



Case study

Vodafone Turkey Farmers' Club



JUNE 2015

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Executive Summary

Vodafone Farmers' Club (Vodafone Çiftçi Kulübü) is a packaged offering available on the Vodafone Turkey network, which includes both special tariffs and agricultural information to help smallholder farmers improve their farming practices and gain access to markets. The Farmers' Club agriculture content is managed by Vodafone's partner TABİT, a Turkish social enterprise focusing on ICT enablement for smallholder farmers, and the publisher of the agriculture information portal Tarımsal Pazarlama (Agriculture Marketing). Marketing, strategy and distribution are managed by Vodafone Turkey, the second largest mobile operator in the country with 21 million subscribers.

YEAR LAUNCHED	2009
BUSINESS MODEL	Revenue share with value-added-service (VAS) provider
TARGETED DEVICE	Basic/Feature/Smartphone
PRIMARY DELIVERY TECHNOLOGY	SMS
PRODUCTS & SERVICES	Subscription-based push text content and smartphone application
MARKETS DEPLOYED IN	Turkey
ESTIMATED NUMBER OF USERS	903,000 active users out of 1.3 million total users.

KEY INSIGHTS:

- C-level support is fundamental to the success of MNO driven mAgri services:** The understanding by Vodafone Turkey's CEO of the value of mobile for agricultural workers has been instrumental in conceptualising the Farmers' Club. Continuous C-level support has helped the Farmers' Club to become a best practice model, as Vodafone seeks to bring mAgri services to new markets.
- Indirect benefits are the primary business drivers for MNO driven Agri VAS:** The success of the Farmers' Club shows that mAgri services can bring important business benefits to the MNO, such as higher customer loyalty and improved brand awareness in the rural customer base.
- MNOs have higher chances for financial sustainability if they adopt hybrid pricing models, offering both free and paid content:** By adopting a freemium model and by keeping the service offering broad (postpaid and prepaid plans, and VAS) Vodafone has been able to grow the membership base to 900,000 users.
- Enhanced access to markets is the key value proposition for Agri VAS users:** The successful implementation of the Farmers' Club virtual marketplace, matching agricultural producers to suppliers, shows that besides accurate market price information, actual access to new markets is highly valued by smallholder farmers. By providing a solution to increase profits and improve the livelihoods of smallholder farmers, the MNO has boosted loyalty and brand awareness.

- **Close relationships with trusted content providers are critical to provide relevant content and increase uptake:** The continuing exclusive relationship on a revenue share basis with content provider TABIT ensures strong commitment by all parties to developing the offering. The close cooperation of the main content provider with other partners and stakeholders in the agriculture ecosystem has helped the service stay relevant.
- **Successful adoption of Agri VAS requires focus and investment in below the line (BTL) marketing:** Continuous commitment and investment in on the ground marketing activities, as a more personal and engaging approach to reach end users across Turkey, have helped position the MNO as a trusted provider of agricultural information.



Introducing Vodafone Farmers' Club

Vodafone Turkey launched the Farmers' Club at the end of 2009 with an aim to increase the productivity and income of smallholder farmers by offering actionable agriculture information. Furthermore, the Farmers' Club presented an opportunity for the MNO to implement a highly targeted approach for the rural segment. In 2015, the Farmers' Club consists of two components – the discounted postpaid and prepaid plans tailored for farmers, and a portfolio of free and paid Agricultural VAS providing text updates on local weather forecasts, market price information, general information on the agriculture sector, agronomy tips and news. In addition, the Farmers' Club has a free virtual marketplace service connecting buyers and sellers of agricultural products through the mobile channel. SMS is the main content delivery channel. In 2013, Vodafone launched the Farmers' Club Android application Vodafone Farmers' Guide (Vodafone Çiftçi Kılavuzu).

VALUE PROPOSITION AND PRICING STRUCTURE

The approximately three million farmers officially registered with the Ministry of Food, Agriculture and Livestock (Gıda, Tarım ve Hayvancılık Bakanlığı) are eligible for the Farmers' Club discounted postpaid and prepaid farmer pricing plans. Farmers must physically bring the certificate of registration to the Vodafone point of sale to subscribe to the plans. Around 20% of the total active Farmers' Club base currently subscribe to a farmer plan.

