

Participatory Market Mapping & Action Planning

'The market actors understand their system together'



Jason Smith/FFI

AIM: by engaging with each other, diverse groups of market actors learn how their market system really works; the interaction between them builds trust, leading to cooperation and collaboration

Through the process, market actors come to understand their interdependency and the economic opportunities that arise from greater co-operation. Participatory market mapping also helps facilitators to understand the system and adapt their approach to each unique context.

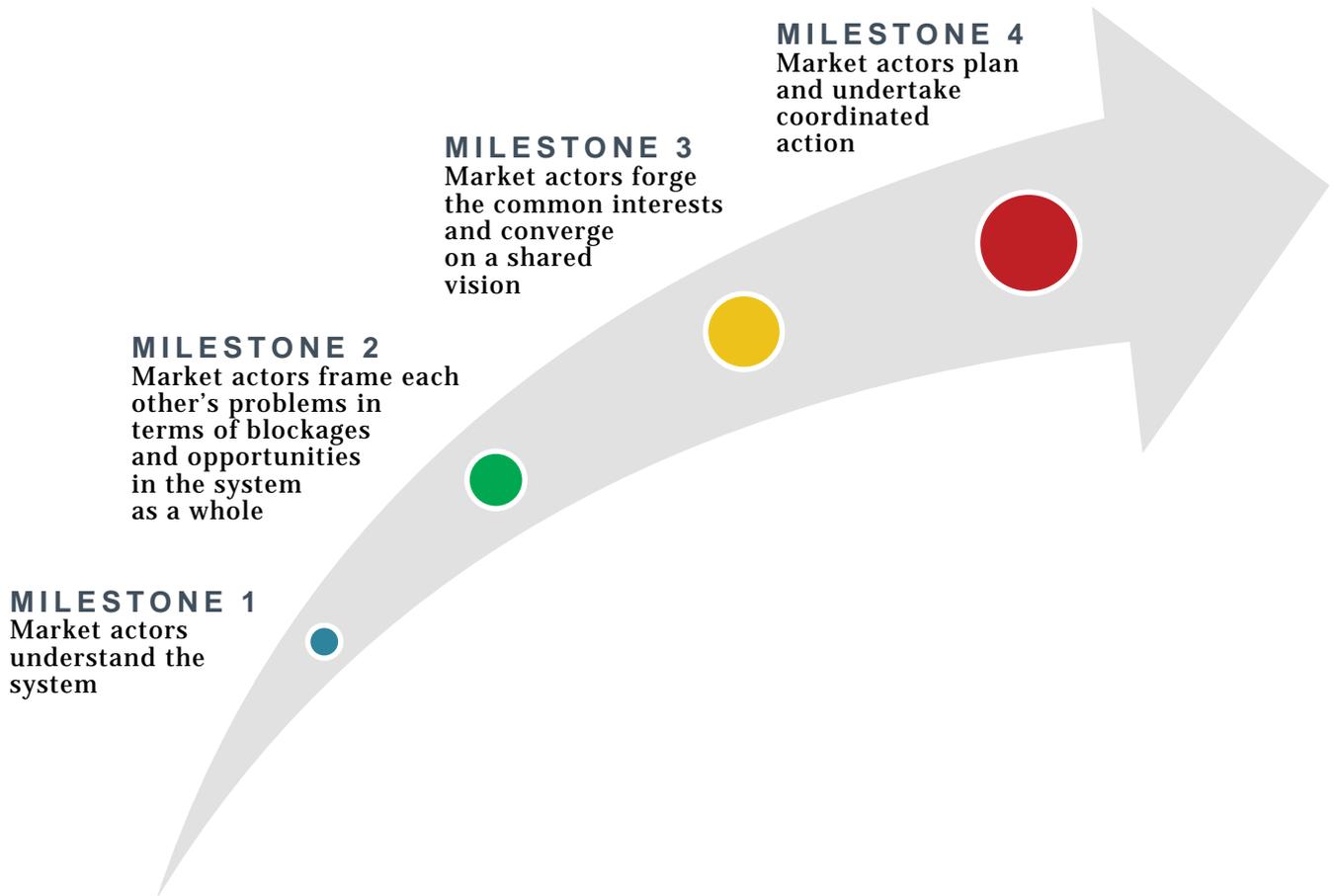
KEY RECOMMENDATIONS

- Ideally participatory market mapping should comprise a **series of workshops** that takes market actors on a relationship-building journey towards tangible changes in behaviour
- **Review** the progress of market actors after each workshop in order to set the objectives of the next workshop strategically
- Don't underestimate the **value of a good facilitator**: much of the success of the process depends on them
- **Choose the exercises you use** to focus on strategic objectives for the market system you are working with

