

Developing new BoP consumer product propositions with nutritious value



1. Pioneer partnership

This replicable practice was introduced under several partnerships during the first phase of 2SCALE. We will discuss in this brief two of the partnerships where this was a key strategy. The first partnership is the vegetables partnership in Benin. Together with the Dutch seed company East-West Seeds and local farmer cooperatives (representing 500 farmers) in the Grand Popo area, 2SCALE worked on the introduction of a new vegetable variety for Beninese farmers. The main reason to look at the introduction of a new vegetable varieties for the Beninese market were the relatively high prices for vegetables in the south of Benin. After a thorough analysis with East-West Seeds, 2SCALE identified *Kangkong* as a species with high potential. Field tests with farmers showed that this originally Asian variety is well suited to the local agronomic conditions and appreciated for its high nutritional value. Compared to cabbage, for example, kangkong contains nearly double the iron, 50 percent more protein, and 100 times more beta-carotene, also outperforming the “traditional” green leafy vegetable in Benin, Gboma (nightshade).

The second instance is the sorghum partners in Kenya with business champion Shalem Investments. Shalem had already been active for quite some time on the aggregation and sales of sorghum to large off-takers, mainly to breweries, working with thousands of smallholder farmers. However, late 2013 a tax levy was placed on the sales of sorghum for the beer industry, leading to a sharp decline in demand. For this reason, Shalem Investments was forced to look at market diversification and decided to assess the opportunities to sell processed sorghum products to end consumers. When the partnership with Shalem commenced in 2014, they were in the midst of exploring this option.



Farmer training on kangkong production

2. Replicable practice

In Benin, kangkong had proven to be an interesting crop to grow for farmers, and had proven its nutritional value, but would consumers be willing to switch from the conventional use of gboma in their daily diets? To find out, 2SCALE organized sensory tests with 150 consumers. In the tests, a large majority preferred kangkong over gboma for its smell, texture, and taste. As the crop also grew faster and with fewer inputs needed compared to other leafy vegetables, prices for Kangkong were similar to Gboma. When this “proof” was established, 2SCALE further worked on market activation. Being a new crop, together with farmer groups, 2SCALE focused on promoting the nutritional value of the crop along with highlighting the good taste that was validated through the sensory test. Through radio campaigns, distribution of flyers with nutritional information and the organization of cooking demonstrations, the farmer groups and 2SCALE managed to reach a considerable number of consumers in the Grand Popo area, ensuring the farmers that a steady demand for kangkong was realistic.

In Kenya, with Shalem investments, 2SCALE started off by testing some of the product suggestions Shalem Investments had already considered, such as producing sorghum flour for consumers to be used to make ugali, chapati or other products at home. The company also considered producing its own pasta or noodles. One of the main challenges perceived when gaining consumer insights, was that when using full sorghum flour, products taste was perceived as being (too) sour and in general sorghum was seen by consumers as a poor man’s crop. Despite its nutritious value, this posed a challenge in terms of new product development. Therefore, eventually it was decided that the most promising scenario would be to develop a blended flour product, mostly to be used to make porridge and (other) complementary foods. This would lead to a more aspirational, yet affordable and nutritious product (due to the use of sorghum) and the relatively sour taste of the sorghum would be minimized using other cereals. Together with a Food Technologist and 2SCALE, Shalem Investments developed the right formula for the blended flour product, went through the process of product registration and food safety certification. With 2SCALE support, Shalem developed a business plan to (successfully) secure funding for the procurement of their own processing line. Subsequently, other activities were taken up in collaboration with 2SCALE, leading to a completely new (branded) line of products, called Asili Plus, launched in various counties across Kenya.

