



Is ICT working in Agricultural marketing : evidence from the field

Grahame Dixie

Team leader of the Agribusiness Unit in
World Bank, Agriculture and Rural
Department



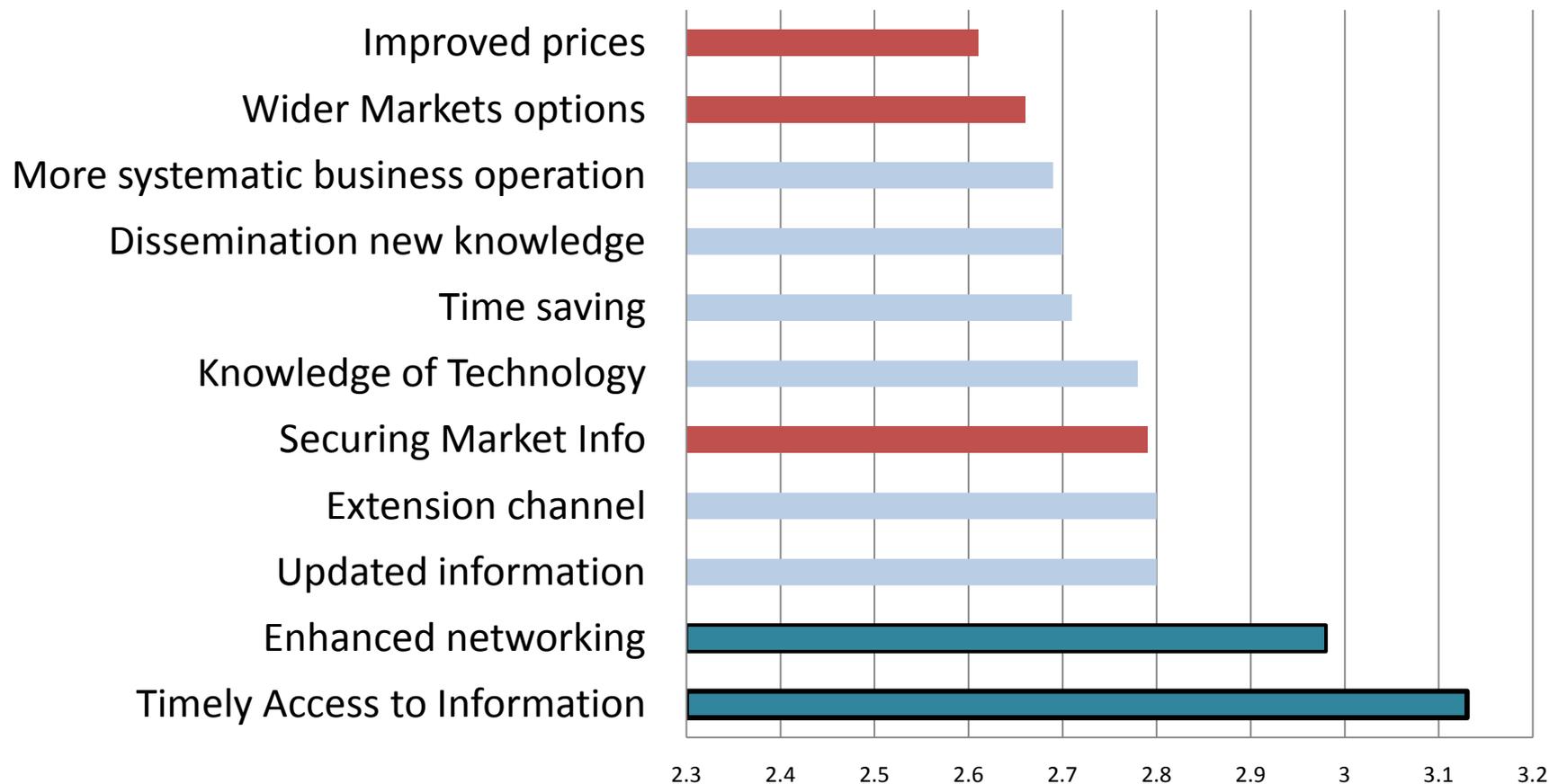
Good evidence that telephones help

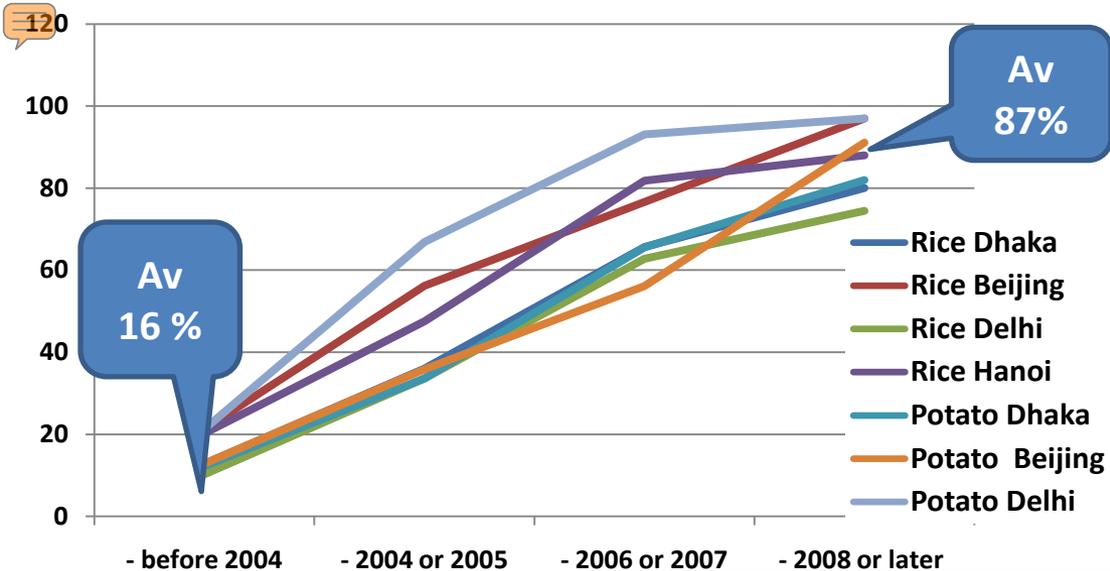
- ***Peru: Rural access to public telephones raises incomes for farmers 13% & Non-Farm Rural businesses 32%***
- ***Filipino farmers used cell phones to improve income and build trust with trading partners*** little benefit for subsistence farmers, commercial farmers benefited with consumption of 11–17 %
- ***In Morocco, cell phones changed farmers' cropping mix and marketing methods.*** Changed farmers' behavior spoke directly with wholesalers, switching markets, coordinated with local truckers , more market oriented, diversify into higher-value enterprises, 21 percent increase in income



How do people use their cell phones? – it takes about 2 years, quicker & better for younger users

Malaysian Commercial Farmers & Small Agribusinesses:
the relative importance of the use of cell phones on a
scale of 1-4

