Adding Value to Local Foods: Lessons from a Caribbean Survey

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Background

- High dependency on imported foods.
- High health-care costs – changing lifestyles & dietary patterns.
- Limited information on the nutritional quality local (and some imported) food.
- High preference for imported foods.
- Little knowledge of consumer preferences.
- Opportunities exist for locally produced foods:
  - to create greater value and improve marketing;
  - to improve quality & safety and optimize nutrition potential.
- However there is need to:
  - Set realistic targets and adopt system approaches to improve the value proposition of local foods;
  - Build public private partnerships to support the process.

Myths/Strategic Options?

Production: Can the Caribbean produce enough food? If yes, how and at what cost? Can this be achieved through collaboration?
Targets: Should the Caribbean set a target for local production or exports or both for fresh and processed foods? If so what should it be?

Nutrition (and Safety): Can the Caribbean improve the nutritional quality and safety of local foods / expand dietary choices? How can consumers be encouraged to re-prioritize preferences and spending choices?
Non-tariff Barriers: Can non-tariff barriers be used to protect local agriculture and support value addition? Would this be popular? How will it impact on food costs? Is the need to do this due to a lack of innovation?

Customers: How much is known about what Caribbean customers really want? Who prefers local foods and why and where are they located? How can options/choices for locally produced & processed foods be improved? What value added features are desired by consumers and what will attract their interest?

Why - The Consumer Survey

Purpose - to gain insight into consumer purchases and preferences for specific locally available foods produced in the Caribbean and identify areas which could be pursued to encourage greater production, marketing and sales.

Methodology

An **online survey** was conducted using the Caribbean Research, Innovation and Entrepreneurship Network (RIENet) platform targetting the 400 plus membership (supported by CTA/CCST-NIHERST)

The questionnaire consisted of three sections:

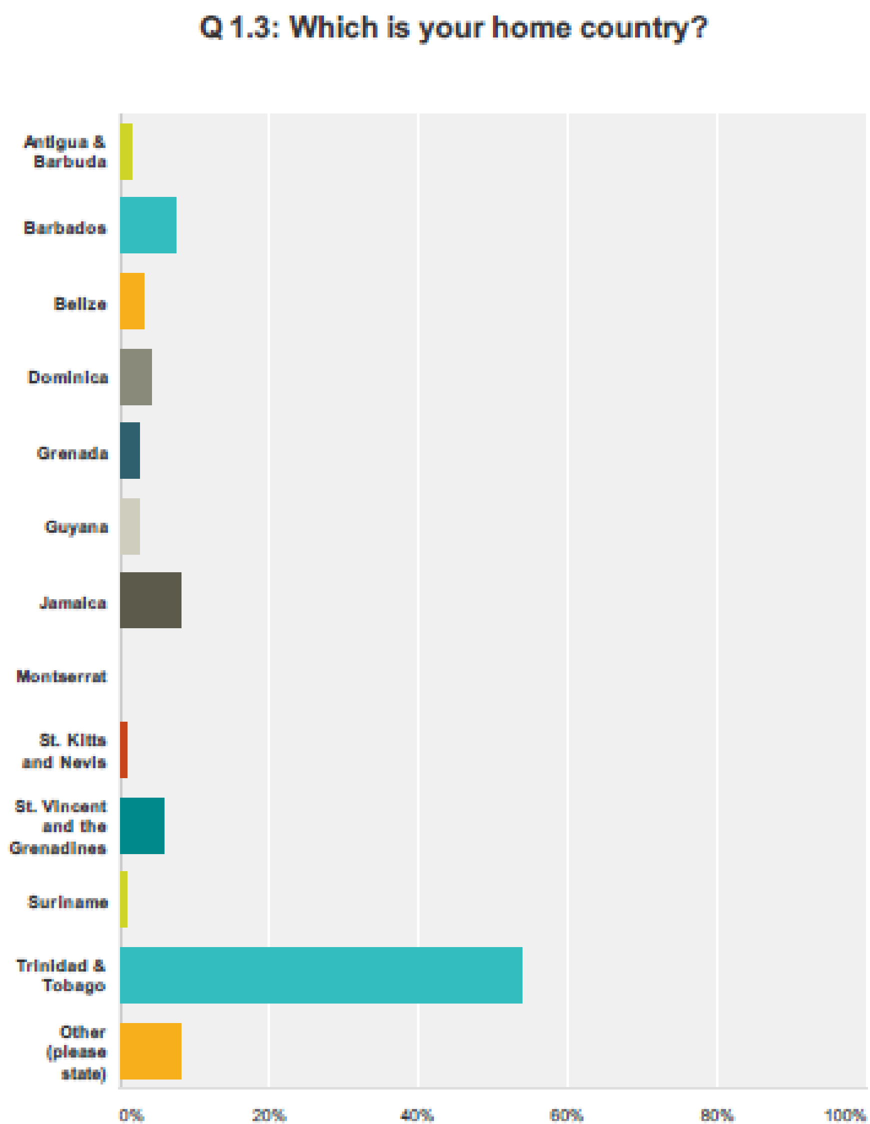
- **Section1** - Consumer demographics 'Your Profile' - six questions

- **Section 2** – Consumer preferences and perceptions of 'Locally-produced Root and Starchy Foods – eleven questions.

- **Section 3** - What needs to be done for 'Improving the Marketing and Value Propositions Associated with Locally-grown Produce and Derivatives' - seventeen questions

A total of 130 responses were received of which 103 were fully completed (25% response rate)

Section1: Consumer Profile



GENDER

- 48% male – 52% female

LIVING ARRANGEMENT

- Mix of single, couples and families

AGE GROUPS

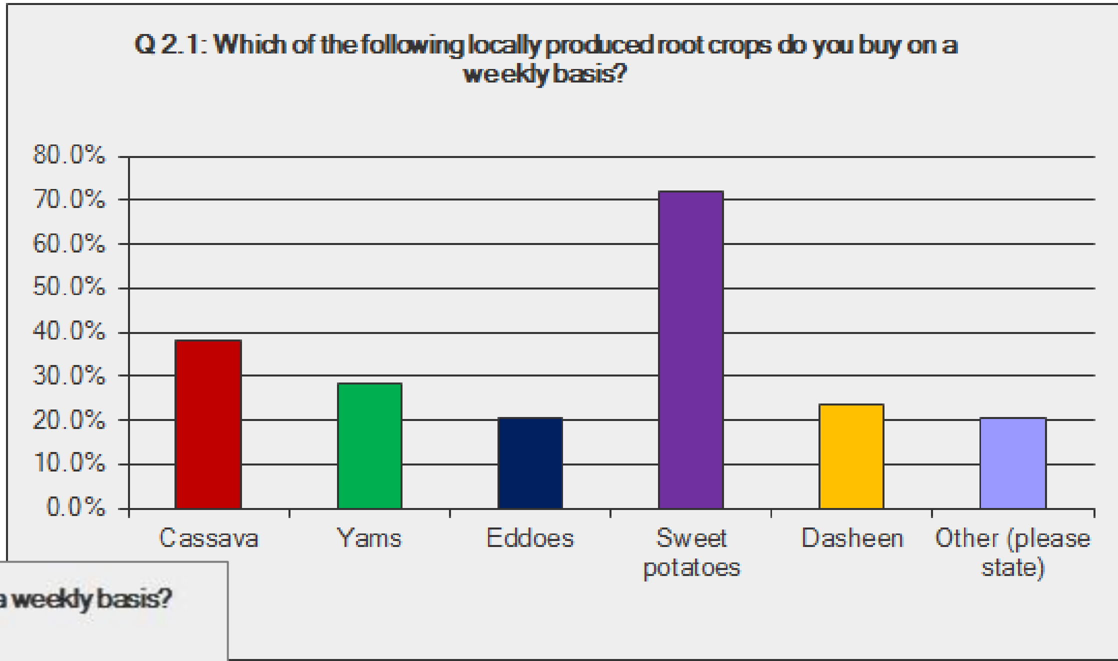
- 47% (20 – 39 years)
- 43% (40 – 59 years)
- 10% (60 years and ove)r

