HOW TO BUY FARM MANAGEMENT SOFTWARE

in 6 Steps

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Content

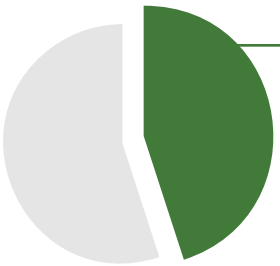
Introduction

Farm management software is a central daily operations management platform on a farm, used by all stakeholders - farm owners, farm managers, agronomists, field workers, and others. Once implemented successfully, farm management software is on average used for 5-10 years, and during that period, the most important farming decisions are based on the data and insights from it. This makes choosing the right vendor for your farm management software one of the most important decisions a company can make.

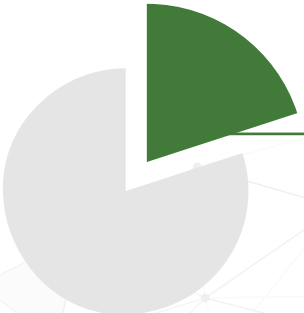
Research done by McKinsey in 2022 shows that 44% of farms in the United States and 23% of farms in the European Union use farm management software to improve the efficiency, profitability, and sustainability of their crop production. As digitalization in agriculture is growing, many farms and agri-food companies are deciding to buy their first farm management software.

AGRIVI is on a mission to empower the agri-food industry with digital agriculture solutions to produce healthy, safe, and nutritious food in a sustainable and profitable way. In the last decade, we have supported the digital transformation of thousands of farmers and millions of hectares in over 100 countries. Today, we successfully support the largest global food producers and their crop production activities, whether on their large-scale farms with comprehensive farm operations or in their agriculture supply chain with farms of all sizes using the software.

This guide was created based on AGRIVI's experiences, lessons learned, and the views of our customers that have successfully implemented farm management software. The purpose of the guide is to support farms and agri-food companies in choosing the right vendor for their farm management software, considering all key decision-making factors that lead to success.



44% of Farms in the USA Use FMS



23% of Farms in Europe Use FMS

Buy Farm Management Software in 6 Steps

The rapid growth of the AgriTech industry in the last decade has resulted in many great innovations and products delivered to the market. There are many new companies and solutions, so choosing the right vendor for the core software for your company can often be overwhelming and hard to navigate.

Many questions can arise when choosing farm management software:

What type of farm management software is the best for your business needs?

Which farm management software is available in your country?

How do you define requirements and criteria to manage the purchase process?

How do you choose the best vendor that will guide you toward success?

Depending on the size of your business, finding the right farm management software and the right vendor for implementation can be a long and complex process.

This 6-step guide will help you prepare for the successful vendor selection process. Make sure you follow the steps thoroughly to avoid skipping important criteria and questions and to secure finding the farm management software that is best suited to your business.

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STEP 1.

Define a Project Team

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Many projects have failed after the implementation because not all stakeholders were involved during the purchasing process. Identifying all stakeholders that will use the software or will benefit from it is extremely important. Otherwise, there is a high chance that the software will not meet all business needs, or that some stakeholders who were left out will not want to use the software, which will lead to project failure.

Defining a project team that will sponsor and support the purchase and implementation of the farm management software is of major importance. Depending on the size of your company, the project team roles will vary, and sometimes the same person will cover multiple roles. However, there are a couple of roles that should be identified and addressed:

Project Sponsor

A project sponsor is a person or a group who will authorize the project goals and the budget and approve what farm management software the company will buy. Usually, the project sponsor is a part of the C-level or senior management team and is not operationally involved in day-to-day tasks. The project sponsor collaborates with the project manager on regular steering meetings to monitor the progress and make key decisions.

