

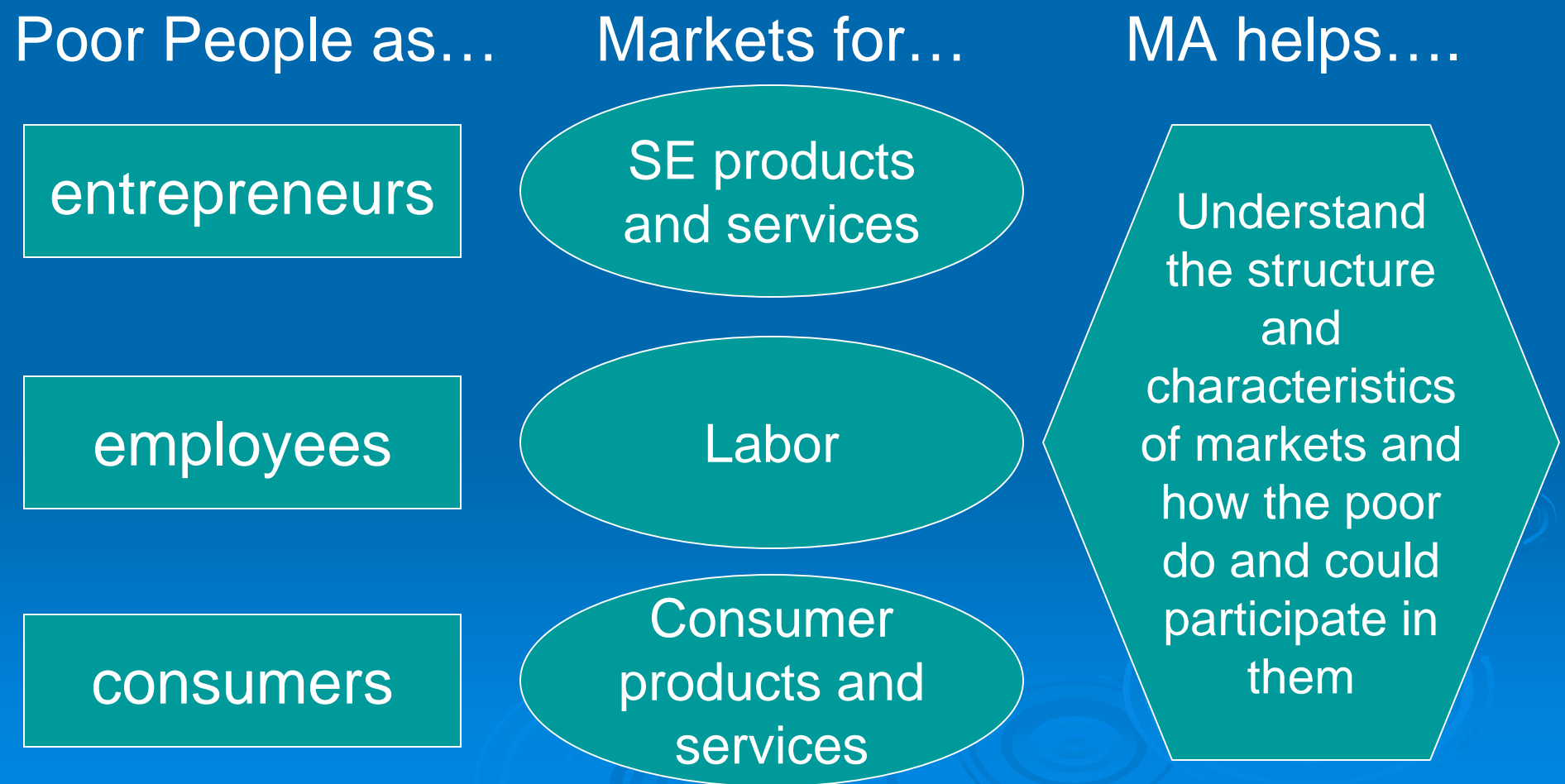
Using Market Assessment for Results

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