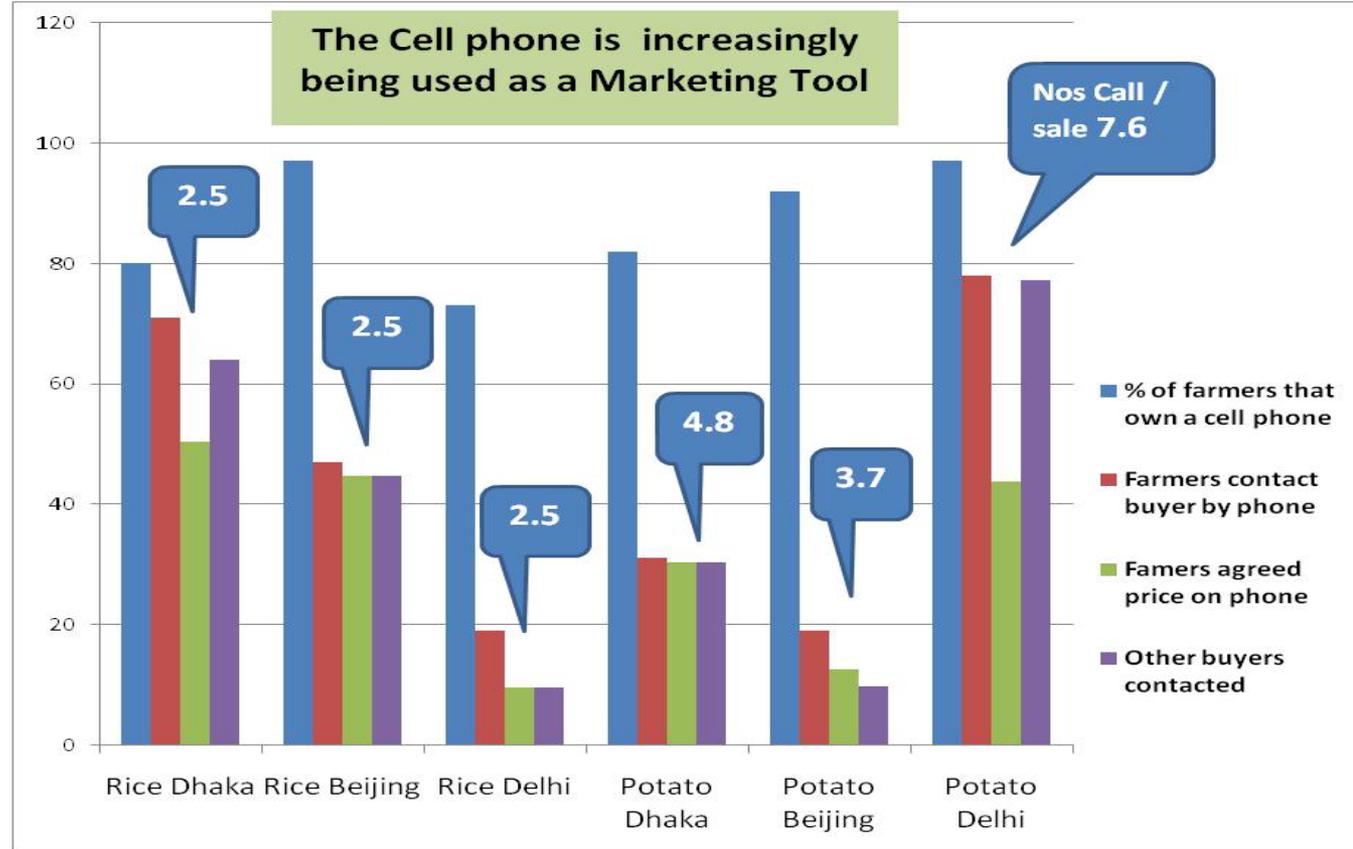




Cell Phone Ownership by Farmers Rapidly Expanding – and now nearing saturation point

Farmers use their phone for farming purposes between 6 – 22% of the time, to: contacts buyers, check prices & agree deals.

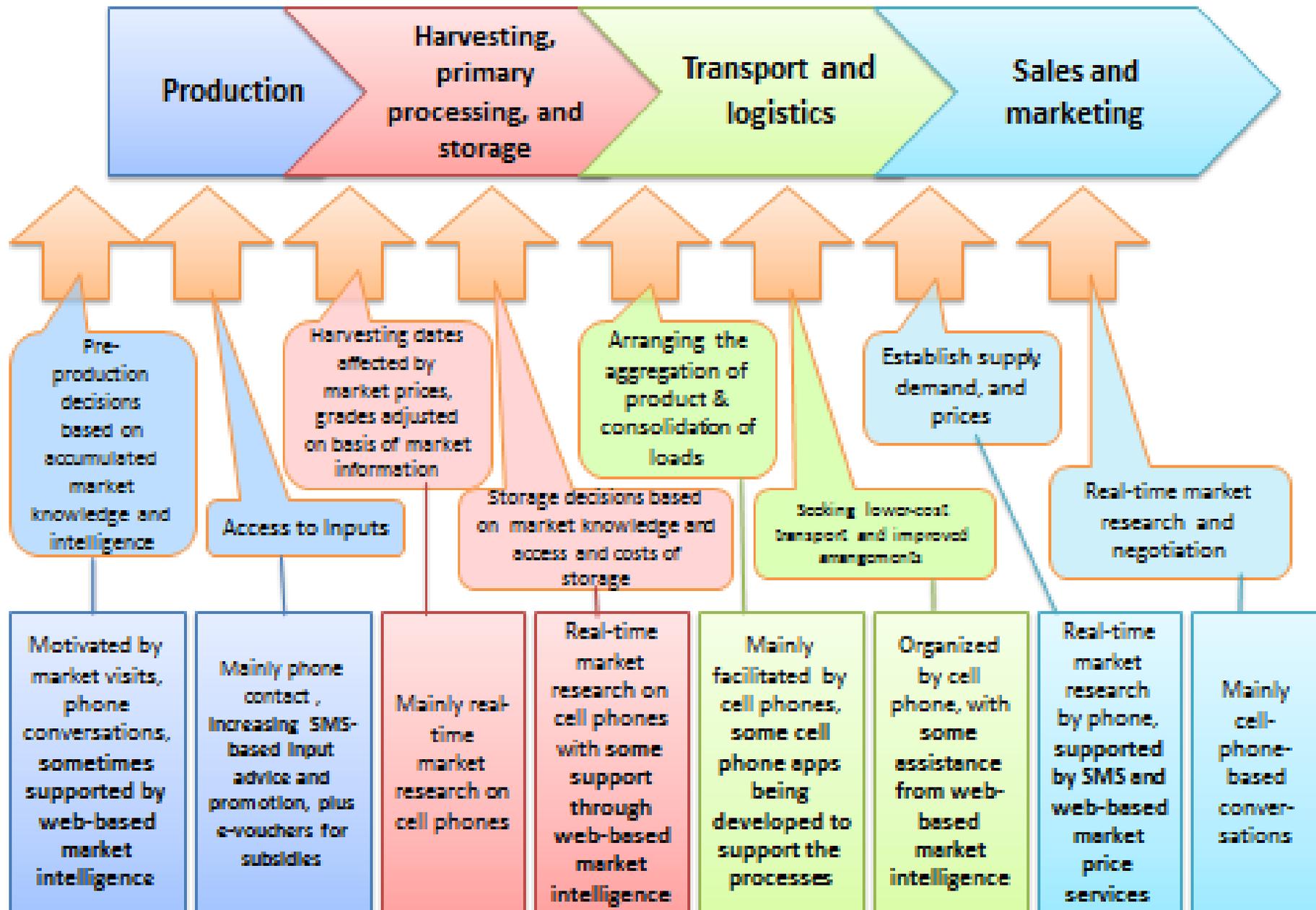
More real time Mkt Rsch for potato than the Rice staple

