INTRODUCTION:
SANITATION MARKETING IMPLEMENTATION
Rural sanitation development is one of Lao PDR’s priorities to ensure that all Lao people have equal access to sanitation technologies that will allow them to stop practicing open defecation. The Lao government has challenged all villages across the country to become open-defecation free or “ODF” villages. In an effort to help villages accomplish this, the National Center for Environmental Health and Water Supply is conducting a community-led total sanitation (CLTS) initiative to educate the public on proper sanitation practices. CLTS activities then create demand for improved sanitation technologies such as latrines. In order to fulfill the generated demand, Nam Saat is working with other parties such as the World Bank’s Water and Sanitation Program (WSP) and Population Services International (PSI) to make latrines available throughout the country.

In 2013, PSI began implementing sanitation marketing activities with funds from WSP. The life of the project was 30 months, during which time PSI made it a priority to follow CLTS activities and encourage business to sell to communities that had been educated on ending open defecation. It became clear that PSI’s activities were most successful when done in collaboration with CLTS.

In an effort to share PSI’s experience implementing sanitation marketing with the government and other development partners, WSP and PSI have developed a Sanitation Marketing Toolkit outlining best practices and lessons learned over the last few years. The toolkit includes 8 books:

1. **SanMark Implementation Manual** – this book outlines the process of implementing sanitation marketing in Laos including proposed business models and marketing approaches.
2. **Business Skills for Latrine Entrepreneurs, Facilitators Guide** – provides individuals wishing to conduct business skills training with a guide containing facilitation strategies and relevant training modules
3. **Business Skills for Latrine Entrepreneur, Participants Workbook** – this book contains all the materials and tools a latrine entrepreneur will need during business skills training
4. **Latrine Entrepreneur Operation Manual** – this book helps new latrine entrepreneurs understand the latrine business environment in Laos as well as consumer desires
5. **Latrine Production and Installation training, Facilitator’s manual** – this books provides individuals conducting latrine production and installation training with a step-by-step guide
6. **Latrine production manual** – this book is for latrine entrepreneurs to utilize during production and installation training. It contains all the material and size specifications for producing a high-quality latrine
7. **Sales Agent Training, Facilitator’s Guide** – this book provides individuals conducting sales agent training with facilitation strategies as well as relevant training modules
8. **Sales Agent Operating Manual** – this book is intended to guide sales agents through the training process as well as their daily sales activities
We hope that this toolkit will be useful to our partners and other development organizations in their efforts to increase access to latrines in rural areas.

As a represented of National Centre of environment health and water supply would like to acknowledge WSP office and World bank for supporting us capital in implementing the project and supporting making these manuals. Moreover, we would like to thank to PSI (Population International Service ) that has dedicated their time on making these toolkits until it completed.

Best regards,

Vientiane....../........../..........
ACKNOWLEDGEMENTS

Population Services International (PSI) has worked to implement Sanitation Marketing in Champasak and Sekong provinces with oversight from the National Center for Environmental Health and Water Supply, Department of Hygiene and Health Promotion and the World Bank’s Water and Sanitation Program (WSP).

Implementing Sanitation Marketing involves four main activities: 1) strengthening the capacity of latrine businesses to produce and deliver high-quality latrines; 2) coordinating with government and private sector activities related to Community-Led Total Sanitation (CLTS) efforts; 3) analyzing the potential for sanitation financing among poor households; and 4) sharing ideas, challenges, and lessons learned in order to promote expansion of SanMark throughout the whole country.

Throughout the 3 years of implementation (2013-2015) we have received a great deal of support from the Lao government, from central to local government, who aided our efforts to expand the SanMark project over 10 target districts (Sanasomboun, Pathoumpone, Paksong, Mounlapamok, Soukhoumma, Khong, Bachieng, Dukjung, Lamarm, and Thatheng) in Champasak and Sekong provinces.

The PSI team was led by Mr. Eric Seastedt, Regional Advisor for PSI Asia, Mr. Sihamano Bunnavong, National Coordinator, Mr. Thongdy Phommavongsa, Programs Manager, Mrs. Lattana Sinhradsvong, Sales and Marketing Manager, Mrs. Saysana Phanalasy, Research, Monitoring & Evaluation Manager, Ms. Emily Endres and Ms. Kathelyn Rivera, Technical Advisors, and Mr. Panya Phoumthavisouk, Mr. Outhikone Souphome In, and Mr. Bounheuang Keomingmeuang, Provincial Project Coordinators.

