Sanitation Marketing Lessons from Cambodia: A Market-Based Approach to Delivering Sanitation

wsp water and sanitation program

The Water and Sanitation Program is a multi-donor partnership administered by the World Bank to support poor people in obtaining affordable, safe, and sustainable access to water and sanitation services

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The Water and Sanitation Program (WSP) is a multi-donor partnership created in 1978 and administered by the World Bank to support poor people in obtaining affordable, safe, and sustainable access to water and sanitation services. WSP provides technical assistance, facilitates knowledge exchange, and promotes evidence-based advancements in sector dialogue. WSP has offices in 25 countries across Africa, East Asia and the Pacific, Latin America and the Caribbean, South Asia, and in Washington, DC. WSP's donors include Australia, Austria, Canada, Denmark, Finland, France, the Bill and Melinda Gates Foundation, Ireland, Luxembourg, Netherlands, Norway, Sweden, Switzerland, United Kingdom, United States, and the World Bank. For more information, please visit www.wsp.org.

Contents

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EXECUTIVE SUMMARY

Sanitation Marketing is an approach that aims to increase demand for sanitation and to strengthen private sector capacity to supply sanitation products and services. The focus on the private sector and a view of households as consumers rather than beneficiaries is what sets sanitation marketing apart from conventional approaches to sanitation service provision.

The WSP-supported Sanitation Marketing Pilot Project is one of a range of sanitation marketing initiatives applying the sanitation marketing approach to the rural Cambodian context. The project designed a new affordable pour-flush latrine package (the 'Easy Latrine'), trained local enterprises to profitably produce and sell it, and developed sales and promotional strategies to increase consumer demand. In less than two years, households from four provinces purchased a total of 10,621 unsubsidized Easy Latrines from local private enterprises. In 601 monitored villages, there was a 7.7 percentage point increase in improved sanitation coverage from a baseline of 24%, which is six times higher than the background rate of increase. Thus, a significant and rapid increase in durable latrine coverage could be achieved without the use of any hardware subsidies.

While these results are promising, there were also a number of limitations to the pilot approach. Enterprises were able to sell the Easy Latrine to a first group of households with latent demand (the 'early adopters'), but showed little evidence of penetration beyond this market segment. Rather than developing more effective sales and promotional strategies or complementary interventions to deepen market penetration, the project expanded its target area to support enterprises in their sales effort. This 'wide, but shallow' penetration left the majority without latrines. The pilot highlights the need for more effective sales and marketing strategies, complementary finance options for households, and more attention to the role of local government in creating a supportive environment for the market to flourish.

NOT BUSINESS AS USUAL

Rural sanitation coverage is low in Cambodia, and progress towards increasing access to sanitation is slow. An estimated 72% of the rural population currently practices open defecation. Rural sanitation coverage increased by just 1% a year over the last decade (JMP 2012). Rural sanitation has generally not been prioritized in sector or program budgets and decades of small-scale projects focused on household sanitation infrastructure provision have had only a marginal impact.

But something is changing in Cambodia. Since 2006, under the leadership of the Ministry of Rural Development (MRD), various sector stakeholders have been exploring alternative approaches to accelerating sanitation coverage. Frustrated with the slow progress and the failure of conventional supply-side approaches, sanitation practitioners are using new strategies that shift the focus away from project-led provision and construction of toilets. Within its Scaling Up Rural Sanitation business area, the World Bank's Water and Sanitation Program (WSP) works with MRD to build the capacity of national and local governments in order to strengthen the enabling environment for rural sanitation. In addition, WSP supports the creation of consumer demand for affordable, desirable sanitation products that can be accessed through market channels.

Sanitation marketing is an approach that focuses on stimulating household demand for sanitation, while simultaneously improving the private sector supply of sanitation products and services. Developing strategies to address the 4Ps of the marketing mix – product, price, place and promotion – sanitation marketing utilizes commercial and social marketing techniques to connect households to sanitation products and services they want and can afford. The sanitation marketing approach shows great potential to help accelerate rural sanitation access in a sustainable, cost-effective and scalable way. To understand how best to harness the potential of the market, WSP and MRD launched the Sanitation Marketing Pilot Project. This Field Note documents results and experience from the project, highlighting how early lessons can inform the scale up of sanitation marketing approaches in Cambodia.

UNDERSTANDING THE MARKET POTENTIAL

Cambodia's sanitation marketing journey began in 2006, when WSP commissioned national sanitation demand and supply chain assessments to assess the opportunities for a market-based approach.[1] The assessments found a strong latent demand for latrines among rural Cambodians and a functioning - though fragmented - supply chain for latrine products and services. Critically, large numbers of non-poor rural households – including nearly 70% of households in the two highest income quintiles – did not have a latrine at home.

Over 80% of installed latrines in rural Cambodia were purchased by households directly from local private sector providers. Among non-owners, 77% stated they had considered or were considering purchasing or constructing a latrine. However, the clear demand for latrines did not translate into actual construction, primarily due to a

BOX 1: MARKET FACILITATION OPPORTUNITIES IDENTIFIED IN SUPPLY AND DEMAND ANALYSIS

Demand-side
- Overcome the perception of an 'ideal' design by encouraging users to choose options that can be upgraded toward the 'ideal' designs, but with lower entry-level costs
- Encouraging latrine purchase through effective communications messages and channels

Supply-side
- Support and improve the private sector role in information provision, demand creation and sales strategies
- Make affordable, aspirational, hygienic, and upgradable latrines easily accessible through the market

Source: Salter, 2008

[1] Salter, 2008

strong preference for expensive latrine designs. Households delayed purchase, unwilling to accept less than the 'ideal' pour-flush latrine with solid walls and roof that typically cost around US$150. Lower-end dry pit latrines, costing as little as US$5 -10 were considered unattractive and unlikely to last long. There seemed to be no options available that could fill the gap between the preferred 'ideal' latrine and the cheapest possible designs.

The private sector already provided the vast majority of latrines installed in Cambodia, over 80% of all latrines installed in the country. However, the network of private sector enterprises involved in sanitation was highly fragmented. Latrines comprised only a small percentage of any enterprise's total activity. Private enterprises had a very passive sales approach and were not involved in promotional activities. Households did not have access to information on available options and costs. The latrine construction process was complex and involved the purchase of a variety of construction materials from different shops, which were brought together and assembled into a latrine by a hired mason and/or the household itself. Masons often provided poor quality construction and were not a particularly trusted source of information on sanitation.

While numerous, the market constraints were clearly not insurmountable. A number of promising opportunities were identified that could help consumers better access the products they wanted and help the sanitation market to reach its full potential (Box 1).

THE SANITATION MARKET FACILITATION PROCESS

Drawing on findings from the assessments, a small number of pilot programs began developing sanitation marketing strategies to overcome market barriers. Launched in January 2009, the Sanitation Marketing Pilot Project was one such initiative. The project was implemented by the NGO International Development Enterprises (iDE), with technical and financial support from WSP and USAID's Cambodia Micro Small and Medium Enterprise Project. It aimed to improve the sanitation market in two pilot provinces, with a broader objective of developing a scalable, replicable sanitation marketing approach.