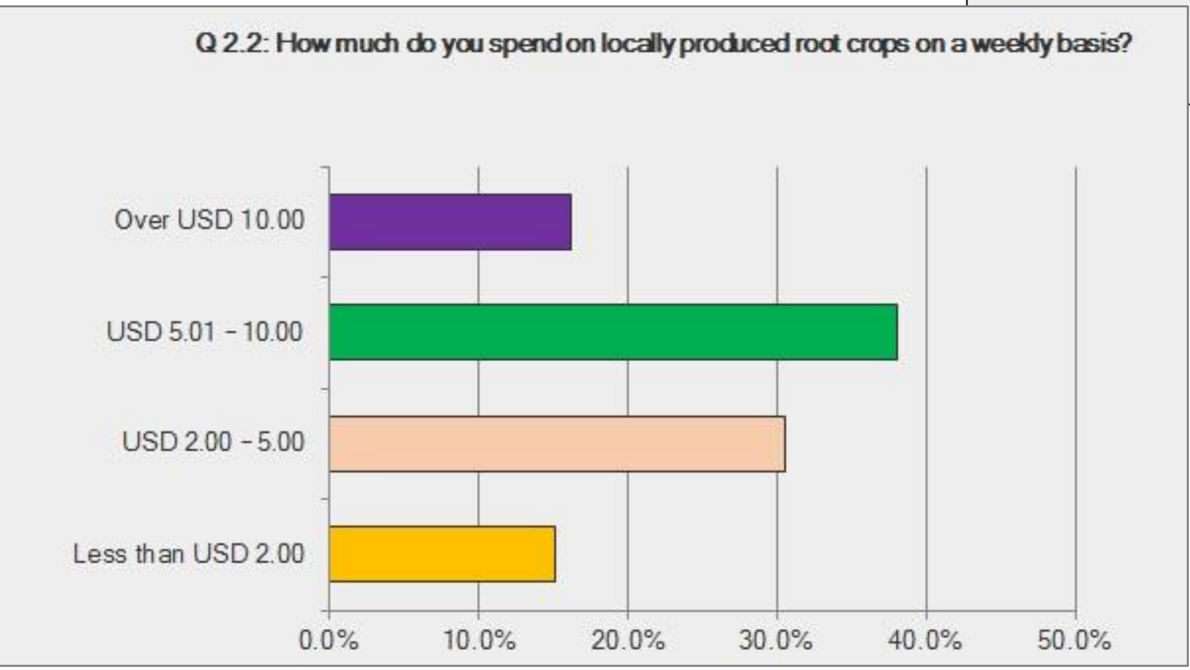
HOUSEHOLD INCOME

- 74% from mid – high income households
- 26% from lower income households

Results: Consumer Preferences & Perceptions

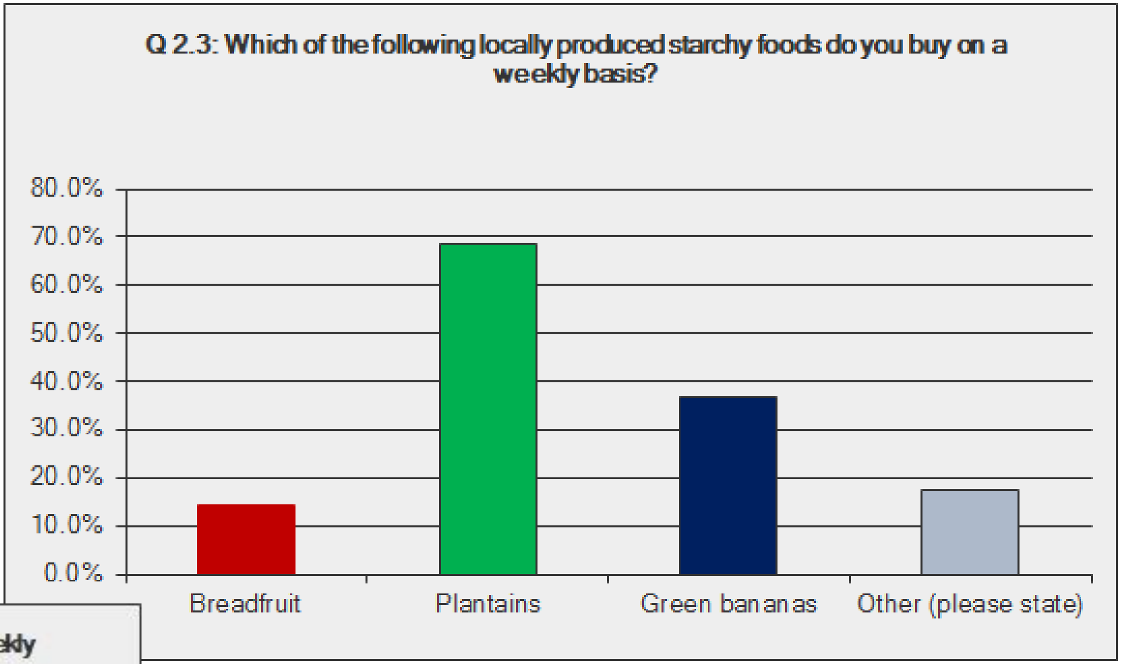
Preferred root crop – sweet potato (70%)



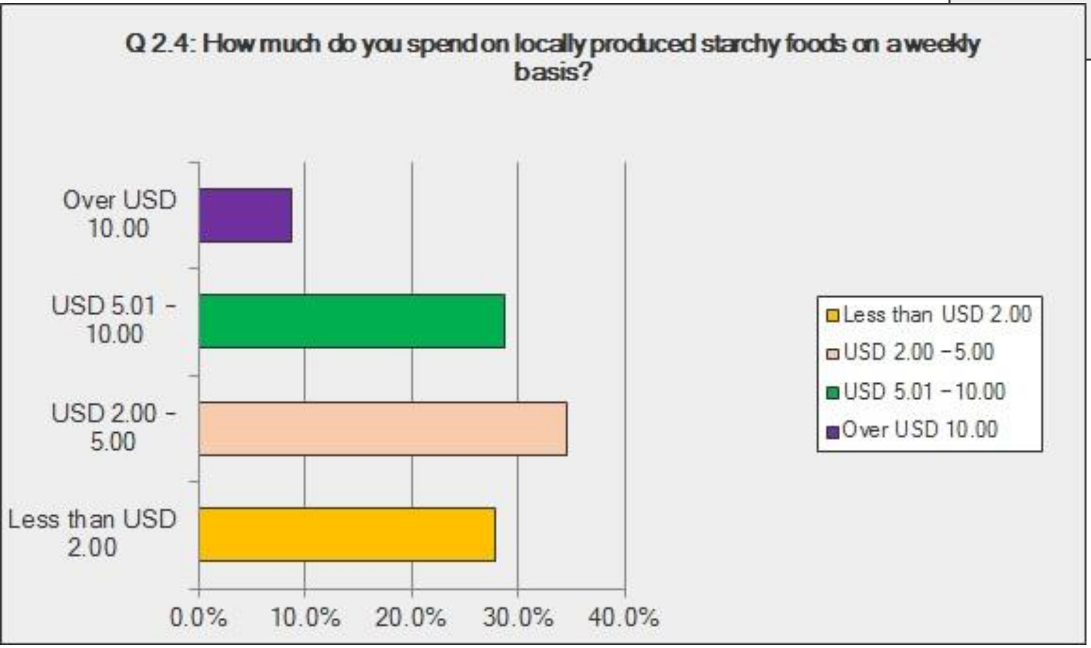


Average Spending – USD 5 – 10/week (40%)

Results: Consumer Preferences & Perceptions



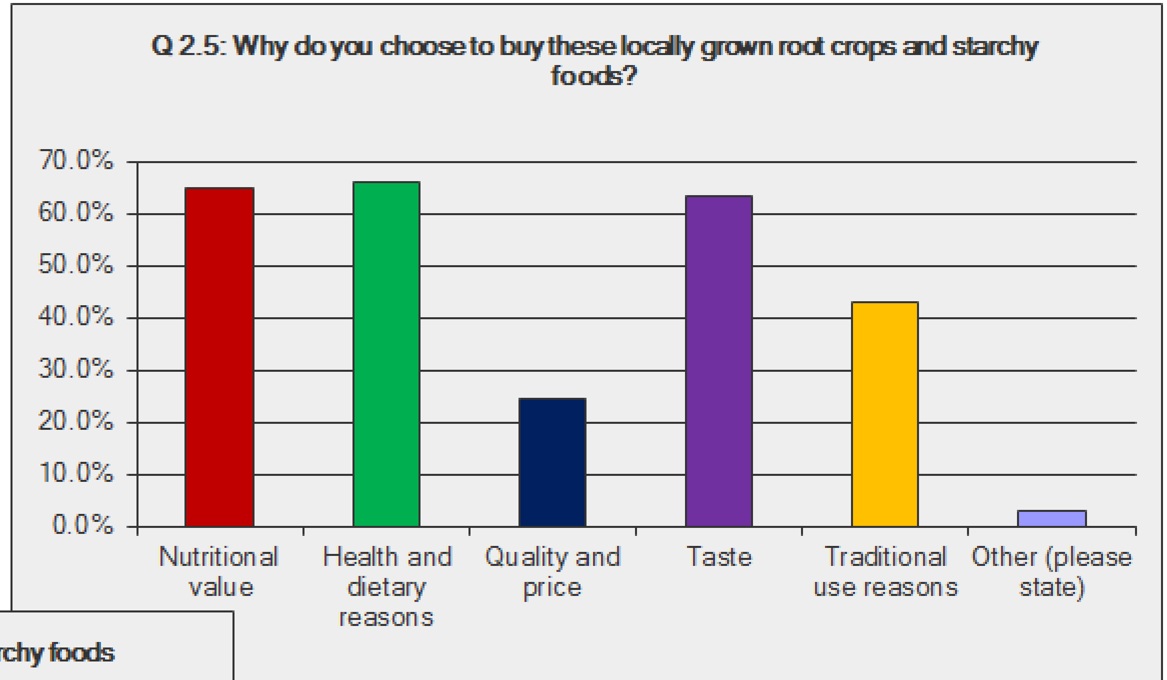
Preferred starchy fruits – plantain (70%)

