

POTENTIAL MARKETING OPTIONS FOR PROMOTING THE CONSUMPTION OF BAN PORK IN THE URBAN MARKET

Dinh Khanh Thuy¹, Le Thi Thanh Huyen¹, Le Tien Dung¹ and Fred Unger²

¹Institute of Animal Sciences, ²International Livestock Research Center (ILRI), HaNoi

Corresponding author: Dinh Khanh Thuy; Email: khanh.thuy.hua@gmail.com

ABSTRACT

This study aims to identify potential marketing solutions for promoting the consumption of safe Ban pork in the urban market. A total of 35 in-depth interviews were conducted with green food stores and consumers in Hanoi city, who have been consuming Ban pork, to understand constraints of buyers, potential marketing channels, and quality certification options for marketing Ban pork in the urban market. Results show that green food stores and consumers had major difficulties in Ban pork consumption due to high price and inability of distinguish pure and crossbred Ban pork. While the insufficient supply of Ban pork was a constraint of food stores in consuming Ban pork, consumers lacked information of sellers in the production area. Marketing channels of Ban pork via Internet, tasting events, consumer groups were suitable for advertising Ban pork that can help to address constraints of buyers in the purchase and promote the Ban pork consumption. A high demand of urban buyers for branded and certified pork implicates the potentiality and feasibility of applying quality certification options for the marketing purpose. These potential options were using a label of a livestock production cooperative, a validated stamp of veterinary or quality testing organizations.

Keywords: *potential marketing solutions, quality certification, Ban pork, urban markets*

INTRODUCTION

Pig farming plays an important role for rural people because of its contribution to human nutrition and fertilizer provision for crops (Lemke et al., 2016). In mountainous areas, indigenous pig production not only has traditional culture values but also contribute significantly to household livelihoods (Russia et al., 2015). Ban pig is a local breed raised by ethnic minorities in the northern mountainous provinces such as Hoa Binh and Son La. A number of studies show the potential of Ban pigs in terms of high price in the urban market compared to the rural area (Phuong et al., 2014; Huyen et al., 2016). Huyen et al. (2016) indicate that Ban pigs were sold in Hanoi for between 9,000 and 14,000 VND higher than in Son La province. According to Thuy et al. (2020), green food stores are among the most popular channels to distribute Ban pork to consumers the high-income group in Hanoi. Hao et al. (2018) suggested that consumers in Hanoi are willing to pay higher prices for safe pork. Many studies on Ban pigs in Vietnam have been done on the supply chain of Ban pigs (Huong et al., 2009; Huyen et al., 2016), factors affecting the price of Ban pigs (Phuong et al., 2014), and the difference between Ban pork and crossbred pork (Muth et al., 2017), the potential of a niche market for Ban pork (Huyen and Sautier, 2017). However, no studies have investigated potential marketing options for Ban pork in the urban market. To address the limitation, this study aims to figure out potential marketing options for Ban pork based on understanding difficulties of Ban pork buyers, potential marketing channels and quality certification options for Ban pork.

MATERIALS AND METHODS

Location and time

The field study was carried out in Hanoi city from April to June 2019.

Materials

According to Huyen et al. (2016) and Thuy et al. (2020), green food stores and consumers are potential buyers of Ban pork in Hanoi. Green food stores and consumers are selected according to a stratified random sampling through 2 steps: (i) Create a list of green food stores currently selling Ban pork and consumers consuming Ban pork within the last 2 years according to the list of Huyen et al. (2016) and information collected via the Internet. (ii) 5 green food stores and 30 Ban pork consumers were randomly selected from the above list for interviews.

Data collection

The study used a participatory qualitative approach. Data were collected from 35 in-depth interviews with green food stores and consumers, through semi-structured questionnaires. The questionnaires include the information about difficulties of buyers in the purchase of Ban pork, potential marketing channels for Ban pork, demand on branded and certified Ban pork, and potential option of quality certification for Ban pork. A Likert-scale with a range of 1 to 5 (1-not highly difficult, 5-highly difficult) was used to evaluate the level of difficulty. The choice of quality certification options was implemented via two steps to ensure the feasibility and practicality of these options. First, all selected buyers were asked about their demand on branded and certified Ban pork. Then, green food stores and consumers, who had demand on branded and certified Ban pork, were chosen for the second interview on potential options of quality certification.