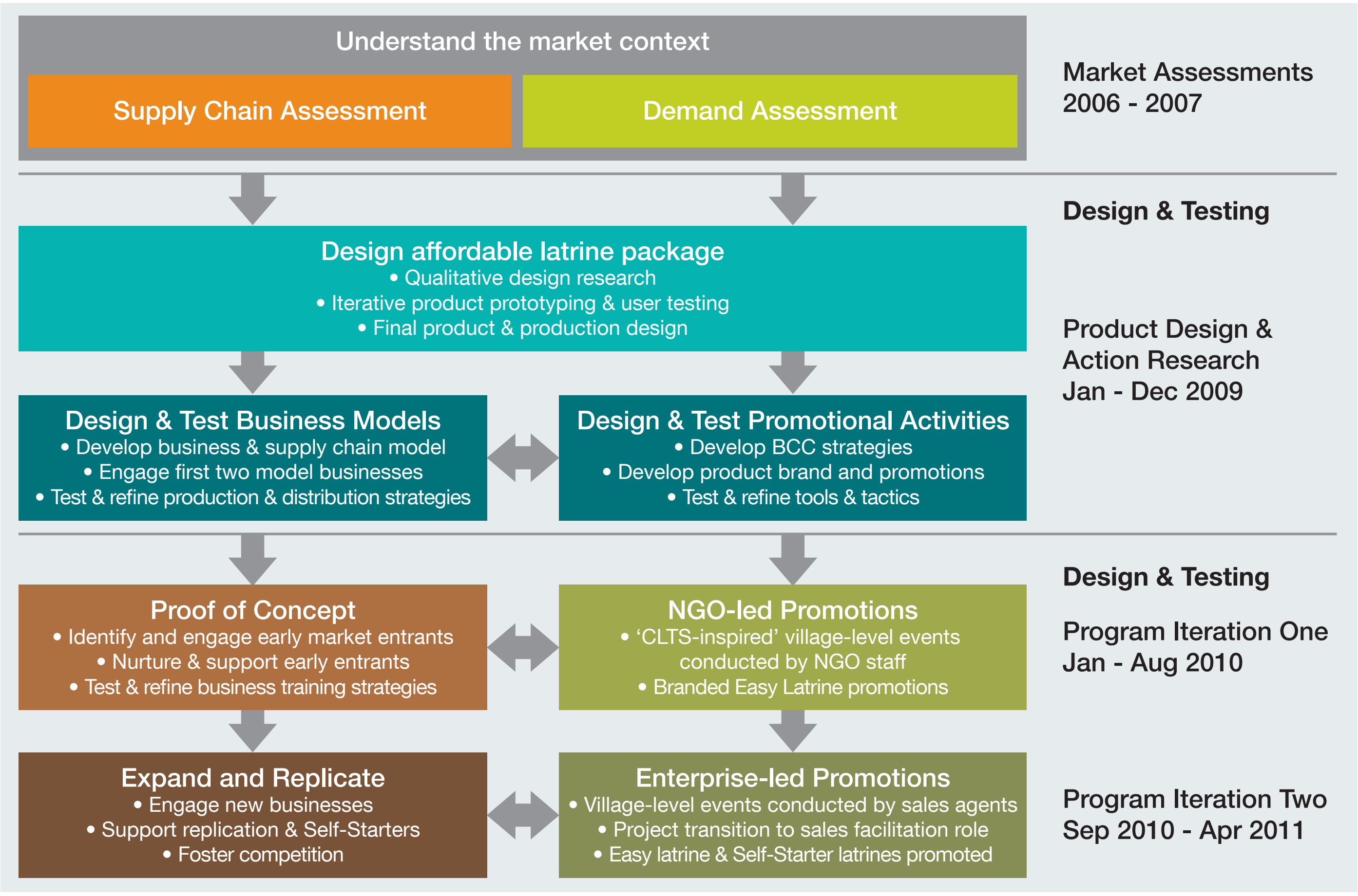
The project initially targeted six rural districts in Kandal and Svay Rieng provinces, eventually expanding to cover 11 districts in both provinces. While project activities were broadly the same in both provinces, there were significant differences in existing conditions in the two provinces (Table 1). Kandal has better market access, higher population and population density, higher baseline sanitation coverage and wealthier, less agriculture-dependent households compared to the poorer and more rural Svay Rieng province. Among latrine owners, Kandal households tended to own the 'ideal' pour-flush latrine type, while in Svay Rieng there was a mix of pour-flush and dry pit latrines, and a greater variety of lower-cost shelter types. However, in both provinces, a large proportion of households in even the highest wealth quintile did not own latrines at the start of the project.

TABLE 1. KEY CHARACTERISTICS OF SVAY RIENG AND KANDAL PROVINCES

	Kandal	Svay Rieng
Population	1,265,280	482,788
Number of households	255,029	114,758
Population density	355 persons/sq. km	163 persons/sq. km
Population growth rate	1.62%	0.09%
Percentage urban	15%	3%
Number of pilot project target districts	3 Original 3 Expansion	3 Original 2 Expansion
Baseline Sanitation Coverage in original target districts, 2009*		
Total	40%	18%
Poorest Quintile	47%	6%
Richest Quintile	53%	32%
Median cost of latrine at baseline in original target districts, 2009**	US$157	US$69

Source: 2008 Population Census
*Data from Sanitation Marketing Pilot Project Baseline Survey. 'Total' coverage is based on a village-level questionnaire of 50 villages (25 villages per province). Quintile data are based on a non-representative household-level questionnaire, N = 500 (250 per province), and therefore do not match exactly with totals from the village-level survey. Household income quintiles were determined by sorting households from lowest to highest income, based on response to survey question 'estimated total cash income during the past year from all sources.' Each quintile group contains 20% of the surveyed population within each province.
** These costs include shelter and underground structures

FIGURE 1. ITERATIVE STEPS AND ACTIVITIES IN THE PROJECT CYCLE



The project included a 12-month design and research phase followed by a 16-month implementation phase. Drawing on the finding of the sanitation demand and supply analysis, project activities focused on three aspects:

1) Design of an affordable latrine package that could be produced and sold locally
2) Strengthening of the rural sanitation supply chain
3) Design and delivery of communications and promotional activities to increase demand for a latrine

The process of market facilitation involved a number of iterative steps and a flexible learning style that allowed key strategies and activities to evolve over time in response to new market information (Figure 1). This iterative learning led to a number of strategic changes that gradually shifted the approach from an NGO-led project intervention in the early phases to a more hands-off market facilitation role.

Designing an Affordable, Desirable Latrine

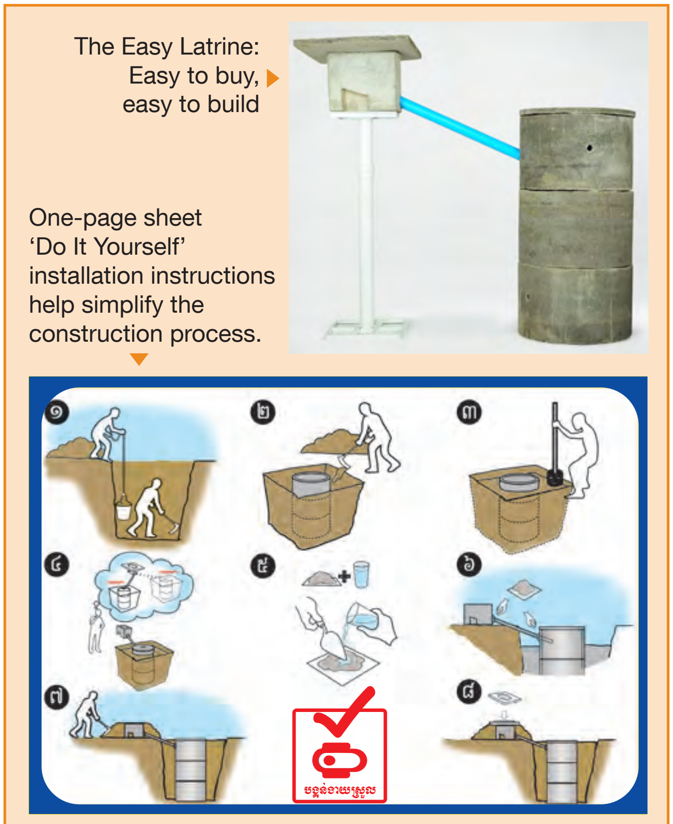
To develop a suitable new latrine design, the Human Centered Design approach (see www.ideo.com/work/human-centered-design-toolkit) was used to prototype, test and refine latrine options. The design challenge was to make the product package more affordable, attractive and accessible to consumers, working with commercially available materials and existing enterprises.

The original design brief was to develop a US$10 latrine, as willingness-to-pay data indicated 73% of rural households without a latrine would be willing to pay this price.[2] However, the research indicated a very strong consumer preference for 'permanent' pour-flush options, which could not feasibly be produced and sold by local enterprises for this price. Assessing the trade-offs between product affordability and desirability, the design focuses on a lower cost pour-flush latrine that would give people the permanence and durability they desired, even though this would result in a more expensive product.

The final product design, the Easy Latrine, was an offset pour-flush latrine package consisting of a concrete slab with integrated pour-flush ceramic pan, a pre-cast concrete 'catchment box', a PVC pipe, three concrete rings for the pit lining and a pit lid, eventually sold for US$35. The Easy Latrine included only the 'latrine core' consisting of slab and underground components (Figure 2). Households could choose a shelter design based on their resources, and start with a lower cost entry-level shelter that could be upgraded over time. The technical comparison between the Easy Latrine and standard latrine is also given in Table 2.

The design offered consumers in Cambodia an entirely new sanitation experience. It gave people what they wanted – a pour-flush latrine – and simplified the purchase and construction process by offering a ready-to-install latrine package. The product could be purchased from a single enterprise and installed by consumers themselves, without the need to hire a mason. Product refinements, new equipment and new production techniques enabled a shift to a 'high volume, low margin' business model. With more efficient production, enterprises could sell more latrines, faster and at a lower price.

