

## Briefing note 3: Using Market Mapping and Analysis to Develop Market-Based Programmes

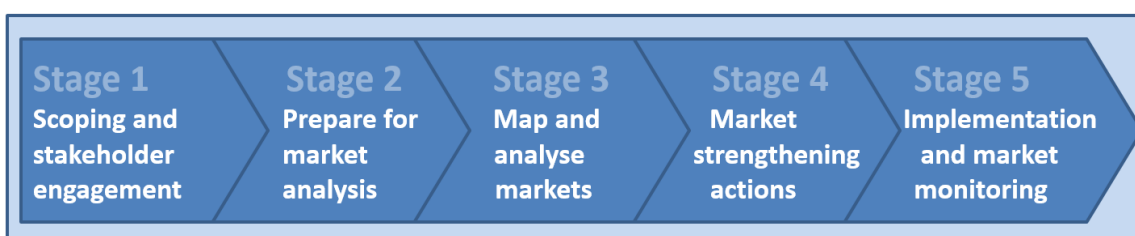
Market mapping and analysis, in both pre-crisis contexts and during emergencies, is an important and integral step towards the development and implementation of market-based programmes. This briefing note focuses on a five-stage approach that forms the basis of engagement with key stakeholders for the design and implementation of market engagement strategies.

### KEY POINTS

1. **Market analysis is an essential step to support market-based programming to identify critical market commodities and understand how market systems respond prior to and during emergencies.**
2. **The success of market-based programming depends on demand for commodities from affected communities. A market analysis should therefore include assessments of needs, affordability and willingness to pay.**
3. **Implementation of the full range of recommendations from a market analysis is generally not feasible. Therefore, a key step involves the prioritization of recommendations to be implemented.**

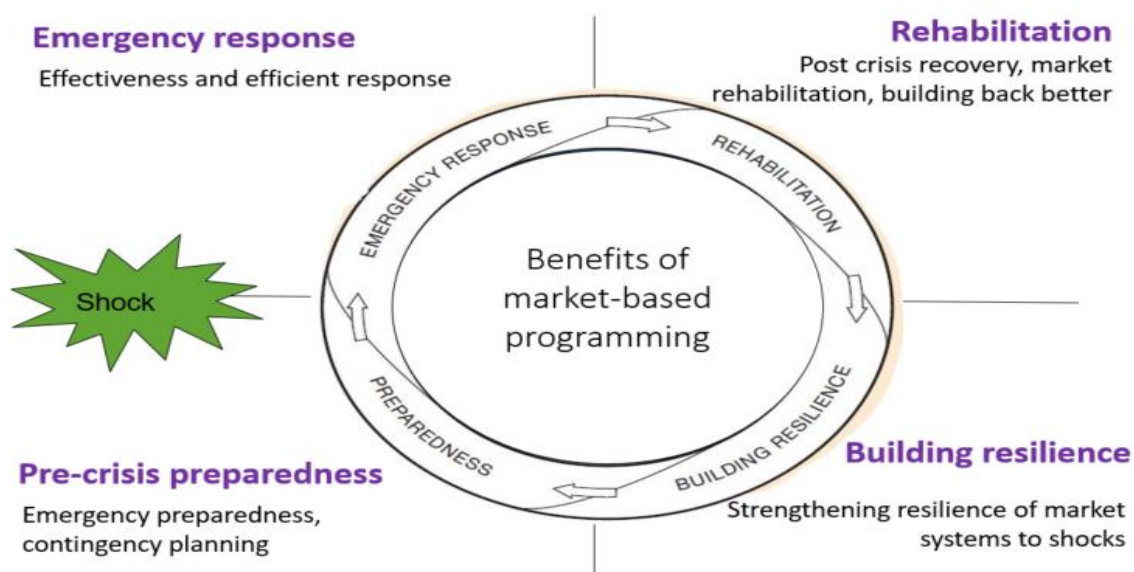
### STAGES IN THE MARKET-BASED PROGRAMMING PROCESS

A five-stage approach was developed by Oxfam as the basis for the activities carried out in target countries and to guide the programme funded by USAID's OFDA. The approach in which market mapping and analysis is an integral step is illustrated in Figure 1 and described below. The approach helped to provide clear direction to humanitarian staff and partners for the market analysis and follow up market-based programming actions. Sufficient time is required throughout the process for stakeholder consultation. The latter is important to ensure both support for the implementation of preparedness actions and contingency plans as well as for the market analysis itself.



