Use of information and communication tools and services by rural grain traders: The case of Kenyan maize traders

Abstract:

Poor access to agricultural market information is a major factor constraining the performance of agricultural markets in developing countries. The search for new strategies for resolving this constraint has led to several ICT-based market information service (MIS) projects in developing countries. At the same time, the rapid penetration of new generation ICT tools (especially mobile phones) has resulted in wider application of these tools in agriculture. This paper examines the use of ICT tools and ICT-based services by rural grain traders in Kenya. It is based on data collected from 204 traders in Western and Rift Valley regions of Kenya. The study finds widespread use of ICT tools by grain traders. It also finds that the tools are used by grain traders to obtain market information, including information on price, volume, and where to source and sell grains, among others. The implications of these findings are that market development agents must focus on removing constraints limiting the use of ICT tools in rural areas. Spurring greater use of ICT tools has the potential to reduce transaction costs and improve the performance of rural agricultural markets.