Sanitation Marketing Toolkit

Latrine Entrepreneur Operating Manual
# TABLE OF CONTENTS

<table>
<thead>
<tr>
<th>Section</th>
<th>Page</th>
</tr>
</thead>
<tbody>
<tr>
<td>INTRODUCTION TO THE LATRINE BUSINESS NETWORK</td>
<td>1</td>
</tr>
<tr>
<td>SERVICE DELIVERY PACKAGE</td>
<td>7</td>
</tr>
<tr>
<td>PROMISE TO CUSTOMERS</td>
<td>12</td>
</tr>
<tr>
<td>NETWORK STANDARDS</td>
<td>14</td>
</tr>
<tr>
<td>COMPLIANCE WITH STANDARDS</td>
<td>17</td>
</tr>
<tr>
<td>NETWORK FEES</td>
<td>22</td>
</tr>
<tr>
<td>BEST PRACTICES AND RECOMMENDATIONS</td>
<td>24</td>
</tr>
<tr>
<td>MORE INFORMATION</td>
<td>33</td>
</tr>
<tr>
<td>ANNEXES</td>
<td>35</td>
</tr>
</tbody>
</table>
Introduction to the Latrine Business Network
WELCOME TO THE LATRINE BUSINESS!

As part of the Latrine Business Network, you can expect to more rapidly achieve your business goals because, as a member, you will receive:

- Guidance and support for operating a successful business;
- Training on how to produce, market, and sell a latrine designed to be attractive and affordable for consumers, and profitable for your business;
- Sales and marketing support to help you expand your business through a highly trained and effective sales force;
- A reputable brand, along with branded promotional and marketing materials;
- Access to a wider community of other latrine businesses, supply chain actors, technical experts, and government partners with whom you can exchange ideas and build longstanding professional relationships.

In order for the Network to deliver on that promise to you, the Network member, the Network brand must deliver on its promise to consumers. The extent to which that happens depends on your willingness and ability to comply with the standards and procedures outlined in this manual.

This manual provides standards that all Network members are expected to meet and procedures to follow in order to meet those standards. The Network may revise this manual occasionally to reflect new policies or procedures as the Network evolves over time. Network members will receive revised sections or amendments to the manuals as they are made.

This manual is part of a larger Sanitation Marketing Toolkit that also includes a Latrine Production Manual and a Business Skills for Latrine Entrepreneurs, Participant’s Workbook. Refer to these components of the toolkit for specific strategies and tools related to producing, delivering and installing the latrine product, and running your business efficiently and effectively.
LATRINES—WHAT ARE THEY AND WHY ARE THEY IMPORTANT?

DID YOU KNOW...

Almost 1,500,000 families living in Laos do not have a quality latrine?

What does it mean? Well, it means that:

- 1,500,000 families have to go outside in the rain to shit.
- 1,500,000 families have to be afraid of people seeing them while they shit.
- 1,500,000 families have to be afraid of dogs, pigs, snakes, and mosquitos every day.
- 1,500,000 families have to go out at night, including children and the elderly, to find a safe place to shit.

AND thousands of Lao children get sick and die every year from diarrhea because they do not have latrines!

HOW DOES THIS HAPPEN?

When people do not use a latrine, their shit can get into their food from accidentally touching the shit, from getting into the water, and from the flies that carry the shit onto your food! When you eat shit, you get diarrhea and spend lots of money for medicine.

Latrines allow people to shit in a place where it cannot get into their food or water. Latrines are also more comfortable, more convenient, more private, and safer than shitting outside!