Turin, September, 2005

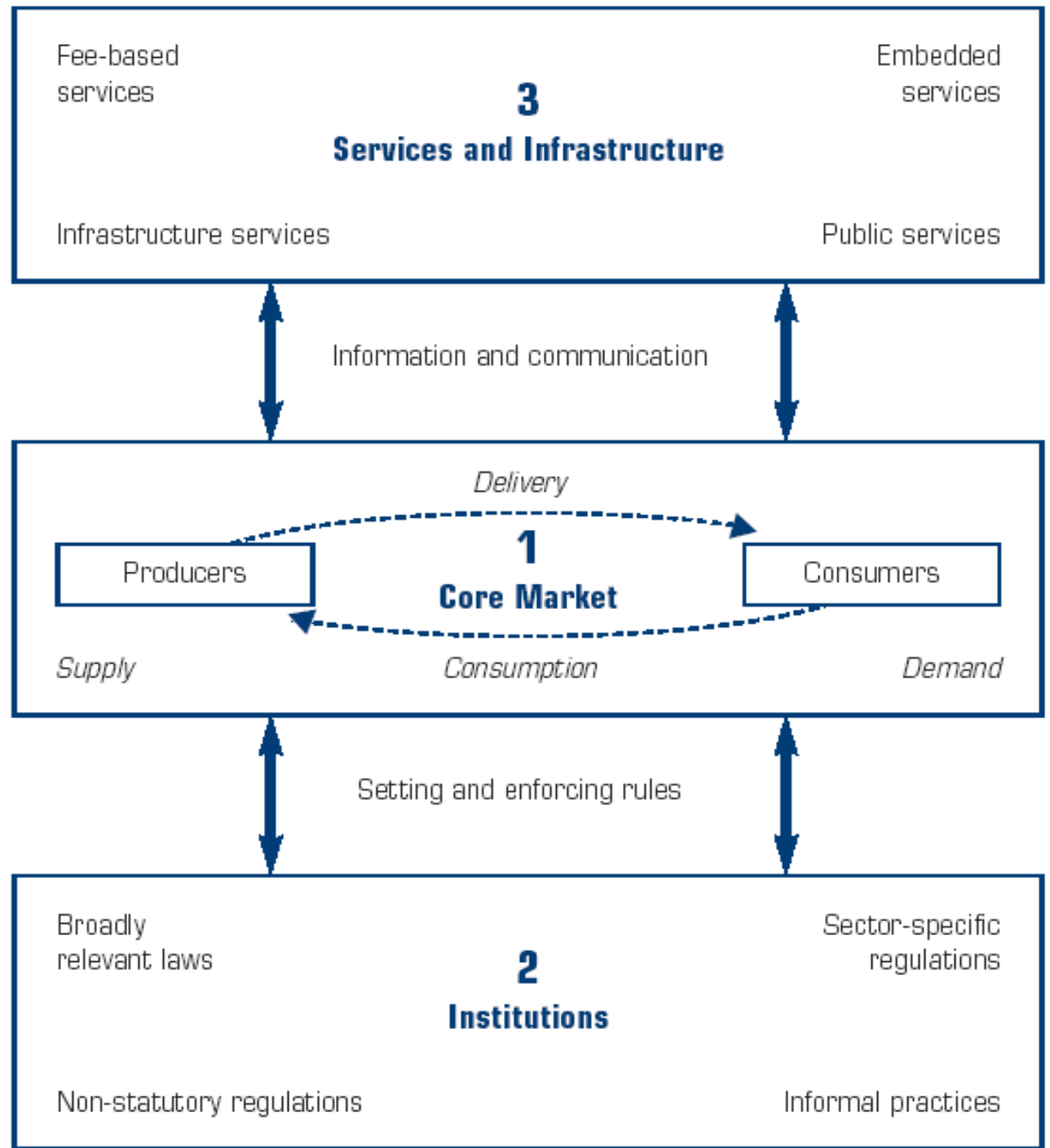


How does MA fit into MMW4P?