Project Manager

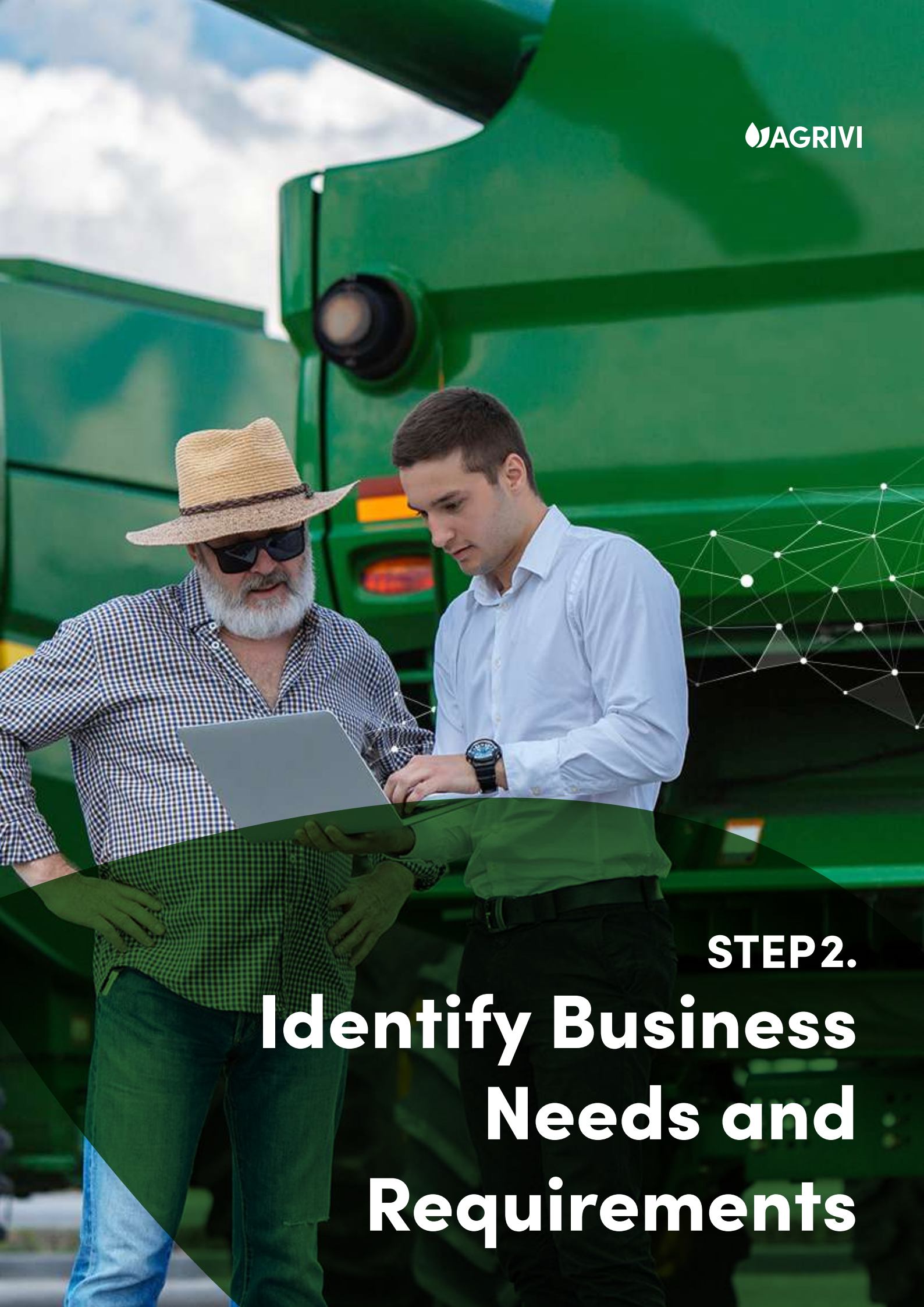
A project manager is a person who will lead the entire process of the farm management software purchase, from planning the process, organizing the execution of all steps from documentation to meetings, communicating details of everyday tasks with the key users to making sure that the process meets high-level goals set by the project sponsor.

Business Owner

The business owner is the operational owner of the project, usually the person who manages the business unit and leads the team that will use the software. The business owner is critical for the process of buying farm management software, as it will be a daily support tool for the business unit and the team. Business owners' commitment during the purchasing and implementation process is a prerequisite for securing successful implementation.

Key Users

Key users perform different roles in the organization, have good knowledge of the business processes, and will be regular users of the farm management software. It is important to involve key users in creating the list of business requirements as their contribution will make sure that the software fulfills the needs of their daily jobs. Ideally, there should be one representative for every role in the organization that will use the software. It is not recommended to include too many people during the purchasing process, to secure that the team can be quick and agile. During the implementation, key users will already have the knowledge of the selected software and will act as internal champions that will actively promote key benefits and will lead the adoption.



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STEP 2.

Identify Business Needs and Requirements

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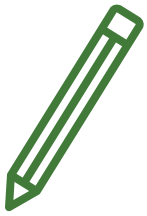
To identify your business needs and requirements before you start the purchasing process, you will need to include your entire project team. Make sure you write down:

- **Everyday jobs you would like to track with farm management software for all roles in your organization**
- **Jobs and activities you would like to do but have been unable to do so far due to the lack of technology or resources**
- **Business goals and requirements you need to do to achieve them**



If you are already using some software, be careful not to fall into the trap of replicating that software. Focus on jobs and goals you need to support and create business requirements based on that.
We have prepared a list that can serve as your starting point, save you time and make sure you do not miss some needs and requirements. However, this list is a generic set of requirements, and you should fully adjust it to your business needs and requirements.

No.	Category	Requirement name	Description	Importance	Vendor response	Vendor comment
1.1	Farm and resource management	People registry				
1.2		Field registry				
1.3		Machinery and equipment registry				
1.4		Item management				
1.5		Warehouse management				
1.6		Multiple farms management				
1.7		Multiple legal entities				
1.8		Work cost setup for people and machinery				

No.	Category	Requirement name	Description	Importance	Vendor response	Vendor comment
2.1	Crop production management	Crop and variety management				
2.2		Crop rotation / crop planning				
2.3		Season work templates				
2.4		Work orders for field activities				
2.5		Assign work by people and machines				
2.6		Tracking work hours				
2.7		Tracking machinery usage				
2.8		Tracking input usage				
2.9		Tracking cost of work and inputs				

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No.	Category	Requirement name	Description	Importance	Vendor response	Vendor comment
3.1	Field activity records	Tillage				
3.2		Soil analysis				
3.3		Seeding/planting				
3.4		Fertilizing				
3.5		Scouting				
3.6		Spraying				
3.7		Irrigation				
3.8		Pruning				
3.9		Harvesting				
3.10		Transport				
3.11		Maintenance				
3.12		Processing				
3.13		Quality grading				

No.	Category	Requirement name	Description	Importance	Vendor response	Vendor comment
4.1	Real-time and predictive insights	Weather forecast and history by field				
4.2		Weather station insights				
4.3		Soil sensor insights				
4.4		Vegetation indices (satellite imagery) by field				
4.5		Severe weather alerts by field				
4.6		Pest and hazard alerts by field				
4.7		Spraying timing recommendations				

No.	Category	Requirement name	Description	Importance	Vendor response	Vendor comment
5.1	Precision agriculture	Prescription (VRA) maps creation				
5.2		VRA maps based on vegetation indices				
5.3		VRA maps based on soil maps				
5.4		VRA maps based on yield maps				
5.5		VRA maps based on multiple layers				
5.6		Export VRA maps to shapefile				
5.7		Sending VRA maps to machinery				

