

Organising to market animals and milk



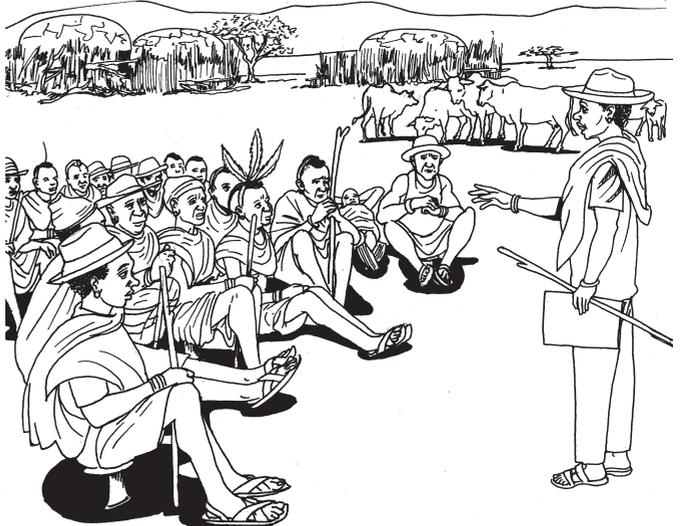
Organising to market animals and milk

To market animals or milk successfully, pastoralists need certain skills – and they need to get organised! This Practical Guide tells you how.

Advantages of groups

As a group...

- **You can sell in bulk.** You have enough milk to fill a can or enough animals to fill a pick-up or lorry. That saves your time and the trader's time. Traders normally pay more if they do not have to waste time looking for animals to buy.
- **You can negotiate higher prices.** You can approach two or more buyers and sell to the one who gives you the best price.
- **You can specialise.** One person can deliver the animals; another takes care of negotiations; another does the paperwork.
- **You can process the product.** For example, together the group may have enough milk to make and sell butter and cheese. That brings in more money than milk.
- **You can learn from one another.** Group members can share ideas and experiences.
- **You can get services** from the government or other organisations. For example, a group can ask a government extension worker for advice. It can approach a bank and ask for a loan.



Belonging to a group has many advantages

Types of groups

Milk-collection groups

These collect milk from their members and sell it to consumers, collection centres or dairies.

Livestock marketing groups

These market their animals collectively.

Processing groups

These add value to the raw product. For example, small-scale tanneries turn hides into leather. Dairies turn milk into butter and other products. Processed products are more valuable and less perishable than the raw items.

Savings and credit groups

These groups save money and lend it to members in turn.

Cooperatives

Cooperatives are formal organisations that enable their members to collaborate on marketing and processing.

Members of savings and credit groups save a small amount of money each week. When they need cash, they can borrow from the group.



How to organise?

Begin with those who are interested

Find other people who are interested in working together, for example to sell their animals or milk as a group. They should live close together and have about the same number of animals.

Decide what you want to do

Agree with the group members what they want to do. For example, maybe you all want to sell goats each month.

Find out about the market

Find out the prices, potential buyers and the type of product they want. See the next page for how to do this.

Decide on the rules

- In a **savings group**, how much money should each member save? How often should you meet? Who can borrow money? How much interest must they pay?
- In a **marketing group**, how much milk or how many animals should each member supply? Who will negotiate with buyers? Who will manage the deliveries? Who will handle the money?

Elect leaders

A group will need at least:

- A **chairperson** to call the meetings and lead them
- A **secretary** to keep records
- A **treasurer** to look after the money.

The group may also need other leaders, such as a marketing coordinator or a transport manager.

Get advice

Find out where you can get the information and skills you need. Possibilities include government extension workers, development organisations, traders and people in other successful groups.



Begin with those who are interested in improving their production and marketing.

Do some market research

Interested in selling to an abattoir or dairy? Organise a visit for your group to find out what their requirements are.

Want to sell to traders in town? Get some contacts, then arrange to meet them. Find out what you can about each buyer's needs and decide where you will get the best deal.

