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CONSUMER INSIGHTS TO SUPPORT FAIRTRADE ACTORS IN OPTIMIZING MARKETING OPERATIONS IN KENYA

PREPARED FOR: Trade for Development Centre (Belgium) & Fairtrade Eastern Africa (Kenya)
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BTC TRADE FOR DEVELOPMENT

Introduction & objectives

Introduction

- The Trade for Development Centre (TDC – www.befair.be) of the Belgian Development Agency (BTC) aims at economic and social empowerment of small producer organizations, both by enhancing business knowledge and improving their access to markets.

- TDC implements a Producer Support Programme through which financial and technical assistance is provided to producer organizations. Within the framework of this programme, TDC has decided to have a consumer survey for ethical products conducted across Kenya.

- The results of the study will enable stakeholders in this area to have a better understanding of their market. More specifically, the research will contribute to the development of a more informed marketing strategy for Fairtrade Marketing Organization Eastern Africa (FMOEA) and contribute to the ongoing monitoring of FMOEA key performance indicators.

Study objectives

- The survey's objectives are twofold:
  - ⇨ Use a stratified sample to capture monitoring data against FMOEA's KPIs within the current target group & to capture baseline data from the same KPIs from regional groups. These KPIs include:
    - Awareness, understanding and perception of Fairtrade.
    - Perceived level of trust in Fairtrade as a brand.
    - Levels of perceived visibility of the Fairtrade label and products.
    - Intention to purchase Fairtrade products.
    - Price and quality perception of Fairtrade goods.
  - ⇨ Gain information on the below areas to help inform FMOEA'S marketing approach by asking questions around consumer interest, pricing and product preference. The themes include:
    - General food purchase criteria / drivers.
    - Shopping trends, interests and attitudes.
    - Evolution of opinions, attitudes and concerns of consumers related to ethics, sustainability, Fairtrade and organics.
    - How Kenyans find out about charitable causes and how they feel about supporting charitable courses.

Key areas addressed

1 Lifestyle & psychographics analysis

1. Evaluation of market behaviour in ethical trade matters

2 Understanding our target client

1. Where do they buy goods?
2. How often do they buy goods?
3. Market Consumer profile.
4. Important factors that drive brand considerations.
5. Kenyan shopper psychographics.

3 Ethical trade - deep-dive

1. Awareness of label and brand
2. Source of awareness of Fairtrade
3. Awareness of selected Fairtrade certified brands
4. Fairtrade concept testing
   a) What they like / dislike?
   b) Importance
   c) Believability
   d) Likelihood to find out more

4 Other areas of evaluation

1. Charity
2. Media consumption

Methodology

Methodology / Research design

- ✓ Study methodology: Combined qualitative and quantitative methodologies.
- ✓ This report focuses on the quantitative & qualitative updates.
- ✓ Quantitative module: In-home / F2F interviews using MDC – Mobile Data Collection.
- ✓ Total sample size of 1080 across key towns >> Nairobi, Mombasa, Kisumu, Nakuru, Eldoret, Thika, Machakos, Malindi, Kakamega, Meru.
- ✓ Fieldwork Dates – Between 28th September 2014 -> 8th October 2014.
- ✓ All figures in the report in %.

TARGET RESPONDENTS
1. LSM 8 - 17 2. Shoppers with a budget of KES 10,000 per month & above for food & beverage products 3. 18 – 45+ year olds

NATIONAL SAMPLE >>	1080
NAIROBI	248
MOMBASA	155
KISUMU	96
NAKURU	102
ELDORET	98
THIKA	78
MACHAKOS	72
MALINDI	73
KAKAMEGA	81
MERU	77

Qualitative – Sample breakdown

FOCUS GROUP DISCUSSIONS

Group Number	Social Class & Age	User ship	Region
1	BC1 18-24 years	Consumers of food products and beverages (Aware)	NAIROBI
2	BC1 36-45 years	Consumers of food products and beverages (Unaware)	
3	BC1 25-34 years	Consumers of food products and beverages (Unaware)	MOMBASA

IN-DEPTH INTERVIEWS WITH CONSUMERS WHO ARE AWARE OF FAIRTRADE

IDI no.	Social Class & Age	User ship	Region
1	AB 25-34 years	Consumers of food products and beverages (Expatriates)	NAIROBI
2	AB 25-34 years	Consumers of food products and beverages (Expatriates)	
3	AB 36-45 years	Consumers of food products and beverages (Kenyan Citizens)	
4	AB 36-45 years	Consumers of food products and beverages (Kenyan Citizens)	

Executive Summary

Executive Summary 1/2

1) There are indicators of a weak consumer movement in the country with an overall low knowledge of what power consumers wield over businesses / companies >> Need to facilitate consumer education and drive positive change in consumerism in the country to help push our course.

2) There is acknowledgment in the market place that peasant farmers are being exploited by middlemen and companies >> Messages will easily resonate with the target consumers.

3) Overall, the market is a value market that appreciates a good mix of quality and affordable price. This is also demonstrated by the preference of the market to shop in discounted shops >> Consider pushing value propositions in order to capture a wider market.

4) Shopping for beverage and food products mostly takes place in supermarkets for our target consumers with Nakumatt, Tusky's and Uchumi being the most frequented supermarkets >> Consider partnering with other retailers, e.g. Tusky's to help push volumes.

Executive Summary 2/2

5) Generally, there is low knowledge of ethical trade / Fairtrade in the marketplace. There is little mention of the term 'organization' in the description of Fairtrade and it is mostly considered as a practice / verb >> Immediate task / key pillar for the organization and a key action point.

6) Awareness of the Fairtrade logo is almost at a par with awareness of the Fairtrade organization - Mostly seen at the back of the logo.

7) There is positive acceptance of the Fairtrade concept by the target consumers… It is found to be important, relevant and is not seen as having a major impact on the price of the goods. However, there is less hype about it in Nakuru >> Overall, there is a high likelihood of positive receivability of the concept in the market place.

8) Charity: in general, personal needs override charity. However, there is a claim that the public engages in charity. There is a high affiliation to charity events that are geared towards poverty eradication [Opportunity to link this with our cause for the peasant farmers], combating HIV/ AIDS and reducing child mortality

Lifestyle & psychographics analysis

Consumers have low knowledge of the power that they wield over businesses>> Possible indicator of weak consumer movement / education in the country

[BASE = 1080]	AGREE	DISAGREE
I am health conscious and live a healthy lifestyle (eat health foods and exercise regularly).	90	10
I am health conscious and I go the extra mile to consume products that promise health benefits.	89	11
I make more of an effort than most people to be environmentally-friendly.	89	11
I generally worry about the plight of the peasant Kenyan farmer.	86	14
I feel that most Kenyan peasant farmers are taken advantage of by companies and middlemen.	86	14
I would happily pay more for a food / beverage product if it will address the plight of the Kenyan farmer.	85	15
I feel that the rights of workers at large farms are not respected.	83	17
I am genuinely concerned about the effects of global warming.	80	20
Generally, as a consumer, I can make a difference to how responsibly a company behaves.	79	21
I feel that Kenyan peasant farmers are more knowledgeable now and are not taken advantage of by manufacturers & middlemen.	66	34
AVERAGE* **	**83**	**17**

<u>IPSOS POINT OF VIEW</u>*** We are indexing above average in order to better establish what is key / what is not key to consumers since all of the attributes above can be considered as "hygiene attributes" - Hence every respondent would want to be associated with them positively. Indexing above average shows us what is below average.

Other take-outs from the lifestyle & psychographics table…

Knowledge of the plight of the Kenyan farmer & the exploitation of the Kenyan farmer by middlemen & companies is high >> **what it means for Fairtrade** – This is in line with Fairtrade's overall theme & is likely to resonate with the target customers when we communicate the same…

Our target market is willing to pay more for food and beverage products **should the proceeds** be seen as addressing the plight of the Kenyan farmer >> **what it means for Fairtrade** - In order to recruit more customers, educate the public on our overall mission that seeks to address the plight of the Kenyan farmer…

There is relatively low knowledge on the power that consumers wield over businesses/organizations >> **Task ahead**: Fairtrade is to play a key role in facilitating consumer education as an alternative avenue of recruiting more advocates to push our values…

There are four main plights mentioned by consumers as shown below:

R: They lack markets for their produce, and sometimes even sell to middlemen.

Lack of markets for their produce

Expensive farm inputs that affect returns

R: the second is farming, even if you give a small scale farmer in Ukambani or Kitale a whole bag of seeds they cannot plant because tilling all that land is expensive .

R: They sometimes don't have money to till the land, sometimes the tracks are expensive to buy to till the land…..

Lack of capital to till the land

Lack of technology & education to enrich their farming methods

R: I think there is something called Mshamba but I wonder if the farmer can access the technology and take the information on better farming methods.

However, best solutions to address the plight of the African farmer should be seen to come from Africans e.g. using the patriotism card such as "buy Kenyan, build Kenya" >> Africanize our marketing approach

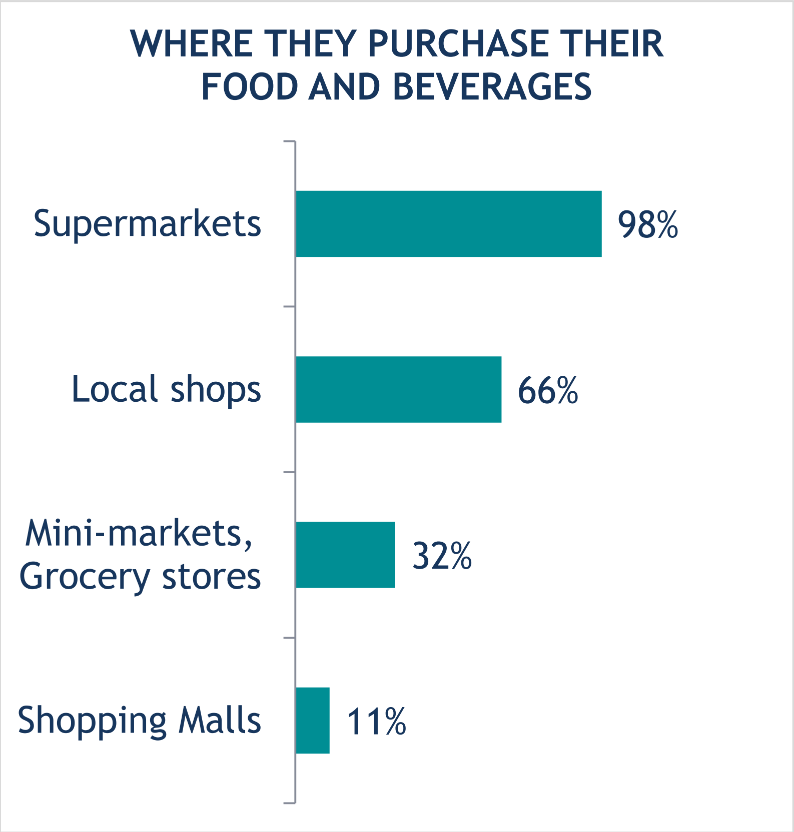
***R**: Buy Kenya build Kenya…….if I'm buying this it's to build Kenya…..*

***R**: You see I wonder whether the help given to the small scale people actually reaches them like technology, I genuinely wonder.*

***R**: You see all the time it's the west who are offering solutions and people even have to be paid to give them help……we should be the ones helping.*

Understanding our target market's shopping habits

Overall - our target consumers shop in supermarkets & local shops>> Consider recruiting more retailers, esp. Tusky’s to widen our penetration in major cities…



[BASE = 1080]

REGIONS>>	NBI	MSA	KSM
BASE	**246**	**150**	**96**
Nakumatt	53	56	55
Uchumi	33	12	9
Tusky's	43	43	80
Naivas	30	14	2
Ukwala	1	0	28
Others	12	37	5

There are indicators that consumers practise less ethical trade>> In order to build more relevance, Fairtrade needs to push for both a mental & cultural shift in how consumerism is undertaken…

TOP 2 BOX RESULTS***	TOTAL	NBI	MSA	KSM
Bought something to support local producers / farmers / suppliers (Local kiosk, Neighbour)	56	56	48	57
Recycled materials / waste (out of necessity)	47	44	55	45
Chosen product / service on company's responsible reputation	47	49	35	44
Recommended a company because of responsible reputation	45	40	41	54
Talked to friends / family about a company's behaviour	44	41	33	61
Bought a product / service primarily for ethical reasons	44	38	50	49
Avoided product/service because of company's irresponsible behaviour	43	42	38	46
Felt guilty about unethical purchase	36	35	33	48
Actively sought info on company's behaviour / policies	33	26	24	45

*** The top 2 boxes comprise the 2 top statements of the scale [Very often & Often] that have been endorsed by respondents.