FIGURE 2. THE EASY LATRINE AND INSTALLATION GUIDE



[2] Roberts and Long, 2007

TABLE 2. COMPARISON OF KEY TECHNICAL FEATURES: STANDARD AND NEW LATRINE DESIGN

Technical feature	Standard Latrine (slab and underground parts)	Easy Latrine	Benefits and trade-offs
Latrine slab and pan	• Standard available ceramic pan is cast into a pre-cast concrete slab as an integrated unit. • Slab is typically tiled.	• Standard available ceramic pan is cast into a pre-cast concrete slab as an integrated unit. • Optional slab-tiling to reduce costs if desired.	• All ceramic pans available in Cambodia are for direct, not off-set pits. They do not have a connection for the pipe. • Households expressed a strong preference for ceramic pans and tiling, compared to plastic pan samples imported for testing during the design stage.
Waste collection chamber	• Because available ceramic pans do not have a pipe connection, a mason is hired to construct a collection chamber under the slab and pan, using bricks and mortar. • PVC pipe is connected to the chamber and waste drains into off-set pit.	• A pre-cast concrete catchment box supports the slab and pan, eliminating the need for bricks and masonry work. • The catchment box includes a hole for pipe connection to off-set pit.	• Pre-cast catchment box enables households to install the latrine without the need for a skilled mason. • Substantial cost reductions achieved on materials and labor. • Material purchase simplified, as collection chamber now comes in one piece.
Pit lining	• Conventional pre-cast concrete rings of 100cm diameter and 5cm thickness. • Standard concrete mix. • Pre-cast concrete lid with access hole and cover. • Single or double off-set pits of 3-6 rings each are typical.	• Concrete ring diameter reduced to 80cm, thickness reduced to 3cm. • Drier concrete mix with rice husk ash additive. • Pre-cast concrete lid with access hole and cover. • Latrine sold with 3 rings. • Optional 2nd pit can be connected to catchment box to allow for alternating pit.	• Thinner ring is lighter, easier to install and slightly cheaper to produce. • Thinner ring is more porous and not as strong, and thus requires proper handling. • Consumer acceptance of the thinner ring has been a problem in some areas of Cambodia, as it is perceived as not as strong and durable as conventional ring.

Note: It is important to note that the main innovation of the Easy Latrine that got absorbed by the market is the packaging of the product and the waste collection chamber.

Strengthening the Supply Chain: A New Model to Simplify Purchase

Designing a New Supply Chain and Business Model

To address supply chain fragmentation, the new supply chain model targeted existing producers of prefabricated concrete products as focal enterprises. Prefabricated concrete producers were already producing most of the concrete components for toilet construction, and could be found in good numbers at provincial and district levels. In the new model, these enterprises would act as a kind of 'one-stop shop,' procuring material inputs, manufacturing finished products, and coordinating sales and distribution of the new product package.

The new model not only reduced the number of transactions during the purchase process, but also allowed for more transparent pricing information. Consumers could now be quoted one price and did not need to calculate and compare prices for individual components and labor. The new business model also included home delivery, bringing the product directly to the consumer's doorstep and overcoming the distribution hurdle (Figure 3).

BOX 2. DEFINITION OF PROJECT PARTNER ENTERPRISE AND SELF-STARTER ENTERPRISE

Project Partner Enterprise: An enterprise directly engaged by the project. Project Partner enterprises received intensive training and support from the project on production, promotion, and sale of the branded Easy Latrine. Project partners invested in new equipment to produce the catchment box and thinner concrete rings.

Self-Starter Enterprise: An enterprise that purchased or learned how to make a catchment box mold on its own, prior to engagement with NGO project staff. Self-starters often replicated the sales and delivery model of project partners on their own. Once identified by NGO staff, self-starters were offered short training, but did not receive the same comprehensive support that the project partners received. They offer a similar latrine package at a similar price but typically do not adopt the thinner rings and application of rice husk.

From 'Proof of Concept' to Replication

At first, market facilitation activities focused on convincing enterprises that selling latrines was an investment-worthy business opportunity. Although a total of 50 concrete producers (36 in Kandal and 14 in Svay Rieng) were initially identified in the target districts, the project had difficulty engaging these enterprises. Barriers to market entry included the requirement to invest in new equipment and spend time learning new production techniques. Most enterprises were simply uninterested in making such investments to ramp up production of a slow-moving product like latrines and did not have much upfront belief in the "high volume-low margin" business model.

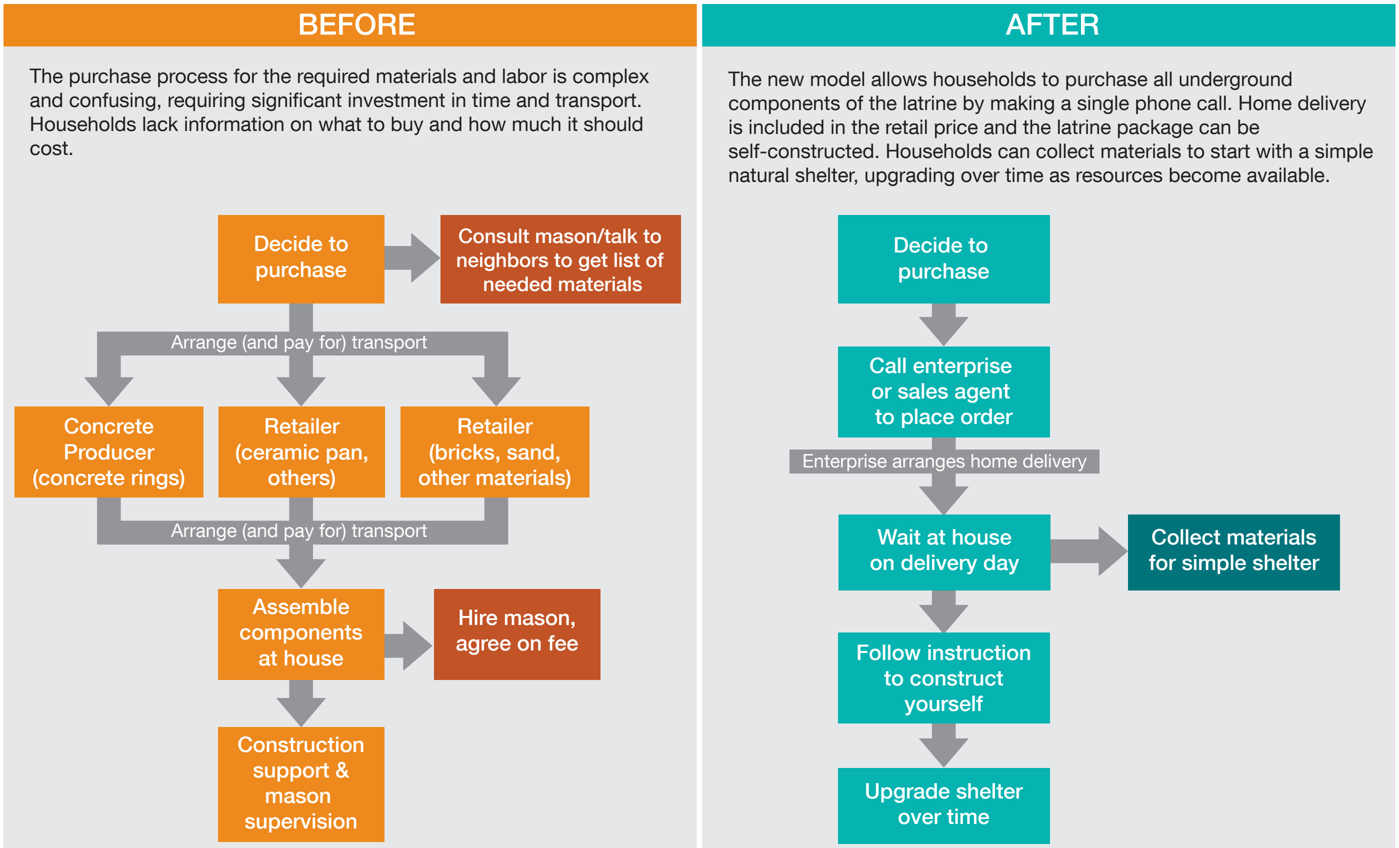
In the early Proof of Concept stage, the project began with only two enterprises, one in each province. The project provided loans and investment guarantees, a considerable amount of mentoring and training, and substantial marketing support, in return for an enterprise's commitment and investment in new equipment (about US$440) and stock (about US$750 for a stock of 30 latrines).

Over time, market facilitation activities transitioned to an Expand and Replicate stage. Exposure tours and site visits allowed potential enterprises to see for themselves the success of early project partners. Radio programs and Business Forums organized in coordination with local government advertised the business opportunity to engage new enterprises into the program, and as a result more enterprises were engaged.

Soon other enterprises began to emerge as self-starters in Svay Rieng (see Box 2 for the definition of project partner and self-starter enterprise). This was the first evidence of entrepreneurs entering the sanitation market on their own, without recruitment by NGO project staff. These entrepreneurs purchased or learned how to make a mold for the new 'catchment box' latrine component. They replicated the home delivery and direct sales model to compete with project partner enterprises. Project staff offered shorter training, advice and encouragement to the self-starters, but did not provide the same level of support that the project partners received (Box 3). From the outset, the self-starters were highly motivated and less dependent on NGO support.

