



partageons les connaissances au profit des communautés rurales
sharing knowledge, improving rural livelihoods

Rural Radio Resource Pack

2008/05

MARKETING FOR SMALLSCALE FARMERS



CTA is funded by the
European Union

The Technical Centre for Agricultural and Rural Cooperation (CTA) was established in 1983 under the Lomé Convention between the ACP (African, Caribbean and Pacific) Group of States and the European Union Member States. Since 2000, it has operated within the framework of the ACP-EC Cotonou Agreement.

CTA's tasks are to develop and provide services that improve access to information for agricultural and rural development, and to strengthen the capacity of ACP countries to produce, acquire, exchange and utilise information in this area.

Rural radio

Radio remains, despite all the interest in the new ICTs, one of the most important communication tools in ACP rural communities. CTA began supporting rural radio back in 1991. Every year since then we've produced a set of Rural Radio Resource Packs (RRRPs).

Each pack is on a specific topic – anything from crop storage and cassava to small ruminants and soil fertility. The choice of topics depends on what ACP partners suggest. The number of topics covered has now reached 63. Inside each pack are materials for a radio programme on that topic – interviews on cassette or CD, a transcription and a suggested introduction for each interview, technical information on the topic, advice for how the pack can be used and a questionnaire for users to provide feedback to CTA.

You can find most of the RRRP material on CTA's Rural Radio website
<http://ruralradio.cta.int/>.

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This CD can be played in an audio CD player, and also contains pdf files of the written documents and the feedback questionnaire.



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TECHNICAL INFORMATION

Introduction

When smallscale farmers living rural areas sell their produce, they normally have little choice about who they sell to or how much they charge. A typical situation has been for farmers to sell their crop at a low price to middlemen. Unlike the farmers, the middlemen have access to transport and are in a good position to drive a hard bargain. Desperate for money to pay back debts or maintain their households, farmers take the little they are offered, but never earn enough to make investments in their farming business or pull themselves out of poverty. Even those who are able to transport their crop to a market often find themselves facing low prices and corruption.

However, there are many ways that farmers can improve their methods of marketing and earn more from their crops. One exciting development in recent years has been with information and communication technologies such as mobile phones and the internet. These are enabling farmers to get information about current prices in different markets and are linking them directly to buyers. Market research is another key area: finding out the patterns of demand for certain crops can help farmers make better decisions about what to grow and when to grow it. There are also a number of organisations that are working to make market chains fairer and more 'transparent', so that farmers and traders get a better deal and exploitation and corruption are minimised.

Direct marketing and contract farming can be other good strategies. For example, farmers may be able to supply direct to hotels or restaurants. Taking advantage of such opportunities is often easier if farmers work as a group, since this makes it easier to guarantee availability and delivery of produce at exactly the time when it is needed. Farmers with innovative or unusual products may benefit from a marketing campaign, for example by allowing people to sample or learn about their produce at an agricultural fair. Adding value is another excellent marketing strategy. This may mean simply ensuring that the crop is of consistent high quality and is suitably labelled and packaged, to reduce the work for the wholesaler or processor. Or, farmers can go further and can process their crop in some way, perhaps preserving it or using it to make a food or drink.

This resource pack

The interviews in this resource pack highlight the exciting work being done by farmers and farmer-support organisations to improve smallholder marketing in Africa. A strong theme to be found in the pack is the importance of empowering farmers, both through provision of information and by working as a group. With the rapid spread of mobile phone networks and growing frequency of farmer organisations, both of these are now realistic options for millions of Africa's rural smallscale farmers.

Market research

How can cash crop farmers know what to grow and when to grow it? How can they find out the best places to sell their crop, and make contacts with potential buyers? They need to do some research, and this may involve actually visiting several markets at different times, observing what people are selling and buying, and talking to people. Before they do that, however, they can save themselves time and money by doing

extensive 'desk research' – using what information they can gather from published sources such as newspapers, trade magazines and the internet.

If farmers do decide to visit markets, they may also want to take a sample of their product, particularly if it is something unusual, and ask people to comment on whether it is something they would buy. They need to find out how demand for the product may change during the year and in what form people wish to buy it. For example, are there cost effective ways of adding value, such as by packaging, grading to a standard size or quality, or doing some simple processing?

Visiting markets, while being a desirable thing to do, can be expensive and time-consuming. An alternative, therefore, is for farmers to get their market information by joining a farmer organisation. This approach is recommended in ***Knowing where and when to sell***. Larger scale growers could employ an agency to do some research. This may be particularly relevant if farmers are intending to sell to foreign markets. See ***Market research for would-be exporters***.

Market information systems

Information and communication technologies (ICTs), in particular mobile phones, email and the internet, are transforming how marketing is carried out in some parts of Africa. One example is internet-supported market information systems, which collect and distribute information about market prices and enable sellers and buyers to make contact. 'Market spies' are another innovation. These people base themselves in agricultural markets and work on behalf of farmers, using mobile phones to inform them of prices and to make deals with traders.

TradeNet – www.tradenet.biz - operating since 2004, offers online data on about 600 markets in 17 African countries. Local correspondents upload market information to the website and registered users of the site can also be sent information by text message to their mobile phone. TradeNet is most suitable for wholesalers who buy in large amounts, but another example, which has a pro-poor focus is the Kenya Agricultural Commodity Exchange (KACE) - www.kacekenya.com. This communicates market information through its website, through its network of rural information points, through text messages and also through an FM radio show – Soko hewani – which is broadcast to listeners in western Kenya. See ***Market information – rural kiosks and radio***.

In Uganda, the Busoga Rural Open Source and Development Initiative (BROSDI), is also working to raise standards of living in rural areas by information exchange, disseminating information using ICTs as well as radio, publications, music, dance and drama.

Linking buyers and sellers

In the past, sales of agricultural crops have normally been done through face-to-face meetings, typically in a market place. This is now becoming less common, as farmers and buyers are increasingly doing deals over the telephone or through email. This ought to be a much more efficient process, reducing the need for farmers to actually leave their farms in order to visit markets, thereby cutting their costs and allowing them to continue with production.

Market information systems, like those described above, may also work to link farmers and buyers. For example, the Malawi Agricultural Commodity Exchange (MACE) links farmers and buyers through SMS messaging (mobile phone text messaging), blackboard notices and radio. The work of the network features in ***New technologies to link farmers and buyers***.

Some approaches, such as use of the internet or newspaper-based market information, may only be accessible to farmers who are literate in English. The Network for Farmers Groups in Tanzania, has found that using mobile phones is the best approach for those who cannot read English. See ***Mobile phones – the new way of selling***.

Group marketing

By joining together in a marketing group, small-scale farmers can increase their power in the marketplace. By adding together their individual harvests into a larger total, they make their crop attractive to wholesalers or traders, who may offer higher prices and be prepared to transport the crop themselves. Joining together may also enable farmers to buy processing or packaging equipment, which increases the price they get.

Another example of group marketing is through a leading farmer. This person will normally be the owner of a relatively large farm, and have an established trade partner who buys their crop. To increase production, the leading farmer will act as a hub for smaller growers from the surrounding area, coordinating the marketing activities of the whole group.

Group selling empowers farmers describes the benefits that kola nut farmers in northwest Cameroon have gained, through working as a group. These include having a stronger bargaining position, group selling of their crop in a convenient location and access to market price information. The farming groups are being supported by the World Agroforestry Centre (ICRAF), which has also helped in the development of a fund so that farmers in urgent need can borrow money in the short term, and therefore be able to wait for a group sale to take place. In time, the aim is for this fund to be accumulated from sales of nuts.

Direct marketing

Instead of having to look for a buyer for a harvested crop, some farmers have an agreed arrangement to supply certain customers, such as hotels, restaurants or schools. This is particularly appropriate for vegetable and fruit growers, and not only removes much of the worry about whether a market can be found, but can also ensure a good price is earned. Having a guaranteed market gives farmers the confidence to invest in their crop, thereby raising yields and the quality of their produce.

While direct marketing has benefits for farmers, it also imposes certain pressures. Restaurants and hotels, for example, will insist on buying high quality produce that not only tastes good, but looks good. This will include vegetables and fruit being at optimum ripeness, without dirt, injury or bruising. They need their suppliers to be absolutely reliable, and to deliver the produce at the exact time they need it. This can be difficult for farmers who are delivering their produce from a long distance, although the use of mobile phones has made this much easier.

Supplying hotels – quality and reliability gives the perspective of a buyer at a luxury hotel in The Gambia, who sources fruit and vegetables from women's farming groups. Working as a group can help smallscale farmers to tap into this kind of lucrative market. An individual would struggle to guarantee supply of sufficient produce of perfect ripeness, but a group has a better chance of doing this, by picking whoever's produce is ripe for sale at the required time.

