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**IT ENABLED BUSINESS MODEL  
FOR  
VEGETABLE FARMERS  
(CASE STUDY BASED ON DAMBULLA DEDICATED  
ECONOMIC CENTRE)**

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## DECLARATION

I hereby declare that this thesis submitted for the Master of Administration degree to the University of Moratuwa, apart from the help recognized, is my own work and has not been formerly submitted to another university for a degree.

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## ABSTRACT

Vegetable farmers have been facing the problem of selling their harvest for reasonable prices and recovering the cost. Market information asymmetry and differences in supply and demand have resulted in such a situation.

The objective of this study is to introduce a business model that will minimize the information asymmetry in the farmer community and plan the production so that it aligns with the demand. The mechanism introduced is based on the information technology that can benefit the farmers in different ways.

The study is based on the Dambulla Dedicated Economic Center that is the country's main hub for vegetable distribution. Comprehensive analysis on the activities of the market and ways of disseminating market information to farmer community were carried out. Although there had been an IT solution for disseminating market price information, this solution has failed to meet its objectives. The farmers and the traders were interviewed and their feedbacks were taken to consideration for the new solution.

The main reason for the problem of vegetable marketing is the difference in demand and supply, which is a result of poor crop planning. Apart from this factor, intermediates take a considerable margin from the total cost of the supply chain. The new business model consists of a market price information disseminating system, web portal, Farmer Database which enable crop planning and serve as a platform for forward sales contract. All the above components can be integrated and viewed as one single business model. The availability of price information enables farmers to sell their produce at market prices instead of selling for low prices, and also a proper crop planning mechanism to prevent the imbalance in demand and supply.

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## ABBREVIATIONS

|         |   |
|---------|---|
| CAP     | Community Assistance Program                    |
| DDEC    | Dambulla Dedicated Economic Center              |
| DOA     | Department of Agriculture                       |
| GGS     | Govi Gnana Seva                                 |
| GPS     | Global Positioning System                       |
| ICTA    | Information Communication Technology Agency     |
| ICT     | Information and Communication Technology        |
| IVR     | Interactive Voice Response                      |
| KACE    | Kenya Agricultural Commodities Exchange         |
| MIS     | Market information systems                      |
| MIP     | Market Information Point                        |
| MIC     | Market Information Center                       |
| NMCE    | National Multi-Commodity Exchange of India      |
| PAP     | Partnership Assistance Program                  |
| RECOTIS | Regional Commodity Trade and Information System |
| ROI     | Return On Investment                            |
| RKC     | Rural Knowledge Centers                         |
| SMS     | Short Messaging Service                         |
| SLBC    | Sri Lankan Broadcasting Corporation             |
| VPO     | Village Phone Operator                          |
| VPS     | Village Phone Service                           |