

Knowledge and information seeking through the mobile phone for livelihood benefits

Innovation brief

Today, the mobile phone is a key source of information for most people. Where such information is converted to knowledge and used for livelihood betterment, for example through employment opportunities, coordination of economic activities, skill enhancement, etc., it becomes one of many “productive” uses of the mobile. This innovation brief looks at how the bottom of the pyramid (BOP) seeks out information and knowledge for such productive purposes, through the mobile phone as well as other channels. The findings are based on findings from Teleuse@BOP4; a qualitative and quantitative research study conducted by LIRNEasia in six emerging Asian countries in 2011.

Knowledge and information requirements and sources

The study finds that the main livelihood-related information sought is related to livelihood opportunities and skills. Respondents seek information regarding opportunities that they can make use of in the future. Acquiring new skills and enhancing existing ones are seen as essential for converting opportunities into livelihood benefits. Social and professional networks, which overlap most of the time, are seen as the chief sources of information and opportunities in livelihood related matters. This includes co-workers as well as people on the supply side such as suppliers of infrastructure and finance as well as those on the demand side, i.e. clients. Coordinating with co-workers and members of one’s supply chain allows for more efficient functioning whereas providing enhanced services to clients can translate into increased income.

The nature of information sought seems to be of two kinds. One is factual information that allows one to base their decisions on. The other is advisory in nature or opinion-based. The latter is information that influences one’s decision and often comes from people that belong to one’s social or professional network. For both these kinds of information, trust in the source of information is essential; however, trust in both these cases is defined differently. In the case of factual information, it is observed that respondents turn to a source with authority. This may mean an official or institutional source such as a government office or a university. In some cases it was seen that the “Internet” is viewed by respondents as a source of factual information. For information that is based on opinions and advice of others, reliability is related to the trust that one has in the source, owing to their relationship as well as the knowledge and experience of the source.

Opportunity seeking

The research finds that opportunity-seeking was the primary mode of enhancing one’s livelihood prospects, be it the identification of a latent need that can be translated into a service offering by entrepreneurs or daily employment prospects for job seekers. There are different ways in which respondents actively seek and identify such livelihood opportunities.

When it comes to the accurate identification of long-term career defining opportunities, an understanding of the context and the latent needs within it, as well as advice from trusted networks (sometimes even existing clients) play an important role.

When Arawinda was working as an auto-rickshaw mechanic on the outskirts of Dambulla in Thambutthegama, his interactions with the auto-rickshaw drivers (clients), whose vehicles he repaired, made him aware of the high demand and hence an opportunity for auto-rickshaw drivers in Dambulla. Once he started working as an auto-rickshaw driver in Dambulla, he noticed that the traders and farmers visiting the Dambulla Dedicated Economic Centre required transport at night, which was not easily available. Noticing this need, he shifted his work hours so as to provide services during late hours, ferrying traders between the market and the bank which were the popular pick-up and drop-off destinations. Arawinda’s case is one of actively seeking opportunity, as he filtered valuable information that he got from his clients, observed the context around him, and then tweaked his service offerings according to the opportunities. Developing mobile services and platforms where such accurate and filtered information on opportunities is more easily accessible can ensure that even those who do not seek opportunities as pro-actively as Arawinda can get access to such information thus enhancing their prospects of earning.

When it comes to identifying and accessing day-to-day livelihood opportunities, professional and personal networks (similarly overlapping) are generally acknowledged to be the most important sources. Advisory information from one's network is seen to be an important factor in decision making also because of its alignment with one's context and challenges. This is true not only for entrepreneurs and mobile workers (or those that move from place to place for their work) but also for employees, students and aspirant entrepreneurs. Many of the cases indicate that people are not only information sources for potential opportunities but also a mode to translate those opportunities into real gains. Many rely on their contacts (personal as well as professional) for daily-wage work information, as well as recommendations to potential employers. Building and maintaining relationships with such contacts is therefore carried out (through mobile phones, as well as other ways of interacting) with anticipation that the activity will lead to livelihood opportunities, if not now, at some point in the future.

The mobile phone plays a key role in this process as a primary means of contacting the respondent. When Akhtar, electrician handyman in urban Bangladesh, initially moved to Narayanganj he visited ten nearby electric goods shops, explained his skills to them and gave his mobile number to each of them such that they could call him anytime for electric repair work. This, together with daily interactions with the shop owners helped him establish a relationship and also made him easy-to-reach. This led to many concrete livelihood opportunities and benefits for Akhtar. This, the research finds to be fairly common.

