The WASH sector in Malawi has been inundated with a plethora of approaches, methodologies, theoretical frameworks, strategies, acronyms and abbreviations that have been accepted as the “magic bullet” to solving the sanitation problems in rural Malawi. For the most part, many of these approaches were predominantly supply-driven; whereby sanitation products were manufactured and distributed at very little cost to rural households with the well-meaning assumption that these would be wholly accepted. Hard lessons have been learned that this has proven to either be a complete failure or essentially unsustainable.

A new school of thought – a better suggestion – is needed to break the poverty cycle brought on by poor access to improved sanitation.

Currently, in response to this challenge, there is another bold approach – that much needed better suggestion – that has come to the fray. It is the latest buzz-word – the “in-thing” – that seems to open the pockets of funding partners and capture the imagination of the development community. This new unabbreviated approach is termed “Sanitation Marketing” – the next “magic bullet”.

Made possible by: Water for People
Sanitation Marketing

The Theory

The Sanitation Marketing approach is essentially a social marketing concept that applies techniques associated with commercial marketing to connect specific markets with relevant products and/or services. The textbook definition of marketing of sanitation, or simply Sanitation Marketing, is the application of commercial marketing approaches to generate consumer demand for sanitation products and/or services, matched with adequate and appropriate supply, within a supportive policy environment (Jenkins et al., 2010). In contrast to previous approaches, Sanitation Marketing proposes a more demand-driven stratagem which guarantees sustainable sanitation coverage through the core functions of demand and supply of products and/or services that are actually needed and generate adequate profit incentive for service providers/product manufacturers; and all this without injection of hardware subsidies to households from an external agent.

However, like other approaches before it, Sanitation Marketing theory is academically intriguing and logically sound. Like other past frameworks, Sanitation Marketing ticks a number of boxes – most notably the more elusive boxes of replication and sustainability. Like other methodologies, Sanitation Marketing is being lauded as the key to improving conditions for what is seemingly regarded as a basic human activity – taking a shit!

The real question is can Sanitation Marketing work in rural Malawi which is predominantly characterised by low income levels, low literacy and low percentage coverage of sanitation of any kind?

Stories From Chikhwawa

Water For People Malawi, an international NGO based in Malawi, has been working in the southern region district of Chikhwawa for the better part of three years attempting to answer that very question.

Chikhwawa district has one of the harshest environments in Malawi characterised mostly by severe climatic extremities. Temperatures reach as high as 42°C (≈108°F) hampering the hopes for a good harvest. Flash floods are not an uncommon sight during rainy season rendering hundreds homeless.

As regards sanitation, Chikhwawa has one of the lowest improved sanitation coverage in Malawi currently standing at 5%, while the majority of Chikhwawa households currently use temporary traditional pit latrines (55%) or open defecation (34%). To further compound this challenge, some majority tribes in Chikhwawa traditionally view open defecation as acceptable.

It is in this environment that Water For People Malawi tested the idea of Sanitation Marketing.
Basic Business Skills:
• Improved Sanitation Technology, including ECOSAN latrines: the SSEs were sensitised on the different types of latrines and their respective benefits. The training included actual construction of an improved latrine as a practicum during the session.
• Basic Business Skills: generic business practises were shared to enable the SSEs understand the concept of business, the profit motive, record keeping and other essentials of business development which were central to the thinking around Sanitation Marketing.

Hardware Seed Support: usually referred to as smart subsidy, the SSEs were supported with seed capital in the form of bags of cement and reinforcement for slab construction. The idea behind this subsidy was to provide the SSEs with a one-time, input-based start-up for their businesses as an initial step to creating sustainable businesses that would re-invest the revenue into purchasing more cement on their own, without reverting to Water For People Malawi for additional subsidy.

