



Finding a Common Marketing Agenda in South East Asia: Challenges and Prospects

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About ANGOC

- Established in 1979, following a two-year series of village- and national-level consultations in preparation for WCARRD
- A regional network of 21 national & regional NGO networks from 11 countries in South East, South and East Asia; with an effective reach of 3,000 NGOs
- Seeks to address issues related to food security, agrarian reform, sustainable agriculture, local governance and rural development



ANGOC's Sustainable Agriculture Program

- Instituted in 1994 following the 1992 Earth Summit
- Sustainable food production best achieved by promoting a form of agriculture that raises farm productivity & diversity while keeping external inputs to a minimum
- Articulating the Agenda of Asian Rural Communities
 - broadening SA constituency (environment and equity)
 - facilitate numerous exchanges among SA practitioners (in-country, across region)
 - documented SA initiatives (community initiatives in SA, directory of organizations in Asia, manual on field documentation, prospects for marketing organic products)
- Promoting SA with Governments and International Organizations
 - drafted policy recommendations from the perspective of Asian rural poor communities
 - consensus building among NGOs through regional consultations
 - dialogue with policy makers (national govts, FAO, UNDP)
 - campaigns with international financial institutions (WB, ADB)



A Shift in Focus

- Introduction of sustainable agriculture (SA) in SEA in mid-80s as counter-measure to ecologically-destructive agricultural programs
- Focus of SA in last two decades was its *production* aspect (development of organic seed varieties, organic fertilizers, farm diversification, etc)
- In recent years, a major shift in thinking among various stakeholders is given to *marketing* of organic products



Issues in Marketing Organic Products in SEA

- Weak farm-to-market links
- Poor/inconsistent product quality
- Insufficient volumes to meet growing demand
- Lack of consumer awareness
- Skepticism about compliance with organic standards
- Inadequate promotion, poor packaging, etc.



Brief Country Situationer

- Indonesia
 - large domestic market for organic products
 - potential for supermarkets though presently cornered by big agribusinesses
 - consumer skepticism whether organic standards are met
 - lack of well-functioning quality control system at farm level
- Malaysia
 - undeveloped domestic market for organic products though a growing number of cities are fast becoming major distribution centers
- Thailand
 - confusion among traders and consumers on what organic products are
 - consumers of organic products mostly middle class
- Philippines
 - absence of local and operational guarantee system (which can take place of expensive foreign certification)
 - need to improve labelling system
 - absence of distinct market and market channels for bigger volumes of organic products



Moving Forward

- Need to engage organic market:
 - enhance management capacities
 - comprehensive marketing plan
 - ensure regularity of supply of quality products
- Some Action Agenda:
 - Capacity Building on Organic Product Marketing
 - Formulation of an Industry Master Plan
 - Regional Organic Standards and Certification



Capacity building in organic product marketing

Organizations involved in marketing organic products relatively young

No model to follow since the organic sector in countries still undeveloped

Develop a “marketing track” be in the form of:

- **training workshops** conducted by marketing entities involved with community-based enterprises (CBEs) as well as by commercial marketing experts
- **site visits** to communities with different modes of marketing links
- **apprenticeship** in marketing entities
- **visits to commercial outlets** of organic products
- **dialogues** with consumer groups



Capacity building in organic product marketing

Should cover the entire range of organic marketing concerns and issues:

- **Product selection** (what is the market looking for and what does it value—therefore what organic products should be developed?)
- **Product quality** (freshness, size, color, texture, absence of blemishes or breakage, aroma, taste)
- **Product packaging** (attractiveness, hygiene, durability, ease of handling, bulk purchasing; information on the product, its benefits, and the source community)
- **Price** (justification due to health and ecological benefits, effect on target consumers, growing the niche market)



Capacity building in organic product marketing

- **Promotion strategies** (print ads, magazine features, television and radio exposure, celebrity endorsements, product trials at outlets, distribution of flyers at events)
- **Distribution channels and outlets** (supermarkets, specialty stores, health food outlets, fitness centers, etc)
- **Balancing the market reach of certain outlets** (e.g., supermarkets) **with their “credit” payment schemes**
- Gathering and responding to **consumer feedback**

Need to develop toolkits, resource books in user-friendly format; language considerations



Formulation of an Industry Master Plan

Engaging organic market beyond selling products in a city or supermarket

Need for a comprehensive, overall strategy that involves the commitment of various stakeholders related to the entire cycle (production-processing-marketing)

Formulation of Industry Master Plans in designated areas in each country



Formulation of an Industry Master Plan

Major components:

- Official legislation to formulate, implement, and operationalize the Plan
- Overall strategic approaches
- Investment targets (figures and target dates)
- Marketing strategies
- Post-harvest strategies
- Production strategies
- Plan players and support service providers (for technology dissemination and adoption, production support, financing, infrastructure, R&D, advocacy)



Regional Organic Standards and Certification

Trade among Asian countries helps stabilize supply & demand problems in the medium-term and strengthen regional trading block in the long-term

Setting-up regional standards on organic products and product certification as key intervention to ensure product quality



Regional Organic Standards and Certification

- Mapping of existing initiatives on formulation of organic standards and certification processes
- Data gathering, local consultations in the countries
- Drafting of national policy proposals
- Regional workshop cum policy dialogue



Closing

- Need to define parameters, key result areas
- Monitor and assess impact of linkage → enhance HH food security, increased access and control of farmers, improved quality of life