

Tenda Atacado Ltda



“ *Tenda supports small business in Brazil by extending credit to microentrepreneurs with no credit history.* ”

COMPANY INFORMATION

★ Headquarters

Brazil

Countries of operation

Brazil

Year founded

1948

Annual revenue

US\$798 million

Employees

>1,000

Sector

Retail

COMPANY HISTORY

Tenda was founded in 2001. Today, it reaches 1 million customers per month and employs 3,200 people.

WHO THEY ARE

Tenda Atacado Ltda (Tenda) is a wholesaler and retailer that supplies food, toiletries, and household goods to people and microbusinesses at the base of the pyramid in the Brazilian state of São Paulo.

HOW THEY REACH THE BOP

Tenda's business is purchasing food and household merchandise in bulk and selling it through their 16 retail stores in São Paulo. Every month, Tenda serves about 1 million customers, mainly people buying hygiene products and other products for their businesses. Almost half of Tenda's sales come from microentrepreneurs buying products for businesses in the food industry, such as street food carts, small coffee shops, pizzerias, and bakeries. The company's ability to purchase large volumes of merchandise means it can offer products at prices affordable to people living at the base of the pyramid.

In São Paulo, more than 60 percent of microenterprises fail within the first five years—often due to lack of access to credit. Many of these small entrepreneurs lack access to any formal financial services at all. Because these customers are outside the financial system and have no credit history, banks are reluctant to lend to them.

TENDA ATACADO'S IMPACT

Tenda helps small entrepreneurs get the financing they need for their business to grow by employing an innovative way of assessing their creditworthiness. The company runs a market intelligence unit that compiles and processes information about its customers' purchasing history and extends private-label credit cards to those whose purchasing patterns make them a good credit risk. Meanwhile, Tenda's collection department takes steps to retain even delinquent customers, negotiating payment plans according to the customer's ability to pay. So far, Tenda has allowed more than 30,000 entrepreneurs to purchase on credit.

The company also trains entrepreneurs in the financial and administration management of small businesses and is hoping to begin selling insurance.

LINKS AND RESOURCES

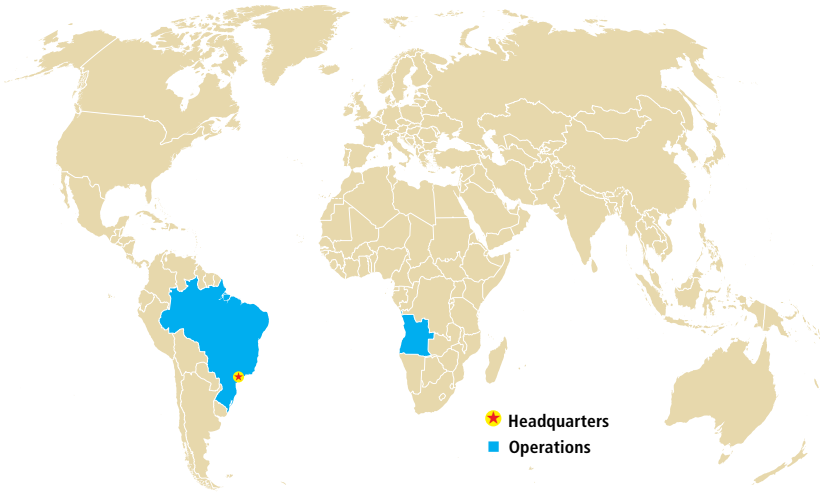
Official website <http://www.tendaatacado.com.br/> (Portuguese)

Products <http://www.tendaatacado.com.br/produtos.shtml> (Portuguese)

Tenda Atacado Ltda

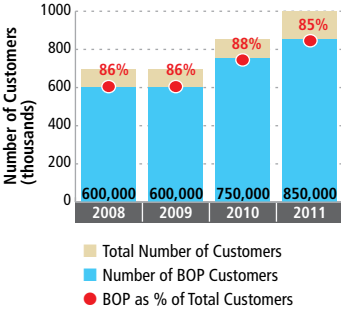
GEOGRAPHY/EXPANSION

Tenda recently began operations in Luanda, Angola, running one store using the same business model.



KEY DEVELOPMENT RESULTS

Tenda Atacado has 850,000 BOP customers who make up 85 percent of its total customer base.



“ So far, Tenda has allowed more than 30,000 entrepreneurs to purchase on credit. ”