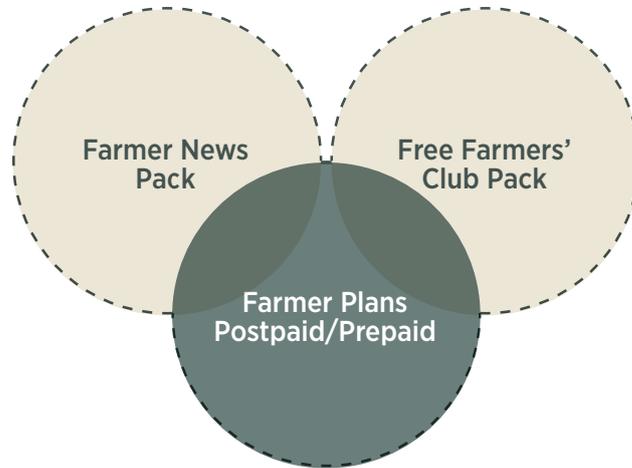
The basic postpaid plan offers 500 off-net minutes and 500 on-net minutes for 21TL (US\$7.9) per month. The premium postpaid plan offers 500 minutes off-net, 1,000 minutes on-net, 500 SMS and 500Mb Internet for 29TL (US\$10.9) per month. All customers who subscribe to the postpaid farmer plans have access to the handset subsidy scheme allowing the payment of devices in monthly instalments. There are currently over twenty devices on offer with these plans. The Farmers' Club device portfolio originally included a water and dust proof phone but the offer was discontinued due to low demand.¹

In addition, the Club offers an annual prepaid plan including 5,000 minutes to all networks for 200TL (US\$75). This plan allows farmers to pay for their mobile service once a year at harvest time, when their income is greatest. To address the same issue, Vodafone has partnered with Şekerbank to offer an interest-free loan allowing farmers to pay back their postpaid bills once a year, whenever is most convenient. For Şekerbank the payment system is an opportunity to educate customers in rural areas on new products. For Vodafone it is a customer acquisition tool, as it gives an additional benefit to subscribers of other MNOs when they port their numbers.

Besides the farmer plans, customers have the option to take up the entry level Farmers' Club package consisting of free occasional text updates on farming subsidies, local fairs and trade shows and sector news. For 2TL (US\$0.75) per month customers can subscribe to the Farmer News Pack (Çiftçi Haber Paketi). The Farmer News Pack offers all the free content, as well as two daily SMSs with weather forecasts, one weekly SMS with market price information for selected crops, and one weekly SMS with fuel price information. To date, subscribers to the Farmer News Pack are approximately 30% of the user base.

1. The device on offer was the Samsung B2100 (10TL per month with the postpaid farmer plan)

FIGURE 1

FARMERS' CLUB STRUCTURE

Initially, all content was free to subscribers, then in February 2014 Vodafone started charging for the services. However, in 2015 Vodafone decided to adopt a hybrid model, offering both the paid Farmer News Pack and the free VAS offering. Vodafone gives access to the marketplace service, where farmers can advertise their product to buyers, to all Farmers' Club members, including the subscribers of the entry level Farmers' Club package, those taking up the Farmer News Pack, as well as the subscribers to the Farmers' Club discounted postpaid and prepaid farmer plans. Vodafone has so far not included in the product mix a helpline service for farmers.



Business model and partnerships

C-level support has been fundamental to the success of the Farmers' Club. The Club was launched in 2009 under the leadership of the then CEO Serpil Timuray, a former general manager of food company Danone Turkey. With an awareness of the food supply chain in Turkey, the CEO understood the potential of the mobile channel to improve productivity, income, and therefore the livelihood of smallholder farmers in Turkey. From the beginning, Vodafone had an exclusive agreement with content partner TABİT (then Tarımsal Pazarlama) for content creation and content management.

From 2009 to date, the Farmers' Club has reached approximately 1.3 million farmers. It currently has 903,000 active users, including both customers subscribing to the discounted farmer plans and those taking up the VAS offering. The Farmers' Club sits under the consumer business unit within the social business models team, a group responsible for developing innovative services for underserved segments. Besides the Farmers' Club, Vodafone is developing services and products tailored to disabled users and women (discounted plans and VAS). The Farmers' Club is part of Vodafone Turkey's rural strategy, comprising B2C as well as enterprise (B2B2C) offerings in smart logistics, traceability, and tracking and mobile management. Enterprise offerings include the Lipton Ecotab Automation service developed with Unilever to collect and analyse data from the field using tablets, and the Milk Registry System to digitise production and dairy farming data for dairy SMEs.

