

# Smart marketing along small ruminant value chains

## Key messages and solutions

- Small ruminant keepers in rural Ethiopia have limited or no access to timely and adequate market information to guide their selling and buying decisions.
- Smallholder farm households are too small to influence the market with their individual marketing behavior.
- Access to marketing information and voluntary grouping of farmers (collective action) enhances farmers market participation and market satisfaction (in terms of price/head of animal).
- The following behavioral changes have been observed among participating farmers:
  - Systematic rescheduling of marketing activities
  - Improved bargaining power, and
  - Increased interest in information about bigger markets.



## Problem statement

- Little or no collective action and access to information characterize the small ruminant (SR) markets of rural Ethiopia.
- SR keepers hardly have all the information they need and buffer resources to lean on to postpone marketing decisions resulting in receiving usually unfavorable prices for their animals.
- Smallholder farm households are too small to influence the market with their individual marketing behavior.
- Organized farmers can collectively generate market information and decide on supplying [and purchasing if need be] their animals to the market.

## Benefits

- Farmers are acting together in the markets and hence improving their bargaining power.
- Farmers are sharing the information they receive with other farmers with high level of confidence and determination.
- They are developing a sense of empowerment due to the information received and the training they have attended.
- Farmers have reported that their marketing behaviour has changed such that they are postponing their buying and selling decisions.
- Farmers reported to be more comfortable in going to the market. They are not worried about the hustle they used to experience in the markets due to brokers and traders collision.

## Evidence

- The project is implemented in 12 treatment and 4 control markets in Menz. Both treatments [information and grouping] have two levels; i.e., markets will be either informed or uninformed and either organized or unorganized. The combinations result in four treatments and hence we have four markets in the informed and organized group [IO], four markets in the informed and unorganized [IU], four markets in the uninformed and organized [UI] and four markets in the uninformed and unorganized [UU or control] group.
- Data collected for 39 weeks on:
  - trait preferences, revealed and expected prices, quantity demanded, quantity supplied, availability of and access to market services, and key social [e.g., extraordinary social occasions] and environmental [e.g., profound shifts in the weather] phenomena.
- 18 rounds of information sent out to 400 farmers.
- Training given to 669 farmers on different aspects of collective marketing.
- Series of discussions were held with farmers.
- Detailed data collected from 784 farm households in treated and control group of markets.

## Suitability

- As a technology package, access to market information and collective action [on voluntary basis] is suitable to all communities – particularly to those depending on sedentary farming.
- Generation/management of the market data and establishing/maintaining a dynamic group action in rural areas, however, require quite a lot of resources and institutional commitments.

### Resource requirements (low to high)

Land	● ○ ○ ○ ○
Water	● ○ ○ ○ ○
Labour	○ ○ ● ○ ○
Cash	○ ○ ○ ○ ●
Access to inputs	● ○ ○ ○ ○
Knowledge and skills	○ ○ ○ ● ○
Institutional commitment	○ ○ ○ ○ ●
Policy support	○ ○ ○ ○ ●

### Impact areas (low to high)

Food security	○ ○ ○ ○ ●
Human nutrition	○ ○ ○ ○ ●
Employment and livelihoods	○ ○ ○ ● ○
Natural resources base	● ○ ○ ○ ○
Gender empowerment	○ ○ ○ ● ○
Market linkages	○ ○ ○ ○ ●

## Value chain focus

Input & services

Production

Processing

Marketing

Consumption

### Contacts

Girma T. Kassie, ICARDA, [g.tesfahun@cigar.org](mailto:g.tesfahun@cigar.org)

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