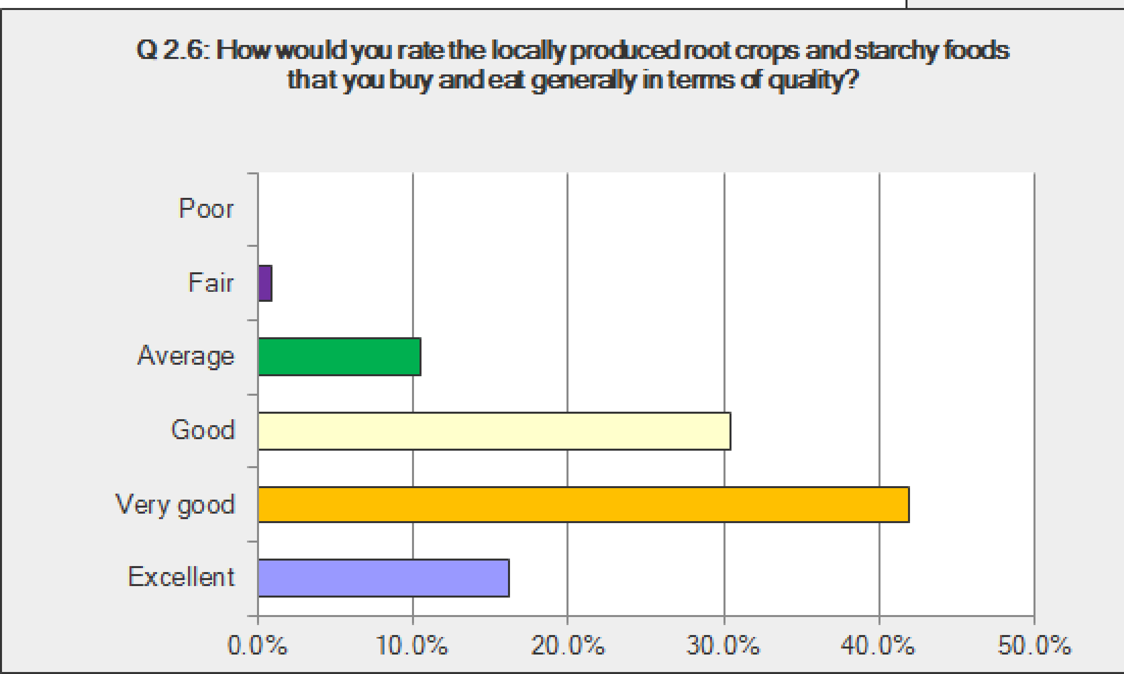


Average Spending – USD 2 – 5/week (35%)

Results: Consumer Preferences & Perceptions

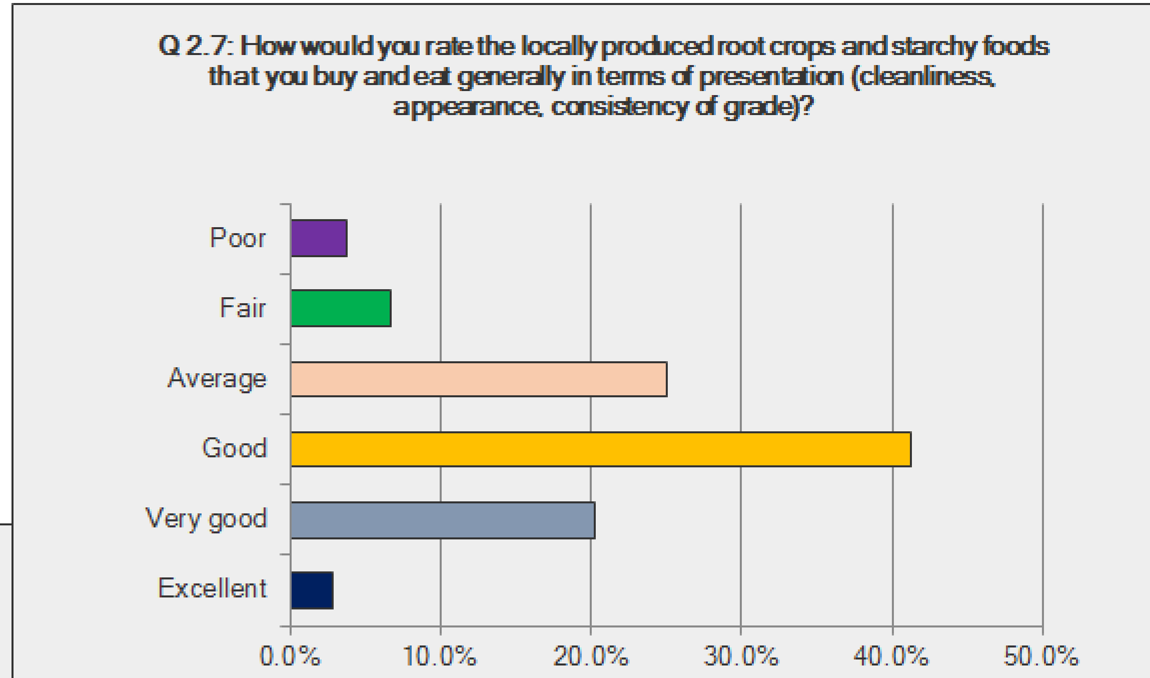
Reasons for buying local? – **Nutrition, health & diet, taste** **(>60%)**



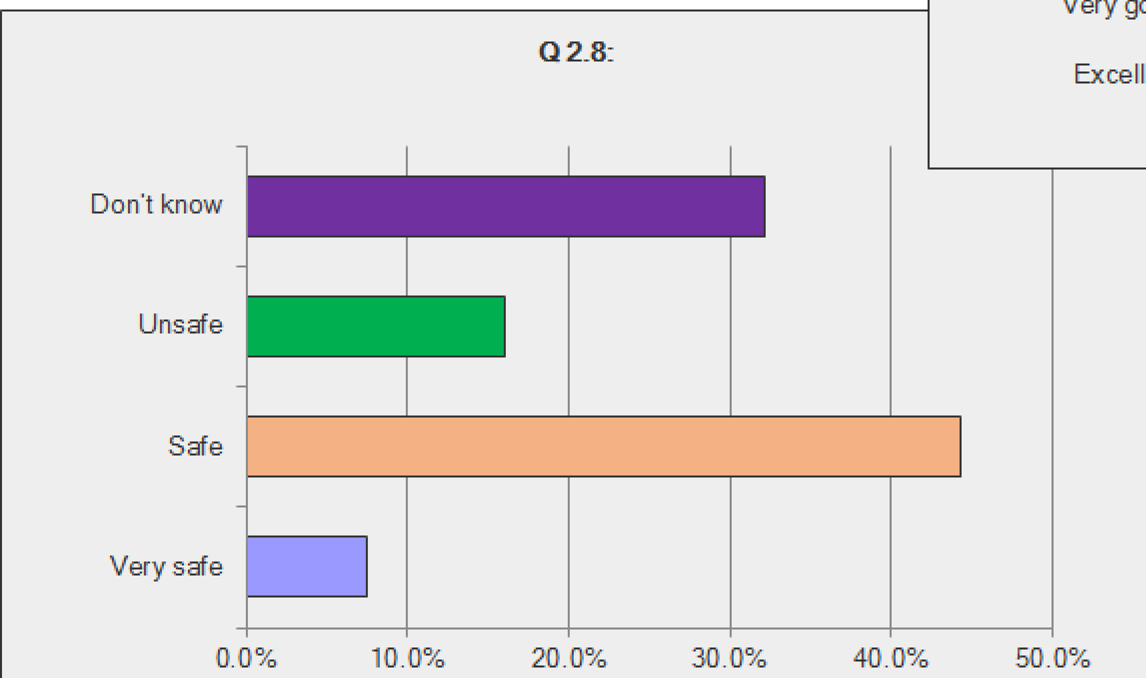


Quality rating for root crops and starchy fruits – Good – Excellent (>85%)

