



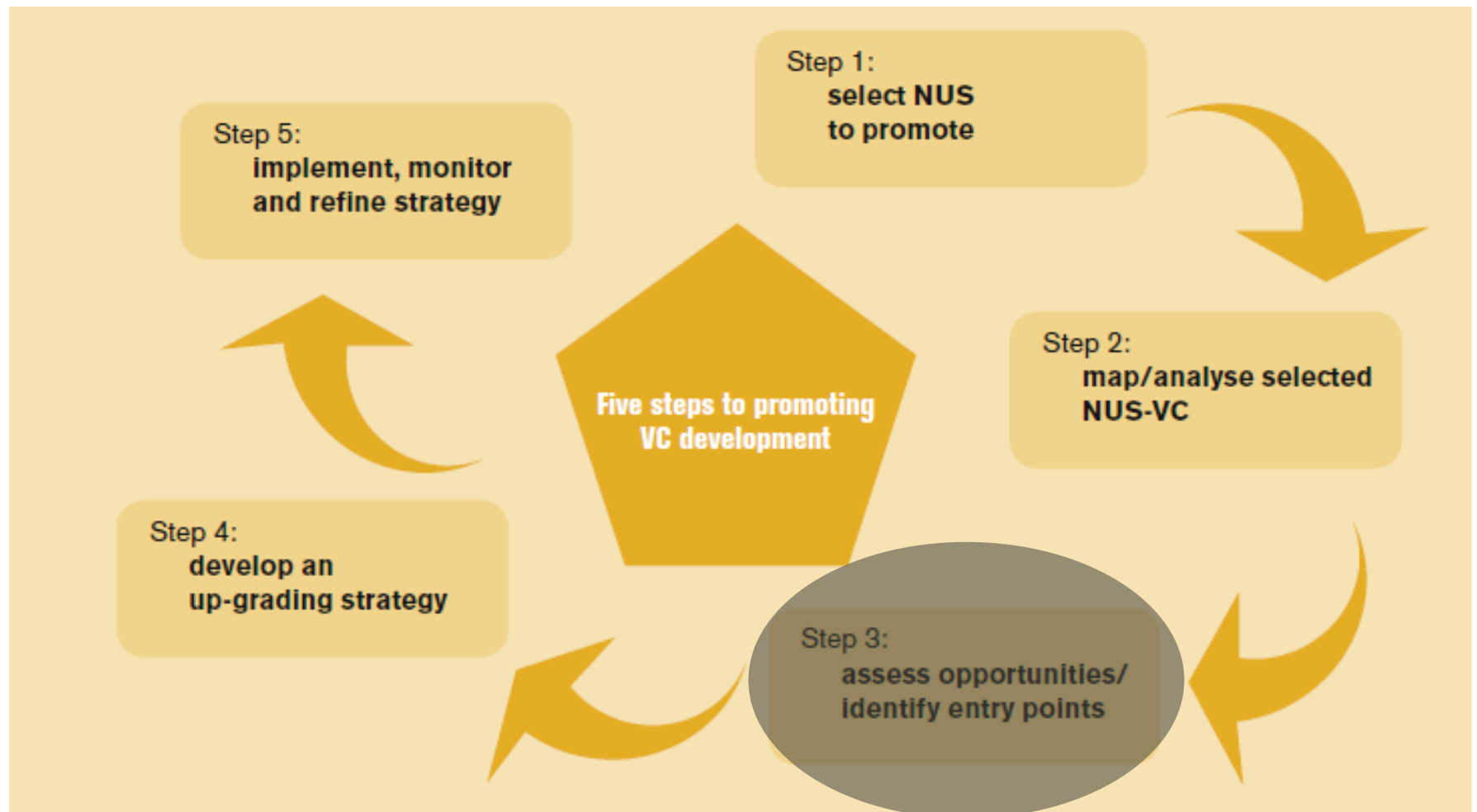
10. Marketing strategy and marketing mix

Hugo Lamers, Associate Scientist Socio-economics and Marketing
Bioversity International, New Delhi, India