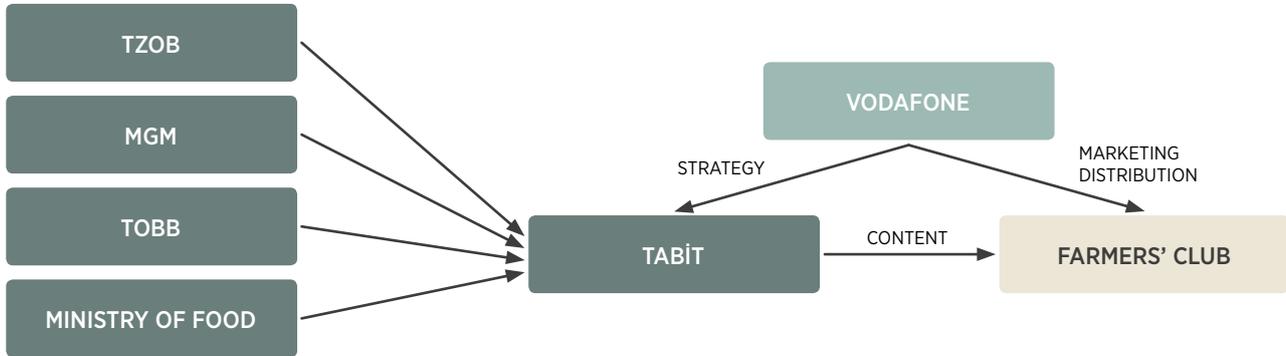
The Farmers' Club business model for Vodafone is primarily based on indirect benefits. Since the Farmers' Club is made of two different components - the farmer plans and the VAS proposition - there is no revenue and cost model directly attached to it. The main business KPI is rural customer loyalty. Vodafone highlights that the Farmers' Club has been instrumental in decreasing churn in the rural subscriber base. The MNO estimates that Farmers' Club members' churn is on average 23% lower than the churn rate of the total customer base. In the financial year to end 31 March 2015, quarterly rural churn for Farmers' Club members would therefore range between 2.3% and 2.6% compared to 3% to 3.4% for the total customer base.² The other main business KPI is brand awareness. Vodafone uses Top-of-mind awareness (TOMA) surveys to track awareness and emotional bonding with the brand. In the most recent TOMA survey, brand awareness among Farmers' Club members was 16% higher than awareness across the whole Vodafone GSM base.

The core part of the Farmers' Club, the VAS offering, relies on a standard revenue share agreement with content provider and aggregator TABİT. Vodafone is responsible for marketing, strategy and distribution, while TABİT is responsible for content creation and aggregation. TABİT creates its own agriculture content with the support of the Turkish Agriculture Union (Türkiye Ziraat Odaları Birliği - TZOB). It also aggregates daily, district-level weather information from the government's Meteorological Service (Meteoroloji Genel Müdürlüğü - MGM). Local market prices for 93 products are provided by The Union of Chambers and Commodity Exchanges of Turkey (Türkiye Odalar ve Borsalar Birliği - TOBB). In addition, TABİT relies on the collaboration and support of the Ministry of Food, Agriculture and Livestock for the provision of sector news and updates on government subsidies.

2. GSMA Intelligence quarterly churn figures. Churn = total gross disconnections per month as a percentage of average total connections at the end of the period.