1 2009 Population and Housing Census and 2011 Lao Social Indicator Survey
IN ADDITION TO HELPING LAO PEOPLE LEAD EASIER, HEALTHIER LIVES, BY BECOMING A LATRINE PRODUCER, YOU CAN ENJOY THE FOLLOWING BENEFITS:

- Earn more profit and grow your business over time
- Expand your ability to enter other related markets (housing construction, rain water collection tanks, septic tanks, fecal sludge management, etc.)
- Learn new skills in construction, marketing and sales, and business skills
- Improve the health, comfort, and safety of your family, friends, and neighbors!
There are many different types of latrines. The important thing is that they separate people and shit! Different types of latrines include:

- Pour-flush toilet
- Dry-pit toilets with slabs
- Dry-pit toilets with PVC pipes for vents
- Toilets that turn shit into fertilizer for farms (composting latrine)

Making sure that everyone in Laos has access to a high quality latrine is important because it will make people’s lives easier; it will make people more productive and help Laos to develop as a country; and, it is a great business opportunity!
KNOW YOUR CUSTOMER

When asking people to change their behaviors or make a big purchase (like a latrine!), it is important to know something about them. This information will help you learn about your customer as a person and what kinds of challenges they face that make it difficult to buy a latrine.

Mr. Keo is an imaginary person who represents most Lao people who do not own latrines.

WHO IS KEO?

- Middle-aged man (35-45 years old)
- Married with children
- Has only a primary school education
- Makes around 1,000,000 LAK per month

WHAT DOES HE WANT?

- Safety for his wife and children
- A comfortable, private, and convenient latrine
- A modern, pour-flush latrine, similar to those in urban areas
- To be respected by his community
- To stop shitting outside because it is unpleasant

WHAT DOES HE BELIEVE?

- Believes that a latrine would bring dignity, safety, and comfort to him and his family
- Believes that latrines are expensive
- Believes that pour-flush latrines are the cleanest, most modern, and most comfortable latrine option

WHAT DOES HE NEED TO BUY A LATRINE?

- Flexible options to pay for the latrine, such as monthly installments with low interest rates
- A convenient place to purchase a complete, easy to install latrine
- Easy and affordable delivery and installment
- Confidence that the latrine is high quality
- To be convinced that a latrine is a good way to spend his hard earned money.
Service Delivery Package
## WHAT YOU’RE SELLING

- Pour-Flush latrine
- Dry pit
- Off-Pit
- “Green” latrine

<table>
<thead>
<tr>
<th>PRODUCTS AND SERVICES</th>
<th>COMPONENTS/DESCRIPTION</th>
<th>RECOMMENDED PRICE</th>
</tr>
</thead>
<tbody>
<tr>
<td>Basic pour-flush latrine</td>
<td>Three concrete rings; one concrete slab (no tiles); one ceramic pour-flush pan; one plastic emptying hole cover</td>
<td>360,000-440,000LAK (US$45-55)</td>
</tr>
<tr>
<td>Chrome standard pour-flush latrine</td>
<td>Four concrete rings; one concrete slab (no tiles); one ceramic pour-flush pan; one plastic emptying hole cover</td>
<td>390,000-470,000LAK (US$49-59)</td>
</tr>
<tr>
<td>Silver standard pour-flush latrine</td>
<td>Three concrete rings; one concrete slab with tiles; one ceramic pour-flush pan; one plastic emptying hole cover</td>
<td>405,000-480,000LAK (US$51-60)</td>
</tr>
<tr>
<td>Gold standard pour-flush latrine</td>
<td>Four concrete rings; one concrete slab with tiles; one ceramic pour-flush pan; one plastic emptying hole cover</td>
<td>455,000-540,000LAK (US$57-68)</td>
</tr>
<tr>
<td>Latrine Delivery Service</td>
<td>Delivery of latrine components to household of customer. Must be on time and without damaging the product.</td>
<td>50,000LAK (US$6) for deliveries within 10km; 3,000LAK (US$0.40) per additional kilometre</td>
</tr>
<tr>
<td>Latrine Installation Service</td>
<td>Installation of latrine components at household of customer or other specified site. Must be installed according to environmental safety standards (see Franchise Standards) and without damaging the product.</td>
<td>100,000LAK (US$12)</td>
</tr>
</tbody>
</table>

The products described above were engineered by Champasak’s best engineering firm. It is based on the kind of product your customers told us they wanted. The suggested prices are high enough to make sure you earn a profit, but low enough to make sure you can sell a lot of latrines to the most people! Here is more information about Mr. Keo’s Dream Latrine!
MR. KEO’S DREAM LATRINE!