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Marketing Mix

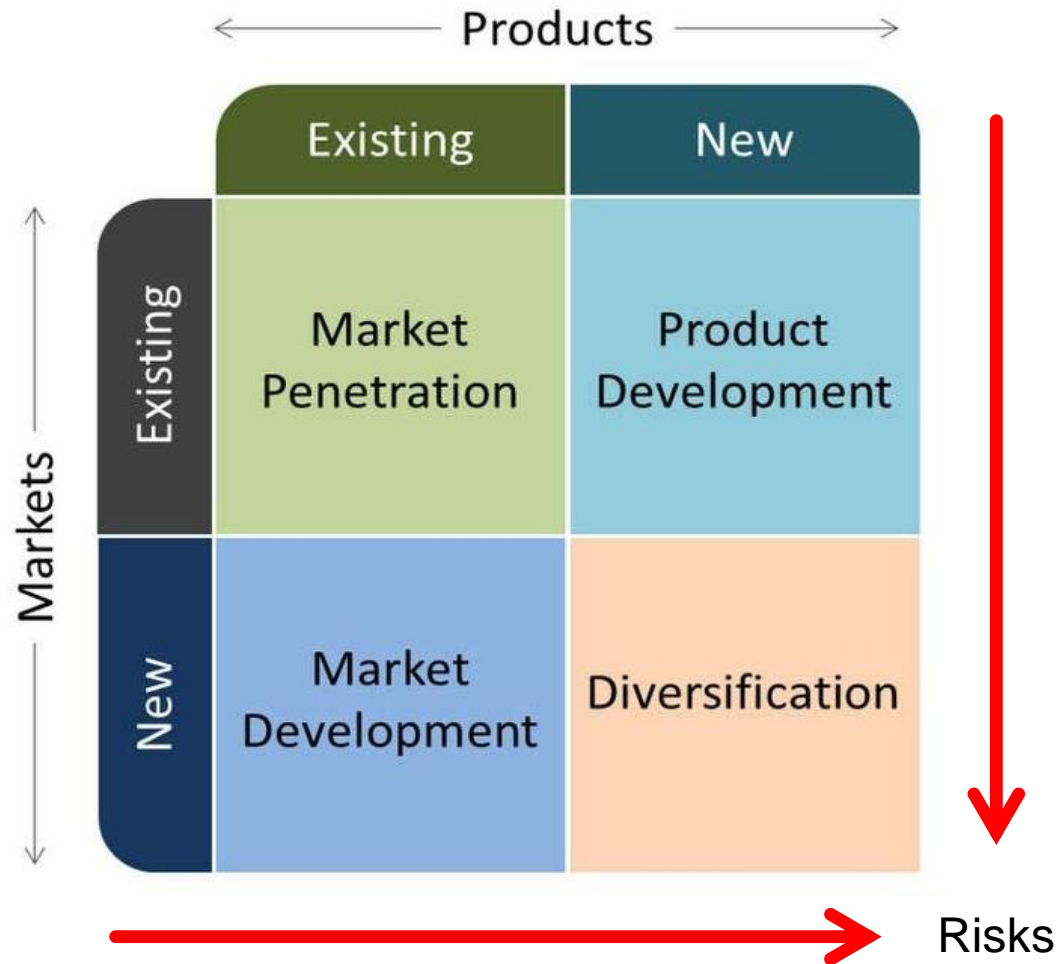


Ref. Margret Will 2008

Ansoff Matrix (Market Strategy Grid)

When:

- developing a market strategy
- identifying growth opportunities



Igor Ansoff 1957



Ansoff Market strategies

- **Market penetration**
 - Sell more products in the same market (fruits are being sold to more consumers or increased consumption/head)
- **Market development**
 - Sell products in new markets (sell fruits to new geographic region or to new type of buyer such as hotels)
- **Product development**
 - New products or modified products in existing market (improve quality or packaging, develop brand or introduce new fruit species for same consumers/channel)
- **Diversification**
 - New products in new markets (target new group of consumers or buyers with a new fruit, brand or type of packaging)



What is Marketing?

- More than 'telling and selling'
- Marketing involves finding out what your customers want and supplying it to them at a profit (FAO)
- The process to create value for customers and build customer relationships in order to capture value from customers in return (Kotler)
- ***Capture value by building customer relationships to satisfy customer demands (Kotler)***

What is demand?

