

Swiss-style mountain cheese

Participatory Market Chain Analysis: creating the hooks to engage private actors

In the mountainous Andean region of northern Peru, Practical Action has recently begun working to develop the market-chain for Swiss-style matured cheese produced by many widely dispersed small-scale herders.



This is relatively new product with a potentially good market in the regional city of Cajamarca and coastal towns such as Chiclayo. However, the local market fair is inadequate to spontaneously generate the necessary demand pull to match the production capability of the area.

Working in a long-term relationship with an agro-marketing consultancy firm (Agromarketing SA.), the project team started in 2005 by studying processing facilities, milk collection and reception, quality assessment, cheese production and transportation, using a subsector analysis methodology. A market study focused on different types of buyers in Cajamarca and adjacent markets. These studies enabled the project team, including two dairy specialists from another project and from Ministry of Agriculture, to produce a preliminary market map outlining existing knowledge.

The first workshop using PMCA methods was held in September 2005 with 70 participants. Producer focus groups identify key actors in the market chain and the Ministry of Agriculture also suggested participants. Local commercial buyers, Nestle & Gloria, also responded positively to invitations to take an interest - an outcome aided by Agromarketing SA's prior experience of PMCA work in Peru with CIP (Bernet et al. 2005).

It is already clear that quality assurance is a very powerful 'hook' to attract interest of a wide variety of market-chain actors. Many traders or intermediaries share familial or geographical ties with producers in the region, which the PMCA methodology taps into well. However, to keep them involved it will be necessary to create more specific hooks that respond to their interests: i.e. business growth for commercial actors and service providers, future elections and popularity for politicians and policy-makers.

Practical Action is now planning the first big regional PMCA event for Cajamarca in which a wide range of actors in the regional cheese market will be invited to discuss quality issues. Dissemination of the study results above will be one attraction for participants. It is anticipated that market

opportunity groups will emerge after this among producers, as a result of the enthusiasm and mutual knowledge generated amongst the participants. A Regional Dairy Forum has already begun building relationships between wholesalers, retailers, cheese processors and the state agency for SME promotion (PROMPYME).

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