

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

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A Dissertation submitted in partial fulfillment of the requirements for the degree of Master of  
Business Administration

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December 2007

92256

## **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 Dumbulla 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 into 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, intermediaries 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 farmer to sell their produce at market price instead of selling for low prices, and also a proper crop planning mechanism to prevent the imbalance in demand and supply.