MARKETPLACE DEVELOPMENT

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• What is a Honey Marketplace
• Benefits of a Marketplace
• Marketplace Development
  o Components
  o Strategies
  o Ownership
A honey marketplace is a building housing honey processing and packaging units.

WHAT IS A MARKETPLACE?
Inlet for receiving the harvested products (honey/hive products) from the farmers (beekeepers).

Farmers bringing harvested honey at the Mwingi Honey Marketplace (Inlet)
What is a Marketplace? Cont’d

- Outlet, (shop), for sale of the products (processed honey) to consumers.

Honey Shop at the Tolay honey marketplace (Outlet)
Developed Marketplaces
MARKETPLACE (Processing Facilities)

Functional marketplaces equipped with processing and packaging units
A marketplace provides a base/centre for farmers:

- To bring and sell their products
- To process and package products for sale
- Room for bulking
BENEFITS OF A MARKETPLACE

- Access to value addition
- Bargain for better prices
- Wider markets for their primary products
- A link with the private traders.

And as a result **higher prices** and **greater rewards**.
There are six components involved in the development of marketplaces:

- Organize the beekeepers into groups/clusters.

Organizing Beekeepers’ groups in Mt. Kenya & Ethiopia
Training and capacity building of the community and selected trainers from the groups.

Intensive Training of the ToTs

Onsite capacity building of the community
Marketplace Development Components cont’d

- Develop and standardize the appropriate technologies in honey and beehive products.

Standardized appropriate technologies for honey production and processing
Selection of potential community sites for construction of marketplace.

Marketplace site selection and established Honey Marketplace in Tigray, Ethiopia
Marketplace Development Components cont’d

- Develop producer – consumer marketing chain locally and internationally.

- Give management training and ownership to the community for self sustainability.
In order to develop a competitive advantage, CIP adopted the following strategies:

• **A low cost/price strategy**
  - The distance and transport costs for the products to the market accounted for a large portion of their costs.
    - Construct honey collection centres
    - Products are brought to the marketplace by group representatives
    - Members are able to focus almost exclusively on production rather than worry on the responsibilities of marketing.
MARKETPLACE STRATEGIES: Low Cost/Price Strategy

Group representatives deliver honey at the Mwingi Honey Marketplace
MARKETPLACE STRATEGIES: Focus

• Focus
  - This strategy targets a specific segment of the market, for example by selling Eco-honey or Stingless bee honey, characteristic of a geographic area.
    - Used to choose market niches and has a competitive advantage.
• Differentiation

- The various product brands (Eco-honey and Stingless Bee honey) made available in the marketplaces provide competitive differentiated advantage.

Formation of Beekeepers Association:
- Creation of a platform to build partnerships amongst beekeepers and stakeholders.
Formation of Beekeepers Association

• Technical Management Committee:
  (Representatives of Government stakeholders)
  • Liaise with community groups for technical backstopping;
  • Link between the community and Government especially in matters related to Policy.

• Marketplace Committee:
  (Elected community members)
  • Responsible for the management of the association.
Annual General Meeting (AGM) to elect Marketplace Committee in Mwingi
• Drafting of the group constitution
  o By laws that define and guide the group
  o Facilitate registration

• Registration of Beekeepers' Association
  o Group members list
  o Group Constitution
  o Registration fee
Communities are empowered to maintain their honey marketplace

- Reducing the role of middlemen and allowing beekeepers to improve their livelihood.

Training and capacity building of Marketplace Committee Members in Group Dynamics and Marketplace Management
THANK YOU
MARKETPLACE STRATEGIES: Focus

A range of honey selling in a supermarket in Nairobi Kenya