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No.	Category	Requirement name	Description	Importance	Vendor response	Vendor comment
6.1	Reporting	Work operations reports				
6.2		Spraying reports				
6.3		Fertilizing reports				
6.4		Irrigation reports				
6.5		Soil health reports				
6.6		Harvest reports				
6.7		Financial reports				
6.8		Production economics reports				
6.9		Report export to PDF and Excel				

No.	Category	Requirement name	Description	Importance	Vendor response	Vendor comment
7.1	Analysis	Yield analysis per crop, variety, field				
7.2		Production cost analysis per crop, variety, field				
7.3		Profitability analysis per crop, variety, field				
7.4		Input usage analysis per crop, variety, field, time				
7.5		Seasonal financial analysis (budget vs actual)				

No.	Category	Requirement name	Description	Importance	Vendor response	Vendor comment
8.1	Finance management & back office	Sales invoice management				
8.2		Purchase invoice management				
8.3		Payment transactions registration				
8.4		Payables/receivables management				
8.5		Customer management				
8.6		Vendor management				

No.	Category	Requirement name	Description	Importance	Vendor response	Vendor comment
9.1	Agriculture supply chain & advisory	Farm registry/supplier management				
9.2		Farm contract management				
9.3		Risk and progress insights over farm portfolio				
9.4		Best practices templates for farms				
9.5		In-platform communication with farms				
9.6		Agronomic recommendations by adviser				
9.7		Farmer discussion boards				
9.8		Harvest plan by farms				
9.9		Traceability reports				

STEP 2.
Identify Business Needs and Requirements

No.	Category	Requirement name	Description	Importance	Vendor response	Vendor comment
10.1	Other requirements	Roles and permissions management by user				
10.2		Mobile application (iOS, Android)				
10.3		Offline mode for mobile application				
10.4		Single sign-on (SSO) support (Microsoft AD, Okta, etc.)				
10.5		API for third-party integrations				
10.6		Ability to secure private cloud deployment				
10.7		ISO 9001 - quality management				
10.8		ISO 27001 - Information security				
10.9		ISO 27017 - Information management for cloud security				

All the requirements need to be prioritized, to be able to identify core features and to be able to phase the implementation. We recommend you use three different prioritization levels:

- **Must have** – a core requirement that is a prerequisite for a go-live
- **Should have** – not go-live critical, can be covered in later phases of implementation
- **Nice to have** – a nice feature, but not process-critical and can be phased out if needed

Make sure that your core team reviews the priorities and confirms them. When the implementation starts, you should avoid changing priorities and making something that was flagged as “Nice to have” become “Must have” in the middle of the project.

The requirements list will be shared with selected vendors in the next steps, and you will need to work together to fill out the document.

Remember, prioritization of all requirements is done to be able to find a solution that can cover your core requirements and achieve your main business goals. It can be challenging to find the perfect solution that will immediately cover all your requirements, so be ready to phase the requirements based on priorities and focus on key values you need to get to improve your **efficiency, profitability, and sustainability**.

STEP 3.

Analyze Farm Management Software Types and Relevant Vendors

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Analyze Farm Management Software Types and Relevant Vendors

When you have all the requirements and a project team in place, you should have a clear vision of what are you looking for. Before you start identifying vendors, it is important to get an understanding of the different types of farm management software.

Key Types of FMS

TYPE 1

Simple precision agriculture and record-keeping platforms that provide farmers with things like remote satellites and weather insights needed for applying precision agriculture practices and basic field record-keeping.

TYPE 2

Comprehensive farm management platforms that include all capabilities as precision and record-keeping platforms, but extend that with complete farm management, starting with season planning, work order management, inventory management, farm financial management, and advanced farm analytics – from crop performance to profitability analytics.

TYPE 3

A**gronomic advisory platforms – farm management software** (simple or comprehensive) extended with modules for agronomic advisers. Features for agronomic advisers usually include farmer portfolio management by countries/regions, analyzing risks by farm, analyzing actual practices by farm, and providing recommendations.

TYPE 4

Agriculture supply chain platforms - farm management software tailored for food and beverage companies to manage their agriculture supply chains. They include all features as comprehensive farm management platforms but extend that with modules for the management of farmer contracts, defining best practices and standards, providing agronomic advisory, analyzing the risk of the entire farmer portfolio, securing traceability, and much more. Generally, these tend to be global in scope and have localized language, currency, and units of measure. With this type of farm management software, food companies can bring a farm management platform to all farms in their global agriculture supply chain.

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Start the Research

There are a couple of ways to start the research of farm management software vendors:

- **Google** "farm management software market report" - you will find summaries of various global market research that were done by independent market research agencies, and you will find the list of key vendors on the market.

- **Google** "farm management software" - key vendors are usually positioned on the first 3-4 pages on Google, so you will have direct access to their websites.

- **Ask for a recommendation** – if you have connections with other crop producers like your company, ask them for a recommendation and their experience.

During your research, make sure that you are careful of:

- **Lists of top farm management software on some vendor blogs** – these are blogs that promote a specific vendor and are not done from an independent perspective.

- **Promo articles in the media** – these are sponsored articles that promote a specific vendor while positioning it near key vendors in different software/agtech categories.

- **Directories with rankings** – there are a lot of websites that provide lists of software vendors by categories and rankings based on reviews. If anyone can leave a review there, those reviews are usually fake. Make sure that a directory has a strict verification policy that reviews are done by actual customers (invite-only reviews).

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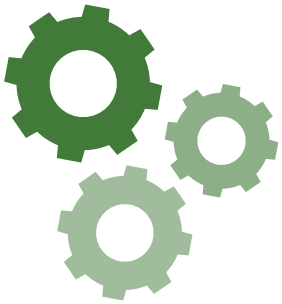

Identify the Top 5 Vendors

When you identify who the key vendors are you will probably have a list of 10-20 vendors. Now you need to do a high-level assessment of selected vendors based on publicly available data and narrow the selection to a couple of top vendors that might fit your requirements – we suggest selecting the top 5 vendors.

