9b. Participatory Rapid Market Appraisal

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outline

- Why and When Rapid Market Appraisal
- How Participatory Rapid Market Appraisal
- Experiences from the field

Main problem

❖ *How to collect market information about the value chain, consumer preferences, trends, competition, buyer requirements?*

❖ *How to increase capacity of farmers in collecting market information – so it leads to improved understanding and informed decisions & actions?*
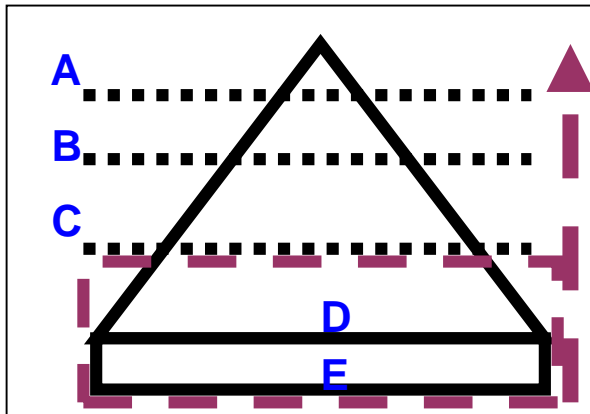
Participatory Market Appraisal

1. Understand value chain (actors, volumes & channels)
2. Consumer preferences (product, label info, packaging)
3. Insights from competitive products/competitors
4. Understand buyers' requirements (product standards)

Rapid Market Appraisal

Why Rapid Market Appraisal:

- Fill knowledge gaps about the value chain
- No time/funds to go for study (value chain assessment)
- No time/funds to interview many consumers

Specific reasons to do Rapid Market Appraisal:

- increase the amount of money you expect to earn;
- improve the reputation of your business or product;
- be more competitive;
- sell products which are not available yet (meet unmet demands);
- attract new customers;
- **respond to customer needs and wants;**
- take advantage of new techniques and technologies.

Rapid Market Appraisal

Marketing goal: Improve the product based on customers' suggestions and preferences without increasing the costs too much, so customers regard it too expensive (***create added value***)

How: semi-structured key interviews with value chain stakeholders
- 3-5 traders/wholesalers or processors
- 3-5 retailers
- 6-10 consumers and/or farmers
- 2-3 stakeholders (government, machinery provider, financial institution)

Focus area:
- identify buyer/customer or consumer preferences
- identify competitive products
- identify potential distinct consumer groups or buyers
- identify the volume per market channels and price levels
- identify market trends;
- Identify enabling environment (government requirements etc)

Rapid Market Appraisal

Questions to understand the market:

- How large is the market in terms of buyers/ traded volume?
- How many distinct market channels exist and how big are they?
- Why would customers prefer this product above competitors?
- Which product info do customers ask about frequently?
- What are the best locations/ type of shops to sell the product and why?
- Which changes occurred in the market last years?

Question to differentiate – understand competition:

- Which brands or type of products sell as hot cakes and why?
- Which brands/products have best quality and why?
- Which type of package or product labels do consumers like most and why?
- What are the prices and packaging sizes used most?

Rapid Market Appraisal

preparation, implementation, evaluation, follow-up

Key steps:

1. Focus group discussion to discuss scope: which product, information, markets? Assign people who will conduct interviews?
2. Develop list of key questions and data to collect – knowledge gabs as identified in Value Chain Map
3. Conduct semi-structured interviews with 3-5 traders/processors or wholesalers, 3-5 retailers 6-10 consumers, 1-2 stakeholders
4. Write down result in 2-4 pager report;
5. Report results back to the group - conclusions on large sheet
6. Develop action plan – develop sample product, prototype packaging, design label, conduct test panel, lab analysis on certain properties etc.

Invite interesting traders, retailers entrepreneurs to future meetings!