**Figure 1: Stages in the development and implementation of market-based programmes, showing the key role of market mapping and analysis**

The type of market mapping and analysis and the corresponding approach towards market engagement is influenced strongly by the stage in the disaster cycle (see Figure 2). In emergencies, a rapid and effective response is of paramount concern, and as such the market analysis needs to be undertaken within the space of a few weeks for it to be of value to the responding humanitarian agencies.



**Figure 2: Working with market actors in the development-disaster cycle**

### Stage 1: Scoping and stakeholder engagement

The initial scoping stage involves a review of existing information about market systems, the identification of communities and groups who are most at risk, and a reflection on traditional emergency responses. This is used to develop an initial understanding of how market systems are affected by crises and how emergency responses affect these systems. Stakeholder engagement and consultation with market actors is key from the outset in order to understand interests and gain support for the market assessment.

### Stage 2: Prepare for market analysis

Preparation for the market analysis is an important step in the process and involves training the staff responsible for the analysis and identifying those who will lead on the process. The activity at this stage will define the questions for the market assessment and identify information gaps that determine the requirements for data collection and market mapping. Stakeholder engagement will form the basis of consensus on the crisis scenarios and critical market systems, and will ensure buy-in to the recommendations from the market analysis.

### Stage 3: Map and analyse market systems

Stage 3 involves the collection and analysis of data from both sides of the market (supply and demand) as well as the secondary supply chains that enable primary markets to operate. Market maps are used to show the changes created by shocks to the market system caused by a crisis. For example, information about the number of market actors and the total estimated volumes of trade can be overlaid onto market maps from before the crisis. The analysis can reveal bottlenecks in market systems, provide information about the market system's capacity to meet priority needs and indicate where local procurement is possible (See Box 1).

Market-based programming should be centred on the needs of the targeted groups – particularly the poor and disadvantaged – how these change during crises, and how local market systems respond to these needs. An essential part of the market analysis is therefore to understand what

people spend their money on, why, and what motivates or hinders a target group to purchase one particular good or service. User preferences and behaviours are as important to the success of the market-based programme as the technology used to deliver the intervention. It is important to recognise that WASH commodities are not the only priority for communities affected by a disaster or conflict situation. A multi-sectoral needs analysis may therefore be the best way to understand the relative need and demand for different commodities.

**Box 1: Understanding WASH market systems in Gaibandha and Satkhira, Bangladesh**

In Bangladesh, traditional WASH responses involve the distribution of hygiene kits and water containers alongside hygiene promotion and latrine construction activities. However, the market assessments undertaken in Gaibandha and Tala districts showed that not all hygiene items being distributed were needed by the recipients. In fact, free distributions were reported by market traders to harm local market systems by undermining demand for these commodities. Although market systems are affected by the flooding, the assumption that these systems cease to function was also proven to be incorrect. The analysis showed that markets continue to function during emergencies. In some situations, the use of boats actually enabled better access to markets and facilitated the distribution of commodities.

**Stage 4: Market strengthening recommendations**

Based on the market mapping and analysis recommendations from Stage 3, Stage 4 involves the design and development of a market engagement strategy to strengthen emergency responses, contingency plans or resilience of market systems. This may involve use of, support to, or development of market systems to provide critical goods/services and/or cash transfers to populations affected by crisis. Recommendations related to market development and system change are the most challenging, and the organization responsible for initiating and leading on the market analysis may not be the organization that should be responsible for moving forward with the recommendations. Due to constraints related to insufficient time, resources and/or lack of skills, it is often not possible to proceed with the full range of recommendations. To ensure adoption and implementation of preparedness actions and contingency plans, it is important for institutional stakeholders to agree with the recommendations.