Data analysis

Information and data from the interviews were synthesized and processed through Microsoft Excel 2016. Descriptive and comparative statistics analyses were adopted to describe and compare data about the difficulty of buyers, marketing and quality branding options, and demand of buyers on branded and certified products. Qualitative information was coded and analyzed via content analysis. Quantitative data was performed via mean, standard errors, and frequencies.

RESULTS AND DISCUSSION

Difficulties in the purchase of Ban pork products

Table 1. Difficulties in buying Ban pork products

Difficulties	Green food stores (n=5)	Consumers (n=30)
	Mean ± SD	Mean ± SD
Insufficient supply	4.2 ± 0.8	2.3 ± 1.0
Inability of distinguishing pure and crossbred pork	3.4 ± 1.5	4.1 ± 1.1
High price	3.2 ± 1.5	3.9 ± 1.1
Lack information about pig sellers in the production area	2.0 ± 0.7	3.1 ± 1.1
Unawareness of place of origin	1.0 ± 0.0	2.5 ± 0.9
Instable quality	2.0 ± 0.0	1.0 ± 0.0

1-Not highly difficult, 2- difficult; 3- Normal; 4- Difficult; 5- Highly difficult

Source: In-depth interviews, 2019

Table 1 shows the difficulty of Ban pork buyers. High price of Ban pork and inability of distinguishing pure and crossbred Ban pork were important constraints of most interviewed consumers and green food stores to purchase Ban pork. Of which, consumers had the most difficulty in distinguishing Ban pork (mean=4.1, SD=1.1), followed by high price of Ban pork (mean=3.9, SD=1.1). The fact is that the price of Ban pork ranged from 150,000 to 350,000 VND per kg, depending on either traditional or green food stores. Huyen et al. (2017) found the relationship between breed attribute and pork price that pure Black pork was sold at the higher price from 20,000 to 50,000 VND per kg compared to that of crossbred pork. The obstacle of buyers in differentiating Ban pork has been explained by Huyen and Sautier. (2017). The findings imply the necessity of marketing schemes aimed at reducing pork price and improving consumers' awareness on Ban pork.

The insufficiency of Ban pigs was the most problematic of most green food stores to meet demand for a frequent sale of their chain stores. In fact, each chain of green food stores consists of five to six distribution stores, so they can consume a large volume of meat. The shortage in the supply of Ban pork is explained by the slow growth rate and relatively long rearing period of Ban pigs, while small farmers are not linked together in supplying pigs. According to Ton and Thang (2009), Ban pigs only gained 13.68 kg at 90 days of age. Huyen and Sautier. (2017) indicated that 50 to 70 kg black pigs in Son La are usually raised for an average of 1.5 to 3 years. On the other hand, consumers considered lack of information on pig sellers in the production area as an important constraint to buy Ban pork. This partly explains the buying habit of Ban pork at grocery stores in Hanoi instead of directly from local pig sellers (Thuy et al., 2020). Most interviewed consumers and green food store owners did not consider unawareness of pig origin and unstable pork quality as factors influencing their purchase decision.

Potential marketing channels for Ban pork products

Table 2. Marketing channels for Ban pork products (%)

Options	Food stores TPS (n=5)	Consumers (n=30)
Marketing via Internet	80	60
Marketing via tasting event	100	76.7
Marketing via product promotion points	20	56.7
Cosign products at a retailer	40	16.7
Build up consumer groups	20	66.7
Others	20	-

Source: In-depth interview, 2019

The results in Table 2 show that marketing via Internet and tasting events were the two most preferred options chosen by most interviewed green food stores and consumers. In contrast, a small number of consumers disagreed with Internet advertising option as they had bad

experience with online shopping on pork quality Hajli et al (2015) found that marketing products via Facebook provide consumers with the information on products and sellers, and buyers can leave their feedback. Thileepan et al. (2013) concluded that the benefit of promoting agricultural products through websites is to help consumers choose preferred products. This demonstrates the potential of online marketing option for spreading the information of product and sellers to consumers so that can address the problems of limited information. The approach through tasting events has also been used by H'mong cattle breeders in Cao Bang province to introduce H'mong beef products to consumers in Hanoi (Anh et al. , 2010). This option might be potential to consolidate buyers' beliefs as they have a chance to evaluate pork qualify themselves.

