Demand Creation and Product Promotion in Sanitation Marketing
East Java Experience

WATER AND SANITATION PROGRAM

The Sanitation Marketing Community of Practice
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Main Learning Objectives

Session 1

• Know key components of sanitation market development approach
• Understand the importance of market research when designing marketing strategy
• Know the process from market research to strategy development from the sample given
Where behavior change has been triggered, people either build improved toilets, or share other people’s toilets or dig simple pit latrines, when they can’t afford it. Pit users generally consider it a temporary measure. Owners of unimproved toilets were much less satisfied than owner of improved.

Those who shared other people’s toilets were even less satisfied.
Key Components for Sanitation Market Development at Scale

Supply Responsiveness to Demand Generated

- Achieving open defecation free (ODF) communities and creating demand for improved sanitation at individual & household level
- Increasing capacity of partners for implementation
- Supply Strengthening to deliver improved consumer-responsive products and services
Why We Need Market Research

- Sanitation marketing is a process of delivering what customers value most to improve their sanitation
- Little was known about why people in East Java do open defecation and own certain sanitation facility
- Evidence based findings would be used for designing rural sanitation marketing strategies
Key Steps in Developing Sanitation Marketing Strategy

1. Define or select research framework such as behavior change communication framework SaniFOAM

2. Hire a professional marketing research agency to design the methodology and conduct the survey

3. Findings are then used as foundation for developing strategies of 4Ps:
   - **Product.** Providing an appropriate range of the preferred kind of products
   - **Price.** Offering a product price range that is affordable to target customer as well as profitable to suppliers
   - **Place.** Defining how the products and services will be delivered to them
   - **Promotion.** Integrated BCC to address barriers and inform consumers about the products and services available

4. Hire a creative communication agency to develop BCC strategy
Behavior Change Framework: SaniFOAM

**FOCUS**
- Target population
- Desired behavior

**OPPORTUNITY**
- Access/availability
- Product attributes
- Social norms
- Sanctions/enforcement

**ABILITY**
- Knowledge
- Skills and self-efficacy
- Social support
- Roles and decisions
- Affordability

**MOTIVATION**
- Attitudes and beliefs
- Values
- Emotional/physical/social drivers
- Competing priorities
- Intention
- Willingness to pay
What Did Formative Research Tell Us? … (1)

- People believe feces can be good for environment, as organic fertilizer to feed fish (beliefs – M)
- Sanitation facility is low priority (competing priorities – M)
- People overestimate cost of building latrine and have low awareness of facility options (knowledge – A)
- Tolerance and acceptability of open defecation is a factor associated with the behavior itself (social norms – O)
- Ready access to suppliers and availability of products and services affects demand for sanitation (access/availability – O)
- Increase social status is a significant motivation for improved sanitation (social driver – M)

Source: Nielsen 2008

“As the water goes to the paddy field, (my waste) can act as fertilizer, it will help the paddy to grow, using organic fertilizer”

Quotation from participants in FGD, Probolinggo district, male, open defecator, February 2008, East Java
People understand “improved sanitation“ as a facility with gooseneck water seal, pour-flush type, with a septic tank built inside or outside the house.

- Ease of cleaning
- Prevent odor
- Scratch resistance
- Modern look to represents social status
- 3 – 5 yr pit capacity
Developing Strategy…(1)

Product

- Step by step incremental simple pour flush with single pit (**upgradeable improved pit – latrine**)
- **Informed Choice Catalogue**: tool for generating awareness on available and affordable options
- Develop **“inspirational”** latrine available among accredited suppliers
Establish “starting at” prices among accredited suppliers

Tap into existing financing options such as microcredit, savings and loan cooperatives, etc.

Step up promotion during harvest seasons

Set up collective self help financing such as arisans
Reinforce community-led district activities (CLTS) to ‘ignite’ behavior change and change social norms.