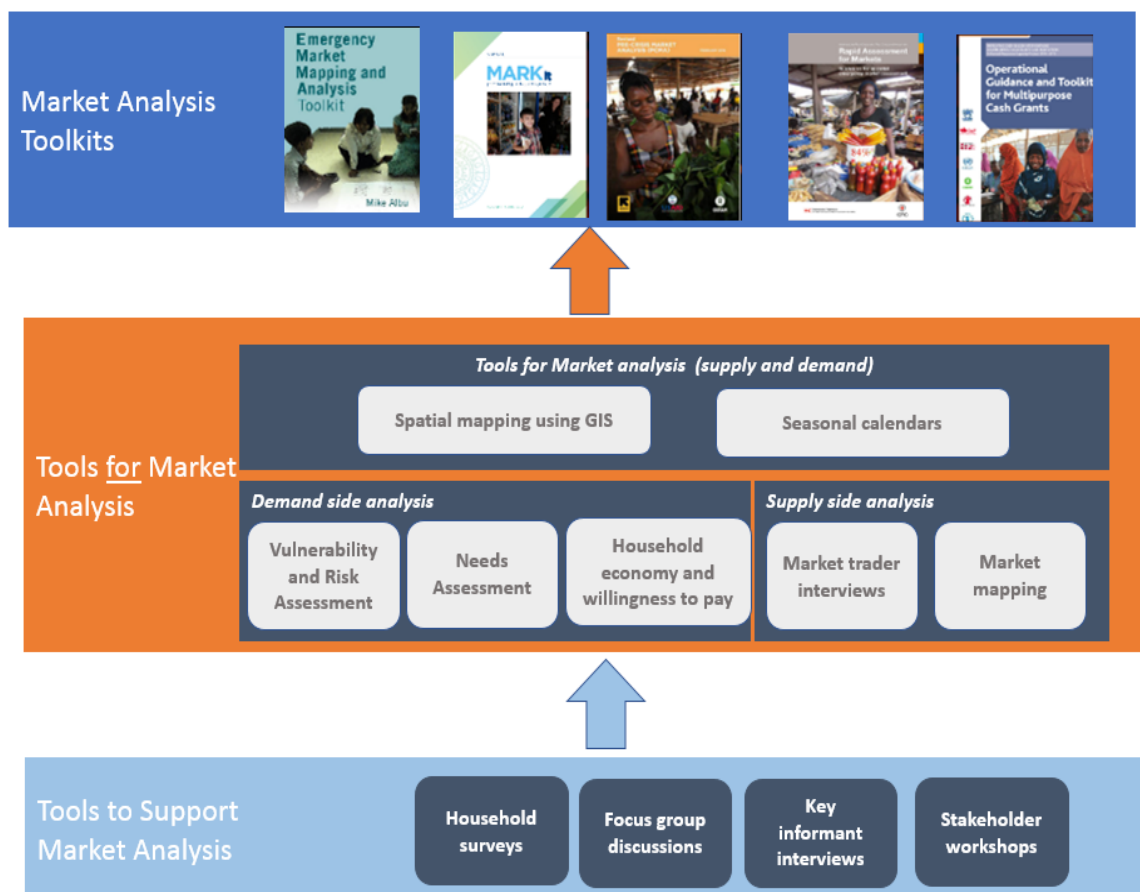
**Stage 5: Implementation and market monitoring**

The final stage involves implementation of market engagement actions prior to and during emergencies. Monitoring and evaluation is integral to the implementation of the programme and to assess the effectiveness and efficiency of the intervention(s). Ongoing monitoring and evaluation is also key to ensure that any changes in the crisis situation can be identified and changes to the response modality can be implemented accordingly.

See [briefing note 5](#) for further guidance on monitoring and evaluation of market-based programmes.

## TOOLS TO SUPPORT MARKET MAPPING AND ANALYSIS

There is a range of market analysis toolkits, including Emergency Market Mapping and Analysis (EMMA), Pre-Crisis Market Analysis (PCMA) and Rapid Assessment of Markets (RAM). As shown in Figure 3, survey tools that underpin these toolkits include household surveys, focus group discussions, key informant interviews and stakeholder workshops. Seasonal calendars are also widely used to gather information to help understand how both needs and demand change over the year and how the market responds to these changes.



**Figure 3: Tools and toolkits for market analysis**

ICT tools, such as Mobenzi or Survey CTO, can ensure rapid data collection and analysis with in-depth results of superior quality. Geographical Information Systems are increasingly utilized to map hazards, populations and market systems. Mobile data collection tools using touch screen tablets or smart telephones significantly reduce the time for both data collection and analysis and can improve the quality of the results, although they require more resources and time to develop than paper questionnaires.

## REFERENCES AND SOURCES OF FURTHER INFORMATION

- CaIP (undated). Comparison Matrix. Available from [www.cashlearning.org/markets/humanitarian-market-analysis-tools](http://www.cashlearning.org/markets/humanitarian-market-analysis-tools)

This briefing note was produced by Oxfam with the generous support of the American people through funding received from the United States Agency for International Development (USAID) under a grant from the Office of U.S. Foreign Disaster Assistance (OFDA). The contents are the responsibility of Oxfam and do not necessarily reflect the views of USAID or the United States Government