The option of advertising Ban pork through product promotion points and consumer groups were rather preferred to most investigated consumers than green food stores. Marketing via consumer groups might be beneficial to consumers as they can buy pork at the lower price obtained from the short and direct supply channel, while product promotion points can assist consumers to access information of products. In contrast, advertising product via promotion points was not agreed by most interviewed green food stores due to the high cost for the construction and operational management. Apart from that, other marketing options were recommended by green food stores, such as the provision of price discount according to the consumption level of buyers and regular visits to Ban pork food stores for interacting with consumers and helping them to understand about local food and culture.

Demand for branded and certified products

The demand on branded and certified Ban pork is shown in Table 3.

Table 3. Demand to buy branded and certified Ban pork

Parameter	Food stores (n=5)	Consumers (n=30)
Willingness to buy (%)		
Yes	80	73.3
No	20	10
No answer	-	16.7
Extra payment/kg (1000 VND/kg)	12.5	40.8

Source: In-depth interview, 2019

Results shows that a large proportion of interviewed consumers and green food stores were willing to purchase branded and certified Ban pork. Hao et al. (2018) and Khai et al. (2018) also found the high willingness to buy of investigated consumers in Hanoi and in Mekong Delta for safe pork. A small share of interviewed consumers refused to purchase the branded meat because of the high price, while one-fifth of interviewed green food store owners neglected branded pork as they had a close meat supply chain.

The extra amount of money per kg of branded pork paid by consumers reflects the willingness and capacity of consumers to pay for branded pork. It can be seen from the table that consumers were willing to pay for branded and certified pork at higher price compared to green food stores. Consumers paid an average price of 40,000 VND ranging from 20,000 to 60,000 VND higher than the price of normal Ban pork if the pork were branded and certified. On the other hand, the green food stores agreed to pay an average of 12,500 up to 20,000 VND higher than the price of normal Ban pork for one kg of certified Ban pork. In the study of Hao et al. (2018) and Khai et al. (2018), consumers in Hanoi and the Mekong Delta region were also willing to pay the price higher from 37.8% to 48.7% compared to the market price. This shows the high willingness to pay of buyers for “safe” attribute of meat compared to normal pork.

Potential quality certification options for Ban pork

Table 4 presents some quality certification options for Ban pork.

Table 4. Quality certification options for Ban pork (%)

Parameter	Food stores (n=4)	Consumers (n=22)
Trademarks of livestock cooperatives	100	77.3
Retailer's trademark	100	45.5
Abattoir's trademark/stamp	-	9.1
Certification stamps of veterinary or quality testing organisations	100	68.2
Traceability stamps	75	36.4

Source: In-depth interviews, 2019

It is appeared that using trademarks of livestock cooperatives and certification stamps of veterinary organizations were preferred by the majority of interviewed consumers and green food stores. The owners of green food stores believed that using the trademark of the livestock cooperative for the product was necessary as the product should be traceable to the place of production, while consumers opined that the livestock cooperative's brand might consolidate their beliefs in the traditional farming methods and quality control of Ban pork. Most of buyers chose the quarantine stamp of the veterinary organisation and/or the certification of the quality quarantine agency as they feel more secure at the purchase if meat quality is certified by the governmental organizations. This finding is similar to the study of Roosen (2003) that certified trademarks of public organizations are more effective in winning consumer confidence than brands of private firms. The above results exhibit the potential of using cooperative trademarks and quality certification stamps of veterinary or quality control organizations to strengthen consumer confidence in product quality.

In addition, the option of using traceability stamps for products was chosen by seventy five percent of the interviewed green food store owners. This solution is based on scanning QR

codes to search for relevant information about products and allows customers to retrieve information of all actors in the supply chain (Chen et al., 2019; Tripoli and Schmidhuber., 2018). Green food store owners argued that this solution is not feasible for the elderly because it is difficult for them to use modern applications. However, Thuy et al. (2020) noted that most interviewed Ban pork consumers in Hanoi are young people under 35 years of age. Therefore, this option still has the potential to certify the quality of Ban pork. On the other hand, the option of using retailers' trademark was considered by more than two fifth of consumers. The difference in the choices of buyer groups exhibits that applying diverse certification options in compatibility with buyers' preference can be potential for marketing Ban pork.

