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"Development on the margin"

Between Isomorphism and Entrepreneurship: The Impact of Standardisation on Product Quality, Market Access and Livelihoods in Kenyan Banana Production

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Abstract

The access of smallholders to markets is increasingly seen as a solution to the problems of food security and poverty in sub Saharan Africa (SSA). To date, research attention has predominantly focused on the barriers for smallholders to further integrate with their markets, such as high transaction costs caused by among others weak infrastructure and tariff as well as non-tariff barriers. Standards for product quality have to that respect become a factor of growing importance for smallholders not only to access export markets but increasingly also for domestic markets like supermarkets. A growing number of scholars, however, recognise that these standards are not only barriers but also opportunities for smallholders in that they clarify the requirements to access markets. Hence, a research gap pertains to how smallholders perceive and recognize the opportunities in their market environment and how they act upon these opportunities. To help to fill this gap, this study develops a theoretical framework that draws on strategic marketing literature and case study research on banana farmers in the Kenyan highlands and Kagera region in Tanzania. The final conceptual framework distinguishes between two basic entrepreneurial approaches of smallholders, i.e. the continuous exploration of new crop-market combinations and the exploitation of a single crop-market combination that is optimized to respond to a single market opportunity. The development of a particular approach by a smallholder depends on and its effectiveness is constrained by the institutional environment. This puts smallholders in varying positions between two extremes of isomorphism (similarity) and entrepreneurship (innovation).

Keywords: Banana marketing, entreprenuership, isomorphism, markets access, product quality, small holder, standardisation

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