Nine months into implementation, project partner enterprises started to expand geographically to reach new consumers, since it was easy to achieve new sales in previously untouched villages. As enterprises sales areas began to overlap geographically, the project started actively promoting competition. By the end of the pilot period, there were 16 project partner enterprises and eight self-starters selling the new product package.

FIGURE 3. SIMPLIFYING THE PATHWAY FROM PURCHASE DECISION TO CONSTRUCTION



BOX 3. ENTERPRISE TRAINING AND LEARNING

Formal training to Project Partner enterprises covered four main areas:

- **Sanitation and hygiene education.** Understanding basic hygiene principles, why every household needs a latrine, the health consequences of open defecation, and benefits of latrine ownership and how to install a latrine in a sanitary way.
- **Technical/production.** Latrine manufacturing and stock and production management.
- **Business management.** Sales force and labor management, order and delivery management, and basic record keeping.
- **Sales and marketing.** Pricing strategies, simple sales skills and tactics, use of promotional materials, customer service principles, working with local authorities in support of latrine adoption.

In addition to receiving training, enterprises attend exposure tours to other enterprise sites to discuss specific problems and issues on a business-to-business level. Practical peer learning is an opportunity for enterprises to exchange tips and tools that can improve their business practices.

Changing Behavior and Creating Consumer Demand

Developing Behavior Change Communication and Promotional Activities

To address the most significant challenge – how to generate demand for improved sanitation and encourage latrine purchase – the project developed a two-pronged communications strategy:

- **Changing Behavior:** Behavior Change Communication (BCC) activities centered on making latrine ownership a purchase priority and helping the latrine compete with other potential household investments. The 'Have a latrine, have a good life' campaign aimed to position latrine ownership as an achievable aspiration (Figure 4). BCC activities drew on strategies and concepts from Community-Led Total Sanitation (CLTS)(Box 4). Messages balanced motivators of disgust, embarrassment and shock with other drivers, including status and convenience. The project developed promotional materials, including a banner and leaflet, for village distribution. Village officials were engaged to help motivate and champion latrine ownership. Radio broadcasts were used to complement village-level activities to reach a wider audience.

- **Selling the Product:** To help position the new product package as an aspirational consumer item, a product brand and tag line were developed. 'Easy Latrine – Easy to buy, easy to install, easy to use' aimed to make the new product more memorable and easier to be talked about. The project developed Easy Latrine promotional materials and sales tools, including a product banner, branded installation instructions, and a leaflet that could be cheaply reproduced by enterprises. To maximize consumer exposure to the product, enterprises were encouraged to display the Easy Latrine on the roadside and to bring truckloads of products to the village so people could see, touch, and directly experience them.

From NGO-led to Enterprise-led Promotions

Strategies and tactics for delivering the 'Have a latrine, have a good life' campaign focused on village-level direct communications, since market research indicated word-of-mouth and other inter-personal communications were the most effective channels. The project used community

BOX 4. CLTS WITHIN THE SANITATION MARKETING PILOT PROJECT

Community-Led Total Sanitation (CLTS) is a methodology for mobilizing communities to eliminate open defecation. Communities are facilitated to conduct their own appraisal and analysis of open defecation and take their own action to become open defecation free (ODF). CLTS focuses on community-wide behavior change to create 'ODF' communities. The CLTS approach was introduced in Cambodia in 2005, and is currently a key element of the MRD's strategic approach to improving rural sanitation.

The Sanitation Marketing Pilot Project adopted several tools of the CLTS process in its village-level promotional events. The distinct differences from CLTS approach are as follows:
- CLTS-type messages and steps (e.g. the use of disgust, the calculation of feces) were used primarily as tactics to motivate individual household latrine ownership and drive sale of the Easy Latrine.
- The use of CLTS-inspired sales tactics were mostly undertaken simultaneously (e.g. at a single village event). The project did not attempt to 'sequence' CLTS triggering and promotional sales events.

Although there was some limited CLTS work underway in the pilot provinces, the project did not make any formal programmatic links with these CLTS efforts. Other sanitation marketing programs in Cambodia have experimented with more explicit sequencing between CLTS and sanitation marketing and more learning is needed to understand how the two approaches can complement each other, and the appropriate implementation strategies for cost-effective synergy.

meetings as the main activity, blending modified steps from CLTS triggering with active Easy Latrine sales and order taking. At first, these 'CLTS-inspired' promotional events were facilitated by full-time NGO project staff, who planned and conducted the village meetings, took sales orders and coordinated directly with enterprises to arrange home delivery.

While successful, it was clear that NGO-led promotions would not be sustainable in the long term, since enterprises were reliant on NGO project staff not only for promotions, but also to help coordinate product sales orders and deliveries. To address these concerns, the project adopted a modified version of the commission-based latrine sales agent model, developed by the WaterSHED WASH Marketing Program. The project encouraged enterprises to establish a network of commissioned sales agents to conduct village promotional events, arrange orders, and coordinate payments and deliveries (Box 5).

Sales agents were trained in promotional tactics and by the end of the project, 164 sales agents were working across the two provinces. Sales agents were directly employed by project partner enterprises, and received a commission of around US$1.25 – 1.75 per latrine sale. Eighty-three percent of these were village, commune, district or provincial officials. By September 2010, mid-way through pilot implementation, NGO staff was no longer engaged in selling latrines directly to consumers.

BOX 5. MOVING FROM A SOCIAL FRANCHISE MODEL TO 'HANDS-OFF' MARKET FACILITATION

The first phase of the program implementation for the Easy Latrine had some elements of a 'social franchise.' Initially, the NGO iDE acted as a kind of franchisor offering enterprises the opportunity to join a network of independent businesses. Network benefits included training, the use of the Easy Latrine brand, the new technical design and equipment, significant marketing and sales support and first-mover advantages through the small number of enterprises spaced over a wide geographic area. In return, enterprises were asked to invest in new equipment and stock, and guarantee a level of quality and commitment.

Although the original social franchise model was useful in the Proof of Concept phase, it appeared that other enterprises could gain most of the advantages of the new business model and product without significant support from NGO staff. The emergence of self-starters and the fact that other enterprises are able to sell non-branded latrines at least as well as project partners imply that the franchise benefits as introduced in the pilot are relatively low.

Over time, the project adopted a more hands-off market facilitation approach, which was also used by the WASH marketing program of WaterSHED. With the hands-off approach, emphasis is on actively encouraging competition between existing enterprises, keeping barriers to market entry low and putting the responsibility for sales promotions with the enterprises. Self-starters that do not use the Easy Latrine brand are supported and encouraged. This approach would minimize the reliance on external support agencies such as NGOs.

FIGURE 4. PROMOTIONAL MATERIALS AND TOOLS

'Easy Latrine – Easy to Buy, Easy to Install, Easy to Use'

Promotional materials and sales tools advertise the branded 'Easy Latrine.'

'Have Latrine, Have Good Life'

BCC materials depicting a happy family promote the value of latrine ownership.

UNLOCKING THE MARKET POTENTIAL: RESULTS AND LESSONS

Enterprise Engagement In the New Business Opportunity

By the end of the project, 16 project partner enterprises and eight self-starters had recorded a total of 10,621 Easy Latrines sales to households (Table 3). The new product and sales strategies enabled them to considerably increase their latrine sales volumes and sales revenue. Assuming a typical gross profit of about US$5 per latrine, enterprises needed to sell about 88 latrines to earn back their initial investment in new equipment. Fifteen of the project partner enterprises and four self-starters had reached this 'break-even' point and were still selling latrines at project completion (the other four Self-Starters had begun selling less than four months before the end of the project).