MILESTONES IN PARTICIPATORY MARKET MAPPING

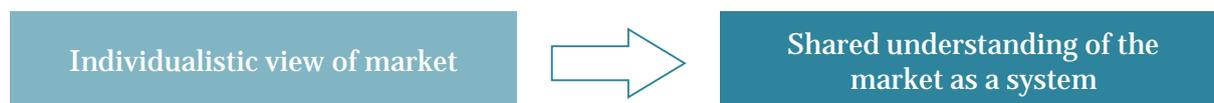
Participatory market mapping is a journey that takes diverse market actors from individualist business behaviour and potential conflict to new collaborative ways of doing business with each other. Experience suggests that there are 4 common milestones along this journey. These can help when preparing for and facilitating workshops, as well as being used as indicators of progress/change (see Figure 1).

FIGURE 1 Milestones in participatory market mapping



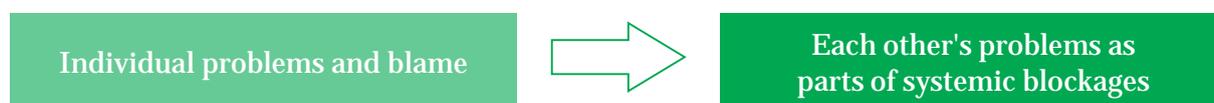
MILESTONE 1: MARKET ACTORS UNDERSTAND THE SYSTEM

Initially most market actors are unlikely to think of the market as a 'system' of many interconnected parts. Most will have a narrow perspective of the roles and activities that they undertake. The first significant milestone comes when diverse market actors have mapped out the system and have agreed how it works and how different market actors interact with each other. The use of the Market Map framework to create a picture of the market system is a fundamental exercise to achieve this first milestone.



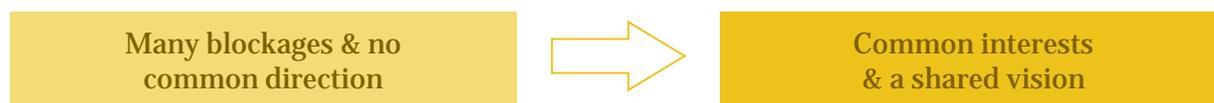
MILESTONE 2: MARKET ACTORS FRAME EACH OTHER'S PROBLEMS IN TERMS OF SYSTEMIC BLOCKAGES

Market actors think the problems they face are caused by the actions of other actors whom they blame for their difficulties. The second significant milestone occurs when market actors also understand other actors' problems, and see these different problems as interconnected parts of blockages that affect the system as a whole. As this shift happens, market actors typically stop blaming each other. They begin to think of blockages in terms of conflicting - but often valid - needs and interests of different market actors. At this stage market actors not directly involved in a blockage realise how they might also be affected by it.



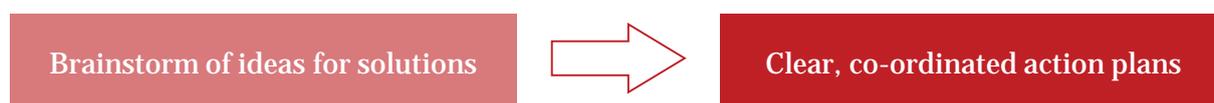
MILESTONE 3: MARKET ACTORS FORGE COMMON INTERESTS AND CONVERGE ON A SHARED VISION

People rarely discuss problems without also considering possible solutions. It is therefore common that as market actors begin discussing blockages in the system, ideas about how to solve them start to be suggested. Another important milestone comes when market actors begin to come together around key issues of common interest, realise that they cannot address them individually and discuss cooperatively about how to solve them together. This milestone usually includes a significant increase in transparency among market actors as they see their different perspectives and knowledge contributing towards the common efforts to address issues.



MILESTONE 4: MARKET ACTORS PLAN AND UNDERTAKE COORDINATED ACTION

The final milestone is reached when market actors prioritise and commit themselves to specific actions, often in co-ordination with each other.



CASE STUDY

GOING NUTS ABOUT NUTS IN MYANMAR

Island-based nut producers in Myanmar initially blamed mainland traders for giving them low prices for their produce. They accused traders of cheating them as the weight of nuts the traders paid for was lower than the weight of the bags the farmers put on the boat to the mainland. By bringing farmers and traders together, farmers learnt that the traders were having to pay high mainland labour costs to grade and sort the nuts. Because of these costs, traders were not counting the low grade nuts in their calculations when paying producers. Sorting and grading was a blockage in the system. Traders explained that if nuts were sorted at source by the farmers, then their costs would be substantially reduced, their business would be more efficient and hence they would be able to pay a better price. It was therefore agreed that the traders would show the farmers how to sort their produce according to market grade standards. For nuts graded at source traders agreed to pay farmers a better

price for Grade A quality and also offer a price for the lower grade nuts which previously they did not pay for. They also agreed to organise transport from the jetty to the factory, a cost previously covered by the farmers.