Knowledge and skill acquisition

Acquiring new skills and enhancing existing ones are seen as essential to converting opportunities into livelihood benefits. The research finds that acquiring multiple skill sets contributes not only to opening more avenues and opportunities in terms of diversifying one's offerings, it also helps one provide better quality service to clients and build stronger ties with them. It also reiterates the position that people acquire new skills not only through formal education sources such as books and institutional courses, but also through trading skills with friends, working with people of different professions as well as learning from experts.

Having additional or complimentary skill sets to one's core skills can create more opportunities and monetary rewards available to respondents. For example Arawinda, an auto-rickshaw driver from Sri Lanka was previously an auto-rickshaw mechanic. His repair skills provide extra assurance to his clients whom he takes from the agricultural wholesale market to the bank in the late hours of the night (see box below) with large sums of money. Clients feel comfortable that he would be able to manage unexpected situations such as a vehicle break down which might risk the safety of the passenger and their money. His reputation as an auto-rickshaw driver with good auto-repair skills is established among the wholesalers and they recommend him to their clients who may need to carry large sums of money at late hours thereby making more everyday work opportunities available to Arawinda.

Personal and professional networks were observed to be important sources of accessing information regarding practical or hands-on skill acquisition. Respondents either sought to learn skills from friends and colleagues or approached them to know more about methods of skill acquisition. In some cases people were even found to barter skills. There is thus opportunity for the mobile phone to play a greater role in connecting the seeker to credible sources of skill-related information.

Language and communication came across as an important area of skill enhancement, especially, among respondents in India, Bangladesh and Pakistan. Several respondents were interested in learning foreign languages and dialects either after or in anticipation of migration for work. For instance one Bangladeshi respondent downloaded an Bangla-English dictionary on his mobile; another respondent from Thailand set the language to English on hers, so that she can improve her English skills through texting; a South Indian housemaid claimed that her communication skills have become better over time with use of the mobile, giving her practice, and therefore confidence in speaking. She is more able to assert herself and be heard at her self help group meetings.

For specialised or technically advanced skills some respondents depended on formal knowledge sources such as books and vocational institutes that could either provide visually illustrated knowledge or experiential training. Time and money invested in formal training and unawareness about relevant training courses are among the factors identified as barriers to acquiring high value generating skills that can lead to productivity in livelihoods. This poses an important service opportunity in terms of identification and dissemination of information on growth prospects, in terms of skill and capacity building as well as high-income generation opportunities.



Arawinda

Auto-rickshaw driver: Dambulla, Sri Lanka

Arawinda is a night-duty auto-rickshaw driver in Thambutthegama (on the outskirts of Dambulla) who is leveraging the opportunities that exist after dark using his mobile phone. A native of Anuradhapura he migrated to Dambulla for better professional opportunities. Having dropped out from school after his parent's separation and having started work soon thereafter he now has 17 years of experience in the auto-rickshaw services business. He worked as an auto-rickshaw repairman for several years in Thambutthegama before becoming driver. He earned LKR 15,000 (approximately USD 117) per month through auto-rickshaw driving services.

He mainly provides auto-rickshaw services for farmers that frequent the Dambulla Dedicated Economic Centre, Sri Lanka's largest agricultural wholesale market. His brother-in-law who works in this

market recommended Arawinda to farmers who were looking for a trustworthy auto driver. However he is very particular about not letting them carry their vegetables in his auto-rickshaw as he does not want the smell to bother his other clients. Instead, he has built a trustworthy bond with them and takes them to the local bank to deposit money that they made in the market that night. He offers his services to these farmers in the uncertain hours of the night, till about 5am. Working at night gives more work satisfaction to Arawinda and he manages to earn approximately LKR500-600 (approx. USD3.90-4.70) every night. He has built a good relationship with these farmers so now they recommend him to other farmers and sometimes even call him to check the market prices of vegetables. His productive relationships with customers and market owners are built using his mobile phone. Similarly people from the nearby army cantonment also recommend Arawinda for picking up fellow soldiers from the bus stop. He gets references from friends to repair auto-rickshaws as well.

