

## Market Testing of Rosafrik Products in UK

### 1. Background

In July 1998, during the start-up visit to Ghana for CPHP project "Improving Smallholder Access to Maize Marketing Opportunities in Sub-Saharan Africa" (ZB0123), Colin Poulton and Ramatu Al-Hassan met Dr. Kwesi Opoku-Debrah, agricultural coordinator for World Vision International's Kumasi office. As part of their commitment to assist World Vision-supported farmer groups in two areas of Greater Afram Plains<sup>1</sup>, Dr. Debrah and his wife had invested their own capital and time in producing a range of dried maize and cassava products. These could be marketed in urban areas to provide a new market outlet for the output of the farmers concerned, who, being situated in remote locations, were unable to obtain satisfactory prices from traders coming to buy the basic commodities.

The products included:

- fermented maize flour, for the easy preparation of banku and kenkey;
- "oblayoo" and corn grits (maize pieces of differing sizes), for the preparation of porridge;
- cassava flour.

Of the above, the fermented maize flour was perhaps the most interesting, being a new product on the national market. Researchers at the Food Research Institute had developed a similar product some years previously, but it had never made it to the market.

The products were available in simple packaging, with labelling containing, amongst other things, an expiry date and instructions as to how to prepare the main food products that could be made with them. They were packaged as Rosafrik products, the name Dr. Debrah and his wife had given to their business. Dr. Debrah and his wife were committed to paying suppliers a "fair" price for their output (i.e. above prevailing market prices and sufficient to give farmers a reasonable return to their labour and other inputs into production). In addition, if the business developed, they planned to offer shares to the farmer groups, so that farmers could gain additional benefit from any profits. Finally, the products had Ghana Standards Board approval.

### 2. Investigating The UK Market

Whilst Dr. Debrah investigated openings in local markets (chiefly Kumasi and Accra), Colin Poulton brought a few samples of Rosafrik products back to UK to show West African retailers in south-east London. Initial soundings were mixed. A large Ghanaian retailer in Peckham was confident that they would sell, but only used her own, known suppliers. A smaller retailer in Edgware, contacted through a Ghanaian pastor (church minister) in

<sup>1</sup> The two areas are Kwahu North (or Afram Plains) District in Eastern Region, where field work for the research project was subsequently carried out, and a district of eastern Ashanti Region. Greater Afram Plains is a term used by World Vision to describe a swathe of relatively inaccessible land on the western shore of Lake Volta. Administratively, this land is distributed across Eastern, Ashanti and Brong Ahafo Regions, but the needs of the inhabitants (market access, clean water etc.) and their predominantly migrant status are similar across the whole area.

Peckham, expressed an interest, but would not on her own handle sufficient volume to make transportation economic.

Eventually contact was made (through colleagues at NRI) with Seth Otoo, owner-manager of Sparo Carmel, a Ghanaian importer of tropical produce into the UK. He was interested in the products and had contact with a number of "ethnic food" retailers and wholesalers in London and Birmingham. Initial reaction from some of these contacts, using additional samples posted to UK by Dr.Debrah, was also positive.

A slightly larger market testing initiative was thus agreed, with the following division of responsibilities and costs:

- Dr.Debrah would air freight around 500kg of three main Rosafrik products (fermented maize flour, corn grits and oblayoo) to Mr.Otoo in UK, bearing the transport and airport costs at the Ghana end himself;
- Project ZB0123, with the blessing of CPHP manager Tim Donaldson, would pay the air freight costs;
- Mr.Otoo would pay the basic ex-processing cost of the products and would be responsible for distributing them in UK, plus collecting feedback from customers.

Colin Poulton and Mr.Otoo, in consultation with Dr.Debrah, prepared a questionnaire to be given out with the products, which were to be distributed as free samples through known retailers. The goodwill of the retailers was relied upon to persuade trusted customers to fill in the questionnaire if they took the samples. A copy of the questionnaire is appended to this report.

