

AGRICULTURAL “PLATFORMS” IN A DIGITAL ERA: Defining the landscape



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About us



Rural & Agricultural Finance 
LEARNING LAB



Programs of the Global
Development Incubator



This research offers a common definition and taxonomy of Platforms, and assesses their role in transforming SHF markets

1. The Rise of Agricultural Platforms

Delving into market dynamics to establish a common definition

2. The Potential of Agricultural Platforms

Exploring the role of Platforms in helping markets clear

3. Emerging Type of Agricultural Platforms

Establishing a new taxonomy to understand market positioning

4. Evolving Service Delivery Models

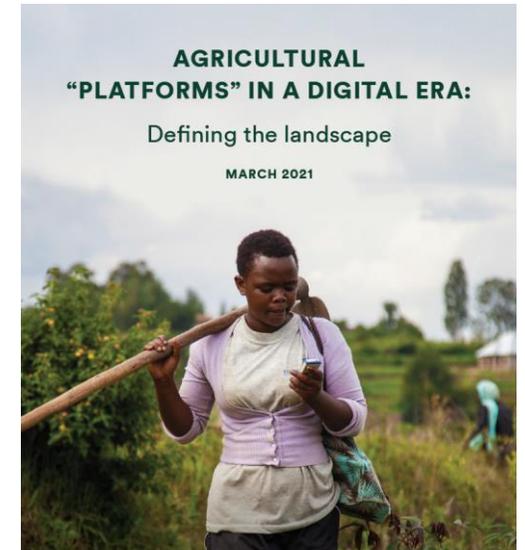
Understanding business models and pathways (and challenges) to scale

5. Transforming Agricultural Markets

Considering trade-offs for more inclusive, sustainable and viable markets

6. The Path Ahead

Guiding the next phase of innovation and growth

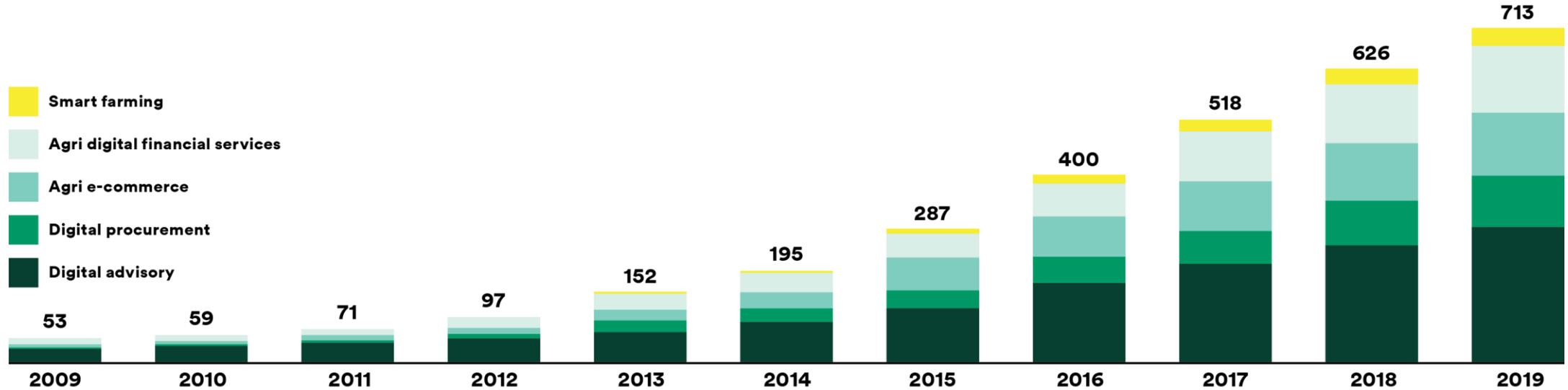


Full report at
<https://bit.ly/AqPlatforms>

A photograph of a man in a striped shirt smiling and talking on a mobile phone. The image is overlaid with a semi-transparent teal color. The text is centered in white.

The Rise and Potential of Agricultural Platforms

Within the explosion of new digital ag services around the world a number are describing themselves as “Platforms”



Organizations using the word “Platform” to describe themselves, their services or value

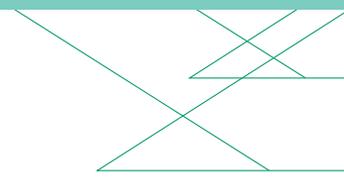


Note: Government digital services not included. Multiple services can be offered by a single provider.

Sources: Phatty-Jobe, Abbie. *Digital Agriculture Maps: 2020 State of the Sector in Low and Middle-Income Countries*, GSMA, September 2020.; ISF Advisors and RAF Learning Lab analysis



We distinguish between three commonly-referred-to Platform associations we are seeing today and focus on Digital Platforms



1 DIGITAL PLATFORMS

Models that facilitate direct interactions between multiple users for the purpose of exchange

Examples:



Common associations: “Platform businesses”, “Online marketplaces”, “Digital exchanges”

2 DIGITAL SOLUTIONS

Digital products/services provided directly to farmers, consumers or businesses, which can encompass any of the main digital ag use cases

Examples:



Common associations: “Software Platforms”, “ERPs”, “CRMs”, “Digital services”

3 COORDINATION INITIATIVES

Initiatives that bring multiple actors together to address systemic challenges through brokering, knowledge sharing and coordination

Examples:



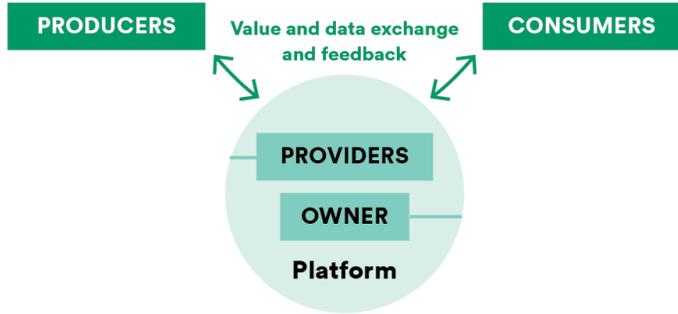
Common associations: “Multi-stakeholder initiatives”, “Multi-stakeholder Platforms”, “Action networks”