Selling to processors and exporters

Export companies are establishing stronger links with groups of small-scale farmers which have benefits for both parties. The companies can ensure they receive sufficient quantities of product to make export profitable. Farmers benefit from a reliable market, a good price, and support for their production, for example, in inputs and technical advice.

Supplying food processing companies can offer similar benefits. **Selling to the processing industry** gives the example of cardamom growers in Uganda, who work as a group to supply a spice company. The group have been trained to produce a high quality crop and have a clear system to ensure that each grower receives the correct payment for their produce. A single farmer takes the combined crop to the company, which pays immediately.

Farmers' markets

For small-scale farmers, finding time to both grow crops and to sell them can be difficult. In Zambia, a group of farmers have come up with a solution. They decided to organise their own market which only operates on one day of the week, Tuesday. They realised that just having to market on one day would be better for them, as they could farm on the other days. They were also able to earn more for their crops by targeting wealthier customers, people who are busy running businesses or doing other jobs, and who want to do all their shopping for the week on a single day. The customers appreciate the fact that at the Tuesday market they can be sure of getting a wide range of good quality produce. Also, the market is well run, including a secure car park and good security for shoppers from troublemakers.

The Tuesday market farmers, who now number over 200, are all members of a co-operative, with a committee to manage the market. Through this, the farmers have developed a market which works in their interests, and those of their target customers. This is just one example of how farmers can work together to develop a marketing system which serves them, rather than being forced to sell through a system which exploits them. ***Making markets work for people*** tells the story.

Agricultural fairs

Annual agricultural fairs can be an excellent way for farmers to meet buyers and promote their produce, either livestock or crop. They are particularly valuable for farmers selling an unusual product that people may be unfamiliar with. Changing people's eating habits to try something new is not easy, so having face to face contact with consumers may be the best way. For example, in ***Public exposure at agricultural fairs*** a camel farmer says that he is able to tell people about the many health benefits from drinking camel milk, from his stand at an agricultural fair. A yogurt producer has free samples of her product for customers to try. Even if they don't buy yogurt on the spot, she feels that exposing people to her product may lead to future sales if they see her yogurt in the shops.

As well as selling and promoting their products, farmers can also use agricultural shows and fairs to observe what others are doing and pick up ideas. Competitions, for example, for livestock breeds, can also help to attract new customers.

Adding value

How to make your product stand out in the market, and perhaps fetch a higher price? There are many ways that farmers can add value to their produce. For example, a fruit seller may decide to cut up the fruit and sell it in sealed bags. Drying a product can increase its shelf life and its value.

More advanced processing includes using the raw product to make a food – for example, making chutneys using mangoes or tomatoes - or pickling the product to sell in jars. Giving the product a name (i.e. turning it into a 'brand') makes it stand out from the 'raw' products available in the market. Some farmers also use gimmicks to help sell their product. An example would be to include a written proverb in bags of dried fruit – it just gives customers one more reason to buy your bag rather than someone else's.

For those selling to wholesalers rather than consumers, adding value may mean grading the product to remove poor quality produce and to achieve certain requirements in terms of size or shape. Care in post-harvest treatment, for example ensuring that a maize crop is uniformly dried to the right moisture content, is also extremely important.

Adding value to farm produce features four farmers with four different products: sunflower seeds, mushrooms, fruit and sugarcane. Each farmer is earning more by making a new product: sunflower oil, dried mushroom, fruit juices and jams, and sugarcane juice.

Using this Rural Radio Resource Pack

Knowing where and when to sell

This interview highlights the importance of farmers knowing where to get the best prices for their produce, and selling at the right time. Many smallscale farmers continue their farming business without sufficient market research. However, by joining a farmers' group they may be able to get information about markets without having to leave their farm. Are there any groups locally that you could invite to discuss their market information system? How does it benefit their members?

Market research for would-be exporters

This interview gives more detail on the kind of information that farmers wanting to export to foreign countries will need. You could follow up this interview by talking to someone from an exporting company, or from a farmer who grows for the export market, to get their experience of market requirements and demand patterns. For smallscale farmers it will be very difficult to export to foreign markets unless they work with others. Why not have a phone in to find examples of smallscale farmers who have managed to grow for export? How have they done it?

Market information – rural kiosks and radio

The Kenya Agricultural Commodity Exchange is a pioneer in providing market information to smallscale farmers. Your listeners may be very interested to hear about the rural kiosks and the Soko hewani radio programme. Perhaps a representative from the agriculture ministry could comment on whether such a system could work in your country, and how it might be implemented. Would your radio listeners value this kind of programme? Ask them to phone in with their views.

New technologies to link farmers and buyers

This interview gives a fairly comprehensive overview of how the Malawi Agricultural Commodity Exchange is disseminating market information and linking farmers and buyers. Your listeners will be very interested to know if there is a similar system available in your country. Alternatively, you could try to get the experience of farmers who regularly use mobile phones to talk to buyers or learn market prices. This technology has the potential to transform how marketing is done in Africa, and farmers need to learn how to use it effectively as soon as possible.

Mobile phones – the new way of selling

This interview complements the previous one, by discussing a less sophisticated system for linking farmers and buyers. In this case, farmers and Tanzania have been given mobile phones so that they can communicate with other farmers and with buyers. Again, it would be good to get the experience of local farmers in how phones are helping their marketing. You might also want to gather comments on how extensive and reliable the phone networks are, so that farmers in rural areas can decide whether investing in a mobile phone will be worthwhile.

Group selling empowers farmers

This interview describes how farmers selling a specific crop – in this case kola nuts – have grouped together to improve the marketing strength. For farmers growing (or harvesting from the wild) an unusual crop, forming a group can be both a realistic strategy (because only a relatively small number have to be involved) and a rewarding one. Through unity, they can bargain for a higher price, and deal with problems like transporting the crop. Are there other, crop-based groups in your country? Why not invite them to share their experience?

Supplying hotels – quality and reliability

This interview features a purchasing officer from a luxury hotel, who sources much of the food for the kitchen from local farmers. What about hotels in your town or city? How do they get their fruit and vegetables, for example? Could they offer your listeners further

advice about how to sell to hotels or restaurants? Your listeners may wish to phone in with comments about their own experience of trying to supply these buyers – what are the advantages and disadvantages?

Selling to the processing industry

This interview presents some of the advantages of growing a crop for a food processing company. The cardamom growers described have benefited from advice on achieving quality, save time by group selling, and get paid quickly for their crop. Do your listeners have similarly positive experiences? Are there things that farmers should be wary of when growing for a single company?

Insurance – who needs it?

This short interview could be a useful introduction to a discussion on crop or livestock insurance. The interviewee ends by saying that many smallholder farmers in Zimbabwe think of insurance as a 'white man's concept'. This could be an interesting starting point for a discussion. Is insurance an alien concept for your listeners? Do any of them have experience, either positive or negative, of having a farm insurance policy? How useful is it to be able to insure your livestock? Is it worth the money it costs?

Transferring money by mobile phone

Listeners in Kenya may be very aware of the M-Pesa system, but in other countries it will probably be unfamiliar. But given its success in Kenya, it is likely to be spreading to other countries soon. If Vodafone, or partner company, is operating in your country, you could ask someone from the company to comment on whether a similar system has been, or will be introduced. If this kind of system is already in operation, what are your listeners' opinions about it?

Other aspects of marketing not covered in this pack

Packaging and grading

Ensuring that produce reaches the market in top condition, particularly perishable vegetables and fruit, is vital to earn good prices. Farmers may experiment with different types of packaging to see what will be most effective and affordable. Grading produce according to size and quality is attractive to wholesalers. Extension officers may be able to organise grading demonstrations to teach farmers how to do this.

Producing at the right time

Growing a crop out of season, through use of irrigation or plastic greenhouses, can bring greater profits. Farmers may also be able to target particular periods, such as festivals or holidays, when demand is higher.

Fairer, more transparent market chains

Currently there are many instances of unfair trading practices that reduce the money made by farmers. For example, farmers may be paid for a 'bag' of produce, but may feel obliged to tie large extra amounts to the top of the bag to make it attractive to a buyer, or to reduce transport costs. Establishing fixed weights and measures is one way to make a market chain fairer.

International trade

There are numerous examples of African agricultural produce being exported internationally. In most cases, smallscale farmers will need support to achieve this, for example in gaining certification for their production standards. They are most likely to reach foreign markets by being an outgrower for an export company.

Regional trade

Harvesting seasons vary across Africa, so farmers may be able to find higher prices in regional markets (targeting off-seasons in neighbouring countries). Border tariffs, customs paperwork and corruption all hinder regional trade, and need to be addressed.

Further information

Useful websites, online articles and fact sheets available:

LEISA Magazine 24.1 March 2008: Towards fairer trade

http://www.leisa.info/index.php?url=magazine-details.tpl&p%5B_id%5D=204060

Linking local learners briefing note 18: Key factors for successful marketing.

<http://www.linkinglearners.net/downloads/Brief18.pdf>

FAO case studies on successful links between farmers and markets.

