Market Assessments

What is a market?
A market is a place—physical or virtual—where buyers and sellers meet to exchange goods and services. Markets play a central role in people’s lives and livelihoods, and are the main way in which they either earn an income and/or have access to goods and services to meet their most essential needs. For each good or service, many people and connections rely on one another. And, each one influences availability, quality and price. A sudden crisis can affect these market factors, which can have a severely limit or devastate the ability of people to access the goods, services and income necessary for daily life.

What is a market assessment?
A market assessment is a process to obtain current information on how well a market is functioning, and if people still have access to it. This includes information gathered by field staff directly from market vendors and community members, as well as indirect data gathered from previous studies or assessments. The purpose is to get the information we need to figure out if and how we can work with the market to assist crisis-affected populations.

Why are markets important?
Market assessments are critical to informing program decisions. A failure to assess markets can cause inadvertent harm to the communities we support.

Some emergency responses can drastically increase or reduce prices, damaging vendors’ ability to sell, or families’ capacity to buy items at a reasonable price.

Market assessments, when included in the decision and planning process, can identify ways to assist crisis-affected populations in a way that considers existing market dynamics. For example, by assessing markets before and immediately following a crisis, we can determine whether distributions are needed to provide goods and services that are not available or accessible locally, or whether cash or vouchers can help people to access those local goods and services in their local market.

When should we do a market assessment?
Market assessments can support both humanitarian and development programming. However, in every emergency at minimum, some type of market assessment should always be performed either before, during or after a crisis has occurred. To assist in this, many different market assessment tools exist for non-specialists (see next page). Market assessments should be a part of all needs assessments, to understand potential risks as well as the role a market can play in recovery. A common misconception is that market assessments are only necessary during cash interventions, and unnecessary for other types of interventions. In fact, market assessments can define a comprehensive response or serve as a critical tool for one or more sectors.
Why are markets so complicated?
Market assessments can be performed by all types of staff – not only cash and markets experts. While some assessments are more involved and require more information, other more ‘observational’ market assessments can be performed quickly by a single staff member with basic understanding of markets. Even if staff have never performed market assessments before, it is better to do a very rapid market assessment than no market assessment at all.

What information do markets gather?
The basic question we want to ask, regardless of the type of program, is: Does the market have the capacity to deliver all or some of the needed assistance for affected populations? While many different market assessments exist, they all gather similar information: how the market is functioning and how easily people can access the market.

Assessments for programs that are short in duration or small in scale may focus on retrieving information on the key market actors, linkages, and relationships that are most crucial to the target population’s needs. Large-scale responses, on the other hand, require additional, broader information. The data gathering part of an assessment should triangulate responses among vendors, key informants and communities, and allow the team to determine the capacity of the market to assist affected populations. A standardized minimum requirements for market analysis developed by CaLP includes requirements and tips for market assessments.

How do I choose a market assessment tool?
The type of market assessment to perform depends on the stage of a crisis, time requirement for response, staff capacity, scope of response and purpose.

CRS’s Emergency Field Programming Manual (EFOM) provides an overview of different assessments here, as well as a table to help decide which tool to choose. In addition, a comparative table of the type of information gathered by assessments is provided here by CaLP.

Ultimately, it is most important to choose the market assessment that will allow you to reach the level of information required for decision-making with the resources you have at your disposal. All assessment tools can be modified, adapted or even combined to suit your specific context, and staff are encouraged to reach out to the Humanitarian Response Department at emergencies@crs.org with support requests or questions.

How much time is needed to conduct an assessment?
Market assessments vary in length and staff needed. The QUACK tool, designed for use immediately and rapidly, takes two to three days and requires one to two staff (plus translator. On the other end of the spectrum, the EMMA tool, which involves a more in-depth approach, requires between 10 days and two weeks to perform, with one to two leads, survey teams and translators. The generic CRS rapid market assessment lies between the two, taking between four days and two weeks and requiring between one to four staff.

The CRS Market Assessment Table linked above and on this EFOM webpage allows you to compare the requirements of market assessments. While it is important to have staff who are technically skilled in market analysis for the more intensive market assessments, the more rapid responses can be performed by staff who have a basic understanding of how markets work.

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