- **Ceramic pan**: clean and hygienic, and just like the ones found in the city
- **Strong concrete slab** and **rings**: will not break and *will last many years*.
- **Pit**: big enough to last several years
- **Emptying hole**: when the pit fills up, it can be emptied and used again
- **Beautiful tiles**: more attractive and *easier to clean* (optional)
- **Build your own shelters** out of local materials, or build a bathroom complete with wash basin for bathing and laundry.
- **Affordable**: price will depend on where the latrine is produced, but most latrines are sold for around US$45-70, or 360,000-540,000 LAK.
As part of your training, you will learn how to calculate the exact price of products for your business by using the tools and instructions in the Business Skills for Latrine Entrepreneurs, Participants Workbook. Your training will also include guidance on how to produce this product, which you can find in your Latrine Production Manual.
THE BUSINESS MODEL

The business model described below is designed to reduce the inefficiencies in the supply chain that make latrines too expensive and too difficult to purchase. By using this business model, you increase your profits from selling more latrine products and services, and you help more people live more comfortable, more convenient, and healthier lives.

THE MAIN IDEA IS TO BRING TOGETHER ALL OF THE PARTS OF A LATRINE AND SELL IT AS A SINGLE PRODUCT.

Currently, Lao people must go to at least three different people to buy the parts for their latrine. If you could do that for them, and offer one complete product, the process would be so much easier and more people would buy latrines!
Promise to Customers
PROMISE TO CUSTOMERS

Customers choose your latrine business because they can be confident that they will receive...

• A high quality product that will last many years;

• A beautiful product that they can be proud to own and recommend to others;

• An affordable product that they can use their own savings to buy;

• Delivery and installation services that are convenient and on time; and

• Respect and good customer service every time they interact with a representative of your business.
Network Standards
NETWORK MINIMUM STANDARDS

The success of your business depends on your ability to deliver your promise to your customer. Therefore, it’s important that you follow certain standards. Your business will be monitored for how well you follow the standards.

If you are not able to follow these standards, your contract will be terminated and your business will no longer receive technical support and training. It is your responsibility to seek out assistance if you are having difficulty meeting the standards. If you reach out for assistance, you will receive the support you need to overcome any problems you may be facing.

The standards are as follows:

1. STANDARDS RELATED TO LATRINE PRODUCTION, DELIVERY AND INSTALLATION

1.1 Latrine Businesses must manufacture latrine products according to the standards outlined in the Latrine Production manual, and also provide delivery and installation service options to the customer.

1.2 Latrine Businesses must ensure that all measures are taken to minimize risks of injury, illness, or other harmful effects in the production, delivery, installation, or use of the product.

1.3 Latrine Businesses must ensure that products and services comply with environmental safety standards regulated by the National Centre for Environmental Health and Water Supply (Nam Saat).

2. STANDARDS RELATED TO CUSTOMER SERVICE

2.1 Latrine Business staff must treat customers with respect.

2.2 Latrine Business staff must deliver products and services in a timely manner.

3. STANDARDS RELATED TO EQUITY

3.1 Latrine Businesses must not deny products or services to customers for any reasons related to economic, social, religious, or linguistic barriers.

3.2 Latrine Businesses must offer flexible payment options to customers within reason.

4. STANDARDS RELATED TO PRODUCTIVITY

4.1 Latrine Businesses must maintain a stock of rings, slabs, and other latrine components that amount to the equivalent of at least ten complete latrine sets (four rings, one slab with tiles, one ceramic pan, one plastic emptying hole cover).
4.2 Latrine Businesses must invest into the necessary equipment, raw materials, and labor to meet the standards laid out in this Manual and in the Latrine Production Manual.