Results: Consumer Preferences & Perceptions



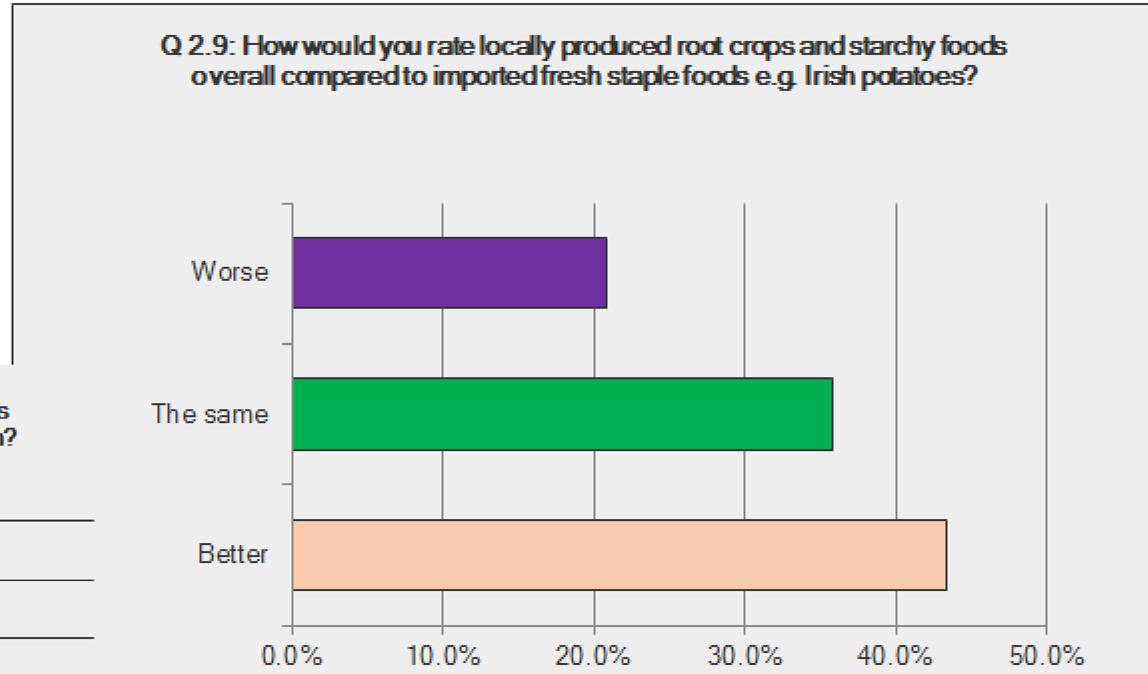
Perception on way local produce is presented – Good to excellent (65%)

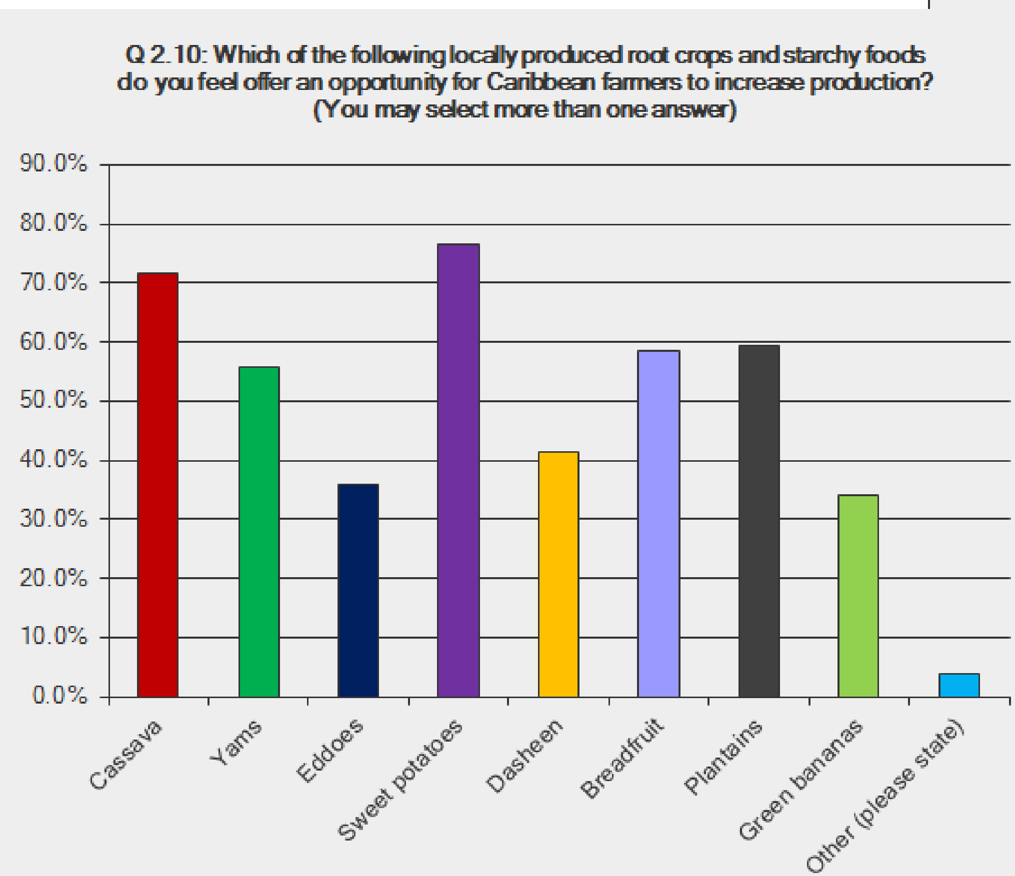


Perception on Safety – Safe to very safe (50%)

Results: Consumer Preferences & Perceptions

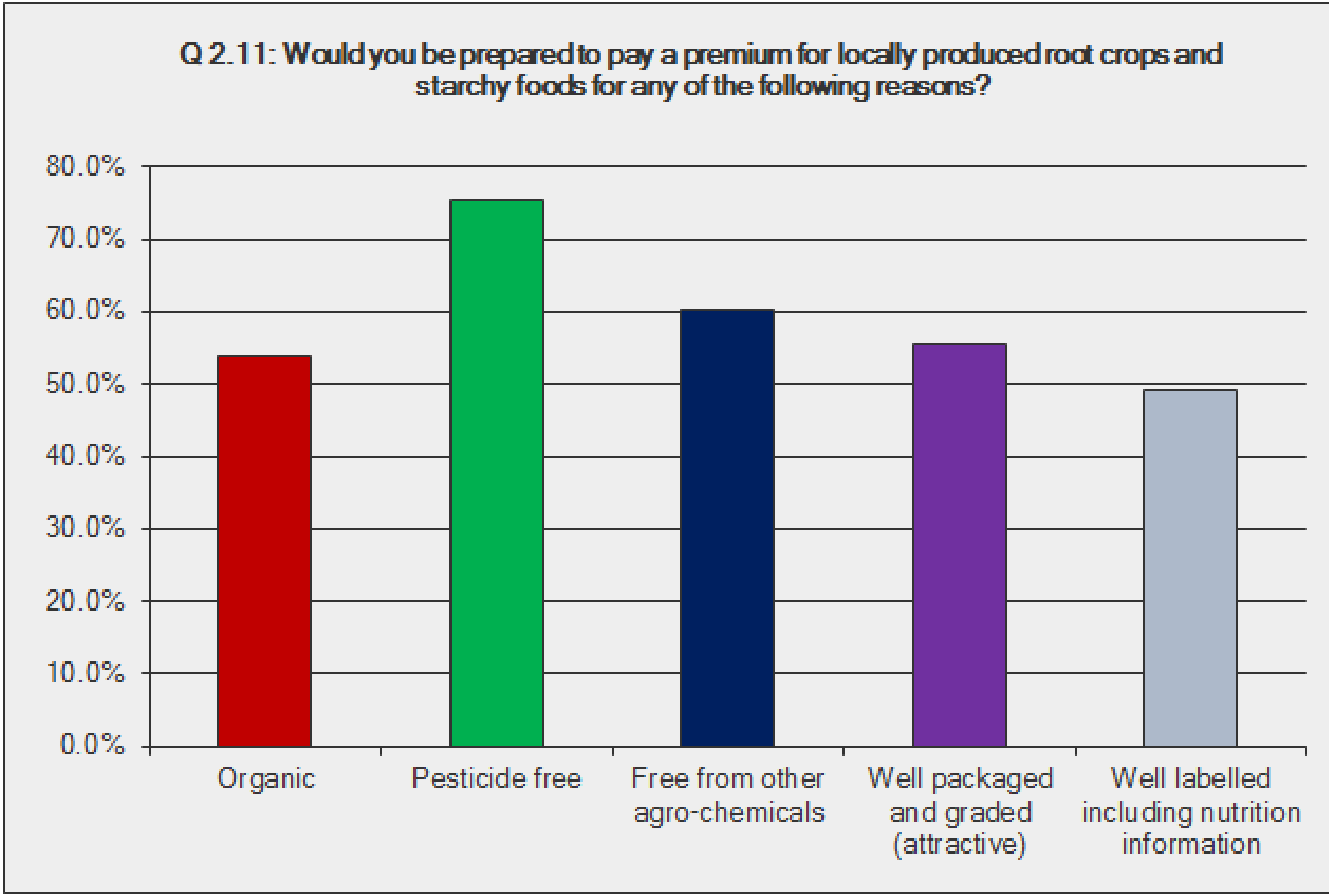
Rating of Local vs imported fresh staples – Better (43%)





