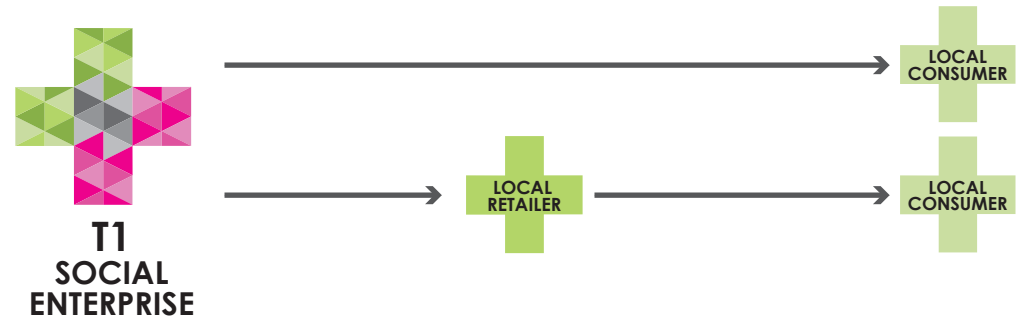


# KEY PLAYERS IN THE VALUE CHAIN

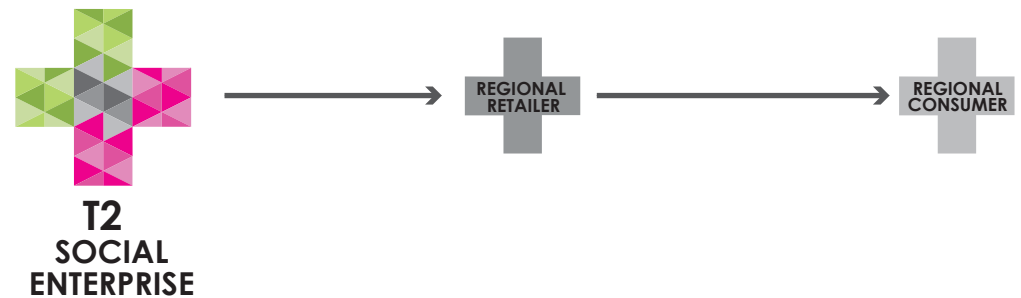
A quick guide on the terminology and key players which are found in the typical value chain for craft + natural cosmetics.

## REACHING YOUR CUSTOMERS

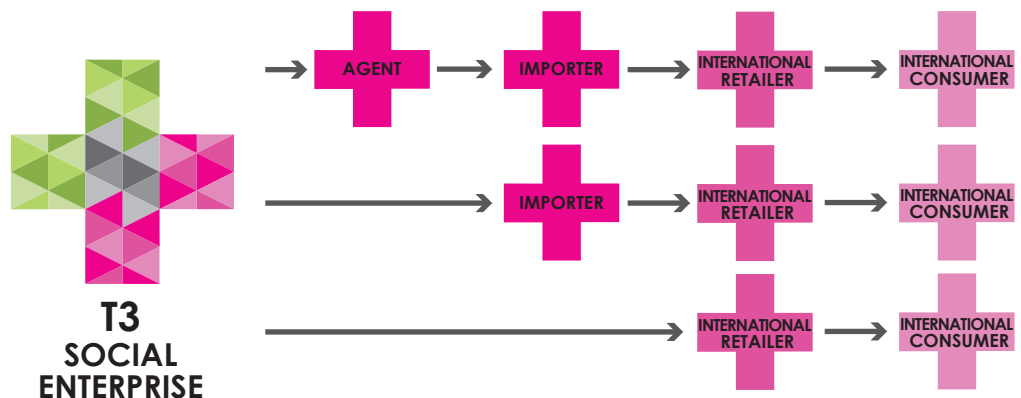
### LOCAL MARKET



### REGIONAL MARKET



### INTERNATIONAL MARKET



**SOCIAL ENTERPRISE:** A Trade+Impact social enterprise is a for-profit business in Africa or the Middle East having a profound positive impact on its employees and its community. Many social enterprises contribute significantly to the social and economic performance of their countries as they work with hundreds – and in some cases thousands – of people, providing wages, healthcare and educational support for the individuals and communities they touch.

**PRODUCER:** Producers are the individuals who work for sellers. Depending on the structure of the seller, producers may be contracted employees or pieceworkers, paid by the number of units they produce.

**EMPLOYEE:** employees are individuals who are contracted and work for social enterprises, perhaps not directly related to the production of the products. I.E. Administrative Positions, Marketing, Production Manager etc.

**CONSUMER (LOCAL, REGIONAL & INTERNATIONAL):** A consumer is the end user of your product and they vary depending on the location of them. You will find that local consumers have different tastes and preferences than those in international markets. It is important to understand your consumers (and your buyer's consumers in international markets) to be effectively bring products to market.

**BUYERS:** provide an important linkage between sellers and end markets. Buyers may operate wholesale or retail businesses, and usually aggregate and transport products to end markets, such as individual consumers, or retail outlets in Europe or North America. They work closely with sellers to ensure consistent, quality products.

**SALES AGENTS:** Sales agents are not resellers, but they can help you reach consumers by linking you to resellers. You hire sales agents to represent your company for a fee. The fee is usually a percentage of your sales to the resellers who they find for you.

**IMPORTER/DISTRIBUTOR:** Importers source, ship and import products from different countries and sell them to retailers in their local markets. Many international retailers work with importers because they do not have the time and resources to do the work themselves. Importers cover their costs by buying products and marking them up to sell to retailers.

**RETAILER:** Retailers specialize in reaching consumers. They may own department stores or small boutiques in local, regional or international markets. They buy products from companies, traders or importers, and market and sell them to consumers in shops or online. They cover their shipping, storage and marketing costs by buying products and then increasing the price of these products for consumers. This increase in price is called a markup.

**NGOS:** Some non-governmental organizations (NGOs) have funding from donors to help artisans access markets. These NGOs may act locally or internationally as sales agents, traders, importers or retailers. NGO programs will last only as long as they have funding from donors.

### TRADE LEVELS\*



### IMPACT LEVELS

