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Fighting Poverty With Profit



The Conservation Marketing Equation

A manual for conservation and
development professionals

The Conservation Marketing Equation Manual

- A decision support tool to pick business opportunities that support conservation and social equity
- Interactive worksheets for development and conservation professionals
- Links to the best websites to get more in depth information on each topic



What is Conservation Marketing

- **Conservation – Protect and Conserve Biodiversity**
- **Socio-Economic Equity- promote equitable livelihoods for people**
- **Business – Maximize profits**

Finding win-win-win scenarios and learning to say “no” to enterprises that are unsustainable



The Conservation Marketing Equation

Four Steps

1. **Select and define your products and markets in relation to context factors**
2. **Define product quality, quantity and price**
3. **Define regulations/certification**
4. **Define institution/enterprise and value chain intermediaries**

The sequence of steps allows product elimination at each step, no need to complete all 4 steps to determine product feasibility



Step 1

Select and Define Product/Market

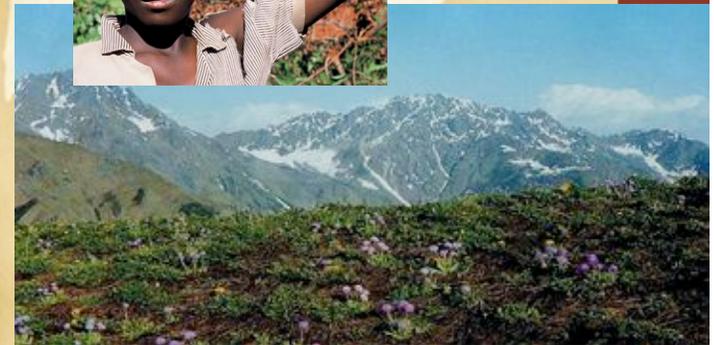
- **List Products**
- **Identify Target Market(s)**
- **Use Quick Sort Worksheet to assess product against initial feasibility and attractiveness**
- **Select most promising products**
- **List assumptions for each promising product using six attributes**



List product assumptions against six attributes

1. Level of Processing
2. Commodity or Specialty
3. Product in Local Context
4. Who Produces Now
5. How Threats are Addressed
6. Other Objectives for Product

Use Product Context Worksheet
In Manual



Step 2

Define Product Quality, Quantity, Price

Overheard at Trade Shows

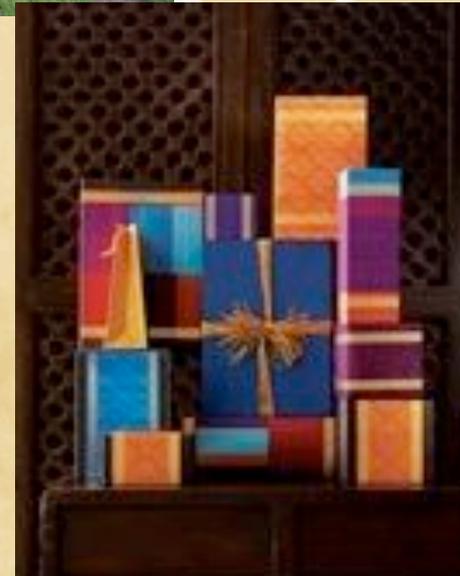
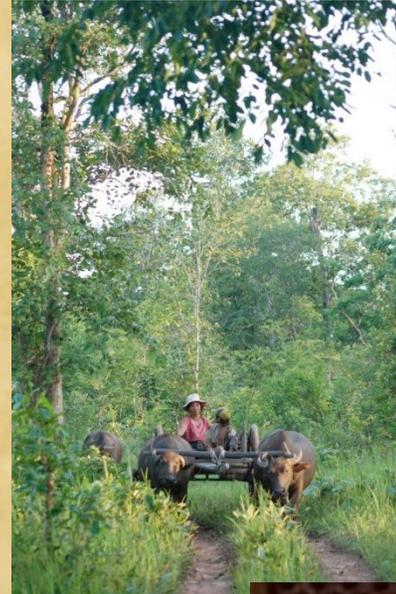
Wow, I love this product, great conservation and human interest story, my customers would love this!

What is your minimum order size and how much can you supply on a monthly basis?

How much is the product, are there volume discounts, what are the shipping arrangements, can you do containers?

Do you have a local distributor in country?

Does it have organic, Fair Trade or other certification?