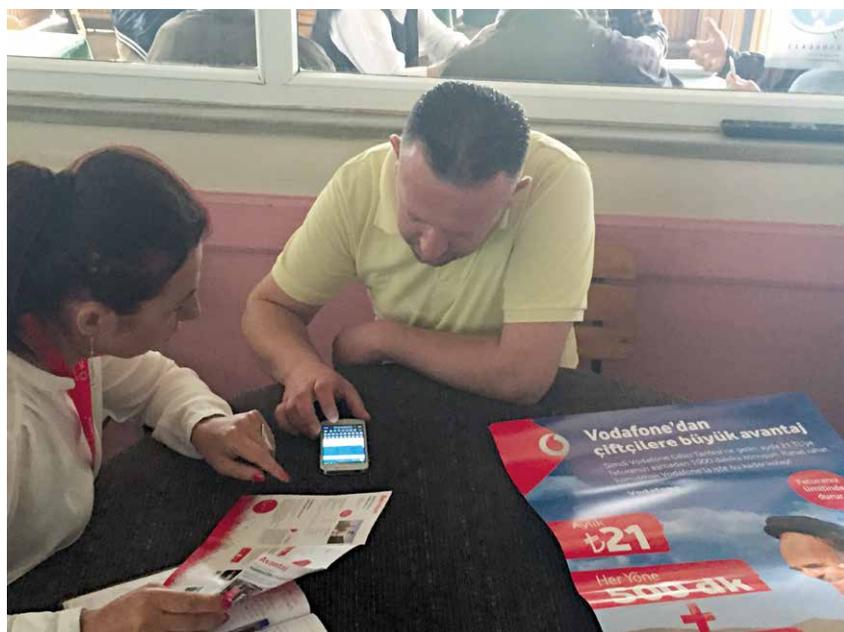
FIGURE 2

VODAFONE FARMERS' CLUB CONTENT PARTNERS



Besides content partners, other partners in marketing comprise agriculture specialist satellite channel Toprak TV as well as a variety of sector magazines. Toprak TV and sector magazines are also distribution channels, where the Farmers' Club Marketplace adverts for agricultural products, equipment and livestock are published. The service is currently available free of charge. Club members send via SMS, or via the application, information on product type, quantity, location and price. The content is then published by TABİT on the advertising channels. Buyers are wholesale traders, retailers, as well as businesses such as restaurants and hotels. They tend to come from the same region of the farmers. However, a growing number of buyers is coming from Istanbul, since the capital benefits from the most efficient transportation links.

The Marketplace represents for Vodafone a way to build an emotional bond with the brand by providing a platform to access new markets. The MNO therefore offers a solution to the most significant challenges faced by smallholder farmers in Turkey – limited access to markets and the reduced opportunity to capture a fair share of their product value. The objective is to reduce the gap between prices paid to farmers and prices paid by consumers. For example, TABİT has calculated that the price paid for strawberries by final consumers in the city of Aydin can be up to 6.5 times the price paid to producers in the same region.



COURTESY OF GSMA MOBILE FOR DEVELOPMENT

Country context: Turkey

	2010	2013
POPULATION (% OF WHICH RURAL) ³	72.1m (28%)	74.9m (29%)
GDP TOTAL (OF WHICH CONTRIBUTED BY AGRICULTURE)	731.2bn (9.6%)	822.1bn (8.5%)
% OF LABOUR FORCE WORKING IN AGRICULTURE	24%	24% ⁴
CEREAL YIELD (KG PER HECTARE)	2,709	3,249
UNIQUE SUBSCRIBER PENETRATION IN Q4⁵	41.6%	43.0%
NUMBER OF mAgri SERVICES IN Q4⁶	1	3

Rural population in Turkey has been growing substantially in line with general population in recent years. At under 30%, the share of rural population is considerably lower in Turkey than in most emerging markets.⁷ Farming is nonetheless the main source of income for many Turkish citizens. Within the total farmer population, which is estimated to be higher than the 3.08 million registered farmers and close to 5 million, 72% are smallholder farmers working on their own land.

The fifteen percentage points' gap between agriculture employment (24%) and agriculture contribution to GDP (8.5%) is a result of the income and productivity challenges faced by smallholder farmers. While between 2010 and 2013 the cereal yield per hectare in Turkey has increased by 20%, it was still lower in 2013 than in neighbouring Bulgaria, a country with comparable rural population (25.8%) but lower GDP per capita.⁸ Vodafone states that this income and productivity challenge was the primary driver for the launch of the Farmers' Club.

As mobile becomes an increasingly popular communication channel in rural areas (85% GSM penetration of population), there is an opportunity for Vodafone to use a social business model that started within a Corporate Social Responsibility (CSR) framework with the objective to reinforce the company's reputation, to eventually boost targeted segmentation and bring business benefits.