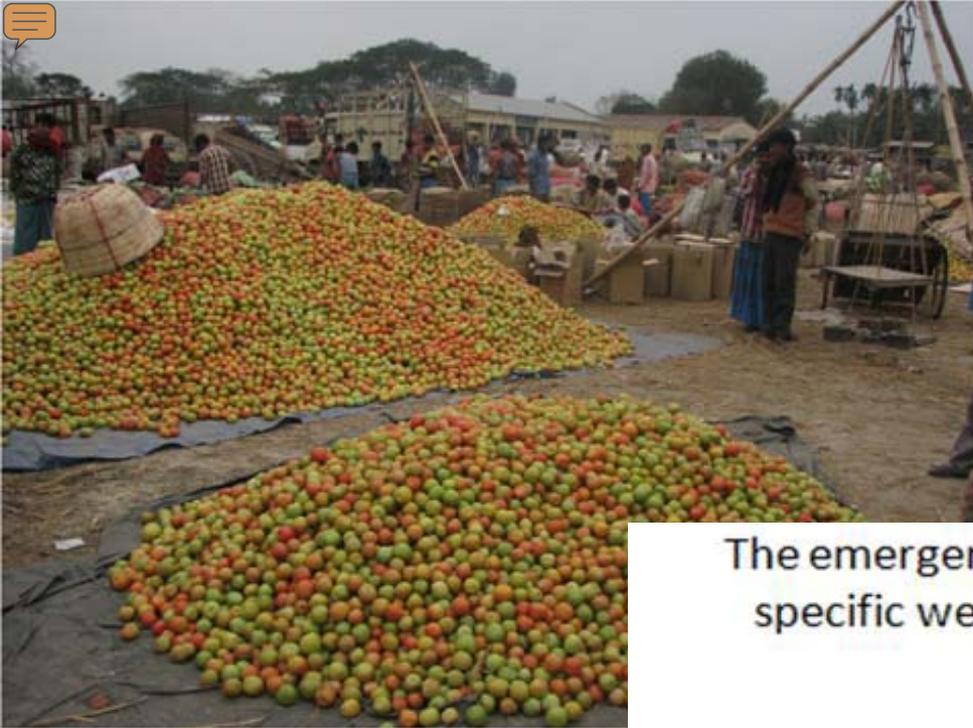




Location, product, medium	Farmer	Trader	Consumer
Peru, range of enterprises, public phones	+ 13%		
India (West Bengal), potatoes, SMS	+ 19%		
Philippines, range of crops, cell phones	+ 11-17%		
India (Madhya Pradesh), soybeans, web-based e-Choupal	+ 1-5% (average: 1.6%)		
Sri Lanka, vegetables, SMS	+ 23.4%		
India (Maharashtra), range of products, SMS	No significant effect		
Morocco, range of crops, cell phone	+ 21%		
India (Kerala), fisheries, cell phones	+ 8%		-4%
Uganda, range of crops, SMS and radio	Bananas + 36% Beans + 16.5% Maize + 17% Coffee + 19%		
Niger, grains, cell phones		+ 29%	-3 to -4.5%
Ghana, traders, cell phones		+ 36%	