…ethics as a driver of purchase comes after price, heritage & quality.

M:What do you consider when you buy sugar?
R: *Economy is tight so I consider price. I mostly BUY Mumias sugar. There is also some repacked sugar on a brown paper I also buy that.*

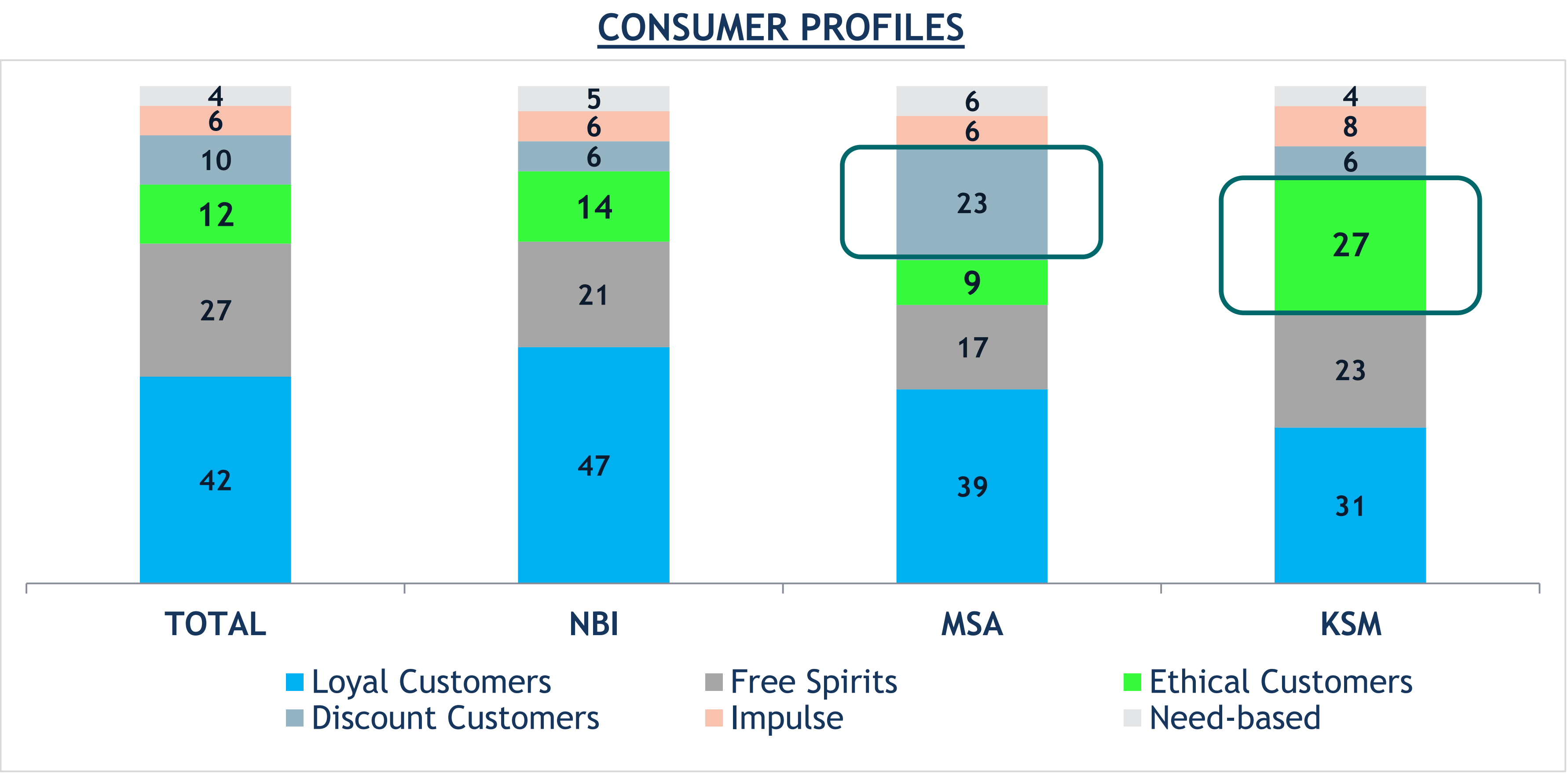
M:What changes have you noticed in the food and beverage industry in Kenya?
R: *Pricing has gone up. Food industries are not doing well hence the price of food products has gone up*

R: *Good quality tea tastes rich while good quality coffee also includes granules that easily dissolve in water/milk*

[Description of proposed consumer profiles]

DESCRIPTION OF CONSUMERS	GENERAL DESCRIPTION OF CONSUMER
FREE SPIRIT	I have no specific brands in mind when I go shopping, I am open to trying new brands every once in a while.
LOYAL CONSUMER	I always purchase the same brands of food and beverages every time I go shopping.
ETHICAL CONSUMER	I like to purchase 'ethical products' – these are food & beverage brands that have a standard in ensuring proper farmer compensations and a minimal impact on the environment.
DISCOUNT CONSUMER	I love to purchase brands that have discounts / are on sale / come with a gift.
NEEDS BASED CONSUMER	I am the type of buyer who purchases different brands for specific reasons… for example, I can purchase different types of bathing soaps for different body parts.
IMPULSE CONSUMER	I purchase different brands on a whim especially if it seems good at the time.

There is an overall good outlook with a substantial share of ethical consumers>> Build on the high potential in Kisumu & consider pushing value propositions in Mombasa due to their preference of discounted offers…



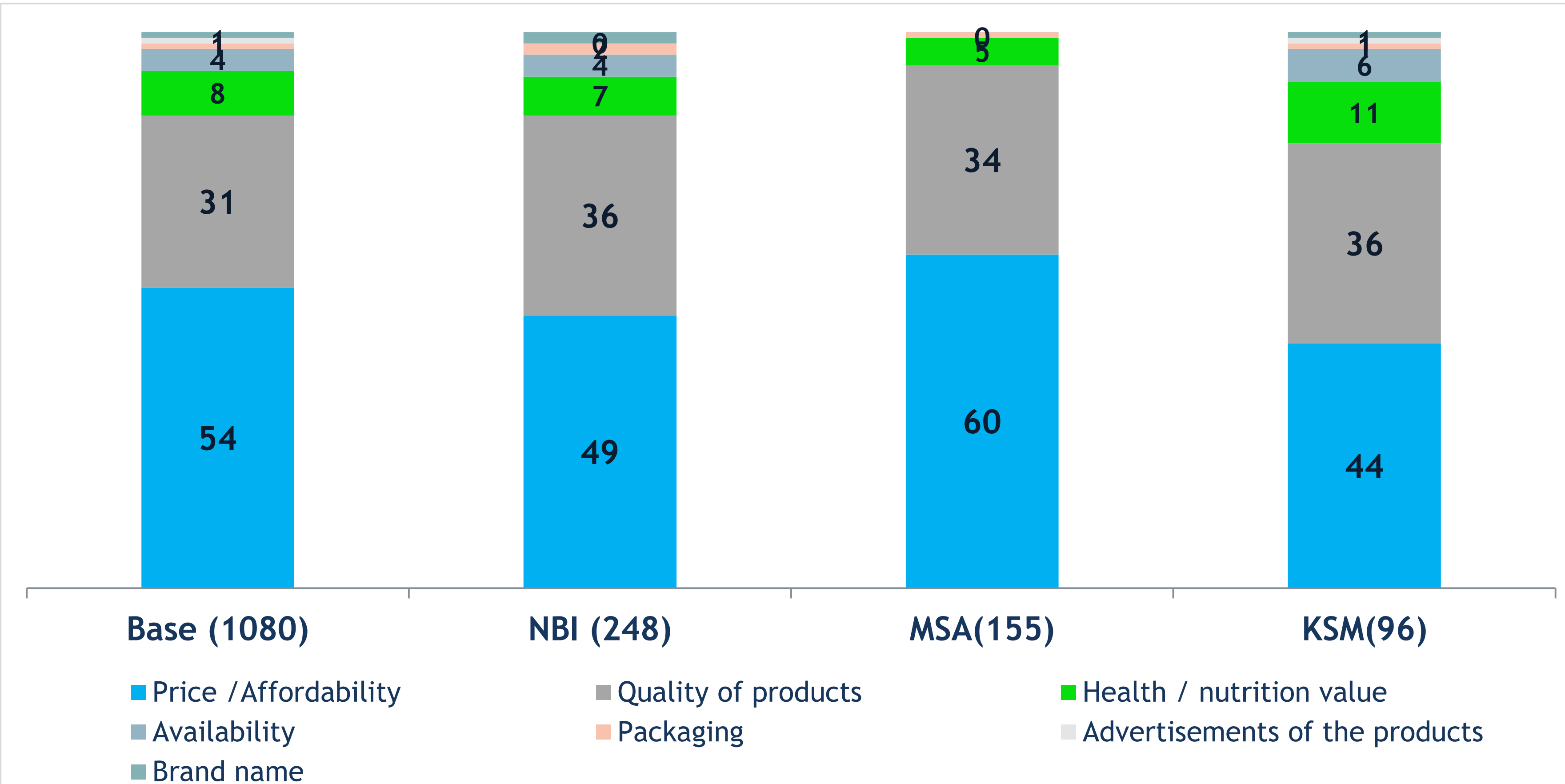
...need for value propositions is further justified by the below average likelihood to shop in a high-end store & above average preference for discounted stores...

	AGREE	DISAGREE
I prefer purchasing Kenyan food & beverage products more than imported food products.	89	11
I like shopping in discounted stores / supermarkets / malls.	80	20
I only buy the BEST brands of food products even if these are slightly expensive.	79	21
Overall, for anything I purchase, I strive to buy renowned brands.	79	21
I tend to purchase the same brands of food & beverage products every month.	79	21
I mostly frequent the same store / shop / mall to purchase my food products.	77	23
Advertisements help me make decisions on what food products to purchase.	76	24
I have purchased counterfeit goods knowingly just because they were cheaper (e.g. Video CDs, Phones, etc.).	66	34
I like shopping in high-end stores / supermarkets / malls.	66	34
AVERAGE* **	**77**	**23**

IPSOS POINT OF VIEW*** We are indexing above average in order to better establish what is key / what is not key to consumers since all of the attributes above can be considered as "hygiene attributes" - Hence every respondent would want to be associated with them positively. Indexing above average shows us what is below average

… and to sum it up, price & quality are key considerations that consumers have in mind when purchasing food & beverage products.

TOP 5 CONSIDERATIONS WHEN BUYING FOOD AND BEVERAGES



Summary -Qualitative overall purchase drivers

PRICE	*Key factor due to* ***difficult economic times.***
QUALITY	*Is interpreted differently for different food and beverage items.*
BRAND HERITAGE	*A product / brand that has been around for many years quickly earns consumers' trust.*

Ethics & sustainability are not in the consideration set when deciding on food & beverage brands to buy. This is because ethical consumerism has not fully evolved in the Kenyan Market.

Food & Beverage category drivers

TEA

Price
it is affordable.

Heritage
has been in the market for a long time, mainly Ketepa.

Quality
Rich taste, good quality packaging (strong & attractive), quality brands, e.g. Ketepa and Kericho Gold.

COFFEE

Price
it is affordable although coffee is perceived as expensive.

Heritage
has been in the market for a long time, e.g. Dormans, Nescafe

Quality
Great taste, strong aroma, granules that easily dissolve.

