

The level of analysis used will change neither your objective nor your key questions, but it should support your data collection and analysis, and it could inform the selection of the market assessment tool. **Table 4** provides criteria to determine the right level of analysis.

**Table 4: Criteria to determine the level of analysis**

| Rapid analysis   | In-depth analysis  |
|--|--|
| <ul style="list-style-type: none"> <li>• Short intervention time frame/urgent needs</li> <li>• Low relative scale of the planned intervention</li> <li>• Visible abundance/supply in the marketplace</li> <li>• Short/simple supply chains</li> <li>• High trader capacity (finance, networks)</li> <li>• Good information flows in market system</li> <li>• Simple market systems with few actors</li> <li>• Expenditure markets (i.e. commodity or services bought by the target group)</li> <li>• No obvious market problems/breakages/leakages</li> <li>• Rapidly changing/unstable markets</li> </ul> | <ul style="list-style-type: none"> <li>• Longer intervention time frame (3+ months)</li> <li>• High relative scale of the planned intervention</li> <li>• Uncertainty about supply</li> <li>• Longer/more complex supply chains</li> <li>• Low trader capacity</li> <li>• Poor/broken information flows, many rumours</li> <li>• Complex market systems with numerous actors</li> <li>• Income markets, including labour market (i.e. market systems from which the target group can get an income)</li> <li>• Obviously disrupted markets</li> <li>• More stable markets</li> </ul> |

Source: The Cash Learning Partnership (CaLP). (2015). *Annex 1 of the Multipurpose Cash Grant Toolkit: Multi-Sector Market Assessment (MSMA)*. In: CaLP. (2015). [Operational Guidance and Toolkit for Multipurpose Cash Grants](#). [Online] CaLP.

**Triangulate data and analyse trends:** Triangulate the collected data to test its validity. This should include comparing it with data from other organisations that conduct comparable work, matching findings from primary and secondary data, and comparing answers from actors on the opposite ends of a given transaction.

Try to collect first-hand information from a range of traders and consumers. In addition, make sure to cross-check your assumptions with market actors.

Compare trends with pre-crisis/reference data, available data on market reactions to previous similar emergencies, and to general shifts in supply and demand. Consider seasonality and the potential different phases of a crisis, and how they may affect prices. Do not waste time trying to collect statistically sound data; instead, focus on factors that affect key market functions (the signals, drivers, barriers and relationships within the market system).

**Iterative analysis:** Mostly due to the dynamic nature of markets, market analysis is an iterative process. Analysis happens incrementally, relying primarily on existing knowledge and secondary data, and is refined as the process goes along. Results of the preliminary analysis, such as changes in market trends, should be used as prompts to investigate less observable changes in the markets. For example, price variations could seasonality or a change in a market chain structure or dynamic.

**Participative response analysis that draws from documented findings:** Consider inviting internal and external people to participate in the response analysis stage. Ideally, they should have different expertise and backgrounds, e.g. market stakeholders, line ministry staff or other organisations' team members. Joint analysis serves to validate and complement findings, create buy-in for the final results, and it can be a first effort to disseminate findings.

Demonstrate a logical link between the assessment findings/evidence on market performance and capabilities with the conclusions (i.e. the answers to the key analytical questions), which should then inform programme decisions or response recommendations. Use the results of the market analysis to support the design of both market-sensitive and market support interventions as appropriate to the context. Do not limit your response analysis to an assessment of the feasibility of one predetermined response option.

## WHAT TO AVOID

Do not focus solely on the size of your organisation's planned response when determining the relative scale of the humanitarian response. Instead, this should be based on the sum of all planned interventions in the relevant area.

Do not rush analysis. If you have time constraints, ensure that you do not over-emphasise data collection and leave insufficient time for analysis.



Photo: Abbie Traylor-Smith/Oxfam