



FROM CHALLENGE
TO TRANSFORMATION:

THE STORY OF “HOLA TRACTOR” IN BOLIVIA



Hola Tractor



What would you do if you had machinery that was not being used for a large part of its life cycle? Or, on the contrary, what would you do if you couldn't afford machinery that would help you improve and optimize your production processes?

This was one of the questions the founders of Hola Tractor, an app that works similar to the well-known application Uber, facilitating the rental of agricultural machinery and tools through a digital platform, asked themselves. The application allows equipment owners to put their assets to work whenever they do not use them. Meanwhile, they give different users the opportunity to have access to quality machinery near their geographic location.

What is the story behind this solution?

The idea of the founders, María René Méndez and Pedro Viera stems from a trip on which they rented an apartment through a well-known online platform, where they enjoyed the accommodation without being the owners. This is when they decided to transfer this model to the agricultural sector and to develop a solution that could meet the needs of users who wanted to have access to different types of machinery without having to do large investments and without becoming the owner of the machinery (a problem they have been seeing constantly coming from producing families being users of agricultural machinery). They designed a platform that could connect tractor owners

(service providers) with small producers. María René and Pedro were convinced that with their solution they would be able to satisfy a real need in the community, which is why they founded Hola Tractor in 2020, with its headquarters located in Santa Cruz de la Sierra, Bolivia.

A startup founded during the pandemic.

Founded in the same year in which Bolivia was facing the first cases of COVID-19, Hola Tractor emerged at a time of unprecedented challenges. Despite the initial obstacles and uncertainties that marked this time, Hola Tractor's founders decided to follow the path of innovation, to defy adverse circumstances, and to focus on creating tangible solutions for the agricultural community.

This background of their initial idea and the panorama in which they started operating, highlights the importance of adapting and thriving in moments of adversity, establishing a living testimony of how innovation can flourish even in the most difficult times. Only one year after its foundation, Hola Tractor came across Innovatech's call for applications, a program funded by the International Fund for Agricultural Development (IFAD) and implemented by the German Sparkassenstiftung, with the aim of linking smallholder producers from the countryside with digital service startups to improve access to resources, as well as to increase their production and to introduce them to new markets.

Entering the Innovatech program.

112 startups from 16 different countries applied to be part of Innovatech, and Hola Tractor was one of the 12 selected startups to face this challenge. The goal was to generate impact in Bolivia, a milestone in the development of the startup.

Hola Tractor was one of the startups selected for the program, representing an opportunity of offering a valuable solution to smallholder producers who were facing the risk of a high percentage loss in case of not properly executing their tasks at the right time and with the support of the right agricultural machinery. In these cases, the producers could lose up to their entire investment, leaving them without an economic livelihood for their families. This is why Innovatech and Hola Tractor joined forces and started this adventure with the continuous endeavor to improve processes and resources for small farmers in Latin America and the Caribbean.

Hola Tractor changed its business model and target group.

In its early stages, Hola Tractor, integrated by 8 members (5 operators plus 3 tractor drivers), aimed to serve medium and small agricultural companies. However, joining the Innovatech program and guided by the vision of generating an impact on smallholder producers, their focus changed. Making the most out of all the resources provided by the program, Hola Tractor redefined its focus and adjusted its business model with the help of Innovatech. During this process, various trips were made to communities like Oruro, La Paz, and Potosí in Bolivia with the aim of generating a link with smallholder producers and of understanding their needs first-hand. The team participated in agricultural fairs and acquired machinery to support the agricultural processes of organizations. In addition, other investments were made in technological developments, electronic equipment, and more tools, which helped to create a real impact on the program's target group.

It has not always been an easy path...

In innovative ventures like this one, it is very common to face significant obstacles, which was also the case for Hola Tractor. These obstacles included limited Internet connectivity in the communities, lack of contact with producers in databases, and demotivated farmers who were hoping for immediate results. In addition, most farmers were elderly and lacked access to smartphones or mobile data services, which was further complicating the situation.

However, despite the above-mentioned challenges, both Hola Tractor and Innovatech were ready to face and overcome them. Strategic alliances with organizations like ANAPQUI and Procamélicos were formed, and women and young people from the communities were identified to support the startup as Hola Tractor agents. Producers with the same needs of machinery were formed into groups, physical service points were opened, one of them being the Hola Tractor agency in Callapata (a community located 116 km from Oruro, Bolivia). In addition, several free workshops and training sessions were held in remote communities to demonstrate the use of the machinery so that farmers could use it with their crops, having in mind the development of a comprehensive solution that would generate benefits for all parties involved.

