FEED THE FUTURE
The U.S. Government's Global Hunger & Food Security Initiative

Feed the Future Innovation Lab for Livestock Systems

INNOVATION SUMMARY:

SMS "VIRTUAL COLLECTION CENTER" SMARTPHONE APP

The Virtual Collection Center (VCC) is an innovative short message service (SMS) mobile application (app) for improved goat marketing. Through the use of the VCC app, inventory updates flow from cooperative members to leaders, while cooperative leaders use the VCC app to share price information with members and fill orders from traders by inviting members to sales events. The VCC app improves the goat value chain by reducing transaction costs, which should strengthen cooperatives and benefit small livestock producers by increasing trade volumes.

INNOVATION QUICK FACTS

Lead Implementing Institution: University of Florida

Category: Marketing & Distribution

Applied in: Nepal

Innovation Type: Technology

New/Adapted: New

Created for: Mainly Women

Nutrition Linkage: Dietary Quality

THE PROBLEM & ITS IMPORTANCE

In Nepal, goats are an essential source of income and nearly every rural Nepali household owns at least a few goats. To buy goats, traders often travel over large areas characterized by rugged terrain and poor infrastructure, making multiple visits to individual households necessary to complete sales. The resulting high transaction costs can stifle the value chain. Cooperatives can reduce transaction costs by allowing for bulk purchases of animals. But cooperatives may struggle to coordinate sales by members spread out over large areas of rugged terrain, possibly failing to solve the transaction cost problem. Technologies that improve coordination of marketing activities could therefore strengthen cooperatives while raising farmer incomes and developing the goat value chain.

POTENTIAL BENEFITS

The VCC app replaces a marketing coordination system based on infrequent face-to-face meetings between cooperative members, leaders, and traders. The VCC app should reduce the time and uncertainty associated with goat marketing, thereby increasing goat sales and revenue. Inventory provided through the app lets cooperative leaders know instantly whether they can meet the demands of traders. By including agreed-upon prices, dates, and locations in sales event invitations, the VCC app will remove much of the uncertainty faced by cooperative producers when marketing goats. Traders will feel more confident that their quantity and quality needs will be met in advance of a sale.

APPLICATION OF THE INNOVATION

The VCC app is implemented by Heifer International Nepal whose field personnel assist cooperative members in downloading the app while providing training and monitoring in the initial stages. The app is designed to be intuitive, eliminating the need for intensive training. Within cooperatives, the app is accessed by "VCC managers", who are members of cooperative self-help groups (subgroups within the cooperatives), and cooperative leaders. All data transmitted by the app are captured by a server housed at Heifer International Nepal offices. The VCC app is currently being evaluated through a randomized trial involving 92 producer cooperatives.

Feed the Future Innovation Lab for Livestock Systems | University of Florida
P.O. Box 110910 | Gainesville, Florida | Livestock-lab@ufl.edu | Website: http://livestocklab.ifas.ufl.edu/

Photo credit: B. Thapa

USAID FROM THE AMERICAN PEOPLE · NARC Nepal Agricultural Research Council · University of Georgia · Kansas State University · Heifer International · ILRI International Livestock Research Institute · CGIAR · UF IFAS University of Florida