10. Impact Filter to evaluate and prioritize species

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outline

- What impact filter
- Why & when impact filter
- How impact filter
- Defining indicators
- Evaluation and scoring
- Experiences from the field

Main problem

❖ How to identify which species, variety or product has market potential for local or distant markets?
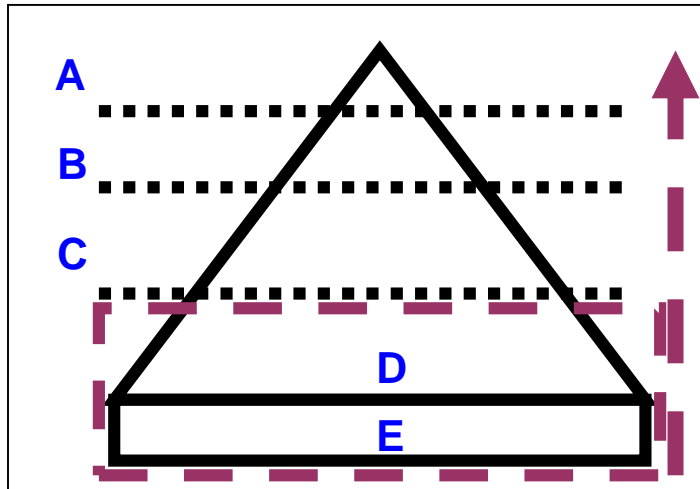
■ How to discover & identify potential ABD products?

■ How to evaluate and select the most potential products or market opportunities?

Impact filter – what

The Impact Filter is a tool that facilitates rapid qualitative evaluation of expected impacts that result from different market opportunities.

It can help to evaluate the impact on economic, social, nutritional and environmental aspects.

Impact filter – why & when

The Impact Filter is a tool that enables stakeholders:
- to select and promote those market opportunities that promise to have the most positive impact.
- to plan and guide market interventions more effectively.

The Impact Filter can be used by facilitators:
- In decision making processes - to define areas of action and decide which interventions to make
- Being a rapid, qualitative tool, it can be applied in participatory processes involving several stakeholders.

The impact Filter is appropriate when:
- Funds, expertise or time for thorough market assessments is not available or required.

Impact filter - how

1. Identify products and market opportunities

• Identifying ABD related crop attributes to define potential products

2. Identify impact indicators

• Economic (profitability, potential demand, technical feasibility, risks)
• Social (poverty, inclusiveness, gender)
• Environmental (rare, effect on ABD, effect on wider environment)
• Nutrition and health

3. Identify weights for the impact indicators

4. Identify a scoring mechanism to evaluate the products

5. Calculate total impact scores

6. Interpretation of results and drawing sound conclusions

Impact filter - indicators

How to evaluate profitability

- Expected margin (based on expected costs and sales price)
- Expected sales volume over time
- Is it addressing a need, want or preference (i.e. daily food item/ pharmaceutical product or just a favourite side dish/luxury item)

How to evaluate market risks

- As a rule, profitability of an enterprise increases with the level of risk

	Existing products	New products
Existing markets	Market penetration	Product development
New markets	Market development	Diversification

Impact filter - output

Objectives and sub-criteria		Weighting	Product 1 (candles)		Product 2 (dried fruit rinds)		Product 3 (soap)		Product 4 (kokum powder)	
			Score	*Output*	*Score*	*Output*	*Score*	*Output*	*Score*	*Output*
1. Economic	**50%**	100%								
1.1 Profitability/ income generation		50%	2	0.5	8	2	8	2	6	1.5
1.2 Feasibility; simple & low market risks		25%	9	1.125	9	1.125	2	0.25	5	0.625
1.3 Addressing consumer preferences & trends		25%	4	0.5	8	1	6	0.75	5	0.625
Sub-total of weighted outputs				2.125		4.125		3		2.75
2. Social	**25%**	100%								
2.1 Poverty reduction		50%	6	0.75	8	1	6	0.75	7	0.875
2.2 Inclusion of neglected groups		50%	8	1	7	0.875	7	0.875	8	1
Sub-total of weighted outputs				1.75		1.875		1.625		1.875
3. Environment	**25%**	100%								

Impact filter – evaluation

Make sure all have same understanding:

- about the exact indicator and score (high risk should get low score)
- Use marks (1-10) or lickert scale (1-5) or don't know/no positive impact; little positive impact; very good impact (0-1-2)

Three types of scoring mechanism:

- Pair-wise ranking (taking all indicators into account simultaneously)
- Aggregate individual scores using beans (evaluate per indicator)
- Score based on group consultation (evaluate per product)

Impact filter – evaluation

	Advantage	Disadvantage
Pair-wise ranking	- Simple for participants - Low knowledge level on indicators - Difficult to evaluate many products at the same time	- All indicators are evaluated simultaneously - Danger for biased or unbalanced evaluation
Beans (by indicator)	- Good insight of the whole group taking all individuals into account - Handy when opinions differ a lot	- No/little discussion - Requires equal representation of stakeholders
Group consultation (by product)	- Discussions lead to learning, better understanding and refinement of scores	- Dominant participants influence results - Difficult when opinions differ a lot

Experiences from the field

- Kiriwong village in Nakorn Sri Thammarat, Thailand - Dec 2012
- Gonsar and Salkani village near Sirsi, Karnataka, India – Oct 2013

Evaluated 14 products

Evaluated 15 products

Impact filter – lessons learned

Interpretation of results and drawing sound conclusions:

- Impact filters are often done with very limited market information (repeat the exercise in a later stage)

- Differentiate 'don't know' from 'no impact' in your charts

- Scores are not carved in stone - *they just reflect the opinion of that specific group based on selected indicators and weighting at that specific moment*

- Often participants feel the scores do not reflect reality – it means certain indicators are overlooked, left out or underestimated

- Farming communities are often risk adverse (adjust weighting)

- Involve private sector players – results are balanced only when all sections of the value chain are equally represented

- Impact filters can help to facilitate the decision for which products a more thorough market assessment need to be conducted (by rapid market appraisal or value chain assessment)

- It can facilitate decision making within communities but also during higher level value chain stakeholder meetings or workshops

Thank you!