



Market dynamics for agroecological products

Introduction

Market access is one of the main challenges that producers involved in agroecology are facing. Although this is an issue for a lot of local agricultural products, it is even more acute for agroecological ones.

Production using agroecological practices may mean more work, higher costs (investment and specific inputs) or lower yields, as per the case. Recognition of their quality by the buyer, and therefore of their higher prices than for other agricultural products, is often essential to make their production sufficiently remunerative and attractive for farmers. This recognition of the quality of agroecological products is less essential when agroecology also results in a significant increase in agricultural yields (situations where agroecology makes it possible, for example, to improve soil fertility), even though the existence of remunerative and stable prices is still important for farmers.

This note is one of the seven (7) thematic ones resulting from the capitalisation of the ECOWAS Agroecology Programme in West Africa (AEP). It aims at documenting the initiatives put in place to improve market access for agroecological products. The analysis is based on a review of various works related to experiences supported by the AEP, general interviews with key stakeholders in agroecology at regional level, case studies in six (6) countries in the region (Benin, Côte d'Ivoire, Ghana, Nigeria, Senegal, Togo) and the conclusions of a regional workshop to discuss the provisional results.



› In Togo, shops dedicated to the sale of agroecological products have been set up by the NGO RAFIA within the IDPA-S Project.

Summary of experiences

There are two (2) main approaches to marketing agroecological products in West Africa (Figure 1).



The first approach that can be described as classic, is based on marketing through ordinary or local markets, which are not specifically dedicated to agroecological products. In other words, agroecological products are sold at ordinary markets. These generally open-air markets, enable traders, including producers, to sell their products directly to consumers or to intermediaries. This approach, the most widespread in the region, sees agroecological producers offering their products alongside those from conventional agriculture. The involved stakeholders recognise that, inspite of the growing promotion of agroecological practices, specific outlets for agroecological products are still limited.

The second one is based on the development of specialised marketing channels, to enhance the value of agroecological products. It aims at promoting differentiation between agro-ecological products and conventional ones, and to guarantee fairer remuneration for producers. This approach includes:

 **THE ORGANISATION OF SPECIFIC OUTLETS AND MARKETS FOR AGROECOLOGICAL PRODUCTS.** It is emerging in the countries of the region as a way of structuring specialised channels and raising the profile of agroecological products. Through these initiatives, sales outlets and dedicated shops are being set up to sell agroecological products, including processed products. These specific sales outlets are sometimes set up in certain ordinary markets, with a view to facilitating the marketing of agro-ecological products under better conditions. Specific markets for agroecological products, held at predefined intervals, have also been set up to bring producers and consumers closer. These markets provide a sales area where producers offer a wide range of organic and agro-ecological products. Let's note that this type of market is similar to the fairs and promotional events organised for agroecological products, which are also a widespread model for marketing these products in the countries of the region.



GROUP MARKETING OF AGROECOLOGICAL PRODUCTS. This involves grouping the production of several producers to sell them collectively, thereby enabling better negotiation of prices, reducing transaction costs, improving access to markets and enhancing the visibility of agroecological products. This approach involves a range of stakeholders, including producer groups (POs, cooperatives, etc.), aggregators and wholesale buyers. It is an approach that is particularly popular with stakeholders such as hotels and restaurants, whose interest in agroecological products is growing all the time.

E-COMMERCE DEDICATED TO AGROECOLOGICAL PRODUCTS. This method of marketing is developing more and more in the region and is based on digital tools/applications. Communication channels such as WhatsApp are used to share information about available products with potential

consumers, forthcoming sales, how to order, and so on. Customers can place orders according to their needs. A delivery system of products is also available in this mode.

DIRECT SALES AT PRODUCTION SITES. This method of selling or buying direct from production sites often occurs in the market garden sector. This method attracts not only retailers who buy directly from producers but also certain end consumers who are concerned about product quality. By favouring on-site purchasing, these two (2) categories of buyer (traders/retailers and end consumers) aim at getting more affordable prices thanks to the reduction in intermediaries. Moreover, consumers want to be sure of the authenticity of agroecological products and protect themselves against the fraud that is common on conventional markets, where conventional products are sometimes sold as organic or agroecological ones.