<http://www.fao.org/ag/AGS/subjects/en/agmarket/linkages/index.html>

Malawi Agricultural Commodities Exchange

<http://www.ideaamis.com/html/Membership.htm>

Books

If you belong to CTA's network of broadcasters, you can receive, free of charge, books from our catalogue. For more information, send us a request at radio@cta.int

Marketing for small-scale producers.

80pp, 2000. CTA no. 1009 (5 credit points)

Design of a market information system for small-scale producers and traders in three districts of Uganda.

70pp, 2000. CTA no. 8019 (5 credit points)

Information revolutions: how information and communication management is changing the lives of rural people.

242pp, 2001. CTA no. 1037 (40 credit points)

Marketing and distribution of perishable food products.

230pp, 2000. CTA no. 996 (20 credit points)

Adding value to cereals, roots and tubers: developments and opportunities in small-scale enterprise development in Africa.

102pp, 1999. CTA no. 921 (10 credit points)

Traditional foods: processing for profit.

216pp, 1997. CTA no. 796 (20 credit points)

World markets for organic fruit and vegetables.

318pp, 2001. CTA no. 1055 (40 credit points)

Non-CTA titles:

Understanding and using market information by Andrew W Shepherd, published by FAO. 85pp, ISSN 1020 7317. Available from AGS-Registry@fao.org

Available for free download from

<http://www.fao.org/ag/AGS/subjects/en/agmarket/understanding.html>

Chain empowerment: supporting African farmers to develop markets published by KIT, IIRR and Faida MaLi. 212pp, ISBN 9966754 00 8. Available from www.kit.nl.

Available for free download from

<http://www.kit.nl/smartsite.shtml?id=SINGLEPUBLICATION&ItemID=1952&ch=FAB>

Trading up: building cooperation between farmers and traders in Africa

published by KIT and IIRR. 280pp, ISBN 978 90 6832 699 4. Available from www.kit.nl.

Available for free download from

<http://www.kit.nl/smartsite.shtml?id=SINGLEPUBLICATION&ItemID=2501>

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Email: clive.lightfoot@linkinglearners
Website: www.linkinglearners.net

MVIWATA (Network for farmers groups in Tanzania)

National Coordinator, PO Box 3220, Morogoro, Tanzania.
Arusha contact: Mr Richard Masandika, P.O. Box 12122
Arusha, Tanzania
E-mail: ricmasandika@yahoo.com

World Agroforestry Centre (ICRAF)

United Nations Avenue, Gigiri
PO Box 30677-00100 GPO, Nairobi, Kenya
Telephone: +254 207224000
Email: ICRAF@cgiar.org
Website: <http://www.worldagroforestrycentre.org>

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Marketing for small-scale farmers

Knowing where and when to sell

Cue:

For farmers, knowing where and when to sell their crops is one of the most difficult challenges. If they have no knowledge of current market prices, they can easily be exploited. But gathering information about markets may not be easy, especially for people living in very remote areas. So is there anywhere they can get help? According to Fred Frimpong, agricultural coordinator for the Millennium Villages project in Ghana, one answer may lie in teaming up with other farmers. In an interview with Kofi Adu Domfeh, Mr Frimpong began by explaining why having information about market prices is so important.

IN: "The whole idea is about knowing ...

OUT: ... which they will get more."

DUR'N: 4'49"

BACK ANNOUNCEMENT: Fred Frimpong of the Millennium Villages Project in Ghana. The interview comes from a resource pack produced by CTA.

Transcript

Frimpong The whole idea is about knowing where you get the right prices for your produce and selling at the right time. So there should be a means of basing your decisions on certain bits of information. What is the price on the market like? How much is it being sold for, per mini-bag, per maxi-bag? Is that the price I want? Looking at the investment I made, will I make any profits if I sell at that rate? You know farmers should be able to make all these decisions and it is based on the market research information that is available to them, that they can make these decisions. So that we look at agriculture from a more business angle, rather than as something we are just doing to occupy ourselves.

Domfeh *In general terms, how important is market research to cash crop farmers?*

Frimpong In fact, if we were able to take care of marketing of foodstuffs, and undertake the right market research in the country, I guess half of the problems of farmers would be solved. The problem is not increasing production. Even with our subsistence tools, like the hoes and cutlasses, farmers are willing to go all out, till the land and get a lot of output. They have no problem with that. Their problem is what to do with their produce. So there is no way any of us can underestimate the important role that market research plays in this direction, because if we are doing all we can to ensure that they produce and produce more, high quality and store well, and they can't market, virtually we have defeated the entire purpose. So it is very important that market research is undertaken.

Domfeh *Do you think farmers always have to visit several markets at different times, observing what people are selling and buying and talking to people in a bid to actually obtain market information?*

Frimpong Not necessarily. You see we are looking forward to the day when farmers will be well organised, so that through the cooperative departments, the cooperative officers at the district level, they can link up with markets and do the market research. You know farming is a time-bound activity. You have to undertake certain field activities during certain times of the year. If you miss that you have problems with the yield. So usually farmers don't have time to go out to the market and do the kind of research that you are talking about. That would have been the ideal, but there are so many constraints. So if they are in cooperatives, and they have the market research unit within the cooperative, then that unit can take care of the market research and then the others can concentrate on production. So yes, that survey would be important, but it shouldn't be the headache of every individual farmer.

- Domfeh** *How then do they find out the best places to sell their crops and make contacts with those potential buyers?*
- Frimpong** What we do is we go, scout for buyers for them, and then we link them up. There is another key thing that we are doing. We don't want a situation where farmers will be dealing with wholesalers and people who come to buy their foodstuffs on an individual basis. So we are also encouraging farmers to form cooperatives, so that they can negotiate for inputs as a group, and also negotiate, bargain on market terms as a group. They will have a stronger bargaining power when they are together. So that is another key thing that we are doing. Even as we link them up with markets, we are also putting the farmers into strong cooperatives.
- Domfeh** *Value addition to cash crop produce is very important, but how does the farmer undertake this in a cost effective way, while also maintaining quality of the yield?*
- Frimpong** If farmers come together they can source loans and access funds; then they can get more into processing. So value addition is very important. In fact if farmers have the capacity to add value to whatever they produce, then post-harvest losses wouldn't be a headache. You know, farming is a capital intensive business, so at the end of the season the farmer has a lot of debts to clear. So all most farmers are interested in is to sell off whatever they have so they can take care of their household, and pay off whatever debts they have. That's a huge challenge. So I guess that if we are able to build them to a level where certain basic needs are taken care of, they wouldn't mind taking their time to get into value addition of their products, processing them into second class products, before going ahead to sell, which they will get more. *End of track.*

Marketing for small-scale farmers

Market research for would-be exporters

Cue:

Have you ever woken up in the morning with a fantastic idea for a new business – or perhaps lain awake thinking about a new idea that is sure to be a success? If you want to follow up your idea, what's the next step? We may rush straight in, determined to make our idea a reality as quickly as possible. We sometimes even avoid thinking about the possible problems, just praying the idea will work. Occasionally we might be lucky, but without proper preparation, failure is a strong possibility.

A better approach may be to start with some market research. We need to find out whether our new venture is really going to meet a market need – that people are really going to buy what we are planning to produce. But what kind of things do we need to find out, and how do we go about it? Bruce Mtingwe advises on market research strategies, and he offered some useful advice to Busani Bafana.

IN: "It is very important first of all...
OUT: ...exporting their produce."
DUR'N: 5'38"

BACK ANNOUNCEMENT: Bruce Mtingwe, with some useful experience of selling to foreign markets. He was speaking to Busani Bafana and the interview comes from a resource pack produced by CTA.

Transcript

Mtingwe It is very important first of all to not spend a lot of money before you know where to spend most of your effort. And so the first step that is really important is to undertake an extensive desk research that will enable you to know exactly where to go and look for what information. That is very important.

Bafana *What then are the advantages of doing market research?*

Mtingwe Well market research is a very advantageous process. Trying to market without market research is trying to shoot in the dark. You may or you may not get your target but when you do market research you increase the prospect of getting your target. You get more precise information that you require to undertake a successful marketing activity.

Bafana *Such as what? What sort of precise information are we looking at here?*

Mtingwe You are looking at things like consumption habits. How does my market consume my product? Where do they buy this product? How often is the purchase cycle? Which shops do they want to buy from? Why do they not buy from those? What is their perception in terms of foreign products? Do they think foreign products are better products than local products? How do they view foreigners? Those are some of the things that you are able to isolate through your market research and without having done market research you will not really know, except through mistakes that you will then be making in the market, but by that time it may be too late.

