**EXERCISE 5C. ASSESSING RISKS OF PRODUCT AND MARKETING OPTIONS**

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| *OBJECTIVE***After this exercise the participants will be able to:*** Put agricultural products into categories according to whether they are existing or new products, and whether they can supply existing or new markets
* Describe the risks of growing and marketing each type of product.
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| *EQUIPMENT NEEDED** Large sheets of paper, marker pens
 | *EXPECTED OUTPUTS** A product/market matrix showing different combinations of products and markets
* For each product/market combination, a list of issues for farmers to consider further
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| *TIME*30 minutes for preparation, 5 minutes per group for presentation. | *PREPARATION** Draw a product/market table on a flip chart as shown below.
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*Teaching tip: Start with what the farmers know: their existing products and markets. Then ask about new markets for their existing products, followed by new products in existing markets. End with new products in new markets – the least familiar option.*

*This exercise helps farmers understand the various market opportunities open to them, using the product/market matrix.*

*SUGGESTED PROCEDURE:*

1. On a large sheet of paper, draw the product and market matrix. Ask the farmers to place their top 5 market products, and any new ideas, into this matrix.
2. Invite the farmers to consider the various options they have come up with. Ask them to choose the top two or three options in terms of priority.
3. Summarize the discussion by listing the selected products in the product/market matrix shown earlier in (Table 10).

*QUESTIONS TO STIMULATE DISCUSSION:*

* What sorts of risks are associated with each product and market? Consider production, quality, quantity, storage, processing, transport, marketing, price variation, and others.
* Which combination of products and markets do the farmers think would be the easiest and least risky? Which would be the riskiest?
* Which combination would cost the least (in terms of money, time and effort)? Which would bring in the most income? Which would be most profitable?