Lessons learnt and conclusions

Benefits and challenges/less impacts

The Both benefits and challenges (Table 1), vary according to the marketing models for agroecological products. A major problem with marketing via conventional channels, especially ordinary markets, is the lack of specific recognition for agroecological products, which are often confused with conventional products. Unlike organic products, which enjoy relatively wider recognition, agroecological ones are still less well-known in the various countries of the region. When agroecology does not result in a significant increase in yields and volumes of agricultural production, this lack of distinction on the markets is one of the main obstacles to the implementation of agroecological practices. Without clear differentiation, agroecological products are in direct competition with conventional ones, which are often less expensive and producers find it difficult to obtain remunerative prices.

However, let's note that these conventional markets offer producers the advantage of access to a diversified customer base (Table 1). Although these local markets have no specific mechanisms for differentiating agroecological products from conventional ones, the former can be valued for their perceived superior quality, particularly in terms of taste and preservation. This positive perception attracts consumers who are concerned about their diet.

Specific marketing channels, such as specialised shops, dedicated fairs and group sales, have the advantage of offering more remunerative prices for agroecological products than traditional markets. These specialised channels also play an important role in raising public awareness of agroecological products, sharing experiences between stakeholders and building producers' capacities. They provide forums where producers and consumers can discuss agroecological practices and products. They also enable families to learn more about these products through tastings and, in some cases, facilitate farmers' access to seeds. As part of group sales, some buyers (aggregators) are also putting in place capacity-building mechanisms for producers, with the aim of supporting them in mastering and effectively applying practices that guarantee quality products meeting precise specifications. Despite these benefits, it should be noted that there are a number of constraints to setting up these specific channels. These include the lack of suitable infrastructure and of institutional recognition and the difficulty of securing the loyalty of a specific customer base (table 1). In addition to these there are the financing requirements for initial investments, such as setting up dedicated sales outlets, as well as the working capital needed to monitor producers and collect and maintain products, particularly in the context of group sales.

BENEFITS AND CONSTRAINTS OF MARKETING CHANNELS FOR AGROECOLOGICAL PRODUCTS

	+ BENEFITS	- CONSTRAINTS
CLASSIC CIRCUITS	➤ Access to a diverse customer base. ➤ Agroecological products can be promoted on the basis of their perceived quality (taste, preservation), even without official recognition.	➤ Lack of specific recognition for agroecological products, which are confused with conventional products. ➤ Direct competition with less expensive conventional products. ➤ Difficulty in obtaining remunerative prices for agroecological products. ➤ Risk of abandoning agroecological practices in the absence of clear market differentiation.
SPECIALIST CIRCUITS	➤ Access to more remunerative prices. ➤ Raising public awareness. ➤ Interaction and sharing of experience between players (producers, consumers, etc.). ➤ Capacity-building for producers through support mechanisms (by aggregators, in particular). ➤ Producer access to seeds and sharing of knowledge on practices. ➤ Better preservation of products, enabling deferred sales strategies.	➤ Lack of appropriate marketing infrastructure (dedicated sales outlets, storage facilities). ➤ Lack of institutional recognition of agroecological products. ➤ Difficulty retaining a specific customer base. ➤ High financing requirements (initial investment, monitoring of producers, collection and maintenance of products). ➤ Risks of late payment by producers and their organisations after contracts have been fulfilled (in the case of group sales)

Agroecological initiatives also have benefits for women and young people. The inclusion of women in agroecological initiatives contributes to their economic empowerment and social recognition. The marketing segment is one of the main areas where women are strongly present in agroecological initiatives. They are the main stakeholders, whether through traditional markets or specialised channels dedicated to agroecological products. Women are also the main stakeholders in agroecological product processing initiatives. The presence of women in these areas enables them to increase their incomes, making a significant contribution to their economic and social empowerment. Increased income helps women to diversify their income-generating activities and strengthen their recognition within their families.