- **Needs**
 - Not created by marketers but basic part of human life (nutritious food, clothing, shelter, health etc)
- **Wants**
 - Needs shaped by culture and individual personality (i.e. preferences; all need food, but some prefer mango...)
- **Demands**
 - When supported by buying power (resources) wants or preferences are converted into demands

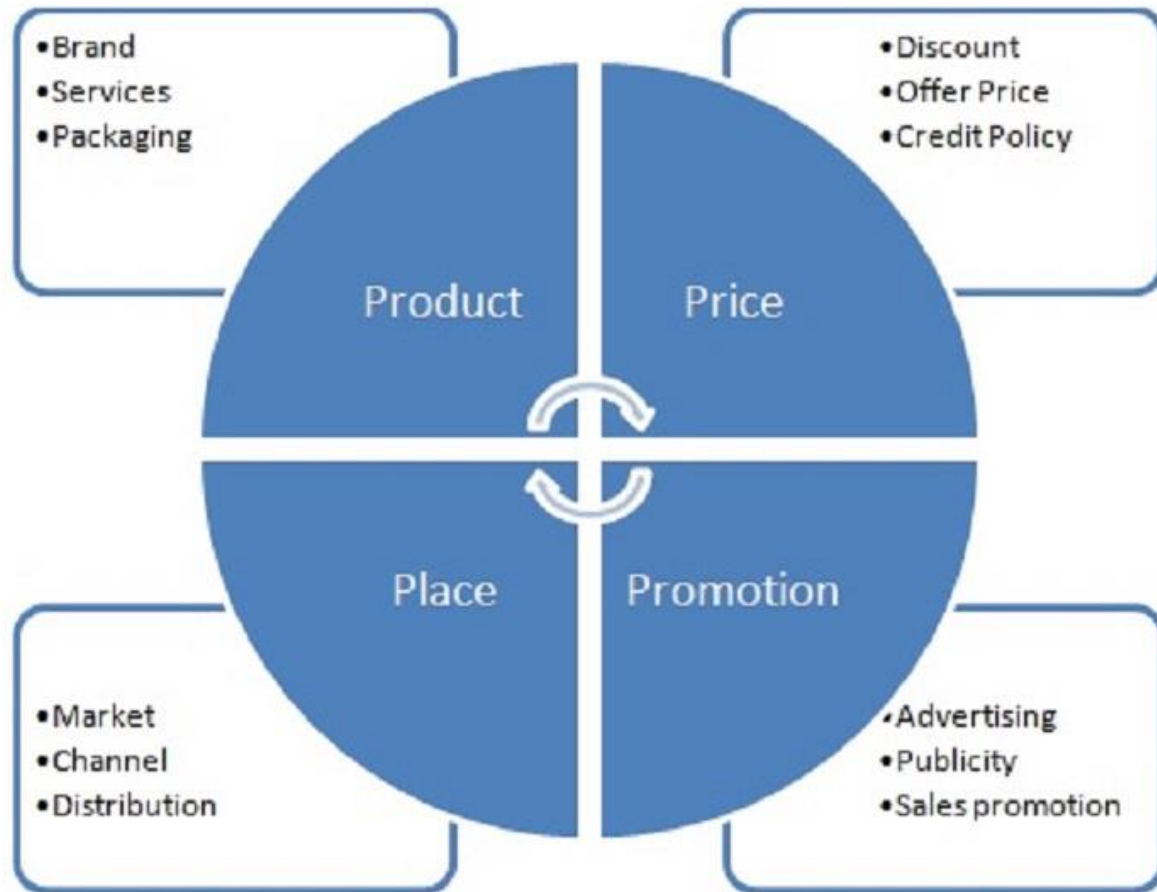
Marketing Mix



1953: Neil Borden

1960: E. Jerome McCarthy

Marketing Mix



1953: Neil Borden, President of the American Marketing Association

1960: E. Jerome McCarthy, Marketing Professor Michigan State University

Marketing Mix New



| Four Ps | Four Cs |
|-----------|------------------------|
| Product | Customer Solution |
| Price | Customer Cost |
| Place | Customer Convenience |
| Promotion | Customer Communication |

1990: Bob Lauterborn, professor of advertising at the University of North Carolina

Marketing strategy for agricultural biodiversity

- A **bulk production** market has often **low value, high competition**, over-production and volatile prices which you **cannot influence** resulting in insecure income for farmers.

Advantage is that it requires little investment or effort.