Rapid Market Appraisal

Rapid Market Appraisal Report includes:
1. Value Chain Map with channels, price levels & consumption volumes
2. Potential consumers per segment or group
3. Overview of latest market trends in local, national or distant market (organic, fair-trade, sales through supermarkets, fresh juice stalls in malls)
4. Overview of aspects that customers prefer most in local, national or distant markets (health, nutrition, package, label info, brands)
5. Major constraints + potential solutions

Report should not be more then 2-4 pages

Guideline RMA

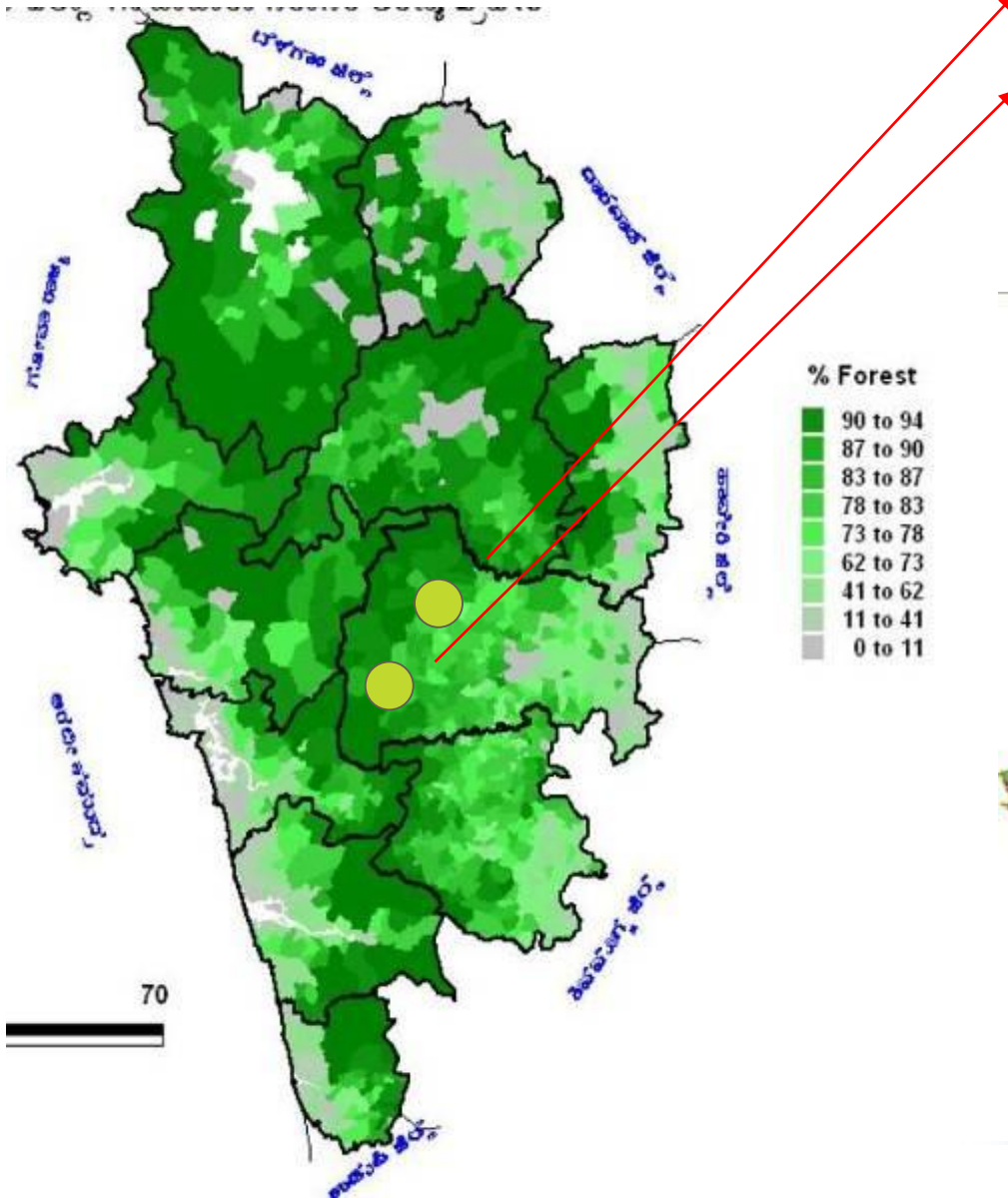| Topic	Sub-topics	Questions/comments
Personel information	Name Physical business address Telephone	- For established firms try to get a business card or get telephone number. Which market place is the business/shop located? This might be a potential buyer or collaborator!
Type of business	Type of products Physical functions	- Which key products does respondent sell/prefer? - Is the respondent a collecting trader, processor (change the package or product), transporter, wholesaler (just store the product and sell to retailers), retailer (sell to consumers) or a consumer? Does the respondent provide several of these functions (vertical integration)?
Sales	Type of buyer Quantity Seasonality Price data Constraints Consumer segments Popularity	- To whom do you sell? Retailer/consumer/processor etc. - Quantity sold normally, e.g., per day, week. - Are there changes in volume of sale over time? - Are there changes in prices over time? - What are key problems in selling your products? - Did you notice different type of buyers with specific preferences? Which types of products are selling as hot cakes, fetch high profit margins or are scarce but popular?
Preferences *(needs, wants and* *special requirements)*	Product Variety Quality requirements Type of packaging Labelling Consumer segmentation	- When observing your customers; which product attributes are most important for them? - Do customers ask for specific varieties, and if so, why? - Which taste, shape, colour or flavour do customers like most? - Which quality requirements or grades do customers ask for? - Which type or sizes of package do customers like most? - Which product info do customers ask about frequently? - Which consumer groups like which type of products?
Trends	Changes in volumes or relationships	- When talking to other consumers, traders, processors, or retailers; did you notice any changes in the market last years?