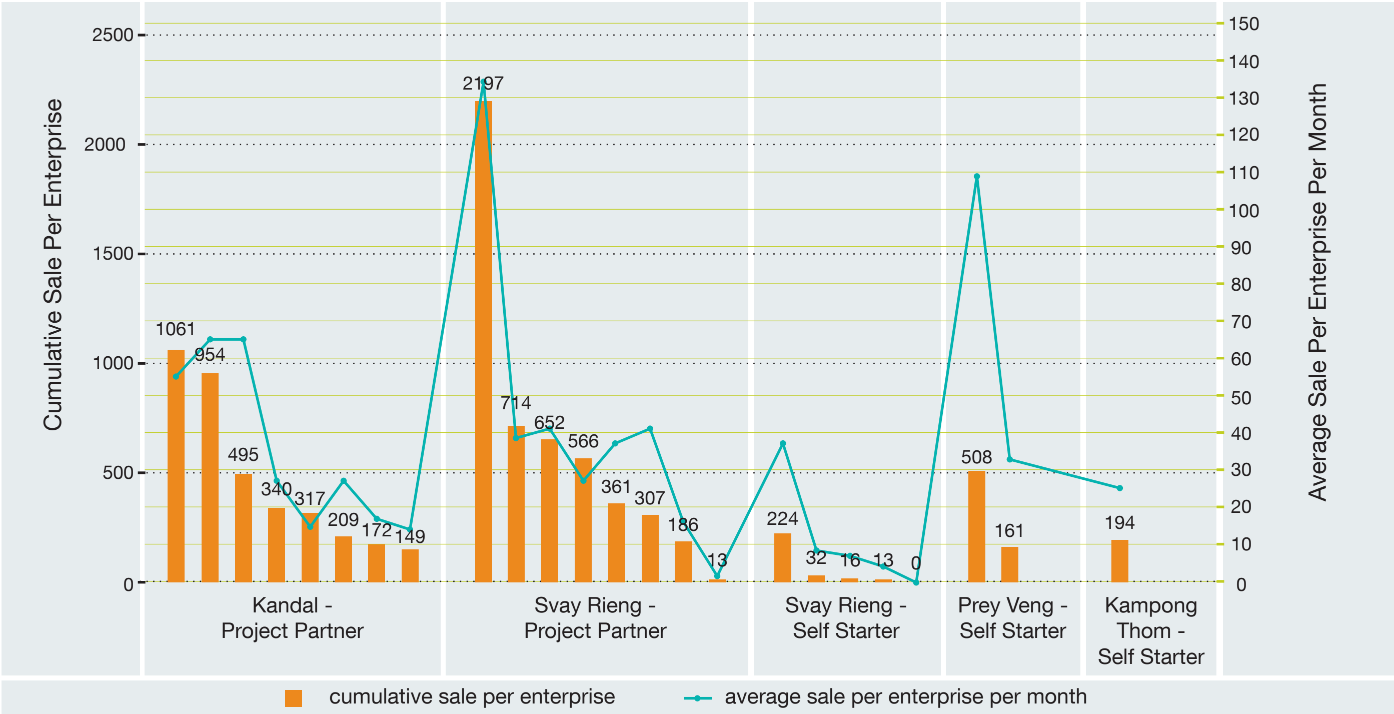
As in all markets, not all enterprises were equally successful in generating sales: about five enterprises were able to capitalize on the business opportunity and grow, while many others included the new product in their product mix without aggressively pursuing new sales. Latrine sales by enterprise varied considerably, with the top performers generating far more sales than the rest. The top three enterprises (13% of all enterprises) accounted for 42% of total Easy Latrine sales, with the leading enterprise accounting for 22% of total sales (Figure 5).

Identifying and Supporting High-Potential Existing Enterprises

As the project's starting point was not to "set up" new businesses, the key was to learn what characteristics to look for in businesses with a high potential for success. In part due to the level of up-front investment required for new equipment and stock, it was difficult at first to engage enterprises. Over time key characteristics of high performers began to emerge and the project learned what to look for. In general, the most successful enterprises were characterized by:

- Existing financial capacity and access to capital.
- Willingness to make capital and stock investments, including taking on debt to expand.
- Confidence to take risks and try new sales and marketing techniques.
- Entrepreneurship, enthusiasm and interest to actively pursue latrine sales.

FIGURE 5. EASY LATRINE SALES BY ENTERPRISE, JULY 2009 - APRIL 2011



Average sales per month calculated as cumulative sales divided by number of months of engagement with the project.

High-performing enterprises reinvested profits to increase Easy Latrine production and used a range of strategies to capture more sales. A key growth strategy was to expand Easy Latrine sales areas to cover more communes, primarily because enterprises found that it was getting harder to sell within the original project areas. Five enterprises significantly expanded their markets, establishing larger sales agent networks, buying more trucks for deliveries and setting up secondary production facilities and stock warehouses. Sources of finance for expansion included microcredit, existing cash reserves and borrowing from family members. Another key strategy of successful enterprises was to offer informal consumer credit in the form of installment payment options or deferred payment, a fairly common practice in rural Cambodia.

Developing a Clear Exit Strategy and Ensuring Enterprise Risk

The initial lack of a clear exit strategy for external NGO support created challenges to develop a sustainable enterprise engagement model. Through learning and exchange with other sanitation marketing projects, the project shifted from an NGO-led 'social franchise' model to a more hands-off approach as it became clear that ongoing support to enterprises would not be sustainable or scalable (or necessary in the case of self-starters (see Box 6)). However, the intensive training and support given to enterprises at the start created a dependency on the project that was difficult to break. Over time, the project began to apply stricter parameters around enterprise support, including a 'graduation date' after three months of training and mentorship. Enterprises needed to be aware that engagement did not guarantee a monopoly, and competition was encouraged. Enterprises had to invest their own resources and take their own risk.

Supporting Enterprises to Overcome Barriers to Sustainability and Growth

As is common for small businesses, cash flow proved to be a problem for some enterprises. Liquidity constraints prevented some enterprises from reinvesting in stock, which meant they could not respond fast enough to orders and suffered delivery delays that resulted in lost sales. Enterprises lacking good stock management proved unable to fully capture the demand generated by sales promotions. A related constraint was transport, with smaller enterprises unable to expand due to limitations in the size of their vehicles. Business management support from the project helped some enterprises see the value of good stock and cash flow management. The project also identified the need for additional inventory financing or working capital for less financially capable enterprises. Supply-side financing was not fully explored in the pilot, but is now being addressed as WSP scales up its support to sanitation marketing.

BOX 6. A MOTIVATED SELF-STARTER

Mr. Chhay Saron is an example of a self-starter entrepreneur who was motivated to enter the latrine business with very minimal support from the project. Mr. Saron first heard of latrine promotions in his native Romeas Heak district, Svay Rieng, at a commune workshop conducted by the project. As a pre-cast concrete producer, he knew some of his concrete rings were used for latrine pit linings, but he offered no other latrine components. Like most concrete producers, Mr. Saron waited in his shop for consumers to come to him. Customers had to source other latrine parts from hardware shops in the nearby market.

At the workshop, Mr. Saron heard Mr. Dourng Setha (the top-performing enterprise in the pilot project) talking about his thriving latrine selling enterprise. He went back to his shop and decided to offer a packaged product of his own. This included conventional concrete rings, bricks for the underground toilet chamber, transport and labor. In his first three months, Mr. Saron managed to sell five of these latrine packages. Then one day, project staff came to offer him technical advice. He learned about the pre-cast concrete chamber box and thinner ring technology. Mr. Saron purchased the new molds and equipment, investing about US$800. He received a one-day training, and also had a brief visit to a project partner's enterprise. He quickly built up some stock. In the following month, he sold over 30 new latrine packages.

Since then, Mr. Saron's sales have been slow but steady. Mr. Saron has developed his own marketing materials. He manages his own promotions and does not rely on commissioned sales agents. He is confident the latrine-selling business line will grow, and that it will make a good complement to his core pig-raising enterprise. He has invested US$3,000 in a new truck to transport the latrine sets, and is already actively selling in three communes.

TABLE 3. EASY LATRINE ENTERPRISE PROFILE

	Kandal	Svay Rieng	Total
Number of Project Partners	8	8	16
Number of Self-Starters	0	5	8*
Number of full-time and part-time employees per enterprise	1 - 12	3 - 9	--
Average sales per producer per month			
Project Partners	35	42	39
Self-Starters	--	11	28*
Total	35	30	35*
Number of communes covered per enterprise	1 - 6	2 - 11	--
Number of active sales agents	106	58	--
Average sales agents per enterprise	13	7	--

*Three other Self-Starters emerged in other provinces: two in Prey Veng, and one in Kampong Tom. Sales from these enterprises are included in average sales totals.