SUGAR

Price
affordable considering the current economic times
Heritage
brands that have been in the market for a long time, e.g. Mumias Sugar.
Quality. Type of particles, i.e. refined or big, brown or white. Brown is perceived to be sweeter than white.

CHOCOLATES

Price
affordable.

Heritage
brands that have been in the market for a long time, e.g. Cadbury.

Quality
has a rich sweet taste.

WINE

Price
Affordable

Quality
brands that are well known

Key considerations for Fairtrade

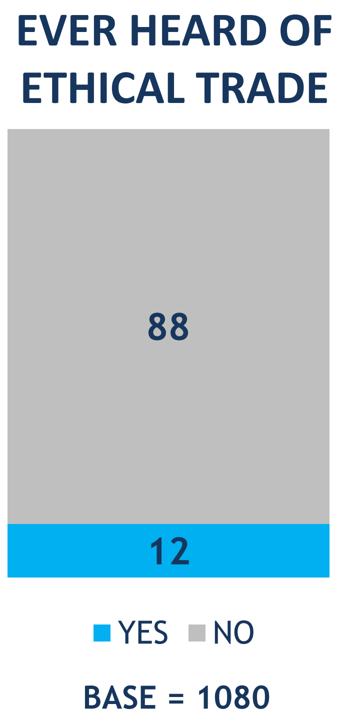
Value propositions are key in the market place – consider recruiting producers who are value propositions.

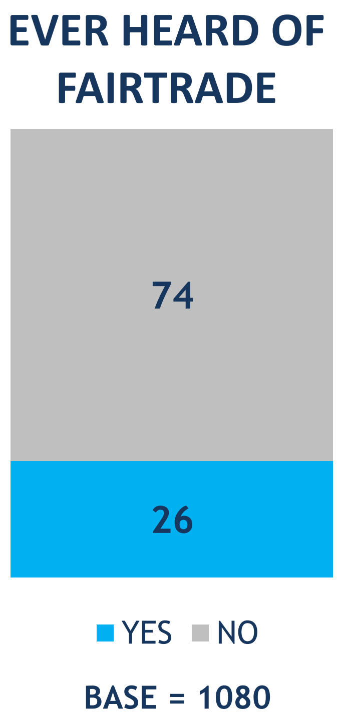
In order to push more volume, consider recruiting legacy brands (brands that have been in the market place for long and enjoy massive goodwill).

Consider recruiting key legacy brands in the market place with a PR approach – working together with "***x***" manufacturer to improve the lives of peasant farmers.

Ethical trade & Fairtrade

Just as there are indicators of a weak consumer movement in the market place this is also the case with the knowledge of ethical trade. Immediate task for Fairtrade should be to make itself known to the public…





The same is the case across regions

REGIONAL AWARENESS OF ETHICAL LABELS

	NBI	MSA	KSM	NAX	ELD	THIKA	MACHA	MALINDI	KAKAMEGA	MERU
YES	19	10	12	6	7	18	18	5	4	14
NO	81	90	88	94	93	82	82	95	96	86

REGIONAL - EVER HEARD OF FAIRTRADE

	NBI	MSA	KSM	NAX	ELD	THIKA	MACHA	MALINDI	KAKAMEGA	MERU
YES	31	28	45	7	20	38	35	10	19	12
NO	69	72	55	93	80	62	65	90	81	88

Low awareness on ethical labels & Fairtrade attributed to low visibility both above and below the line media

R: As a word or as a term it means ethical

R: Maybe it is a mark of quality

R: I believe there are some brands of products which have a kind of label to make sure that the product is from that company

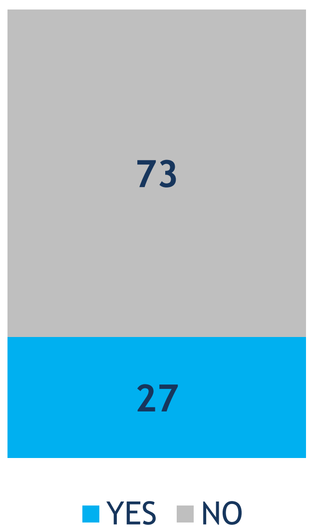
Ethical labels

R: I saw it yesterday on a product but I don't know what it is….

R: Fairtrade sounds like a Nairobi show

Awareness of the Fairtrade logo & the Fairtrade organization is at a par… Mostly seen at the back of products, TV, newspapers & the internet… Many people are also not sure where they saw the logo.

EVER SEEN THE FAIRTRADE LOGO



BASE = 1080

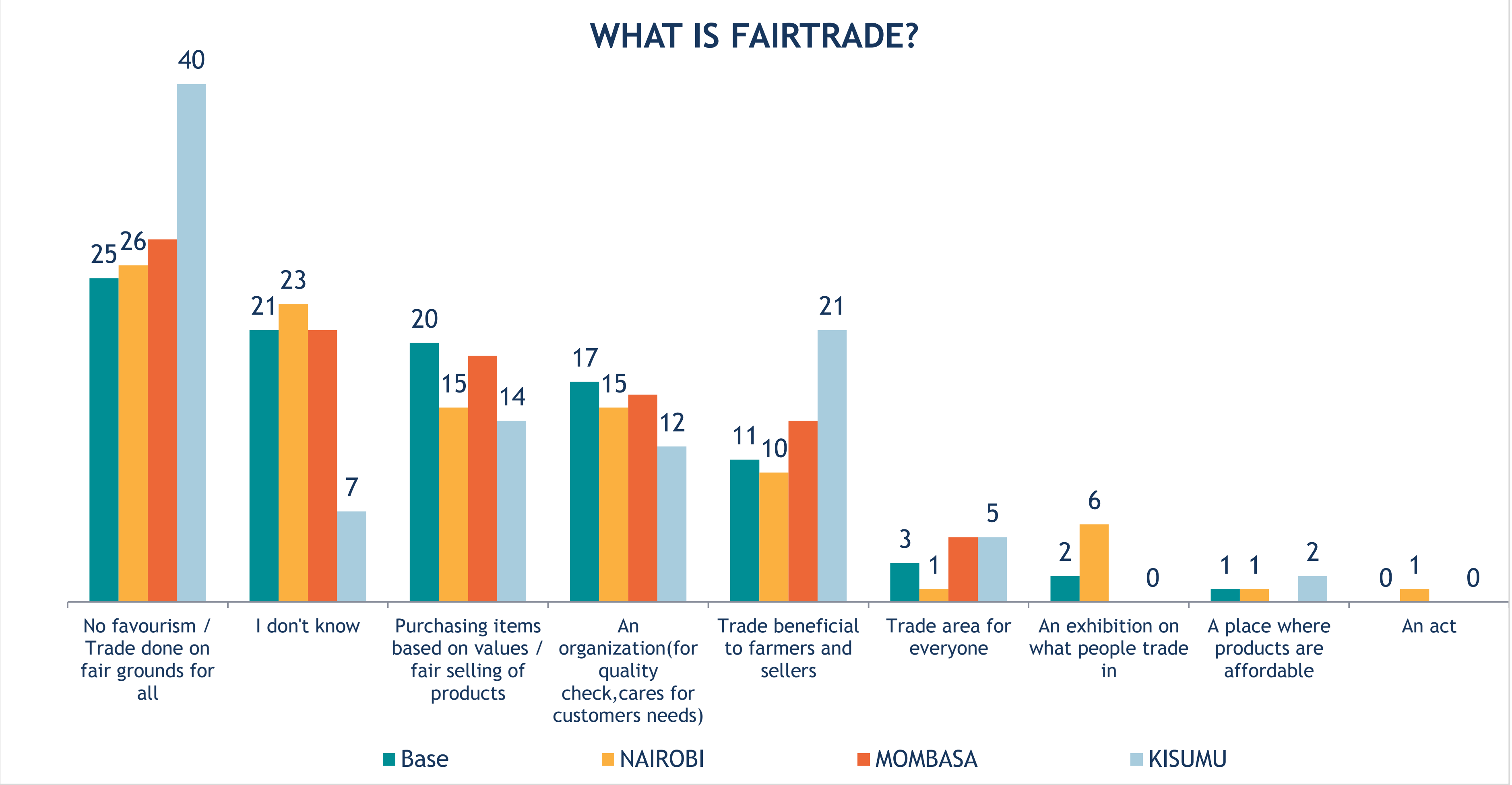
WHERE THEY HAVE SEEN THE FAIRTRADE LOGO

	TOTAL	NBI	MSA	KSM
BASE	293	85	48	14**
At the back of a product	25	32	29	14
Television	22	19	27	43
Newspapers	8	2	6	0
Online – Facebook & twitter	7	4	6	14
Banner at event	6	5	0	0
Magazines	2	0	6	0
At a promotional / educational event	2	4	0	0
Branded items, e.g. T-shirts	2	2	0	0
Books	1	2	0	7
Don't know / not sure	17	24	12	7
OTHERS	8	7	12	14

BASE = 293

** - sample is below 30 hence it's not statistically viable

Currently, there is no solid knowledge of FAIRTRADE in the market place, with minimum mentions that it is an organization>> A key area that requires action.



…attributed to low visibility on both ATL & BTL media. Some associate ethical labels to KEBS, which has lost its credibility

R: *I think ethical labels, are labels that show that whatever product has been checked. the process of making that product.*

R: *There are those nuts that I usually carry to school, they are macadamia nuts. I think they have fair trade labelled on. They also have rice like the label.*

R: *But everything has KEBS on it, almost everything, even the illicit brews.*

R: *Ethical labels is more of an organization that verifies labels. I have noticed the ground nuts..*

R: *It also means this juice for example, how well will it benefit the farmers that produced the fruit that planted them*

R: *To me in Kenya the only mark is KEBS, very few people know about fair trade, unless you really believe in quality and control, also company returns.*

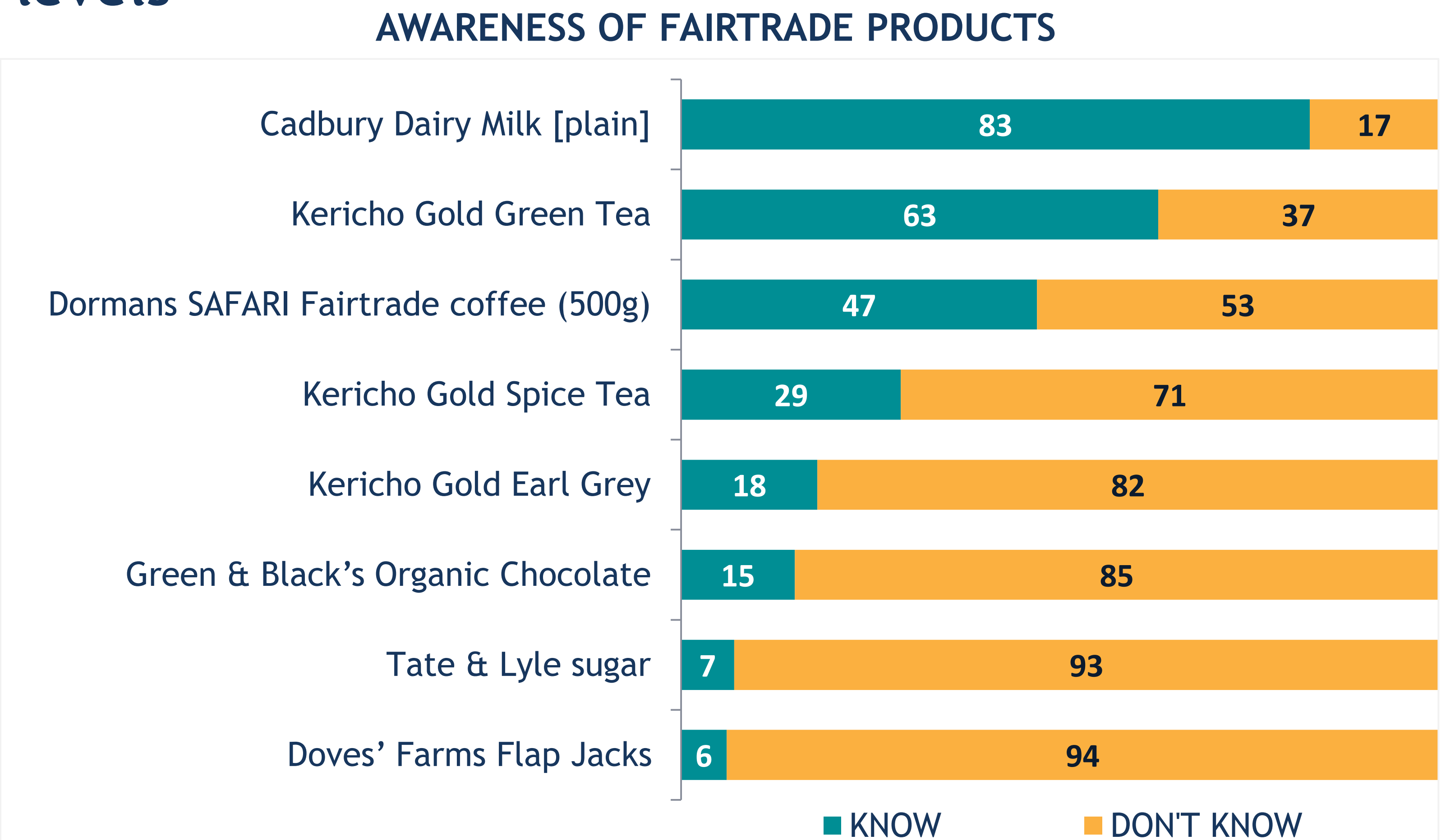
Interesting to note is that expatriates find a disconnect around ethical labelling when they are in the producing countries [countries that grow /produce the goods]

