

Press Release

With Esoko data, New York University looks to prove impact of market prices on farmers

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New York University takes a leap into Esoko's historical price data, and designs a 3-year evaluation on user communities in Ghana

ACCRA, Ghana – New York University Abu Dhabi, through its Center for Technology and Economic Development (CTED), has teamed up with Esoko, a mobile market information exchange based in Accra, Ghana.

The first aspect of the partnership will come in the form of analysing historical price data—Esoko has hundreds of thousands of historical market prices, collected over time in 15 partner countries. Yaw Nyarko, professor of Economics at NYU, will be leading the team looking for anticipated price trends as well as unexpected patterns that may emerge by overlaying the Esoko data with other available data, like global food prices and weather.

NYU is also working with Esoko to design a cluster RCT (randomized controlled trial) to evaluate the effectiveness of SMS-based market information on users. The users in the study will be farmers who receive price information via SMS, one of Esoko's many market information services using mobile phones. To date, the impact of data-driven mobile usage has not been studied widely. This study will evaluate the impact of Esoko on farm-gate prices and livelihoods (household assets and children in school), farmer marketing behavior (search behavior, bargaining power and market contracts) as well as the trust of other market players, especially traders.

They'll also gather data to find out how information spillovers and technology adoption occur among rural farmers in Africa. Later stages of the research will focus on issues such as how various other market actors respond to the introduction of the system, and how these dynamics impact on smallholder farmers across the country and across markets. "Esoko's work is a perfect fit for us at CTED," says Nyarko, "they're passionate about what they do, and touching people's lives with new technologies. The fact that they are an African company was also a plus for us, and proof that they know the market they're building for."

Anecdotal evidence collected thus far in Esoko user communities has shown transformative promise—using prices that arrive on their phones via SMS, farmers have reported up to 40% revenue increases, citing their ability to better negotiate, to take their goods to new markets, and to trend prices and sell when those prices are best. NYU/CTED's Impact Evaluation will be looking for quantitative proof of those reported affects. The implementation of this study will start in June of 2011.

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About Esoko

Esoko is a mobile-based Market Information Exchange that is changing the way markets work in Africa. Individuals, businesses, and projects can push and pull market information in a quick and affordable way using text messaging. Working with partners in 15 countries, the Esoko platform provides automatic and personalized price alerts, buy and sell offers, bulk SMS messaging, stock counts and SMS polling. Esoko also offers strategy, support and trainings to projects rolling out MIS. Esoko was built in and operates out of Accra, Ghana.

About NYUAD's Center for Technology and Economic Development

The Center for Technology and Economic Development (CTED) is a full service center devoted to the study and application of Technology for Economic Development in Poor and Rural communities. The recently established center focuses on the development of innovative and cutting edge technologies that can significantly impact economic development with a specific focus on problems faced in under-developed areas around the world. <http://cted.nyu.edu/>