PSI would like to thank Dr. Soudsakone Chathapone, head of Nam Saat, and related technical staff Dr. Vilayphone Mungkhasurm, Vice Head of the Department of Hygiene and Health Promotion, Mr. Bounvung Xayamany, head of the Champasak Nam Saat office, as well as his team members. Dr. Khamlay Santiphoum, Deputy Director of the Sekong Health Department for supporting our SanMark project.

PSI would also like to graciously acknowledge Mr. Viengsamay Vongkhamsao, Country Director of WSP Lao PDR, Mr. Kansam Lattanthot, Marketing Consultant, Mrs. Viengsompasong Inthavong, Water and Hygiene Technical Assistant, and Ms. Susanna Smets, Water and Hygiene Expert in Asia Pacific WSP-EAP for their ongoing support for this project.
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KEY TERMS

Behavior Change Communication (BCC) - approach that utilizes communication strategies to promote positive behaviour changes at the individual and community levels

Community-led Total Sanitation (CLTS) - approach that uses behaviour change communication strategies to highlight the collective benefits of halting open defecation practices at the community level

Direct Sales - Sales approach that markets a product directly to a consumer; includes door-to-door sales and group sales events

Door-to-door sales - Direct sales strategy where a sales agent conducts sales at a customer’s household

Facilitator - An individual or other entity that aids the progress of any type of work or activity

Franchise - A network of individuals or groups that market and distribute their services and/or products under a unifying brand

Franchisor - The individual or company that grants individuals or groups the right to market their services and/or products under the franchise’s brand

Franchisee - An individual or group that is granted the right to market their products and/or services under the franchise’s brand

Incubator - In the social franchise model, the entity that facilitates the establishment of a franchise by providing technical support to the franchisor

One-stop-shop - Business model that makes all components of a product available in one location, thereby facilitating the purchasing process

Sanitation Marketing (SanMark) - Strategy that applies the best social and commercial marketing practices to change behaviours and to scale up the demand and supply for improved sanitation, particularly among the poor

Social Marketing - The activities and processes that promote and sell a product or service that influences the consumer to adopt a behaviour that benefits society
ABBREVIATIONS

BCC - behavior change communication

CLTS - community-led total sanitation

iDE - International Development Enterprises

IEC - information, education, and communication

ODF - open defecation free

SanMark - sanitation marketing

WSP - Water and Sanitation Program
Background and Direction
BACKGROUND AND DIRECTION

The tools and information in this toolkit come as a result of extensive field testing and iterations based on lessons learned, as well as results of a 9-month pilot conducted by iDE, and from other best practices in the region. The toolkit is designed to facilitate the national scale-up of sanitation marketing, modelled after lessons learned from implementation in 10 districts in Champasak and Sekong Provinces as part of the Water and Sanitation Program’s (WSP) Scaling Up Rural Sanitation program (see sidebar).

WSP supports the implementation of Sanitation Marketing in Laos in response to low rates of access to improved sanitation in rural areas. Some causes of this include:

- Latrine product designs in the market did not fit the preferences or affordability constraints of consumers in rural areas.
- A fragmented supply chain created barriers to accessing latrines in the private market and drove costs up.
- Supply chain actors were not motivated to invest in sanitation and did not conduct their businesses strategically, considering ways they could earn more by adopting a low profit, high volume strategy.

The business model implemented through Sanitation Marketing addresses these challenges by building the capacity of local concrete business to produce and sell a complete latrine product that is designed for attractiveness and affordability.

Scaling Up Rural Sanitation

The Scaling Up Rural Sanitation Program in Laos aims to identify the messages, tools, and processes that achieve the most impact to increasing the coverage of improved sanitation. It aims to develop models that can be replicated across the country with little external support and with leadership from government partners.
THE BUSINESS MODEL

The business model used in the approach is designed to address these challenges by converting concrete product businesses—who normally produce only part of the total latrine product—into one-stop shops for pour-flush latrines. The businesses are trained in how to produce the low cost, high quality product, and how to conduct their businesses efficiently and effectively by learning essential business skills like how to manage their stock, manage their cash flow, and calculate costs and profits.

