



REUTERS MARKET LIGHT

Area of Focus: Market Information System/Agricultural Extension

How it works:

Reuters Market Light (RML) provides information on market prices, weather conditions, agricultural policy news, and tips on farming cycles via SMS to fee-paying subscribers. Information can be personalized based on the type of crop, region of the country, and local language. The service employs a staff of 300 full-time content professionals, to provide news and data on more than 250 crop types, 1,000 markets, and weather forecasts for 2,500 locations.

Technology used: Mobile phones

Implementer/Funder: Reuters Market Light is a service provided by Thomson Reuters.

Fees: Rs 200/quarter (approximately US\$4.30)

Primary Markets: Currently available in 12 states in India

Users: Farmers (RML has sold subscriptions to over 200,000 farmers in 15,000 villages)

Business Model: Reuters Market Light employs a base of the pyramid strategy and has had to build its own value chain and distribution networks. The company anticipates that it will take a few years before Reuters Market Light begins to break even.¹

Impact: A study in 2009 by the Indian Council for Research on International Economic Relations (ICRIER) found three key benefits as reported by farmers: “(i) improved profitability through knowledge of market prices, (ii) weather-related risks mitigated through forecasts and (iii) improved knowledge of crop cultivation and disease control through the crop advisory segment of the text messages.”²

Another study currently underway is being conducted by the International Food Policy Research Institute (IFPRI) and the University of Oxford to evaluate the impact of RML on farmers in the state of Maharashtra. The study is using 3 groups of villages—one control group (33 villages) receiving no information; 33 receiving information via direct subscribers; and 33 receiving information via farm extension workers that are given access to the system. A full analysis from the study is reportedly expected in the fourth quarter of 2010.

For more information visit: <http://www.thomsonreuters.com>

Sources:

¹ <http://www.watblog.com/2009/11/18/exclusive-interview-with-amit-mehra-md-reuters-market-light-enlightening-farmers/>

² http://www.india.jbs.cam.ac.uk/opinion/pieces/downloads/2010/prakash_reuters.pdf

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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 AED. 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, (jpayne@usaid.gov).