Here are a couple of segments you should have in mind during the high-level assessment:

The product – at this stage you still did not go into a detailed analysis of all the product details, but based on the publicly presented information, does the product seem to cover your business needs and processes? An effective way to filter is by farm management software type – e.g., if you are looking for comprehensive farm management software, you should focus on vendors that clearly offer enterprise farm management software and eliminate from assessment all vendors that do not fit that type.

Case studies and references – search for customer testimonials and case studies, as they should provide insight into how the product solved problems and requirements other customers of that vendor had. Make sure that the vendor has a substantial customer base and that it is mature enough - a good reference is that market research reports position the vendor among key global players.

Implementation process – if you are looking for comprehensive farm management software, make sure that the vendor offers a fully managed platform implementation process, versus a self-service model. Trying to implement the software by yourself is one of the most common reasons for project failure while having a specialized and experienced team that guides you through the entire process increases the probability you will implement the software properly and that you will utilize its full capabilities to meet your business needs and requirements. Check if the vendor can support you on-site at your farms.

Vendor ownership – farm management software is offered to the market by both independent vendors, or by companies that deliver it as a part of their eco-system to farms with whom they collaborate (seed and chemical companies as a part of their agronomic advisory service, food companies as a part of their agriculture supply chain management). All options are valid; however, you must be aware of the ownership and sure that it aligns with your interests. If you have a lot of intellectual property in your data, choosing an independent software vendor could be a better option

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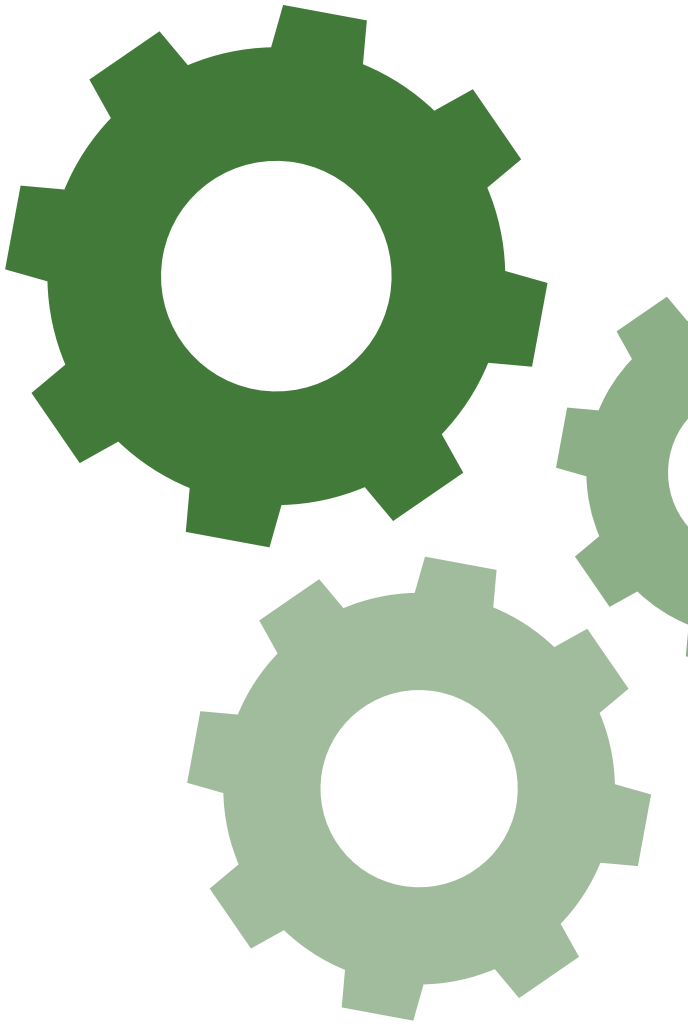

for you. If you are a small or medium-sized farm loyal to a specific input manufacturer or working exclusively with a food or beverage company, it might be feasible to improve your collaboration with them by using the farm management solution they bring. And if you are an input or food/beverage company looking for a farm management platform for your agronomic advisory and/or agriculture supply chain management, choosing an independent software vendor will protect your strategic interests.

Pricing – during the high-level assessment, it is recommended not to focus on the pricing, as most enterprise farm management software vendors will not have their pricing information available publicly as the budget depends on many factors (in the next step). Pricing information is sometimes available for vendors who offer simple precision ag and simple record-keeping software for small and medium-sized farms. Focusing on pricing at this stage, rather than securing the right product fit, will increase the chance that you miss the right solution for you. Vendor price should be analyzed as the last step when you will compare final vendors that can meet your business needs and requirements.

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STEP 4.

Define the Budget and the Timeline

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Investing in farm management software is a wise choice because you will see a return on the investment within the first couple of years.

When defining a budget, you should make sure that you budget all elements that are needed for a successful farm management software implementation:

- **Software licenses/subscriptions** – a recurring annual fee for using the farm management software.
- **Infrastructure** – a recurring annual fee for an infrastructure needed to run the farm management software.
- **Implementation service** – one-time fee for software deployment on the infrastructure, software configuration, data migration, integration with other software or software extensions to meet specific requirements, project management to meet the timeline and budget, etc.
- **Training** – one-time fee for education of all users on how to use the farm management software.
- **Customer success/support** – a recurring fee for regular and/or proactive support of digital agriculture experts to your users.
- **Maintenance** – in case of included custom development in your farm management software implementation, you should expect a maintenance fee for the custom-developed modules.