COMPETITIVE ENVIRONMENT

The GSMA mAgri deployment tracker presently lists three services in Turkey, all operated by MNOs in partnership with content providers. Vodafone was the first MNO to launch a mAgri deployment. In August 2013, market leader Turkcell followed with its own service dubbed Turkcell Farmers' Union (Turkcell Çiftçi Birliği). Turkcell has both discounted farmers plans and information packages (weather, market prices, agronomy tips and news) delivered via SMS and a helpline. The Farmers' Union has in Q1 2015 about 1.3 million active subscribers, representing 3.9% of Turkcell's 33.2 million connections. By comparison, the Farmers' Club's 890,000 active subscribers represent 4.3% of Vodafone's 20.7 million connections. The other MNO in the market, third-placed Avea (16.2 million connections in Q1 2015), has a lighter mAgri offering comprising a prepaid annual farmers' plan similar to the plan offered by Vodafone and free SMS weather alerts.

3. All statistics in this table are sourced from data.worldbank.org, unless specified

4. 2012 data

5. GSMA Intelligence. Unique subscriber penetration = number of unique mobile subscribers (not the total number of SIMs/total population).

6. GSMA mAgri deployment tracker <http://www.gsma.com/mobilefordevelopment/programmes/magri/tracker>

7. E.g. India 68%, Kenya 75%, Ghana 47%

8. 2013 cereal yield in Bulgaria was 4,430 Kg per hectare while annual GDP per capita was US\$7,328 compared to Turkey's US\$10,721

Service design

Customers subscribe to the Farmers' Club free VAS pack by sending an SMS with the word "ciftci" (farmer) and their district name to the short code 2434. This entry-level membership provides all the free sector updates (occasional texts on farming subsidies, local fairs and trade shows, sector news).

Customers who want to subscribe to the premium Farmer News Pack (2TL per month) text to 2434 the word "abone" (subscribe) with their district name and the crops they are interested in. There is no limit to the number of crops farmers can subscribe to. Once registered, club members start receiving two daily weather updates for their district - one in the morning and one in the evening - one weekly SMS with local market prices for the crops they have selected, one weekly SMS with local fuel prices, and other occasional content including weather warnings, agronomy tips, and all the information included with the free membership.

Users can opt in to receive information on six product categories (fruit, vegetables, cereals, plants, livestock and beekeeping) as well as on 93 specific crops. This way of organising content keeps the relevance of the service, allowing club members who have selected only one or two specific crops to continue receiving relevant content all year, and not only during the harvest season of their main crops.

While service registration can often represent a major roadblock to Agri VAS, Vodafone and TABİT have not faced significant challenges in this domain. Initially, registration failure was an issue due to the many regional variations and forms for the word "subscribe". To address this problem, the content team at TABİT has put in place a system that can capture over forty variations for the word. In spite of the fact that 12.5% of the rural population in Turkey is illiterate, SMS will remain the primary delivery channel over voice technologies such as Interactive voice response (IVR).

SMARTPHONE APPLICATION

The Farmer Guide Android application (Vodafone Çiftçi Kılavuzu) is a one-stop-shop for the Farmers' Club services. It provides local weather forecasts, agricultural news, market prices, stock market news, and access to the virtual marketplace. The application is currently available at no charge to all Google Play users, including those of other networks. It counts to date 30,000 downloads.

FIGURE 3

FARMER GUIDE APPLICATION



Vodafone is focusing on promoting the Farmer Guide to build the user base, with a view to monetize the service in the near future. Smartphones applications are not yet core delivery channels, but for the future Vodafone plans to push more rich media content and boost mobile Internet growth. Smartphone adoption⁹ in the Vodafone base is forecasted to expand from 41.8% of total connections in 2014, in line with overall market level adoption, to 69.6% in 2019. In Turkey, smartphone adoption in the rural base lags behind by approximately five years compared to the urban segment. Nonetheless, in the coming years an increasingly higher proportion of farmers will be equipped with a smartphone.

MARKETPLACE SERVICE

Enhanced access to markets is an important part of the value proposition of the Farmers' Club. To advertise their product, club members send an SMS with the word "ilan" (advert) and the information about product type, quantity, price, and product location to the short code 2434. The SMS is received and reviewed by the TABİT team. In case of missing or unclear information, the team contacts the farmer. Once content is edited and standardised,¹⁰ the adverts are published on a range of sector magazines. In addition, two minute slots with the adverts are broadcasted on satellite channel Toprak TV. All adverts are accessible on the Internet on the Tarımsal Pazarlama portal, and remain active for three months. To purchase or enquire about the product, buyers can contact the farmers directly.

