

Meki Batu Union

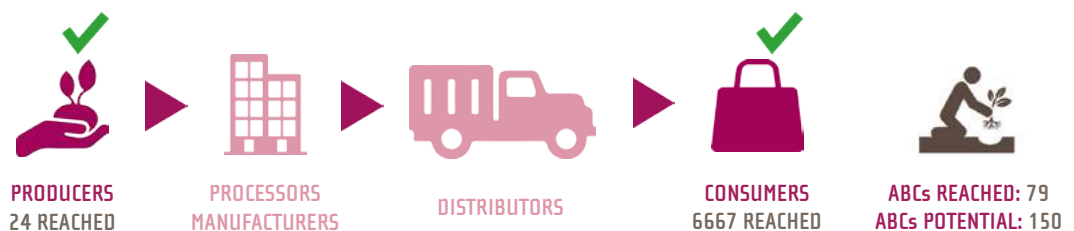
Distributing vegetables through customized consumer shops



To increase the customer base and sales of MBU, establishing a strong brand together with the Union and its members is a must.




ENGAGEMENT IN THE VALUE CHAIN



Meki Batu Union (MBU) was supported by 2SCALE in developing a marketing strategy to increase the sales of the vegetable and fruit produced by their 8.000 famers.

- Type of engagement: market creation / inclusive channels / product development
- Period: 2015-2016
- Result: The marketing strategy is targeting three customer segments: wholesalers, institutions and individual customers. Two unbranded vegetables shops were re-opened in Addis Ababa to test the marketing strategy, targeting urban BoP & MoP customers. Through these shops 56.875 kg of assorted vegetables were sold in the first three months the shops were functional again.

A woman wearing a light-colored jacket and a patterned skirt stands in a blue corrugated metal shop. The shop has a counter and a door. The background shows more of the shop's interior and some outdoor elements.

“I’m happy working here as we are always busy serving an increased number of customers visiting the shop, and wastage of products has significantly reduced.”

Hanna,
Working at one of the
retail shops

Context

Meki Batu Union (MBU) is a vegetables and fruits growers cooperative union in Ethiopia’s Central Rift Valley, with around 8.000 members farming 6.000 hectares. The area has fertile soil and good irrigation. However, only around 1.200 of the members are currently supplying their produce through the Union. MBU aims to expand the production of vegetables for the Addis Ababa market, but has some challenges in securing outputs. 2SCALE therefore supported MBU with developing and testing a new marketing strategy to boost sales of fresh and qualitative vegetables at affordable prices to Ethiopia’s vibrant capital.

Results

The marketing strategy is targeting three strategic customer segments: wholesalers, institutions and individual customers. Two vegetable shops that are not yet branded were re-opened in Addis Ababa, giving 24 farmers access to the market and increasing their income. Although this customer segment might not buy the largest volume of the Union’s produce, it is the best way to build the brand since there is a direct relation between the shops and its customers. Now that the shops are running smoothly again, the challenge was to increase their customer base and the sales per store: establishing a strong brand was therefore a must. Together the shops sold 56.875 kg of assorted vegetables in the first three months already. By offering better price for quality produce MBU is encouraging farmers, and its member base has increased with more than 300.

Future

A brand for the Union is now being developed by a market agency. The two consumer shops in Addis Ababa will be branded soon, and three additional shops will be re-opened throughout the city center. 2SCALE will also connect MBU to new clients such as supermarkets, universities and hotels and design a service delivery system tailored to the value propositions of the Union. To create transparency in the market, between the union and the farmers, and the union and the wholesalers, a market information system will be introduced through which information from different vegetable markets is collected and will inform the farmers via SMS about the price they should ask for their produce.

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