

# Women's Economic Empowerment: Mission Learning Seminar Series

## LEARNING BRIEF

### Seminar 2: Designing a strategy for private sector engagement: Conducting and using inclusive market research

#### Key Takeaways

- Inclusive market research can help Missions understand how gender inequality and social inclusion affect market outcomes and identify market actors with the willingness and potential to influence sustainable change.
- Inclusive market research can happen before or after activity design. There is no “one size fits all model,” as each has comparative advantages.
- Inclusive market research should incorporate the perspectives of a wide range of market actors, particularly those most often excluded from markets, including women, youth, and other disadvantaged groups.
- Research and consultations from inclusive market research can be used in different phases of partner identification and engagement, and it can help identify shared goals and areas of potential unique value that an Activity can bring to a partnership.

As USAID increasingly recognizes inclusive market systems development as an instrumental approach for achieving sustainable and equitable impact at scale, [the Feed the Future Advancing Women's Empowerment \(AWE\) Activity](#) launched a virtual **Learning Seminar Series** to capture and share lessons learned and best practices on how to advance inclusion outcomes in programs through co-creation and private sector engagement. This learning series aims to provide guidance to USAID Missions and practitioners on how to intentionally integrate inclusion across the project life cycle of agricultural growth and market systems development programs.

In the first seminar, AWE explored ways for USAID to find alignment with the private sector to co-define shared value, additionality,<sup>1</sup> and economic incentives for inclusion and empowerment. In the second seminar, AWE provided an overview of inclusive market research and highlighted ways in which it can be used to inform Activity design. During the seminar, representatives from two USAID Missions showcased how applying an inclusion lens in market research was instrumental in the design of two flagship Activities in the Latin America and the Caribbean region: the Generating Equity Activity in Colombia and the Transforming Market Systems activity in Honduras.

Seminar 2 took place on October 28, 2021, and convened 12 staff members from three USAID Missions (Colombia, Honduras, and Guatemala) as well as AWE staff from EnCompass, ACDI/VOCA, and MarketShare Associates. It used a fireside chat approach combined with presentations from key speakers and small group discussions.

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<sup>1</sup> Additionality refers to the net positive difference that is expected to result from a donor-business partnership. The extent to which activities (and associated results) are larger in scale, of a high quality, take place quicker, take place at a different location, or take place at all as a result of a donor intervention. Based on Scottish Enterprise (2008): *Additionality & Economic Impact Assessment Guidance Note: A Summary Guide to Assessing the Additional Benefit, or Additionality, of an Economic Development Project or Programme.*

**USAID Generating Equity Activity** (\$37 million) in Colombia applies an Inclusive Market Systems Approach and works with the public and private sector to reduce gender-based violence, transform gender norms and attitudes, create economic opportunities for women—with a particular focus on vulnerable social groups—and improve awareness and implementation of gender-related policies and services.

**USAID Transforming Market Systems (TMS) Activity** (\$49.5 million) in Honduras aims to foster competitive, resilient, and inclusive market systems that provide increased economic opportunities that incorporate women, youth, ethnic minorities, people with disabilities, the poor, and other marginalized groups who are often excluded—or even exploited—by traditional market systems.

## Inclusive market systems research: an overview

To design interventions that can increase the inclusiveness of market systems, Missions and implementers must understand the local context, the idiosyncrasies of the systems in which they work, and how these contexts and idiosyncrasies affect different segments of the population. An integral part of this process is conducting an analysis of market systems using an inclusion lens. Intentionally examining the barriers and opportunities of traditionally excluded groups such as women, youth, people with disabilities, LGBTQI+ people, and ethnic minorities, can inform the design of interventions to achieve more inclusive and systemic results.

Inclusive market research methods are action-based analytical approaches that are applied throughout a project cycle. Inclusion and gender-responsive analyses are best completed as an integrated part of a project's overall market systems analysis process.<sup>2</sup> From an inclusion perspective, it is critical that the analysis helps show how markets affect vulnerable groups and helps to identify key sectors and partnerships with potential to engage and benefit a range of actors typically excluded—or even exploited—by traditional market systems. To do this, inclusive market research is often first undertaken during pre-solicitation, using more robust methods, then continuously conducted to drive deeper learning post-award and during implementation.

To ensure inclusivity, market research should incorporate:

- Identifying, understanding, and explaining gaps in access and agency outcomes between excluded groups and the general population;
- Identifying structural barriers and processes that exclude groups from participating in and benefiting from markets;
- Identifying and understanding the value proposition and win-win opportunities that benefit firms, markets, and women, youth, and others in programs; and
- Identifying potential partners where there are shared inclusion goals.