Bafana *You talked about the issue of expense. What expenses can I as a farmer incur when I am doing market research?*

Mtingwe There are expenses of travelling to your market. There are expenses of information acquisition. There are expenses of accommodation. There are expenses of talking to people because sometimes you find that you need to organise focus groups with individuals and you need to pay those individuals for that time that they are according you and indeed the information that they are giving you. It can become quite a costly exercise. But let me add also that this cost should in fact be viewed as an investment because at the end of the day it pays back to invest in a market research exercise because the alternative is worse.

- Bafana** *Would you then just relate to us an example of an organisation that has used this approach and with what results?*
- Mtingwe** We have a group of farmers in the Plumtree area, Matabeleland, south of the country. They have decided that there is a lot of potential in marula. They have marula in abundance and then have decided that they want to start a project that is based on marula and indeed export marula by-products. At the moment they decided that they were going to start with marula oil processing. And so the challenge then that they faced was that in Zimbabwe there was no market for marula oil. At least not a market that appreciates the value of the marula oil.
- Bafana** *So what did they do?*
- Mtingwe** And so what they did, they decided that they are going to export this marula oil. But the problem that they faced was that they did not have any export market knowledge and so they then decided that they are going to seek help. And a particular organisation, a local NGO came and assisted them in terms of identifying a potential market outlet for their product. And this market outlet happened to be an organisation in South Africa that deals with marula oil and so they basically decided that they are going to export to that organisation. However the organisation then further exported the same product to France. And so at the end of the day the local farmers were exporting to France via another organisation in South Africa.
- Bafana** *What challenges did they have to overcome, in fact, to realise that success?*
- Mtingwe** The first challenge that they faced was that they did not have the significant volumes that were required to do the business on a reasonable scale. And so what the South African importer did, they offered to take orders from this organisation until they had satisfied a certain minimum quantity and then at that point then the export would be done. So they would be exporting to South Africa let's say for example two hundred litres per month of oil until say a quantity of twenty thousand litres was achieved at which point the South African organisation would then export to France. That was the first challenge that they had in terms of quantity. The second challenge that they had was in terms of payment. Now unlike the local market, that when you sell something you immediately get your proceeds or do so within a short period time. In the case of an export market you need to wait quite a long time, from anything between thirty to one hundred and eighty days and that made things a bit difficult in the sense that they now needed and go and seek loans to finance their working capital.
- Bafana** *There you are listeners, it is an important step to actually undertake the market research particularly for organisations or for farmers who are thinking of exporting their produce. End of track*

Marketing for small-scale farmers

Market information – rural kiosks and radio

Cue:

The Kenya Agricultural Commodity Exchange, or KACE, is one of the pioneers of providing market information to smallscale farmers in Africa. From blackboards and websites to SMS messaging and radio broadcasting, KACE is working to give farmers the information they need to earn higher prices for their crops. The methods developed by KACE are now inspiring similar projects in other countries, and KACE itself is looking to expand its own operations in different regions of Kenya.

So how do farmers benefit from an organisation like KACE? Eric Kadenge put that question to Wycliffe Ochieng, IT manager at the Nairobi headquarters. He began by explaining the role of the Market Information Points – small rural offices that are working to both collect and distribute information to smallscale farmers.

IN: "The Market Information Point ...

OUT: ... who happens to be a woman."

DUR'N: 5'27"

BACK ANNOUNCEMENT: Wycliffe Ochieng, IT manager at the Kenya Agricultural Commodity Exchange. The interview comes from a resource pack produced by CTA.

Transcript

Ochieng

The Market Information Point is an information kiosk based in the rural market. It's quite simple. Managed by two staff, it has a desk, mobile phone, and where there is power we usually give them a very basic computer. So what happens at the Market Information Point at the rural market, on market days we have traders coming to the market. In this case also farmers, once they have their produce ready they take them to the market. Now we are trying to create a scenario where instead of the farmer sitting down in the market there with their commodities, they bring them to our office. The trading board has price information, so they are able to see what the prices are in different markets, so that will help them make a decision on how to sell their commodities. We also try to encourage them to bring them to our trading floor, our mini trading floor, where they can record their commodities. So we need such information like the type of the commodity, the quantity, the quality, and the price they are asking. So you will find this is much, much better. So we try to encourage the farmers, if you have such information then you don't have to come with the whole commodity you have in your farm. Say I harvested 20 bags of maize, you don't have to carry the 20 bags of maize to the market, and then maybe at the end of the day you are forced to sell a few at throwaway prices so maybe you can pay for transport or get something and return. It is more efficient and transparent as well. We also have the SMS service. What happens, information is collected every market day at the market information points. So this information is put together, transmitted to our HQ office in Nairobi where this information is processed. So we are working together with the leading mobile phone provider to provide this service. So it's quite easy to subscribe, say for example I want to be receiving maize prices every morning, so I'll subscribe to maize prices, and at every 9 o'clock in the morning we send this information to Safaricom server, and it is then pushed to the subscribers. So that is how it works.

Kadenge

Interesting. Now let's focus attention specifically on the Soko hewani programme. What goes on on this programme?

- Ochieng** Soko hewani is based in western Kenya. It's a radio programme, 30 minutes radio programme. It comes every Tuesday between 8 and 8.30pm. So what happens is, from the previous programme the Soko hewani programme manager announced that if you have any offers and bids, then you can link up with KACE offices, or you can link up with him, and provide him with that information. So that information is aired during the programme. An example is, a client might have offered 'I have 20 bags of maize, I'm selling at this much.' So once that is aired we have people listening and calling on a number. You can call the Soko hewani number, and react to that. Say 'I'm interested in that' or make more enquiries.
- Kadenge** *What is the impact of this programme, Soko hewani?*
- Ochieng** I can say the impact is great. We see more enquiries. We can also measure that by the business activities that are going on at our offices. So if you mention Soko hewani, at least someone will say, I was able to buy, I was able to sell something through Soko hewani.
- Kadenge** *And for how long has the programme been going on?*
- Ochieng** The programme was launched in October 2006. It's on a pilot basis, and we hope that in the future we'll be able to scale it out to other regions in the country as well. Currently it has a listenership of at least 5 million people. So Soko hewani has a market of 5 million people. We are also having discussions with other local FM stations, especially in eastern Kenya. We are discussing with them and seeing if we can have a similar arrangement that we have in western Kenya. So future plans, we are trying to see if we can scale it out to other regions as well.
- Kadenge** *Now women do make quite a big proportion of the small-scale farmers out there. Are they benefiting from all these systems you have mentioned, and in what ways?*
- Ochieng** Women are benefiting greatly. I was really touched by listening to a woman, she's a smallscale farmer in Bungoma district of western Kenya. She really told me nowadays how she has more time, once she has got the market information she knows where to sell. She doesn't have to carry her commodities around. And she also told me the way KACE, or Kenya Agricultural Commodity Exchange, has linked her to the market, so she knows where to sell. This gives her time to do other things, and her income has really improved. So we were really happy to hear that from one of our farmers, who happens to be a woman. *End of track.*

Marketing for small-scale farmers

New technologies to link farmers and buyers

Cue:

For thousands of years in every country in the world, buyers and sellers have been meeting in markets to trade their goods. That's now changing. Communication technologies mean that people no longer have to physically meet in order to trade. Deals can easily be done over the internet or over the phone. In Africa a communication revolution is transforming the way that business is done, and with the spread of mobile phone networks, this is true even for smallscale farmers.

Using new technologies, agricultural commodity exchange organisations are able to link farmers and buyers in ways that are quicker and easier than ever before. Sydney Khando, of the Malawi Agricultural Commodity Exchange, told Excello Zidana just how it is being done.

IN: "The objective of Malawi Agricultural ...
OUT: ... most of the smallholder farmers."
DUR'N: 6'05"

BACK ANNOUNCEMENT: Sydney Khando of the Malawi Agricultural Commodity Exchange. The interview comes from a resource pack produced by CTA.

Transcript

Khando The objective of Malawi Agricultural Commodity Exchange is to make markets work better for smallholder farmers by linking buyers and sellers of commodities. Now the information which the farmers need is, where are the buyers? The buyers are the market. So this brings that information to the farmers to say, here are the buyers, where are the commodities?

Zidana *Are there any other ways which MACE uses the information, apart from facilitating the linkage among producers, who are farmers and buyers as well?*

Khando I think before I answer that question I need to state here the information we collect and disseminate, one is the price information. The prices of commodities from various markets in Malawi, there are over 50 commodities. That information is collected on a daily basis. This information is then disseminated either by email or cell-phone, or directly to different users. The essence of the Malawi Agricultural Commodity Exchange System is that farmers, wherever they are can access this information, by mobile phone, simply using an SMS, by dialling in to a number, making an enquiry. For example, if they want the price of maize in Mzuzu, they can know. If they want the price of tomatoes in Mulanje, in Muloza, they can know. So there are markets where farmers can find the prices of commodities. The other information is the market opportunity information, that is the buyers who are going to buy their commodities. Now we disseminate this information through these media that I have said. And now coming to your question, we also use the radio to disseminate the same information, which is also a very strong tool, in terms of reaching out to the smallholder farmers. Or instead of smallholder farmers, reaching out to buyers, possible buyers of their commodities.