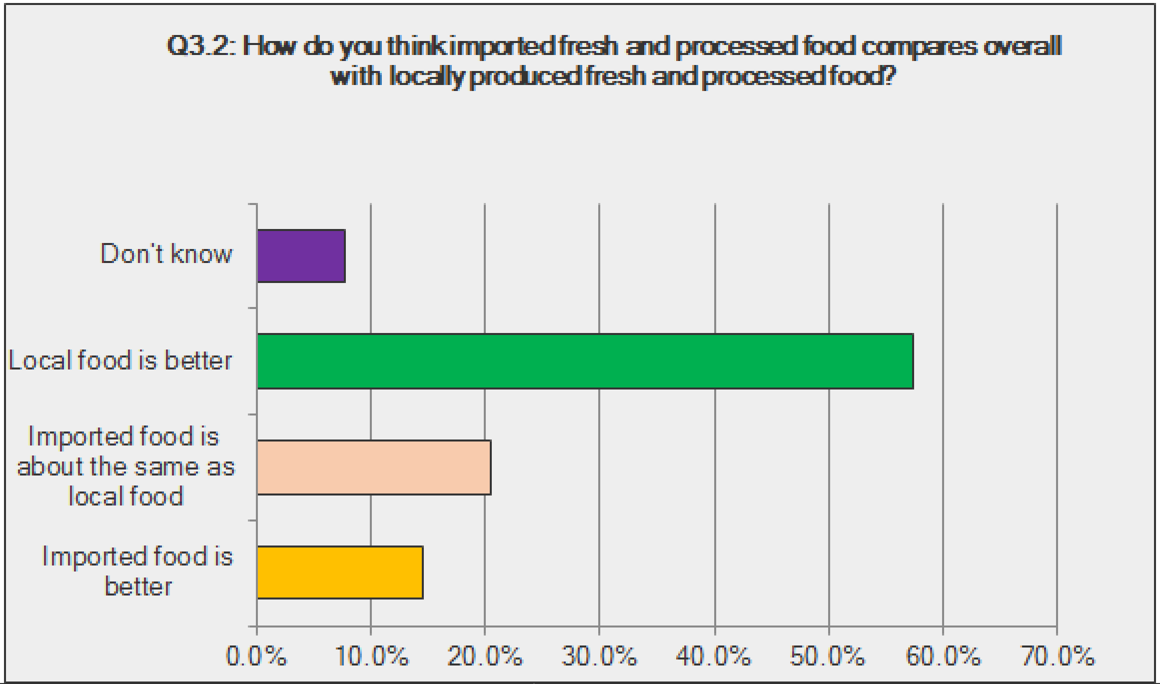
Opportunities for farmers to increase production – Sweet potatoes, cassava (>70%)

Results: Consumer Preferences & Perceptions



Consumers willing to pay premium for – Pesticide free (70%)