ICT Impact along the Supply Chain

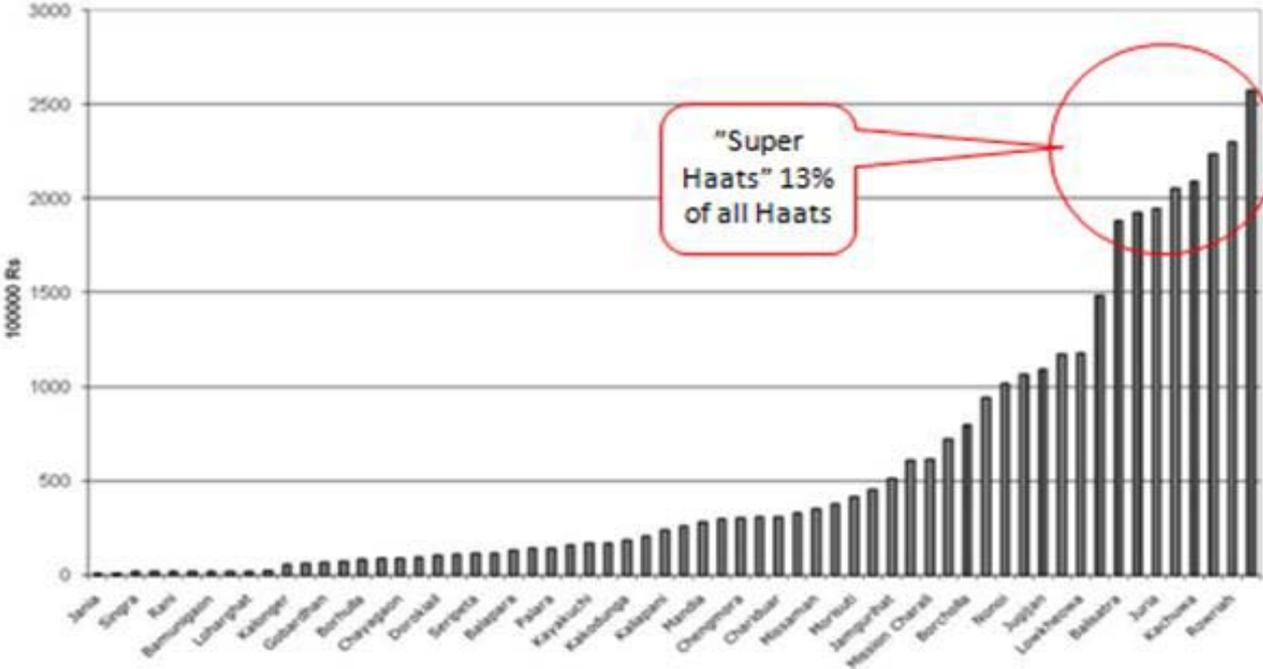




The emergence of primary rural wholesale markets at specific well-located weekly (haat) markets in Assam

The emergence of Primary Wholesale Rural Markets at specific well located weekly/ haat markets in Assam

T/O of Markets in Lakhs



LOGISITICS

The Bangladeshi community who solved their chicken marketing problems through cell phones



LOGISTICS

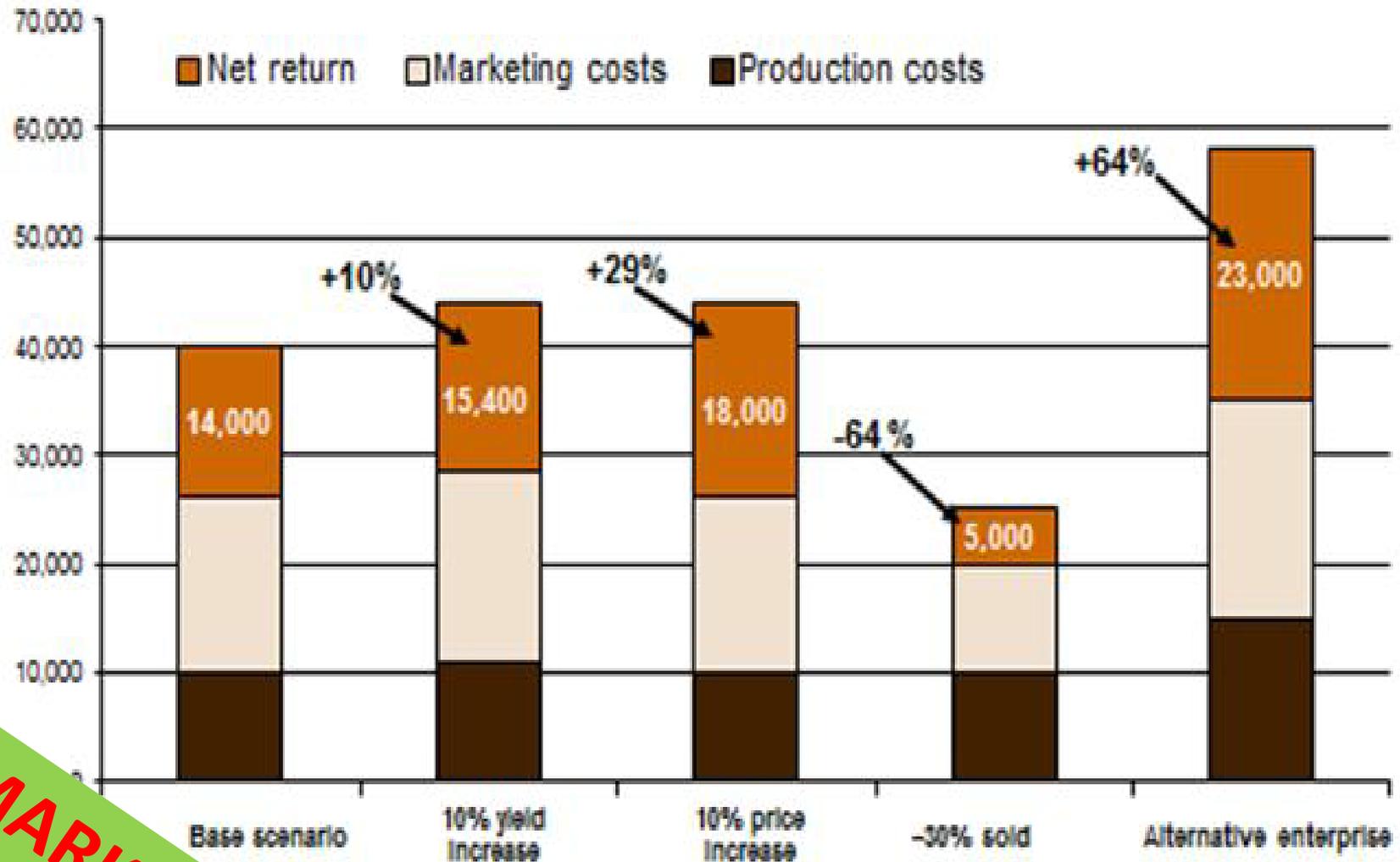
Could there be open source software for local knowledge workers to organize improved efficiency/ lower costs in collection & delivery economics

- Karaya Gum growers have a dedicated system to record their inventory
- Inventory stocks are displayed on the exporter's screen on a mobile GIS map.
- Exporters optimize their collection logistics and save money.
- Gum growers sell at higher prices directly to exporters paid cash on delivery — and increase their business income by 40% to 50%.