Notes: Digital solutions are the subject of much recent work on service delivery models, for instance the Service Delivery Model work by IDH Farmfit, the Digitalization of African Agriculture report developed by CTA in 2019, and Grow Asia’s Digital Program. Coordination initiatives have existed for a long time in SHF agriculture, and these models have been the subject of much research and knowledge sharing, most recently through the work of the Royal Tropical Institute on Multi-stakeholders Platforms (MSPs)

Source: ISF Advisors and RAF Learning Lab analysis



Platforms are a distinct business model departure from traditional “pipeline” businesses

	PIPELINE BUSINESS MODEL	PLATFORM BUSINESS MODEL
DESCRIPTION	 <p>Production > Distribution > Marketing > Consumer</p>	 <p>PRODUCERS ↔ Value and data exchange and feedback ↔ CONSUMERS</p> <p>PROVIDERS OWNER Platform</p>
KEY DRIVERS	<ul style="list-style-type: none"> • Securing control of resources • Maximizing value to the customer • Optimizing supply-side economies of scale 	<ul style="list-style-type: none"> • Optimizing and driving interactions • Increasing value of Platform for users as scale increases • Optimizing demand-side economies of scale
METRICS OF SUCCESS	Sales of goods and services	Value and volume of interactions
EXAMPLES		

Create value by **selling goods and services**

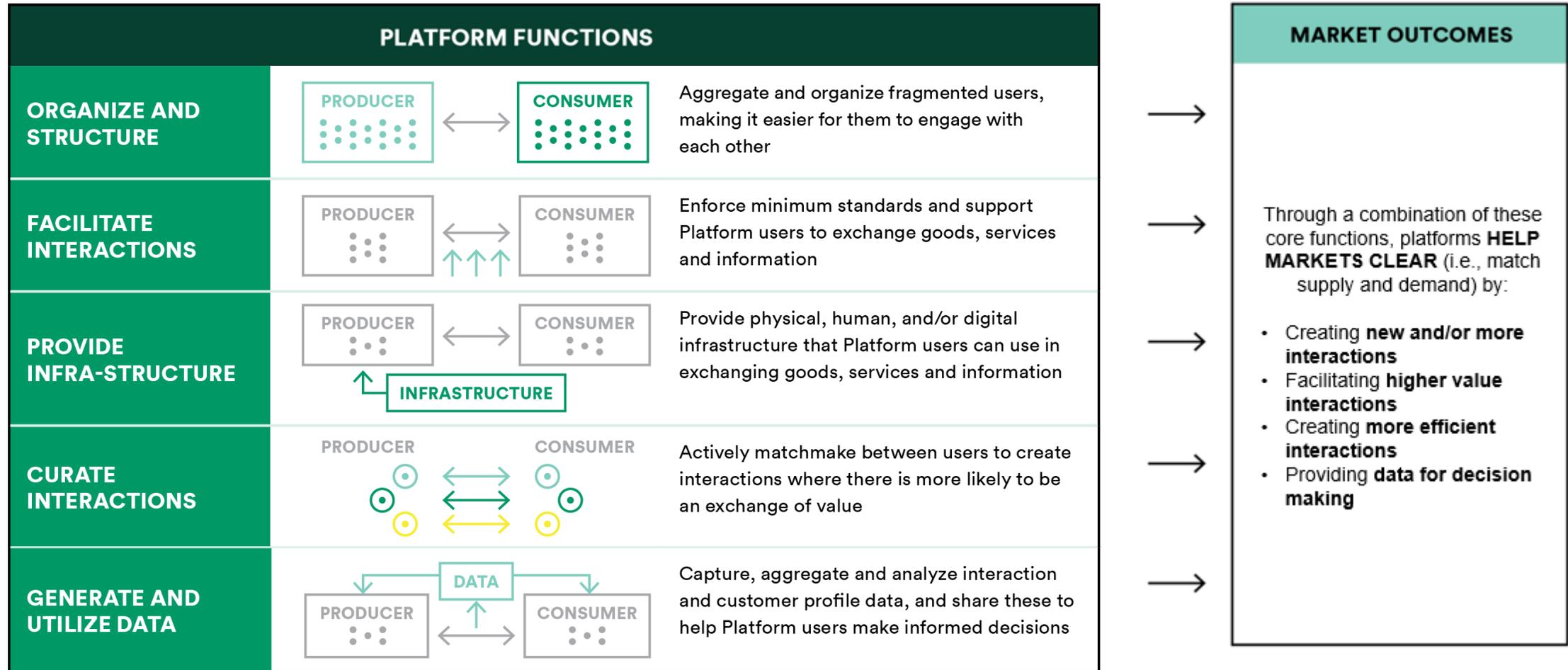
Create value by **enabling interactions**

Sources: Presutti, D. (August 2, 2017). “Carriers looking to deliver living services must drop outdated business practices.” Deloitte. insuranceblog.accenture.com/carriers-looking-to-deliver-living-services-must-drop-outdated-business-practices; Parker, G., Alstyne, M. V., & Choudary, S. P. (2017).