### **3. Difficulties in Implementation**

Several difficulties were encountered in implementing this plan:

- PPRSD of the Ghana Ministry of Food and Agriculture, in preparing the phytosanitary certificate for export, unhelpfully recorded the weight of the products at 200kg, when they in fact weighed 470kg. Inspectors at Heathrow, therefore, felt obliged to impound the consignment until the discrepancy had been investigated - at a cost of £100. This, together with a higher air freight bill than expected and the delivery charge from Heathrow to Enfield (which project ZB0123 paid) meant that the total bill picked up by the project came to £546.61 - nearer two thirds of the direct cash costs of the exercise than the half originally intended.
- Dr.Debrah sent a wider range of products, in smaller pack sizes, than had been requested. It was already clear that some of the products that were sent were of little interest in the UK market (too many established competitors). Moreover, it was pointed out to Dr.Debrah that, had this been a purely commercial transaction with payment to be made by letter of credit, the discrepancy between what was ordered and what was sent would have led to significant delays in payment being released - and in charges that would have been borne directly by Rosafrik. This was, therefore, a valuable learning experience.
- The intended strategy of relying on retailers to persuade trusted customers to fill in questionnaires did not prove as successful as hoped. Retailers took the products, but then



reported difficulties in obtaining completed questionnaires. Eventually Mr.Otoo resorted to using individual contacts to obtain completed questionnaires.

#### 4. Survey Outcomes

The products that were actually sent were:

- fermented maize flour (315\*250g + 10\*1kg)
- corn grits (280\*250g + 10\*1kg)
- oblayoo (250\*250g)
- fermented cassava flour (185\*250g)
- plain maize flour (300\*250g + 5\*1kg)
- Tom Brown (roasted maize flour) (245\*250g with spices + 249\*250g without spices)

These products were cleared from Heathrow on 8/3/99.

In addition, small quantities of maize and cassava flour mixture, both fermented and plain, were sent subsequently by Dr.Debrah.

Around 150 questionnaires were distributed through six retailers around London and to 15 individuals. In addition, products were given to three kenkey makers and three "ethnic food" wholesalers. Feedback from retailers, kenkey makers and wholesalers was received verbally, rather than in written form.

Despite some chasing by Mr.Otoo, only 21 completed questionnaires have so far been collected<sup>2</sup>. It is likely that these give an unduly positive picture of demand for the products. (The low return rate for completed questionnaires probably indicates that some people at least were uninterested in, or unimpressed by, them).

##### 4.1 Questionnaire Returns for Fermented Maize Flour

All 21 respondents had tried the fermented maize flour. Of these, 18 had made banku, 5 porridge and 4 kenkey. Eight of those who made banku mixed the fermented maize flour with cassava.

The 3 respondents who did not make banku all said that they would on another occasion consider using the fermented maize flour to make banku. Of those who did not make kenkey this time, 14/17 said that they would on another occasion consider using the fermented maize flour to make kenkey. Of those who did not make porridge this time, 13/16 said that they would on another occasion consider using the fermented maize flour to make porridge.

The fermented maize flour was highly ranked on its various consumer attributes. On a scale of 1= poor to 5 = excellent, it scored a mean of 4.3 for ease of preparation, 3.8 for taste and texture; 3.7 for appearance and smell, and 3.4 for fermentation. (All median scores were 4).

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<sup>2</sup> Colin Poulton is still trying to get hold of a few additional, completed questionnaires held by one retailer.

The most obvious existing product with which the fermented maize flour would have to compete is ready-prepared dough, which has to be kept in a fridge and consumed fairly quickly after purchase. By contrast, the fermented maize flour can be kept in a cupboard for several months and used when required. Furthermore, the dough that is freighted over from Ghana obviously contains some water. Although this is kept to a minimum (with more water being added in UK), this nevertheless adds to the weight. The lighter weight during transportation means that the flour should be able to compete on price with dough<sup>3</sup>, despite the remote location of the sourcing farmers and the above-market price paid to them. A corresponding disadvantage of the flour is that some of the "fermentedness" is lost during drying.

When asked what, if anything, would persuade them to buy Rosafrik fermented maize flour in place of ready-prepared dough,

- 17/21 respondents said storability
- 12/21 respondents said taste
- 8/21 respondents said price (if appropriately low)
- 4/21 respondents said the fact that the Rosafrik product was fairly traded.

No respondents indicated that they would not consider buying the product.

Finally, 16/20 respondents claimed that they did find the preparation instructions on the labels helpful. The preferred package sizes were given as: 2kg (11), 1kg (10), 500g (5), 5kg (1).

#### 4.2 Questionnaire Returns for Corn Grits and Oblayoo

Interpretation of these returns were complicated by the fact that some respondents had tried both products. Unfortunately, it was impossible to distinguish which products their particular comments were referring to, as, in the interests of keeping the questionnaire form on one sheet of A4, the two sets of questions had been compressed together. Thus, there were only five clearly distinguishable returns relating to corn grits and six for oblayoo. All respondents had used the products to make porridge.