Market Penetration and Sales Strategies

Reaching beyond the early adopters

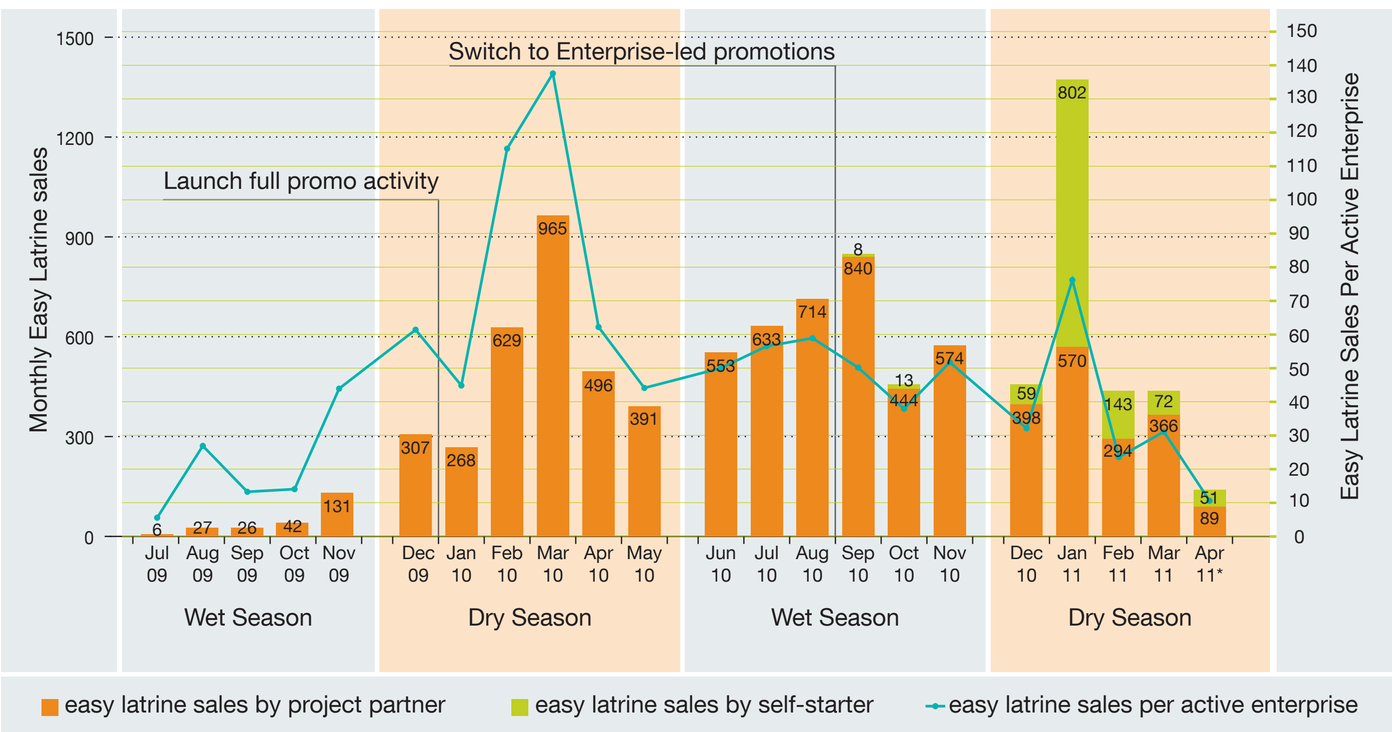
Although Easy Latrine sales began strong, data indicate a general decline in recorded Easy Latrine sales over the pilot period and some seasonal fluctuations for individual enterprises (Figure 6). However, the data also imply a strong early sales push but a drop-off in intensity as demand slows down. Enterprises could make an average of about nine sales per village to 'early adopters,' that is, households that purchase a product or service before the majority of their peers.

Given the very low sanitation coverage in rural Cambodia, there is a fairly large untapped market of early adopters willing to buy latrines if they are made more readily available at a lower cost. Capturing sales beyond the early adopters proved less attractive for enterprises. The costs of going back to the same villages with the same product package and promotional messages probably outweighed the benefits to enterprises in terms of new sales generated. Some project partner enterprises lost interest as latrine sales became more difficult, simply decreasing their latrine production to focus on other more profitable opportunities. Others expanded their markets geographically, happy to capture the first wave of initial sales in new villages.

Rather than developing more effective sales and promotional strategies or complementary interventions to help households pay for latrines, the project expanded its target area as enterprises were ready to expand their reach to previously untouched villages. Bearing in mind the relatively short timeframe of marketing activities, this pattern of 'wide but shallow' market penetration left most households in the target area without access to a latrine.

A key lesson from the pilot model is that focusing on the private sector alone may not be enough to achieve high community coverage. It is clear that enterprises can be expected to actively promote sanitation only to the extent that it is profitable (and more profitable than other activities) for them to do so. To improve on the pilot model,

FIGURE 6. MONTHLY EASY LATRINE SALES, JULY 2009 – APRIL 2011



* Half Month

An active enterprise is an enterprise recording sales in any given month. Enterprises that did not sell any latrines in a particular month were not included. Data includes Project Partners and Self-Starters.

interventions will need to be both more effective and more comprehensive: combining other demand creation approaches, improved evidence-based marketing strategies, offering financing options to households to lift cash constraints and more effectively engaging local government champions will all have a role to play. Other sanitation marketing programs in Cambodia are now making good progress in some of these areas, developing models that couple support to the private sector with training to local government in monitoring, behavior change, and linking private sector support to CLTS activities.

In addition to a stronger focus on complementary demand creation and enabling environment interventions, it may also be possible to improve market penetration by helping enterprises offer a wider product and service mix. While the single-product marketing strategy helped to simplify the purchase process for some households, a single latrine model may not have broad enough appeal or affordability to be appropriate for all households and all market segments. A small range of options at different price points, coupled with financing options to lift household cash constraints or add-on services such as installation may help enterprises deepen their market penetration.

Improving Sales Strategies to Sustain Momentum

The decline in Easy Latrine sales and limited market penetration over the project period may also be related to the effectiveness of sales strategies and promotional activities. Although willingness-to-pay data suggested roughly 30% of the rural market might be willing to pay US$30 for a latrine, the data indicate that on average only 8% of households without toilets purchased a pour-flush latrine during the pilot (Figure 7). However, in 58 monitored villages (roughly 13% of villages in Kandal and 8% in Svay Rieng), there were increases in coverage of 20% or more. These high-performing villages provide evidence that where marketing activities and context are supportive, high sales penetration is possible.

Although there were 164 sales agents recruited by the end of the project, sales activities generally seemed to decline in quality and intensity with the shift away from NGO-led promotions. In villages where NGO project staff conducted promotional events, there were 10% more latrine sales per village, more villages with sales, and 20% more sales overall. The fact that sale promotions by NGO staff were more effective is not surprising, as NGOs are often able to generate a great deal of activity with short-term project inputs. The young and dynamic teams of field staff conducting village-level events were working full time and were paid a regular monthly salary plus monthly performance bonuses for high sales achievement.

Commission-based sales agents, by contrast, worked only part-time and relied only on their sales commission. Most sales agents were local government staff with limited time to spend on active selling, given their other public duties. At around US$1.25 per latrine sale, a high-achieving sales agent selling eight latrines per month could earn US$12, while the majority of sales agents sold 2-3 latrines per month, earning less than US$3 in monthly income. The lower financial incentives and geographical restrictions (most sales agents sold only in their communes) most likely contributed to lower sales by sales agents than by full-time NGO sales staff covering a wider area.

Other issues that perhaps impacted on the limited effectiveness and consistency of the pilot project's sales model related to sales agent selection and training. A stronger focus on identifying the most suitable and dynamic local people and training and equipping these agents with the tools and tactics they need could improve the effectiveness and consistency of sales and marketing activities.

Accelerated Community Coverage

Increasing Sanitation Coverage Without External Hardware Subsidy

The project collected detailed monitoring data on community coverage in the 601 villages where NGO-led promotional events took place. In these villages, a total of 11,422 households purchased unsubsidized pour-flush latrines during the project, and 47% of these (5,382 latrines) were Easy Latrines. At the end of the project, 87% of all purchased latrines were installed (94% in Kandal and 76% in Svay Rieng) (Table 4).

TABLE 4. GROWTH IN UNSUBSIDIZED HOUSEHOLD POUR-FLUSH LATRINES IN MONITORED VILLAGES*

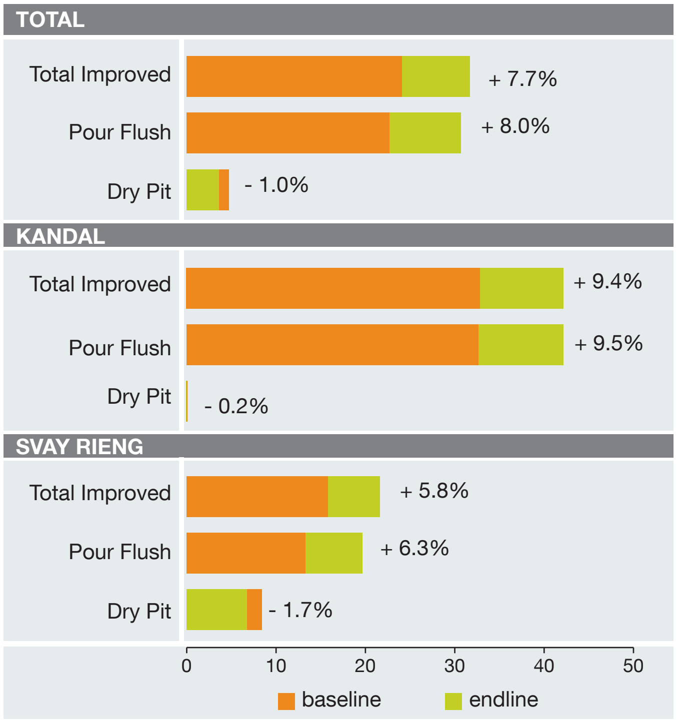
	Kandal (247 villages, 56,063 HH)	Svay Rieng (354 villages, 60,623 HH)	Total (601 villages, 116,686 HH)
New Household Purchases of Pour Flush Latrines			
Easy Latrines **	1,719	3,663	5,382
Other Pour-flush Latrines	4,674	1,366	6,040
Total Pour-flush Latrines	6,393	5,029	11,422
Easy Latrines % of Total New Purchased Latrines	27%	73%	47%
New Household Installations of Pour Flush Latrines			
Installed Pour-flush latrines	6,087	3,858	9,945
% New Purchased Latrines Installed at end-line	94%	76%	87%