As for young people, initiatives to market agroecological products offer a range of employment opportunities, especially in delivery systems (such as family baskets), digital channels, and the collection of information on prices and product availability for group marketing models. The processing of agroecological products also represents a pathway to employment, enabling young people to add value to these products and increase market demand for them.

Conditions for implementation and success

The effective implementation of marketing models for agroecological products depends on some essential conditions.

 **CAPACITY-BUILDING FOR PRODUCERS:** quality products are needed from upstream to marketing. Supporting producers through training and technical support is crucial to helping them comply with agroecological standards and commercial commitments. Monitoring is also important to encourage producers to put agroecological techniques into practice. It also aims at encouraging producers to remain faithful to agroecological practices.

 **DIFFERENTIATION THROUGH PROCESSING:** the success of initiatives to market agroecological products also depends on the processing of the products. This enables them to be clearly differentiated from raw products, which often have no labelling. Processed products can bear specific agroecological labels, certifications and terms, making them easier to identify and more attractive on the market. This visual differentiation, particularly through packaging, marketing and labelling, enhances the agroecological approach and contributes to greater recognition and economic value for the products.

 **RESPECTING CONTRACTUAL COMMITMENTS IN GROUP SALES AND INSTITUTIONAL PURCHASES:** the success of group sales and institutional purchases depends on respecting the contracts and specifications that have been drawn up. Failure to honour commitments, particularly when more lucrative short-term sales opportunities arise outside the contractual channels, undermines business relationships and limits market structuring. Some experiences highlight the importance of the capacity to collect and group products, particularly in the context of group sales and institutional markets. Organising producers into groups or cooperatives aims at strengthening their power to negotiate prices.

 **TRANSPARENCY IN PRICING:** this is an essential condition for better product marketing. Transparency in pricing is essential to establish trust between the various stakeholders (producers, retailers, consumers, etc.). It enables them to compare prices and make informed decisions, while encouraging each party to offer competitive prices. It is also essential to ensure total transparency in the distribution of income, so that producers clearly understand the distribution mechanism and are assured that their work is fairly remunerated.

 **A RAPID AND SECURE PAYMENT SYSTEM FOR PRODUCERS:** rapid and secure payment mechanisms are essential to compensate for the frequent delays in payment in group



› In Togo, processing as a lever for improving the marketing of agroecological products.

sales models and institutional markets. These delays compromise producers' ability to meet their needs, despite the sale of their produce, and discourage their participation in these schemes. The use of digital tools, such as electronic payment, can help solve this problem.

 **CERTIFICATION SYSTEMS FOR AGROECOLOGICAL PRODUCTS:** certification of agroecological products is essential to enhance their visibility and credibility, thereby ensuring stable outlets for producers. It reassures consumers about the quality of the products and helps to create a separate, profitable market for producers. Although a number of countries are working to set up certification systems for agroecological products, often inspired by the certifications applied to organic products, let's note that one of the main difficulties lies in the very nature of agroecology. The evolving nature of agroecology, where farmers gradually improve their practices, makes it complex to define standardised criteria for uniform, recognised certification

Sustainability conditions

To ensure the sustainability of marketing initiatives for agroecological products, several levers need to be activated. These include

 **MORE COMMUNICATION AND AWARENESS-RAISING** about agroecological products. It is important to raise awareness of these products and explain their benefits, both for consumer health and the environment. Good communication can help to enhance the image of agroecological products and expand their market.

 **TAKING ACCOUNT OF CONSUMERS' PURCHASING POWER:** although some people are prepared to pay a higher price for quality products, the majority of consumers remain very price-sensitive, mainly because of their limited purchasing power. This is a major constraint on the spread of agroecological products, which are often more expensive than conventional products. Consequently, the involvement of governments in supporting producers with subsidies for agroecological production, to guarantee affordable prices for consumers, could play a decisive role in this dynamic.