The consumer rankings for the two products are given in Table 1:

**Table 1 Mean Rankings for Corn Grits and Oblayoo (1 = poor, 5 = excellent)**

	Corn Grits	Oblayoo
Taste	3.6	3.8
Texture	3.2	3.8
Appearance	3.6	3.0
Smell	3.8	3.3
Ease of Preparation	3.6	3.3

<sup>3</sup> Dr. Debrah estimates that 1kg of flour makes approximately 1.8kg dough.



The attributes that would persuade respondents to buy the products are given in Table 2:

**Table 2 Selling Points of Rosafrik Corn Grits and Oblayoo**

	Corn Grits	Oblayoo
Taste	5/5	5/6
Price (if appropriately low)	2/5	4/6
Fact that fairly traded	1/5	1/6
Would not buy	0/5	0/6

Again, the majority of respondents in each case indicated that the preparation suggestions on the packet were helpful. The preferred pack sizes were:

- Corn Grits: 500g (3), 1kg (2), 5kg (1)
- Oblayoo: 1kg (4), 2kg (3), 500g (1).

#### **4.3 Responses from Wholesalers, Kenkey Makers and Retailers**

Three wholesalers in Hatfield, Tottenham and Oldham received samples of the products. These are companies serving a range of African and Asian communities in the UK, not specifically West African. They prepare and package some of their own products, such as corn grits, maize meal and garri, but not fermented products, which are consumed mainly by Ghanaians, Ivoiriens, Sierra Leoneans and Congolese (Zairois). After initial expressions of interest, none showed further signs of wanting to take the products. One indicated interest in plain maize flour (in 50kg bags for packing under his own brand name), but at a price that would be unremunerative for Rosafrik.

The three kenkey makers were much more positive. All indicated that they would use Rosafrik fermented maize flour. One commented that kenkey made with it didn't "bite" as normal kenkey does (as the drying process reduces the "fermentedness"). Whilst this was a disadvantage in her mind, others commented favourably on this. The smell of some kenkey and banku can remain on one's fingers for hours after eating, but this is not a problem with kenkey made from Rosafrik flour. It is not clear at this stage what volumes of fermented maize flour the three kenkey makers might be able to use.

Retailers also gave positive feedback on the fermented maize flour, along with the fermented cassava flour (a complementary product to the fermented maize flour) and the two mixtures, which they also received. They were less keen on taking corn grits or oblayoo, which are already available in some shops. Similarly, confirming initial impressions, Rosafrik plain maize flour could not compete with existing supplies on price. The Tom Brown, in its current formulation at least, was rejected as too coarse.

## 5. Next Steps

Dr.Debrah visited London on 29/6-3/7/99 on the way back to Ghana from a trip to the US. After discussions with Mr.Otoo, it has been decided to send over (by sea) one ton of each of the four products identified by the survey as having the greatest market potential (i.e. fermented maize and cassava flour and the two mixtures). Project ZB0123 will not be involved in this activity.

Mr.Otoo will handle distribution to retailers and kenkey makers, hoping to start slowly and gradually establish a market presence. Additional cost-effective promotional media are being sought.

An unresolved issue for the future concerns packaging. Existing packaging is fine for the domestic Ghanaian market, but looks unimpressive on shelves in London. Dr.Debrah is still investigating options within Ghana, which should be cheaper than having packages printed in UK.

## 6. Additional Developments Unrelated to Project ZB0123

The range of Rosafrik products has continued to expand since July 1998, when Project ZB0123 first came into contact with Dr.Debrah and Rosafrik. In addition, Dr.Debrah has secured supply contracts with supermarkets in Kumasi (A-Life) and Accra (e.g. Koala in Osu), which are worth a few million cedis per month<sup>4</sup>. On his recent visit to US, he also secured an initial export contract there.

Members of farmers' groups in both areas of Greater Afram Plains have voted to acquire shares in Rosafrik. World Vision (US) is also interested in supporting the development of enterprises such as Rosafrik and there are ongoing deliberations as to the exact form that the company should take. The desire is to develop a more cooperative model of business relationship that brings together stakeholders throughout the supply chain, from farmers to importers in markets such as UK.

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<sup>4</sup> £1 ≅ 4000 cedis. The mid-season price of a 150kg bag of maize grain in Afram Plains ≅ 40,000 cedis.