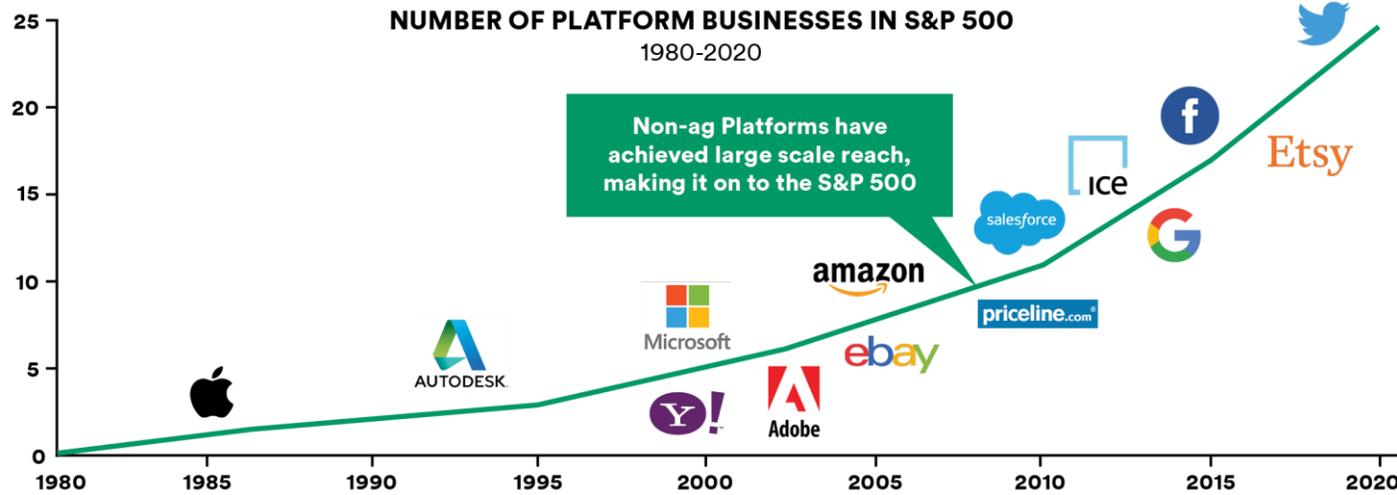
Platform revolution: *How networked markets are transforming the economy and how to make them work for you*. New York: W.W. Norton & Company.; ISF Advisors and RAF Learning Lab analysis



The core function that Platforms play is helping markets clear

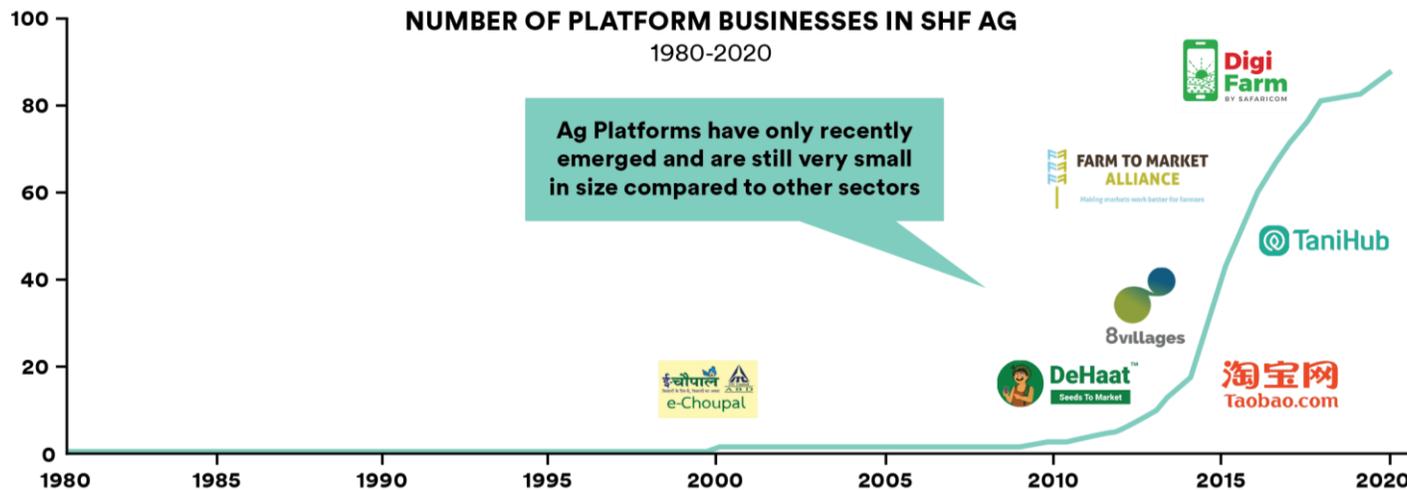


Platforms in agriculture have lagged other sectors by decades, why?



In other sectors, Platforms have grown large and successful enough first to go public, and then in some cases to join the S&P 500

This includes companies with pure-play Platform models (e.g., eBay, Facebook) and companies with combined pipeline and Platform businesses (e.g., Amazon, Apple)

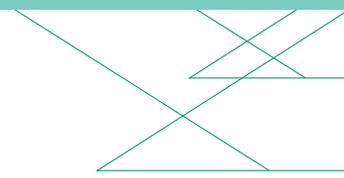


Platforms in smallholder agriculture emerged largely after 2010. None of these are publicly listed, and certainly none of these are large or valuable enough to rank with the largest and most valuable companies

Notes: S&P 500 visual adapted from: Moazed, Alex and Nicholas Johnson (2016), *Modern Monopolies* for figures until 2015, figures updated for 2016-2020 by ISF Advisors.



In our research, we identify factors that make smallholder agriculture both conducive and challenging to Platforms



THE Platform OPPORTUNITY

Many agricultural markets have characteristics that create strong potential for Platforms to help markets clear

✓ Multiple layers of intermediation

✓ Numerous and fragmented market participants

✓ Opaque and underused market information

✓ Digital connectivity of market participants

THE Platform BUSINESS CHALLENGE

There are cost and scale challenges for Platform providers that make it difficult to create viable Platform business models

❖ Volatile prices, low transaction values and challenging economics for smallholder agriculture

❖ Geographically unique and seasonal production and trade

❖ Highly seasonal production and trade

❖ Capital intensive and limited last-mile transport, storage and communications infrastructure needed to facilitate the exchange of value