5. STANDARDS RELATED TO REPORTING AND RECORD KEEPING

5.1 Latrine Businesses must maintain records of all latrine products and services sold to ensure accurate monitoring and reporting of impact to stakeholders.
Compliance with Standards
1. STANDARDS RELATED TO LATRINE PRODUCTION, DELIVERY AND INSTALLATION

Step-by-step instructions on how to manufacture, deliver and install the latrine product can be found in the Latrine Production Manual. Following the steps in the manual will ensure that the final product meets the standards related to quality and safety.

FOR ANY LATRINE PRODUCTS OR SERVICES THAT DIFFER FROM THOSE IN THE MANUAL, YOU ARE REQUIRED TO CONSULT THE MARKET FACILITATOR AND YOUR DISTRICT NAAT OFFICE TO ENSURE THAT THE DESIGN MEETS THE SAME STANDARDS OF QUALITY AND SAFETY.

2. STANDARDS RELATED TO CUSTOMER SERVICE

Best practices for delivering great customer service are provided in the Business Skills Training for Latrine Entrepreneurs, Participant’s Workbook. Good customer service must extend to all staff that has contact with customers. This means that sales agents, masons, and YOU all need to remember to:

Treat all customers with respect by listening to them patiently (even if they are complaining), compromising, and respecting their time by delivering all products and services on time, every time.

HAPPY CUSTOMERS MEANS MORE SALES; UNHAPPY CUSTOMERS MEAN NO SALES!

Positive word of mouth—when your satisfied customers tell others good things about your business—is one of the best ways to grow your business. On the other hand, negative word of mouth is one of the best ways to hurt your business! This is why it’s so important to do what you can to make sure your customers are happy!
3. STANDARDS RELATED TO EQUITY

In order to ensure that you are able to sell to a wide audience, it’s important to ensure that anyone with a willingness and ability to pay have access to your products and services. Not only will this increase your sales, but it will help you support the government’s initiatives to increase latrine coverage in Laos.

- Give customers flexible payment options so that people who do not have a large sum of cash on hand can save and pay in smaller “chunks.”
- Ensure that sales agents go to ethnic minority villages where there is demand for latrines.
- Keep prices within fair ranges. Ensure that you can make a profit, but do not make margins so high that the product or service becomes inaccessible to many people.

4. STANDARDS RELATED TO PRODUCTIVITY

The following criteria are included in the Quality Assurance Audit to ensure that you are meeting the minimum stocking requirements.

- Products are stored according to the instructions in the Latrine Production Manual
- There is a system in place for recording assets and raw materials in stock
- Carrying stock for at least ten complete latrine sets (forty concrete rings, ten concrete slabs, tiles for ten slabs, ten ceramic pans, ten plastic emptying hole covers)

QA Audit form can be seen in Annex 1.

Latrine businesses are also required to invest a certain level of capital and time into setting up and running the business in order to have the required equipment, skills, and labor necessary to satisfy your new customers. If you can do this, the profit you make from latrine sales can offset the investment.

SIZE OF THE INVESTMENT

For enterprises who have never produced latrines before, there are some tools and equipment that you may need to invest in before beginning to sell latrines. These materials are explained in detail in the Latrine Production Manual, and they include a truck for transporting the latrines, and moulds for producing concrete rings. We recommend that enterprises have at least four moulds, and each mould can cost up to USD $250. This is a one-time investment that should pay for itself after selling 80-100 latrines.
In addition, the cost of producing each latrine should be considered, as well as the cost of paying your sales force. This is a cost that you will face every time you produce one latrine. The Business Skills Training Module will show you have to calculate your own costs, and how to set prices for your products to make sure you can make a profit.