 **PROMOTING MECHANISMS FOR AGGREGATING SUPPLY AND DEMAND:** increasing the market share of agroecological producers could also be based on setting up a mechanism for aggregating supply and demand. The aim of this mechanism would be to group producers together in order to increase their bargaining power vis-à-vis buyers, particularly in the context of group sales. Such an approach would make it possible to rationalise supply and respond better to demand, while reducing transaction costs, such as the search for information on prices or markets, as well as the costs associated with logistical aspects.

Scaling-up conditions

A number of conditions are essential if initiatives to market agroecological products are to be scaled up. Firstly, there is the question of product certification mechanisms. Certification makes it possible to create a distinct market and remunerate producers by opening up new commercial opportunities on a wider scale. There are currently several types of certification for agroecological and organic products in the region. Of these, the Participatory Guarantee System (PGS) stands out as being the most adapted to the realities of producers, who often find it difficult to access the more costly and complex certifications. It is essential to facilitate producers' access to certification.

Scaling up initiatives to market agroecological products also requires the involvement of a variety of stakeholders,



› In Senegal, Ferme les 4 Chemins organizes markets dedicated to agroecological products.

including local authorities, which could play a key role in the emergence and consolidation of specific markets for agroecological products, by supporting the creation of suitable infrastructures and facilitating producers' access to these markets. As part of this dynamics, it is essential to integrate the marketing of agroecological products into a value-added chain (VAC) approach. Through the exploitation of existing opportunities within value chains, producers committed to agroecological practices can not only meet the demand for fresh (unprocessed) products, but also conquer new market segments, particularly in areas such as product processing. It is also important to promote innovation platforms to explore new ways of bringing products to market, and to facilitate the sharing of experience between stakeholders in the sector. This will encourage the emergence of innovative solutions and strengthen synergies between the involved various stakeholders, making it easier to scale up these agroecological initiatives.

Public policy recommendations

The following recommendations can be made to improve the implementation by national, local and regional public authorities of marketing initiatives for agroecological products.

CAPACITY BUILDING AND STRUCTURING

- › Building the capacity of producers and their organisations by through training courses on agroecological practices, marketing strategies and quality and traceability management.
- › Supporting producer organisations on marketing issues: setting up and promoting cooperatives would help to facilitate the marketing of agroecological products by negotiating better commercial terms for producers.

BETTER UNDERSTANDING OF MARKETS

- › Promoting research initiatives to improve knowledge and understanding of the market for agroecological products. These initiatives will make it possible, among other things, to identify potential consumer segments (hotels, restaurants, supermarkets, private individuals, etc.); to assess the demand for agroecological products, including the volumes required and the specific preferences of each of these segments. They will also enable us to study the mechanisms needed to ensure product traceability, thereby guaranteeing the credibility and confidence of consumers.
- › Promoting the development of sales outlets and spaces dedicated to the marketing of agroecological products. This could involve establishing specific areas for agroecological products in local, regional and urban markets, including dedicated stalls or specific weekly markets. Consideration could also be given to developing digital platforms linking agroecological producers directly to consumers and institutional buyers (hotels, schools, businesses).

CERTIFICATION MECHANISMS AND AWARENESS-RAISING

- › Setting up and/or strengthening certification systems. This involves, on the one hand, promoting certification systems backed up by production standards and regular control processes and, on the other hand, communicating about these systems to raise public awareness of the value of agroecological products.
- › Initiating consumer information and awareness campaigns on the benefits of agroecological products for health, the environment and the local economy; organise events such as agricultural fairs, tastings or educational workshops to promote agroecological products.

COMPLEMENTARY POLICY MEASURES

- › Strengthening political and institutional support for the promotion and marketing of agroecological products. National policy can promote agroecological products, particularly through tax incentives or subsidies for producers engaged in these practices. It is also important to involve local authorities so that they support markets dedicated to agroecological products.
- › Facilitating the inclusion of agroecological products on school menus. This involves encouraging those responsible for school food initiatives to include agroecological products by offering subsidies or incentives for the purchase of these products, while at the same time raising awareness among pupils and educational staff of the benefits of agroecology.



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▶ In Côte d'Ivoire, group sales developed to market agro-ecological products.