To get a feeling for a budget, a good exercise is to try to estimate what would be a budget if you would develop the software internally by hiring software developers or outsourcing the development to a software agency. It is important to get that estimation of total hours needed, overall development duration with multiple software developers, regular maintenance to maintain the software, and all the integrations, and budget for continuous innovation into new features on annual basis to meet additional business requirements.

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If you want to speed up the process and do not have time or expertise to evaluate the budget from the perspective of internal software development, an effective way to estimate a budget is from the percentage of your cost of operations per hectare/acre.

Most farm management software companies are priced in the range of up to 2.5% of your total budget for crop production per hectare/acre. If you consider that premium farm management software can save you up to 10% of your total budget per hectare/acre annually, buying farm management software is not a cost, but an important investment to bring your farm to the next level.

In case you have a limited budget available that is less than the estimated budget for farm management software, these are the steps you can take:

- **Reduce the set of business requirements** – take a phased approach by prioritizing all business requirements and dividing them into 2-3 phases. By focusing on key processes that must be covered in the first phase and postponing other processes for later, you can reduce the budget.

- **Phase the roll-out by farms or crops** – instead of covering all farms, all crops, and the entire surface, go with a phased approach. If you have multiple farms or locations, consider starting with one or a set of farms/locations and covering others in the next year(s). If you have multiple crops and farm operations organized by crops, there is an opportunity to select one or a set of crops to start with and cover others in the next year(s).

Timeline Matters

The best time to start using farm management software is before the crop production season, so that training of all users is done when they have more time and that they are ready to use when the season starts so that you have all the data for the season collected. This way, you will be able to get the value out of the farm management software already in the first season.

Implementing the software in the middle of the season is done for short-period pilots if you want to first assess the software for some time and then kick off full implementation at the beginning of the next season.

STEP 4.
Define the Budget and the Timeline

How to Determine the Timeline?

The implementation of farm management software could take from a couple of weeks to a couple of months, depending on the size and complexity of your company and the scope of business requirements you have set. If you aim to start using the software fully at the beginning of the season, make sure that you start early enough to have time for vendor selection, contracting, implementation and training before the season.

If you miss the beginning of the season, this is not a showstopper.

Make sure that the vendor can support you with the data migration and/or offer a service of data entry, so you can put in the data retrospectively for that current season. This approach can also be used if you want to put in the data from previous seasons.

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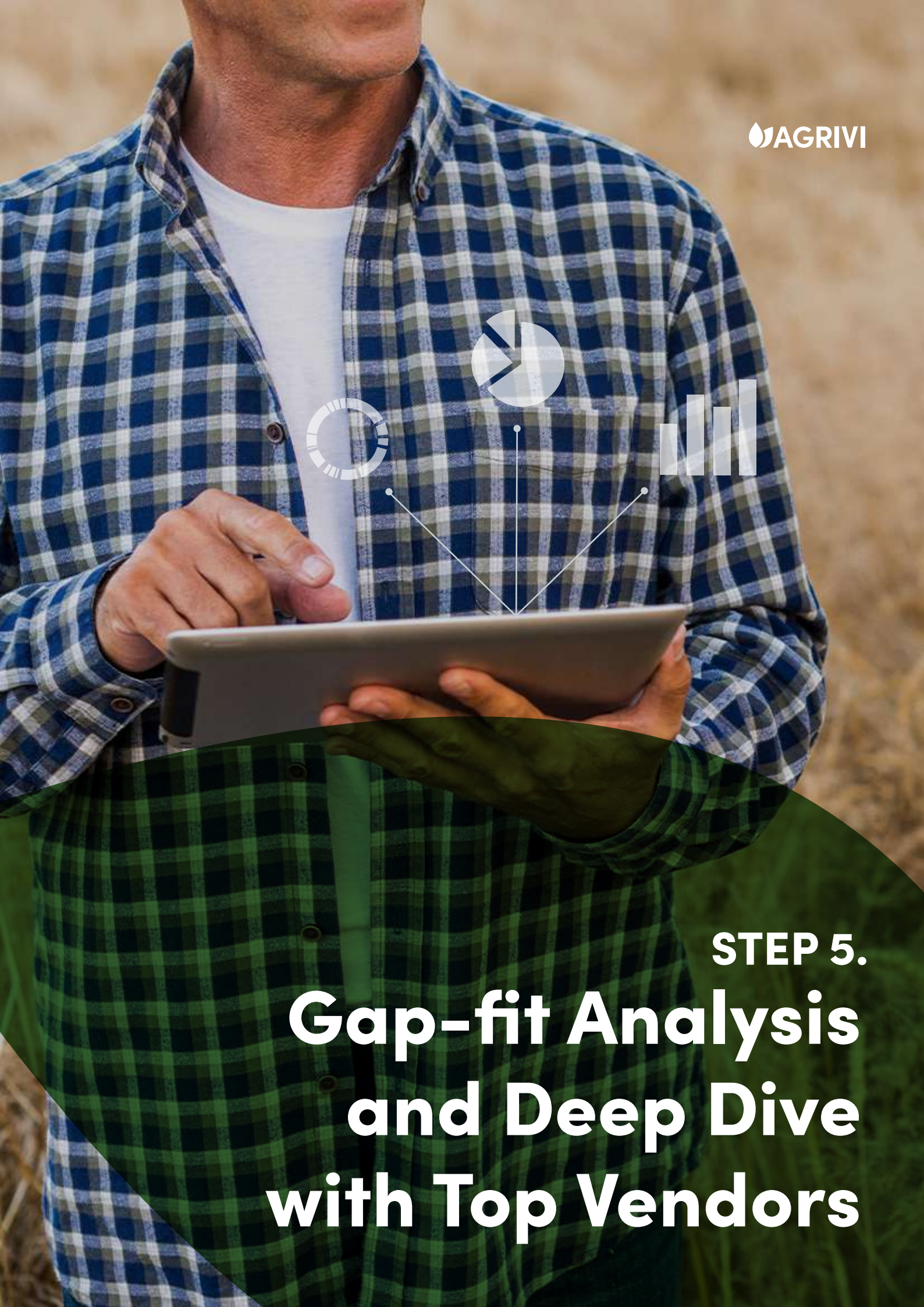

STEP 5.