Zidana *And do you think Malawian farmers are progressing using this system?*

- Khando** Using the SMS system, yes. We feel that farmers are really progressing using this system. Because you know this system, you just need 10 units then you have got the information. If a farmer is selling a commodity and is looking for a market, he just sends it by SMS, don't need to phone. So in a way the system saves money for the farmers. And the farmers don't need to travel. They can sit in Karonga, Chitipa, Nsanje, wherever in Malawi, wherever they are, as long as there is a cell-phone network. They send information to Malawi Agricultural Commodity Exchange, while they are busy cultivating in their fields and continuing to work, instead of wasting time to go and look for the markets, at the cost of 10 units. And then the Malawi Agricultural Commodity Exchange looks for the market for them.
- Zidana** *Do you have a practical example of a farmer who has actually benefited from this system?*
- Khando** Yes there are a lot of farmers who have benefited from this system. If you need one farmer, there is Mr Kanizani, who we managed to link to the fresh produce market, to Shoprite and to other chain superstores. The thing that has helped him is the SMS system, because he doesn't come to Lilongwe, he just sends an SMS and says, "Look I've got these tomatoes." Or if we need something, we just SMS to him and say, "Shoprite is looking for these commodities," and then he comes and delivers, just spending the money for transport and that's all.
- Zidana** *I went somewhere last time and I found a big blackboard posted outside the shop and that shop was indicated Malawi Agricultural Commodity Exchange. Can you tell us something about that blackboard?*
- Khando** Blackboard is used as a trading floor. What happens is when we collect the information from different companies needing commodities, or about prices, they are sent by SMS to that office which you saw, and the officers in that office, they retrieve the messages from the SMS and write them on the blackboard. Now on the blackboard they would write, "Lilongwe, they are looking for 10 metric tons of groundnuts," or "In Zomba they are looking for 100 metric tons of the following commodity." And that blackboard is put outside where there are people passing, so that when the people check they are able to look for opportunities, and it has meant for smallholder farmers to identify opportunities which they can actually tap in. So the blackboard is one of the tools which we are using.
- Zidana** *You also talked about the radio. How does the radio work in this context?*
- Khando** This radio programme is broadcast on MBC Radio 1, and it's a live phone in radio programme. Any farmer who has got anything, or any company that is looking for anything, they just phone in and say, "I'm so and so from this area, I've got 5 head of cattle, I'm selling at this price." The buyers are listening, so this one phones and says "I've got this," the next phone call is from the buyer looking for that, saying "This farmer was advertising this, I'm looking for this commodity." So it is a live phone in. The buyers phone in, the sellers phone in, and they get linked and trade on air.
- Zidana** *Now, in your own analysis, since the launch of this project, are farmers who are participating in this improving?*
- Khando** The farmers are improving very, very much, in fact areas where farmers commodities would not find markets are able to find markets, simply because they know now, they have got information, that their commodities...before they just used to hear rumours and the like, but now, if they are linked to the system and we are able to send a message to their phones, they know what is being sold in Lilongwe at what price, what is being sold in Mzuzu at what price. So yes, the farmers lives are improving because they are able to access more markets than they used to access before they used the SMS system.
- Zidana** *Hopefully you have visited a number of countries, to make sure that you know what you are doing. How are farmers progressing in other countries?*
- Khando** The problem that farmers are facing in Malawi, is the same problem that farmers are facing in Kenya, the same problem. Smallholder farmers' problems are almost the same, and marketing is the biggest challenge, is the biggest problem for most of the smallholder farmers. *End of track*

Marketing for small-scale farmers

Mobile phones – the new way of selling

Cue:

The difficulty of selling their produce is one of the key problems that farmers face, particularly smallscale farmers. Many organisations are working to support their marketing, but what is the best strategy to help those farmers who may be unable to benefit from newspapers or internet-based information? In Tanzania, experience suggests that introducing mobile phones could be the best answer. Susuma Susuma of MVIWATA, the Network for Farmers' Groups in Tanzania, explains more to Lazarus Laiser.

IN: "We have introduced a marketing ...

OUT: ... win for whatever they want."

DUR'N: 3'29"

BACK ANNOUNCEMENT: Susuma Susuma of the Network for Farmers' Groups in Tanzania. The interview comes from a resource pack produced by CTA.

Transcript

- Susuma** We have introduced a marketing information centre in the villages whereby we supplied mobile phones to some of the farmers. They used those mobile phones to communicate with some people who are in the regional markets, business people who have a link with farmers in the village.
- Laiser** *How effective do you find the way?*
- Susuma** The system is still a new one. We have introduced this system in this year. The system is doing well but in other places we still have a problem. There are these middlemen who benefit from farmers. They try to break this system but we assist farmers so that they can manage to run this system.
- Laiser** *According to your experience so far, what are the feelings of the farmers about the system, using the mobile phones or internet or even brochures and all this kind of information technology to just access the market?*
- Susuma** Actually for farmers they are happy with the mobile phones because nowadays mobile phones are just, many farmers now they have mobile phones, so it is easier for farmers to communicate with themselves or to communicate with other people in town. Compared to internet, you know, our country is still poor. We have no internet service in villages, we have no electricity, we have no computer, and many farmers they don't know English and many brochures, many magazines, many newspapers are in English language, so it is a problem for them. So they are more happy in using mobile phones compared to other means of communication.
- Laiser** *So using the mobile phones you connect the farmers to the buyers. How you do that?*
- Susuma** We connect the farmers with the buyers and farmers themselves they find buyers, they find markets, whereby they, after finding the markets they mobilise themselves. They hire a car, they pack their crops and they transport them to the big markets.
- Laiser** *Do the buyers have some kind of limitations, for example that you have to add value that I will buy your products, or this condition?*
- Susuma** Still there is a problem to our farmers. Many of them they sell their crops which are in low standard. We are struggling to educate them; we are struggling to help them so that they can get facilities which can help them to improve or to process their crops before taking them to the market.

Laiser *What advice do you have? So far you have been working with the farmers and connecting the farmers to the buyers and trying to make a good market for them. What is your advice to farmers themselves?*

Susuma My advice is I ask farmers to collaborate, the problem we have, farmers they got no...

Laiser *Unity*

Susuma They got no unity. That is why these middlemen they can do as they can because farmers they have no unity. My advice is, farmers they need to have unity so that they can win markets, so that they can win for whatever they want. *End of track.*

Marketing for small-scale farmers

Group selling empowers farmers

Cue:

We have all heard the saying that in unity is strength. The development of farmer groups is just one example. In Northwest Cameroon, farmers harvest kola nuts from the forests, for sale in regional markets such as Douala and Yaoundé. In the past, prices for the nuts have been very low, but things are improving. Zac Tchoundjeu of the World Agroforestry Centre, also known as ICRAF, spoke to Martha Chindong about work his organisation has been doing to improve the marketing of kola nut in the region. The experience has lessons for farmers everywhere.

IN: "What we did was really to group ...

OUT: ... Thank you very much."

DUR'N: 5'53"

BACK ANNOUNCEMENT: Kuh Emmanuel Loh and Zac Tchoundjeu were talking to Martha Chindong. The interview comes from a resource pack produced by CTA.

Transcript

Tchoundjeu What we did was really to group them and develop their bargaining skill and then sell to wholesaler who we bring from Douala, Yaoundé and put them together to really sell this product. And this bargaining skill really helped them to argue during the grouping sale and impose their own prices to the wholesalers. The first were very, very difficult because farmers were thinking that they are being cheated by the wholesalers and the wholesalers were thinking that the farmers were becoming very wise and trying to cheat them. So we had to go back to the farmer group telling them, 'Well, you acquired a bargaining skill but you have to use this bargaining skill wisely.' And we went back also to the wholesalers and said, 'Well, can you reduce a bit your profit margin, so you give a little more to the producer because if you do not, if the producers are not satisfied they will not continue the chain?' This is the matter of chain. Now we have succeeded to bring the 2 parties together, the buyers and the sellers, and the group sale is going on very well now.

Chindong *And everybody is satisfied?*

Tchoundjeu Everybody is satisfied because they have a kola group formed in the Northwest now, very well structured. We know that in some areas the big problem has been to bring the product on the market because of the bad state of the roads. But still farmers are trying to solve this problem by choosing where they will do their grouping sale, maybe near to the farm gate or in an area well accessible. So through grouping sale they solved a lot of problems. They do not go to the market individually. When you go there individually it is more expensive because you have to pay your transport fees with a small quantity but by grouping them, really they solve a lot of problems.