Results – Local vs Imported

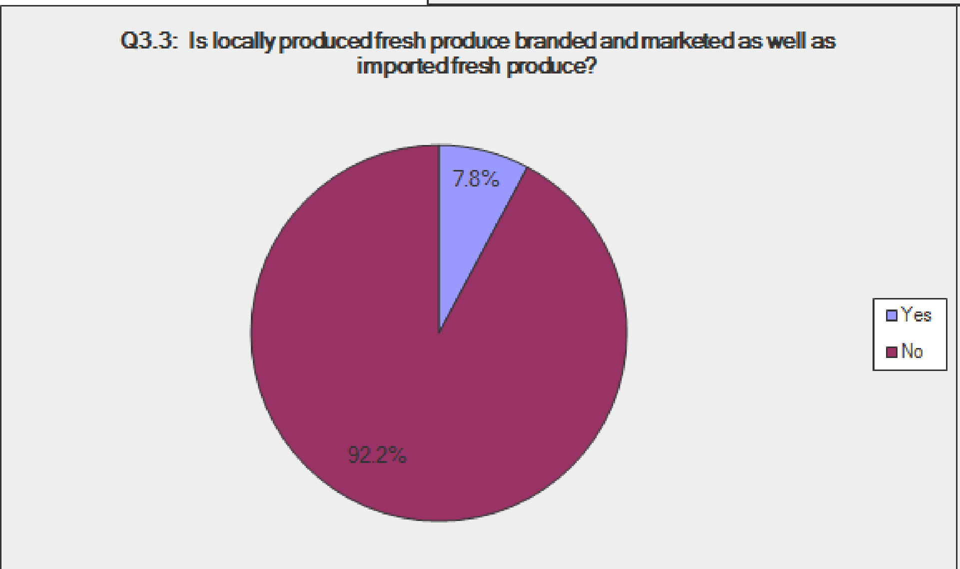


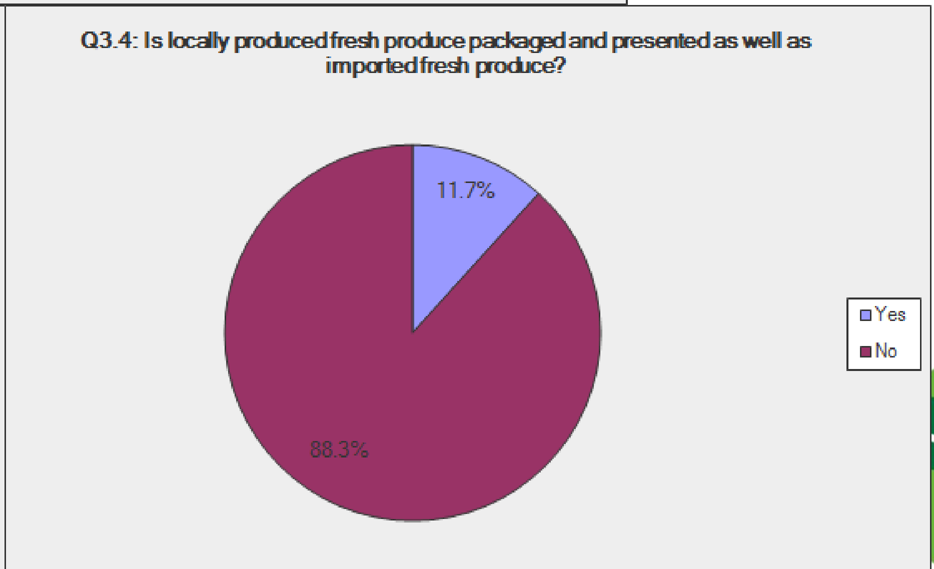
Local

- **Better** – **58%**

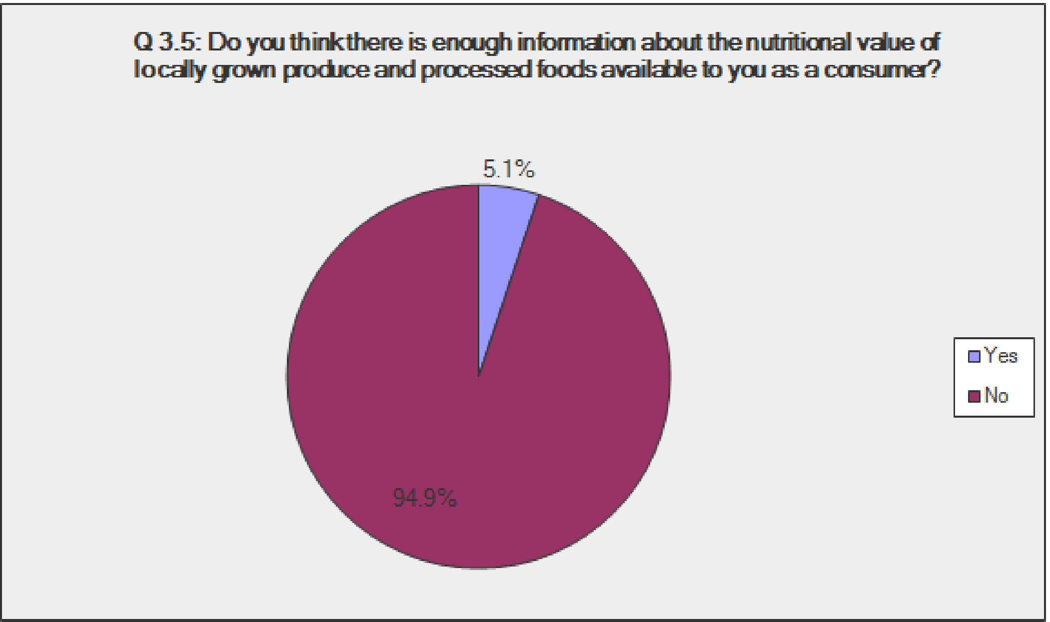
but

- **Not well Branded – 92%**
- **Not well Packaged** – **89%**

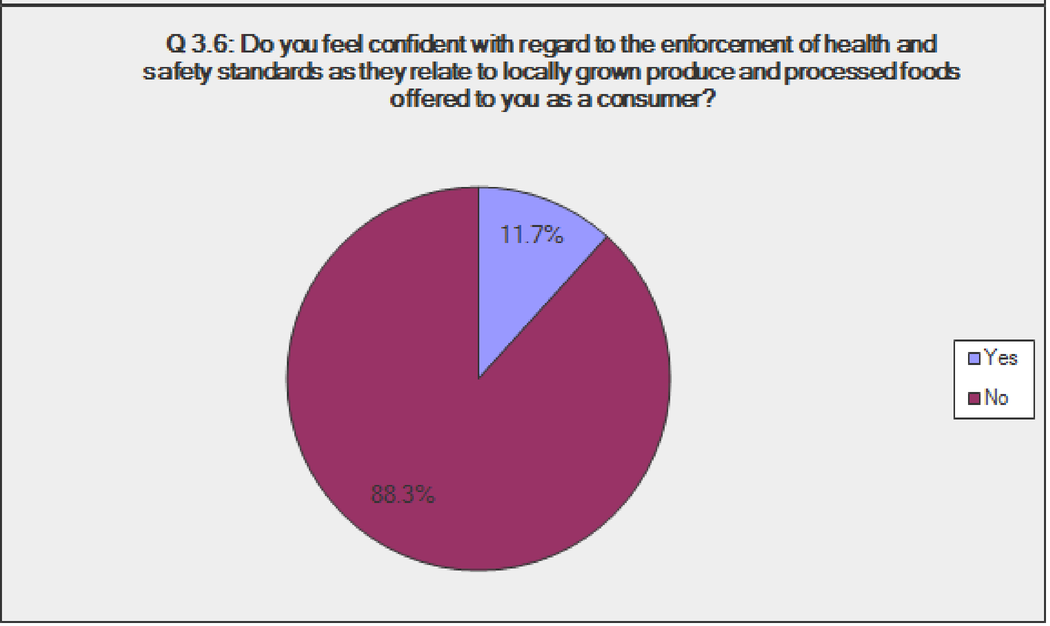




Results – What needs to be done

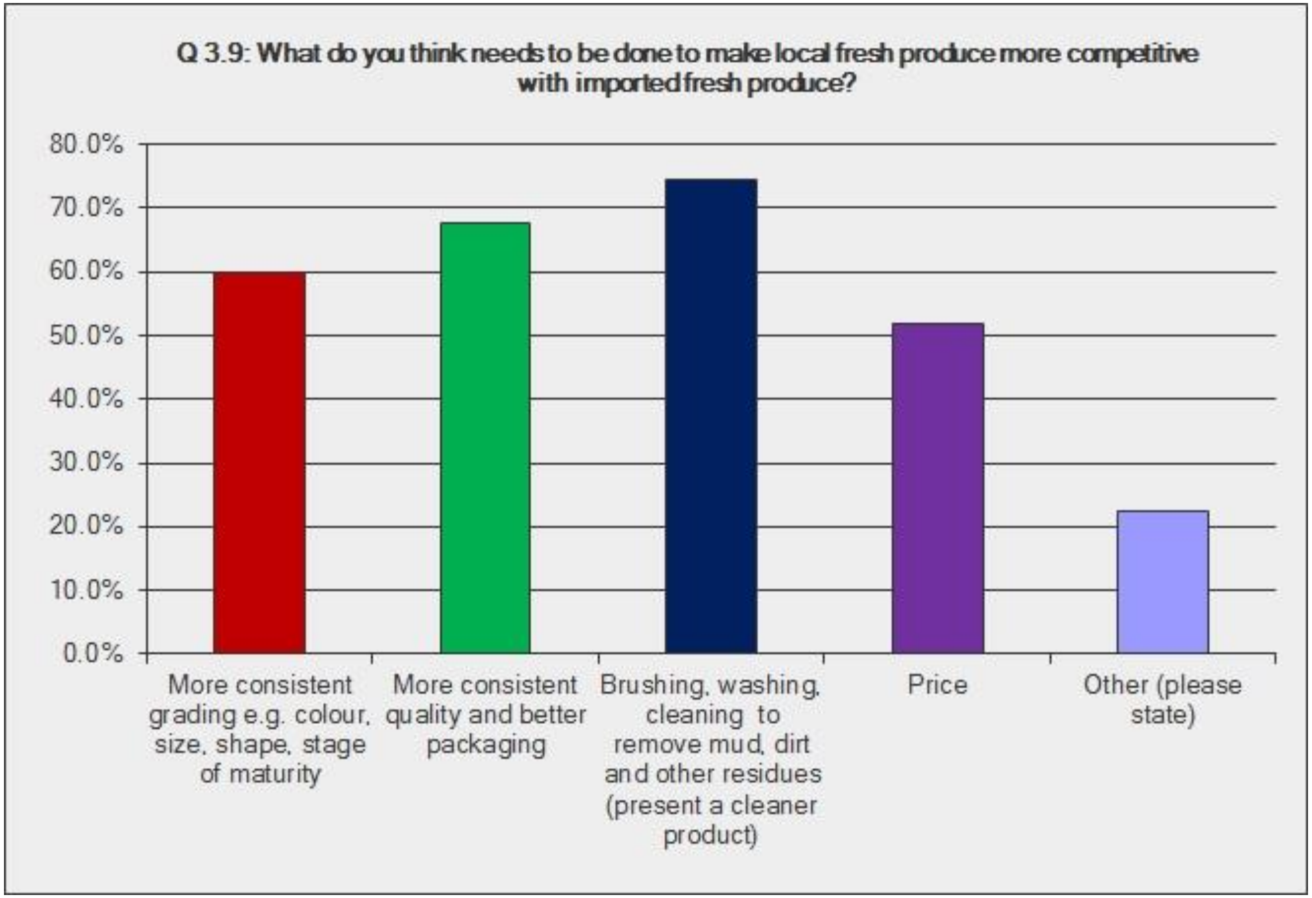


Provide information on nutritional value



Enforce health and safety standards

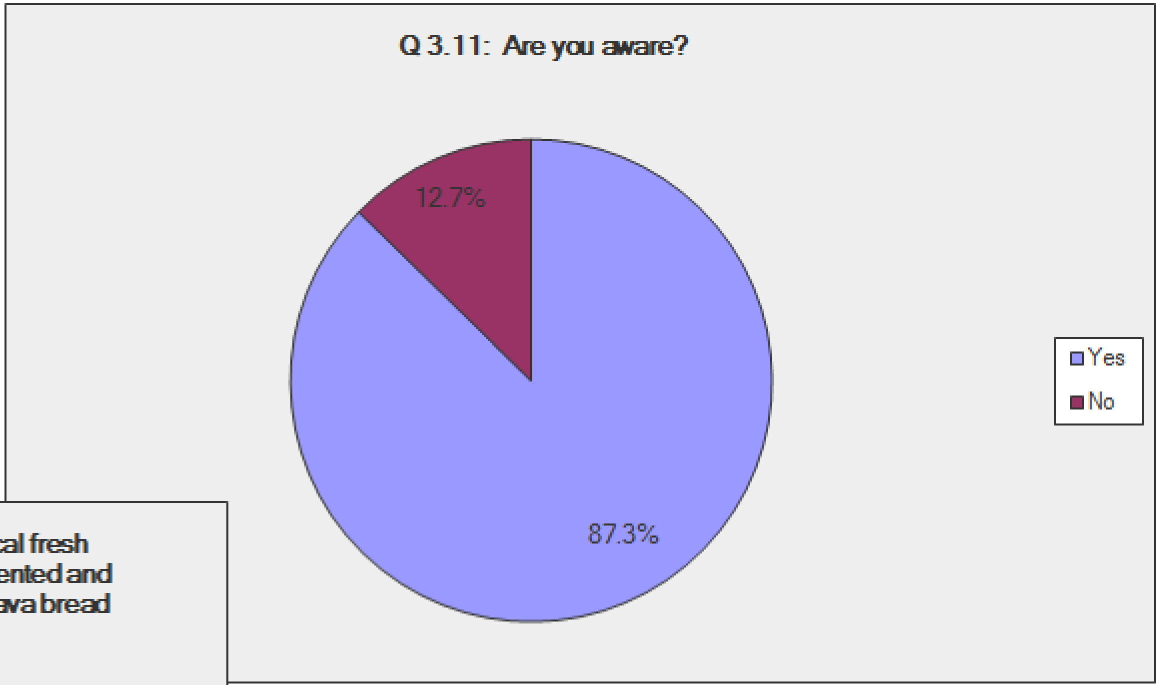
Results – What needs to be done