FIGURE 4

VODAFONE FARMERS' CLUB MARKETPLACE ADVERT¹¹



TRANSLATION: FREE CLASSIFIED AD SERVICE (STRAWBERRY SEEDLINGS): TO BENEFIT FROM THIS SERVICE SEND THE WORD "ADVERT" AND YOUR MESSAGE TO 2434

To provide for users with different production capabilities, Vodafone and TABİT have maintained the virtual marketplace as a flexible platform, allowing the sale of any quantity of product, and enabling farmers to select whether to sell in bulk to one seller (complete sale) or whether to sell to multiple buyers (piece by piece sale). This approach has helped increase the penetration of the service in the Farmers' Club user base, adding stickiness to the overall service proposition.

9. GSMA Intelligence. Smartphone adoption = Smartphone connections expressed as a percentage share of total connections (excluding M2M). It is not calculated as smartphone connections divided by total population.

10. Example of SMS: "ILAN sale of 1 ton of weight 0.53TL Mersin lemon. Orkan Haliloğlu". The advert is published in the following way: "For 1 ton of lemons in Mersin 0.53TL per kg. Orkan Haliloğlu contact: 05XX xxx xx xx".

11. Source: Tarımsal Pazarlama web TV

Marketing Vodafone Farmers' Club

Vodafone relies on both above the line (ATL) and below the line (BTL) activities. ATL marketing is conducted on a variety of sector magazines and on broadcast television. An example of an ATL campaign is the special promotion on May 14 2015 for World Farmers' Day. Under the promotion, all existing club members were offered, for free, 100 voice minutes, 100 SMS and 100Mb Internet for one day.

Broadcast television has been an important marketing channel for the Farmers' Club. Starting in 2012, Vodafone produced with national broadcaster Kanal 7, sixty-eight one-hour episodes of Agriculture Impulse (Tarımın Nabzı), a talk show entirely dedicated to agriculture related topics. The programme featured news and expert talks and was sponsored by the Farmers' Club. Despite its positive contribution to the growth of the club membership, the programme was terminated due to high cost. Currently, besides the Farmers' Club and marketplace adverts on printed media, other ATL activities include the airing of marketplace adverts on satellite channel Toprak TV and on the Tarımsal Pazarlama web TV.

Below the line marketing, as a more personal and engaging marketing strategy, has become more prominent in the past two years. The main BTL initiatives are the Farmers' Club Tractor Lottery and Educational Truck. Both initiatives aim to engage customers directly to build an emotional bond with the brand. The lottery is part of the club's service proposition. Prepaid customers are given one ticket for every 10TL (US\$3.8) of airtime recharged, while postpaid customers receive one ticket for every 10TL value in their monthly plan. To date, six tractors have been given away as prizes in the lottery.

THE EDUCATIONAL TRUCK

The Educational Truck travels across the country all year round. It is operated by TABİT and has a crew of six members. The Educational Truck is entirely financed by Vodafone. It is the single most costly initiative for the promotion of the Farmers' Club. This investment is justified as the truck not only spreads awareness and helps to register new customers, but also sources local content for the Farmer News Pack.

The truck is used for talks and discussions with agronomists on specific issues related to local farming, as well as on challenges faced by farmers in the village at the time of the visit. During the village visits, crew members showcase the Farmers' Club, demonstrating how to use the service, and are often joined by sales staff from local retail points. Nonetheless, customer acquisition is not the main aim of the Educational Truck. In fact, while Vodafone monitors the number of new users resulting from Educational Truck activities, crew members do not operate on a commission scheme for the sale of Farmers' Club subscriptions. Instead, Vodafone describes the Educational Truck as an opportunity for farmers to experience in a personal and interactive way the benefits of mobile communication.

The Educational Truck initiative is made possible by Vodafone's close cooperation with the Agriculture Union (Türkiye Ziraat Odaları Birliği), which has local representatives in every major village. The partnership with the Union provides insights into key priorities for the local farmer community. It also facilitates the logistics arrangements with local authorities for hosting the Educational Truck.