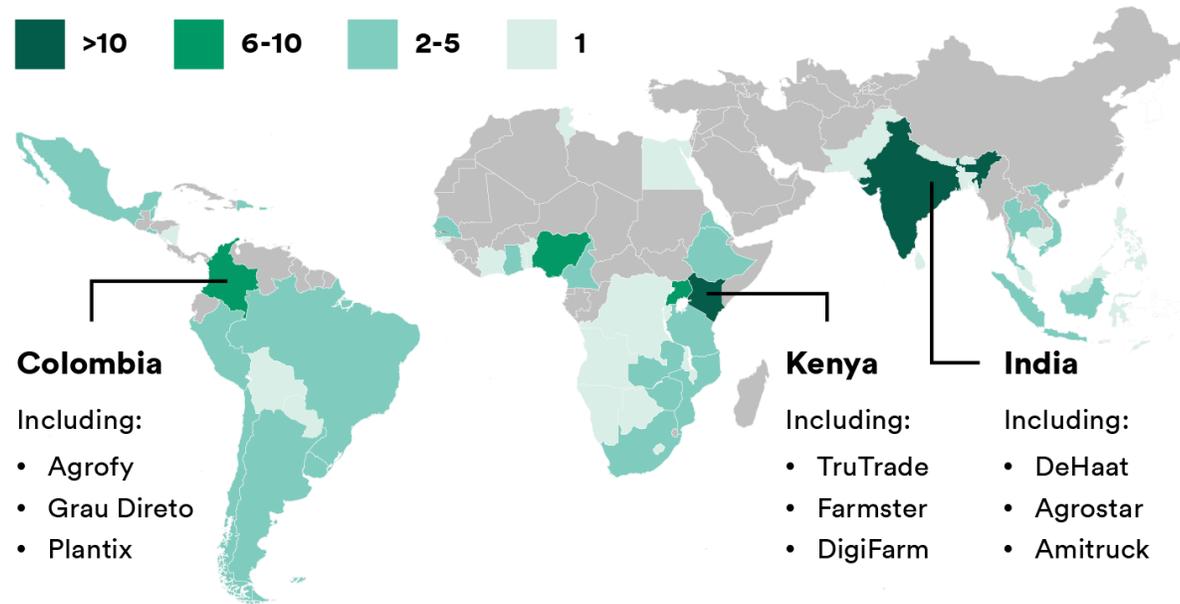


Emerging Types of Agricultural Platforms

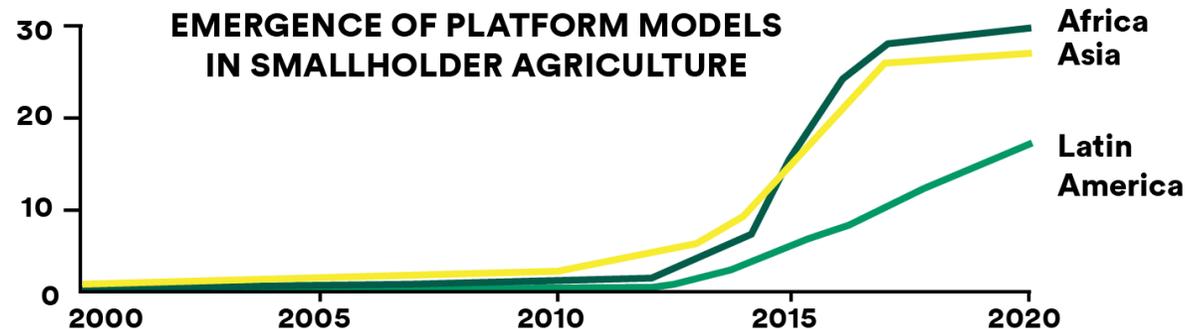
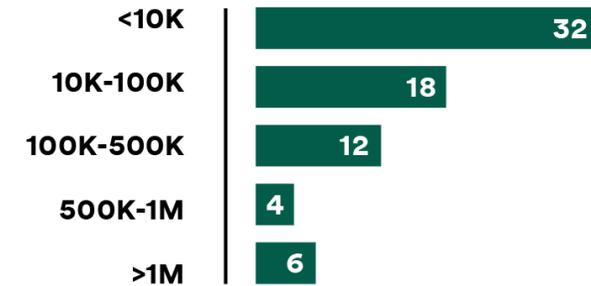
There are very different types of digital Platforms being used in agriculture; we focus on product and service marketplaces

	TYPE OF PLATFORM	EXAMPLES USED IN AG	NATURE OF USE IN AGRICULTURE	EXTENT OF USE	AG SPECIFIC	RESEARCH FOCUS
Transaction Platforms	Product and service marketplaces	 izyshop  BigHaat.com  8villages	Many agriculture-specific marketplaces and exchanges emerging globally	High, rapidly growing	Many new, ag specific Platforms	Deep dive
	Social networks and communications	 we farm  WhatsApp  f	Ubiquitous, established Platforms being used ; few (if any) ag. specific Platforms	Medium, rapidly growing	Typically application of existing, sector agnostic Platforms	Light review
	Payment Platforms	 M-PESA  OPay	Some integrated into marketplaces	High / low depending on region		
	Investment Platforms	 kiva  thrive agri	Limited use of some established investment exchanges for larger ticket size deals	Very little application		
Innovation Platforms	Content Platforms	 YouTube	Used to deliver advisory services	Medium, rapidly growing		
	Development Platforms	 android  ios	Used to develop and distribute a wide range of agriculture specific digital solutions and services	High, general use		

Agriculture-specific product and service marketplaces have proliferated in smallholder markets in recent years



PROFILED PLATFORMS BY SCALE (# OF FARMERS)



Notes:

- Analysis has been done on 76 product and service marketplaces with operating in smallholder-related agricultural markets (excluding digital solutions and coordination initiatives); data on scale not available on 4 profiled models. Smaller and more recently-emerged Platforms have not in all cases been captured
- Many more Platforms exist in developed agricultural markets. These are out of scope of our research, which focuses on agricultural Platforms active in smallholder-dominated agriculture
- The Chinese market has not been included in this research, despite the existence of a large number of Platforms operating in rural areas

Source: ISF Advisors and RAF Learning Lab analysis

We have developed a product and service marketplaces taxonomy, to better understand the different types