Cycle of interventions with farming community

Theatre play

Value Chain Map

Rapid Market appraisal

Action Plan
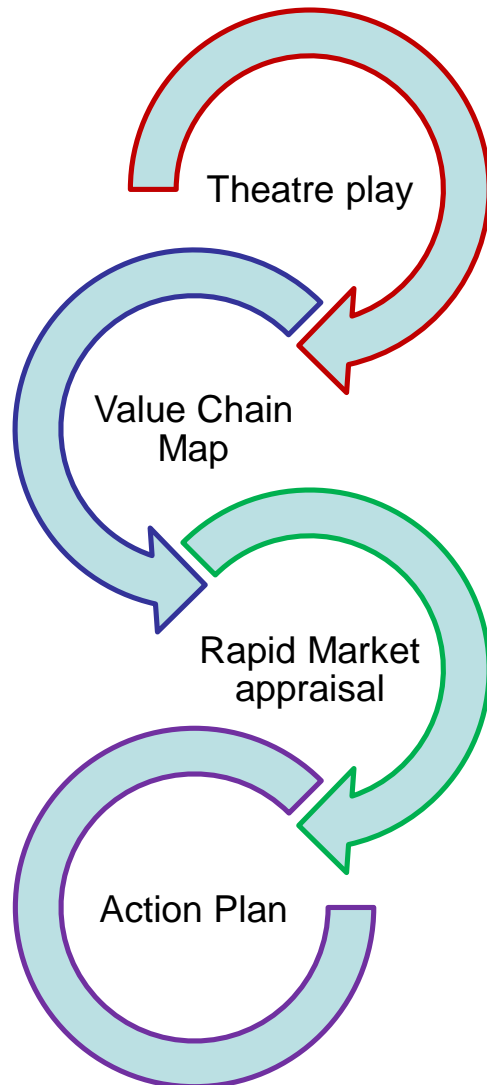
1. **To explain value chain concept and foster collaborations between stakeholders**

2. **To understand level of market knowledge within community and to identify gabs and constraints**

3. **To learn about what customers want and collect relevant market information**

4. **To improve products, design packaging, training on processing, exposure visits**

Example - Site location

- *Vanalli Cluster*

- *Devanalli Cluster*

25 villages - households

% Forest
	90 to 94
	87 to 90
	83 to 87
	78 to 83
	73 to 78
	62 to 73
	41 to 62
	11 to 41
	0 to 11

70

India

Karnataka State

Uttara Kannada dist

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Mosaic landscape of various forest types with agricultural

Target Value Chains and Products

- *Garcinia gummigatta (upage)* - dried rinds (weight loss)