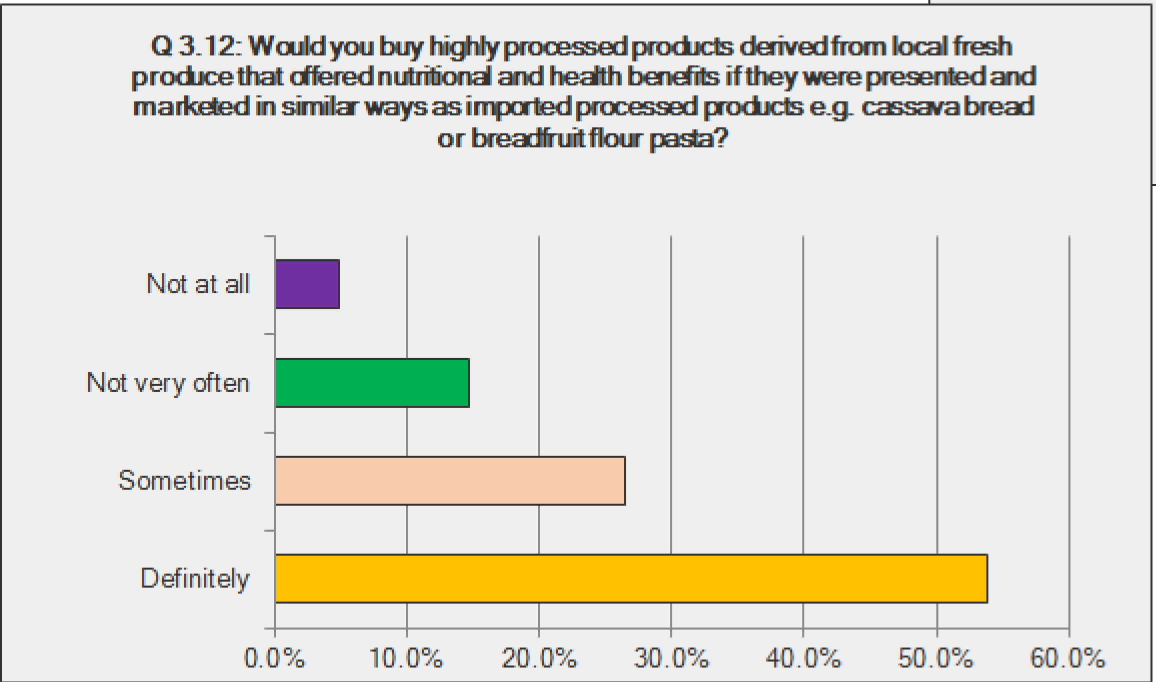


What would attract buyers
• *Cleaning, quality packaging, grading of produce*
• *Strict, consistent standards*
• *Nutritional information*
• *Food safety information*
• *Low chemical usage*

Results – What needs to be done

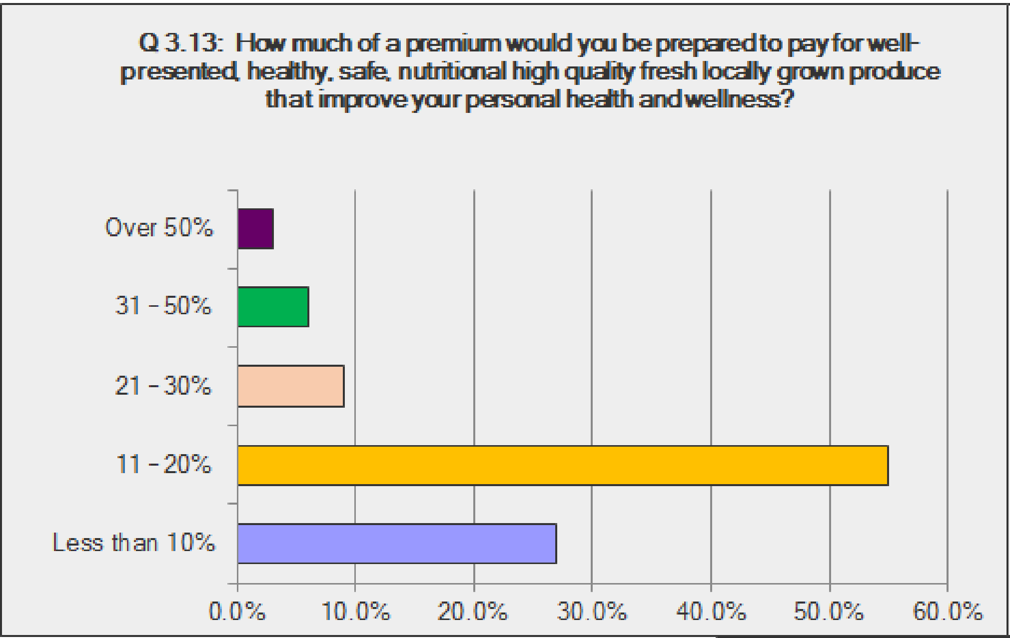
Promote health benefits of processed locally-produced root crops and starchy foods

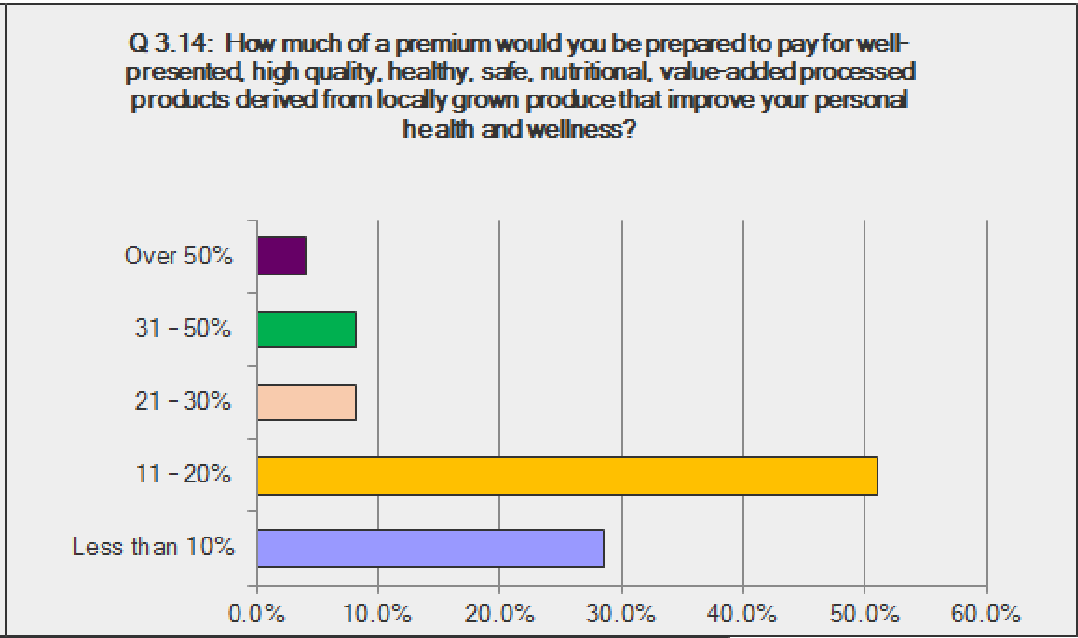




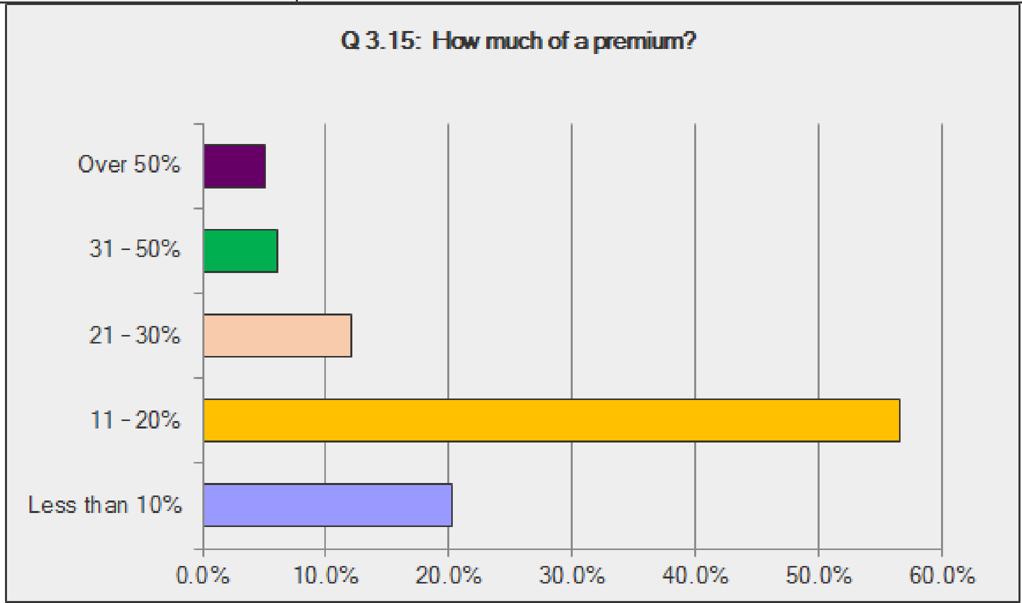
Consumers willing to buy locally processed food? Definitely (>50%)