Crew members reach each village two days before the scheduled truck visit and establish contact with the Agriculture Union, as well as with local representatives of cooperatives and with the farmer community. After meeting with local stakeholders, crew members collect all the relevant information on crop types, prices and other sensitive topics such as diseases and pest control. This content feeds back into the content stream of the Farmers' Club and also serves to develop the content programme for the subsequent truck event. On some occasions, the crew takes a more informal approach and organizes gatherings and demonstrations at the village cafes at the end of the working day.

To date, the Educational Truck has visited villages in almost four hundred districts. It serves the same function of a service ambassador in disseminating knowledge and understanding of the Farmers' Club, and in positioning Vodafone as a trusted partner for farmers.

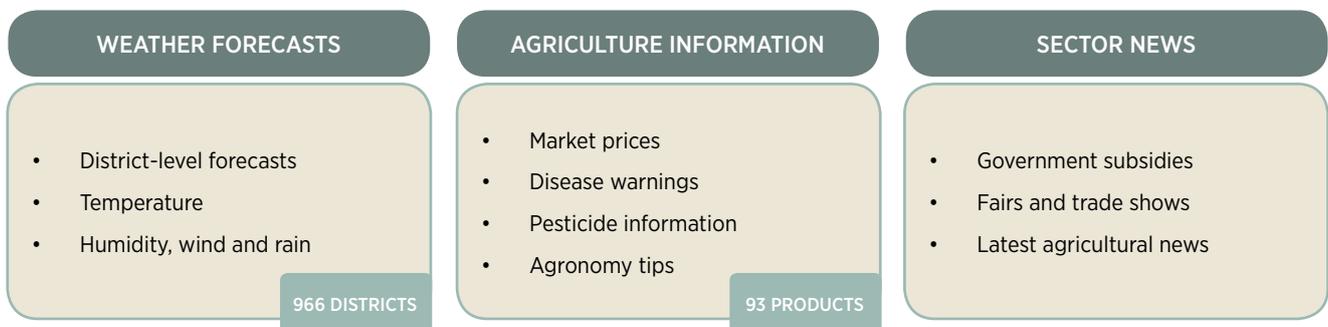


Content

TABİT catalyses content production, leveraging its own team of agronomists and the partnerships with the weather forecast provider (MGM) and the market price provider (TOBB). For agriculture information, TABİT relies on the close cooperation with the Agriculture Union. On average, the content team creates approximately four hundred text messages per day. The Farmer News Pack provides farmers with information on 93 products and six product categories, and for 966 districts in Turkey.

FIGURE 5

FARMER NEWS PACK CONTENT



The Farmers' Club promises to deliver content at the product and district level based on the information provided by users at the time of registration. Besides the weather forecasts, district-level information comprises local market prices for selected products and other information on local fairs and trade shows. Due to a variety of climates within Turkey and the many varieties of crops, maintaining accurate district-level data on over ninety products is a continuous challenge for TABİT.

To keep local agriculture content up to date, depending on type of crop and time of the year, TABİT leverages its involvement in agricultural fairs and trade shows across Turkey, as well as ground level cooperation with the Agriculture Union and farmers' cooperatives for the Educational Truck and for other projects. This approach is reflected in the way content is packaged for users. A team of three specialists is responsible for standardizing the content, and where necessary for adapting and changing the wording of the messages depending on regional language variations.

In order to inform the content strategy and to collect general feedback on the service, the content team aims to interview five hundred users each month (structured telephone and in person interviews at agricultural fairs and trade shows). User feedback shows that weather forecasts are valued, even though there are several alternative sources for this information (newspapers, radio and television). Wheat, vegetables (peppers and tomatoes), apples, cotton and corn are the most in demand product categories among crops. Livestock information (meat prices and animal farming tips) is in high demand and is currently being added to the Farmer News Pack. In general, users identify accurate market prices as the single most important element of the service.

For this reason, to ensure the accuracy of market prices and integrate the information provided by TOBB, three members of the content team are responsible for calling buyers and sellers in local markets on a daily basis.

FIGURE 6

EXAMPLE OF MARKET PRICE TEXT MESSAGE ON IOS



TRANSLATION: APPLE; (GOLDEN BAYRAMIC); ISTANBUL MARKET 3.00 TL/KG, (GRANNY SMITH) ISTANBUL MARKET 5.00 TL/KG, ANKARA MARKET 3.00 TL/KG TRADED ON THE MARKET.