LOGISTICS



Farmers' incomes are highly sensitive to market issues: prices, volume, and enterprise diversification



MARKETING



Reuters Market Light- analysis showed no differences in the prices in those who received the service & those who didn't ... BUT that's not the whole story.....

- Most product sold by public auction ... yesterdays' price unlikely to effect today's auction price,
- Those who sold directly to traders ... got + 8-9% price ... in line with better informed ≈ stronger negotiation
- Younger (less experienced) farmers did obtain higher prices (+6%) & were more likely to grade their product, ...

Export Moldova - Fruit and Vegetables

Market Information System

About this site

The Market Information System (MIS) is aimed at assisting rural and agro-urban producers and exporters through provision of reliable market information, data and analysis that is not currently readily available to farmers through the country's public sector. It is intended to support market driven approach to business and trade.

MIS includes information on: 1) Market demand by external markets, including systems and systems; 2) Trade data, market supply and demand, and the 2) existing standards for fresh produce, both in terms of information, data for other commodity producer countries, as well as 3) other useful analysis. The system also provides certain information on supply levels. This will be continually updated with new information and data.

The Market Information System has been developed with the highest level of transparency through (MIS) funded by USAID and implemented by USAID Moldova. MIS is aimed at improving the international competitiveness of the Moldovan high value agriculture sector and boost its income generating to small scale farmers. For more details for further information at www.mis.gov.md