Things to ask

When you meet a potential buyer, ask about these things:



Do some market research to find out where and to whom you might sell.

For live animals

What does the buyer want?

- What **types of animal** (cattle, goats, sheep, camels)?
- **How many** animals at a time?
- What **age** and **weight**? What **quality**?
- **How often** does the buyer want deliveries?

Transport and delivery

- **Where** should the animals be delivered?
- Who will **take them** there? Who will pay for the **transport**?
- **How** should the animals be transported?
- What are the **health** and quarantine requirements?

What about the price?

- What **price** will the buyer pay?
- **When** will the buyer pay? Before delivery, on delivery, or afterwards?

For milk

What does the buyer want?

- **How much** milk does the buyer want?
- **When** does the buyer want it?

Transport and delivery

- **Where** should the milk be delivered?
- Who will **transport** it? Who will pay for the transport?
- What are the **hygiene** requirements? Does the milk have to be tested? Does it have to be pasteurised? Does it have to be cooled?
- **How** should the milk be transported? In jerry cans or in aluminium cans? On foot, by bicycle, or by motor vehicle?

What about the price?

- What **price** will the buyer pay?
- **When** will the buyer pay? Before delivery, on delivery, or afterwards? Every day, each week, or each month?

Make a business plan

If you form a marketing group, you will need a business plan. Write down what you plan to do, and work out whether it will be worthwhile. If so, make sure all the group members agree, and put your plan into action. Some things to include:

The product

- What do you want to sell? **Live animals:** cattle, camels, sheep, goats...? What age and sex? How many animals at a time? **Milk:** from what type of animal?
- What quantity and quality will be needed? Can the group reliably deliver these amounts and quality?



Get advice on how to write a business plan.

The buyers

- Who do you want to sell to? A travelling trader, a market trader, a shop, an abattoir, a butcher...? What type of animal or product do they want?
- How can you identify potential buyers? How can you contact them?
- How can you get the animals or milk to the buyer? Will the buyer pick them up, or will you have to deliver them?

Income

- What price can you realistically expect for your animals or milk?
- Will you get the money straight away, or will you have to wait?

Production

- What do you need to do to produce the amount and quality required? Will you have to put in more work or learn new skills?
- Will you have to invest in inputs such as feed, medicine, a building or equipment? Where can you get these items? Will you need a loan to cover the costs?

Costs

- What will the additional costs be? Include the costs of extra inputs, transport and negotiating with buyers. If you need a loan, include the interest payments.

Profit

- This is your income minus the costs. Is it more than what you currently earn? If so, the extra effort may be worthwhile.

Skills you will need

Here are some skills you will need to organise the marketing of your livestock and livestock products:

Livestock and milk production

You may need to learn new skills in:

- **Breeding**
- Animal **health care**
- **Feeding**
- **Milk production and hygiene.**

Organisation and leadership skills

- Forming and managing **organisations**
- **Planning, monitoring**
- Managing **meetings**
- Keeping **records.**

Business and marketing skills

- Finding out about **markets** and choosing a **product**
- Obtaining and using **market information**
- Identifying and negotiating with **buyers.**

Finance

- **Financial literacy:** calculating costs and profits, keeping records, monitoring costs and income.
- **Savings and loans:** saving money, and obtaining and repaying loans.

How to build your skills

You do not need to learn all the skills yourself. Learn just some of them. Other people in your family and community can learn others, then you can help each other.

Ways to build your skills:

- **Listen to experts.** Maybe there is someone in the community you can learn from. For example, a friendly trader can advise you about what types of animals will fetch a good price.
- Attend **training** offered by the government or by a development organisation.
- Join a **pastoralist field school** supported by a development organisation in your area.
- Join a **community group** and learn from other people in the group.
- Learn to be a **community trainer**, and you can help other people learn.
- **Learn by doing:** try out a new idea on a small scale. If it works, do it more. If it doesn't, try something else.
- **Read and listen to the radio.** You can learn a lot from books and radio programmes.

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CTA is financed by the European Union.



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