- We focus on **innovative niche markets** and use local fruit diversity or unique species or varieties to develop **higher value products** and **innovative market concepts** by:

A. Product differentiation; i.e. how to make my product different and more attractive than competitors by product design and quality, package, price, promotion

B. Consumer segmentation; i.e. how to create strong customer relationships and target a specific consumer group that is most interested to buy my product

Disadvantage is it requires some investment and effort to develop.

Origin 1960-70ties

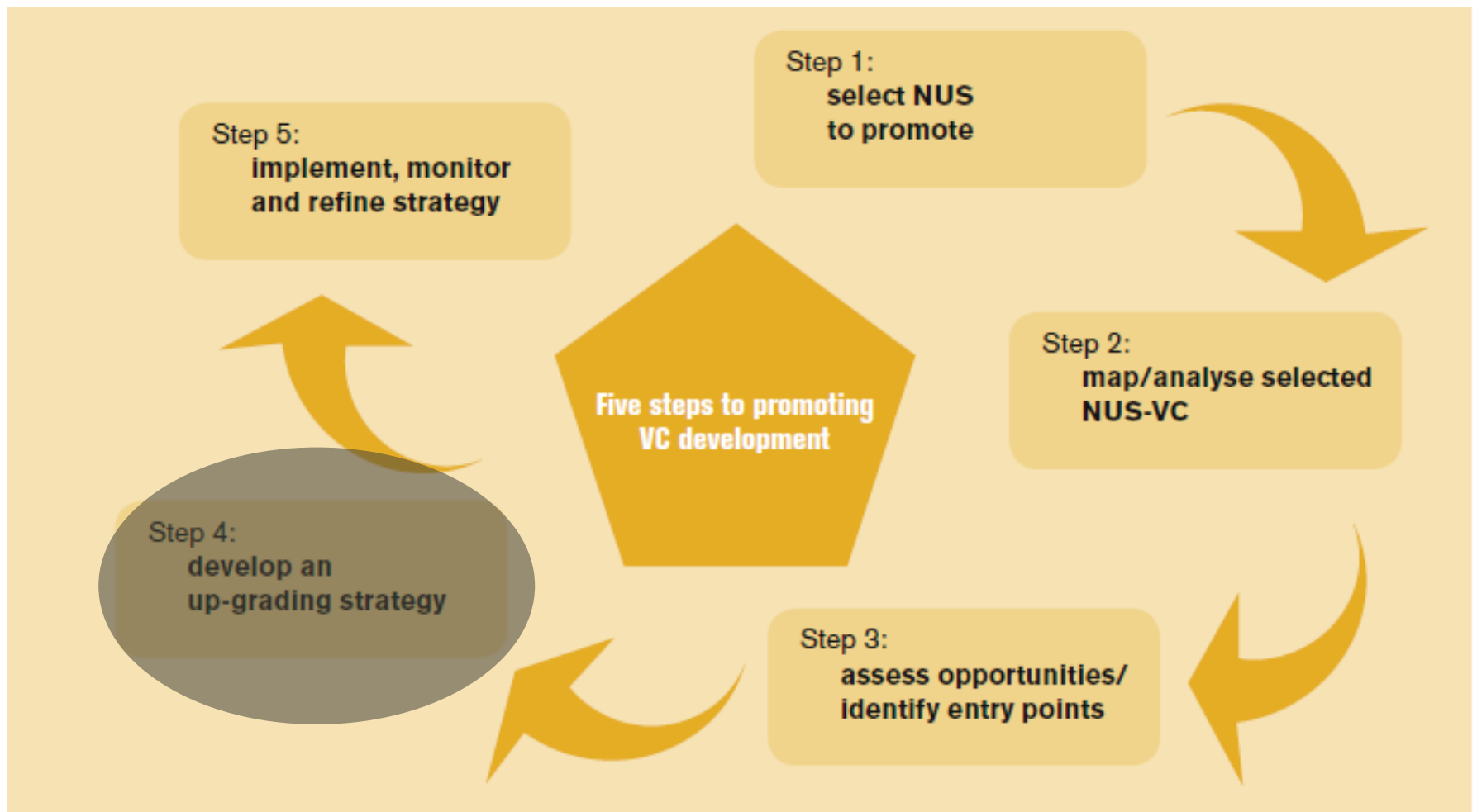
To analyze a product, enterprise or value chain

