



MFARM

Area of Focus: Market Information

How it works: MFarm offers smallholder farmer three services: price information, collective crop selling, and collective input buying. They are currently collecting wholesale market price information on 42 crops in five markets in Kenya. Pricing information is collected weekly through independent data collectors using geocoding to ensure that the prices are being collected from wholesale traders actually located in each market. Information on specific crops in a specific market can be requested either through a mobile app—which is available through the Samsung Apps store—or by sending a request to an SMS short code. Using their mobile phones or through the MFarm website, farmers can also join together with other farmers in their area to sell crops to bulk buyers or order inputs in bulk through farm input suppliers.¹

Technology used: Mobile phones, mobile applications, SMS, GPS

Implementer/Funder: MFarm has received grant funding from a number of sources to support implementation.

Fees: Users pay standard SMS rates

Primary Markets: Kenya

Users: Currently, over 5,000 farmers and four bulk buyers are using MFarm in Kenya.

Business Model: MFarm receives a commission from bulk buyers who make purchases using their service. They also receive a portion of the SMS fees charged to users from the premium service providers they work with minus the cost of using their services. Price information is also sold to local radio stations for a fee. In the future, they plan to explore selling advertising and market information to larger businesses.

Impact: Farmers in the Kinangop region of Kenya using MFarm for collective selling have reportedly been able to receive more than double the price for certain types of produce, such as snow peas and sugar snap peas, than what they were able to receive when selling their produce individually. Feedback from farmers using the service has also revealed that access to current market information has given them a transparent bargaining platform to use when selling individually to brokers or middle men.²

For more information visit: <u>http://mfarm.co.ke/</u>

Sources: ¹ Judith Payne (USAID), notes from meeting with MFarm on May 17, 2012. ² Email from Susan Oguya, co-founder and CTO of MFarm on June 13, 2012.

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This profile is supported by USAID's Fostering Agriculture Competitiveness Employing Information Communication Technologies (FACET) project under the Financial Integration, Economic Leveraging, Broad-Based Dissemination and Support Leaders with Associates award (FIELD-Support LWA). It was written by Josh Woodard of FHI 360 (<u>iwoodard@fhi360.org</u>). FACET offers on-demand field support to help missions with the challenges of using these ICT interventions in agricultural development. To learn more about field support options, contact Judy Payne, ICT Advisor, (<u>ipayne@usaid.gov</u>).