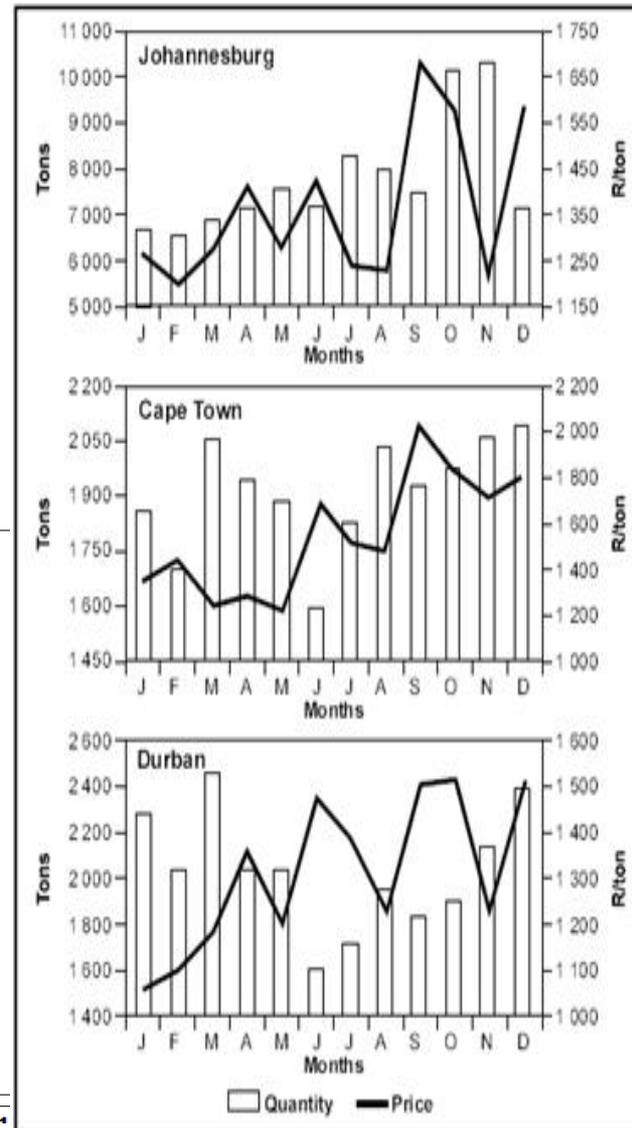
USAID Moldova

Market

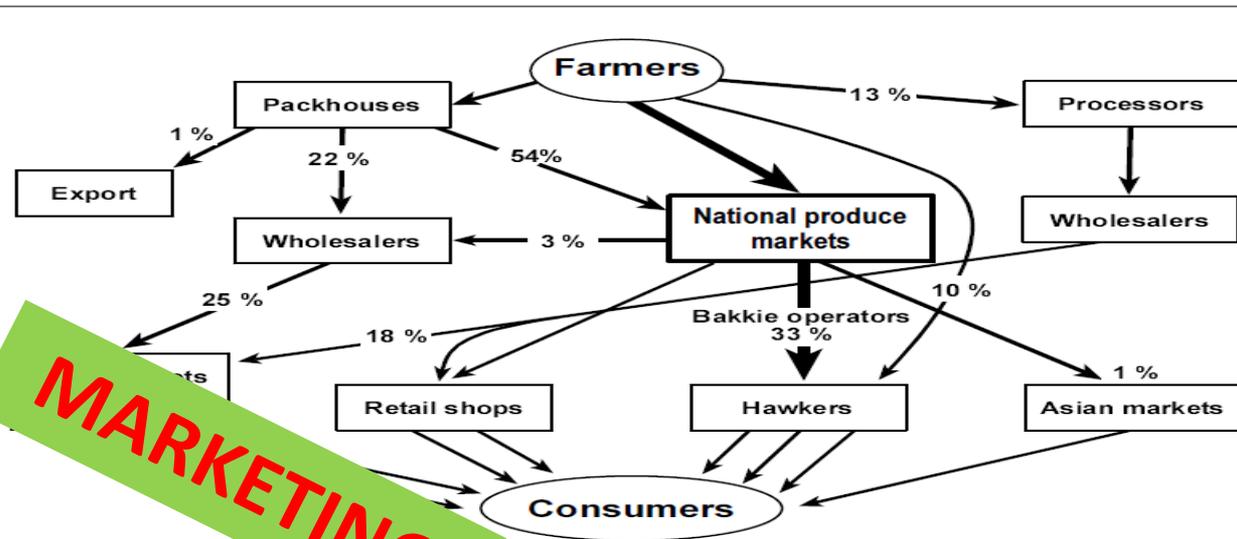


Market Intelligence

Facilitating longer term changes in farming



Average tomato sales on three Fresh Produce Markets



MARKETING

Figure 1: Diagram of marketing chain for fruit and vegetables

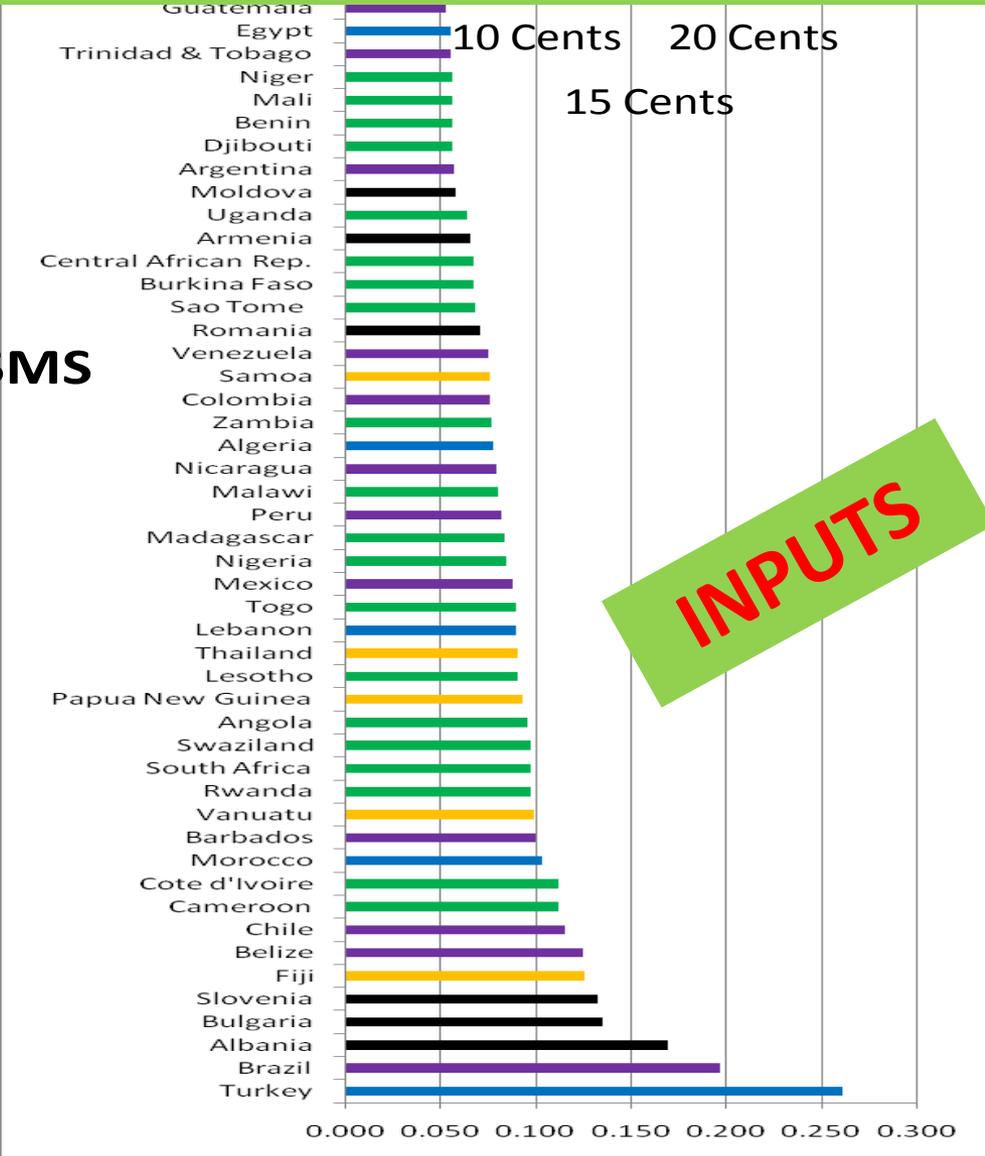