Results – What needs to be done

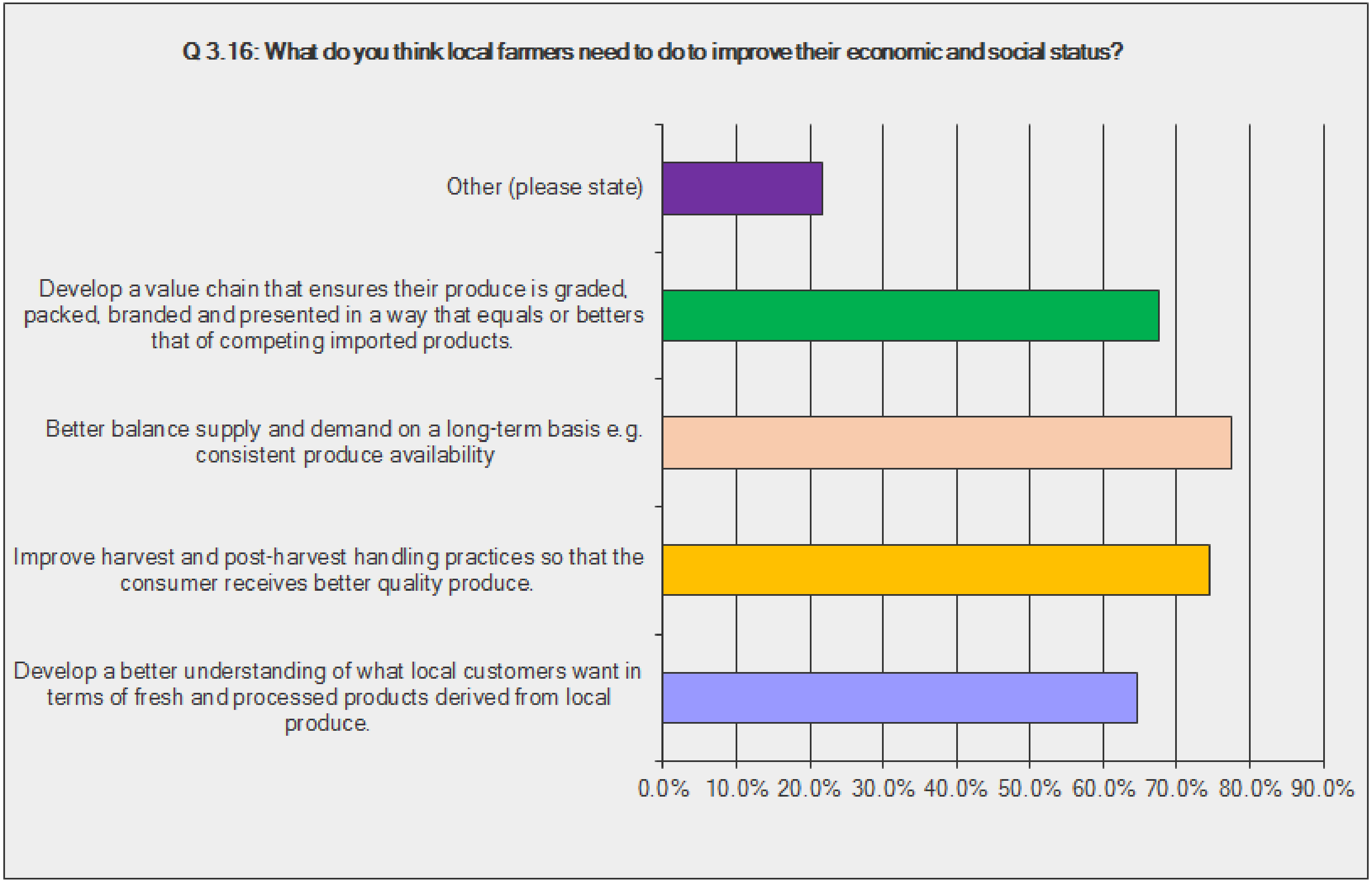




11- 20% Consumers willing to pay a **premium > 50% for well-presented, nutritious, fresh and processed foods**

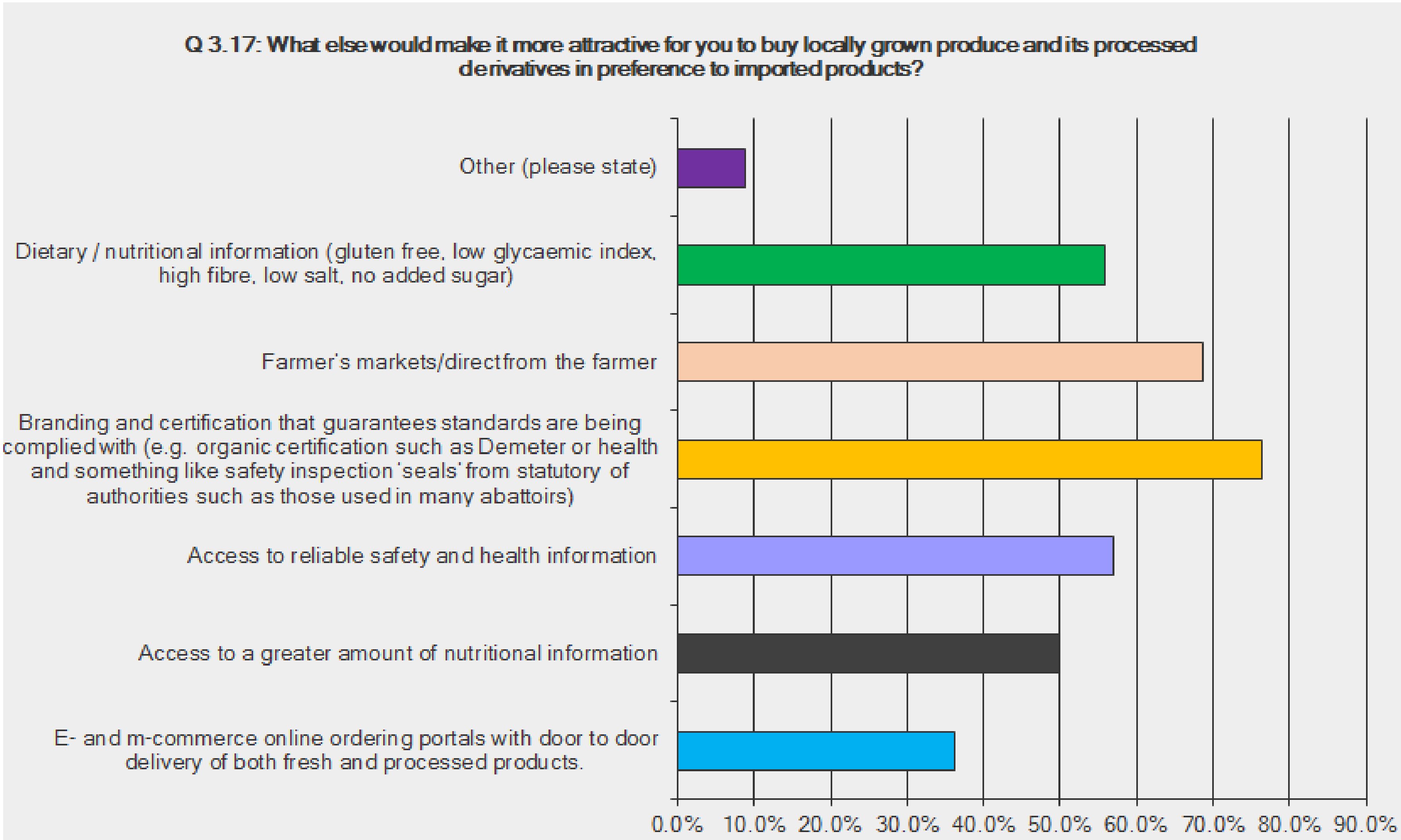


Results – What needs to be done



- **Local farmers need to provide consistent quality - >75%**
- **Local farmers need to improve postharvest handling - 75%**

Results – What needs to be done



Consumers will buy more if produce is **branded & certified (>75%)**

Conclusion

Caribbean consumers are interested in buying local produce and supporting agricultural and food and nutrition security goals – but!!

Quality, safety and presentation are critical

An example

Goodfellow

FARMS

CTA