From the few expatriates that we spoke to, they felt that trading fair ceases to be relevant when one is living in Kenya where the goods are originally grown and or produced.

R: I think now that I am in the country where the goods are produced, I feel like its ceases to have relevance……

R: I don't know…I feel like I have forgotten in a sense about ethical labels since I moved. …Maybe we need a reminder although I have bought chocolates with the fair trade label.

Cadbury Dairy milk, Kericho green tea & Dormans SAFARI Fairtrade tea are the Fairtrade certified products that are well known in the market place… Support the brands that are not well known to promote their awareness levels



EL1e. Have you ever seen this mark anywhere?
EL1f. Where have you seen this mark?

There is also minimum knowledge that these products have been certified by Fairtrade… as earlier indicated, there needs to be a deliberate effort to popularize the logo & the certified products to build more relevance & advocates

[BASE = 1080]	BASE	I KNOW IT IS FAIRTRADE CERTIFIED	I DON'T KNOW IF IT IS FAIRTRADE CERTIFIED
Cadbury Milk Plain	**899**	12	88
Kericho Gold Green Tea	**682**	10	90
Dormans Safari Fairtrade coffee	**512**	13	87
Kericho Gold Spice Tea	**316**	13	87
Kericho Gold Earl Grey	**191**	18	82
Green and Black Organic Chocolate	**166**	13	87
Tate & Lyle Sugar	**77**	18	82
Dove's farms flap Jacks	**64**	27	73

Fairtrade concept test

High liking for the Fairtrade minimum price… probably driven by the acknowledgement of the exploitation of the peasant farmer by middlemen / businesses… Other important areas that resonated with the public included the environment and Fairtrade premiums

CONCEPT LIKES / DISLIKES TABLE

	WHAT THEY LIKE	WHAT THEY DON'T LIKE
Fairtrade minimum price	59	9
Environment - sustainable agricultural practices and raises	56	5
Fairtrade premium	44	9
Fairtrade minimum standards	37	4
Don't know / not sure	4	6
OTHERS		
Offer support to farmers/benefits the farmer	3	0
Give compensations to farmers/Cares about farmers	1	0
Provides healthy products	1	0
None	0	73

The terms ‘fair’ and ‘just’ are considered to be words that best describe Fairtrade and Ethical trade in general

BASE = 1080

All areas except Nakuru find the concept to be important and moving forward, they would want to know if the products have been certified by Fairtrade or not.. Overall, the concept receives average acceptance [as per the top 2 box results]

IMPORTANCE

	TOTAL	NAIROBI	MOMBASA	KISUMU	NAKURU	ELDORET	THIKA	MACHAKOS	MALINDI	KAKAMEGA	MERU
BASE	1080	248	155	96	102	98	78	72	73	81	77
Top 2 Box	46	53	41	56	**18**	54	41	54	47	53	35
MEAN SCORE	7.57	7.99	7.66	8.06	**4.82**	8.05	7.35	8.03	8.10	8.02	7.22

NOT AT ALL IMPORTANT									VERY IMPORTANT
1	2	3	4	5	6	7	8	9	10

- ❑ Mean score - Out of 10 [Average score from the scale above]
- ❑ Top 2 Box - Out of 100 [Those who selected 9 & 10 in the scale above]

Same is the case with ‘believability’ where most regions find the concept believable except Nakuru where it is less endorsed as believable…

BELIEVABILITY

	TOTAL	NAIROBI	MOMBASA	KISUMU	NAKURU	ELDORET	THIKA	MACHAKOS	MALINDI	KAKAMEGA	MERU
BASE	1080	248	155	96	102	98	78	72	73	81	77
Top 2 Box	88	88	95	96	**69**	86	82	93	99	85	90
MEAN SCORE	4.36	4.36	4.55	4.69	**3.62**	4.38	4.22	4.53	4.58	4.37	4.38

AGREE STRONGLY		Neither agree nor disagree		DISAGREE STRONGLY
1	2	3	4	5

- Mean score - Out of 5 [Average score from the scale above]
- Top 2 Box - Out of 100 [Those who selected 1 & 2 in the scale above]

Overall, there is good potential for follow up to find out more information about Fairtrade… Generally, that is a good indicator of concept relevance

LIKELIHOOD TO FIND OUT MORE INFORMATION

	TOTAL	NAIROBI	MOMBASA	KISUMU	NAKURU	ELDORET	THIKA	MACHAKOS	MALINDI	KAKAMEGA	MERU
BASE	1080	248	155	96	102	98	78	72	73	81	77
Top 2 Box	90	93	96	97	70	87	82	93	95	93	90
MEAN SCORE	4.45	4.49	4.62	4.69	3.74	4.43	4.24	4.47	4.63	4.68	4.45

DEFINITELY WILL		MIGHT OR MIGHT NOT		DEFINITELY WILL NOT
1	2	3	4	5

- Mean score - Out of 5 [Average score from the scale above]
- Top 2 Box - Out of 100 [Those who selected 1 & 2 in the scale above]

Very high endorsement of the concept on relevance especially in Malindi, Kakamega, Mombasa and Nairobi… Nakuru has lesser endorsements just like for the other attributes of the concept

RELEVANCE

	TOTAL	NAIROBI	MOMBASA	KISUMU	NAKURU	ELDORET	THIKA	MACHAKOS	MALINDI	KAKAMEGA	MERU
BASE	1080	248	155	96	102	98	78	72	73	81	77
Top 2 Box	94	96	99	96	76	95	91	97	100	98	91
MEAN SCORE	3.56	3.62	3.69	3.73	2.95	3.52	3.41	3.62	3.67	3.73	3.49

VERY RELEVANT	SOMEWHAT RELEVANT	NOT VERY RELEVANT	NOT AT ALL RELEVANT
1	2	3	4

- ❑ Mean score - Out of 4 [Average score from the scale above]
- ❑ Top 2 Box - Out of 100 [Those who selected 1 & 2 in the scale above]

The concept seems not to have a direct impact on cost perceptions as people perceive that the prices will be average even in Nakuru where we have had low endorsements all through

PRICE PERCEPTION

	TOTAL	NAIROBI	MOMBASA	KISUMU	NAKURU	ELDORET	THIKA	MACHAKOS	MALINDI	KAKAMEGA	MERU
BASE	1080	248	155	96	102	98	78	72	73	81	77
Top 2 Box	34	42	21	21	26	48	42	36	33	23	43
MEAN SCORE	3.07	3.27	2.72	2.93	2.89	3.38	3.23	3.12	3.03	2.65	3.39

LESS EXPENSIVE				MORE EXPENSIVE
1	2	3	4	5

- ❑ Mean score - Out of 5 [Average score from the scale above]
- ❑ Top 2 Box - Out of 100 [Those who selected 4 & 5 in the scale above]

Overall, the Fairtrade idea is well received. Consider minimal repackaging to break through in the local market.

Fairtrade idea is well received because it helps small scale farmers although may need to be presented differently to increase appeal. Cost perceptions could be a deterrent.
Below are a few suggestions:

Build Trust In The Label

1. Explain how it will benefit the small scale farmer.
2. Communicate quality, i.e. shouldn't be on every product.
3. Include testimonials from small scale farmers who have benefited from the programme.

Localize it, i.e. make it feel Kenyan

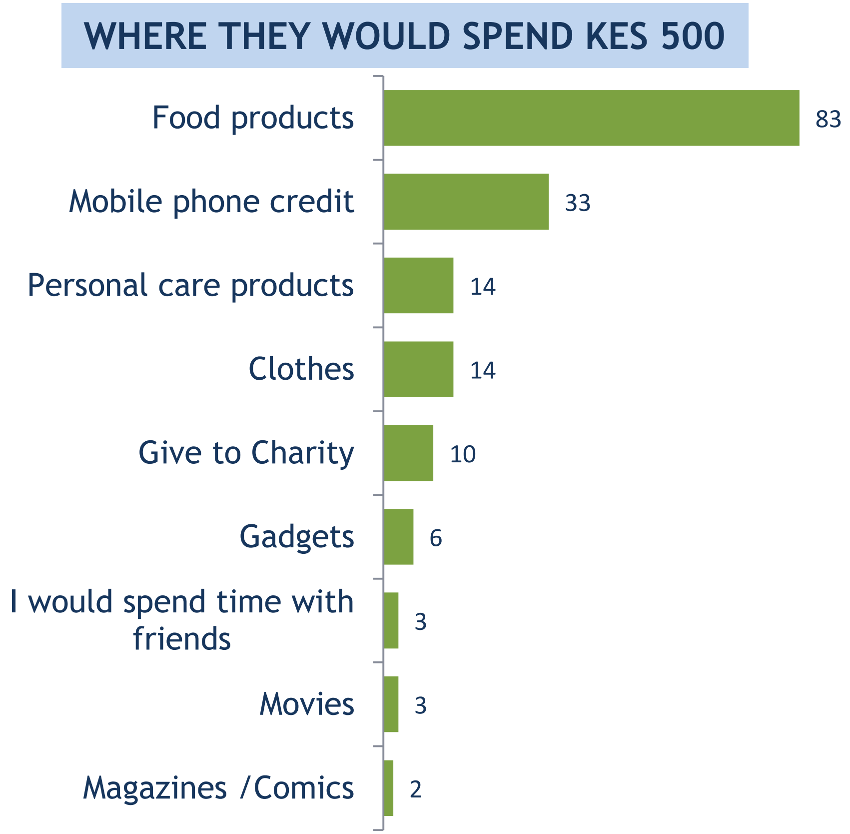
1. Local brand ambassadors.
2. 'Buy Kenya, Build Kenya'.
3. Quantify percentage of price of product that goes to helping the small scale farmer.
4. Project Fairtrade as an organization affecting change and not 'foreign aid' to poor old Kenyan farmers.