As the different market actors realised that they could work together to look for solutions to blockages within the system, they raised other issues of shared interest. For example, producers found the repayment terms for credit advances from the traders too onerous. Hence they often defaulted on loans, carrying debt forward from one harvest to the next. This had a negative impact on traders' cash flow and reduced trust between traders and farmers. Negotiations led to agreement on a mutually-beneficial change to the terms that better suited the seasonal nature of producers' incomes and resulted in a decrease in the default rate on the loans.

THE ROLES OF THE FACILITATOR

The success of the participatory market mapping process depends enormously on the skills of the facilitators and their ability to help market actors along the process. The roles of the facilitator are summarised in the figure below.

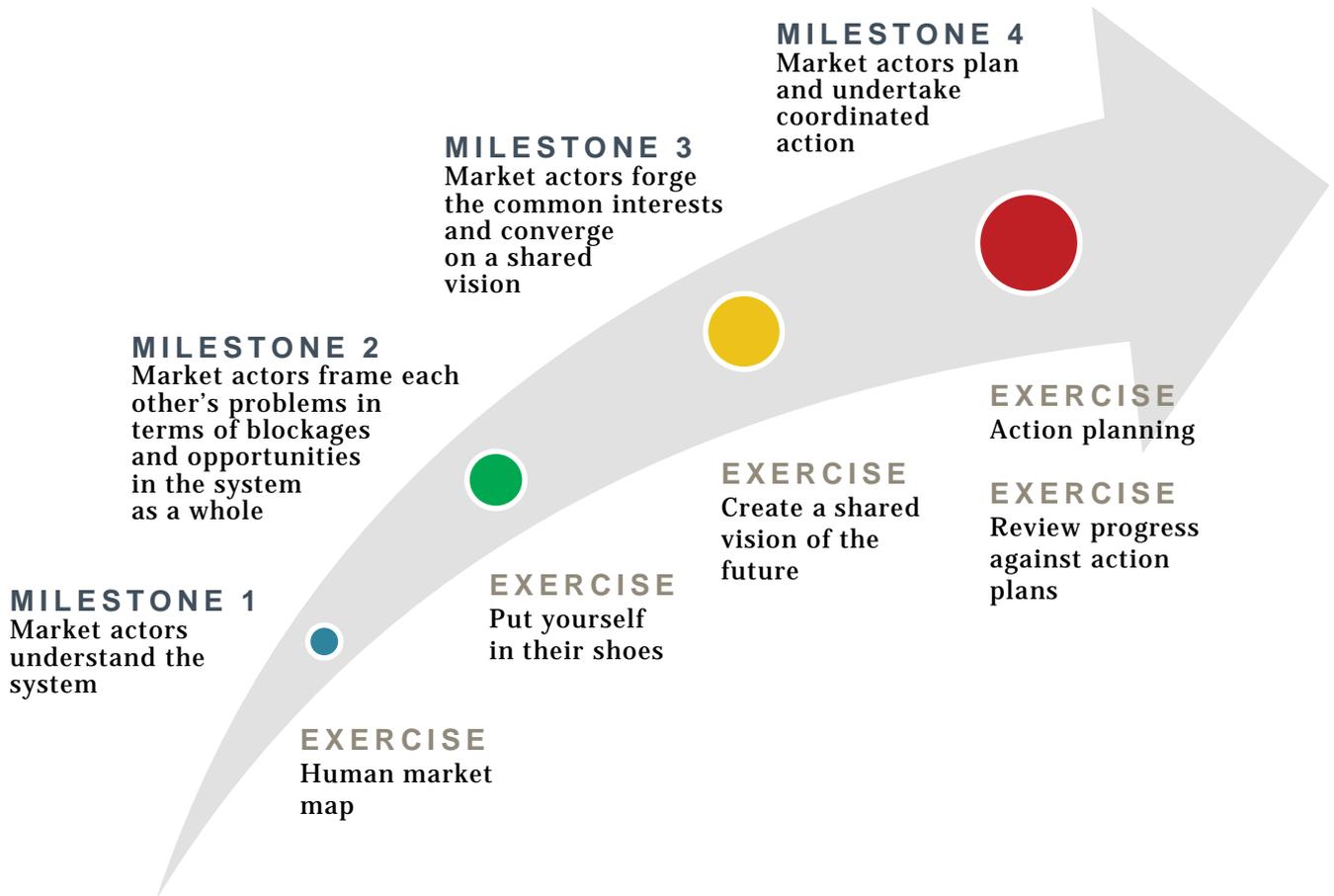
FIGURE 2 Roles of the facilitator



WORKSHOP EXERCISES

Some examples are given below of different exercises that you can use to facilitate market actors to reach each milestone (see summary in Figure 3). However, they are only examples. There are many different ways of encouraging stakeholders to interact, to address challenges and identify opportunities, to manage conflicts, to build shared visions and to set and review action plans. The facilitator therefore should be flexible and creative in determining what exercises to use to suit the context and objective of each stage of the participatory market mapping process.

FIGURE 3 Example exercises to reach each milestone



See Guidance Document: *Empowering Market Actors* for details of the first two exercises: 'Human market map' and 'Put yourself in their shoes'.



Helen Schneider/FFI

EXERCISE: CREATE A SHARED VISION OF THE FUTURE

1. Ask participants to review the market map they created in the 'Human market map' exercise on the wall alongside the notes on blockages in the system and ways to address them created in the 'Put yourself in their shoes' exercise. This exercise works well where the map and flipcharts from the previous exercises are pinned to the wall and participants crowd round to discuss.
2. Divide participants into small groups, each focussing on one blockage. Ask them how the market system might look different if the blockage was addressed. Encourage them to consider how other parts of the system might respond due to knock-on effects.
3. Ask the groups to feedback in plenary, giving all participants a chance to comment from their own perspective. Ensure that the vision of how they want the market system to look in the future is captured visually on the market map.

EXERCISE: ACTION PLANNING