CONCLUSION

High price and inability of distinguishing pure and crossbred Ban pork are major constraints of most Ban pork buyers in the urban. Marketing Ban pork via channels such as Internet, tasting events, and consumer groups can promote the consumption of Ban pork in the urban due to improved access of buyers to information, consolidated beliefs of buyers in quality, and reduced price. The application of quality certification options for urban buyers, including using livestock cooperatives' trademarks, certification stamps of either veterinary or quality testing organizations, are feasible for marketing Ban pork in the urban market.

ACKNOWLEDGEMENT

This research was carried out within the framework of the SafePork project funded by the Australian Center for International Agricultural Research (ACIAR) (LPS/2016/143) and the consulting group on International Agricultural Research (CGIAR), Agricultural Research Program in Nutrition and Health (A4NH).

REFERENCES

- Anh, D.T., Tuan, T.V. and Truong, H.X. 2010. Value chain development for mountainous areas: relation between animal breed and territory. In the case of H'mong beef in Cao Bang, Vietnam. Contribution paper for 116th seminar of the European Association of Agricultural Economist (EAAE). <http://ageconsearch.umn.edu/record/95008>.
- Chen, T., Ding, K., Hao, S., Li, G., and Qu, J. 2020. Batch-based traceability for pork: A mobile solution with 2D barcode technology. *Food Control*, 107, 106770.
- Hao, N.T., Chinh, N.Q., Kabango, A.N N. and Dat, P.T. 2018. Vietnamese Consumers' Willingness to pay for Safe Pork in Hanoi. *Journal of International Food & Agribusiness Marketing*, 2(4): 1–22.
- Huyen, L.T.T., Muth, P.C., Markemann, A., Schöll, K. and Valle Zárate, A. 2016. Potential for the development of a marketing option for the specialty local Ban pork of a Thai ethnic smallholder cooperative group in Northwest Vietnam. *Journal of Tropical Animal Health and Production*, 48(2): 263-271.
- Huyen, L.T.T. and Sautier, D. 2017. The sustainability of Black Pig value chain in Mai Son District, Son La province Vietnam: Assessment with value chain stakeholders. *Journal of Animal Science and Technology*, 71, pp. 83-92.
- Hajli, N. (Ed.). 2015. Handbook of research on integrating social media into strategic marketing. United State of America. Business Science Reference.
https://www.researchgate.net/publication/287406899_Sports_Marketing_social_Media. (Accessed on 05/8/2020).
- Khai, H.V., and Duyen, T.T, T. 2018. The Demand of Urban Consumers for Safe Pork in the Vietnamese Mekong Delta. *Journal of Social and Development Sciences*, 9(3): 47–54.

- Khai, H.V. 2015. Assessing consumer preferences for organic vegetables. A case study in Mekong Delta, Vietnam. *Information Management and Business Review*, 7 (1):41-47.
- Phuong, N.V., Hanh, D.T.M., Cuong, T.H., Markemann, A., Valle Zárate, A. and Mergenthaler, M. 2014. Impact of quality attributes and marketing factors on prices for indigenous pork in Vietnam to promote sustainable utilization of local genetic resources. *Journal of Livestock Research for Rural Development*. 26(7).<https://www.researchgate.net/publication/281238198>.
- Roosen, J. 2003. Marketing of safe food through labelling. <https://www.researchgate.net/publication/23943317> (Accessed on:5/8/2020).
- Thileepan, M. T. and Soundararajan, D. K. 2013. E-Marketing for Self Help Group's Agricultural Products in India. *International Journal of Management (IJM)*, 5(1), pp. 46-52.
- Thuy, D.K., Huyen, L.T.T, Dung, L.T. and Unger, F. 2020. Study on the preference of urban consumers for quality attributes of Ban pork. *Journal of Animal Husbandry Sciences and Technics*. In press.
- Tripoli, M. and Schmidhuber, J. 2018. Emerging opportunities for the Application of Blockchain in the Agri-food industry. Issue Paper. FAO and ICTSD, Rome, Italy.
- Vu Dinh Ton and Phan Dang Thang. 2009. Growth characteristics, feed use and economic efficiency in raising Muong pigs in Hoa Binh province. *Livestock Magazine*, 2 (3), pp. 2-8.

Received date: 18/01/2022

Submitted date: 27/01/2022

Acceptance date: 25/02/2022

Opponent: Dr. Tran Thi Bich Ngoc