Agricultural Marketing: A case of Cooperatives in Kenya

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Introduction

• Information on lifestyle diseases – hence lifestyle changes.
• High demand of vegetables
• Reputable sources of vegetables
• Affordability and accessibility of fresh vegetables
• Perishability of produce give rise to cartels
• Platform for farmers being helped
• Can farmers come together? Examples include EU, Australia, Asia, and US. Rwanda
• There exist farmers society in dairy and cash crops but less research is conducted on fresh produce (Neven and Reardon, 2004).
Literature Review

• Studies that have shown that cooperatives helped market fresh produce in the world.
• In EU, 10 cooperatives gained 11,246m€ in 2013.
• In Kenya, the sector produces 3.2 million tons of fruits and vegetables with a rural-market value in 2002 of US$354*

• Strategies for reducing postharvest losses in developing countries include encouraging consolidation and vertical integration among producers and marketers of horticultural crops (Kader, A. 2013)
• Cooperatives help farmers gain access to markets for their products, use the efficiency of economies of scale, manage their risk and improve their own income (Ewaida et al. 2010).

• This calls for the need for cooperatives that act as marketing avenue for fresh produce

* Research according to Neven and Reardon, (2004).
Purpose of study

• The purpose of this study is to evaluate marketing avenues for fresh produce farmers in Kenya.

Research Questions

• What are the current marketing avenues that are being used by fresh produce farmers in Kenya?
• What are the challenges being faced by fresh produce farmers when marketing their products?
• To what extent can cooperatives be of benefit to fresh-produce farming?
Methodology – Systematic Review

- Cooperatives Search Published articles on “Cooperatives” “Cooperative fresh produce”

- Results supplemented by:
  - Google scholar
  - African Journals online
  - Additional studies

- Other published findings in the website relating to fresh produce and cooperatives
- Coop Directory Service (CDS) in the memory of Kris Olsen (1946-1998)

Studies combined, examined in detail
Preliminary Findings

• The current marketing avenues that are being used by fresh produce farmers in Kenya
  15 international published papers, 30 websites.

• The challenges being faced by fresh produce farmers when marketing their products
  Lack of market research, technology, infrastructure, cartels, decentralized markets, high transaction costs.

• Benefits of cooperatives to fresh-produce farming.
  Greater bargaining power to leverage for more competitive prices and advocate for more advantageous policies.
  Organizing the production, processing and marketing of produce.
Conclusion and Recommendation

Conclusion

• It’s evident that fresh produce farmers do not have marketing avenues for fresh products despite the rapidly increasing demand of fresh produce by Kenyans.

Recommendation

• There is need to come up with institutions where farmers can easily access markets for their fresh produce and make profits.
Way forward - Ongoing

• Conduct Exploratory Research design

• **Sampling method** – Stratified random sampling at 1\textsuperscript{st} stage
  • Systematic random sampling at 2\textsuperscript{nd} stage.

• **Sample Size** - Number of fresh produce farmers – Establish a formula to determine sample size.

• **Data collection tools** – Questionnaires and interview guide
Way forward - Ongoing

- Conduct a pilot tests – To establish validity and reliability (January to February, 2016).

- Data entry and analysis using Statistical Packages.

- Present preliminary findings.
Thank you