Gap-fit Analysis and Deep Dive with Top Vendors

STEP 5.
Gap-Fit Analysis and Deep Dive with Top Vendors

This will be the most important part of your process as in this step, you will identify who is the right vendor that will deliver the farm management software you will use to meet your business goals for the next 5-10 years.
By narrowing down the number of top vendors to 5, you created a pool of vendors for your deep dives and gap-fit analysis. You could easily spend over 100 hours on this milestone, so starting the deep dive with 2 top vendors will allow you to be more focused on the quality of gap-fit analysis during deep dives. Increasing the number of vendors for deep dives will bring in less focus and, in this stage, quality matters more than quantity. With the quality approach, you will make sure that you maximize the understanding of whether the vendor meets your business needs and which percentage if not fully. You can use the remaining top 3 vendors as a fallback in case you do not get confidence during deep dives with the top 2 vendors.

How to Do a Deep Dive?

The requirement table you created at the beginning of the process will be your guideline for discussions with vendors. It is expected you will have multiple sessions for each vendor, so preparation will be the key to successfully doing a gap-fit analysis.
Multiple approaches can be used, and we will suggest the process for deep dives that based on our experiences bring the most clarity and can be done in 2-3 weeks

1. **Prepare the questions for vendors** and the answers that vendors need about your company
2. **Introductory call** – brief the vendor on the high level and share the list of requirements
3. **First deep dive** – go through the requirements and vendor's answers with the vendor
4. **Second deep dive** – organize the product demo with the vendor
5. **Third deep dive** – addressing open questions and the presentation by the vendor
6. **Gap-fit conclusion** - prepare your conclusion for the gap-fit and review it with the vendor

STEP 5.
Gap-Fit Analysis and Deep Dive with Top Vendors

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Prepare Questions and Answers

Outside of the list of business requirements and needs, it is important to prepare a list of questions to get answers from vendors about their company and way of collaborating with their customers, like:

- **How long is the vendor on the market?**
- **How many employees does the vendor have?**
- **Does the vendor have experience with similar companies?**
- **How does the vendor manage the implementation process?**
- **Does the vendor organize training for users; if yes, online or in-person?**
- **How does the vendor secure customer support, during which business hours, and in which languages?**
- **Is the vendor an independent company or owned by a stakeholder from the value chain?**
- **Which cloud infrastructure does the vendor use?**
- **Will your data be on a shared infrastructure, or the vendor also offers a private cloud?**
- **How is the data secured and backed up?**
- **Who has access to the data?**
- **Is the vendor certificated and meets security requirements (ISO 9001, ISO 27001, ISO 27017)?**
- **What is the pricing model (not the price, but how is the pricing done)?**

STEP 5.
Gap-Fit Analysis and Deep Dive with Top Vendors

Vendors will need to get a better understanding of your company and the scope of the farm management software implementation, so questions you can expect and should prepare answers for are:

- **Which crops do you grow and what are surfaces by crop?**
- **Do you have one or more farms, where and how do the crop surfaces look like by farm?**
- **How many employees do you have? What roles do you have in your organization and what**
- **number of employees for each role?**
- **What equipment do you have on the farm(s) – tractors, harvesters, irrigation, weather stations, sensors, etc.?**
- **Which digital tools and software do you use to manage your crop production now?**
- **What is your IT landscape overall in the company and are there integrations needed?**
- **How do you plan and budget your season?**
- **How do you organize your daily work in fields?**
- **How do you create reports and which reports?**
- **Do you have any certifications you need to meet?**
- **What is your average yield by crop per hectare/acre?**
- **What is your cost of production by hectare/acre?**

If you do not feel comfortable sharing the above information, it is highly recommended to sign a non-disclosure agreement (NDA) with key vendors as the first step of the process. It is in your best interest to secure that vendors get a good understanding of your company and the needs they need to support you with. All key vendors on the market are perfectly okay with signing the NDA.