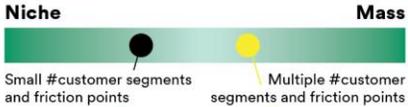
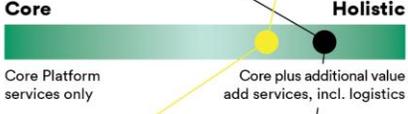
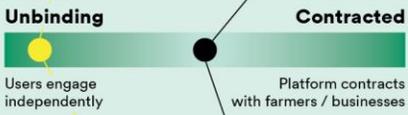
PROFILED PROVIDERS

	TYPE OF MARKETPLACE	OVERVIEW	KEY INTERACTIONS	NEW PROVIDER	PRE-EXISTING AG PROVIDER	PRE-EXISTING NON-AG PROVIDER	EXAMPLES
PRODUCT MARKET-PLACES	1. Ag Supplies Marketplace	Digital marketplace for farm supplies and inputs	<ul style="list-style-type: none"> Purchase of production inputs and farm supplies 	5	1	-	
	2. Produce Marketplace	Retail trading Platform that connects farmers with consumers and small retailers	<ul style="list-style-type: none"> Sale of farm produce 	21	2	1	
	3. Combined Ag Supplies & Produce Marketplaces	Digital marketplace for facilitating offtake as well as access to farm inputs (i.e., farmer sells and buys)	<ul style="list-style-type: none"> Purchase of production inputs and farm supplies Sale of farm produce 	8	-	-	
	4. Trading Marketplace	Wholesale trading Platform that connects buyers and sellers for agricultural produce	<ul style="list-style-type: none"> Sale of farm produce 	7	1	1	
PRODUCT & SERVICE MARKET-PLACES	5. Integrated Farm Services Marketplace	Integrated farm support marketplace that provides a combination of supplies, production support, finance and offtake services	<ul style="list-style-type: none"> Purchase of production inputs and farm supplies Support services for agricultural production Farm finance and insurance Sale of farm produce 	12	4	3	
SERVICES MARKET-PLACES	6. Farm Services Rental Marketplace	Marketplace that connects distributed asset owners and farmers to support on-farm production	<ul style="list-style-type: none"> Support services for agricultural production 	2	2	1	
	7. Transport and Logistics Marketplace	Marketplace that connects transport and logistics companies (typically sector agnostic) with farmers	<ul style="list-style-type: none"> Transport of farm produce 	4	-	-	
	8. Insurance Marketplace	Marketplace for insurance (typically multi-sector)	<ul style="list-style-type: none"> Production related insurance 	1	-	-	



Evolving Service Delivery Models

We find a wide variety of service delivery models, ultimately driven by five strategic choices

STRATEGIC DIMENSION	KEY QUESTIONS TO CONSIDER	STRATEGIC CHOICES AND EXAMPLES
 WHO: target customer and problem solved	<ul style="list-style-type: none"> Who is the marketplace trying to serve and what market friction is it solving? How do market frictions vary by customer segment and what does this mean for how the marketplace designs and delivers its services? 	<div style="display: flex; justify-content: space-between;"> <div style="width: 45%;"> <p>Niche</p> <p>Small #customer segments and friction points</p> </div> <div style="width: 45%;"> <p>Mass</p> <p>Multiple #customer segments and friction points</p> </div> </div>  <div style="text-align: right;">  TIOMANgrow </div>
 WHERE: value chain and geographies	<ul style="list-style-type: none"> What are the value chain-specific nuances (e.g., market fragmentation, volatility, transaction values) that will impact the marketplace design and unit economics? How favourable is the local enabling infrastructure (e.g., last mile logistics) and what are the implications on the service delivery model? 	<div style="display: flex; justify-content: space-between;"> <div style="width: 45%;"> <p>Local</p> <p>Crop and geo specific</p> </div> <div style="width: 45%;"> <p>Global</p> <p>Crop agnostic and global</p> </div> </div> 
 WHAT: service offering	<ul style="list-style-type: none"> What mix of core (e.g., marketing, fulfilment, transaction processing), and additional services (e.g., finance, advisory services, logistics) should the market provide to offer an attractive value proposition? How should the marketplace facilitate last mile logistics (e.g., in-house, through third party providers or through logistic Platforms)? 	<div style="display: flex; justify-content: space-between;"> <div style="width: 45%;"> <p>Core</p> <p>Core Platform services only</p> </div> <div style="width: 45%;"> <p>Holistic</p> <p>Core plus additional value add services, incl. logistics</p> </div> </div> 
 HOW TO ENGAGE: customer engagement model	<ul style="list-style-type: none"> How much should the marketplace curate who enters the marketplace and how should farmers and business engage? 	<div style="display: flex; justify-content: space-between;"> <div style="width: 45%;"> <p>Open</p> <p>Anyone can join and engage</p> </div> <div style="width: 45%;"> <p>Closed</p> <p>Only certain approved users can join</p> </div> </div> 
	<ul style="list-style-type: none"> How should the relationship between the marketplace operators, farmers and businesses be structured? 	<div style="display: flex; justify-content: space-between;"> <div style="width: 45%;"> <p>Unbinding</p> <p>Users engage independently</p> </div> <div style="width: 45%;"> <p>Contracted</p> <p>Platform contracts with farmers / businesses</p> </div> </div> 
	<ul style="list-style-type: none"> What level of interaction does the marketplace operator want or need to have with its target farmer customer? 	<div style="display: flex; justify-content: space-between;"> <div style="width: 45%;"> <p>Low</p> <p>Minimal touch points with farmers</p> </div> <div style="width: 45%;"> <p>High</p> <p>Very close relationship with farmers for service delivery</p> </div> </div> 
 HOW TO MONETIZE: revenue model	<ul style="list-style-type: none"> How much excess value is the marketplace creating for farmers and businesses? How can it capture part of that value without discouraging users from joining the marketplace? How much funding runway does the marketplace need until it reaches breakeven and what should the funding model be? 	<div style="display: flex; justify-content: space-between;"> <div style="width: 45%;"> <ul style="list-style-type: none">  Transaction fee  Sign up / subscription fee  Lead fees  Data </div> <div style="width: 45%;"> <ul style="list-style-type: none">  Advertising  Market arbitrage  Support services e.g. finance, logistics </div> </div>