Through previous exercises and other discussions, some possible actions should start to be identified. As a facilitator your role is to help market actors refine those actions and commit to doing them within a specific timeframe. Note that the emphasis here is on the actions that market actors commit to, rather than those of the supporting NGO or other agency. For example, if producer groups may want to research different options for improving product quality. This research should be initiated and led by those groups, recognising that they may need some external support in the form of access to information, or introductions to research institutes or to other producers already using different techniques.

An example Action Plan is shown in Table 1 using example actions from a FFI project with farmers in Myanmar.

TABLE 1 Action Plan from Participatory Market Mapping Workshop, Myeik, Myanmar

MARKET ACTOR	WHAT WILL THAT ACTOR DO?	WHICH OTHER MARKET ACTORS OR INPUT/ SERVICE PROVIDERS WILL BE INVOLVED?	WHEN WILL THEY DO IT?	WHO PAYS?	HOW WILL YOU KNOW IF YOU HAVE BEEN SUCCESSFUL? WHAT WILL CHANGE LOOK LIKE? (INDICATORS)
Farmers	Sort nuts by quality using traders' grade standards	Mainland traders	Immediately post workshop	Farmers pay with their labour	Nuts are sorted and packed according to grade at source
Farmers group	Aggregate nuts from group members and transport by ferry to mainland jetty	Transport providers	Start with next shipment	Farmers pay for transport from island to mainland jetty	Farmers better co-ordinated and both farmers and traders benefit from economies of scale
Mainland trader	Collect and transport graded nuts from jetty to factory; pay farmers higher price for grade A nuts but also pay for lower grade nuts	Farmers	Start with next shipment	Trader covers cost of transport to factory	Farmers receive higher price for Grade A produce and (lower) price for Grade B; Fewer disagreements and greater trust between trader and farmers
Mainland trader	Revise repayment schedule for advance/credit paid to farmers	Farmers	Immediately	Trader absorbs cost of change in repayment schedule	Repayment terms better suited to farmers' needs, reducing debt burden; repayment rates improve.

EXERCISE: REVIEW PROGRESS

At appropriate points in the process, it is important to bring actors together to review progress, identify what has gone well and what challenges have been faced (and, where applicable, addressed).

Facilitators put up previous action plans including indicators of change and ask participants to provide an update on progress against them. This can be done in plenary or in small groups of similar actors who then report back to plenary.

It can be helpful to periodically update the baseline market map and associated notes to provide a visual representation of changes in the Market

Chain (no. of actors, relationships between them, volumes, prices etc), the Business & Extension Services and in the Enabling Environment

It can also be useful to look at what activities occur in the market system (particularly in terms of input and service provision) and assess **who does** and **who pays** for these. In terms of **systemic, sustainable** change, the more the market actors play – and cover the costs – of these roles, the more likely it is that improvements in the market system will continue beyond 'project-end' i.e. without you!





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