## Key tools to consider

In recent years, a variety of market research tools, approaches, and conceptual frameworks that consider gender equity and social inclusion in systems have emerged. While the selection of market research tools should respond to specific research objectives, this learning brief highlights two tested tools that are particularly useful in generating inclusive insights that can be applied in private sector engagement and market systems development programming: inclusive end market analysis and the social norm diagnostics tool.

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<sup>2</sup> Markel, Erin and L. Jones. Women's Economic Empowerment: Pushing the Frontiers of Inclusive Market Systems Development. Leveraging Economic Opportunities (LEO). USAID. 2015.

After sharing key principles and approaches for conducting inclusive market systems research, AWE presented on how to conduct inclusive end market analyses, which is pivotal to the inclusive market research process because it helps identify market opportunities within a sector or market segment to influence gender equality and women's empowerment at scale. The participatory nature and complementary analysis make it a viable tool for addressing root causes of market issues. Inclusive end market research identifies what market opportunities marginalized groups can take advantage of, barriers to entry for different groups, how inclusion or exclusion affects different capabilities to meet private sector quantity and quality market demands, and competitive advantages for existing or potentially new markets. Inclusive end market analyses are one-off or iterative and typically reveal areas for further research or data collection. They can be used at the pre-solicitation or post-award stage and are conducted in consultation with a range of stakeholders on inclusion issues of excluded groups.

Another resource shared was the Behavior Analysis and Norms Diagnostic (BAND) Tool developed by MarketShare Associates. The BAND tool makes it simple to collect, digest and use customer feedback to prioritize products and processes for implementers and inform activity design for donors. Social norms diagnostics are especially relevant when conducting inclusive market research seeking to achieve systemic change, because social norms are collective in nature and a key identifier of the "rules" of a system. Social norms are also an important way to examine the unique drivers and predictors of different target groups' market behaviors. More information about these tools is provided below.

**Research Tool spotlight:** [Inclusive End Market Analysis \(EMA\)](#)

**Why use this tool:**

EMAs can inform project strategies to improve competitiveness, resilience, and inclusivity of one or more sectors and help gather information for subsequent cross-sectoral comparison/ranking.

Inclusive EMAs can be used to investigate differences across **different groups** in terms of:

- Market opportunities
- Barriers to entry
- Production capability to meet market quantity and quality demands
- Existing or potential competitive advantages

**When and how to use this tool:**

EMAs may be used at any stage of the proposal or project cycle, depending on project needs and objectives. Depending on the country's market dynamics, the project's indicators, and/or the influence of external shocks over the life of the project, the EMA may be a one-off or an iterative process carried out periodically to help inform project programming and adaptive management strategies.

**Research Tool spotlight:** Social Norms Diagnostics

**Why use this tool:**

The social norms diagnostics tool is action-oriented methodology that can be used to explore target populations' behavioral drivers and the social norms that are leavers of systems change. The Behavioral Analysis and Norms Diagnostic (BAND) Tool can be used to:

- Understand unexplained or 'irrational' behaviors
- Explain how system-level drivers influence individual behavior
- Explain differences between market segments
- Identify motivators and leverage points interventions to target and shape behavior

**When and how to use this tool:**

Social norms diagnostics are most relevant at design and partnering stages to determine how to address impediments to desired improvements and identify what interventions and partners to select. They can also be applied at the evaluation phase to understand whether target behaviors and norms have changed.

## Key lessons from Seminar 2 on inclusive market research

There are several practical tips to consider when designing and implementing inclusive market research.

**Integrate inclusive market research principles into a wide range of data collection efforts.** Pre- and post-solicitation, the USAID/Honduras TMS activity used a diverse and inclusive set of analysis tools, including end market, market systems, network, legal, and gender and social inclusion, to fully understand the root causes of market performance and to identify potential leverage points for change. This enabled it to apply an evidence-based approach to the selection of target economic sectors based on key criteria including inclusiveness, competitiveness, and resilience potential.

### Example inclusive market research methods

- Gender and social inclusion analysis
- Market systems analysis
- Network analysis
- Norms Analysis
- 5Rs analysis
- Root cause analysis
- Political economy analysis
- Financial sector analysis
- End market analysis

One approach employed by USAID/Colombia to collect inclusive market information was a request for information (RFI). This RFI included an overview of the activity, key objectives, and intended results as well as specific questions for a range of actors across the public and private sectors. This approach not only enabled the Mission to identify and map out key actors, but it also provided it with an opportunity to test some of the assumptions that guided the design of the activity and enabled it to adapt them accordingly.