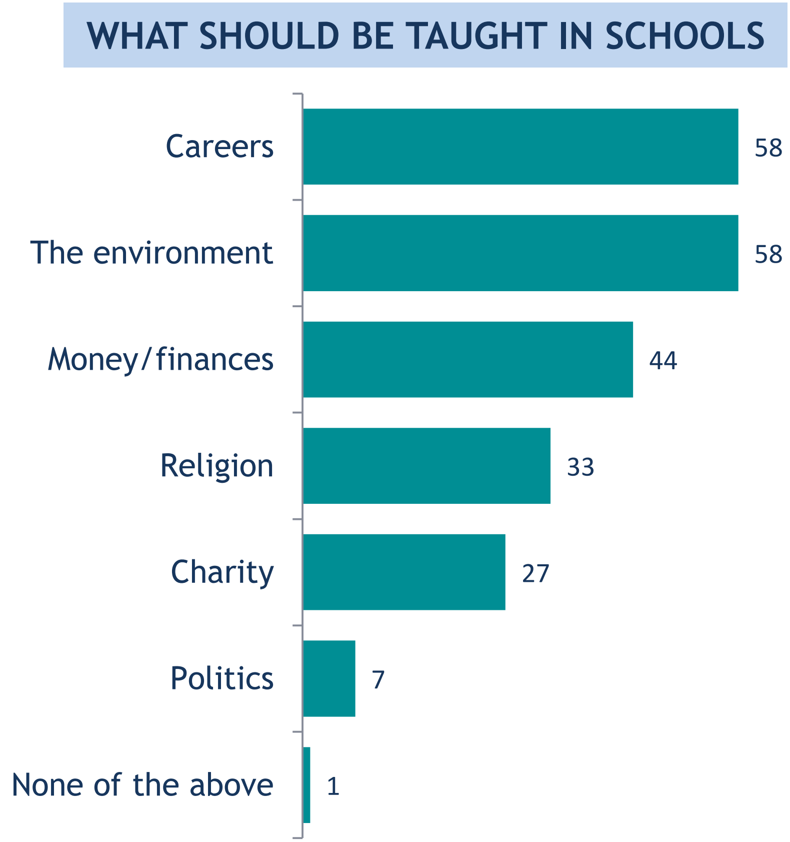
Build a culture of ethical consumerism

1. Create awareness.
2. Can partner with government initiatives to create policies.
3. How can Fairtrade participate in the arts?

Charity

Overall, charity is not considered to be a priority for schools' syllabuses rather than careers, environment & finances… A majority would also spend Kshs 500 on personal needs





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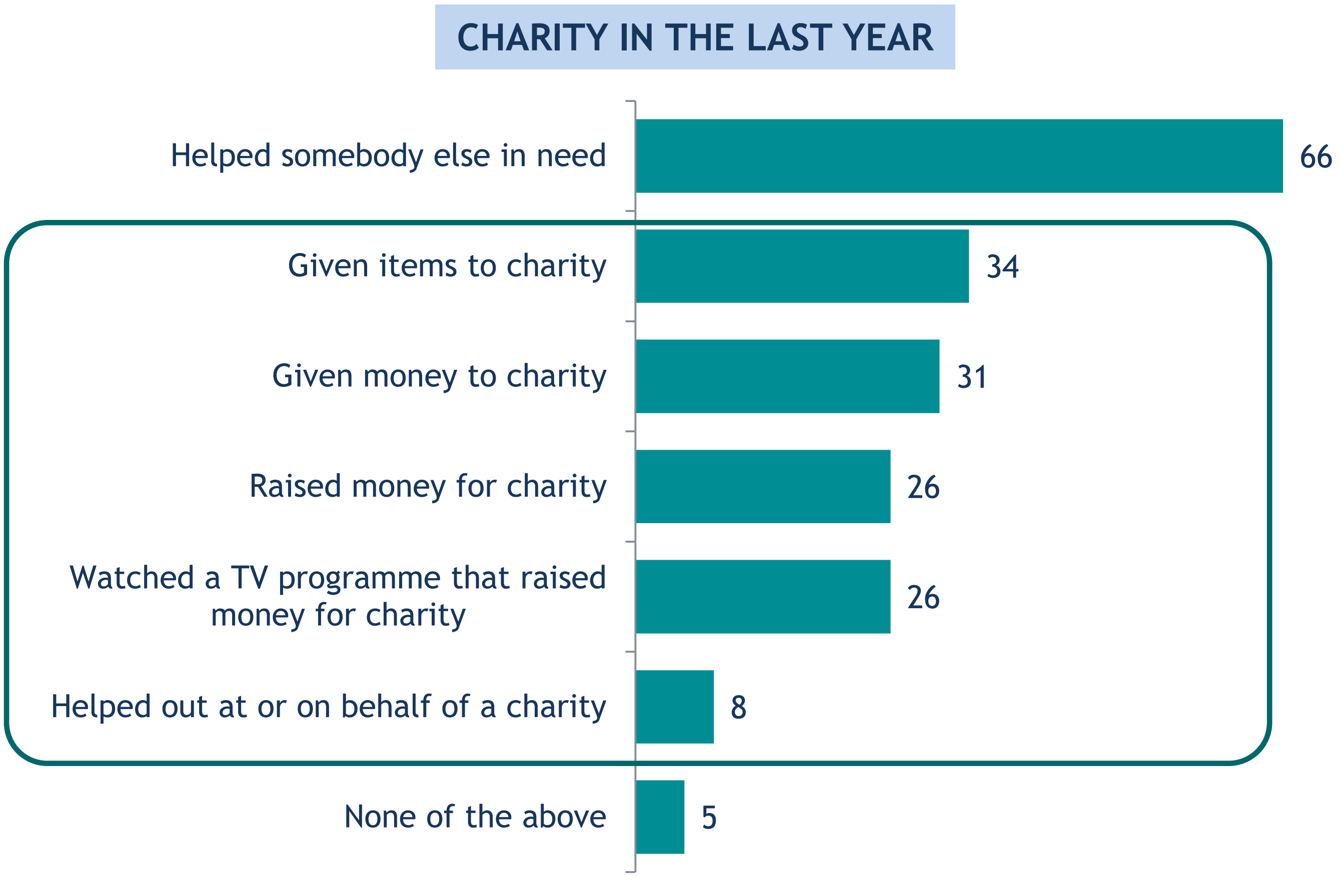
However, a majority of our target population claimed that they have helped someone in need in the past year & participated in a charity related event in some way



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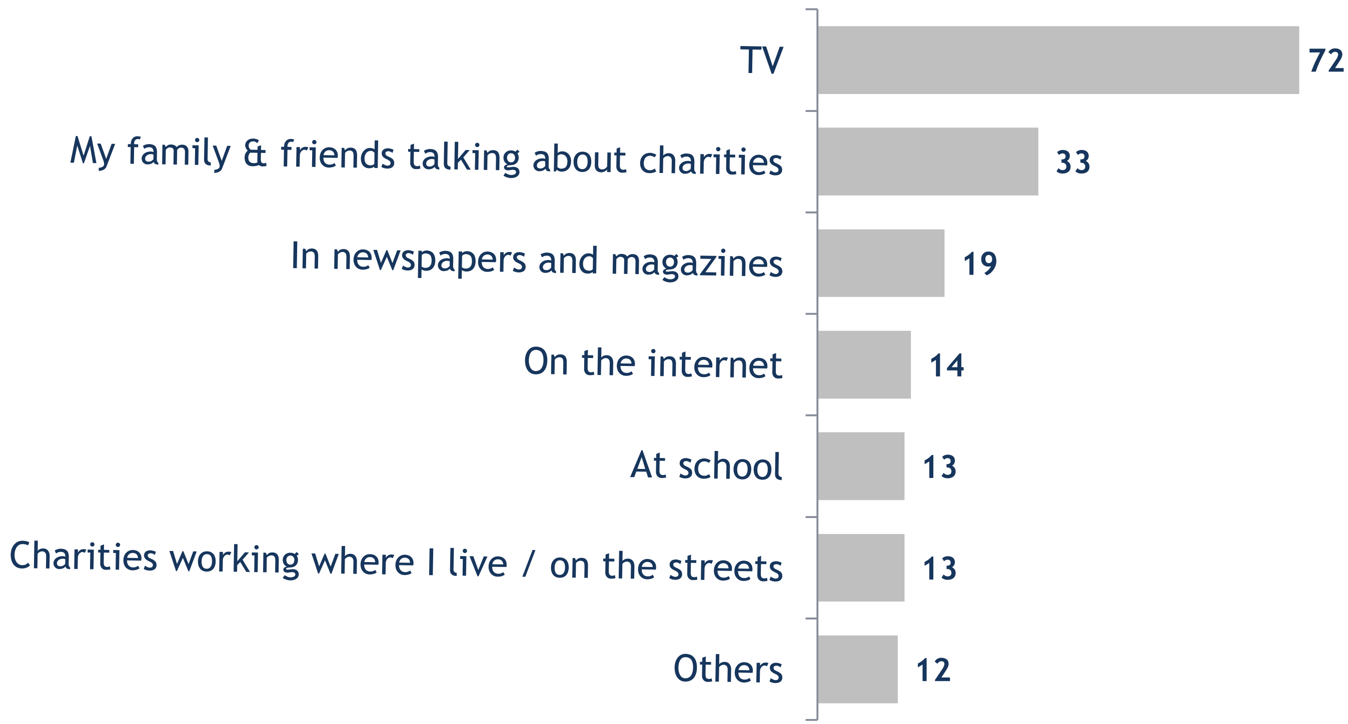
Majority of consumers have heard about charity on media platforms such as TV and through word of mouth from acquaintances.

WHERE THEY HEAR / GET TO KNOW ABOUT CHARITY EVENTS



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Consumers discover different social & environmental activities mainly through ATL, i.e. television. However, social media is now also a key source, i.e. Facebook (Brand Pages) & Twitter handles.

Media sources mentioned

Companies mentioned to participate in charitable activities.

Royal Media Services-The girl child

M: How do you normally find out about the activities that are happening?
R:TV

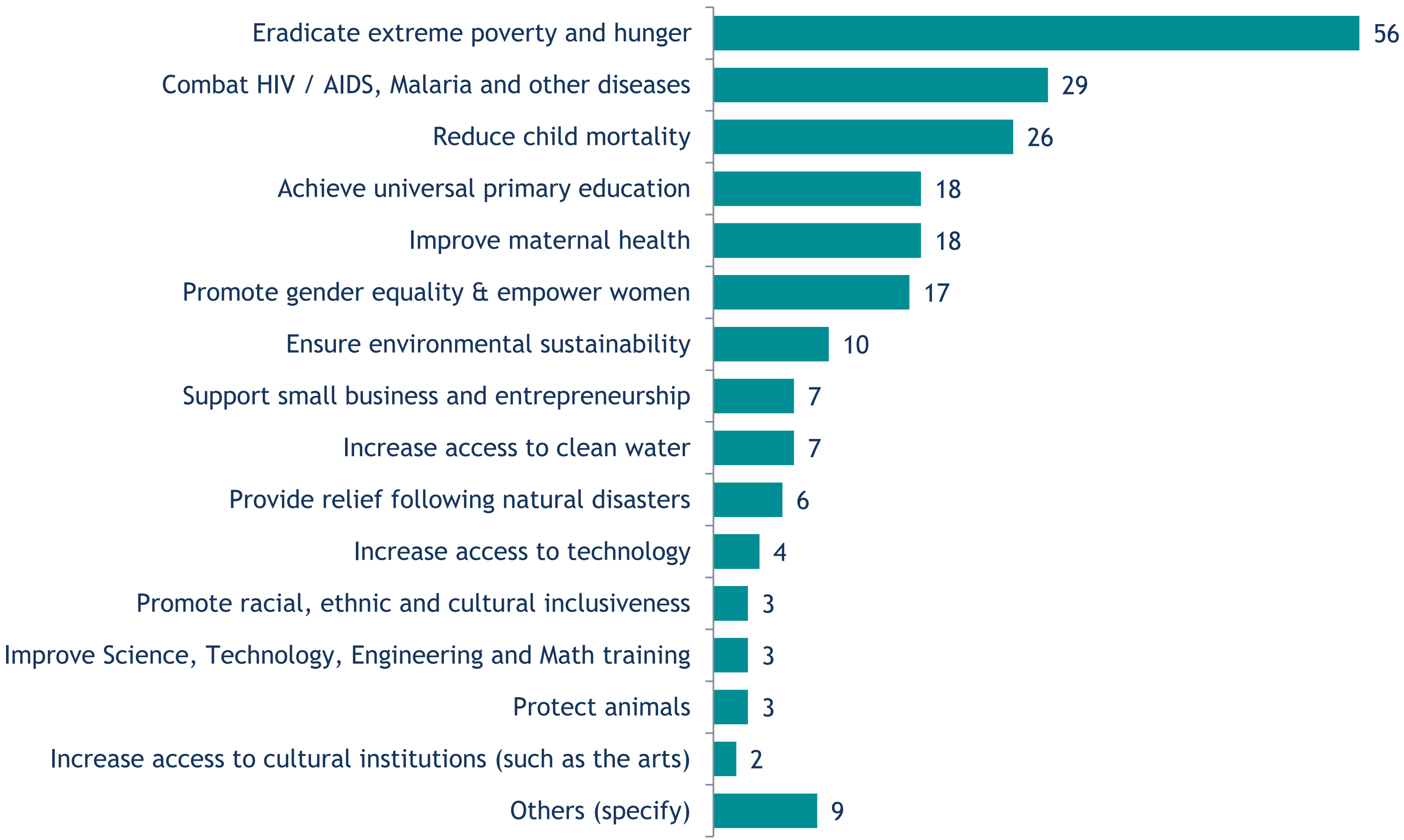
M: How do you normally find out about the activities that are happening?
R:They also come to institutions such as ours and ask people to volunteer or something.

