

Marketing preferences of small chilli farmers in Indonesia: an application of best-worst scaling

Sahara, W.J. Umberger, R. Stringer

Acta Horticulturae 1006: 309-315. 2013.

Abstract

This study uses a best-worst (BW) scaling experiment to explore the relative importance of buyer attributes for chilli farmers participating in traditional and modern supermarket channels. For the BW scaling tasks, 11 buyer attributes were allocated into choice sets and chilli farmers selected both the 'best' and 'worst' in each choice set. Farmers in the traditional channel perceived cash payment at delivery, price premiums for value adding and high price per kg as the most important buyer attributes. Supermarket farmers also indicated price premiums for value adding and cash payment at delivery as very important attributes. However, supermarket farmers also perceived established relationships as being important. Farmers from both channels perceived the attributes of input provision and technical assistance to be the least important. These results imply that if buyers want to obtain continuous and uninterrupted supplies from their producers, they will need to do more in terms of offering price premiums for higher quality products and other incentives such as paying cash upon delivery.