



Location

Zambia



Established

2009

Portfolios

Building More
Inclusive Global
Markets

Venture Leader

Mark Hemsworth

Sectors

Micro Asset Financing

Type

For-profit

Rent to Own (RtO)

Mission

Rent to Own strives to see more productive assets being used properly in rural Zambia.

RtO makes it possible for entrepreneurs like Patricia, the baker with “the best buns in Katete,” to make a ten percent down payment on new equipment, then pay the remainder of the cost in ten monthly installments.

Why Rent to Own?

Thousands of small-holder farmers and shop owners are stuck, unable to grow their business because they don't have access to financing. Others gain access, but lack the skills and information to select the right equipment or technology to help them grow. Rent to Own works to provide these entrepreneurs with a holistic set of services that allow them to increase their productivity and profits – leading to higher income and increased employment in their community.

2013 Results

- Provided 650 entrepreneurs with new equipment and training
- \$1.2 million in new income for entrepreneurs generated
- Direct impact on 1,300 households
- Established an independent board of directors
- Secured 3 years of funding from African Enterprise Challenge Fund
- Repossession rate of 8%

Contact Info

 RtOAfrica.com

 facebook.com/RtOAfrica

 [@RtOAfrica](https://twitter.com/RtOAfrica)



The Approach

From delivery to training to financing, Rent to Own employs a set of services that ensure each client has the highest likelihood of success. RtO is the only such for-profit in Zambia (and possibly Africa) to provide this set of services without any additional collateral, and without requiring clients to form a group. The team is excited that this approach has the potential to scale through the growth of this unique company, but also beyond it, through imitation by others.

The model is based on deep understanding of the local Zambian business environment. Because of this, Rent-to-Own operates on three core pillars:

- 1. High Levels of Trust.** Rent to Own staff are members of their target community, better positioned to select creditworthy clients, generate high rates of repayment, and foster overall trust from their clients.
- 2. Cost-Effective Procurement.** By using a catalogue instead of maintaining costly inventories, RtO ensures clients can compare and contrast a wide variety of options when selecting their asset.
- 3. Strong Incentive System.** The company provides incentives to staff both at the end of each successful rental cycle, and on the completion of any cash sales. This unique program encourages staff to prospect high-quality clients.

Success Stories

- Co-founder & CEO, Mark Hemsworth awarded the Rainer Arnhold Fellowship (2011)
- Awarded the AECF Agriculture in Africa investment (2012) award, via the Alliance for a Green Revolution for Africa (AGRA)



Partners