Chindong *Don't you think that when the farmers do not take their goods to city markets, for example, they may always have the idea behind their minds that these wholesalers are cheating them?*

- Tchoundjeu** We did not realise this with the grouping sale because for example, farmers are not stupid, they know the prices. And they are aware because we feed them back with the prices in the city. The market information system is so well developed today because you have cell phones even in rural areas. This information, when we feed the farmer before the grouping sale, they are really aware of what is happening in the city. Let me give you one sample. For grouping sale to really take place we have to give some money to the farmers because imagine that you are a farmer, you produce 3kgs and you need money urgently, you will not wait for grouping sale to solve your problem. If you cannot wait we should be able to put some money at your disposal so you use it while waiting for the grouping sale and this *fonds de garantie*, we have called it *fonds de garantie*, really encourages farmer to accept the idea of grouping sale. But the most important thing is that *fonds de garantie* should be built up from the farmer sales, so they become more independent. So when ICRAF is not there they continue the process. So we have put the *fonds de garantie*. From the *fonds de garantie* farmers could sustain and accept to wait for the grouping sale.
- Loh** My names are Kuh Emmanuel Loh the Provincial President of the Farmers' Platform in the Northwest province. Working in collaboration with the World Agroforestry Centre, we are trying to promote the production and marketing of kola which is a tree crop that generates a lot of income for farmers that have it. Together with ICRAF we are linking farmers with buyers. That is bringing buyers to farmers, having meetings, also taking farmers to visit market places to see how these produce are sold, how they are being packed by retailers or wholesalers. I for one, I visited Ngoundere market where the kola that is produced in Northwest and Western provinces is sold most and I saw what is happening to this produce.
- Chindong** *So what is another advantage of visiting the market place?*
- Loh** Another added advantage of visiting the market place is to bring the understanding of the farmer and buyer together so they can be able to negotiate prices, also taking into consideration the final market price.
- Chindong** *What is the advice you think farmers can get from this?*
- Loh** The first advice I will give to farmers is that they need to function in groups. They need to register to work under a platform because now, if somebody comes and says he needs 10 tons of maize, 10 tons of kola, 10 tons of rice, they are there in the houses; because they are not together they cannot sell. When farmers come as a group the bargaining power has some reinforcement. They can also talk about price issue and agree as one person, they act as one force and also the risk of going to the market as one farmer is reduced and the number of days to stay in the farm is gained and if they are together they can market. So my final advice is that in every domain, in every specificity, farmers should come together so they can do group marketing.
- Chindong** *Thank you very much.*
- Loh** Thank you very much. *End of track*

Marketing for small-scale farmers

Supplying hotels – quality and reliability

Cue:

The Senegambia Beach Hotel is a luxury hotel which caters for visitors from all over the world. In its restaurants, diners can expect high standards of food and service. But the hotel is also keen to buy food for the restaurants from local sources, and in many cases this will be from farmers and farmer groups. Vegetables such as cabbage and tomatoes, for example, are bought from a number of women farmers, who can earn a good price for their crop.

But supplying a luxury hotel is not the easiest option. The women have to be well organised and able to supply top quality produce without delay. Simon Cole, one of the Senegambia's purchasing officers, explained more to Ismaila Senghore.

IN: "Our stand here is quality ...
OUT: ... and attitude to work. Really."
DUR'N: 5'36"

BACK ANNOUNCEMENT: Simon Cole, and purchasing officer at the Senegambia Beach Hotel. The interview comes from a resource pack produced by CTA.

Transcript

Cole Our stand here is quality, timely delivery and reliability. These are the things that we normally look for from the women.

Senghore *Now let's look at them one by one, let's take the quality first.*

Cole Now the quality has to do with a very mature, like if you are talking of a tomato, it has to be matured, red and very nice for the cook to treat it the best way to be treated so that the guest, once that end user looks at that tomato and it is well cooked, that is where the image of The Gambia and the image of Senegambia comes to play. And we don't normally joke with the image, because it is the image that promotes the tourism that we are trying to promote, for that guest to come again to The Gambia.

Senghore *Now the other aspect you talked about is the reliability of the market. What do you mean by reliability?*

Cole Now the reliability is, when the purchaser calls you and says, 'I want tomatoes, 30 kilos, to come at this time,' he is taking that information from the chef, who has a guest count for that day or for that evening to do a dinner. That person, that women's group or that woman, should immediately strike a balance and say, 'Yes, I can do it. At sharp 2 o'clock you want those tomatoes?' You said, 'Yes, bring it for me at 2 o'clock.' Now if you don't come at two, you have distracted or even given a big panic to the purchasing officer, and to the whole sous-chef and the chefs and the kitchen department. That's disastrous. So for that person not to perform at sharp 2 o'clock to bring those tomatoes, it is a big disaster. So if you fail it means we don't contact you again. Because the guest, at the end of the day, does not know what should have happened, whether there is a break in communication or whatever. The guest doesn't want to know that. What the guest wants is that he comes in at 7 o'clock for dinner and realises that there is a perfect dinner prepared for him or her. That's all. And that is the way that we should move.

Senghore *What are the kind of problems that you face, and how do you think you can solve those problems in the purchasing of vegetables?*

- Cole** For me really it is for the farmers themselves to come and look at the process. Because if you want to perform, if you really want to perform and be identified as a very good performer, you should understand the end user, what is hitting the end user. Because here is a tourism aspect remember, and it is an image issue. So your product adds in to the total quality that we are trying to achieve for that guest. So the farmer should really come over, and we sit down with the farmer and show him up to lunch time, or even up to dinner time, that impact of the vegetable, through the process up to the end user. I think those are the things that really the farmer should understand. I'm sure they understand it, but it is again also to give them the chance to once in a while visit us. I think it would be very nice.
- Senghore** *So in the process I see that you buy from middlemen and buy also from the farmers directly, the producers. Now how would you like to promote for example buying directly from farmers, because this may be to your advantage? You may get the end product cheaper, and the farmers also may earn more. Because we know middlemen are sometimes profit minded and they can be very unscrupulous.*
- Cole** What I would like, that's my own contribution, is for the farmers to build up their capacity. You see sometimes they lack the transportation of moving faster. Probably that middleman is taking that advantage. 'Ah you cannot do it, probably you are very busy, I can do it for you.' And then they are gaining the profit out of it. But if they can build up, probably through hire purchase to have even a little Land Rover, to build up that capacity of moving faster and coming to the hotel at that exact time that the purchasing department would request for it, I think that would be fantastic. Because they are doing extremely well, they are really doing extremely well.
- Senghore** *Now what do you think can bring about that kind of understanding between you and the farmers. What kind of forum do you think can make that possible?*
- Cole** I suppose if we can have a forum where somebody can sponsor it. Let it be local first. So that we as Gambians would promote each other and come to sit down in a forum where we can talk it out, and go to the field and look at them also, that would really help. So that we build up the relationship. The buyer, the farmer and whoever is within the tourism sector. And this is what we want to promote, really.
- Senghore** *Now it seems there is really a very good market for our horticultural producers by way of the hotel industry in general. But also from the farmers end, they say sometimes some hotels don't pay on time. Now what could be responsible for you not paying on the spot when you buy their produce?*
- Cole** Let me come back to the women. You see the payment period, also the women should understand it. Because it is the load of purchases that we have for a day. It's not only vegetables, but then you can look at the whole, holistic aspect of beverages, vegetables, meat, fish, chicken, all coming in just for those guests. So to process those things, from purchasing through the approval level, up to the finance level, it normally takes a period of a week and a half. So that at least when you say 2 weeks, that person coming back within 2 weeks should come and receive a cheque, ready, signed and everything. That is one aspect. For the way forward, I suppose more is quality, because really at the end of the day, the quality can sell the country to wherever, and that is what we want now, in present Gambia: standard quality, timely delivery and attitude to work. Really. *End of track*

Marketing for small-scale farmers

Selling to the processing industry

Cue:

High value spice crops like vanilla and cardamom can be a tempting option for farmers wanting to earn more money. But growing these crops needs specialist knowledge and attention to detail, and farmers must be ready to invest in order to get their production started. One way to reduce the risk of failure is to have a contract with a buyer, such as a spice company, who can support in the production of the crop and be a guaranteed market.

Uganda Crop Industry, for example, is a food processing company which contracts farmer groups to grow cardamom, a popular spice in Asian cooking. Ronald Kafeero is the chairman of one of these groups, and he spoke recently to Wambi Michael about how they grow and sell the spice. Before visiting Ronald, however, Wambi first met with Abdul Majidu, an extension worker with the processing company. He asked Abdul how many farmers supply their cardamom.

IN: "We have around 400 people ...
OUT: ... have got that good example."
DUR'N: 4'08"

BACK ANNOUNCEMENT: Ronald Kafeero, who grows cardamom for the Uganda Crop Industry. The interview comes from a resource pack produced by CTA.

Transcript

Majidu We have around 400 people. The people were just very much in contact.

Michael *They finally sell the product to you?*

Majidu Indeed.

Michael *Now let's start our motorcycle, we go and see these guys who grow cardamom. We are now going to see some of the farmers who grow cardamom in part of this area.*

SFX Motorcycle engine.