Example cost of production calculation for 4 ring, tiled, pour-flush latrine*:

<table>
<thead>
<tr>
<th>Cost Item</th>
<th>Cost</th>
<th>Unit</th>
</tr>
</thead>
<tbody>
<tr>
<td>Materials Cost</td>
<td>314,000</td>
<td>kip</td>
</tr>
<tr>
<td>Labor Cost</td>
<td>20,000</td>
<td>kip</td>
</tr>
<tr>
<td>Overhead Cost</td>
<td>9,500</td>
<td>kip</td>
</tr>
<tr>
<td>Taxes</td>
<td>20,000</td>
<td>kip</td>
</tr>
<tr>
<td>Sales Agent Commission**</td>
<td>50,000</td>
<td>kip</td>
</tr>
</tbody>
</table>

**Total Cost to Produce**  **413,500 kip**

*Cost of production will change depending on number of rings (3 or 4), tiled or not tiled, and the cost of labor and overhead for each business.

**Suggested rate of commission per latrine ordered.

5. STANDARDS RELATED TO REPORTING AND RECORD KEEPING

Reporting and recordkeeping procedures are explained in detail in the Business Skills Training Manual, Participant’s Workbook. Quality of reports and records are evaluated in the Quality Assurance Audit found in Annex 1. Standards evaluated are as follows:

- MIS forms are kept in a folder or file
- MIS forms are clean and neat
- Forms are organized in a way that makes them easy to find
- The Monthly Report (in Annex 2) was completed and submitted on time
- The Tracking Form (in Annex 3) is complete and up-to-date
- The Cash Flow Form (in Annex 4) is complete and up-to-date
QUALITY ASSURANCE AUDITS

The Latrine Business Network Quality Assurance Audit is a tool (see Annex 1) to assist you in consistently meeting Network standards. The Network representatives will conduct the Audit quarterly to help you ensure that your products and services maintain high quality in the eyes of your customers with regard to product durability and attractiveness, organization, professionalism, and customer service. The representative will use this tool to understand your needs, listen to your ideas, and offer you support. Any problems will be identified and solved promptly with your cooperation.

CONSEQUENCES OF POOR PERFORMANCE

Failure to achieve standards for the first and second audits will trigger additional mandatory trainings on areas of weakness and collaborative problem solving.

*Failure to achieve standards a third time will result in expulsion from the Network. All branded materials, manuals, and other tools will be removed from your facility and all access to services or technical support will be revoked.*
Network Fees
NETWORK FEES

In order to access the benefits and services of the Network, standards must be met according to the procedures described in the previous sections, and Network fees must be paid. Fees are structured as below:

- Annual fee: US$XXX
- Royalties: XX% of annual profits from sale of latrine products and services
Best Practices and Recommendations
DIRECT SALES APPROACH

Because latrines are big purchases for households, it is often more effective to use person-to-person communication to sell them. This is called a **direct sales approach**. It usually involves hiring sales agents to do the selling for you directly to customers in the villages where they live.

**SALES AGENTS**

**HIRING PEOPLE TO GO OUT TO VILLAGES AND TAKE ORDERS MEANS THAT YOU WILL SELL MANY MORE LATRINES THAN IF YOU WAIT FOR PEOPLE TO COME TO YOU.**

<table>
<thead>
<tr>
<th>Number of Sales Agents</th>
<th>Number of Sales Events per Week</th>
<th>Number of sales per year</th>
<th>Cost of sales agent commission per latrine</th>
<th>Annual profit from latrine sales</th>
</tr>
</thead>
<tbody>
<tr>
<td>0</td>
<td>0</td>
<td>20</td>
<td>0</td>
<td>2,000,000</td>
</tr>
<tr>
<td>2</td>
<td>2</td>
<td>240</td>
<td>50,000</td>
<td>24,000,000</td>
</tr>
</tbody>
</table>

While some businesses will not be able to sell 240 latrines per year, other businesses will sell many more. It depends on the size of your market, the number of sales agents you have, how committed you are to the latrine business, among other factors.