He uses his phone much more for professional use than for personal use. However, he calls his wife and son very often when he is at work. Especially if he is going to be running later than the time he had originally told her.

He bought himself a new colour screen Motorola phone for LKR 8000 (USD 63). But then he felt that expensive mobile phones need proper maintenance and are not good for hard use so changed to a lower-end Nokia phone.

He re-loads his pre-paid phone by around LKR300 (USD2.35) every month. He usually does it through scratch cards for about LKR 50 to 100 (USD 0.39 - 0.78) every time, as he does not trust electronic topping up. He also spends LKR 30 (USD 0.24) per month for his voice mail service.

He uses his phone to play off-line games and also uses its alarm function. He is aware of sending and receiving text messages, but he is only capable of receiving and reading and cannot send SMSs. His ringtones and songs that he has downloaded entertain him while he is waiting or bored. He spends LKR 30 (USD 0.24) per month for downloading caller tunes from the service provider. He changes his caller tune every day. He initially activated the voice-mail services unknowingly but now is using it regularly in order to ensure that he doesn't miss any of his clients' calls. He has also activated call-barring services for when he doesn't want to pick up calls as he's resting. He does this because he feels his customers would be less disappointed at receiving an "out of coverage area" message, than knowing that he either isn't answering their call or has switched off his phone.

Arawinda found out from a friend that there is going to be a highway built between Dambulla and Kandy. As a result of this he believes his land will be taken over by the state and he would be given compensation in cash. Even though this information is not confirmed, he has already started envisioning what he would do with that money, including ideas of expanding his work into building an auto-rickshaw business with several auto-rickshaws and drivers as well as auto-rickshaw repair services.

Moving forward: Livelihood information services?

The findings presented so far indicate room for mobile-based livelihood information services for the BOP, given the high levels of BOP mobile penetration. While some Asian mobile service providers are already providing such services (e.g., agricultural price information, weather information, crop advisory services, etc.), BOP-representative surveys carried out by LIRNEasia indicate that usage of such services is very low. In fact, awareness of such services does not even exceed 30 percent of BOP teleusers in the six countries studied. The key reasons cited by those who are aware of such services are lack of knowledge on how to use it, and the services not being applicable. The former suggests that awareness is only at the surface level (i.e., knowing that the service exists in abstract) rather than at a practical level (i.e., how the service works, what you can actually gain from the service, etc).

Table 1: Reasons given for not using livelihood information services (% of BOP mobile owners who are aware of such services but not using them)

| | Bangladesh | Pakistan | India | Sri Lanka | Thailand |
|----------------------------|------------|----------|-------|-----------|----------|
| I don't know how to use it | 35% | 21% | 34% | 28% | 26% |
| It is not applicable to me | 60% | 52% | 39% | 48% | 55% |

Besides this, the relevance and accuracy of information are major priorities for farmers for example. Mass media based information, such as weather information broadcast on television is deemed as more credible, as well as more cost-effective. Furthermore, the relatively low levels of SMS literacy, like in the case of Arawinda, may also exacerbate the situation, as many of such services are SMS or text-based.

In general, respondents across the board have been interested in how to improve existing livelihoods, or find new opportunities. While Internet use is still very low, some youth report using mobile Internet to find out about jobs and education, though ending up with inaccurate and out-dated information. While some are aware of the Internet (that it exists, and they can get information through it), there is still uncertainty among the BOP of what exactly it is and how they can use it.

Full report available at <http://lirneasia.net/projects/2010-12-research-program/teleusebop4/>

The research presented in this brief is based on the findings of the fourth and most recent Teleuse@BOP study conducted in six Asian countries: India, Indonesia (Java only), Pakistan, Bangladesh, Thailand, and Sri Lanka. Two separate face-to-face surveys were conducted a BOP¹-representative survey of over 10,000 respondents in the six countries, and a non-representative survey of 950 agriculture sector micro-entrepreneurs and farmers in India, Bangladesh, Thailand and Sri Lanka. Additional qualitative research was conducted in all countries to enhance the understanding of the survey findings. Research was conducted in 2011. This work was supported by a grant from the International Development Research Centre (Canada) and UKAid from the Department for International Development (UK). For more information visit www.lirneasia.net

¹ Defined as belonging to Socio-economic classification groups D or E.