PARTICIPATORY MARKET MAPPING GUIDANCE

In a nutshell:
Participatory Market Mapping is central to PMSD. It involves organising and running a series of flexible workshops that bring market actors together to make sense of the market system and identify actions that support improved inclusivity and market growth. It is vital for the development of ownership and agency of local market actors in the market development process. It can also be designed to focus on outcomes that improve gender equity and resilience.

Status:
Core Tool

Section 1: Overview of the participatory process

Objectives of Participatory Market Mapping

The **first objective** of Participatory Market Mapping is to provide a space for market actors to understand how their market system really works. This enables market actors to better understand their interdependency and the economic opportunities that exist from greater cooperation. As no single market actor understands the market system in its entirety, this is more effectively achieved through bringing together a variety of market actors who all share their different perspectives.

We have found that through this process of Participatory Market Mapping, market actors build trust in each other and strengthen their relationships. This is the **second objective**; the creation of conditions of trust that then enables collaboration.

The **third, and final objective**, is to use this trust and appetite for collaboration to initiate a plan for improving the inclusivity and performance of the market system.

This is all done in a way that involves the participation of empowered marginalised actors (see **Empowerment of Marginalised Actors** guidance) who can influence other market actors and start shifting power dynamics. These engagements may also lead directly to new market relationships. It is for these reasons that Participatory Market Mapping should be viewed as a market systems development intervention in its own right, with potential to contribute to systems change, rather than simply as a planning process.

An iterative process

Building trust between market actors requires frequent and well-facilitated interactions. It often takes time and patience before the process results in visible changes in the way market actors do business with each other. The process is therefore best facilitated as a series of meetings.

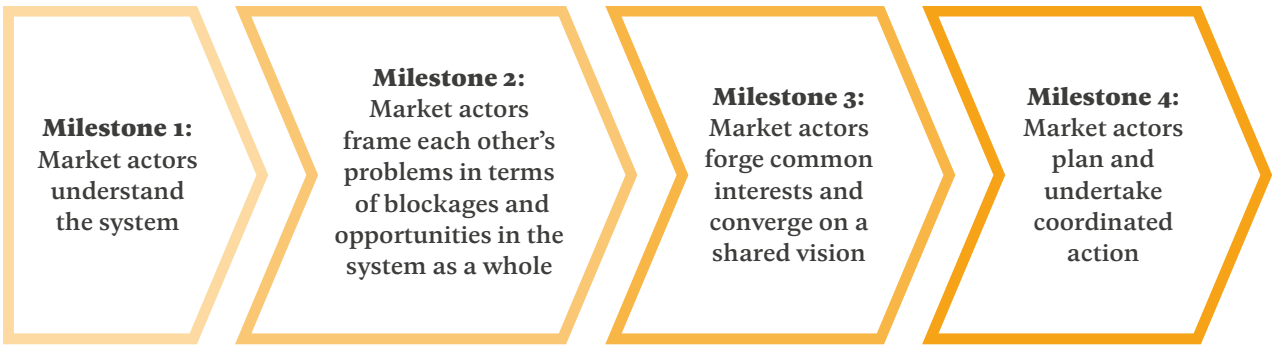
The meetings do not have to look the same. A common process used is the following:

- **Preliminary market mapping:** bringing a few market actors together to develop a rough idea of the dynamics of the market system and generate interest in PMSD.
- **Initial participatory market mapping workshop** (2-4 days): Bringing a larger number of actors from across the market together to analyse the market and prioritize areas for intervention.
- **Market Interest Groups:** Smaller groups of market actors, working together to address specific market system constraints identified in the participatory market mapping. See **Market Interest Group (MIG) guidance**.

It is important to note that this process, and the format used, is flexible and responds to the local context as it changes.

PMSD is a journey that takes diverse market actors from individualist business behaviours and potential antagonism, to new cooperative patterns of behaviour and new collaborative ways of doing business with each other. Our experience suggests there are four milestones along this journey, that are useful to consider for the purposes of planning, preparation and facilitation of the workshops. This is summarised below:

Figure 1: recurrent milestone 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 particular roles and activities that they undertake from which they derive value. The first significant milestone comes when diverse market actors have mapped out the system, have largely agreed about how it works and how different market actors interact with each other. The use of the Market Map framework to create a participatory visualisation of the market system is a fundamental exercise to achieve this first milestone. You'll find an overview of the Market Map framework in the **Market Map: Core Guidance Note**.