M: How do you normally find out about the activities that are happening?
R: Also trust word of mouth - I tell someone who will tell someone.

M: How do you normally find out about the activities that are happening?
R: Social media, mostly stuff involving youth. Like the Safaricom sevens they put up a lot of advertisements, to make them aware of what will be happening.

Our target population is more willing to engage in charitable activities on projects that help the needy in society by eradicating hunger, diseases & reducing child mortality.

CHARITY THEY WOULD DONATE TO



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Outreach to children's homes is the most popular social activity done by consumers. However, other social & environmental activities are gaining ground.

Outreach to children's homes remains the key activity done socially. Consumers' contribution to environmental concerns is still basic. There are other social & environmental activities that are becoming popular, e.g. **purchasing products/brands in which a percentage of the sale goes to help** different social groups and environments.

R: *I would not say I am that involved in the environment. But where I live I go knock on people's doors and get clothes from people which I take to children's homes.*

R: *The Kenyan economy has still not evolved with regard to environmental issues…*

R: *About the environment I don't like littering, I encourage my friends to hold onto their trash until they get to a bin.*

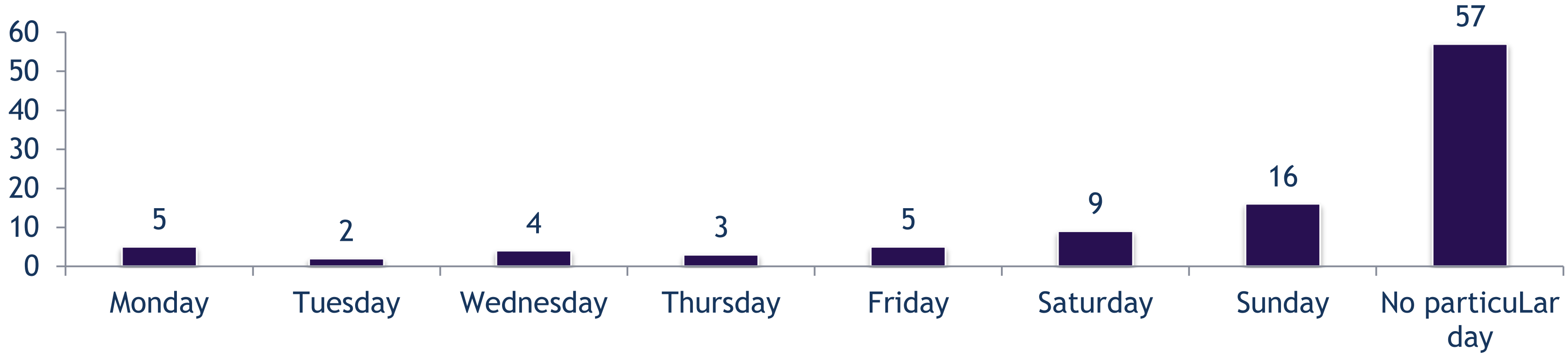
R: *Sunlight you donate 3 shillings to the society. So I am encouraged knowing I have given back to society.*

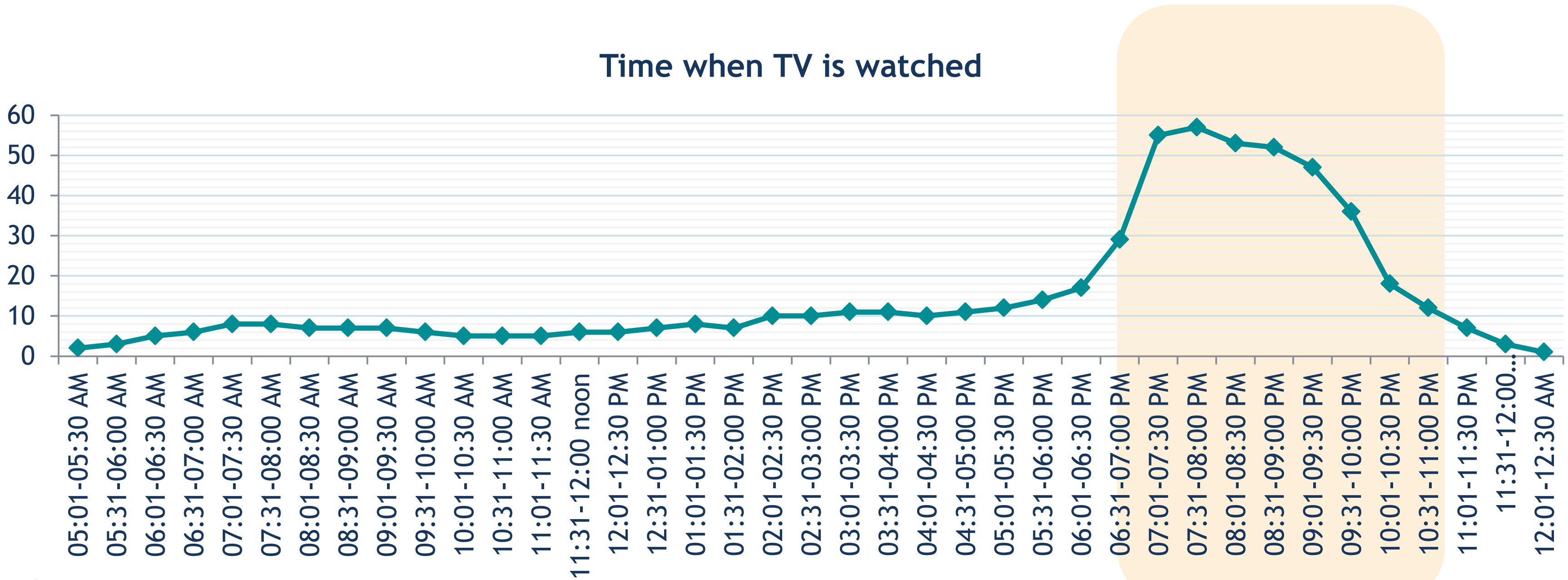
Media consumption

Use of traditional media channels to communicate & reach our target audiences is justified because of the high usage of the same…

	RADIO	TV	NEWSPAPER	MAGAZINE	DVD	INTERNET	BIG SCREEN
Yesterday	81	95	47	17	52	58	2
Past 7 Days	10	3	33	22	20	12	3
Past 4 Weeks	3	1	7	20	14	10	8
Long ago	6	1	10	22	11	10	51
Never / Can't remember			3	19	3	10	36

Overall, there is no specific day they watch TV [indications that it is almost a daily affair]. However, the propensity is higher over the weekend. Viewership reaches peak in the evening - night





Citizen TV has the highest viewership especially with the older (45+) females in Kisumu, Eldoret & Meru

	TOTAL	NAIROBI	MOMBASA	KISUMU	NAKURU	ELDORET	THIKA	MACHAKOS	MALINDI	KAKAMEGA	MERU
Base	1036	236	150	93	97	97	75	68	68	75	77
Citizen TV	56	48	48	73	45	67	53	56	54	60	75
KTN	13	12	25	6	11	6	7	12	10	27	8
NTV	11	19	8	5	9	10	17	10	-	4	8
KBC	2	-	1	-	5	-	3	1	9	1	1
QTV	2	*	7	-	3	-	3	4	-	-	3
Other	16	21	11	16	27	17	17	17	27	8	5

For larger reach & if communication budgets allow, consider placing your communication during news / soap opera time to reach more people

	TOTAL	NAIROBI	MOMBASA	KISUMU	NAKURU	ELDORET	THIKA	MACHAKOS	MALINDI	KAKAMEGA	MERU
Base	1036	236	150	93	97	97	75	68	68	75	77
News	46	44	54	49	51	32	33	41	57	55	40
Series / Soap Opera	21	24	17	20	12	25	29	25	16	9	29
Entertainment	15	12	13	4	9	32	21	9	7	21	22
Movies	9	8	11	13	10	4	8	9	10	11	3
Sports	4	2	3	5	10	2	4	1	3	3	5
Documentary	2	2	-	3	4	1	-	1	1	-	1
Lifestyle (health, religion, culture)	2	3	1	-	3	2	1	13	-	-	-
Other	1	5	1	6	1	2	4	1	6	1	-

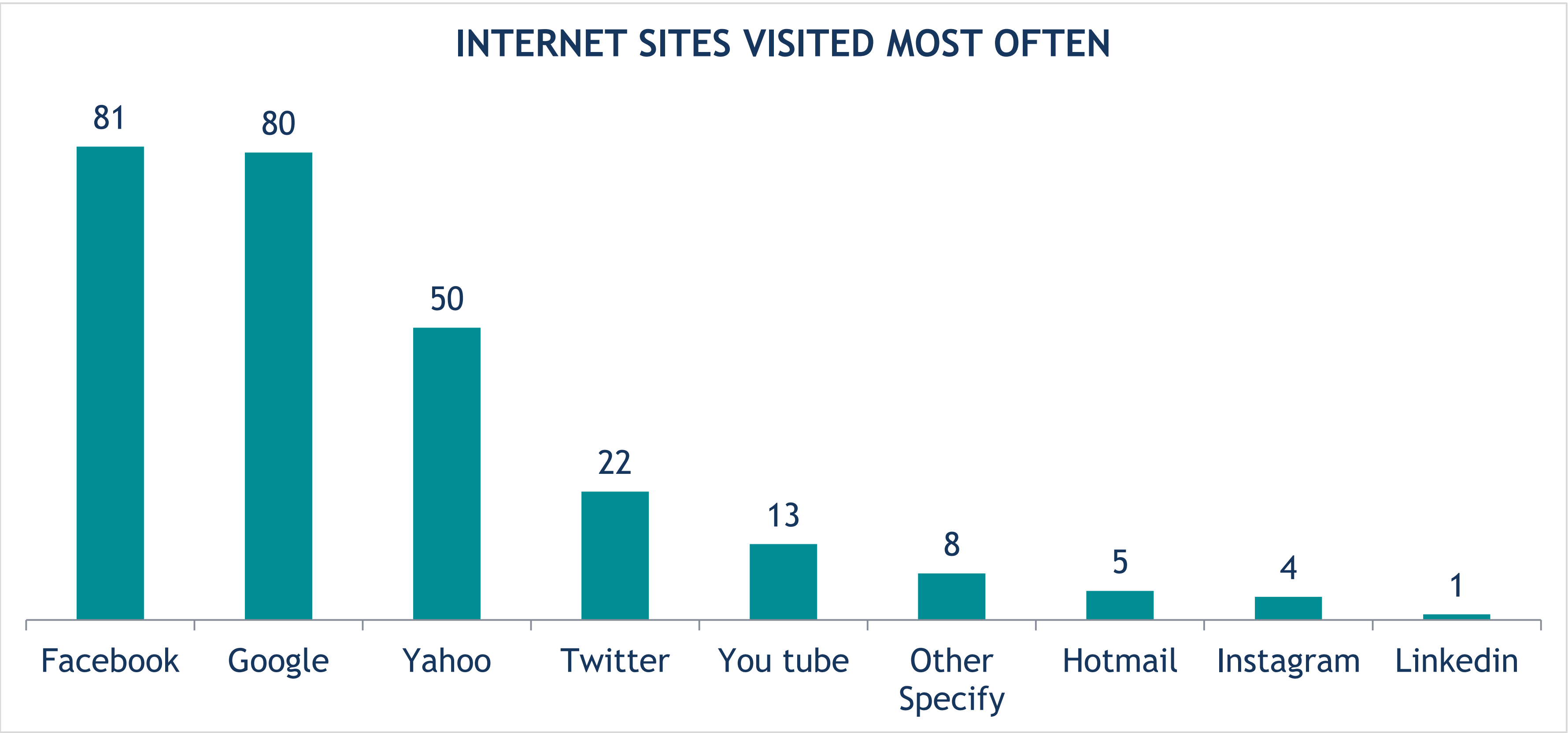
As is the case with TV, news is also the programme that is most listened to on the radio. Classic FM, Citizen Radio & Kiss FM are the most popular stations