*Baseline latrine counts in project villages were conducted at the start of implementation in each village, just prior to an NGO-led promotional event, and thus occurred at different times covering a period of 16 months from Sep 2009 to Dec 2010. End-line latrine count was conducted in February 2011.
** An additional 481 Easy Latrines (and presumably some additional 'other' latrines) were sold in project villages from the time of the end-line latrine count in February until the end of the project in mid-April 2011. These are not included here.

Across the 601 monitored villages, there was a 7.7 percentage point increase in unsubsidized improved household sanitation coverage from a baseline of 24.1% to 31.8% (Figure 7). This is almost fully an increase in pour-flush latrines (Easy Latrines and other latrines). Expected background rates of coverage (i.e. the increase in sanitation coverage expected in the absence of the project) were estimated at 1.1% on average (Table 5). Factoring in this expected growth, sanitation marketing activities resulted in an increase in coverage of 6.6 percentage points, or six times the background rate.

These results do not capture the full impact of the project. For example, the coverage monitoring data above do not capture the 5,239 Easy Latrine sales outside the 601 monitored villages, where detailed monitoring data are unavailable and hence no coverage analysis can be made. Increases in sales and installation of other pour-flush latrines resulting from promotional activities and Easy Latrine sales outside the monitored villages (a so-called "ripple effect") were not measured. Enterprises have also continued to promote sanitation and sell latrine products after the initial pilot period.

FIGURE 7. CHANGES IN UNSUBSIDIZED SANITATION COVERAGE IN MONITORED VILLAGES*



Following the Cambodia Socio-Economic Survey 2007, only 29% of dry pit latrines are counted as 'improved' sanitation facilities. All dry pit latrines are included in the 'dry pit' column above, but only 29% of these have been used to calculate 'total improved' coverage column. Subsidized latrines installed over the project period were not included in coverage estimates. Baseline coverage calculations based on 2008 population census data. End line coverage calculations based on 2010 population estimates.

TABLE 5. ACCELERATED RATES OF INCREASE IN UNSUBSIDIZED IMPROVED LATRINE COVERAGE IN MONITORED VILLAGES

	Kandal	Svay Rieng	Total
Estimated annual background rate of increase in unsubsidized improved latrines*	1.9%	0.6%	1.3%
Average time from baseline to end-line survey (years)**	1.00	0.87	0.92
Background rate of increase in monitored villages between endline and baseline	1.9%	0.5%	1.1%
Actual increases in unsubsidized improved sanitation between end line and baseline	9.4%	5.8%	7.7%
Increase in improved unsubsidized latrine coverage above expected background rate in monitored villages between endline and baseline	7.5%	5.3%	6.6%

*Estimates based on comparing latrine coverage from WSP Demand Assessment survey (conducted in 2006) with Sanitation Marketing Pilot Project Baseline Survey (conducted exactly 3 years later in 2009) in 12 villages (6 in Kandal, 6 in Svay Rieng) in original target districts. Following the Cambodia Socio-Economic Survey 2007, only 29% of dry pit latrines are counted as 'improved' sanitation facilities. Subsidized latrines are not included in estimates of coverage rate increase.
**Baseline latrine counts in project villages were conducted at the start of implementation in each village, and thus occurred at different times covering a period of 16 months from Sep 2009 to Dec 2010. End-line latrine count was conducted in February 2011.

Understanding Baseline Market Conditions

During the pilot project a uniform set of market development strategies was applied in the two pilot provinces. However, results indicate that a greater focus on understanding baseline enabling market conditions can help develop more targeted marketing strategies. Sanitation coverage in Kandal was more than double that of Svay Rieng at baseline, and was naturally increasing at a much faster background rate (1.9%, compared to just 0.5% in Svay Rieng). Over the project period, unsubsidized improved latrine ownership increased more rapidly in Kandal, growing by 7.5% above background rates, compared to 5.3% in Svay Rieng.

Although increase in coverage was higher in Kandal, Easy Latrine market share was much lower. Easy Latrines accounted for 27% of all new pour-flush household latrine sales in Kandal, compared to 73% of total sales in Svay Rieng (Table 4). Higher baseline coverage of primarily high-end 'ideal' latrines in Kandal, greater access to a wider range of options, and lower levels of Easy Latrine product awareness (Box 7) may have led consumers to choose other pour-flush options. Kandal is also a much more competitive environment than Svay Rieng with far more concrete producers. Other enterprises were reportedly able to lower the prices of latrine components to compete with the Easy Latrine, indicating that the presence of the lower-cost design led to lower prices of conventional latrines. This evidence suggests that in more competitive environments with higher levels of baseline coverage, it may be possible to generate sales growth with less intensive support to individual enterprises. In such areas, a stronger focus on effective BCC and consumer demand creation coupled with efforts to increase competition among a larger number of existing enterprises may be enough to effectively stimulate the market.

In any case, the data suggest that sanitation marketing activities were able to increase consumer demand for sanitation in both provinces, creating positive ripple effects for all enterprises (in terms of new sales) and consumers (in terms of lower prices for underground latrine components).

Household Latrine Ownership and Use

Motivating Households to Accept Less Than the 'Ideal' Latrine

The Easy Latrine product and promotional activities were designed to change perceptions around the 'ideal' latrine and increase demand at the household level, offering a lower cost product and an option to upgrade from a simple low-cost shelter over time. Results from the end of project household survey show great variability between the two provinces in this respect.

BOX 7. EASY LATRINE BRAND AWARENESS

The initial supply chain and marketing model included the development of the Easy Latrine product brand. Some testing of the brand took place, however, no professional branding or marketing advice was sought to develop and implement it. The main purpose of the brand was to make the product easier to be talked about and to help increase sales for project-supported enterprises as brand awareness increased. Although the Easy Latrine brand was used as an awareness raising tool, any increase in consumer demand – whether for the Easy Latrine or for other latrines – was considered a positive outcome.

Results from the end-line household survey indicate that product branding efforts varied by province. Over 70% of all households in Svay Rieng could recall Easy Latrine messages, and a large majority of those planning to purchase a latrine indicated that they intended to buy an Easy Latrine. By contrast, just 40% of Kandal households could recall any Easy Latrine messages, and most of those planning to purchase did not plan to buy an Easy Latrine.

Higher awareness of the Easy Latrine combined with the much lower density of enterprises likely contributed to the much higher market share of Easy Latrines in Svay Rieng compared to Kandal (73% vs. 27% of total pour-flush purchases). The difference in results could be associated with variability in the quality and extent of marketing across the two provinces. By the end of the pilot, as iDE and WSP considered how to sustainably scale up pilot work, the Easy Latrine product brand was dropped.

In Svay Rieng, there is evidence that lower income household consumers are adopting and using the product as a first step towards the 'ideal' latrine. Easy Latrine owners tended to construct their latrines themselves. About 40% used lower-end materials such as thatch and plastic sheets. The median cost was US$46 for a complete Easy Latrine with shelter. In household survey interviews, households stated the number one reason for purchasing an Easy Latrine was because 'it could be delivered to my house,' signaling that they are responding to the easier purchase pathway enabled by the new home delivery distribution model.

In Kandal, where household incomes are higher and access to markets is greater, the majority of Easy Latrine owners in Kandal constructed shelters of higher-end materials such as concrete and bricks, and over half hired a mason to assist with construction. The median cost for the Easy Latrine with full shelter was US$102. Although this is substantially lower than the US$164 typical 'ideal' latrines purchased by other households, it remains a substantial household investment.

In general, the presence of the Easy Latrine product and promotional efforts seemed to help motivate better-off households to purchase a latrine, even though the latrine they chose to purchase was often not an Easy Latrine.