Michael *We are now in Lugazi. We are meeting one of the farmers here in Lugazi Good afternoon sir.*

Kafeero Good afternoon.

Michael *How are you?*

Kafeero I'm alright, how are you sir?

Michael *Fine, how is here?*

Kafeero We are ok here.

Michael *Now we are talking about the growing of cardamom and I can see we are standing next to this crop. When did you begin growing cardamom?*

Kafeero I began growing cardamom in 2004. We have a group which is called Kyosimbonanya. We were trained to grow cardamom so I became a model farmer here and I'm benefiting from cardamom.

Michael *And how many are you in the group?*

Kafeero We are 18 members.

Michael *Ok, how do you market this cardamom after growing?*

Kafeero After growing cardamom, after picking it from the garden, we take it straight to the Uganda Crop Industry and get our money just immediately.

Michael *Immediately? Because in the past we used to have scenarios where you would grow coffee then they wait for years to get their money. So with cardamom you grow it immediately and get it?*

Kafeero Yeah, and get the money.

Michael *Ok. Tell us how you market this product?*

Kafeero Ok. Us in our group we just gather our cardamom, all of us here, so that we send it and sell it as a group, in Uganda Crop Industry.

Michael *How good is that?*

Kafeero That one is better because it takes a short time, takes a little time. One person can go, a person who we trust can go there, and the rest remain working in their farms, so that we don't waste time.

Michael *Now how do you ensure the quality of cardamom that you send to Uganda Crop Industries?*

Kafeero That one, we were trained by some of our instructors. The best quality of cardamom we know and we just collect it, when it is about green.

Michael *Now let's talk again about this group marketing element. How are the farmers who are growing cardamom benefiting from selling of cardamom?*

Kafeero We were suffering when we were selling it, this coffee, because we were selling just individually. But now as a group, our people have benefited very much because we gather our crop at my home here and we take it there to Uganda Crop Industry.

Michael *How do you share out what you have got in terms of sales?*

Kafeero I have a weighing scale here. So every person who has brought his cardamom we have to know the exact kilos which we are just taking. So we gather it together, after getting the kilos of every individual, so that we send it there.

Michael *And how good is this?*

Kafeero That one is very good because it does not waste time and we are working together. So we are benefiting and we are advising the money which we get from there, we advise our farmers, do this one, do that one. Myself, I'm going to Kituza for more knowledge and I'll be going to the other institute at Kampala there for more training because I have gathered enough money. Even some *boda bodas*, the boys are busy making money.

Michael *You mean you bought motorcycles that you gave out to people?*

Kafeero To people.

Michael *Are you doing that also as a group, like a grouped people?*

Kafeero Yes, we are doing it in Kyosimbonanya Farmers' Group, and already about ten of us we have *boda bodas* which are busy at the Lugazi town, who work there.

Michael *In the past we had some farmers when they had the vanilla boom, people used to bring nails and whatever and they put in vanilla. So you as a group, how do you ensure quality of the cardamom?*

Kafeero As we have learnt from our people with vanilla, they were spoiling their crop, whereby even there it had no market. So with us we ensure that we do something which is good so that it does not spoil our market, as it spoiled the market of those people with vanilla. We have got that good example. *End of track*

Marketing for small-scale farmers

Making markets work for people

Cue:

How often do you go to the market? Once or twice a week? Or perhaps you sell goods in a market, and go there everyday? For people who sell perishable goods, like fruit and vegetables, choosing the right market can be vital. A poor day's trade may mean that valuable produce must be thrown away, sold for a low price, or taken back to the village.

Around 35 years ago in Lusaka, Zambia, a group of farmers decided to change the way they marketed, to make the system work better, both for them and their customers. The Tuesday market was born, which now operates as a cooperative with over 200 members. Chris Kakunta went to find out how it works.

IN: "Very shortly I will be talking ...

OUT: ... it has been a pleasure."

DUR'N: 4'53"

BACK ANNOUNCEMENT: Chris Kakunta reporting from Lusaka's Tuesday market. The interview comes from a resource pack produced by CTA.

Transcript

- Kakunta** *Very shortly I will be talking to my colleagues here at the Lusaka Tuesday Marketing Cooperative Limited. Farmers flock from as far as Mumbwa, Chongwe, Kafue. They all gather here at Lusaka Tuesday market for one purpose, to sell their products. As you can hear from the background there are all sorts of farmers selling different types of products around. And with me is Mr Friday Pride Shawa. You are the Chairperson for this particular cooperative. Could you tell me why you came up with this idea?*
- Shawa** *We came up with this idea when we looked at the market. We found it was ideal that each and every farmer should come and gather in the capital here so that we can sell our produce at a very competitive and fair price.*
- Kakunta** *So what type of farmers do you have here?*
- Shawa** *The farmers who come to this market are from small-scale farmers, subsistence farmers and a few commercial farmers.*
- Kakunta** *Now coming to you Mr Ernest Kayumba, you are coming from Mumbwa which is about two hundred kilometres from where we are having our interview. What brings you here?*
- Kayumba** *What brings me here is because of the good outlet that we have at Tuesday market. You find that products here are very competitive compared to Mumbwa.*
- Kakunta** *Most farmers deliver their crops everyday to an open market. This particular market only opens on Tuesdays. Do you think you are able to make more money by selling on a specific day?*
- Kayumba** *Yes we do because a lot of our customers come on this specific day.*
- Kakunta** *This looks like a market for those who are well to do?*
- Kayumba** *It seems so.*
- Kakunta** *And is that the reason why you prefer selling your products on Tuesday?*
- Kayumba** *I think so.*
- Kakunta** *As a chairman, do you think this is a very good idea that can be replicated elsewhere?*

Shawa This is a very good idea because the customers will come specifically for that day and they will buy things in bulk and farmers will make their money at good time.

Kakunta *What makes this market popular here in Lusaka?*

Shawa It is a market which has got security and a lot of diplomats they buy here. Even our politicians, the Chinese, they come here and each and everything which you want, a vegetable, a fruit, you will find it at this market and this is only on Tuesdays.

Kakunta *Now as a farmer it is often said that a farmer produces these crops at a very high cost. At the end of the day they lose, they are unable to sell their products. Are experiencing this here as a farmer who is bringing their products on a Tuesday?*

Kayumba No, I am not experiencing this because when you come here on Tuesday the prices are very competitive and good, such that that loss is not actually incurred.

Kakunta *Now if a similar market has to be established elsewhere, what are the key things that you would like to tell our listeners on how they can establish a similar market?*

Shawa The thing is they have to come together and register themselves under the Ministry of Agriculture and Cooperatives and then they get clearance from the council to allow them a permit to operate such a market.

Kakunta *And to the farmers who bring their products like Mr Kayumba?*

Shawa The farmers like Mr Kayumba, these are most welcome here. As long as we have got space we can still accommodate them. But if we do not have space we can also encourage them that in outlets they can open a similar market.

Kakunta *Madam I found you here at Lusaka Tuesday market. Why do you come here?*

Kulkhani Because we can get all things at one place you know and it is very reasonable price and people we know so long, almost fifteen, sixteen years they are coming and selling it here. So they are like our friends and they are bringing all things to us, you know.

Kakunta *Do you like the products?*

Kulkhani We like the products. It is a quality product you know. What we want, that is, we are getting it here. This is convenient. This is centralised. We are working people so we are getting half days and we are coming here and marketing at a time. We can get groceries also, you can get vegetables also. You can get your show pieces like crafting. Everything we can get it here. Safety wise also, parking is good, everything is ok. So we do not have to worry, you know.

Kakunta *Most people believe that farmers are underpaid for their products. Do you think the farmers here are getting value for their product?*

Kulkhani They are getting value for the product, and mostly people they are coming, it is all people, I will say Indians, Zambians, all white people, everybody comes here you know.

Kakunta *Thank you so much and you names, Madam?*

Kulkhani My name is Mrs Kulkhani.

Kakunta *Thank you so much, it has been a pleasure. End of track*

Marketing for small-scale farmers

Public exposure at agricultural fairs

Cue:

Are you an adventurous eater? Do you try new things, or do you stick to what you know? If you are selling a new food product, getting people to try it is half the battle. And what better way than to have a stall at an agricultural show? Armed with her tasting spoon, Winnie Onyimbo sent us this report from Nairobi's annual trade fair.

IN: "I am standing at Munde Dairies ...

OUT: ... almost between two to three.."

DUR'N: 5'08"

BACK ANNOUNCEMENT: Winnie Onyimbo reporting from the 2008 Nairobi Trade Fair. The interview comes from a resource pack produced by CTA.