Ready to use tools (eg. radio spot, video drama, school play and games) to support districts in promoting sanitation.
Developing Strategy…(4)
Place

- Technical and sales training of local artisans
- Accreditation and **branding**
- **One-stop shopping sanitation entrepreneurs**
One – stop shop sanitation providers offer customers with:

1. Upgradeable product with range of price to serve wide segment of customers

2. More affordable end-price resulted from integrated of processes:
   • Advice on product options
   • Material supplies: collective orders will increase bargaining power for discounted price
   • On-site installation process: reduce distribution cost and labor cost

3. Payment flexibility: cash, installment, group saving mechanism
End Session 1

Question:
• To manage the process effectively, should we hire a person with marketing background expertise?
SESSION 2

DELIVERING STRATEGY TO THE MARKET
Main Learning Objectives

Session 2

• Know the importance of identifying market stakeholder

• Learn an alternative of project intervention to catalyst sanitation market development at scale

• Learn the process of building capacity of stakeholders to implement strategy

• Know the potential risks when delivering strategy through stakeholders
WSP's Technical Assistance

Understanding market
- Consumer research – BCC framework
- Supply chain assessment

Developing strategy
- BCC framework campaign strategy
- Market driven supply improvement strategy
- Implementation strategy: identifying role and building capacity of market stakeholders

Market mechanism / scenario

Increase supply
Product promotion

Local private sector produces sanitation products and services
Buy sanitation products and service
Stimulate growth of supply: train, monitor, regulate

Households build and use improved sanitation facilities
Rural communities ignite and commit to becoming 100% Open Defecation Free
Facilitate CLTS triggering and BCC media campaign to promote demand for collective ODF

Local governments implement rural sanitation program
Institutionalizing Promotion of Sanitation Behavior Change at Local Governments

• Centralized developed communication materials (Communication Tools Menu and Informed Choice Catalogue (ICC)) to allow local implementation

• Build local governments ownership of sanitation promotion activities
  – Identifying government roles
  – Building local governments capacity to develop promotion plan (using Communication Menu)
  – Assist and monitor implementation
Develop Capacity of Local Sanitation Providers to Conduct One Stop Shop Sanitation Business

1. In class training and field visit coaching
2. Identify target market
3. Promoting the product and services
4. Managing inventory
5. Installing the facility
Learning…(1)

BCC Promotion by Local Government

• Centralized developed communication materials has increased local government ownership of sanitation promotion activities
  – Districts allocated and increase the allocation of resources to adopt BCC materials in the Communication Tools Menu, and sanitation entrepreneurs training and monitoring

• Challenges:
  – The budgeting and planning cycles and bureaucratic processes differ from one local government to another
  – Staff rotation
  – The competing priorities with other health campaign such as disease information, maternal and child health, and so on
  – Limited control of the actual communication materials produced
Learning...(2)

BCC Promotion by Local Government

Media Effectiveness

• (-) Printed communication materials are not particularly effective since districts try to redesign the creative ideas which will change the intended message

• (+) A ready to use video and spot radio commercials and ease of placement are better used to deliver messages effectively

• Logo is very effective in communicating the project and can widely be used but modified in some districts
Learning…(3)

Product Promotion

- Trained sanitation entrepreneurs sold 15,000+ latrines (business volume over $1 million) with unstandardized quality
- Price starts at $20 to over $100 (2009) with the tendency to cover middle to upper segment and limited to BoP segment
- Available payment flexibility: saving group, installment (3 – 6 – 10 months) with relatively high interest monthly at 1.5 – 2.5% per month
- Product promotion mostly through group meeting, brochure, banner
- Sales network with community cadres and health center staffs can reach HH effectively
- Monitoring integrated to STBM program
Challenges to Applying Sanitation Marketing

- Complex product – many combinations of super, middle and sub structures
- Few opportunities to standardize price
- Fragmented, informal supply
- Limited marketing skills among local stakeholders
- Indicators of project progress and monitoring
- Reaching lower income quintile
- Replication / scaling up the process
Conclusions

- Well-designed **formative research** is critical to get insights needed to effect behavior change
- SaniFOAM is a useful framework from research to program design and monitoring
- **Involving local government** in implementation is key to sustainability
- **Sanitation marketing is not just about supply!**
- Applying some best practices from commercial and social marketing seems promising
End Session 2

Question:
• Can sanitation marketing reach the lowest segment of the market? How?
• What about for people living in difficult geographic condition?
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