Who Pays! The Demand Side

In a true market system, the rural households must pay for sanitation services and products for a value that is both affordable and sufficient for profit margins. In view of the rural setting, a key selling point for enabling household investment in sanitation is flexibility in terms of payment options which could purchase the slabs by either paying the full amount at once or negotiate on a payment plan with the SSEs that was suitable for the household.

• Cash Instalment Payment: the stipulated cost of a slab was set at MWK 1,500.00. Households

Water For People Malawi realised had to be factored into the selling strategy at village level. The payment options that were developed during the course of field implementation:
  
• Cash Instalment Payment: the stipulated cost of a slab was set at MWK 1,500.00. Households

  • Humanure Payment:
    – SSEs could install slabs and construct an improved latrine for the household at no actual cash value. However, the household pays for the products/services through the SSE harvesting composted human manure (or humanure in short) from the latrine for an agreed period of time. The SSEs could choose to either sell the humanure or use it for agricultural purposes to generate income.

Water For People Malawi trained 70 masons between 2008 and 2011 who provided households in their immediate vicinity with latrine construction services on a fee paying basis. Water For People Malawi recently conducted a Rapid Market Appraisal4 (RMA) that sampled 7 trained masons and 16 households as part of evaluating the effectiveness of the mason model with a hope that this will inform future field programming.

Community Resistance:

There was a general resistance to the idea of villagers investing their own scarce resources into purchasing a slab or paying one of their own to build an improved latrine for them. Most of this resistance emanates from a strong awareness of past NGO projects that provided slabs/sanplats for free or as low as MWK 20.00 (≈USD 0.12).

Ironically, Water For People’s intervention with the seed capital seemed to cause some of the community resistance. Mr Ephraim Jimu, a mason from Ng’ombe village, mentioned that, “People know that we had received free cements for the slab construction… this made it difficult to sell as it was perceived to be free slabs”. There was a case in one village where the local leadership demanded a portion of the seed cement as “tax” for the SSEs to provide services in the community.

Who Does! The Supply Side

The supply-side of the market system was developed through capacity building of sanitation entrepreneurs at the village level to confidently provide sanitation products, mostly in the form of slabs and improved latrines, to their immediate communities only. The focus on immediate community was for purposes of ease of sale since the SSEs will be selling to community members they are familiar with.

The key element of this capacity building included:

• Improved Sanitation Technology, including ECOSAN latrines: the SSEs were sensitised on the different types of latrines and their respective benefits. The training included actual construction of an improved latrine as a practicum during the session.

• Basic Business Skills: generic business practises were shared to enable the SSEs understand the concept of business, the profit motive, record keeping and other essentials of business development which were central to the thinking around Sanitation Marketing.

3 This payment option was developed after realisation that instalment payback period was too long making the instalment option unviable.

4 This involves semi-structured interviews with 7 SSEs and 20 households within the catchment areas of the SSEs.

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High Dissatisfaction with Traditional Latrines:

There was an almost unanimous negative sentiment from the households towards the traditional pit latrine. Most households sited the traditional latrine as being unsafe (due to the weak infrastructure) and unfashionable (as it was not “modern” like other improved model latrines).
What Have We Learnt So Far?

A lot of valuable, lessons have learnt during field implementation which are clearly challenging the way we work and think:

There is something about Vincent

Overall, Water for People Malawi has trained 70 masons of which only 31 are still actively providing sanitation services to households, though not profitably. This trend was also clear with the 7 masons that were visited during the RMA whereby only one mason had managed to market, sell and re-invest income realised from sales back into his sanitation business. The name of this mason is Vincent Chikumba.

Vincent is a small and unassuming man who you would not think of giving a second glance. However, despite his uninspiring exterior, this small man happens to be the only SSEs who managed to not only sell all his slabs, but also buy a bag of cement from his revenue. A closer look reveals that Vincent’s success is got everything to do with him, rather than the product, price, place or promotion.