Scale is fundamental for marketplaces but achieving and sustaining a critical mass is particularly challenging



High customer acquisition cost



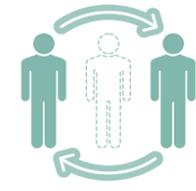
High up front investment



Highly competitive market



High risk of multi-homing



High risk of disintermediation

To **achieve** a critical mass and overcome the “chicken and egg” problem ag marketplaces must often obtain enough capital to go a longer period of time without breaking even

To **sustain** scale ag marketplaces must prevent **negative network effects** from kicking-in by carefully managing **user engagement**

The broader business experience points to three approaches to reach a critical mass

	Key considerations	Prevalence and examples
Leverage an existing user base...	...from an agricultural pipeline business	Mid-high 
	...from an adjacent pipeline or Platform business	Low 
Build a new user base in either the demand <u>or</u> supply side first	...by attracting businesses who bring their own farmer customer base	Low 
	...by attracting one set of users who will attract another set users	High 
Build a new user base in both the demand <u>and</u> supply side simultaneously	...by attracting a niche set of users already interacting with each other	Low 
	...by attracting a broad mass of multiple types of users	Low 

Bringing everything together – product and service marketplace profiles

1. Ag Supplies Marketplace

Models Profiled: 6
Africa: 1
Asia: 3
Latin America: 2

Ag supplies marketplaces facilitate the trade of farm supplies and input, linking farmers to agro-dealers in order to purchase seeds, fertilizers, pesticides, and tools.

Interaction and services overview

Value proposition: For farmers, lower costs and greater access to higher quality agricultural supplies; for ag input suppliers, better access to fragmented demand.

Core service offering: Includes digital listings for agricultural supplies, payment processing, and a fulfillment management system (including complaints management). Some ag supplies marketplaces, such as BigHaat, hold inventory and manage delivery (the "Amazon model"); others, such as Agriyo, purely facilitate the connection with fulfillment managed by the ag supplies provider (the "eBay model").

Other value-added services: Additional services seen in the market range from complementary advisory services (e.g., BigHaat) and insurance (e.g., AgroStar) to marketing support. In profiled marketplaces, typically no credit is yet being offered, although BigHaat does also connect farmers to credit providers.

Level of curation: These models are typically open and uncensored, with basic filtering of available listings by geography and type of product.

Access: Models profiled primarily provide web-based access to the marketplace. Interestingly, the three largest such models—India-based AgroStar, BigHaat, and FarmGuru—provide low-cost SMS and phone-based ordering options, including allowing farmers to be called back ("missed-call ordering"). Among these three, AgroStar also has a smartphone app, which farmers can use to order products and access additional information.

Platform providers and business models

Tech company (5)	Mobile network operator	Agri-business or ag goods/service provider	Government	Other non-ag (1)	Other
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Market fit: Works best in markets with multiple layers of intermediation; low quality or low information on the quality of ag supplies; and with existing distribution infrastructure to easily manage fulfillment. In many markets, solving only frictions related to the availability of ag supplies is not enough; market access (for agricultural produce) and access to additional farm services (including finance) is also needed. In such markets, Platforms with a broader focus (e.g., integrated farm services marketplaces, combined ag supplies and produce marketplaces) are more prevalent.

Providers: Profit-first tech companies have naturally emerged as the primary operators of ag supplies marketplaces, likely based on their neutral market positioning, technology capabilities, and relatively functional knowledge required to operate such Platforms.

Revenue model: Most Platforms generate revenues directly through the Platform, mainly transaction fees. As such, Platforms' ability to be sustainable depends on achieving a minimum viable scale and sufficient economics to allow farmers to purchase ag supplies, rather than receive them free or subsidized.

Early success: In India, tech start-ups such as BigHaat and AgroStar have raised large amounts of commercial capital, showing the potential commercial viability of such models. This has not yet been the case in Latin America or Africa, where models are mostly small and rely on grant or concessional financing.

Ag-specific vs. general marketplaces: Many general e-commerce Platforms (such as Rural Taobao) include agricultural supplies as a product category. The decision to focus exclusively on agriculture can enable stronger brand alignment but also create further challenges in achieving required scale.

Examples

AgroStar is a one-stop solution where farmers can access personalized recommendations to help them select the right inputs. They can also purchase a variety of quality products like seeds, crop protection, nutrition, and farm implements.

BigHaat is an online seeds company that works with several seed suppliers across India to provide transparent, competitive, and quality services to seed buyers. It ensures online listing of products and connects buyers with suppliers.

Source: ISF Advisors and RAF Learning Lab analysis

2. Produce Marketplace

Models Profiled: 24
Africa: 9*
Asia: 9*
Latin America: 7

Produce marketplaces link smallholder farmers to buyers for their produce, typically through buyer-to-seller transactions. Buyers are often small- or medium-sized, including consumers.

Interaction and services overview

Value proposition: For buyers, easier, traceable, and better priced agriculture produce; for farmers, better market access (with greater sales volumes, more buyers, and better prices). A number of these Platforms focus on perishable crops, for which timely access to market is crucial; others appear to be crop-agnostic.

Core service offering: Includes digital listings, payment processing, and a fulfillment management system (e.g., Agro Market Day, I Got Crops, Comprogo). Some providers also use field agents and distribution centers to recruit farmers to the Platform, support usage, and facilitate fulfillment of orders (e.g., IzYShop, Albano). About half of the profiled Platforms actively manage order fulfillment, either with in-house or partner resources. Interestingly, the proportion of Platforms that provide in-house logistics is about the same (50%) in relatively well-developed markets (India) and in less mature markets (sub-Saharan Africa), suggesting that this service may be used to increase the value proposition or as a necessary requirement to ensure participation.