Visual aid 4

Sourcing Inputs by phone

Govt. Phone Usage	Vodaphone	Reuters Market Light
Seed	Seed	Weather forecasts
Fertilizer	Prices	Technical information
Plant protection	Plant protection	Input sources and/or production costs
Harvesting and marketing	Fertilizer	Market information
Farm machinery	Harvesting & marketing	
	Farm machinery	

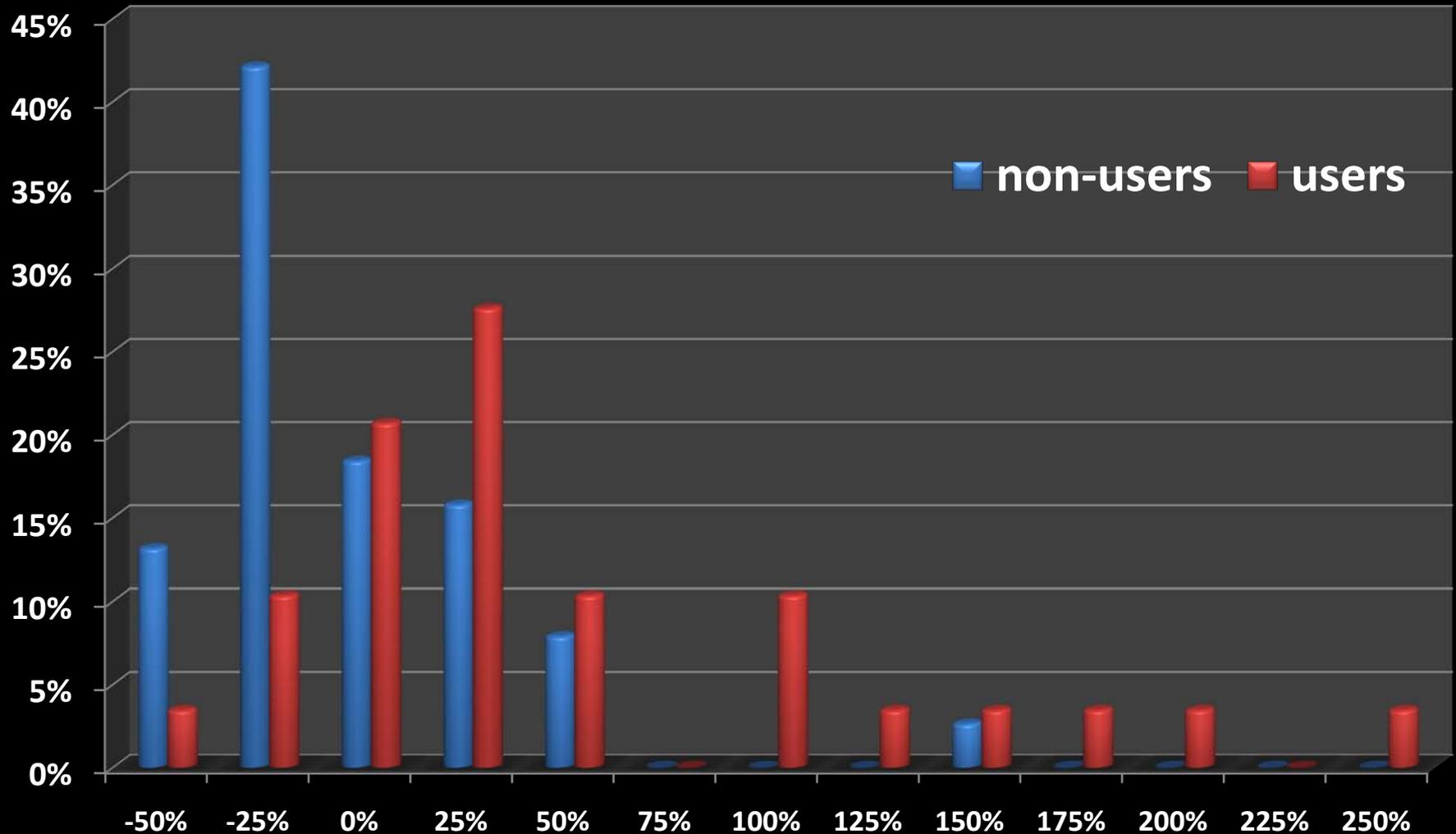
INPUTS

Lowering the price of sending SMS messages nearer to cost (i.e. less than US cent 0.02 @) & open source software for broadcasting SMS - public, private or PPP?



INPUTS

Result to look for –showing the effects of ‘talking book’ extension changing productivity in a group of staples crops in Ghana



The End