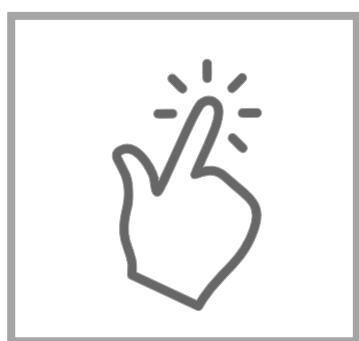


## Market Systems Development: Common Myths

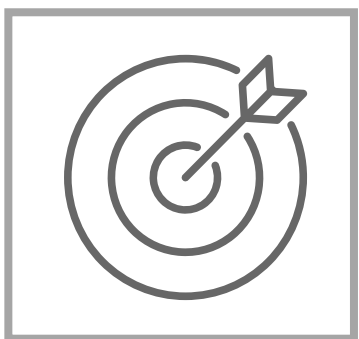
Myths abound in Market Systems Development. This brief debunks five common myths and provides resources for practitioners who want to learn more. This is the third brief in our series on market systems development. This is final part of a three-part series on MSD Fundamentals developed by the Canopy Lab with support from independent consultants Mike Klassen, Kelsey Bachenberg and Samira Saif.



**Myth #1: MSD is only synonymous with facilitative or light-touch approaches.** The objective of the MSD approach is to bring about systemic change. A wide range of tactics can be employed to achieve systemic change, sometimes including the direct delivery of services or goods. Some tactics may be the *same* on an MSD project as on a non-MSD project (e.g., private sector partnerships), the difference is *why* they are used. [Learn more here.](#)



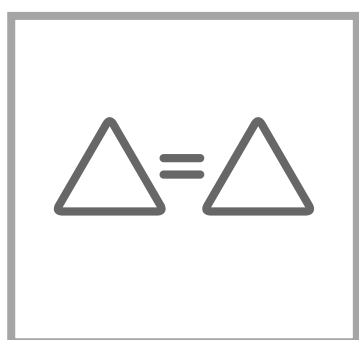
**Myth #2: MSD doesn't work in certain markets.** There is a common misconception that MSD cannot work in certain market sectors—for instance, thin markets with few market actors, markets where capacity or organization of the poor is low, or those plagued by recurrent conflict. In reality, programs are successfully applying the principles of MSD and systems thinking to a wide range of contexts and problems. Learn more [here](#) and [here](#).



**Myth #3: MSD cannot target or reach marginalized or vulnerable groups.** Since MSD activities often do not work directly with target beneficiaries, they therefore do not have the agency to 'choose' beneficiaries the way a direct delivery activity would. Nevertheless, MSD activities can effectively target beneficiaries (e.g., women, youth, indigenous) by intentionally planning for inclusion and applying a range of tools and tactics. Learn more [here](#), [here](#) and [here](#).



**Myth #4: It is not possible to attribute household- or beneficiary-level impact to MSD interventions.** There is a robust set of tools and frameworks for monitoring and measuring attributable change at the system- *and* household/beneficiary-levels. Common impact indicators on MSD activities include # of end beneficiaries, \$ increase in net attributable income, and # of jobs created. Learn more [here](#), [here](#) and [here](#).



**Myth #5: MSD is the same as market-based/-driven and private sector engagement (PSE) approaches.** Market-based/-driven development approaches primarily take into account the economic forces of supply and demand, while PSE has its own strategic approach to working with private sector actors. MSD implies a *systems-level* approach, from analysis through program design, implementation, and evaluation. MSD is a market-driven approach that often engages the private sector, but not all market-driven or PSE approaches are MSD approaches. Learn more [here](#).