

## **The Market Strategy for the agroecology market**

### **Background and Introduction**

Although there are different organizations helping women to promote agro ecology, there is still low supply of agro ecological products because of the listed reasons; low soil fertility, limited or no organic inputs, limited access to land, lack of knowledge and trainings in agro ecology practices, limited access to financial opportunities, little or no value addition opportunities, limited access to markets as a result of hard transport means and social and cultural norms which are more rigid to women than men. Aside the challenges, there are opportunities in Central Uganda which include the growing consumer demand, climate resilience, soil health improvement methods, policy advocacy and the presence of the organic policy.

CEFROHT therefore working with the collaborative and women with youths have gone through a series of discussions to have a sustainability production plan and a market strategy for their agroecology products. The planning, financial projections, the legality and compliance projections, have been considered as key aspects that lead to proper agro ecological practices leading to sustainability and constant market supply.

### **The central aspects.**

With the support of the consultant and the collaborative, women and youths agroecology farmers discussed and agreed to the key elements for their market strategy; that is, identifying the target audience, developing a unique value proposition, creating a strong brand image, implementing effective communication channels, and continuously analyzing and adjusting the strategy based on how the sales progress.

So, centrally the strategy is anchored on to the following elements, maintaining good and safe agro-ecology products in the market all the time, then make sure that the price is affordable but fair to the farmers and attractive; then the place shall be an epicentre of the corporates for now; and intentional promotion through online and main media advertisement.

### **a) The existing markets:**

The farmers highlighted that the location of both the current earth markets were poorly selected as it was not prominently visible, and the nature of its operation dictated an open market where consumers had to make walk-ins and expected to find all products, they wished to buy which wasn't the case leading to consumer frustrations and loss of trust towards the markets. Secondly, the earth markets according to farmers suffered inconsistency in supply of food products which was caused by supply constraints as risk factors of production and inconsistency in production lines which led to unsustainable production and consequently supply of food products.

### **Action**

There was a consensus to merge the markets for now and move to a more town central place. And they resolved to only have four products for now, that is tomatoes, green peppers, onions and Nakati (green leaf vegetables).

### **b) The price norms in the country and effects on the market**

In Uganda, the prices are determined by the forces of demand and supply; that is during plenty, prices go down while during scarcity prices rise, so the fluctuations in the market prices are discouraging farmers.

### **Action.**

However, the meeting resolved in principle to standardize the prices of its products. Secondly, the meeting resolved as a start to offer its selected products at affordable prices within the first period of six months and also sensitize their clients on the benefits of spending on safe or organic food products. After six months, the farmers will offer their products at premium prices. It is envisaged that the increased understanding among the clients about safe food products and their consumption experiences will drive them to purchase the products at premium prices.

### **The attendant and management of the market**

CEFROHT held a discussion with the women and youth farmers on operations and management of the identified market segments. They resolved that going forward, it will not be feasible for them to attend to the market and asked CEFROHT to develop guidelines for them on management

### **Action**

CEFROHT is currently utilizing the obtained information from the discussion to develop the guidelines that will govern the market segments and its management.

### **The clientele for the market.**

For the earth market, the meeting identified corporates as its clients given the location (Nalya) of the marketplace which is in more urban area and being a resident of a top-class category. The farmers also identified restaurants, hotels, deliveries and walk-ins as its clients.

### **Action**

However, given the current production and supply capacities being low for now, they resolved to have emphasis on the deal will only three types of targeted clients; that is, restaurants and corporates as the market expands with time.

### **The advertisement/marketing/online**

With the digital era at hand, the women and youth farmers resolved to adopt and utilize online platforms to promote and market their products. Youths were passionate about this idea and promised to lead on it. However, due to limited capacity, they asked for CEFROHT's support in this.

#### **Action**

Farmers resolved to invest in website development, advertisement and communication through social media, marketing development as well as mainstream advertisements. From the assessment, the investment requires qualified personnel and I.T infrastructure which is supported by internet and for this, the farmers requested for support from CEFROHT.

### **The storage**

Vegetables are highly delicate and perishable, and farmers testified losses due to poor storage and transport means.

#### **Action**

Farmers resolved now to periodically estimate the amount of product supplies to the targeted markets by taking weekly records for sales which they will be using to determine the production and supply capacity rates to avoid excess. The strategy requires prompt delivery for which CEFROHT agreed to work with the women and youth to look for support for a motorcycle as a first step into this delivery strategy and for the long term a vehicle.

