

Good Practice Note

Intelligence Gathering



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GATHERING INFORMATION ABOUT MARKET SYSTEMS

The first four sections of this guidance note give tips on how to gather information to analyse a market system. The fifth section gives you ideas for where to look for this information. The final section suggests methods and tools for collecting information about market systems.

Guidance and Tips for Information Collection

1. Getting Started

- When you first start gathering information about a market system, **avoid jumping to conclusions**. Keep being critical. Keep asking why the system is how it is, and particularly why poor women and men are underserved.
- Secondary data such as reports and official statistics can be inaccurate and inconsistent. **If data appears surprising, biased or dubious, investigate how it was collected**. Where possible, **triangulate** secondary data. In other words, gather first-hand information from key informants and compare it with secondary data. Take care to use the same units and definitions when making comparisons.
- **Don't arrive at your project location without any knowledge on your market**. An important part of your initial interactions with local market system players will be to validate your national or sub-national level knowledge and assumptions at the local-level. If you cannot find much useful information on your target market before the meetings, be prepared to do some detective work! Try to arrive with some information to cross-check.
- **Hiring industry experts** to accompany you on technical matters can help you to build your understanding. Particularly if the expert has worked in the local industry or researched it in detail. Working with certain experts can also help you to gain credibility. Be cautious, however. Individuals closely connected to the industry may be over-confident of their own analysis. They may also encourage you to 'jump to conclusions'.

2. Who to talk to

- **Work smart**. Consider who may hold critical information and who may be best to talk to first. Mid-level and upstream value chain players often have a better overview of the value chain. Many keep records and can access **aggregated data** (on sourcing, production and processing capacities, expenditure and costs, etc.) They are usually fewer in number than downstream players. By **starting with upstream players**, you should be able to follow the path downstream to find poor women and men in the value chain. For example, input supply companies will be able to tell you who and where their retailers are, how many seeds they sell in the region and when they sell them, etc. You don't always need to go straight to your poor target group! However, they may not be able to tell you how many of their retailers or customers are women, requiring more investigation on your part.
- **Consider which players will be the most receptive** to your approach to reform the market system. Which players might be open to new ideas? Who might have the strongest incentives to change? Even within organisations, consider who may be better placed to assist you to. Don't necessarily go straight for the 'head' or 'director'.

3. Meeting market players

- **Assess your audience and their motivations**. If you do this well, you are likely to get better quality information. Many people you speak to will be businesspeople less interested in 'helping the poor' and more interested in making money. Explain that you are ultimately interested in changing the way business is done in their market. Changes should benefit poor men and women, but market players such as them would ideally benefit from your work as well.

- **First impressions count.** If you come across as badly informed the first time you meet a market player, they may not want to see you again!
- Use your **curiosity**. Scratch beneath the surface. But remember that people may be sensitive about ‘giving-away’ trade or enterprise secrets. Show your interest, be complimentary and look for hooks! Listen and ask follow-up questions.
- Market players may ask you for instant solutions. They may also tell you that they know exactly what the problem is and that they have the cure – they just need funding. Both are difficult situations. You have to **be careful not to commit to or promise something that you might be unable to deliver**. A useful reply may be: *“My organisation will only get funds if we are able to demonstrate a thorough understanding of this sector... to begin with we are only in a position to gather and share information.”*

4. What to look for (Fieldwork)

- **Look for signs of differential performance in the market.** Identify businesses at different levels of the value chain that greatly out-perform their competitors. How do these market leaders’ business models differ from the norm? Also look out for under-performers. What do they have in common? It is important to not just build an average picture of players, but a view of the extent of variance around the mean also.
- Your target group and other market players will often be aware of their own performance. They may be able to explain the **symptoms** of the problems they face. They may be less aware of the root **causes** of these problems, and potential solutions.
- Often, **the reason for the under-performance of market players at one level in the system will be found at the next level**. For example, traders will be aware of who the better producers are and buy from them. Likewise, processing enterprises will have their favoured traders, and so on. Both are likely to have some knowledge and views about women’s roles in the sector. They will be able to give opinions and insight into why they make the decisions they do. Think of those that are dependent on others for their livelihood – those that live or die by their expertise and local knowledge! One further tip is to go to areas of bulking, aggregation or deep competition – i.e. a marketplace, a transport hub, etc – where intelligence is often concentrated.
- **Look for the ‘nodes’ and ‘clusters’.** Strategic points in value chains or service flows where materials, products, or services pass through only a few players (i.e. points of influence and control), and the strategic places where there is a high geographic concentration of like firms, can both be sources of significant insight.
- **Look out for embedded services** offered by market players. Also consider where they are absent. The presence or absence of embedded services sometimes reveals constraints to performance. It can help to explain over-performance too.
- Markets change. **Keep gathering new information** on a market system even after you have started to intervene in it. You may spot new opportunities, or risks. Often you can change your strategy to take these into account.

Information Sources

- Relevant statistical databases.
- Relevant ministry officials/policy documents/commissioned research (or ministry coordination units).
- Industry/representative (and export zone) associations, apex institutions, and chambers of commerce.

- Development agency reports/cases/workshops (and their contributors, attendees and those consulted).
- Academic studies and the work of international/national research organisations.
- Local-level (provincial/district) government ministries/departments (according to sector, statistics bureaus, labour departments, etc).
- Local business membership organisations (if they exist), local experts or 'centres of knowledge' (well-known heads of farmer groups/traders/businesspeople).
- Market players within the main value chain.
- Market players outside of the value chain with whom the value chain players interact
- Market players from adjacent market channels/value chains (e.g. in beef cattle look also to the leather and skins channels for market information).
- National newspapers can often be a good source on whether something is happening in a sector. Though they may not be highly detailed, they can give clues on where to look.

Information Collection Methods and Tools

- It's a good idea to start with secondary sources. Investment climate surveys, competitiveness analyses, poverty assessments and other socioeconomic studies such censuses and NGO reports often provide you with some information about the market, and the poor's position in it though there may be significant gaps in data disaggregated by sex or about gender-specific constraints. Semi-structured or open interviews with relevant stakeholders may help you to do a certain amount of 'mapping'. In all cases, explicitly seek out women and explore women's positions and conditions in the system with different actors.
- Sub-sector or value chain analysis, including exploring where women are in the chain, their opportunities and constraints around upgrading and the consequences for their incentives.
- In-depth interviews with market players.
- Market / transaction observation and field visits – look for where men and women are and are not!
- Focus group discussions (like participants) and stakeholder meetings (range of participants) – participatory appraisals and demand analyses.
- Consumer/buyer research – don't forget that women play these roles too, directly or indirectly, behind a male market actor.
- Productivity studies