Besides the sanitation business, Vincent provides different services of varying kinds to the community around him. He is a shoe-maker/fixer, a builder/mason, a carpenter and an umbrella fixer as well. Equally intriguing was that he practically understood the principles of ownership and sustainability that drive Sanitation Marketing as compared with other SSEs who believed that Sanitation Marketing was either not practical for the rural setting or should be a socially/charitable venture rather than a commercial one. Simply put, Vincent not only gets it – he is living it. For Sanitation Marketing to work, there is need to find and empower more “Vincents”.

Community cohesion and ownership must be considered

The community resistance that SSEs encountered is a clear indication that, whatever the intervention, community cohesion and ownership must not be affected. Community cohesion and ownership ensures ease of sell of

Slabs installed 84%

Slabs yet to be Installed 16%

Number of Slabs Paid For 4%

Number of Slabs not Fully Paid For 96%
products and/or services and sustainability of the intervention. In the rural context, it seems, communities prefer that development interventions benefit the entire community rather than a few individuals. Further to this, earning a profit from the poor is often frowned upon by communities and considered unethical and, as observed from the RMA, morally wrong. This presents complications the very essence of a market system which is driven by profit

However, the RMA uncovered a growing social movement that is bringing community cohesion and ownership through establishing rural savings schemes. This social movement, championed mostly by NGOs like CAWVOC, are promoting Village Credit Schemes where the rural poor establish savings groups of anywhere between 10 and 16 people to build a cash reserve that could be accessed for personal/communal use. These credit schemes have harnessed the simplicity of cooperative action where some groups have reportedly saved up to MWK 500,000.00 (≈USD 3030.00) within just 9 months.

Such community systems could help solve the problems of community resistance and cash-flow into the sanitation businesses if payment structures could be created with such schemes to provide sanitation financing to rural households. That way, communities will not feel that the SSEs are profiting from the rural poor since SSEs would be accessing vaster communal resources as compared to scarce household ones.

Do Not Limit The Market!

One fundamental characteristic of any market system that competition is essential as it provides incentive for SSEs to seek out new markets for their products. However, Water For People’s approach of limiting the SSEs catchment area for reasons of ease of sale basically removed this incentive since, despite community resistance, SSEs could not seek out new markets. As such, most of the SSEs were demotivated from proceeding with their sanitation businesses.

Therefore, it was clear that limiting the SSEs was itself a possible cause factor in some of the businesses not thriving. To develop any market, SSEs must be allowed to compete and seek out new markets to increase their market share and profit margin.

Subsidies, of any kind, distort markets – period!

"There is a very strong expectation that slabs should be free because of past and on-going subsidy programmes… In one case, households even refused to pay MWK 20.00 for a slab" – Thomas Logesa, Mwalia village TA Kasisi

Past NGO projects and government initiatives defaulted to providing hardware subsidies to households as a way of increasing sanitation coverage. Despite the hard lessons learnt and a new government policy disallowing sanitation hardware subsidies, NGOs and local government continue to provide subsidies that are distorting market prices and creating unsustainable market dependency on subsidies.

Interestingly, despite the logical argument for providing seed capital to businesses over hardware subsidies to households, even this kind of subsidy caused market perceptions that slanted more towards expectations of charity rather than stimulating market demand through built supply. As such, many SSEs were also faced with an additional challenge of having to explain why prospective customers had to pay for a product whose raw materials were given at no cost to the SSEs – thus making the product a tough sale. From the sales levels, it was evident that a majority of the SSEs were unable to rise to that challenge and therefore rendering seed cement not a smart form of subsidy as it created unsustainable market dependency on subsidies.

Even in the event that the humanure was harvested and sold on the open market, the actual returns were unattractive and not worth the time resource invested. One good example was one SSE who managed to sell the 3 tonnes of humanure for just MWK 6,000.00 (≈USD37.00) because “that was the perceived value” by the customer.

The alternative arrangement for households to pay for their latrine through harvested compost manure/humanure was intended to provide the needed flexibility to enliven market demand. However, other than just the community resistance to “paying”, the recommended minimum duration of 12 months needed to effectively kill the pathogens in the sludge was too long for the SSEs to realise any kind of real return due to slow economic activity.