### **The refrigeration**

**Action:** With expansion in production capacities, the farmers resolved to introduce a refrigeration system at the marketplace in near future. This is intended to increase the self-life of the veggie supplies and maintain its quality. This aimed to provide safe and good quality products and keep client trust which will eventually fetch premium prices for the farmers.

### **The local government levies**

By law, markets in Uganda are supposed to be levied by local governments.

#### **Action**

So, farmers requested CEFROHT to hold more dialogues with local governments to request for waivers to enable the farmers to break even and grow their enterprises.

### **The landlord**

The new location and where the new earth market is going to be established belongs to an individual person who actually in support of safe food products. Based on the location, he requested for a subsidized monthly rent of UGX 1,000,000/=. Farmers requested CEFROHT to support them for a period of 12 months to enable them consolidate their returns and create an income base which will enable them to cater for such expenses.

### **Identified market place**

The meeting resolved to relocate the earth market to a very strategic and visible place. The marketplace has been identified along a main road in a busy town in Nalya aimed at targeting the corporates as its clients.

### **Action**

They resolved with assistance from CEFROHT to target corporates (and with a limited number of restaurants and hotels) since these on daily basis require the four selected vegetables. CEFROHT has so far identified one restaurant and is currently working out with the client the terms and conditions that will inform the supply contract. CEFROHT envisage to continue support the farmers to strengthen the market linkages, provide market information as well expand the market base.

### **The certification**

Because of failures on quality and standards which contributed to the loss of clients, farmers resolved to adopt PGS certification system.

### **Action**

With support from CEFROHT, the farmers resolved to leverage on community engagement, self-check, and local knowledge to pursue PGS certification from the Ministry of Agriculture Animal Industry and Fisheries

### **Value addition, Packaging and Presentation.**

Farmers resolved to present highly clean and good quality food products at the identified market segments. They also identified the need for empowerment in value addition technologies including packaging as a strategy for promoting products, increase product self-life and base for setting premium prices.

### **The Waste management**

Vegatable production come with a waste (unwanted veggie residues), so farmers resolved to engage and be empowered in BSF production technologies so as to be able to turn the waste into Frass (bio-fertilizer) and protein feed for their animals.

### **Market place maintenance and security**

Based on market operation guidelines still in draft, each farmer will contribute a small fee of UGX 2,000/= on every market day to cater for maintenance, hygiene and security.

### **The members' money**

Proceeds from the farmers' products will be deposited on their individual saving accounts that will be opened under their veggie PDM SACCO on a weekly basis. Farmers requested CEFROHT to support grow veggie PDM SACCO equity so as to enable the farmers access enough capital to boost their enterprises. CEFROHT promised to work with local governments for PDM SACCO funds and partner with other development actors to support the cause.

<b>Marketing constraints</b>	<b>Strategy</b>	<b>Intervention</b>	<b>Outcome</b>
Inconsistent supply of food products to the established earth markets	Ensure continuous supply to the market of the four selected production lines	<ul style="list-style-type: none"> <li>Identify and manage risks as well as supply constraints along veggie value chain.</li> <li>Up-hold and implement the developed sustainable plan for production of selected veggies.</li> <li>Build customer trust and confidence by focus marketing on the four selected veggies (tomatoes, onions, pepper, Nakati)</li> </ul>	Focused marketing on the four identified veggies
The nature of the market	Define targeted markets and strengthen linkages between Veggie PDM SACCO and defined target markets (restaurants and hotels as well as a new earth market).	CEFROHT envisage to support the farmers to search for new markets, strengthen the existing market linkages and provide market information	Linkages to targeted markets are strengthened
Poorly selected market location	Involve farmers in selection and identification of new market locations	A new location through farmer networks has been identified in Nalya and negotiations with the landlord are through.	New strategic market place identified, agreement signed between CEFROHT & Veggie

			PDM SACCO with the landlord and lastly relocation.
Lack of adequate storage facilities	Minimize risk of spoilage and waste	<p>CEFROHT will strengthen market linkages such that products are delivered on time and empower the farmers in low cost value addition technologies.</p> <p>Establish cold storage and transportation facilities</p>	<p>Risk of spoilage and waste is minimized.</p> <p>Post harvest losses minimized</p>
Non-compliance to agroecology principles and practices	Ensure quality assurance and compliance to agroecology principles, practices and standards	CEFROHT will leverage on community engagement, self-check, and local knowledge to support farmers to pursue PGS certification from the Ministry of Agriculture Animal Industry and Fisheries	Compliance to agroecology principles, practices and standards