MMW4P aims to change the structure and characteristics of markets to increase participation of the poor on terms that benefit them.

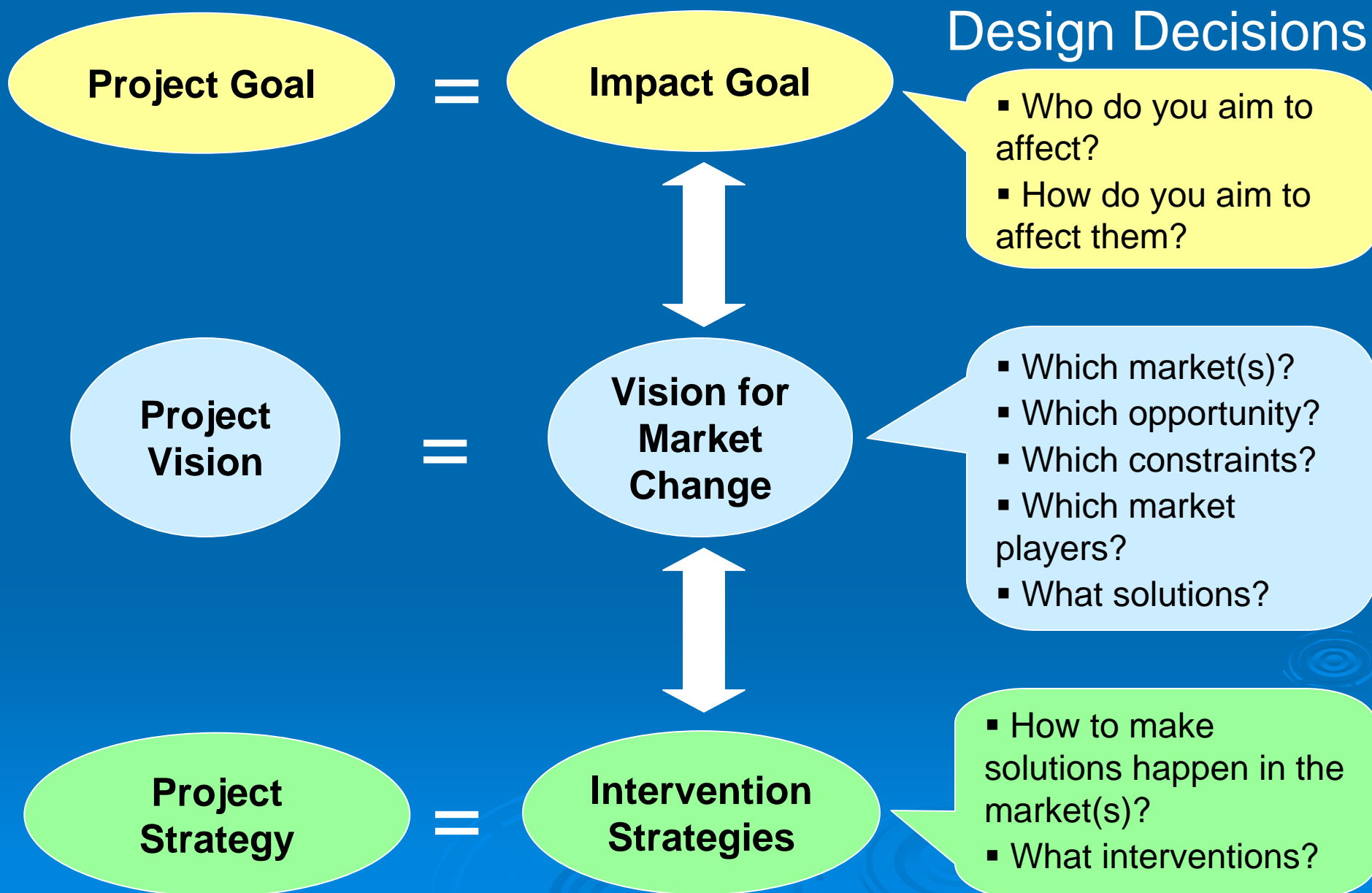


What is a market system?