Most latrine businesses will have a minimum of two sales agents at any time, and those sales agents are expected to conduct at least two sales events per week, and get 5 latrine orders at each sales event. Sales agents receive a commission of about 50,000LAK per latrine ordered. You receive your profit after the latrine is delivered and fully paid by the customer.

**SALE AGENT**

**GROUP SALES EVENTS**
1. Go to a village and invite people to join a meeting in a central location, like a temple.
2. Discuss why shitting outside is a problem (inconvenient, uncomfortable, not private, etc.)
3. Discuss how a latrine can be the solution to this problem, making their lives easier

**DOOR-TO-DOOR SALES**
1. After the group sales events, go door to door to talk to people who do not have latrines and did not attend the group sales event
2. Use the same key messages and presentation structure
3. Take orders
4. Present the product to them, and discuss price, delivery, and installation, focusing on benefits of the product
5. Take orders

WHAT DO SALES AGENTS DO?

Sales agents are your people on the ground. They go out to villages and bring in orders for latrines. They mark down the type of latrine the customer wants, whether or not they want installation and delivery, and when they want their latrine delivered.

Sales agents are paid on commission. This means that for every latrine they sell, they get a small amount of money. This helps to encourage them to sell more latrines.

Whenever a sales agent takes an order, the customer must make a deposit, usually around 50,000LAK. This deposit helps to make sure that the customer doesn’t cancel their order. The sales agent keeps the deposit for their commission. The money will help to motivate the sales agents to continue selling and take more orders!

Some enterprises also choose to provide a small commission (10,000LAK/latrine) to the VILLAGE CHIEF for the following services:

1) Gather all the people together in the village to attend the sales event.
2) Encourage people to buy latrines.
3) When people order the latrines, make sure that they have the money and pit ready before you deliver.
4) Make sure the latrine is put in a safe place and the customer is satisfied.

Although you may not be selling the latrine product yourself, it is important to understand the strategy and steps of selling.

THIS IS A FULL-TIME JOB, SO YOU WILL NEED TO HIRE MORE STAFF TO DO THIS FOR YOU. WE WILL TALK MORE ABOUT HIRING, TRAINING, AND SUPERVISING A SALES TEAM IN THE NEXT SECTIONS.
THE SALES PROCESS

Coordinate with local government and CLTS*

Coordinate with village chiefs

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

It can be difficult to manage production to make sure that the latrines can be produced and delivered on time. We will talk more about how to manage this process in the Business Skills Training Module.

Communicate closely with the village chief in the village where you will be delivering the latrines. They will help to make sure that the customer is ready with the money owed for the latrine, and that the pit has been dug properly.

IT IS IMPORTANT TO REMEMBER THAT YOU DO NOT HAVE TO DELIVER OR INSTALL THE LATRINE IF THE CUSTOMER IS NOT READY WITH THE MONEY OWED.

*CLTS is a community event led by the government or NGOs that encourages villagers to build latrines.
**These activities are optional. Some customers decide to organize their own transportation, and some customers decide to install the latrine themselves.
That’s it! Once the latrine has been delivered and the customer has paid, there is nothing more that you must do. However, the village chief will be watching and talking with the customer to make sure they are satisfied with the product. If they are not satisfied, it is important to do what you can to make them happy.
ESSENTIAL LATRINE BUSINESS SKILLS

Latrine producers need to have knowledge and skills in business management, marketing, bookkeeping, and inventory management in order to succeed. With the Business Skills Manual provided as part of this toolkit, you can learn to manage your business and your employees more efficiently in order to grow your business and increase your profits.

The business skills training tools in this toolkit are designed to provide high quality training on the following topics:

1) How to calculate product costs, profit, and selling prices
2) How to make sales goals
3) How to calculate production needed to meet weekly sales goals
4) How to calculate raw materials needed to meet sales targets
5) How to schedule delivery and installation
6) How to manage your cash
CLTS—WHAT IS IT AND HOW CAN IT HELP MY BUSINESS?