Milestone 2: Market actors frame each other's problems in terms of systemic blockages

Market actors understand their own problems better than anyone else. Often, they see these problems with reference to other actors who they blame for some of their struggles. The second significant milestone occurs when market actors understand not just their own problems but also other actors' problems, and see these different problems as interconnected parts of systemic blockages – that affect the system as a whole. As this shift happens, market actors stop blaming each other and framing problems in terms of culprits and victims. Actors 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, nonetheless, 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 'crowd' around key issues of common interest, realise that they cannot address them individually, and discuss cooperatively about how to solve them together. As specific solutions form, so does the sense of a shared vision about how the market system could be different and work better for diverse actors. This milestone coincides with a noticeable 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 in the Participatory Market Mapping journey occurs when market actors prioritise and commit themselves to specific actions on their part, often in coordination with actions from other actors.

Examples from the field: From workshops to new business arrangements, the groundnuts market in Bangladesh

In Bangladesh, Practical Action used a series of participatory workshops to change the way market actors handled issues of quality control, pricing, and value addition. During a large Participatory Market Mapping workshop, attended by around 30 market actors, the team noticed a lot of energy and interest among a small group of traders, producers, a processing firm and the local government extension office. This focused group of actors were all interested in the quality of groundnuts from different perspectives. Practical Action's team encouraged the group of actors to meet again. Early on in the subsequent meetings the market actors decided to use the meetings as a space to share pricing information from four nearby markets. This was valuable information to share in its own right, but the transparency it encouraged in the way price was set against quality played a very important relationship-building function and also uncovered opportunities for the market actors to reduce transaction costs, and coordinate value addition.

With a better understanding of the pricing system, farmers actively sought out technical training to increase the quality of their groundnuts, and traders offered above market prices to producers to encourage long-term trading arrangements. Value addition activities such as grading, cleaning and preservation were shared more efficiently than they had been previously, and traders and producers worked together to forge better linkages with government extensionists, the Bangladesh Agricultural Development Corporation and the Bangladesh Agricultural Research Institutes.

Section 2: 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.

Figure 2 makes sense of the common roles that we've seen facilitators play in Participatory Market Mapping processes. We have found that the relative importance of specific roles varies from context to context.

Figure 2: The roles of the facilitator in participatory market mapping

Create the space: assemble market actors; interpret positions; democratise the space	**Manage the energy: manage expectations; celebrate small achievements; realise potential**
Channel the process: monitor progress; plan strategic exercises; respond flexibly	Moderate the conflicts: mediate tempers; uncover interests; encourage constructive dialogue

The facilitator creates the space

The first role of the facilitators is to bring the market actors together and create a space where they can effectively interact and discuss their market system. As part of this role facilitators typically:

- **Convene market actors:** Facilitators need to bring together the market actors in the first place and encourage them to continue attending subsequent workshops. The interest and demand among market actors for later workshops will depend a lot on how valuable they felt previous workshops were to them. The Engaging Key Actors tool provides detailed guidance on how to promote the first workshop with 'hooks' and effective ways to communicate with market actors about subsequent workshops. In addition, it is critical that prior to convening a participatory process, marginalised actors have been empowered to participate effectively (see Empowering Marginalised Actors tool).

- **Interpret positions:** At the first workshops it is common for market actors to be quite reserved in the way that they talk to other actors. They might not reveal their real needs and interests and instead make statements that are designed to protect their existing positions. To help you navigate these dynamics it is worth developing your understanding of Interest Based Negotiation. It's important for facilitators to help market actors feel that the workshop is a space where they can be more revealing and candid towards each other and interpret positions with steering questions for the benefit of others.

- **Democratize the space:** Market actors have different levels of confidence and enjoy different positions of power within the market system. A critical part of the role of creating a participatory space for market actors to interact, is to ensure that all market actors are afforded similar opportunities to have their voices heard and have their concerns and interests discussed in the workshops. Careful use of appropriate communication techniques that are sensitive to the levels of education, cultural background and possible disabilities is an essential consideration. Take a look at the recommendations below for details.

Our recommendations for appropriate communication techniques

- **Know the participants:** Carry out quick background investigation to know what languages the participants are most comfortable working in, their level of education (literacy and numeracy skills) and if any of them have disabilities (physical, mental, psychological). Prepare the communication methods of the workshop to cater for the participants' needs.

- **Avoid jargon:** When you facilitate participatory workshops you must use language that is appropriate to the participants. This will often involve avoiding some of the terms used in these guidelines, such as 'PMSD'.