Source: Ferrand et al., 2004

How does MA help with program design?



Action for Enterprise Mali

Impact Goal

Increase incomes and employment for micro craft producers

Vision for Market Change

Micro craft producers increase sales to international markets through exporters

Intervention Strategies

- Strengthen links from producers to exporters
- Develop website and internet services to link exporters to international buyers
- Link exporters to product design services
- Improve training and technical assistance to producers from exporters and master artisans

How does MA help with program design?



Frameworks:

- competitiveness
- investor road mapping
- demand analysis
 - local economy analysis
 - sustainable livelihoods

Frameworks:

- subsector analysis
- value chain analysis

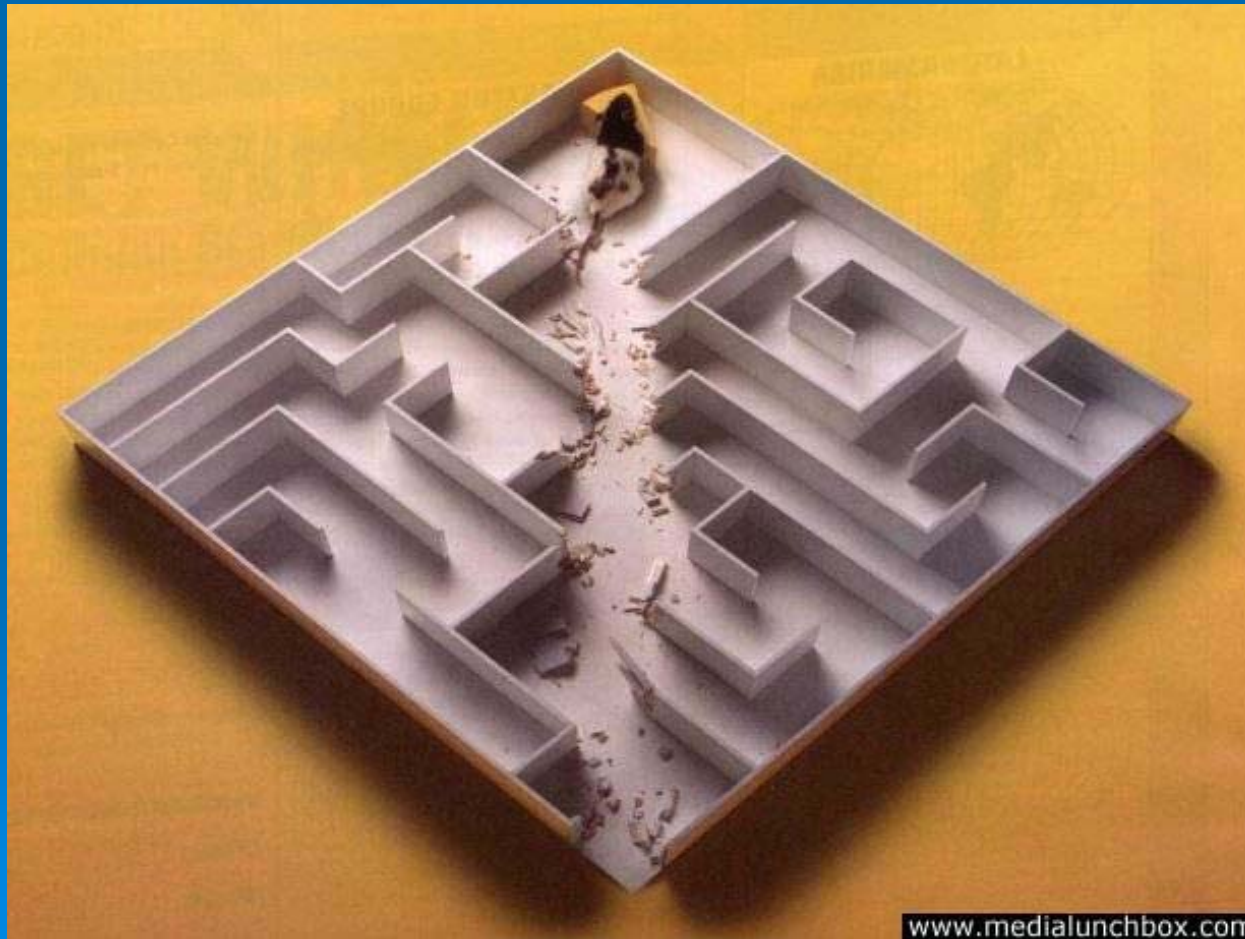
Frameworks:

- BDS / support markets analysis
- commercial viability

A history of BDS MA...

- 1990s: Recognition of private BDS markets and call for understanding them
- 2000-2002: Experimentation with MA as a program design tool – some good results but often disappointment and frustration
- 2003-2005: Challenges to MA in terms of globalization, broader programs, MMW4P
- 2005-: MA for results in terms of program designs, market changes and impact on the poor – not just information gathering

How can organizations use MA for results?



A shift in the objectives of MA

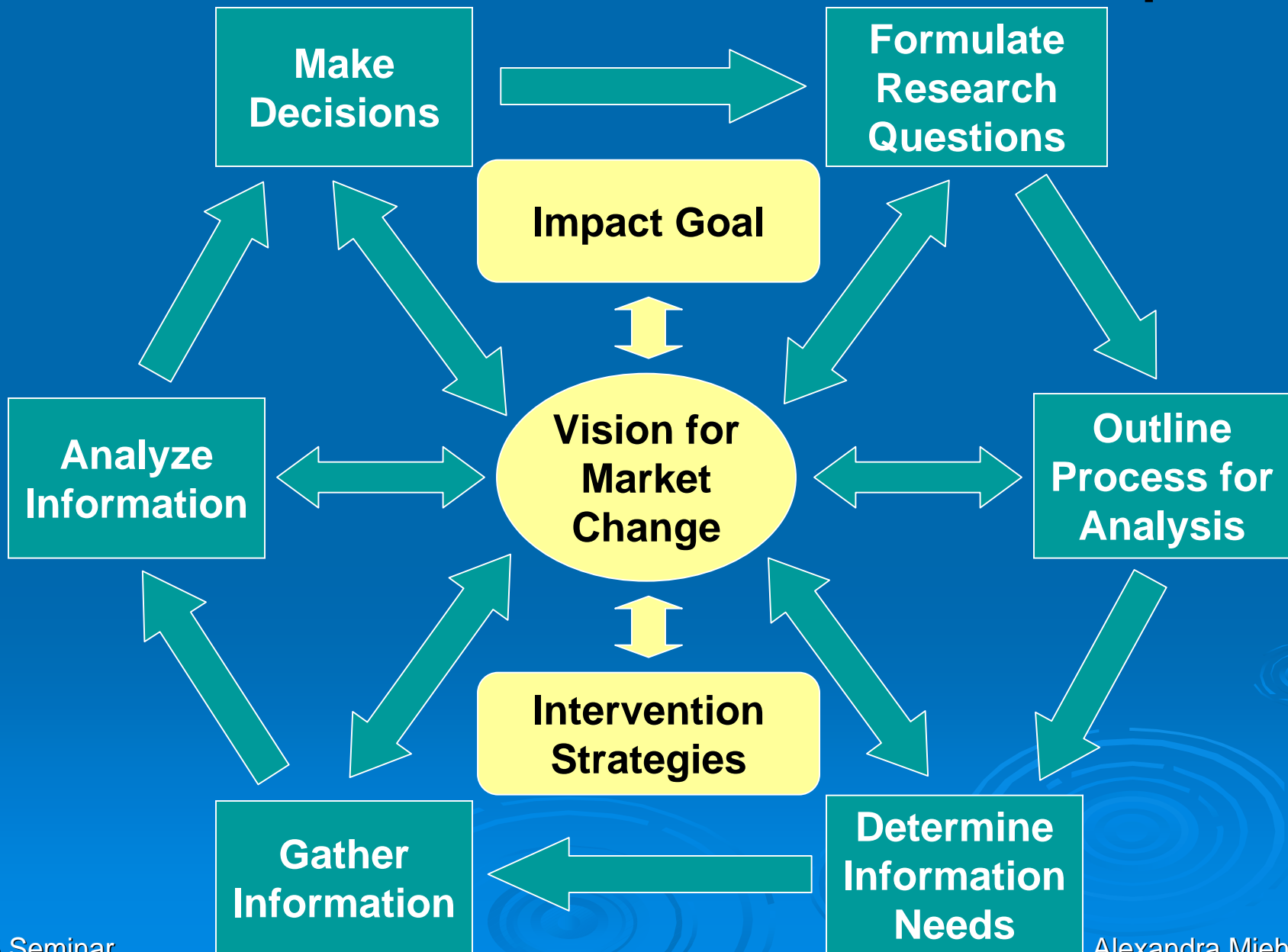
Before:

- An understanding of one or several markets
- Identification of constraints to improved market functioning

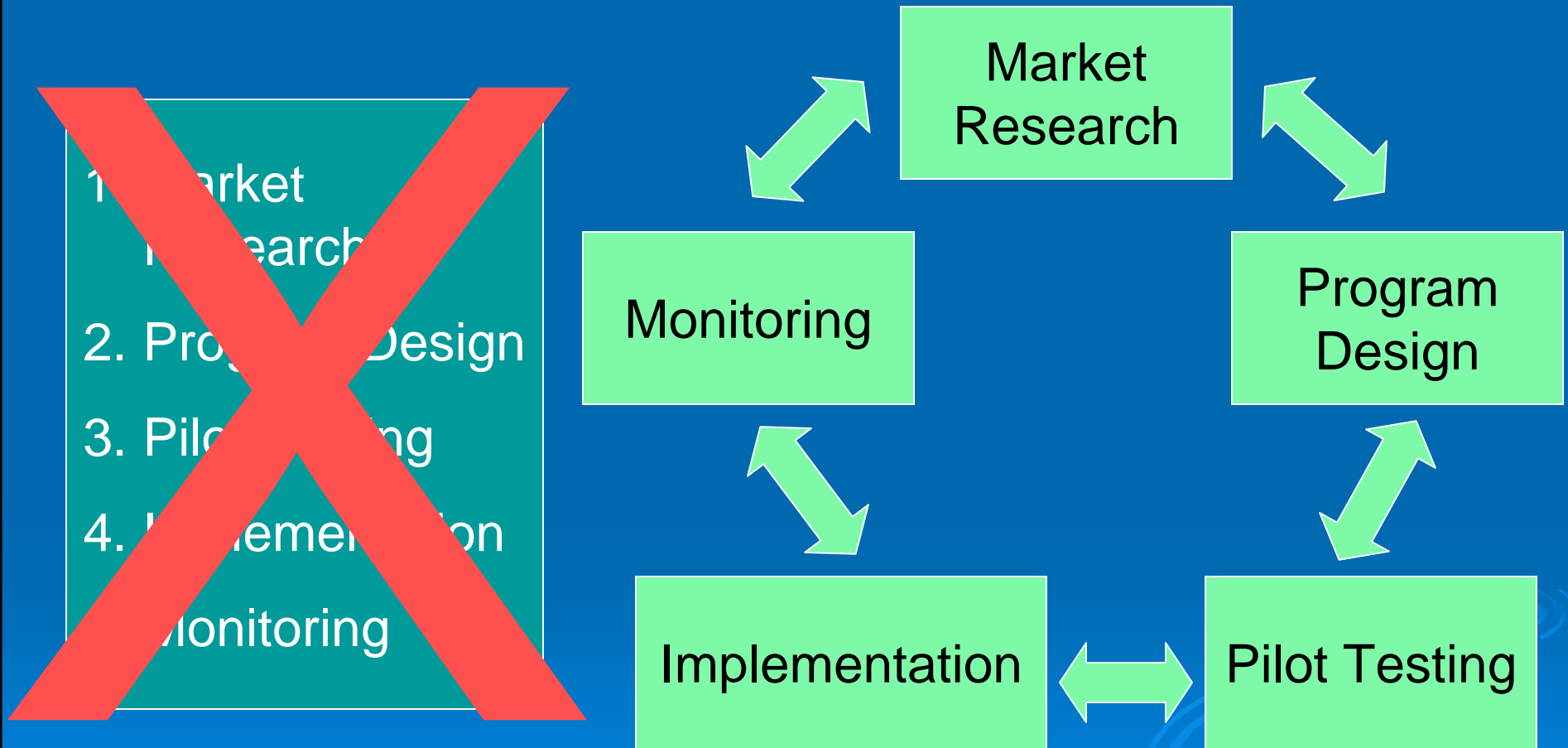
Now:

- A program design
- Improved market understanding and relationships among market players
- Staff experience and relationships with market champions and players
- Some specific action plans which market players are enthusiastic about
- Working or workable business models

The Market Research Loop



The Program Cycle Loop



An example: EDA in India



A program in the leather products subsector

Why these people?

- At the bottom level of the Indian social caste structure
- Monthly income US\$30-40
- More than 90% live in rural areas – the project area is drought prone, lacks most basic services like health and education as well as good infrastructure

EDA in India

Impact Goal

Increase incomes for rural artisans making jootis

Vision for Market Change

Intervention Strategies



What was EDA's process?

Methods

- Secondary
- Key informant interviews

Info + Results

- volume and characteristics of markets
- preliminary market channels
- initial contacts with market players and stakeholders

Decisions

- target middle/upper income consumers

Markets for Leather Shoes and Products

Poor, rural consumers

Middle/Upper
Income
Consumers

Export market

EDA in India

Impact Goal

Increase incomes for rural artisans making jootis



**Vision for
Market
Change**

Artisans sell modern leather products to middle and upper income consumers



**Intervention
Strategies**



What was EDA's process?

Methods

- Market Observation
- In-depth interviews with artisans

- FGDs with artisans
- In-depth interviews with other market players + stakeholders

Info + Results

- artisans' skills, constraints, interests
- product mismatch
- market channels
- + artisan awareness
- identified artisan traders + leaders

- artisans' demand for services
- supply of support/services
- other market players' interests and constraints
- generated enthusiasm and ideas for win/win links

Decisions

- market links
- increase skills
- new designs

- fee based training
- work with traders
- embedded info + advice

What was EDA's process?

Methods

- Action meetings with key market players
- Piloting business models

Info + Results

- interests and constraints of potential traders and providers
- piloted business models + generated impact
- feedback on pilot business models

Decisions

- master artisan trainers
- external design provider
- capacity building + links

Piloting New Business Models

Subsector

Support Markets



EDA in India

Impact Goal

Increase incomes for rural artisans making jootis



Vision for Market Change

Artisans sell modern leather products to middle and upper income consumers through wholesalers and market agents



Intervention Strategies

- Develop capacity of master artisans to train other artisans for a fee
- Increase number and capacity of market agents linking artisans to markets and providing information and advice
- Link VC players to improved design services
- Increase embedded info and designs

Results from EDA MA

- A workable program design
- Functioning commercial models for providing artisans with better market access and delivering training and new designs to value chain players
- Improved relationships and embedded services among value chain players on a small scale
- Limited but concrete impact on a few leather artisans
- Staff experience and working relationships with value chain champions and a variety of market players and stakeholders