RADIO CONSUMPTION

	BASE	NAIROBI	MOMBASA	KISUMU
BASE	**898**	**207**	**124**	**86**
Classic FM	20	35	10	8
Citizen FM	18	8	19	20
Kiss FM	11	7	19	15
Easy FM	4	2	2	9
Capital FM	3	6	2	3
Milele FM	3	2	2	5
Radio Citizen	2	0	4	2
Musyi FM	2	0	3	0
Baraka FM	1	0	6	1
KBC (Kiwashili)	1	0	6	0
Ramogi FM	1	1	4	6
Sheki FM	1	0	3	0

	BASE
BASE	**898**
News	29
General Music	17
Entertainment	15
Song request	13
Lifestyle (health, religion, culture etc...)	12
Politics	4
Sport (news, commentary and live)	4
Others (Specify)	2
Economics / Business / Finance	1
Radio Series (Novel)	1
Documentary	1
Education	1

Internet Usage - Sites visited most often



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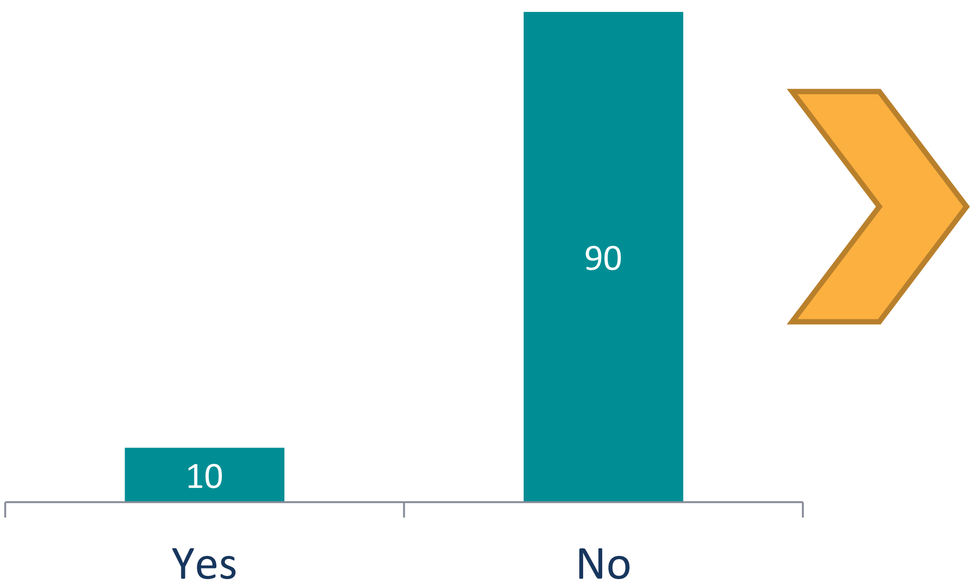
Low usage of the internet to purchase items. This channel is mostly used to purchase phones, cars, shoes & clothes… There is no / very minimal use of the internet to purchase food / beverage products

EVER PURCHASED SOMETHING ONLINE?



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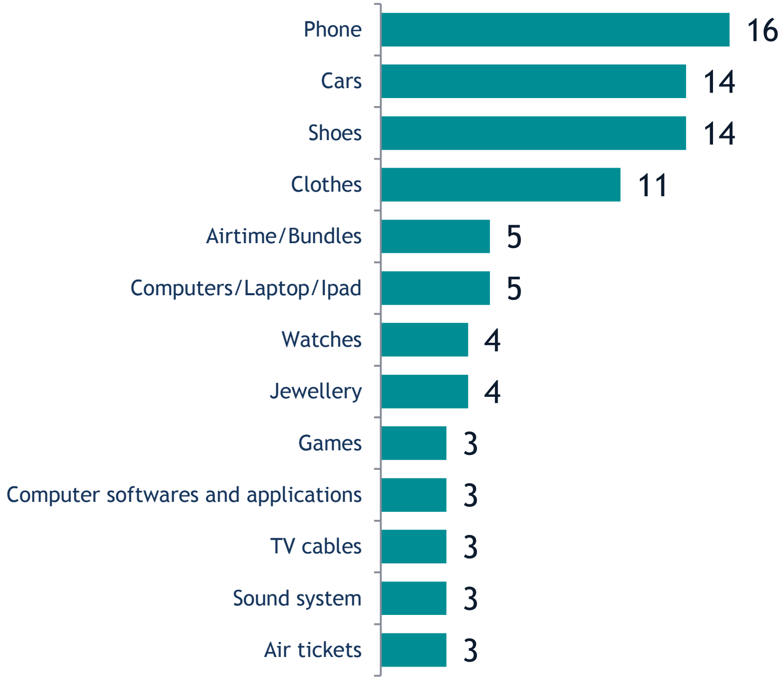
ITEMS PURCHASED ONLINE



BASE = 74

Concluding remarks

Summary & recommendations

The concept is well received, consider the following in order to optimize it.

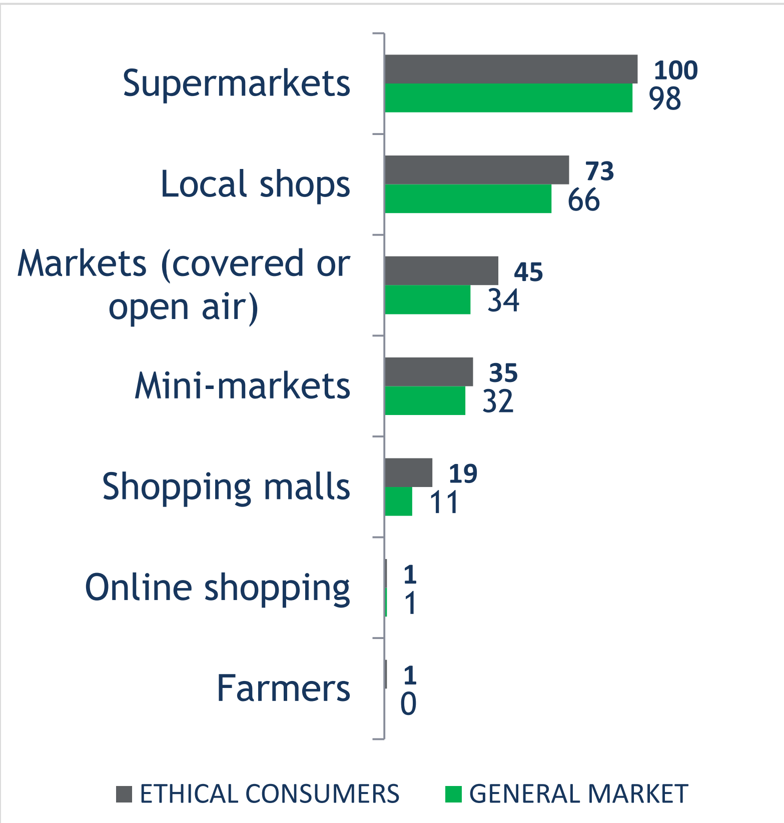
- Build trust in label
    1. Explain how it will benefit the small scale farmer.
    2. Communicate quality.
    3. Communicate testimonials of small scale farmers who have benefited from the programme.
- Localize the label to fit the culture.
    1. Local brand ambassadors.
    2. ‘Buy Kenya, Build Kenya’.
    3. Quantify percentage of price of product that goes to helping the small scale farmer.
- Build culture of ethical consumerism.
    1. Can partner with government initiatives to create policies.
    2. Consider partnering with the arts industry in building mental shifts.

Appendix

(Comparison between general population vs. ethical consumers)

We see minimal differences between where ethical consumers shop and the general public. Directionally, ethical consumers shop more at Nakumatt than the general public.

WHERE THEY PURCHASE THEIR FOOD AND BEVERAGES

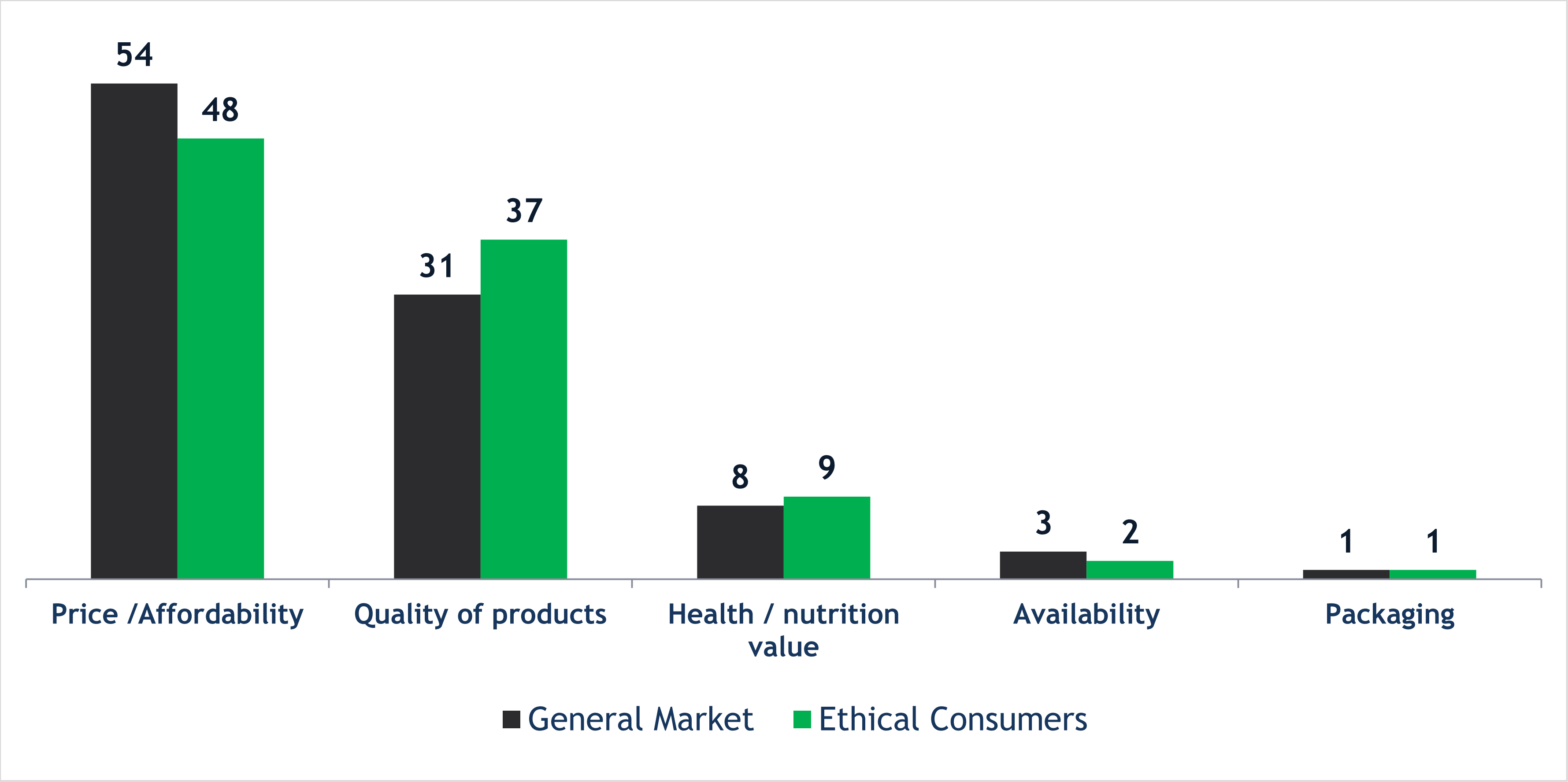


[BASE = 1080]