- **Think outside the box:** Speaking and writing are just two forms of communication. Consider using other media, such as pictures, photos and role play to facilitate communication.

- **The Market Map:** the Market Map framework is a powerful visual tool for communication. It works best if participants map their market system on a big empty wall, using coloured card, sticky tape, and thick marker pens. Allow market actors to move elements of the map around and deliberate with each other visually.

Examples from the field: Unexpected behaviour in the first dairy sector workshop in Nepal

When the Practical Action Nepal team brought together market actors for the first time under the 'hook' of "Strengthening quality dairy supply linkages", the facilitators found the market actors responding to the process in unexpected ways. In past workshops, in other sectors, the team had found that shy smallholder farmers tended to be shut out of conversations between more powerful actors. This time however smallholder farmers were very vocal and risked alienating the bigger, government actors and companies.

The smallholders were well-represented and confident and took charge of plotting the Market Map on the wall. Government representatives lost interest quickly, possibly because they felt that a smallholder-led process had little consequence on the sector as a whole. Company representatives showed considerable curiosity towards the process (smallholders are potential input customers and milk suppliers after all), but remained largely silent.

It's possible that this was because they felt that in an NGO-led process, smallholders should be given priority to express themselves. The facilitators managed to make the process more participatory by encouraging the companies to map out their perspectives of the market and engage in discussion with the smallholders. As this interaction picked up momentum, government officials found themselves either side-lined, or – as was sometimes the case – the common object of blame of smallholders and companies, therefore forcing them to engage with the process.

The facilitator manages the energy

A second role of the facilitators is to carefully exploit the energy of market actors to encourage a positive, proactive mentality and a tangible commitment to take action. As part of this role, facilitators typically:

Manage expectations

Especially at the beginning of the process, market actors may have unrealistic expectations about what it will involve. They may believe that the PMSD process will bring them benefits without having to engage proactively. They may expect hand-outs, as other NGO-led processes sometimes involve. Even when they recognise the facilitative nature of PMSD, they may have unrealistic expectations about how long the process may take to bring benefits. Part of the facilitators' role of managing the energy of market actors is to manage expectations.

Celebrate small achievements

When progress feels slow and energy and interest among market actors is low, the facilitators should acknowledge and celebrate small achievements to build their belief that the PMSD process really can lead to significant and lasting benefits for them.

Realise potential

When interactions between market actors are going well and levels of trust are clearly increasing, it is important that the facilitators help the market actors to convert this energy and positivity into concrete commitments and action plans. This is achieved with a careful choice of exercises in the workshops. Figure 3 summarises examples of exercises that you can use to facilitate market actors to reach each milestone. You'll find full descriptions of these exercises on the **Exercises for participatory market mapping** page.

Figure 3: examples of exercises that you can use to facilitate market actors to reach each milestone

To reach	Useful exercises and actions
Milestone 1: Market actors understand the system	• Play the market map game • Map the market system
Milestone 2: Market actors frame each others problems in terms of systemic blockages	• Your problem is our issue • Put myself in your shoes
Milestone 3: Market actors forge common interest and converge on a common vision	• Create a shared vision of the future
Milestone 4: Market actors plan and undertake coordinated action	• Identify working groups • Action planning • Identify your own indicators

The facilitator moderates the conflicts

A third role of the facilitator is to moderate conflict and, where possible, diffuse existing tensions between market actors. As part of this role facilitators typically:

Mediate tempers

Some of the market actors that the Participatory Market Mapping process brings together might have conflictive relationships with each other. Even when this is not overtly the case, it is common for the process to bring out underlying feelings of resentment and blame. The purpose of Participatory Market Mapping is to move beyond these feelings and identify win-win opportunities for market actors to work together. It is rare, however, for these positive outcomes to be achieved without difficult conversations occurring at some point between market actors. The facilitators must be able to mediate conflicts and draw out constructive points of information that market actors can use to improve their understanding of systemic blockages that affect multiple parties. It is this understanding of systemic blockages that lays the ground for positive interactions between actors.

Uncover interests

In conflicts and arguments market actors tend to stand by rigid positions. In nearly all situations, underlying these positions are fundamental needs and core interests, but also ambiguous areas that can be deliberated and negotiated. It is often part of the role of the facilitators to help market actors uncover each other's underlying interests so that they might deliberate and negotiate more productively.