**Aim to gather information from a wide range of actors, beyond the usual suspects.** Often, activities gather information from a small, select group of actors and institutions who are most prevalent or involved in a particular market system. This focused approach is often because it isn't always obvious which actors have the most information. Nevertheless, capturing the perspectives and incentives of generally excluded actors, including local actors, is vital to bring a nuanced perspective in understanding the influences on market systems. In addition, involving a wide range of actors also helps foster engagement and genuine participation of key actors in the design phase and beyond.

Recognizing that channels typically used for advertising RFIs often have limited reach, USAID/Colombia expanded their dissemination efforts, targeting specific market players. They solicited input directly from stakeholders through virtual meetings and consultations, leveraging their convening power to gather insights and experiences from stakeholders—largely local partners and private sector actors—that may not otherwise be able to participate in or respond to USAID opportunities. Nathalie Renaud, Co-Deputy Program Officer, USAID/Colombia, noted that:

*“We conducted many virtual ‘coffee’ with a wide range of actors because we realized that reading a concept note is one thing but responding to a RFI is time- and resource-intensive, and these virtual meetings were a much more efficient way of getting the information we needed.”*

In a similar effort to engage with and generate interest and buy-in from key market actors, TMS involved over 300 stakeholders through its inclusive market system research activities. It hosted stakeholder workshops organized around specific thematic areas and economic sectors, convening a wide range of market actors. These workshops enabled TMS to better understand their current participation in potential economic sectors, barriers to their participation, and their interest in and opportunities for working in these economic sectors in the future. Insights captured through this process informed the selection of TMS's key market systems.

**Inclusive market research can be used to identify potential partners who are willing to promote and invest in social change.** Inclusive market research is not only useful in identifying

stakeholders and their incentives and capacity to perform different functions, it can also help identify those with the potential and willingness to act as agents of change. Through its research efforts, USAID/Colombia identified key actors—particularly within the private sector—interested in or currently investing in different domains of female empowerment. Natalie Renaud highlighted that:

*“One of the assumptions we had was that the private sector was not interested in investing in GBV work. Inclusive market research helped us realize that there were a lot of companies that were interested in GBV work, not only from a CSR perspective, but as part of their core work.”*

**Consider non-traditional sectors as part of your inclusive market research.** Inclusive market research can help uncover new and innovative opportunities in non-traditional sectors and roles for disadvantaged groups. This was the case for the TMS Activity, which expanded into non-traditional sectors—including tourism, creative industries, and entrepreneurship services—because of these sectors’ potential to integrate and benefit the poor and marginalized groups. This signaled an important shift in USAID/Honduras’ priorities, which had traditionally been centered around strengthening agricultural systems. Jorge Reyes Reina, Project Management Specialist, USAID/Colombia, highlighted that:

*“We selected sectors that were more attractive to women and youth, our priority populations. Instead of sticking with our typical core interventions and trying to shoehorn these priority groups into them, we instead tried to identify economic sectors that could more easily integrate these groups.”*

The resources below provide additional guidance on how to use inclusive market research to develop an evidence-based vision for engaging the private sector to expand opportunities for women and youth.

#### Key Resources

- [A Framework for Inclusive Market Systems Development, USAID](#)
- [ACDI VOCA’s Inclusive Market Systems Approach: At the Forefront](#)
- [Tool for Assessing Motivations of Private Sector Partners to Work with Women as Suppliers, Employees, and Consumers, ACDI/VOCA](#)

## Looking Ahead

### Seminar 3: Measuring Transformational Results: Engaging the Private Sector to Capture and Apply Evidence

This seminar will cover how to work with the private sector to go beyond standard project performance indicators and co-create to improve measurement of social inclusion goals. It will include discussions of how, during co-creation, Missions and partners can work with the private sector to capture, assess, and improve the value inclusive activities bring to business, to customers and suppliers, and to the market systems.

AWE will be sending an announcement about the next seminar in this learning series directly to your inbox. Stay tuned!

## INTERESTED IN ENGAGING AWE?

[Feed the Future Advancing Women’s Empowerment \(AWE\)](#) provides targeted technical assistance to Missions, implementing partners, the USAID Bureau for Resilience and Food Security, and other USAID offices to increase women’s participation, productivity, profit, and benefit in agricultural systems.

Contact: USAID/RFS COR Aslihan Kes ([akes@usaid.gov](mailto:akes@usaid.gov)) or AWE Team Lead Samantha Croasdaile ([scroasdaile@encompassworld.com](mailto:scroasdaile@encompassworld.com)).