

# Niche Ankole Breed

Written by:  
Edgar Tabaro





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**H**arnessing market forces and allowing developing countries to benefit from intellectual property rights are keys to creating fairer and more equitable trade. Developing countries can now tap intellectual property rights to increase export revenues and improve the security of that income. The Ethiopian Government strategy on branding their coffee by entering licenses with the American Coffee powerhouse Starbucks saw the price of coffee at farm-gate increasing from 50cts to 1.5 USD. One key aspect of the Ethiopian experience is that they worked from within the modern intellectual property system to help poor farmers.

Between 90-95 percent of product value is taken by the distribution chain of products that come from poor nations. Only a few producers have any real control over their products. Ethiopia set out on a mission to challenge that. Its coffee sector launched a plan to take better advantage of its intellectual property rights. Ethiopia first applied for the trademark registrations of its specialty coffee brands in the United States, Canada, Japan and other countries. It succeeded in registering several, including Harar, Sidamo and Yirgacheffe. It also began negotiating with coffee roasters to sign agreements acknowledging the right of Ethiopians to control these brands. The licenses entered with Starbucks permits it to use and promote Ethiopian coffee brands in markets both where trademarks exist for the brands as well as where they may not. Under the deal, farmers instead would be able to base their export prices more closely on the retail value of their coffees.

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### **The Promise of Niche Marketing**

Marketing of products from local breeds can also take advantage of two other characteristics of local breeds: traditional processing techniques (to produce handicrafts or garments with distinctive designs) and strong local ties (since these breeds are found only in certain localities and are raised by certain ethnic groups). Both can be powerful features on which to base a marketing strategy.

Overall, the cases demonstrate that niche marketing of products from local breeds can generate employment and income for the poor – both livestock keepers and others involved in processing and trading the product. It can empower women, reverse the decline in the breeds concerned, and conserve both the environment and cultural values. It can be pro-poor because





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it is the poor who tend to keep local breeds, and because the type of work and amount of income generated may make it unattractive for wealthier

A niche market, by contrast, serves only a small segment of the market, or a specific group of consumers. Products are distinguished from the mass market by special qualities or labelling. A market niche can be a specific geographical area, a specialty industry, a community group, an age group, or a particular group of people. Because they are special, niche products will always command higher prices than mass products.

Consumers buy these products for their special flavour or other qualities (for example, because the animals were raised locally or the items are associated with a specific culture). Manufacturers take care to inform consumers about these special qualities – for example, on packaging or labels, by selling them through certain shops, or by having sales staff tell customers about the product's characteristics. They use stringent controls to ensure their product has the required quality, and may seek to protect it legally (for example, through a protected designation of origin) to prevent other suppliers from passing off another product as a niche item.

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There is no hard line between a mass market and a niche market. Indeed, manufacturers of mass products often try to differentiate their products from the competition in some way, for example by claiming the product has certain characteristics (such as low-fat yoghurt containing whole fruit) or through distinctive packaging or branding. In this way they try to carve out a niche for themselves into an otherwise mass market.

On one hand niche markets may be vital for the survival of many local breeds which cannot compete with higher-producing exotic breeds in mass markets. On the other hand, many local breeds may be ideally suited for niche markets: they have unique characteristics

Many of these traits are undesirable in the mass market, but are ideal for certain market segments – if they are marketed in the right way. Marketing of products from local breeds can also take advantage of their characteristic local breeds and traditional processing techniques.

The niche marketing technique can be harnessed to empower women, reverse the decline in the breeds concerned, and conserve both the environment and cultural values. It can as well be used for poverty eradication because keep local breeds can be kept by a vast number of households.

## Marketing Strategies

There are various approaches to exploiting a niche market, the most common involved is finding new markets, either for an existing product (this is known as market development), or for an entirely new product (called diversification).

After finding a market and developing a value chain, a shift in the country's strategy ought to bend towards lower-risk approaches – either by exploiting existing markets further, or by promoting existing products from the Ankole Cow.

The four Ps of marketing: product, price, place and promotion ought to be exploited with emphasis on the special features of the product: for example by differentiating them from competing products in terms of colour, taste, texture or quality and draw customers' attention to the unique features of the products or emphasized the products' linkages to their area of origin by adapting and adopting a form of branding or labelling, and protect the products with geographical indications (a kind of trademark to show the area of origin).

## Conclusion/ Recommendation

Niche marketing can provide opportunities for sustainable production in marginal areas and can improve the livelihoods of livestock keepers and people involved in the processing and trade of products. It may especially benefit women and the poor. It can also be a tool for conserving breeds.

Efforts to promote niche marketing may help local people connect to markets for the first time, giving them skills that they can use in exploring other markets and developing other enterprises.

Niche markets may allow actors early in the value chain – livestock keepers and small-scale processors – to capture a greater share of the end-value than in a mass market. This will make it attractive for these actors to continue and expand their businesses. Niche marketing is by nature relatively small-scale. For large numbers of producers, it cannot replace the need to produce products for a wider, mass market. But for local breeds, it may be possible to find a match between the qualities of the breed, the features of a particular product, and the demands of a specific market. Making this match will help conserve the breed as well as provide a livelihood for people involved in the value chain