User Success Stories

The farming successes enjoyed by Farmers' Club members are mainly derived from the receipt of actionable information to increase profit from crop and livestock sales through informed pricing and access to new markets, and prevent crop loss through accurate weather information.

ACCESS TO NEW MARKETS AND TO ACCURATE PRICES TO INCREASE PROFITS

Çanakkale province: İbrahim Çırpan sold approximately 600 goats within six months since he started using the marketplace service. Before using the service, he would typically sell 100 goats in six months and at lower prices. Thanks to the marketplace he has gained a better understanding of what prices he should expect to be paid for his livestock.

Aksaray province: Mesut Orkçu sold his first batch of clover in a few hours after trying out the marketplace for the first time. He then became a regular user of the service and focused his business on clover bales, barley and corn silage. The Farmers' Club has helped Mesut increase his annual turnover from 3,000TL to 300,000 TL.

WEATHER INFORMATION TO PROVENT COSTLY WASTAGE

Yeşilova, Burdur province: Döndü Taşkın saved 60,000TL worth of product when she received a weather warning from the Farmers' Club forecast service. Before she started using the service, she was not able to prepare for difficult weather conditions. Her neighbors now ask her regularly about the weather forecast.

Looking ahead

RICH DATA GROWTH

The digitisation of the Farmers' Club is a key strategic priority for Vodafone. As smartphone adoption increases in the rural base, the MNO is adamant to draw on the success of the Farmers' Club to boost mobile Internet growth in rural areas. While to date SMS remains by far the main content delivery channel, for the future Vodafone wants to increase the base of application users on Android and iOS.

The offering of the integrated postpaid Farmers' Club is already contributing to driving data consumption. Vodafone is keen to use the Farmers' Club application to become a relevant content provider in the digital content space. This will in turn bring indirect business benefits (brand awareness, customer loyalty), and will also serve to pre-empt the market for over-the-top players.

MOBILE FINANCIAL SERVICES

Vodafone has in the past included in the service proposition to subscribers of the Farmers' Club prepaid and postpaid plans an accident insurance product provided by Ergo. The service has however been discontinued due to low take up. To date the only financial service on offer is the interest-free micro-loan for the financing of prepaid and postpaid Farmers' Club plans.

Historically, financial services of any sort have had low levels of adoption by Turkish customers in rural areas, owed in part to low financial literacy. Nonetheless, as financial as well as digital literacy improve there is an opportunity to reconsider the potential of the mobile channel for insurance and other financial products. This opportunity could be made stronger, should Vodafone decide to extend its mobile money platform to Turkey.

INTERNATIONALISATION

Building on the success of the Farmers' Club, Vodafone Turkey has taken the lead on a group-level effort to extend the service in 2015 to other six markets – India, Ghana, Tanzania, Kenya, Egypt and New Zealand. The Vodafone Global Farmers' Club is expected to boost the MNO's position in local markets and help create new opportunities for smallholder farmers. Specific Farmers' Club services offered in each country will vary, but will include information services, virtual marketplaces in which farmers can sell their product, and mobile financial services.



The GSMA represents the interests of mobile operators worldwide, uniting nearly 800 operators with more than 250 companies in the broader mobile ecosystem, including handset and device makers, software companies, equipment providers and Internet companies, as well as organisations in adjacent industry sectors. The GSMA also produces industry leading events such as Mobile World Congress, Mobile World Congress Shanghai and the Mobile 360 Series conferences.

For more information, please visit the GSMA corporate website at www.gsma.com. Follow the GSMA on Twitter: @GSMA.



Mobile for Development

Mobile for Development brings together our mobile operator members, the wider mobile industry and the development community to drive commercial mobile services for underserved people in emerging markets. We identify opportunities for social, economic impact and stimulate the development of scalable, life-enhancing mobile services.



mAgri

mAgri catalyses scalable, commercial mobile services that improve the productivity and incomes of smallholder farmers and benefit the agriculture sector in emerging markets. The GSMA mAgri Programme is in a unique position to bring together mobile operators, the agricultural organisations and the development community to foster sustainable and scalable mobile services that improve the livelihoods of smallholder farmers. This report is part of the mNutrition initiative, launched by the GSMA in 2014 in partnership with the UK Government's Department for International Development (DFID).

For more information about GSMA mAgri Programme visit our website at:

www.gsma.com/mobilefordevelopment/programmes/magri

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