STEP 5.
Gap-Fit Analysis and Deep Dive with Top Vendors

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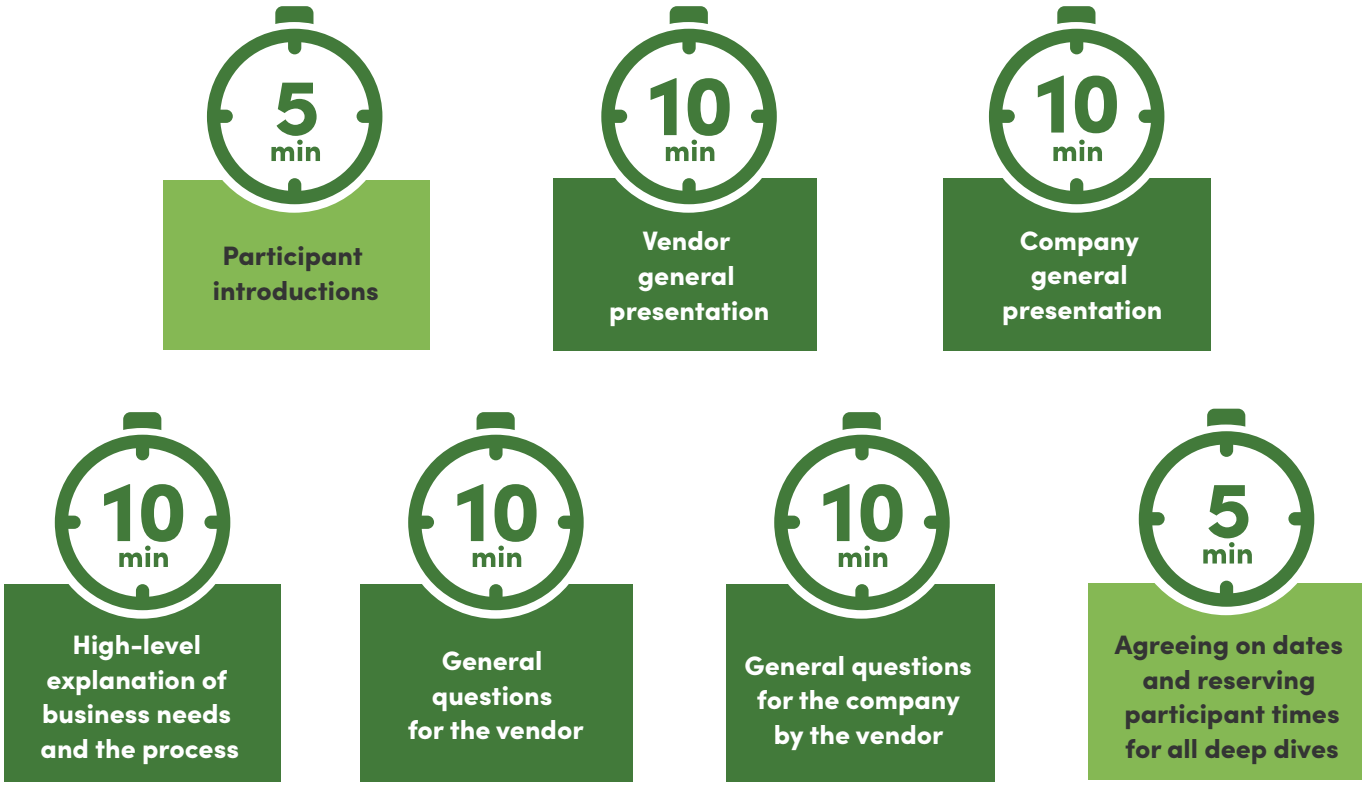
Introductory call

The introductory call should be a brief 60-minute call with the goal of doing the introductions, briefing the vendor on the process, shortly explaining on a high level what you are looking for, and getting answers from the vendor on your general questions.

A possible agenda for the 60-minute introductory call is:



After the introductory meeting and before the first deep dive, it is recommended to share the list of requirements with the vendor. This will allow the vendor to get a more detailed understanding of what you are looking for, prepare initial answers to address your business requirements, and prepare questions to clarify open questions on the business requirements. Vendor preparation will make deep dives more efficient and will save time for you.

STEP 5.
Gap-Fit Analysis and Deep Dive with Top Vendors

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First deep dive

During the first deep dive, you should go through every single requirement with the vendor and discuss how they will support it with the software. Make sure that the vendor has a good understanding of the requirements by addressing open questions they might have, and that the answers provided by the vendor address the way the software supports the requirements.

It is strongly recommended to focus on requirements by priorities, first to address must-haves and critical parts to understand if the software meets your core needs. If your core needs are met, then you can spend time understanding the support for nice-to-haves.

Make sure that you are making notes in the requirements lists for each requirement. If there is a case that the vendor might not meet some requirement, it is good to get a full understanding of the status for each requirement, to see if the vendor:

How does the product meet each of your business requirements?

- Meets the requirement with current product features fully, **or**
- Meets the requirement with current product features with a workaround, **or**
- Will meet the requirement in the upcoming period with its roadmap, **or**
- Can meet the requirement with the product extension/customization, **or**
- Can meet the requirement by integrating a third-party product for this need, **or**
- Cannot meet the requirement

The usual duration of the first deep dive is **90-180 minutes**, depending on the size of your company and the scope of your business requirements.

STEP 5.
Gap-Fit Analysis and Deep Dive with Top Vendors

Second deep dive

For the second deep dive, the vendor should prepare a demo that covers all core requirements and addresses what the actual user experience of using the product will look like.

At this stage, after thoroughly analyzing all the requirements during the first deep dive, the vendor should know the priorities to focus on during the demo. In case your crop production process is specific and differs from the standard crop production process displayed in the demo by the vendor, make sure that you use the deep dive well and explain your process to the vendor and ask to demonstrate how you would use the software with your processes.

Also, make sure you come to the demo entirely open-minded, as sometimes vendors will demonstrate the process based on experiences working with other companies. In case the process differs from your process, it is highly recommended to be open to evaluating whether such a process could work better for you. This could be an opportunity to improve your current processes.

Focus on the concept, not the data

There is a common mistake a lot of companies make while analyzing the product demo. It happens if you focus on analyzing the data in the demo, rather than focusing on the way how the software supports your business needs and what the user experience looks like. Vendors usually use generic data during the demo which could be from other regions, or on similar crops - do not try to compare your metrics with the data in the demo but focus on the type of metrics and insights you can get.

The usual duration of the second deep dive is **90-180 minutes**.

STEP 5.
Gap-Fit Analysis and Deep Dive with Top Vendors

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Third deep dive

After the first two deep dives, you should have:

- **A clear indication of how much the vendor meets your business needs and requirements with the farm management software**
- **A good feeling about how would the software usage look daily**

Be sure that you do an internal review meeting with the entire project team. Make sure that all stakeholders confirm if they understand how they should use the software based on the first two deep dives. There will be open questions, make sure that you write them down for the third deep dive and send them to the vendor a couple of days before the deep dive.

