

SEED MARKETING IN DEVELOPING COUNTRIES

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Seed industry

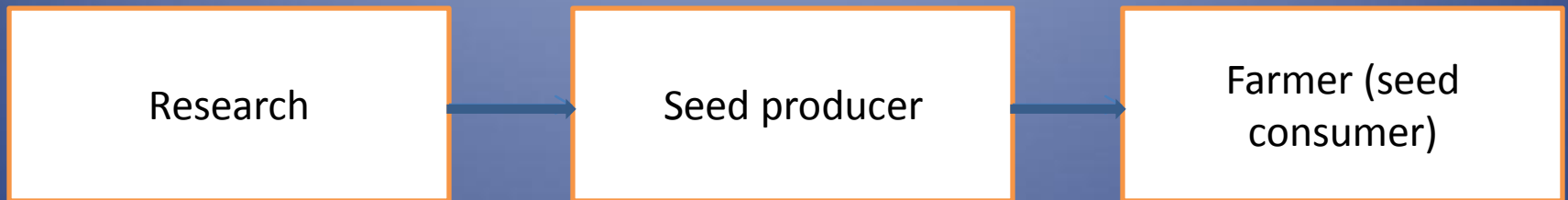


Seed industry

- Seed industry in most developing countries comprise of both formal and informal sub-sectors.
- Informal sub-sector deals mostly in :-
 - Farmer own local seed saved from previous season
 - seed bought from the market
 - seed obtained from the neighbours

Seed industry

- Formal seed sector comprise an established process



Seed Marketing

- Seed marketing should aim to satisfy the farmer's demand for;
 - Reliable supply of improved seed varieties
 - Quality seeds at an acceptable price.

Introduction

Seed marketing in developing countries is characterized by the following challenges among others;

- Low market potential due to farmers over-reliance on rain-fed agriculture
- Low availability and access of quality declared seed

Introduction

- High marketing costs brought about by poor infra-structure
- Insect /pests and diseases

Introduction

- Fake seeds in the market
- Lack of cash or credit among farmers
- Long distance to seed retailers
- Unpredictable and unattractive grain prices (particularly immediately after harvest),

Introduction

- Lack of information on variety performance
- Seed availability are the main disincentives to use improved seed.

Introduction

- Customers are diverse, decentralized, and have a wide range of product requirements related to the highly variable socio-economic and biophysical environment of Africa.

Introduction

- seed marketing systems are often characterized by intermediaries and minimal distribution beyond commercial centres.

Introduction

- Yields of crops in Africa are generally low due to various biotic, abiotic and managerial constraints.
- Generally, grain markets are poorly developed in Africa, such that on a local scale, price fluctuations are highly influenced by available grain stocks.

Introduction

- Our main problem is the erratic rainfall. To handle this, we are shifting to irrigation since we have been depending only on rain-fed production.

Seed marketing challenges in Kenya

Seed shortage

Monday, 25 April 2011

Willy Bett MD Kenya seed at Radio Jambo studios during interview yest-David Ndolo

Why exactly is there a seed shortage?

“-----Lack of rains two years ago in most parts of the country is the major problem. We also recorded a high demand of seeds from farmers. Most farmers who were not using certified seeds before changed following education by Kenya Seed [Company] thereby pushing up demand by about 30 per cent-----”



Measures by Kenya seed to avert seed shortage in future

- Shifting to irrigation since we have been depending only on rain-fed production.
- Construction of a six-acre dam to collect water to be used in seed breeding in Kitale.
- Talking with the National Irrigation Board (NIB) to help us in producing maize seeds in places where they have projects like in Hola, Perkera and Yala.



Measures by Kenya seed to avert seed shortage in future

- Contracted more farmers both large and small scale farmers and we have increased the price of maize seeds so that we get more farmers.



Strategies for coping with seed marketing in developing countries

- positioning “wholesale” outlets in strategic rural centres, where small retailers from neighbouring districts may purchase seed stocks with cash.
- Encouraging farmers to form buying groups.

Strategies for coping with seed marketing in developing countries

- The appointment of farmers as rural consignment stockists
- Mobile seed shops

Strategies for coping with seed marketing in developing countries

- promotional activities to entice farmers to travel to rural centres to purchase seed

Strategies for coping with seed marketing in developing countries

- Seed companies may adopt a number of strategies to stimulate seed sales through increasing farmer productivity such as
 - The provision of improved varieties
 - providing crop management information on seed packaging
 - improved agronomic management (use of manure and fertilizer, timely planting, weed control and pest management)

Strategies for coping with seed marketing in developing countries

- A number of novel approaches have been advanced to improve the grain market stability in Africa these include;
 - Agricultural commodity exchanges,
 - Community grain banks,
 - Inventory credit programs
 - and the development of on-farm storage facilities, Where these have been implemented (e.g. in Kenya and Ghana) there has been a measure of success in market stabilization and consequent stimulation of improved seed demand.

Conclusion

Marketing seed in Africa requires the following;

- An excellent and extensive distribution network,
- Appropriately sized seed packs
- Seed price that relates equitably with grain prices



Mini-pack seeds
Affordable And Popular In
West Africa

Conclusion

- Government policies on rural development
- credit facilities on farm inputs -seeds
- Harmonised input(seed) and output(grain) pricing will influence seed company's ability to market



India commodity market

Conclusion

- Seed promotion and provision of information to farmers , retailers and distributors and prompt response to customer needs will assist in securing seed sales in developing countries.