CLTS means Community-Led Total Sanitation. It is an activity led by government and NGOs in villages to encourage them to use latrines. It is a very powerful tool used all over the world in places where using latrines is not common. The results of CLTS are village committees that work together to make sure that everyone in their village starts using a latrine and practicing other good behaviors, such as hand washing.

What does this mean for you? It means that in all of these villages, 100% of the households that do not have latrines will be strongly encouraged by their communities to buy one. And you can be the one to provide them with high quality, low cost latrines! Coordinating with the government on CLTS will allow you to serve a large number of people who will want to purchase latrines to achieve their CLTS goals.

WORKING WITH GOVERNMENT PARTNERS

Your work as a Latrine Producer is very important to the government because it will help them to achieve their national goals of increasing the number of Lao people who use latrines. They are supporting this goal by implementing CLTS activities, collecting data on latrine use and ownership, and coordinating with NGOs and businesses.

By closely communicating with your local government, you can:

- Stay up-to-date on the latest data so you know where the largest markets are (villages with the highest number of people who need latrines!)
- Give your business cards and product information to CLTS implementers to raise awareness about your business
- Coordinate with district and village level authorities to schedule sales events, deliveries, and installations
- Get information about health, safety, and quality regulations related to latrines
CONSUMER FINANCING

Many people in Laos want latrines, but cannot afford them because they do not have enough cash on hand, especially during the planting season. By offering financing options to your customers, you can increase the number of latrines you sell.

These are some financing options you can consider offering to your customers:

- Payments in monthly installments with or without interest
- Educating your customers on how to get a loan through a village bank*. Some village banks offer loans specifically for latrines. The village bank will pay you for the latrine when you deliver it to the customer, then the customer pays the village bank in 5 or 10 month installments.

While offering financing options to your customers has many benefits, it also requires you to keep very good records and create policies around repayment. You will need to have a system in place to assess each customer’s credit worthiness and to follow up with customers to make sure that they pay off their debts.

*Village banks are not available in all villages. They are most common in Soukhoumma District and Mounlapamok District.
More Information
ABOUT THE TOOLKIT

This Latrine Business Operating Manual is part of a larger Sanitation Marketing Toolkit which aims to build the capacity of private sector players to create sustainable and affordable latrine supply for Lao people. The toolkit includes the following components:

- **Latrine Business Operating Manual**
- Latrine Production Manual
- Business Skills for Latrine Entrepreneurs, Participant’s Workbook
- Latrine Business Network Facilitator Operating Manual
- Latrine Production Training, Facilitator’s Manual
- Sale Agent Operating Manual
- Sale Agent Training Manual for Facilitators

This manual is designed to help new latrine enterprises implement the Sanitation Marketing business model. The tools inside will help enterprise owners understand the overall business model, sales strategies, and introduce them to the skills and knowledge necessary to maximize latrine sales. The goal of this guide is to ensure that enterprises are supported in a way that allows them to make a profit and help Lao people live healthier, happier lives.

The tools, materials, and strategies included in the training are based on research, firsthand experience, and best practices from around the world. They have been developed as a way to further the goals of the Lao Government to increase access to improved sanitation in Laos.

SCALING UP RURAL SANITATION

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 implementation in 10 districts in Champasak and Sekong Provinces as part of the Water and Sanitation Program’s (WSP) Scaling Up Rural Sanitation program.

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.
Annexes
1. QUALITY ASSURANCE AUDIT

### I. Concrete Rings (3 x 40 x 80 cm)

1. Produced Ring by good mold
2. Use steel bar (6mm) for reinforcement of concrete rings
3. Use good quality cement (not expired, used for construction only, stored in clean, dry place)
4. Gravel or Stones scale max 10mm
5. Use clean Sand
6. Mix concrete using one of the recommended ratios in latrine production manual
7. Ring is of correct dimensions (W80 x H40 x T3 cm)
8. No visible cracks or breaks in concrete

