**EXERCISE 9. IDENTIFYING AND PRIORITIZING SERVICE NEEDS**

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| *OBJECTIVE***After this exercise the participants will be able to:*** Identify the services they need to produce and market their crops or livestock.
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| *EQUIPMENT NEEDED** Flip chart, marker pens, cards
 | *EXPECTED OUTPUTS** Prioritized list of business services
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| *TIME** 2 hours
 | *PREPARATION** None
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*Business services are vital for both production and marketing and for the sustainability of an agroenterprise. This exercise raises farmers’ awareness of the value of these services.*

*SUGGESTED PROCEDURE:*

1. Explain to the participants what is meant by business services. After they respond, summarize that it includes the provision of equipment, goods, and services needed to produce and market a product.
2. Take the earlier market maps that were drawn by the farmers and ask them to review these market maps. Then either using the same market map, if possible, or a new sheet of paper, redraw the market chain, and ask the farmers to add in any business services that are available to support specific aspects of the market chain.
3. Ask the farmers to focus on one product at a time.
4. Ask each group to write each type of service on one card.
5. Ask the groups to sort the cards into piles according to what stage they need the service: for market analysis, before production, during production, after harvest, and for marketing. Allow them to add services they may have forgotten.
6. Get each group to list the contents of the cards on the left side of a large sheet of paper so the group will gradually build up a table like Table 23.
7. Ask the groups how essential the service is for producing and marketing the product. Is it essential, merely desirable, or not needed? Ask them to fill this information in the “Required” column in the table.
8. Then ask the groups what priority the service has – how important is it that the farmers get the service? Ask them to fill in the “Priority” column in the table accordingly.
9. Ask the groups to say who supplies the service, and how far away it is. Ask them to fill this in the “Supplier” and “Distance” columns in the table.
10. Invite the groups to discuss the capacity of each service provider. Ask them to categorize each service as “strong,” “medium,” or “weak,” and to fill this information in the table.
11. Ask the groups to say whether farmers get each service for free (e.g., free extension advice) or whether they have to pay for it (e.g., buying fertilizer, hiring transport). For those services that are paid for, ask them whether they typically use their savings (or cash in hand), whether they borrow money (from a bank, savings-and-loan group, moneylender, trader), or whether they get a grant (e.g., from an NGO). Fill this information in the last two columns in the Table 23.
12. Invite the groups to present their findings to the plenary.
13. Facilitate a discussion to correct any errors or omissions, and to compare among the different products. Which services are vital but not available? What can the farmers do to obtain them? Which products can they produce because they can get all the services they need? Which products are not an option because there are not enough services to make them viable?

*QUESTIONS TO STIMULATE DISCUSSION:*

* What kinds of equipment, goods, and services do you need at each stage in the production and marketing season?
* What do you need:
	+ Before you decide what to produce (e.g., information about potential markets for the product)?
	+ Before you start planting (e.g., seed, plowing, loan to buy inputs)?
	+ During the growing season (e.g., irrigation water, livestock medicine, veterinary advice)?
	+ During and after harvest (e.g., labor for harvesting, packaging materials)?
	+ For marketing (e.g., airtime for phone, transport)?
* How important is this service for you? Can you produce the product without it? How much would yields or quality decline if you did not get it?
* Does the provider offer a good, reliable service? Does it have supplies of its product (e.g., seed, fertilizer) available at the right time and in the right amounts?

TABLE 23. BUSINESS SERVICES NEEDED FOR PRODUCTION AND MARKETING

|  |  |
| --- | --- |
| **Product type** |  |
| **TYPE OF SERVICE** | **PRIORITY** | **SUPPLIER EXISTS?** | **DISTANCE** | **CAPACITY OF SERVICE** | **COST** | **HOW PAID?** |
|  | 1 = essential2 = desirable3 = not needed | Yes / No | km | 1 = strong2 = medium3 = weak | Free / Paid | Savings Loan Grant |
| **Market analysis** |
| Research |  |  |  |  |  |  |
| **Pre-production** |
| Seed |  |  |  |  |  |  |
| Extension |  |  |  |  |  |  |
| Veterinary |  |  |  |  |  |  |
| irrigation |  |  |  |  |  |  |
| Finance |  |  |  |  |  |  |
| **Production** |
| Tractor/ox hire |  |  |  |  |  |  |
| Fertilizer/ feed |  |  |  |  |  |  |
| Extension/ veterinary advice |  |  |  |  |  |  |
| Pest and disease control |  |  |  |  |  |  |
| Weeding |  |  |  |  |  |  |
| Finance |  |  |  |  |  |  |
| **After harvest** |
| Grading |  |  |  |  |  |  |
| Packaging |  |  |  |  |  |  |
| Storage |  |  |  |  |  |  |
| Finance |  |  |  |  |  |  |
| Telephone |  |  |  |  |  |  |
| Transport |  |  |  |  |  |  |
| Finance |  |  |  |  |  |  |