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Using Twitter to Transform SMEs

Abstract

Small and medium enterprises (SMEs) are thought to be an important source of innovation and employment in developing countries due to their flexibility in responding to new market opportunities and their potential for growth. However, businesses in developing countries face a number of constraints that may limit their growth and the sector's contribution to poverty alleviation and long-term economic growth. Research suggests that one reason for the poor growth of firms in developing countries is entrepreneurs' inability to access business advisory services and information about their market, despite a willingness to pay for this information.

Context of the Evaluation

This pilot tests a mobile platform for second-hand clothes sellers in Nairobi, Kenya that provides business advice and facilitates vendor marketing. The twitter-based platform connects vendors with customers and offers business advice through SMS text messages to entrepreneurs' mobile phones. Vendors receive messages over the course of seven weeks containing "rules of thumb" financial literacy and business advice that builds in detail throughout the program. Participants are also taught how to create simple one-way text messaging lists through twitter that will allow them to update their vendors and customers with a single text message. Researchers are testing the take-up and usage of the platform to inform the design of a larger randomized controlled trial.

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