IS WHATSAPP FOR BUSINESS (API) THE FUTURE OF SMALLHOLDER FARMER DIGITIZATION IN AFRICA?

DECEMBER 2020   by Kristin Peterson

DigiFarm, a Kenya based social enterprise and subsidiary of Safaricom, provides a platform for smallholder farmers that offers convenient access to a variety of services, including discounted inputs, financing and advice on best farming practice, all from a 2G enabled mobile phone. DigiFarm won the Best Mobile Innovation for Emerging Markets in this year's GSMAs 2020 Global Mobile Awards.

Farmers, like Simon from Makueni County, register on the platform and record details about the size of their farms and the nature of their farming activities. Over 1 million farmers have registered and 300,000 are monthly active users (MAUs). Where does DigiFarm go from here? How do they expand services to smallholder farmers across Kenya, and at the same time, help them build their expertise and resilience? Simon knows:

> "*WhatsApp is a faster and more convenient way to communicate. It's much better than a mere call. For example, if you have a problem you can take a picture and send it directly so that others can see and give advice accordingly.*" [1]

WhatsApp is revolutionizing communication globally with over 2 billion MAUs, and a massive user base in Africa due its features (voice, pictures, video, groups) and low bandwidth requirements. In Kenya alone, 97% people with smartphones use WhatsApp.[2] And now, WhatsApp Business (API) is poised to enable organizations like DigiFarm revolutionize offering services and interactive user journeys to farmers.

WhatsApp Business (API) is for organizations who want to automate and scale interactions with their teams and customers. It offers fully interactive, rich media learning journeys and services. Services can be integrated and enhanced with Artificial Intelligence (AI), Machine Learning (ML) and/or 1:1 customer care. WhatsApp Business (API) is scalable and cost effective when compared to other communications channels such as call centers, SMS, face-to-face, social and traditional media and is typically used as a compliment or replacement to optimize channel communications, depending on context.

In December 2019, Mercy Corps AgriFin saw the need for organizations like DigiFarm to have a low risk opportunity to test WhatsApp Business (API). AgriFin partnered with Turn.io, the only socially focused WhatsApp Business Services Provider (BSP) to create a WhatsApp for Business (API) Sandbox for AgriFin partners to learn, prototype and launch WhatsApp for Business (API) applications. Turn.io's experience in the social sector as well as their experience in scaling health applications including the recent WHO COVID-19 application in over 20 countries made them a great partner.

Only about 10% of DigiFarm's farmers have smartphones. However, these farmers are the early adopters and the future of agricultural digitization in Africa. DigiFarm, through the AgriFin and Tun.io Sandbox, is on the verge of launching their own WhatsApp for Business (API) service, offering the same services as SMS, but enhanced with richer, more educational user journeys with video, pictures, interactive capabilities including chatting with agricultural experts.

The richer experience will also include integration with partners. In recent weeks, DigiFarm has explored WhatsApp for Business (API) integration partnerships that will offer their farmers more expansive services:

- **Insurance:** DigiFarm already offers insurance via a partner firm for every input purchased by farmers. Yet, many of the farmers are unaware of the value of the insurance, or how and when to submit a claim. They will now include a menu item for the farmers to learn about the specific coverage they have based on their location and crop and the option to go directly to the insurance companies and the DigiFarm branded call center. In the future, deeper systems integrations can send farmer data to the insurance company, driving a seamless user experience from one platform to the other. Learnings from similar projects in Nigeria allow the insurance company to project that this integration will lower the cost of call center services and increase the number of valid claims, which can ultimately also lead to higher satisfaction for the farmers.

- **Tractor/Mechanization Services:** Smart tractor services can offer smallholder farmers faster, more efficient ways to harvest their crops. DigiFarm now has the opportunity to fully integrate a learning module on the benefits of mechanization. Once this is done, they will also allow their farmers to go directly to nearby DigiFarm branded field agents on the tractor hiring platform, enabling their data (i.e. location, plot size) to help drive a fast, effective conversation for the contracting process.

- **Rich Media Learning on Farming Life Cycles:** DigiFarm has detailed SMS-based farmer information on a range of crops; however, guided videos offer richer and more engaging learning. A partner with a decade of well produced, trusted video content can provide DigiFarm farmers this content adapted for their WhatsApp for Business (API) service in weeks. These videos take farmers through the crop and input selection, land preparation, planting and maintenance, harvesting and prevention of post-harvest loss and marketing.

Simon, our visionary smallholder farmer, will soon have the power of all of these services in the palm of his hand. There will still be hurdles. The menu structure of WhatsApp for Business (API) is a new and different interface which can be challenging even for experienced users. And, awareness of the new services will need to be built, through investments in marketing.

AgriFin will continue to support DigiFarm and its other WhatsApp for Business (API) Sandbox partners in developing their products to improve service delivery to smallholders at scale.

To find out more, please refer to our White Paper on Digital Platform Blueprints.

MERCY CORPS AGRIFIN

Mercy Corps' AgriFin programming (MCAF) represents USD 35 million in innovation funding from the Mastercard Foundation, Bill and Melinda Gates Foundation and the Swiss Development Corporation to support development, testing and scale of digitally-enabled services for smallholder farmers. With this support, AgriFin now reaches more than 8 million smallholders.

GIZ

The Tech Entrepreneurship Initiative 'Make-IT in Africa' promotes digital innovation for sustainable and inclusive development in Africa. Deutsche Gesellschaft für Internationale Zusammenarbeit (GIZ) implements this project on behalf of the German Federal Ministry for Economic Cooperation and Development (BMZ), as part of BMZ's Digital Africa Initiative. In close collaboration with more than 30 corporate and finance partners, social enterprises, hubs, and networks, 'Make-IT in Africa' supports an enabling environment for young entrepreneurs – to enable better access to finance, markets and skills.

For AgTech start-ups Make-IT in Africa has recognized digital platforms as a viable path to improve market access, drive financial sustainability and increase impact.The D4Ag Initiative therefore aims to improve conditions to help AgTech start-ups scale their digital solutions via platforms. D4Ag supports AgTech Start-ups to integrate their solutions into digital platforms through expanding opportunities, building capacities and facilitating partnerships.

To learn more, please get in touch with us!