMarket, with sales of more than 54,251 goods equating to over 13 million ETB in revenue. A total of 3,067 women and youth have gained employment and income through engaging in HelloMarket, of which 2,828 were new wage employees at existing enterprises. Based on the success of the pilot in Addis Ababa, the HelloMarket service is being expanded to include MSEs in other regions. In addition, new e-payment systems and shipping partnerships are being introduced to enable sales to international buyers.