To summarize, this practice is addressing constraints in terms of:

Access	<ul style="list-style-type: none"> • Appropriateness: By involving BoP consumers in the process of product development, it is clearer what BoP consumers expect in terms of product quality, quantity, and nutritional value. • Acceptability: By involving BoP consumers in the process of product development, there is a higher certainty that the product is accepted and matches with preferences, cultures, and behaviours.
Inclusion	<ul style="list-style-type: none"> • Voice: By assuring that the preferences of BoP consumers are integrated in the product development through testing and otherwise, product are developed around the needs and wants of BoP consumers instead of mainly from the perspective of the producing company

3. Preconditions for replication

Understand if and why a new product is needed

Bringing a new product to market can make sense from a business perspective: for instance, when diversification is needed if a company is too dependent on one product, or when farmers switch to new or different crops because of certain reasons. But the big question to drive actual market adoption, is whether this new product is wanted and needed. Before bringing a new food product into (mass) production, it is therefore important to first run tests with consumers. And ideally the start of any new product development is informed by consumer and market research, which helps to understand what consumers need and want, and to understand what gaps in the market could be filled.

Involve the BoP consumer

New product development can be a risky business for food processors and farmers. As BoP consumers are quite risk averse, it is not easy to introduce a new food product in the market, and the chances of rejection by the consumer are relatively high. This is not just about price point, but also about taste, texture, and other relevant product characteristics. Even though product testing, consumer panels, and several rounds of product iterations can be resource-intensive especially for smaller companies, it is essential that product development is not only based on what the company can produce (technically) but about what the consumer wants and needs. This starts with good consumer research, but the involvement of consumers should be extended throughout product development.

Find the right technical expertise

We have noticed in different partnerships that it is not easy to find the right technical expertise for product development. Especially for processed food products, the processes of product formulation, installation and appropriate use of production lines, and other technical processes are crucial. But also, for the case of kangkong, having seed experts that know which varieties have which traits and nutritional potential, can be decisive. The relatively few food technologists, agronomists and other experts that can help with this, are often either working for the government, or run relatively expensive consultancies. 2SCALE overcame this challenge by partnering up with dedicated agencies and organizations such as PUM (Netherlands retired experts scheme) or, as an example from Ethiopia, the Federation of Nutrition Specialists in Ethiopia (FoNSE).

Care for food safety

Food safety is not just important for public health, it can also help to improve production processes and ensure a quality product is produced and sold to BoP consumers. In that sense, it can be seen as the foundation to any product development. But for new food products, it is also important for market access. New food products will have to be registered and pass food safety regulations. Without certification from national food safety bodies, it will be challenging to bring any product to market, even in more informal market. Especially for smaller processes it can be a challenging and resource-intensive process to get the necessary certification. In some pilots under the first phase, as part of the exit strategy of the partnership, 2SCALE paid extra attention to working with the business champion on getting the relevant food safety certification, as an important (next) step for scaling market access.



Shalem products in retail stores

4. Results Achieved

For Kangkong, in the 6-months pilot in 2015,

- Over 1,100 kg of Kangkong (first harvest) were instantly sold. *
- Providing additional revenue to about 500 farmers, whose revenues for Kangkong were more than 35% higher than the conventional Gboma.
- About 1,500 BoP consumers frequently consumed Kangkong, allowing for an affordable addition of vegetables to staple diets (6 people could eat from a purchase worth \$0,17)

For Shalem Investments, during the 8-month pilot in 2017,

- Three new products were developed from scratch and branded under the Asili Plus line.
- 40 women were involved as brand ambassadors in the sales, marketing, and distribution of Asili products, many of them developing structural new jobs from this.
- Over 2000 packs of Asili Plus were sold during market activations*

*Under the first phase we did not yet calculate number of BoP consumers reached, so no validated information can be provided on Universal Impact Indicator (UII) 1.

Want to know more?

If you want to know more about this practice, please reach out to George Njeru, gnjeru@2scale.org Senior BoP Marketing Specialist in Kenya.

Furthermore, you can also read more on the case through the following resources:

- [2SCALE insights paper 6: Seeds of growth: the partnership with East-West Seeds International](#) (2017)
- [2SCALE Thematic paper on BoP Marketing & Distribution](#) (2019)

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