- *Garcinia indica (murugulu) -* dried rinds (ayurvedic), butter (skin treatment), kokum juice

- *Mangifera indica* (appe mango) - pickle (side dish for daily meals)

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MANGO PICKLE   CONSUMERS   SIRSI

STATIONARY
SHOPS

CATERING
SERVICE

TSS
SUPERMARKET
ಶಿ.ಟಿ.ಎಸ್.ಎಫ್

ಕೃಷಿಕ ಸೇವಾ
COOPERATIVE
SOCIETY

BAKERY
ಬೇಕರಿ

FAIR
(ಊರಿನ. ಜಾತ್ರೆ)

M.N Pickles

College of
Forestry
(ಅರಣ್ಯ ಮಹಾವಿದ್ಯಾಲಯ)

ಅಂಗಡಿ

Neighbouring
villagers coming
at home
ಪಕ್ಕದ ಹಳ್ಳಿಯವರು, ಮನೆಗೆ
(ಬರುವವರು)

Home USE
pickle making
(ಮನೆಬಳಕೆ)

ಮನೆಬಳಕೆ ಗೆ
ಉಪ್ಪಿನ.ಕಾಯಿ

ಹೋಟೆಲ್

ತಳ್ಳುಗಾಡಿ

ಉಪ್ಪಿನಕಾಯಿ

other villagers

SALKA

ಸಾರ್ವಜನಿಕ

ದೇಶ

FARM

ಉಪ್ಪಿನ.ಕಾಯಿ

Nammooru
APPEMIDI
Spicy pickle

APPEMIDI
ಪರಿಮಳಯುಕ್ತ ಅಪ್ಪೆಮಿಡಿ ಉಪ್ಪಿನಕಾಯಿ

...daya Sangha (R)

Tender Pickle Mango

Prathvi
Tender Mango Pickle

| Batch No | 81 |

Reg. No. 00121

Hegde Home Products
Tattikal Tq: Siddapur (N.K.)
Ph : 9343745588 (R) 9343306444(M)

Net Weight :

Mfg. Date :

M.R.P. :

INGREDIENTS : Mangoes, Red Chillies Powder, Salt, Oil, Mustard, Turmeric

Market information obtained

- It is a new product – local made pickle
- Demand is high – shortage in supply
- 2 competitive brands (pratvi and namooru)
- MTR is no competition
- Price level is ok 120-150 rupees per jar
- Quality is very high
- Use home-made to promote the product
- Change picture (like namooru) or people
- Use varieties to promote product
- Not sell to caterers, but maybe hotels/restaurants
- TSS and Kadamba want to put it on the shelf

Kadamba Cooperative

- Established in 1997 and changed into farmer producer company in 2005

- Sales of 70 consumer products under own brand (www.kadambamarketing.com)

- One of the few cooperatives in Karnataka involved in sales of organic certified NTFPs
  – Jackfruit papads, chips (*A. heterophyllus*)
  – Kokum juice, jam, dried rinds (*G. indica*)
  – Mango pickle from appe middi (*M. indica*)
  – Wild collected honey

- In 2016 they have 2800 members of which 50%-Higher caste, 30%-OBC, 20%-STSC with estimated landholdings:
  - ✓ 40% - 0-2 acre
  - ✓ 40% - 2-4 acre
  - ✓ 20% - more than 4 acre

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Enterprise evaluation - Kadamba

Financial assets

- Achieved revenue of USD 765,000 in 2016 (15% ~ USD 115,000 from NTFPs)

- Managed to increase profit from USD 5,300 to USD 36,700 from 2005 to 2016

- No information obtained about outstanding loans or savings

Physical assets

- Owner of large warehouse for storage and processing activities, including office and cooperative shop in Sirsi town

- Additional small shop in Yellapur

How to strengthen female and excluded groups?

➢ Landless/ethnic collectors are often not represented in existing organizations while they are major collectors of wild crops

Two options:

• Improve representation and voice of women and landless households within existing cooperatives

• Registration and establishment of SHG and new organization Aasare Producer Company for landless, female oriented and focus NTFPs

Meeting with Kadamba manager

Fruits, dried rinds and seeds of *G. gumigatta*