Livelihoods Over Health Benefits

“Commercialising sanitation in the rural areas is a tough sale – but if you could emphasise on the agricultural benefits of the humanure, then there is better chance…” – Luka Kafumira, Dzimola I village

The general assumption that is held when promoting ECOsan latrines is that households will resist using the humanure since it is perceived as human filth. However, anecdotal evidence from the field is showing the Mason Model has produced some unexpected household results. Households are showing a growing acceptance and usage of Humanure in their community life predominantly for agricultural purposes. Households in Ng’ombe and Njereza Villages that had an improved ECOSAN latrine attested to the humanure’s usefulness in improving yields and reducing reliance on commercial fertilizers. In some cases, some households were selling excess humanure to other households in need of it for as low as MWK 500.00 (≈USD 3.00).

The Mason Model’s sustainability was essentially based on level of sales that the mason could generate to re-invest in his sanitation business. However, the stories from the field seem to suggest that the household’s growing usage of the humanure is equally an indicator of lower level sustainability that was not considered in programming. And this trend is being driven by the basic livelihood need for food security through agriculture rather than the need for better health.
What’s The Next Step?

“I do not see sanitation businesses thriving here without NGO subsidy” - the general mason response

In traditional NGO implementation-planning, the high slab uptake would be any project manager’s dream and tick any donor’s box. However, through the lens of market-based sustainability, the rural sanitation marketing intervention was a failure, not in and of itself, but rather due to some assumptions that were made that stifled any real chance of a market system to flourish.

The lessons learnt from Water For People’s experience in Chikhwawa provide some clear recommendations in terms of what could be done to enable Sanitation Marketing work in rural areas, some of which may include:

- Advocate to NGOs and government on the implications of subsidy-led programmes using the National Sanitation Policy as a basis with a view to reduce subsidy-led programmes;
- Develop a more comprehensive recruitment/selection criteria for masons where actual entrepreneurs are identified, trained and supported with proper business development services;
- Establish accessible lines of credit for sanitation financing for rural households either between households and rural credit schemes or between traditional MFIs and rural credit schemes;
- Develop messages around agricultural benefits of humanure over commercial fertilizers;
- Take NGO thinking out of the equation by working through a Business Development Support Service Provider.

However...

The fundamental question of whether sanitation marketing can work in the rural areas of Malawi has not adequately been answered. Is it safe to conclude that by implementing the recommendations here-mentioned then rural sanitation marketing will definitely work? Equally important is the question of whether the Chikhwawa marketplace is too distorted for any real chance for the Mason Model, or any sanitation marketing model for that matter, to thrive.

Some of the key findings, namely household feedback on preferred slab pricing, lend themselves to the need for innovation of sanitation products-on-offer, i.e. the slab, to respond to market affordability and meet the basic prerequisite of market acceptance necessary for effective promotion.

In retrospect, if there is one powerful lesson that Water For People Malawi has learnt it is that sanitation marketing is about creating businesses — and businesses can only thrive if there is a market. A market is more than just a statistic of sanitation coverage gaps — it is people, communities, households who are willing and able to pay for products and services they really need. And this fact begs another question: what happens to the poorest of the poor who may be willing, but unable to pay?

Sanitation Marketing is a sound concept. The mistake, it seems, was that the idea was bought into before an adequate market was established.

So before we launch down another road of work-planning and resource mobilisation for another theoretically sound idea, we must understand the market first, particularly aspects of credit/cashflow and sustained demand, and ask hard questions about whether rural sanitation marketing is really feasible in the long term or not.

Otherwise, we will keep learning hard and costly lessons that were not meant to be learnt.

Resources

Visit http://www.youtube.com/watch?v=Uw-YJN8W3hc to view a field interview with George Msona, a mason based in Chikhwawa.