Strategies:

- Match strengths + opportunities = comparative advantage
- Convert weaknesses or threats into strengths or opportunities
- Minimize threats or weaknesses

SWOT ANALYSIS





Ref. Margret Will 2008

Step 4 - Upgrading strategy

1. Develop a Joint Vision for the Value Chain
2. Develop objectives for the selected Value Chain by identifying key areas where change is required including on-farm conservation
3. Develop actions for each listed constraint or opportunity per objective
4. Identify actors for each listed action

Step 4 – Upgrading strategy

The typical areas of improvement for upgrading are:

- Services and regulations (eg. finance, transportation, improved seeds, comply with product norms)
- Production and productivity (eg. Good Agricultural practises)
- Promoting collaboration (eg. Producer associations)
- Product quality and safety in its different transformation stages (eg. quality and food safety certification)
- Commercialization (eg. Improve business linkages)
- Conservation of natural resources (forest conservation, reforestation, certification, waste management, etc.)
- Generation of strategic alliances and others (eg Public Private Partnerships)
- Others

Step 4 – Upgrading strategy

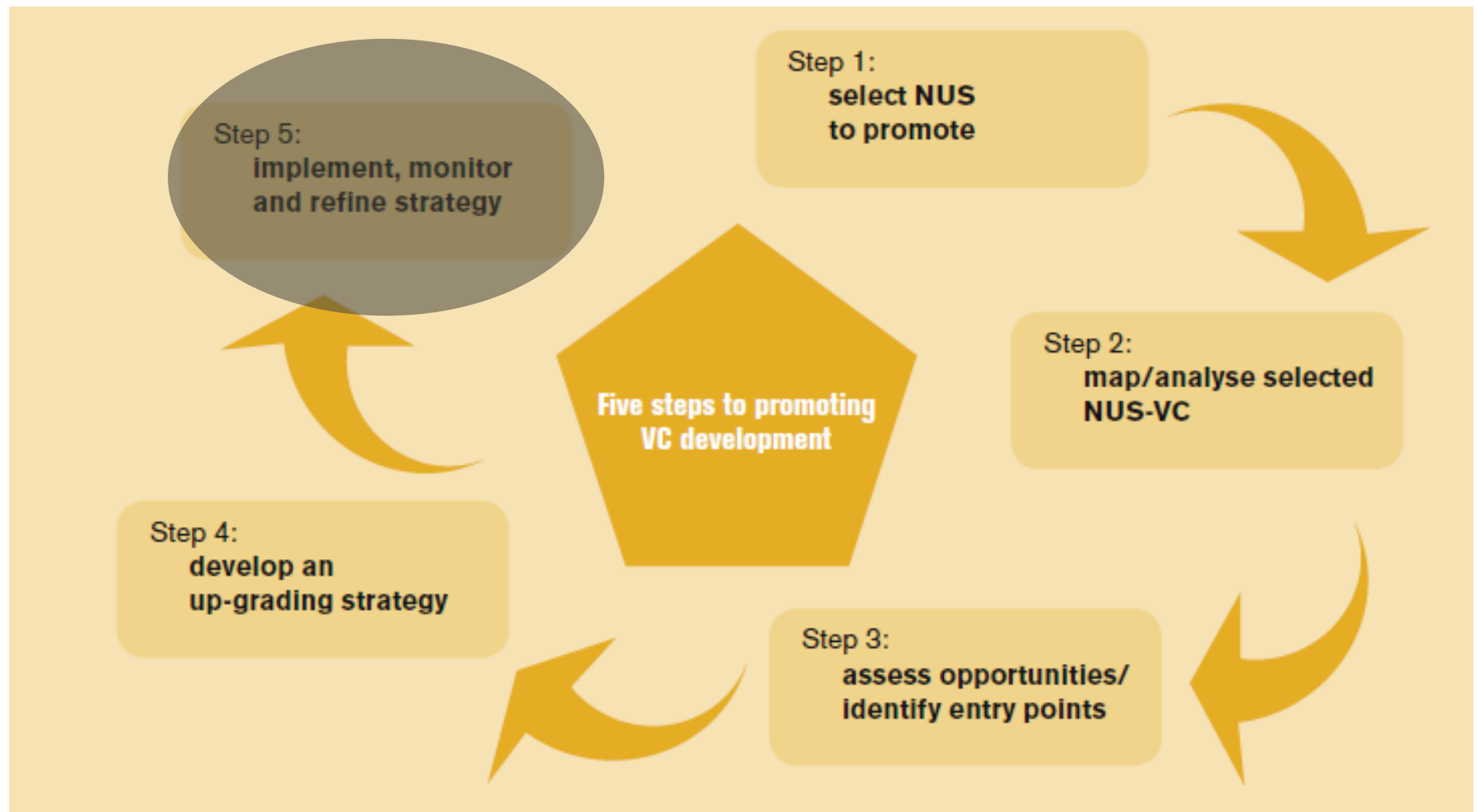
Vision:

Objectives 1:

2:

3:

[illegible]



Ref. Margret Will 2008

Step 5 - Implementation

Key considerations for facilitators:

- Do not step into the value chain as actor
- Do not become service provider
- Activities will collapse when project ends
- **Market-based solutions** – strengthen existing operators or service providers to improve value chain performance (or create new operators/service providers)

Step 5 - Implementation

When to “enter and exit” a facilitation process?

When to start or move forward:

- Request and initiative from VC actors and operators
- Previous steps show positive results and confirm the agreed vision
- When a (new) objective (area of change) has been agreed upon

When to stop

- When an objective (area of change) has been reached
- And until a decision has been made by operators to move forward in the face of factors that affect the chain

When to finalize (completion of the facilitation)

- When operators or service providers can manage by themselves
- If the process deflates and the actors of the chain lose interest

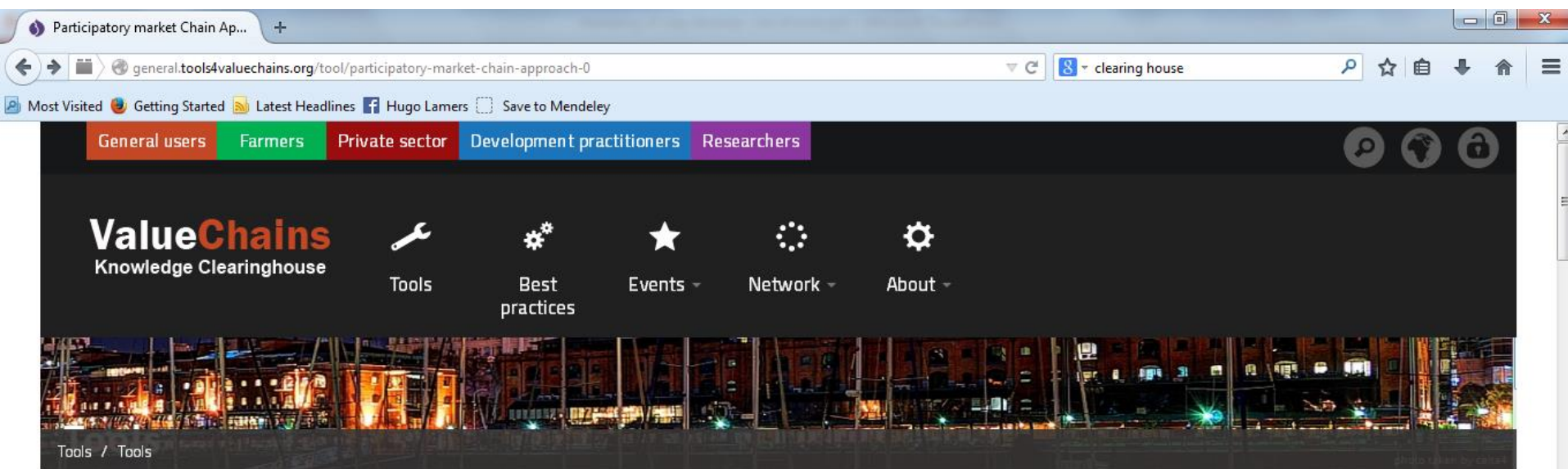


Materials available on value chain development

What is already done by others?