Transcript

- Onyimbo** *I am standing at Munde Dairies and Mrs Gateri is the owner of this display point. Mrs Gateri, what kind of business are you doing?*
- Gateri** Animal husbandry, yogurt processing and also horticulture, all of them combined, integrated farming.
- Onyimbo** *On display I'm seeing yogurt, and I've tasted some of your yogurt, it's very sweet. What do you put in your yogurt to make it this sweet?*
- Gateri** We follow the laid down procedures for making yogurt, the standards that are set by the Kenya bureau of standards, the quantities you are supposed to put on each product, and as a result, if you do what you are required to do then you get the product required. We also consider the taste of our people. Some of our clients like a lot of sugar in the yogurt; others don't like sugar, so we cater for each class of people. So we meet customers' demand depending on their taste.
- Onyimbo** *I'm also seeing part of your work here is to show people how you make your yogurt. And the last point is sales and distribution. How do you market your product besides being at this show?*
- Gateri** We've got posters going out, we are starting the promotion of buy-one-get-one-free in some of the supermarkets. But at the moment we have concentrated on this show.
- Onyimbo** *What advantages are you having from displaying your yogurt at this show?*
- Gateri** It is exposure to people. Even if they don't buy here at the showground, at least they know Munde exists, they know what we do. And they are able when they see it in the supermarkets, which we are, in the shops, they'll know this product, I saw it at the showground. I was explained how it is made. So they will be able to buy. It's marketing also for our product.
- Onyimbo** *Are you getting more customers from the agricultural show?*
- Gateri** Yes we are, we are getting quite a bit. They are buying, we can't complain.
- Onyimbo** *Are you learning anything from other displays who have yogurt?*
- Gateri** Yes we are. We are encouraged because of our quality; we are encouraged because of our packaging, because people really admire our packaging. But we are also learning other systems of cost control, electrical cost, whatever, all those things we are learning all those from the fellow yogurt producers.
- Onyimbo** *Thank you very much and all the best.*
- Gateri** Thank you.

- Onyimbo** *I am at the Kenya Camel Association stand and I'm talking to Mr Kalif who is first a camel farmer and also works for the Kenya Camel Association. On your display I'm seeing camel milk, and I'm seeing camel meat, and I'm seeing camel fat. Why have you decided to have a display at the agricultural show this year?*
- Kalif** As you see it's that we are trying to expose these products to the different class of people, different tribes which are coming in this show, so that they can appreciate and ask questions on how to get those products. And one way of doing that is to bring all those products in the show, so that they can have a say and ask what benefits they have in taking the camel milk, or the camel meat, or the camel fat, or the bones, than other milks which they are finding in their places.
- Onyimbo** *What kind of challenges do you get trying to market your camel products?*
- Kalif** The biggest challenges for the farmers as you understand is that the camels live in the interior of the places, that is they live 70 to 100 kilometres in the bushes and that, almost all those places where the camels are living, the infrastructure is underdeveloped from the colonial period to date. The second is the issue of the water which of course is an obstruction in all the market because their hygiene, the camel milk hygiene is in the low standard till to date. So they don't get the value of what they are producing because of that infrastructure problem. The third is the attitude of the people. The people have not changed their attitude till to date. So still they are not market oriented, they are still looking at the family levels. They don't have the real information on what is being needed in the market, and now the Association is trying to give them the information through holding the annual forum. And they bring the researchers together so that they give the information, which has been experimented by the researchers, to the people themselves.
- Onyimbo** *How can you convince me as a buyer to buy camel products?*
- Kalif** One is that camel feeds on different shrubs, different trees which of course gives a high quality milk and normally this milk is being taken as food and medicine. And one you can understand is that it has different nutrients, high nutrients like calcium, like vitamin C, which is not found in other milks.
- Onyimbo** *How many camels do you have?*
- Kalif** For me I only have five, but for the family it is almost 50. So I am proud of having the five because it's mine, it's from my sweat. So I can pay the dowry now and get a wife.
- Onyimbo** *Ok. So how many camels would you give to get a wife?*
- Kalif** Normally you must have almost between two to three. *End of track*

Marketing for small-scale farmers

Adding value to farm produce

Cue:

What have sunflowers, mushrooms, pineapples and sugarcane all got in common? Yes, they are all cash crops, but they are also crops that can benefit from value addition. For example, sunflower seeds can be used to make cooking oil. Pineapples and sugarcane can be used to make juice. Adding value can be an excellent way for farmers to earn more from their crops, especially when prices for raw commodities are very low. Pius Sawa sent this report.

IN: "I'm at the Uganda National Trade ...

OUT: ... Yes, juice is ready."

DUR'N: 4'53"

BACK ANNOUNCEMENT: Richard Eboru ending that report from Uganda's National Trade Fair. The report was compiled by Pius Sawa and comes from a resource pack produced by CTA.

Transcript

Sawa *I'm at the Uganda National Trade Fair here at UMA showground, trying to find out how smallscale farmers are trying to penetrate the market.*

Akol My names are Anna Grace Akol from Bukedea district.

Sawa *Are you a farmer?*

Akol Yes I am a farmer. We are growing sunflower. We started as 25 women, now we have moved to 1,000. We were growing, the market was not there, and we were fetching very little money. So we thought of value addition. So some good project came to our area and gave us ram presses, as women groups. We paid some money for the ram presses. So we started processing. After sometime the market for oil was mad and with the ram presses we could not manage them because they are manually operated. So now we have a motorised mill whereby we are growing our sunflower and processing it into cooking oil. And we are even getting a by-product called seedcake. That seedcake we are giving it to our members, half of it we are selling it. Then this one we give to members. They use it for rearing their chicken, and the waste from the chicken, we are telling our members we should put in our gardens where we have planted our citrus fruits.

Sawa *I'm here with the one of the farmers who is dealing in mushroom growing.*

Constantino I'm called Omuge Constantino. We grow mushrooms, then after growing the mushrooms we do what we call collective marketing.

Sawa *What type of mushroom are you dealing with?*

Constantino It is home grown mushroom, the oyster type of mushroom. We sell it both fresh mushrooms, then we also sell dry mushrooms.

Sawa *How do you add value to your mushrooms for you to access more market?*

Constantino What we do mainly now is we harvest the fresh mushroom, we dry it, then we pack it in kaveeras with our labels.

Sawa *Kaveeras are polythene bags.*

Constantino Yeah, polythene bags.

Malunda I'm Mrs Malunda Violet from Kiyinda Agro Food Enterprise. When I grow fruits then I process them. I add value, I pack them.

Sawa *What type of fruits are you growing?*

Malunda Pineapples, oranges, mangoes, grapes. From them we get wines, we get juices, we get passion fruit jam, we get appetisers, one with chilli without chilli. We pack a lot of things. We do them in season because you can't do them at once a go. In a week we have to separate them. Some days we process wines, some days we process juices, some days we process appetisers.

Sawa *Here on the table I can see some are in bottles, some are in plastic containers and some are in paper bags. Of these kinds which ones are most expensive?*

Malunda Yeah, which are very expensive is those ones in the bottles because with the bottles, we don't have a machine in Uganda giving us glass bottles.

Sawa *We don't have a machine in Uganda producing glass bottles?*

Malunda No, it's exported from outside which is very expensive. So we just collect bottles from Uganda which are already being used. We wash them, we sterilise them so that we can pack our products. So that's a problem, even some of the materials are got from outside, sealing materials, seasonings. We processors are very many so sometimes you reach there to get the products when they are finished, so you have to wait until they will make another order.

Sawa *Now here I'm able to find one of the farmers who has come to this exhibition.*

Eboru I'm Richard Eboru.

Sawa *What are you doing here?*

Eboru I'm producing sugarcane juice.

Sawa *Can you tell me how do you do it?*

Eboru I first clean the sugarcane, then I roll it through the machine. We try to clean it before crushing out the juice.

Sawa *Ok, so I can see now the sugarcane is now clean. Now you are about to take it to the machine.*

Eboru This is a machine, it's called a sugarcane crushing machine. It produces sugarcane juice. It has two motors which use power, yeah and some two stones for crushing the sugarcane which roll.

Sawa *So the sugarcane is going through the two stones. So you keep on rotating the process?*

Eboru Yeah, to squeeze out all the juice. Until the juice is squeezed out, that's when I'll throw this, when I no longer see any juice coming out.

Sawa *There's a saucepan the other end which is just collecting the juice.*

Eboru Yeah, that where the juice goes.

Sawa *That's wonderful. So now that one is through you have finished that one.*

Eboru Finished that one yeah.

Sawa *So is the juice ready for drinking?*

Eboru Yeah it is ready.

Sawa *Maybe a few times we are going to test it. So for example, one sugarcane can produce how much juice?*

Eboru A long sugarcane can make one and a half litres.

Sawa *Just one sugar cane?*

Eboru Yeah.

Sawa *And how long does it take to squeeze one sugarcane?*

Eboru Just like two minutes.

Sawa *Two minutes. So two minutes, you are ready to make about US\$2 of juice.*

Eboru Yes, juice is ready. *End of track*