Other value-added services: Additional services seen in the market include more sophisticated payment processing (e.g., Zowase!), financing (e.g., TaniHub), or advanced communication functionality (e.g., KriSHuB).

Level of curation: Most allow any farmer and any buyer to use the Platform, though some have minimum requirements for farmers to be able to join (e.g., Selima Wamucii) or recruit farmers based on geography and types of crops (e.g., Farmerz).

Access: Most models profiled rely on both web- and mobile-based access to the marketplace. A small number of Platforms also use field agents to reach farmers that do not have access to (or lack the ability to access) digital channels.

Platform providers and business models

Tech company (22)	Mobile network operator	Agri-business or ag goods/service provider	Government (2)	Other non-ag	Other
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Market fit: Model can add most value in markets with several layers of intermediation between farmers and markets, developed logistics networks for transaction fulfillment, and information challenges hampering buyers and sellers of agricultural commodities from finding each other. In addition, given the often small transaction sizes, this model also works in markets with fragmentation of buyers.

Providers: With the exception of two government-run Platforms (both in Latin America), all produce marketplaces are tech companies. None run concurrent agribusinesses, which implies that successfully running a produce marketplace is best done by neutral players that can be a trusted partner to both farmers and buyers.

Revenue model: A large number of Platforms can generate transaction and usage fees, while a number of others are funded/subsidized by governments (e.g., La Finca) or supported by donors.

Early success: Among the different models, produce marketplaces have the smallest average scale; over 70% serve fewer than 10,000 farmers and the remainder below 100,000 farmers. While many of these are very early stage, we hypothesize that their low scale reflects the complexity of setting up and scaling a Platform that caters to both a fragmented supply (many smallholders farmers) and a fragmented demand (many small buyers such as consumers and small retailers). Nonetheless, at least a third of such Platforms in Asia (e.g., TaniHub) and Africa (e.g., IzYShop, Farmshine) have raised several rounds of commercial capital, despite their relatively limited scale, illustrating the perceived promise of such types of marketplaces and, perhaps, their ability to generate revenues relatively more easily than Platforms facilitating other types of interactions, such as farm services and ag supplies marketplaces.

Examples

Izyshop (Mozambique) offers online grocery shopping which connects smallholder farmers to consumer markets. Buyers (typically consumers) purchase groceries through the Platform, which includes delivery of produce to their homes.

TaniHub (India) is a marketplace that connects farmers with food, hotel, restaurant, and catering businesses. Through TaniHub, local farmers can sell their crops to individuals, as well as micro, small, and medium enterprises.

* One Platform is active in both Africa and Asia and is therefore double-counted
Source: ISF Advisors and RAF Learning Lab analysis

3. Combined Ag Supplies and Produce Marketplace

Models Profiled: 8
Africa: 4
Asia: 2
Latin America: 2

Platform that combines the functions of ag supplies and produce marketplaces, both linking farmers to buyers for their produce, while also facilitating farmer access to a range of agricultural supplies.

Interaction and services overview

Value proposition: Typically, models in this category begin as produce marketplaces and expand by adding ag supplies to their core service offering, building on their existing infrastructure and relationships with farmers. For farmers, this increases the value proposition by providing a one-stop shop for inputs and offtake. In many cases, the integrated service offering is specifically designed to be complementary, for example, providing inputs tailored to the types of plant material sold through the Platform and securing offtake for those same crops (e.g., FarmCrowdy).

Core service offering: These models use the same infrastructure to facilitate interactions both from and to the farm, including digital listings for agricultural supplies, facilitation of payment processing, and a fulfillment management system. A number of providers support field agents, warehouses, and transport infrastructure to recruit farmers and support fulfillment.

Other value-added services: Additional services include advisory services (e.g., Waycool, Khetinet!), payments processing (e.g., Mluma and Agrocent), warehouse receipt services (e.g., Ninayo), and product financing (e.g., Cropper). In addition, catering for both input and offtake markets for farmers allows these Platforms to generate more comprehensive farmer profiles and use that data to support decision making and business intelligence.

Level of curation: Most allow any farmer and any buyer to use the Platform, though some have minimum requirements for farmers to be able to join or recruit farmers based on geography and types of crops grown.

Access: Most models profiled rely on both web- and mobile-based access to the marketplace. A small number of Platforms also use field agents to reach farmers.

Platform providers and business models

Tech company (8)	Mobile network operator	Agri-business or ag goods/service provider	Government	Other non-ag	Other
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Market fit: All models appear to operate in fragmented markets and loose value chains, where organizing both demand and supply (of ag commodities and ag supplies) can yield efficiencies and create value—for example, by cutting out middlemen and facilitating otherwise complicated logistics.

Providers: All eight profiled models are profit-first tech start-ups, able to play a neutral role and intermediate between ag supplies providers and farmers (where trust is an important asset), as well as provide farmers with a neutral intermediary to offtake markets.

Revenue model: At least half of the models have received grant funding and five are generating Platform-related revenues (e.g., transaction fees). Those that do not generate revenues from transaction fees rely on grants and government subsidies (two) or advertising revenues (one).

Early success: On average, these Platforms are larger than individual ag supplies or produce marketplaces, with several models working with 100,000+ farmers in both India and sub-Saharan Africa. As combining two types of marketplaces is complex, a larger scale is needed to make the economics work.

Examples

Waycool (India) facilitates farmers' access to highly fragmented markets (e.g., hotels, restaurants, retailers) and provides access to a range of ag supplies, including seeds and inputs. Besides Platform functions, it offers a wide range of digital solutions, including advisory services, soil health checks and farm planning and management.

Ninayo (Tanzania) supports farmers with marketing their crops and facilitates farmers' access to inputs. Besides these core Platform functions—which are free to use for farmers—it offers a number of additional services, both free (e.g., advisory services) and paid (e.g., warehouse receipt services).