Encourage constructive dialogue

In situations where there is a lot of conflict, there is often no single right way to proceed. Facilitators need to react on their feet and be sensitive to the unique circumstances that they face. It is part of the role of the facilitators to

stabilise high tension situations, and encourage market actors to engage in constructive dialogue to find some ground on which to build on.

The facilitator channels the process

Facilitators must channel the Participatory Market Mapping process in the direction of its objectives:

Monitor progress

Information about how the workshops and the PMSD process as a whole are going, enables facilitators to plan subsequent workshops so that they build on positive momentum and learn from mistakes. This helps steer the process strategically towards its objectives. Key information that is particularly useful for facilitators includes reflections on past workshops or meetings, verbal reports about other complementary activities being facilitated, and any new knowledge about changing market conditions. Informal monitoring is often sufficient, but it is important that it is captured soon after each workshop, while facilitators have the events of the workshop fresh in their minds. You will find more information on reviewing information to help with planning in Section 3: Planning, preparation and review.

Plan strategic exercises

Exercises during workshops act as focal points for interaction between market actors. Facilitators' choice of exercises is very important: a well-chosen exercise can generate constructive dialogue appropriate to the particular milestone in the participatory workshop that is being aimed for. Refer to Figure 3 for a summary of exercises that you can use to facilitate market actors to reach each milestone. The guidance on Market Mapping exercises presents these in full.

Respond flexibly

There is a very important balance that has to be struck between strategy, responsiveness and opportunism. While it is the role of the facilitator to steer the participatory process strategically with careful planning, preparation and delivery of workshops, a good facilitator also allows some flexibility in the proceedings in order to respond to the interests and concerns of participants.

Market actors as facilitators

In most cases Participatory Market Mapping is a temporary and catalytic process. By the end of the PMSD intervention, the Participatory Market Mapping workshops are sometimes replaced by more permanent, actor-led spaces for coordination and cooperation. Whether this happens will depend on the value that market actors feel they derive from frequent meetings. Participatory Market Mapping workshops are a great place to help market actors take ownership over market coordination activities and build their abilities to organise, convene and facilitate multi-stakeholder meetings themselves.

As the Participatory Market Mapping process progresses, look for opportunities to handover some, or all, of the roles of the facilitators to market actors themselves.

Section 3: Planning, preparation and review

Preconditions:

It is assumed that prior to a Participatory Market Mapping workshop, you have carried out a number of exercises, including:

- **Preliminary Market Mapping** will have helped you identify important issues in the market which affect performance or inclusivity. And subsequent market intelligence gathering has helped you understand these better.
- You will have an understanding of the significance of different market actors through the use of the **Influence/ Relevance matrix tool.**
- Lastly, the use of the **Empowering Marginalised Actors guidance** will have ensured that the marginalised actors you are targeting will be ready to participate in the workshop.

A critical decision for you now to make is **who should be invited to the workshop?**

The **Influence/Relevance matrix** will provide important information for this decision. However, you may want to invite additional stakeholders who you do not consider as key actors but whom it makes sense to invite, for the purpose of achieving the specific objectives of the workshop. For instance, they may have specialist information that may change market actor's perspectives. You may also consider inviting media organisations – increasing the profile of the workshop could generate momentum amongst the market actors and potentially could mobilise other support to the process.

Of course, just because you invite a market actor doesn't mean that they will automatically come. You need to 'hook' them in by demonstrating how participation will meet some of their short and long term needs. The **Engaging Key Market Actors tool** provides guidance on how to do this.

Table: Planning of a Participatory Market Mapping workshop

Planning element	The plan for the workshop
Review of past experience of prevailing market conditions	Every part of the plan for this workshop needs to build on what has already happened. This will include the preparation activities described above but also the results of any consultations you have already had with market actors.
Objectives for the workshop	The objectives of a particular workshop are clear statements describing what outcomes you hope will be achieved from that workshop. Use the journey and milestones in Section 1 of this document to help you plan objectives to advance the market actors along the journey towards cooperation and collaboration.

Who should carry out preparation and facilitate the workshop?	It may be desirable to seek partners to help prepare and facilitate workshops. These partners might be market actors or other organisations and institutions seen as 'outside' the market system. There are two reasons for this. Firstly you may feel that partnering with market actors will reduce the sense that this is a typical 'NGO programme', associated with grant giving and the interests of a particular group. Or you may feel that you need external inputs from sector experts. Secondly, getting market actors involved builds their capacity to convene and facilitate – increasing the possibility that they can sustain similar activities in the future.
What structure to use?	Based on the objectives you set for the workshop, you must choose an appropriate format. Some guidance for this is provided below. Part of your structure can include specific exercises that help you steer the process. Refer to Figure 3 for appropriate exercises to use at different places along the Participatory Market Mapping journey.