At this stage, the vendor should also have a clear understanding of the scope and should prepare the first offer that will indicate the budget and the timeline.

The goal of the third deep dive is to:

ANSWER OPEN QUESTIONS - it is recommended that the vendor addresses every open question in detail and highlights unclear segments in the product, to make sure that your understanding is complete.

PRESENT THE OFFER – the vendor should present the offer and explain in detail all elements that are included in the offer, the timeline for the implementation and go-live, the budget, and payment terms. Make sure that you get a full understanding of the budget and focus on comparing it with the value the software brings you. In case the budget will be higher than you have planned, discuss with the vendor the phasing options described earlier that could change the scope to meet your budget.

The usual duration of the third deep dive is **60-90 minutes**.

STEP 5.
Gap-Fit Analysis and Deep Dive with Top Vendors

AGRIVI

Gap-fit conclusion

After the third deep dive, the vendor should confirm or adjust the proposal based on your feedback by sending you the final proposal.

At this stage, you are ready to finalize the gap-fit analysis and make the decision with which vendor you will go into the implementation.

Before you make a decision, make sure that you are confident and comfortable with all the information collected during deep dives:

- **How the software will support your core requirements**
- **How does the implementation process look like**
- **What is the effort needed from your side during the implementation**
- **The vendor is experienced and understands your business needs well**
- **The vendor offers customer success and training**
- **The vendor can meet security and compliance requirements**
- **The vendor ownership fits with your strategy**
- **Planned to go live date meets your business targets**
- **Budget, phases, and payment terms meet your expectation**

It is recommended that you do a brief review meeting with the vendor where you will present your conclusions on the gap-fit analysis. This will be an opportunity for the vendor to make final interventions or suggestions on scoping, phasing, or budget-wise.

After the review meeting with vendors, **you are ready to make the decision and choose the vendor**.

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STEP 6.

Buy the Software

STEP 6.
Buy the Software

The final step in buying the software is making sure that contractual terms are well-defined and that they meet your company policies from legal and financial perspectives.

The vendor will already have a standard contract template for farm management software purchases. There are a couple of things you should consider while finalizing and negotiating the contract terms with the vendor.

1-YEAR vs MULTI-YEAR CONTRACT

If you want to put farm management software into your capital expenses (CAPEX), you will need a multi-year contract. Farm management vendors usually offer multi-year contracts by default, a common case is a 5-year contract.

CONTROL THE INFLATION AND PRICE CHANGE

Inflation often requires vendors to change prices on an annual basis. Make sure that you put a restriction on the percent of price increase on annual basis. Some vendors offer the possibility for you to pay the full amount of the multi-year contract immediately – in case you have a good cash position, this could bring you an additional discount and you will avoid any possible price change on annual basis during the contract term.

INTELLECTUAL PROPERTY AND DATA ACCESS

As you are buying the product, the intellectual property of the product is fully owned by the vendor. However, all data within the product that is entered by your company should be fully owned by your company. Make sure the contract defines who has access to your data and for which purposes. By default, the vendor will have access to your data to be able to provide support and for product improvements.

STEP 6.
Buy the Software

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STANDARDS AND COMPLIANCE

Make sure that the contract contains a vendor guarantee that is certified and will remain certified with standards. Recommended standards to focus on are:

ISO 27017
Information Management for Cloud Security

ISO 27001
Information Security Management

ISO 9001
Quality Management

INSURANCE

It is not an obligatory contractual requirement and the market standard but is an added value for your business and brings more confidence if the vendor has an insurance policy for professional indemnity, product liability, cyber liability, privacy liability, and threats of extortion. Key global vendors of farm management software usually have an insurance policy in place.

CONGRATULATIONS - YOU ARE NOW READY TO BUY

When both parties are satisfied with the contract terms, you are ready to sign the agreement and start the implementation. Make sure that your project manager and the core team are familiar with the details of the contract, so that implementation and the entire process are done according to the agreement.

At AGRIVI, we have built a comprehensive suite of digital agriculture solutions for farms, food companies, agribusiness banks, ministries of agriculture and other important stakeholders of the agri-food value chain to support them in adopting the change and empower their digital transformation projects.

Our powerful farm management software provides real-time agronomic and economic insights throughout the entire food production process and helps producers in producing healthy, nutritious and safe food by applying sustainable and climate-smart agricultural practices.

We empower agri-food stakeholders to collaborate with growers by using the digital platform, provide them with agronomic practices and advice to meet the quality requirements and make their production sustainable and profitable, utilize big data analytics to identify which actual practices their farmers apply to lead to the best food quality and much more.

About AGRIVI

How to Buy FMS

IN 6 STEPS

Define a Project Team

1

Identify Business Needs & Requirements

2

Analyze FMS Type & Relevant Vendors

3

Define the Budget & the Timeline

4

Gap-fit Analysis & Deep Dive with Top Vendors

5

Buy the Software

6

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www.agrivi.com

AGRIVI Digital Agriculture Solutions

We offer a comprehensive suite of powerful digital agriculture solutions that provide real-time agronomic and economic insights to farmers and agri-food companies throughout the entire food production process.

AGRIVI 360 Product Family

Farm
Insights

Easy-to-Use Farm Management Software

FARMS

Farm
Enterprise

Comprehensive Platform for Large Farm Operations

ENTERPRISE FARMS

Farm
Advisory

Advisory Farm Management Platform

INPUT MANUFACTURERS/AGRONOMIC ADVISORS

Agriculture
Supply Chain

Platform for Vertically Integrated Supply Chain Management

COOPERATIVES/FOOD & BEVERAGE

AGRONOMIC ADVISORIES

INPUT MANUFACTURERS

FINANCE & INSURANCE

FARMS

COOPERATIVES

FOOD & BEVERAGE

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