Source: ISF Advisors and RAF Learning Lab analysis





Transforming Agricultural Markets

Well-designed and governed Platforms have the potential to drive more inclusive, sustainable, and commercially viable markets

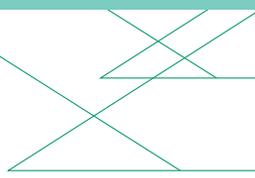
Market transformation outcomes



Potential Platform contributions

<ul style="list-style-type: none"> ✓ Broader access to inputs, equipment and services that support smallholder farmer production ✓ Broader access to output markets through direct connections between smallholder farmers and buyers (both wholesale and retail) ✓ Broader access to financial services to enable smallholder farmers to increase farm investments and manage risk ✓ Improving access to information and data for farmers, allowing them to make more informed decisions 	<ul style="list-style-type: none"> ✓ Broader access to inputs and advisory services that enhance climate smart agriculture and increase sustainability ✓ Greater transparency of rural transactions and traceability of produce support decision making around natural resource management 	<ul style="list-style-type: none"> ✓ More efficient connections between input providers and smallholder farmers can lead to lower prices and great access to productivity-enhancing inputs, supporting the profitability of smallholder farmers ✓ More efficient connections between smallholder farmers and buyers can lead to higher prices for produce and lower transaction costs, improving the profitability of smallholder farmers ✓ Reduced operating costs (e.g., for customer acquisition, logistics and fulfillment) for service providers increases business model viability
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But as Platforms scale their market-shaping power can also translate into negative outcomes for certain stakeholders



EXCESSIVE MARKET DOMINANCE

Replacing one form of (inefficient) intermediation with more efficient but less competitive remediation

PLATFORM USER COMPETITION

Platform operator competes with users on its own Platform

DISPLACEMENT

Displacement of vulnerable MSMEs as Platforms disintermediate markets

DATA AND SECURITY

Less control and ownership over data and information

WORKFORCE PROTECTIONS

Reduced security and benefits for gig workers compared to traditional employment

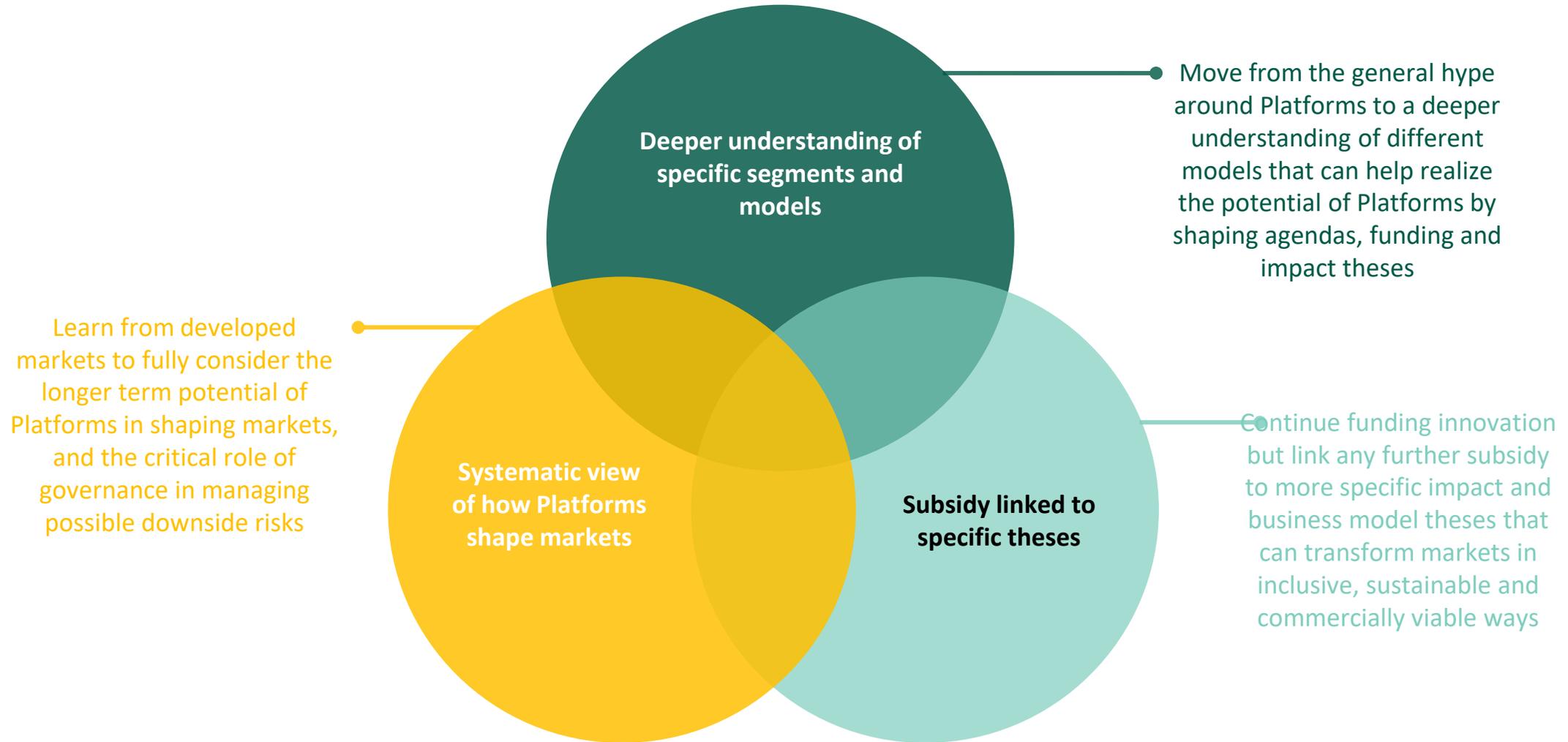
VULNERABLE POPULATION SEGMENTS

Platforms benefits may not extend to all vulnerable population segments and may exacerbate inclusion gaps

A young person stands in a lush green field, holding a long wooden staff across their shoulders. They are looking down at a smartphone in their hand. The background shows a line of trees under a clear sky. The entire image is overlaid with a semi-transparent green filter.

The Path Ahead

Guiding the next phase of innovation and growth





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