### II. Concrete Slabs (4 x 100 x 100 cm)

1. Use wood or Steel mold to produce
2. Use steel bar (6mm) for reinforcement of concrete slab
3. Use good quality cement (not expired, used for construction only, stored in clean, dry place)
4. Gravel or Stones scale max 10mm
5. Use clean Sand
6. Mix concrete using one of the recommended ratios in latrine production manual
7. Slab is of correct dimensions (100 x 100 x 4 cm)
8. Slab includes hole for pit emptying
9. No visible cracks or chips in the slab
10. Tiles are not broken and are placed neatly on slab (if applicable)

### III. MIS Forms

1. MIS forms are kept in a folder or file
2. MIS forms are clean and neat
3. Forms are organized in a way that makes them easy to find
4. Monthly Report was complete and submitted on time
5. Tracking Form is complete and up-to-date
6. Cash Flow Form is complete and up-to-date

### IV. Stock Maintenance

1. Products are stored according to production manual
2. LATRINE BUSINESS MONTHLY REPORT

<table>
<thead>
<tr>
<th>Latrine Type</th>
<th>New orders in this month</th>
<th>Delivered this month</th>
<th>Canceled</th>
<th>Total paid full</th>
<th>Total unpaid</th>
<th>Current stock</th>
</tr>
</thead>
<tbody>
<tr>
<td>With tile</td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>4 ring</td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>3 ring</td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Without tile</td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>4 ring</td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>3 ring</td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
</tbody>
</table>
### 3. ORDER TRACKING FORM

**SanMark Order Tracking Form**

**Enterprise name:** ..................................................

<table>
<thead>
<tr>
<th>#</th>
<th>District</th>
<th>Village</th>
<th>Customer name</th>
<th>Tel</th>
<th>Tile</th>
<th>No Tile</th>
<th>4 Ring</th>
<th>3 Ring</th>
<th>4 Ring</th>
<th>Install</th>
<th>Delivery</th>
<th>Total Cost</th>
<th>Deposit</th>
<th>Balance owed</th>
<th>Req delivery date</th>
<th>Date delivered</th>
<th>Pmt Status</th>
</tr>
</thead>
<tbody>
<tr>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
</tbody>
</table>

**Total latrines**

**Total Cash collected**

**Enterprise Signature**
## 4. CASH FLOW RECORD

<table>
<thead>
<tr>
<th>Daily Cash Record</th>
<th>Mon</th>
<th>Tue</th>
<th>Wed</th>
<th>Thurs</th>
<th>Fri</th>
<th>Sat</th>
<th>Sun</th>
<th>Week Total</th>
</tr>
</thead>
<tbody>
<tr>
<td>Date</td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td><strong>Cash IN</strong></td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Cash received from latrine sales</td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td><strong>Cash OUT for latrine business</strong></td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Cement</td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Sand</td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Steel bars</td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Tile</td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Labor</td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Water</td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Fuel</td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Commissions</td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Promo materials</td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Interest/loan repayment</td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Other</td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Total Cash OUT</td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td><strong>Cash Remaining</strong></td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Monthly Cash Record</td>
<td>Week 1</td>
<td>Week 2</td>
<td>Week 3</td>
<td>Week 4</td>
<td>Week 5</td>
<td>Month Total</td>
<td></td>
<td></td>
</tr>
<tr>
<td>---------------------</td>
<td>--------</td>
<td>--------</td>
<td>--------</td>
<td>--------</td>
<td>--------</td>
<td>-------------</td>
<td></td>
<td></td>
</tr>
<tr>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Date</td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td><strong>Cash IN</strong></td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Cash received from</td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>latrine sales</td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Cement</td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Sand</td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Steel bars</td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Tile</td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Labor</td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Water</td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Fuel</td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Commissions</td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Promo materials</td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Interest/loan repayment</td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Other</td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td><strong>Total Cash OUT</strong></td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td><strong>Cash Remaining</strong></td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
</tbody>
</table>