Latrine Businesses are chosen based on a strict selection process and are given quarterly quality audits designed to ensure that the quality of their products meet the minimum standards required in the contract. The contract also stipulates that the first year of membership in the network is free, after which that the enterprise will be asked to pay a fee to continue receiving network services.

Sales Agents connect the businesses with the consumers by conducting village level sales events and door-to-door sales. These Sales Agents are equipped with sales tools and skills that were informed by market research and field-tested to maximize effectiveness.

Creating a structure designed to provide this support and motivation in the long-term is essential for success, and can be achieved using a social franchise model.

Through a social franchise model, the following impact can be achieved:

- Reduced subsidy needed to expand latrine coverage in Laos.
- Additional demand created for latrines through the promotion of a highly visible, recognizable, and respected brand.
- Additional demand created for entrance into the Latrine Business through the promotion of a proven business concept and the opportunity to access highly valued services that increase the likelihood of profit and growth.
- Valuable public private partnerships developed by involving actors throughout the value chain to contribute to and benefit from the franchise.
- Small businesses connected with sources of funding through awareness raising and promotion in networks such as the iNGO Network and the Scaling Up Nutrition Network.
Coordinate with local government and CLTS*

Coordinate with village chiefs

Group sales event

Door to door sales

Take orders/deposits

Report the number, types, and delivery dates of latrines ordered

Produce latrines

Village Chief makes sure customer is ready

Deliver latrine**

Install latrine**

Customer pays balance
Introduction to the Manual
INTENDED AUDIENCE

The Sanitation Marketing Toolkit is available in both English and Lao languages. The content of the toolkit is designed to align Sanitation Marketing approaches implemented by other development partners, government agencies, or future phases of SanMark. This alignment will ensure that businesses are trained in set standard operating procedures (SOPs) that will position them to be absorbed into a more sustainable and locally rooted business support structure that can be developed in future phases of Sanitation Marketing.

TOOLKIT CONTENTS

Sanitation Marketing Implementation Manual

The purpose of this manual is to provide guidelines and best practices for scaling up sanitation marketing in Laos. It includes the messages, tools, and processes that have been most effective for implementing sanitation marketing. This manual can be used by either a public or private entity looking to replicate these efforts in other regions of the country.


This guide is intended to be used by individuals conducting business skills training for entrepreneurs. It includes facilitation guidelines on how to create a sense of community, maintaining a smooth flow, and checking for comprehension from participants. Procedures for preparing materials, agenda, and the budget for the training session are also included as well as training modules on making sales, calculating cost and profit, and calculating raw materials needed to meet sales goals, among other topics.
Business Skills for Sanitation Entrepreneurs: Participant’s Workbook

This workbook contains all the materials the entrepreneur will require during the business skills training. There are worksheets and calculators for every module the Facilitator goes through, all of which are included here.

Latrine Entrepreneur Operating Manual

The purpose of this manual is to introduce the entrepreneur to the latrine business and SanMark network. It explains the importance of a latrine, the different components of a latrine, factors that motivate/discourage customers from buying a latrine, the one-stop-shop business model, SanMark network standards, and best practices and recommendations for having a successful latrine business.

Latrine Production and Installation Training, Facilitator’s Guide

This manual is to be used by individuals conducting latrine production and installation training for enterprise owners. It includes guidelines for creating trust and facilitating communication between the instructor and the entrepreneur. Procedures for preparing materials, agenda, and budget for the training session are also included as well as training modules for manufacturing rings and slabs and latrine installation.
**Latrine Production Manual**

This manual contains all the materials enterprise owners need during the latrine production and installation training. It includes a list of the type and amount of each materials needed, worksheets to calculate the cost of production, and detailed procedures of how to manufacture all the parts of a latrine.

**Latrine Sales Agent Training, Facilitator’s Guide**

This manual is intended to be used by individuals conducting training for new sales agents. It contains tips on how to communicate effectively with a group of people and create a good environment for learning. Guidelines for preparing materials, agenda, and budget for the training session are also included as well as training modules for teaching sales agents about the features and benefits of latrines, customer motivations for buying a latrine, selling, latrines, preparing for sales events, and overcoming objections from potential customers.

**Latrine Sales Agent Trainee Handbook**

Individuals training to become sales agents should use this handbook to learn about the latrine business, and understand their customers and the product they are selling. The handbook also highlights the responsibilities of the sales agent and includes the procedures and materials required for sales agents to conduct door-to-door sales and sales events.