- CIP/CIAT: Participatory Market Chain Approach - <http://cipotato.org/publications/pdf/003296.pdf>
- GIZ: Value links - <http://www.valuelinks.org/>
- DFID: Value chains for the poor <http://www.valuechains4poor.org/>
- FAO: Contract farming - <http://www.fao.org/ag/ags/contract-farming/library/en/>
- SNV/Agriprofocus: Gender in value chains - <http://genderinvaluechains.ning.com/>
- UKAID/SDC/SIDA: Markets for the Poor Hub- <http://www.m4phub.org/>
- SDC: Market approaches to development - <http://poverty.ch/>
- ILO: Value chain development <http://www.ilo.org/empent/areas/value-chain-development-vcd/lang--en/index.htm>
- USAID: Microlinks <http://microlinks.kdid.org/good-practice-center/value-chain-wiki/costaleo-value-chain-analysis-example>

CGIAR - Clearing house for Value Chain Tools



PARTICIPATORY MARKET CHAIN APPROACH

www.tools4valuechains.org/



Center (ownership):

CIP

Primary contact:

Andre.Devaux

Tool typology:

Innovation in business models



<http://tft.agrobiodiversityplatform.org>

TFT Asia | PMCA


Pages: PMCA

Latest Headlines Hugo Lamers Save to Mendeley



HOME PROJECT DETAILS FRUIT DIVERSITY CONCEPT & TOOLS RESOURCES CONTACT

Email: Password: Log in I forgot my password

TROPICAL FRUIT TREE DIVERSITY CONSERVATION AND USE





INDIA | INDONESIA | MALAYSIA | THAILAND

PMCA  

Participatory Market Chain Approach for Agricultural Biodiversity

Unleashing the value of native crop diversity

We use participatory methods and tools to identify and promote value chains for native fruit species and varieties that have unique characteristics and sales potential. The purpose is to create income and direct benefits for custodians of tropical fruit tree diversity so that they continue to maintain globally important genetic resources.



Fruit of *Garcinia indica* (kokum)

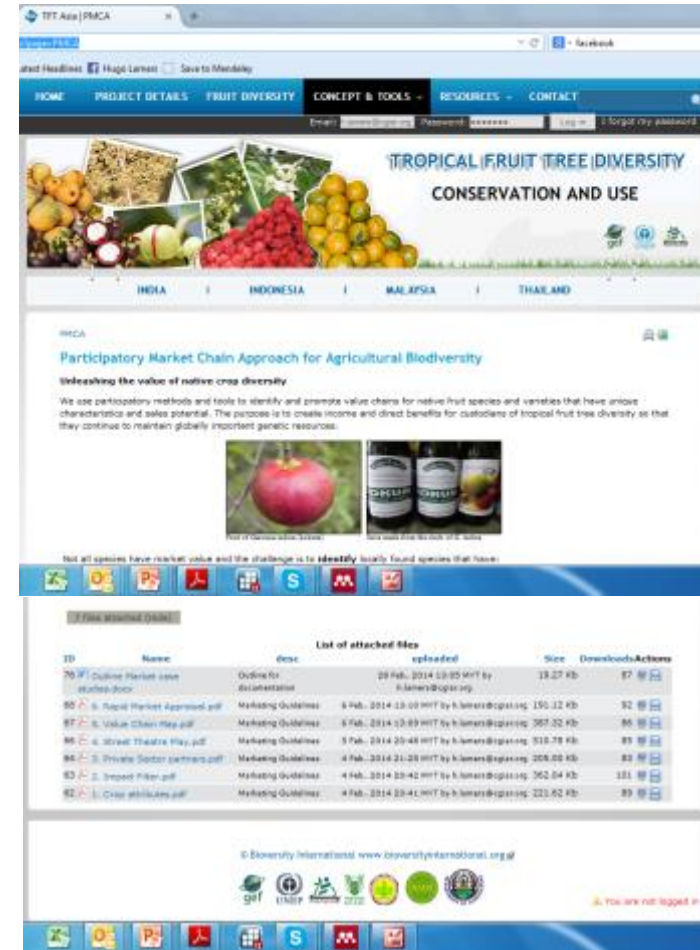
Juice made from the rinds of *G. indica*

Not all species have market value and the challenge is to **identify** locally found species that have:

6 guidelines developed

1. Identification crop attributes
2. Impact filter to select products
3. Identifying private sector partners
4. Sketch or theatre play
5. Value Chain Map
6. Participatory Market Appraisal

- Outline of market case studies



Thank you