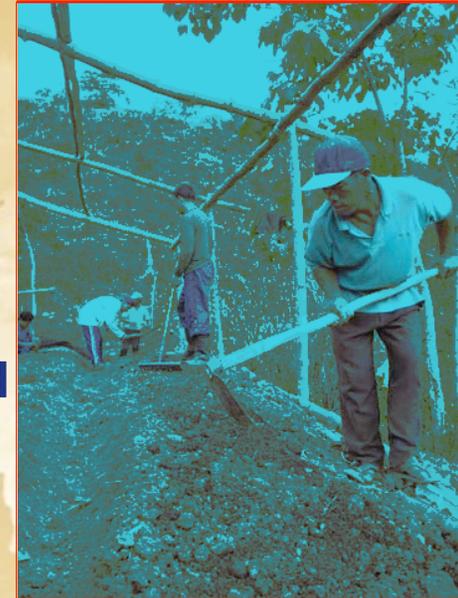
Product Quality

- Determine product quality, look for grading systems, industry standards, or be prepared to give product samples for evaluation
- Understand product quality in relation to biological factors (product seasonality)



Product Quantity

- **First and foremost governed by sustainable harvesting and natural resource management principles**
- **Whether wild harvested, cultivated, raised or even the number of tourists visiting a site, products in a conservation setting have to set quantity limits and know the seasonality of their products and make these limits and timing constraints clear to the buyers**
- **Biological factors that influence harvesting include: seasonality of harvesting, part of species taken, size of species taken, tolerance to changes in climate, other species the product depends upon**



Product Price



- The market will set an upper limit on product price
- Product price can vary depending on the season, year and competition in the market
- Details of your product's cost must be well understood to judge if you make a profit at different product price and volume levels
- To get started, list basic costs associated with your product using costs or best estimates, break out by variable and fixed costs (worksheet provided in manual)



Step 3

Define Product Regulations and Certification

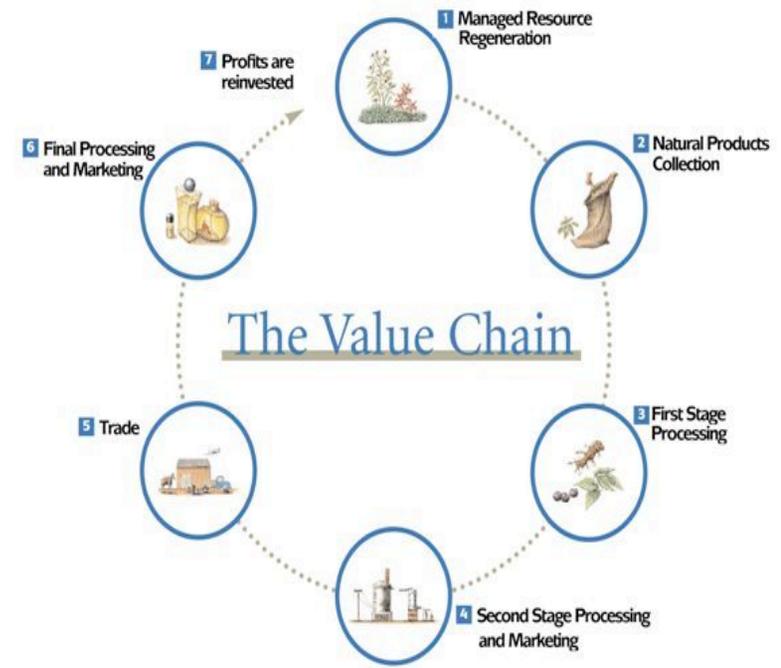
- Regulations are enforced by governments and include rules, laws, guidelines, bans, licenses, etc. of local and national governments and importing countries (e.g. sanitary and phytosanitary (SPS) regulations)
- Certification is voluntary and can include environmental, Fair Trade, organic and other certifications
- Do not confuse product regulations and certification with product quality requirements. Product can meet all regulations and have environmental certification, but still be of poor quality and not meet buyers' requirements.



Step 4

Define Institutions/Enterprise and their Value Chain Intermediaries

- All value chains have multiple intermediaries
- Learn the steps in your value chain and explore how to better educate the actors on conservation and social issues that impact the sector
- Use Subsector Matrix in Manual



Evaluating the Four Steps

- Use the summary worksheet to assess your product and market potential
- If the product and market look promising, then your next step is a full business plan for your enterprise/product
- Use the completed worksheets in the manual to focus your information gathering to fill gaps
- Reach out to intermediaries to explore potential business deals



Thank You

For More Information Contact
Electronic version of the “Conservation
Marketing Equation” can be found at the
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www.translinks.org

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