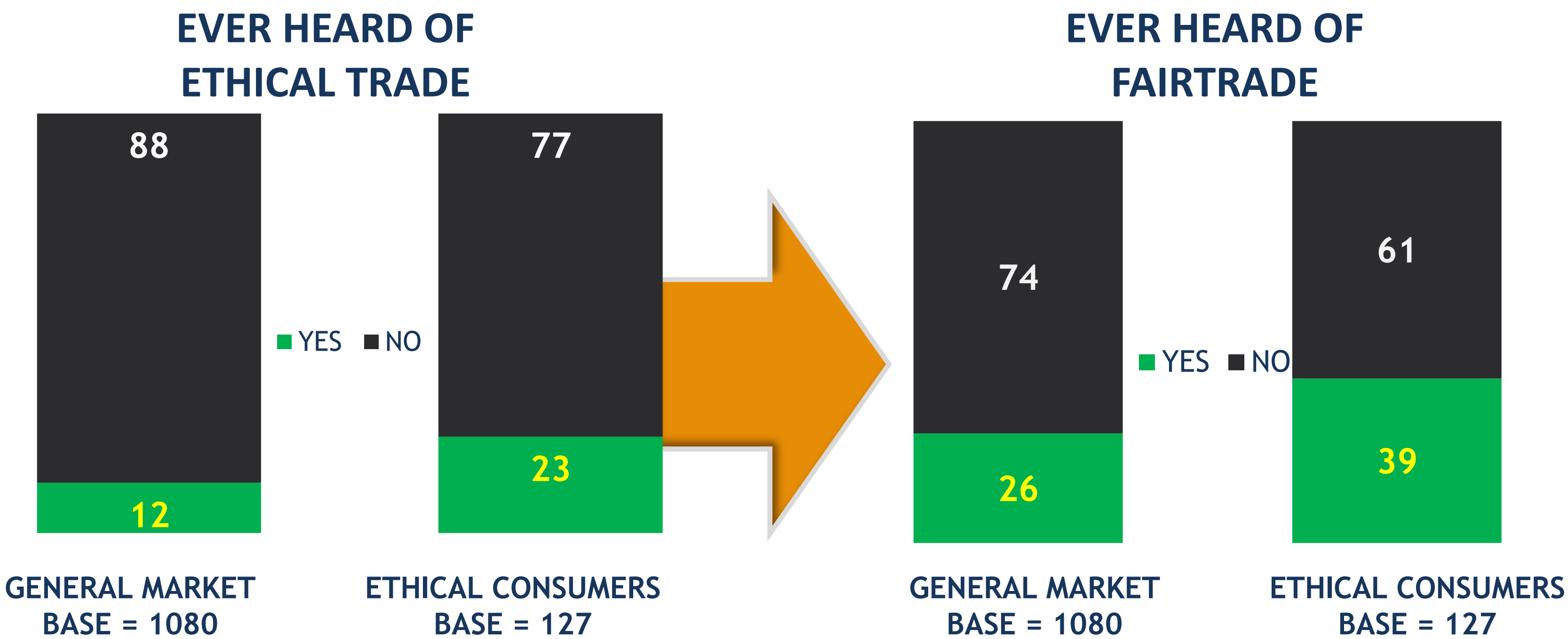
	GENERAL MARKET	ETHICAL CONSUMER
Base	**1061**	**127**
Tusky's	47	42
Nakumatt	44	51
Naivas	22	17
Uchumi	20	13
Ukwala	6	7
Budget	5	4
A ONE	3	4
Yako	2	1

Ethical consumers look at the quality of the product more critically than other consumers. However, like the general public, price remains the key issue.

TOP 5 CONSIDERATIONS WHEN BUYING FOOD AND BEVERAGES



Ethical consumers are more aware of ethical trade & Fairtrade, a possible indication that they have been exposed to the concept before.

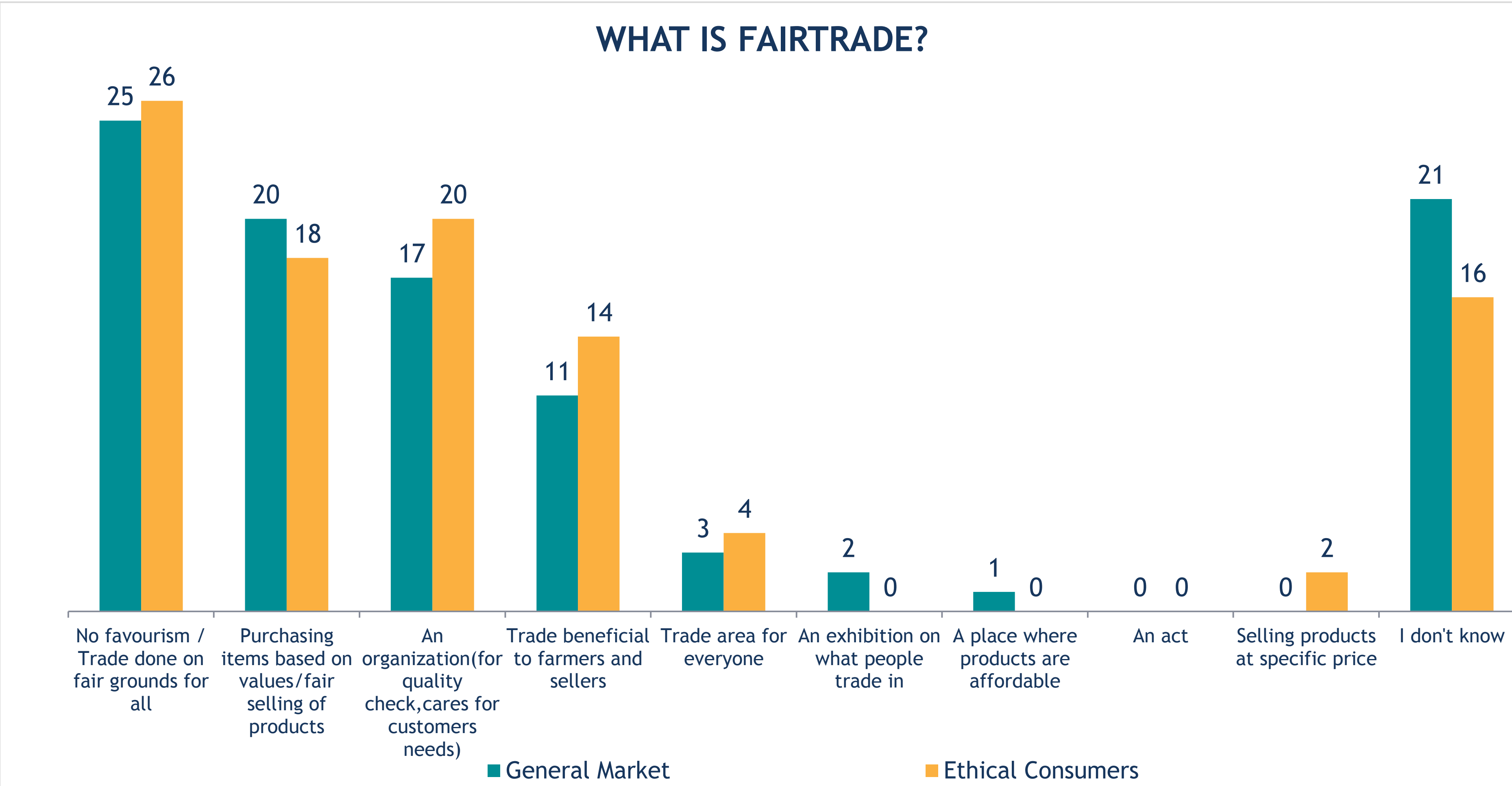


And just like the general public, there is high claim of having seen the logo at the back of products and on TV. Ethical consumers have high mentions of promotional / educational events>> a key success indicator for our initiatives.

WHERE THEY HAVE SEEN THE FAIRTRADE LOGO

	GENERAL MARKET	ETHICAL CONSUMER
Base	***293***	***41***
At the back of a product	25	20
Television	22	27
Newspapers	8	7
Online – social pages, e.g. Facebook & twitter	7	2
Banner at event	6	5
Billboards	3	2
Magazines	2	2
At a promotional / educational event	2	**10**
Branded items, e.g. T-shirts	2	2
Books	1	5
Supermarkets	1	2
Don't know /not sure	17	15

However, the ethical consumers' knowledge of Fairtrade is not differentiated from that of the general public.



Fairtrade concept test

(Comparison between general population vs. ethical consumers)

Ethical consumers directionally find the concept more important than the general market, justifying the need to invest more in consumer education activities to grow importance.

IMPORTANCE

	TOTAL	ETHICAL CONSUMERS
BASE	**1080**	**127**
Top 2 Box	46	55
MEAN SCORE	7.57	8.10

NOT AT ALL IMPORTANT									VERY IMPORTANT
1	2	3	4	5	6	7	8	9	10

- ❑ Mean score - Out of 10 [Average score from the scale above]
- ❑ Top 2 Box - Out of 100 [Those who selected 9 & 10 in the scale above]

However, on believability, the 2 segments have an undifferentiated view of the concept …

BELIEVABILITY

	TOTAL	ETHICAL CONSUMERS
BASE	1080	127
Top 2 Box	88	87
MEAN SCORE	4.36	4.38

AGREE STRONGLY		Neither agree nor disagree		DISAGREE STRONGLY
1	2	3	4	5

- Mean score - Out of 5 [Average score from the scale above]
- Top 2 Box - Out of 100 [Those who selected 1 & 2 in the scale above]

… same is the case for likelihood to seek for more information…

LIKELIHOOD TO FIND OUT MORE INFORMATION

	TOTAL	ETHICAL CONSUMERS
BASE	**1080**	**127**
Top 2 Box	90	92
MEAN SCORE	4.45	4.56

DEFINITELY WILL		MIGHT OR MIGHT NOT		DEFINITELY WILL NOT
1	2	3	4	5

- Mean score - Out of 5 [Average score from the scale above]
- Top 2 Box - Out of 100 [Those who selected 1 & 2 in the scale above]

… and relevance

RELEVANCE

	TOTAL	ETHICAL CONSUMERS
BASE	**1080**	**127**
Top 2 Box	94	94
MEAN SCORE	3.56	3.60

VERY RELEVANT	SOMEWHAT RELEVANT	NOT VERY RELEVANT	NOT AT ALL RELEVANT
1	2	3	4

- ❑ **Mean score - Out of 4 [Average score from the scale above]**
- ❑ **Top 2 Box - Out of 100 [Those who selected 1 & 2 in the scale above]**

On a positive note, ethical consumers do not consider Fairtrade products as expensive.

PRICE PERCEPTION

	TOTAL	ETHICAL CONSUMERS
BASE	**1080**	**127**
Top 2 Box	34	26
MEAN SCORE	3.07	2.98

LESS EXPENSIVE				MORE EXPENSIVE
1	2	3	4	5

- ❑ Mean score - Out of 5 [Average score from the scale above]
- ❑ Top 2 Box - Out of 100 [Those who selected 4 & 5 in the scale above]

Thank you!

BTC TRADE FOR DEVELOPMENT