Typical components of a Participatory Market Mapping Workshop

You will need to design the workshop to respond to the particular context you are in, to what has gone before and to the market intelligence you have. However, there are a number of common features seen in workshops.

Setting expectations: It is critical that from the offset, everyone understands the sort of initiative they are involved in. There will be assumptions about the role of an NGO – e.g. it will be associated with grant giving and hand-outs – that need to be challenged. Your facilitation role needs to be explained and understood. Discussions with influential market actors prior to the workshop, and getting them on board with this, will help in the actual workshop. You will already have champions in the room who can help you get this message across.

A common vision: It is important that you are working towards the same goal. A simple way to do this is to get participants to brainstorm elements that define their long term vision for the sector. A small sub-group can then be tasked with bringing these elements together into a cohesive statement that everyone can sign up to.

Explanation of the market mapping process: Explaining the overall process is an important way for market actors to get comfortable and to start getting into the mindset that is needed. You can use other examples of market maps to help with this. They can illustrate the value of analysing the market as a system, demonstrating how problems in one part of the system affect other parts; how you can prioritise constraints; and how you can use it to understand issues, such as gender.

Participants draw a market map (see Core Market mapping guidance): There are different ways to do this but all involve a map being drawn using movable titles and arrows. Assuming you have more than 10 participants, you will need to do this exercise in groups. You can do this in two different ways:

- Each sub-group can draw the entire market map. In Plenary you can then compare them and merge them, agreeing on a final map.
- Alternatively, each sub-group can draw one part of the map (e.g. the core chain or the enabling environment or services and inputs). In Plenary you merge these together to make your complete map.

Whichever way you chose to do this, the Plenary is used to get consensus on what the market system looks like and what the main constraints and opportunities are.

You need to consider how you bring **Gender** into this discussion. Depending on the dynamics, you can discuss this in Plenary or ensure it is an issue explored by every sub-group. See the **Core Market Mapping guidance** for questions that can be used to frame this.

Prioritisation of issues: The final market map will give you a long list of constraints and opportunities that influence the performance and inclusivity of the sub-sector. The list will almost certainly represent too many issues for the actors involved to address at once so some level of prioritisation is needed. Ideally, you want to prioritise issues that will have a significant impact on the inclusivity and performance of the system and have a reasonable chance of success. A key component of the latter will be the extent to which market actors are prepared to work on it. This prioritisation can be organized using a two stage process:

- Facilitate a plenary discussion (or in smaller groups) to consider each of the identified constraints. Encourage participants to consider the reasons for the constraint and explore the degree of difficulty in improving it.

- In Plenary, after everyone has considered these issues, organise a vote in which everyone selects the top two or three constraints that they are prepared to commit to working on. This tells you where there is energy and potential for collaboration.

Outcomes of the market mapping workshop

The bringing together of such a diverse range of actors can lead to unpredictable results. You need to be prepared for this. In simplistic terms, these are all potential outcomes from a workshop:

- **A need for more engagement:** In some scenarios, you may not make sufficient progress in the first Participatory Market Mapping workshop and a further meeting or meetings may be required before you can get consensus on the way forward. You must be prepared for this eventuality – it does not represent a failure, it just illustrates the time required for a systemic process like this.

- **A clear rationale for collaborative action:** Where the issues are relatively clear from the first or subsequent meetings and there are a lot of active market actors, it might be relatively simple to move into the formation of Market Interest Groups. MIGs are groups of market actors who work together to address a particular market system constraint (e.g. access to finance, availability of market information). In such a scenario you may also see opportunities to also engage bilaterally with individual market actors who present opportunities to catalyse change in the system (see here for tools to help with this).

- **Opportunities for engagement with individual actors:** In some instances, there may not be enough consensus for collaboration but there may be market actors that present opportunities to engage with. In such a case, strategies that focus on those actors can be designed. In the long run, the potential for collaboration amongst market actors can be revisited when the context changes. Repeated meetings can still yield value as a mechanism for sharing information and developing relationships.

- **A re-think needed:** Lastly, it is worth mentioning that in some instances the Participatory Market Mapping process may reveal deeper than expected challenges in the market system. These may be unresolvable to the extent that you may need to consider if the sub-sector chosen represents a sufficient opportunity to bring about positive market systems change.