This adaptation process was carried out in different phases and required a precise alignment of various blocks of the startup's business model to achieve the desired result. Despite initial attempts to modify certain processes in isolation, the startup quickly understood that this process had to involve all aspects of the business to achieve a real transformation. The joint vision of the team was of vital importance in the restructuring of the solution, involving various roles from both Hola Tractor and the team provided by Innovatech (Project Manager, the KPI mentor and the PO mentor). Each role played a crucial part in a comprehensive change process.

This path became part of a new era for Hola Tractor, adapting their solution to a new market, a market with diverse needs, which is why they managed to generate not only an economic impact, but also a social one.

...but a necessary one to create an impact.

Today, Hola Tractor is a multi-user platform that allows producers to request services and products from various points of contact that suit their needs. May it be via website, text messages (SMS) or phone call, the platform centralizes service requests by grouping them by geographical areas and redirects them to a corresponding agent, who is then responsible for coordinating the logistics needed for the delivery of the required machinery.

A key element of this operation is the implementation of GPS devices in the machinery, which are linked to the platform. This integration guarantees the accuracy and authenticity of each operation, as well as providing real-time information on the location and status of the machinery and its operators. Both, producers, and agents can access the platform, which allows them to select the necessary machines and schedule dates and times of use in a convenient and efficient manner, increasing income, access to services and jobs for small producers in rural Bolivia.

All the above-mentioned activities are possible thanks to the operation of the Hola Tractor team, consisting of 23 people (12 operators and 11 tractor drivers), and 35 independent agents in rural areas, women from the communities of the Bolivian highlands, who as part of a program called "Women Leading in Agriculture", have been trained and empowered at zero cost, creating room for inclusion and leadership in rural areas. This initiative was created by Hola Tractor's co-founder María René and carried out within the Innovatech Project.

Don Fermín, a testimony of success:

A living example of the impact generated by Hola Tractor is Don Fermín, whose story shows how the Hola Tractor platform changed his life. Fermín Ticona, 60 years old, is a member of the Jankoamaya community and belongs to the Aymara ethnic group. He has dedicated his whole life to raising llamas and earns his income from selling its meat and wool. He has been living alone on the slopes of a hill for the past four years, after the death of his wife. Don Fermín, who has difficulties getting around due to health problems, found himself in trouble when trying to build fences and mobile farmyards for his llamas. However, for the year 2023 he received help from the production support program ProCamelidos, which provided him with material for his farmyard. There was still a challenge, though: How would he dig the holes for the posts in the agreed time? And that's where Hola Tractor came into play.

Don Fermín attended the mechanization workshops given by the startup and discovered the support he could receive. Despite his initial skepticism because of never having used a digital solution before, he was amazed to see how the tractors did a job that would have taken him days, in a matter of seconds. Impressed by this efficiency, Don Fermín sought the support of Hola Tractor for his community.

The agent who took his case spoke his language Aymara, as she had been part of the "Women Leading in Agriculture" program. Being a neighbor of the Jankoamaya community, she provided him with details about costs and timing, which helped him to request a tractor from his cell phone, something completely new to him. A task that would have taken him a long time in the past, was now just a click away. Don Fermín returned to his community with a big smile on his face. The collaboration with Hola Tractor not only provided him with practical solutions, but also brought him a sense of accomplishment and joy.

The great potential of Hola Tractor.

To date, thanks to its great effort within the Innovatech program, Hola Tractor has impacted more than 87 communities within three departments of Bolivia: La Paz, Oruro, and Potosí. The presence of Hola Tractor in various assemblies and meetings of different organizations underlines its social commitment to these communities. Its mechanization service, for example, has reached 17 communities in the department of

La Paz. 82 productive units dedicated to camelid livestock have benefited from the mentioned initiative, which has created a positive impact on more than 330 people.

Looking at more than 10 thousand holes that have been dug for the installation of posts for fencing and mobile farmyards for the target group, what translates into the protection of 750 hectares of land, the power of tractors becomes very evident. This initiative contributes significantly to soil preservation and the revitalization of native pastures. Hola Tractor has not only improved efficiency and productivity for these communities but has also aligned itself with the vision of a more sustainable and adaptable future for them, which has made the startup become an essential partner for providing access to previously inaccessible technologies. This transformation, sparked by Innovatech, is a testament of how strategic partnerships and some flexibility can create meaningful social change. Hola Tractor fulfilled its mission of empowering those who depend on the land for their livelihoods, creating a real and lasting difference.

