

CHAPTER 5

CONNECTING THE DISADVANTAGED TO THE UNINFORMED

Problematic business communication in the medicinal and aromatic plants industry

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Abstract. Making medicinal and aromatic plants (MAP) businesses equitable, profitable and sustainable requires accurate and timely information moving through the marketing system. In developing countries, intermediation in the MAP business by NGOs and development agencies in addition to the usual brokers, traders and regulatory agencies, adds more complexity to an already complex industry. Opportunities for misunderstanding are many. Three sorts of problem communications can be identified: technical, business and cultural. Identifying the different points of view of stakeholders is the first step in building communication links.

Keywords: market information systems; market intelligence; MIS

Harvard Business Review (HBR) closed its September 2004 issue with a short essay on business communication titled *You Say Po-Tay-Toes, I Hear To-Mah-Toes* (Moyer 2004). The bottom line on business communication, even in the mainstream business world of HBR, is that misunderstandings will always happen. Yet if we are to make business profitable, equitable and environmentally sound, we must strive toward communication systems that assist the movement of accurate and timely information throughout the marketing chain.

In the business of medicinal and aromatic plants, which is arguably the most complex industry in the world, misunderstanding is unavoidable considering the range and number of participants in the industry.

Among the producers, we find:

- wild-collectors
- subsistence farmers
- better-off farmers

- corporations
- government entities.

Traders can be thought of as belonging to two groups. At one level, we find primary assemblers and traders including:

- the wild-collectors themselves
- farmers, rich or poor
- amateur traders, often neighbours of the producers
- professional traders of various sorts
- trade associations
- national and international corporations
- development agencies – national or international – actively engaged in trade
- government entities including MAP monopolies and forest management bodies.

At the next higher trading level, we find:

- companies that blend products to sell onward to retailers
- companies that manufacture and retail under a brand name
- Fair Trade organizations that buy and sell MAP using several market channels
- end-users who buy direct from farmers.

Intermediating in this already complex trade are a range of agencies whose work may be toward good or evil ends:

- government regulatory agencies in the originating country
- government regulatory agencies in destination and transshipment countries
- national and international NGOs working to raise local incomes
- bilateral or multilateral development agencies
- government development agencies
- trade associations in the originating country
- trade associations in the destination country (and occasionally in transshipment countries)
- special-interest groups in any country
- criminals in any country.

These stakeholders interact in many places along a complex and unevenly administered marketing chain (Figure 1; see colour pages elsewhere in this book) in which each player has a different agenda. Although profit is the acknowledged goal in business, the definition of profit varies from one person to another. Some stakeholders, development agencies in particular, have rural development, livelihood security or perhaps environmental diversity or sustainability as their aim, not corporate profit.

To this rich cast of players we must add the vast array of products they are trying to communicate about: wild-collected plants, semi-cultivated plants, cultivated plants, simple value-added products, blended products and illegal products. There are many thousands of MAP traded locally or internationally and they each have several names, many of which are botanically incorrect.

In simplifying the discussion, three areas can be identified where problem

communications occur in the MAP industry: cultural norms, technical knowledge and business systems.

Language barriers are the most clearly recognized cultural barriers, but in addition to the obvious problem of communication between people with diverse native languages, there is also the problem of industrial and scientific jargon, legal jargon, and non-scientific language used by any of the parties involved in the transactions.

Differing individual and family goals and values are also barriers to communication that can be considered cultural. Rural people are often risk-averse and lacking in business skills. Individuals may have responsibilities outside of the business that are not taken into account by outsiders. Farmer-organization culture varies from place to place, as does the culture of development agencies that may hate business, love business or generally have no clue about how business works. One pervasive problem is the entitlement culture that is common in underdeveloped countries where aid has been badly administered or where interventionist national policies have stunted ambition and personal responsibility.

Government bureaucracies and policy practice can also be considered a cultural barrier to communication. And to balance the bureaucracy, we have corporate culture that may be cut-throat or nurturing, skilled or amateur.

The second kind of problem communication centres on exchanges of technical information. What are the plants and products called? Are they correctly identified? Do the buyers understand the horticulture realities of season and yield? Are there sufficient safeguards to avoid the risk that wild-collection poses to consumer safety and the environment? Are post-harvest handling methods correct and safe? Is the packaging safe and attractive? Consider how hard it is to communicate the concept 'attractive'. Consider also the problem of explaining the new and changing phytosanitary standards and their variations around the world to a group of mountaineers.

A third set of problem communications revolve around the practice of business. Business cultures vary, as already mentioned, but business practice also varies from country to country and from firm to firm. Issues that must be reconciled across international boundaries include:

- contract negotiation, management and enforcement
- banking, cash management, currency exchange and international wire transfers
- farmer organization, membership and responsibilities
- product volume and pricing
- improving factors of competition
- improving factors of 'coopetition' (working with competitors toward common goals that improve the industry's competitiveness)
- accounting and auditing practice (how many sets of books are kept?)
- organizing and paying for phytosanitary certification, point-of-origin certification, export and import licensing, and wild-collection licenses, and of course taxes – official and otherwise.

Figure 2 (see colour pages elsewhere in this book) attempts a graphical

presentation of the complexity of the situation. The coloured arrows indicate places where various players in the MAP business will communicate to influence events. In Figure 2, green arrows represent producer communication, blue arrows are places where consumers or representatives of consumers push communications, red arrows are regulatory communication, and orange arrows are development-agency interventions. Surely, there is no misunderstanding as to why misunderstandings occur.

The way we approach the problems facing business communication within MAP depends in large part on our own point of view as producer, buyer or intermediary. Systems analysts would classify the MAP industry as a Self-Organizing System, one in which chaos is inherent and unavoidable. The best way to share market information in a chaotic system is to set a challenging communication goal: rapid and free flow of information up and down the market channel. In this kind of system, information flows all directions in formats that are comprehensive and understandable.

The communication must be politically neutral and communicators must be dedicated to growing market size and broadening participation. Communicators must be committed to building effective markets and marketing systems in which information flows smoothly, property rights are protected, people honour their commitments, negative human and environmental effects are controlled and competition is encouraged.

These goals are lofty ones, and in talking about free flow of information, we find that many people and organizations cling to the idea that knowledge is power, not understanding that, in reality, business advantage comes from using creative analysis of information to derive a competitive business strategy. Sharing information (not proprietary information, of course) is a good thing that benefits an industry.

Another idea derived from modern business science is that cooperation among competitors improves the competitiveness of an industry as a whole. Thus, progressive companies invest in formal and informal information systems between participants in the industry, they allocate ample money for translators and interpreters within their own firms to ease information sharing, they invest in skill building in partner firms and agencies, and they invest in systems to extend transmission of information to a broader community, thus increasing market transparency. Forward-looking corporations invest in internet access and web presence for their business partners in developing countries.

Participants in the MAP industry can consider business communication as a supply-chain management problem that must be addressed by attacking the bottlenecks that block the flow of information and by choosing business partners with a good record of fair dealing and who take a long-term view. Particularly important, given the rural nature of many of MAP producers, is the need to invest in skill building at all levels.

To conclude, I return to *You Say Po-Tay-Toes, I Hear To-Mah-Toes*, which ends with a recommendation that applies to MAP business equally with mainstream industries:

“The best strategy for communicators may be this: Prepare to be misunderstood. And don’t insist that your meaning is the right one. Sometimes what your listeners hear is more interesting than what you have actually said.”

REFERENCES

Moyer, D., 2004. You say po-tay-toes, I hear to-mah-toes. *Harvard Business Review*, 140.