Promoting Latrine Usage, Stopping Open Defecation

In the monitored villages, most households do not have a latrine and open defecation is still the norm. While reported toilet usage is high (81 – 100%) among adult latrine owners, up to 32% of children in latrine owning households are not regularly using the toilet for defecation. These findings suggest the need for a more effective and broad-based BCC campaign focused on stopping open defecation and encouraging consistent usage and safe child feces disposal - not just purchase and ownership - of a latrine. A lesson from the pilot is that more targeted support to address the local enabling environment can arguably open up opportunities to build on and strengthen local government initiatives such as CLTS.

BOX 8. KEY SUCCESS FACTORS IN PILOT IMPLEMENTATION

- **Treating people as consumers, not beneficiaries**: By approaching households as discerning consumer and not charity recipients, the sanitation marketing approach encouraged a change in mindset that allowed the project to think creatively, taking a fresh look at an existing problem and coming up with a novel set of solutions.
- **Market research and design thinking:** Experience from the project highlights the importance of understanding consumers and the supply chain as a basis for designing market development strategies. The product package itself helped to stimulate changes on both the supply and the demand side, demonstrating the value of product development at the outset of sanitation marketing initiatives. The design process, with its focus on iterative learning, prototyping and refining solutions proved a useful tool for learning throughout the project.
- **Flexibility, adaptive management and the right skills**: The project demonstrated the importance of viewing sanitation marketing as a process, not a blueprint. Markets do not fit into time- and area-bound project implementation schedules. Markets grow naturally, enterprises cannot be confined geographically, and consumer and enterprise needs evolve over time. The project used regular, flexible feedback loops to closely monitor and revise strategies.
- **Collaboration and learning:** Intensive collaboration between stakeholders working on sanitation marketing initiatives has helped create a community of practice in Cambodia. The project team was able to share lessons and also benefitted from mutual learning and adoption of successful approaches from other programs.

BOX 9. FOSTERING CHANGE AT THE NATIONAL LEVEL

The Cambodian Ministry of Rural Development has taken a strong leadership role in encouraging innovation and collaboration in the sanitation sector, helping to foster a dynamic community of practice in Cambodia. WSP, UNICEF and others helped MRD gain early experience with sanitation marketing, CLTS and other demand-driven approaches through exposure to other countries, targeted training and high-level policy advocacy. This national-level support was critical to building interest and enthusiasm for approaches that strengthen demand and supply. MRD has led a national debate on household hardware subsidies, which is now reflected in the recently approved rural water supply and sanitation strategy. The growing body of evidence from a range of sanitation marketing programs is also building sector consensus and government support for sanitation marketing. As a result, MRD has drafted a set of National Sanitation Marketing Guidelines for sub-national government, outlining potential market enabling roles at all levels. MRD has also formed a Rural Sanitation and Hygiene Sub-Working Group, with a specific thematic focus on how to better coordinate and harmonize CLTS, sanitation marketing and behavior change approaches, and how to improve targeting and delivery of latrine subsidies.

Despite these promising activities, the sector is now at a critical point where MRD needs to consolidate the experiences and learning of CLTS and sanitation marketing into a more cohesive programmatic approach to improve rural sanitation at scale.

TABLE 6. PRICE OF EASY LATRINE VIS-À-VIS HOUSEHOLD MONTHLY INCOME BY WEALTH QUINTILE

	Wealth Quintile				
	Poorest	**2**	**3**	**4**	**Richest**
Mean monthly household consumption (US$)	138	204	268	360	621
Easy Latrine core (US$35) as % of household monthly consumption	25.4%	17.2%	13.1%	9.7%	5.6%

Source: Cambodia Socio-Economic Survey 2009

Moving Households Closer to a Purchase Decision

Marketing and demand creation efforts can take time and do not always translate immediately into purchase. In the end-line household survey, over 75% of non-latrine owners stated that they were planning to purchase a latrine within the next six months. Almost 84% of Svay Rieng non-owners stated an intention to purchase, compared to 69% in Kandal. Regardless of the type of latrine, the fact that such a large proportion of non-owners stated an intention to purchase is promising.

Understanding Affordability of Easy Latrine

Although the price of Easy Latrine was lower than that of the conventional latrine, many poorer households may still not be able to afford it. When asked why they had not yet purchased a latrine, 93% of non-owner household respondents gave 'no money/too poor' as their number one reason. This finding points to the persistence of real or perceived cash constraints for households. The Easy Latrine core marketed at US$35 was already equivalent to 25% of the monthly consumption of the households in poorest quintile (Table 6). Thus, one-off payment to purchase a latrine would be difficult for poor households, and other mechanisms, such as softening payment term over time, need to be explored to increase the poor's affordability to get a toilet.

SCALING UP AND REACHING THE POOR: WHAT WILL IT TAKE?

The Sanitation Marketing Pilot Project and other sanitation marketing programs have helped to demonstrate the viability of a sanitation marketing approach in rural Cambodia and some key success factors were also learned (Box 8). The project resulted in increases in latrine coverage, more enterprises selling latrines, lower latrine prices and a desirable latrine product. Evidence of private sector potential has contributed to growing sector-wide enthusiasm for market-based approaches to sanitation in Cambodia. But what will it take to scale up sanitation marketing and combine this approach with other demand creation efforts? And how can the poor better access new products and services? There are numerous challenges on the horizon:

- **Optimizing and institutionalizing enterprise engagement**: A major lesson from the project was that the support to the enterprises needs to be strategic and contextualized to fit their needs. The right package of enterprise engagement activities, including minimum requirements for training and criteria for identifying high-potential enterprises will be essential. Given the prominent role of private sector in sanitation business, it will be critical that support to these existing enterprises is institutionalized, and that barriers such as access to finance are removed.

- **Wider reach and leverage**: In Cambodia, sanitation coverage is low in every income quintile with more than half of those without improved sanitation facilities are non-poor households. In terms of reaching the mass of these households, market-based approaches have a comparative advantage. Within a wider package of at-scale sanitation interventions, leveraging that advantage may help to considerably accelerate sanitation coverage at a comparatively low cost.

- **Deeper market penetration**: A greater mix of products, services and financing options specifically targeting lower-income groups can help make sanitation market development interventions more pro-poor. Market penetration can be improved through better market segmentation and differentiated marketing strategies. In Cambodia, experiments with a number of innovative financing mechanisms are underway, including consumer microfinance to ease up-front investment.

- **Sustainable at-scale sales models:** One of the keys to the success in Cambodia has been the direct sales and home delivery distribution model: Households are motivated to purchase a latrine through direct interpersonal communications, and most decide to purchase because it can be delivered directly to their home. While these innovations show great potential, the experience of the pilot highlight the challenges and difficulties in setting-up an effective and sustainable direct sales network. Different programs are experimenting with improvements to sales models, but none has yet been taken to scale in Cambodia.

- **Appropriate roles for sub-national government and NGOs**: Broad questions around appropriate roles for the government in scale-up and replication must be addressed. To date, NGOs played the key role in catalyzing early sanitation markets. At scale, they will need to develop clearer exit strategies that enable private sector markets to sustain and grow without continued external project intervention. In the long term, market support roles must be taken up by local government, which requires the development of sustainable mechanisms to train, finance and backstop local government to facilitate and monitor sanitation marketing activities and progress.

- **National behavior change campaign focused on total sanitation**: The pilot highlighted the need for a more comprehensive approach, including other demand creation approaches, improved evidence-based marketing strategies and more effective behavior change. Motivating toilet purchase and ownership should be one component of a broader campaign to improve sanitation practice and eliminate open defecation. MRD is currently preparing a national sanitation and hygiene BCC strategy. At local level the implementation of such BCC strategy would need to be seen as one of the elements of successful sanitation marketing, and needs to be matched with CLTS implementation.

- **Supportive policies and institutions:** MRD has now put in place a Rural Water Supply, Sanitation and Hygiene sector strategy that recognizes the role of effective demand creation and private sector provision of services as critical elements of scaling up rural sanitation (Box 9). To implement the strategy, a clear operational plan and support to sub-national government must be in place. WSP and other stakeholder are working with MRD to build political will and develop institutional capacity to carry out sector reforms. In addition, the government could play an important role in sanitation policy alignment, through encouraging other sanitation programs to adopt less disruptive latrine subsidy policies and coherent program methodologies.

- **More evidence of what works**: A number of large sanitation marketing programs have gained experience in rural Cambodia. While sharing and borrowing strategies has been a key feature of these programs, a more rigorous comparative review of different sanitation marketing approaches can help determine what might work best at scale. Programs and models should be reviewed in terms of relative cost-effectiveness, supply chain engagement approaches, sales and marketing models, evidence of reaching the poor, support to the enabling environment, and success with linking to CLTS and other demand creation strategies. Better understanding of what works can inform national-level policy and program decisions.

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