

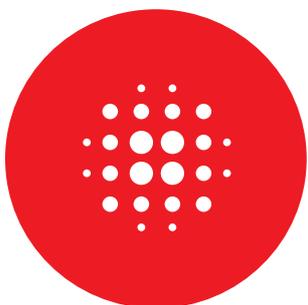
LIEN AID X CONJUNCT CONSULTING

COMMUNITY WATER ENTERPRISE

A MARKETING CAMPAIGN EVALUATION



SUMMARY



Lien AID is an international non-profit committed to enabling sustainable access to clean water and sanitation for Asia's rural poor. The challenge of increasing the adoption rates of Lien AID's water services in Cambodia calls for a more efficient and effective delivery of in-country awareness/marketing campaigns. While such campaigns are ongoing, Conjoint was engaged to evaluate their effectiveness and identify the next steps to maximize impact.

OUR CLIENT & THE CONTEXT

Lien AID is an international non-profit committed to enabling sustainable access to clean water and sanitation for Asia's rural poor. Founded in 2006, Lien AID focuses on community-based approaches in the delivery of multi-year WASH (Water, Sanitation and Hygiene) programmes.

The focus of this consulting project is Lien AID's Community Water Enterprise (CWE) programme in Cambodia. The CWE programme applies the principles of a social enterprise model to the delivery of treated drinking water services. A water treatment plant is built on public land within the community and subsequently owned, operated and managed by the community. Water entrepreneurs are selected from the community to manage the small water business, where the bottled clean water is sold at a price much lower than commercial sellers. A water management committee is also set up with the support of local governments to ensure proper governance and continued sustainability of the community water enterprise.

A total of 7 project locations were selected for implementation under the KH 024 project batch of the CWE programme in Cambodia. This project is specific to 2 of those locations in the provinces of Siem Reap and Kampong Thom, namely the communes of Ta An and Msar Krang. The 2 selected communes relevant to this project are expected to benefit approximately 14,592 people from 2,967 families.

2006



2,967
Families

MARKETING CAMPAIGN

OVERVIEW AND RATIONALE

On average, less than 30% of households within each commune purchase clean water from the Community Water Enterprise (CWE) on a regular basis. In response, Lien AID has added an additional component to the CWE programme - a marketing campaign/ CWE awareness campaign, which is expected to lead to increased user adoption rates when the water services are launched.

Previously, the campaign was piloted in locations where CWEs were suffering from poor sales. In the pilots, sales have increased after the implementation of the campaign and a larger percentage of the population has purchased the water. The consulting project's selected communes for primary data collection, Ta An and Msar Krang, represent the first batch in which the campaign is being implemented during the initial launch of the water service.

Our project aimed to investigate whether the campaign is effective in increasing adoption rates of the water services delivered in the communities through the CWE programme, which elements of the campaign are crucial, and what more Lien AID could be doing.

< 30%





DOOR TO DOOR

WATER PROMOTERS



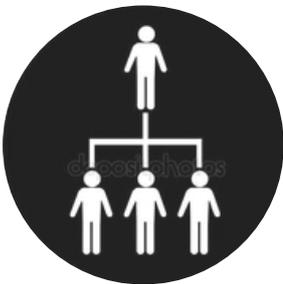
DOOR-TO-DOOR PROMOTION OF CWE WATER SERVICE

where Lien AID:

- Identifies, selects and trains water promoters
- Creates marketing tools (pamphlets, flipcharts, posters, banners etc)

RESALE NETWORK

DISTRIBUTORS



WATER ENTREPRENEUR DEVELOPS A RESALE NETWORK WITHIN THE COMMUNITY

where Lien AID:

- Helps to identify, select and appoint resellers

HYGIENE PROMOTION

VILLAGE CHIEFS



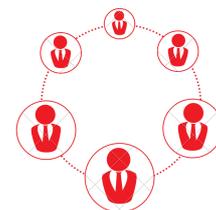
CAMPAIGN REINFORCEMENT THROUGH HYGIENE PROMOTION SESSIONS

where Lien AID:

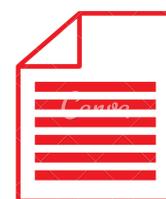
- Raises awareness of good hygiene practices (closely related to the use of clean water) among the population
- Holds one session in each village within the commune (The village chief is the main means to gather participants)

PROJECT IMPLEMENTATION & RESULTS

Conjunct first began with an internal scan to establish a firm understanding of the project implementation process and progress to date. This was done by assessing all available data relevant to initial project development, including needs assessment reports and minutes for commune discussions etc. Conjunct also interviewed the project coordinator to understand the on-ground situation. In the process, Conjunct identified key stakeholders for focus group discussions and interviews, for example: water promoters, entrepreneurs, villagers (both users and non-users), and the water management committee. Evaluation metrics and indicators were worked into questionnaires for the identified stakeholders.



With these insights, Conjunct collaborated with Lien AID to develop a primary research plan to guide our on-site research in the communes of Ta An and Msar Krang. This plan took into consideration the potential project limitations (such as language barriers). While the initial scope of the project only included Ta An commune, the team decided to conduct the evaluation project also in Msar Krang, given that evaluating under two different scenarios and contexts can test the campaign's functionality and integrity. The table below describes the general primary research methods as implemented in Ta An and Msar Krang, and some key insights gained.



1-TO-1 SURVEYS

5 users and 5 non-users surveyed from each village listed below:

Ta An:

- Samraong Village
- Phnum Touch Village
- Ta An Village
- Kdol Village
- Anlong Village

Msar Krang:

- Msar Krang
- Cheung Village
- Chi Meas Village
- Msar Krang
- Tbound Village
- Sampan Village
- Kampong
- Pradam Village
- Bat Trang Village

Alternative water sources differed between the communes:

Rainwater and well water are major alternative sources of water

Rainwater is a major alternative source of water

KEY INSIGHTS

- In 71% of the households, the decision of purchasing CWE water was made by the females followed by 25% by males and 4% made jointly by the family.
- Almost all non-users interviewed have heard of CWE (Awareness is not an issue)
- Quality and Price are the top two factors that respondents consider in determining their purchase of CWE water
- Availability of alternative sources (68%) and Price (30%) are the top 2 factors why non-users are not purchasing CWE water.
- Most households are still using CWE water concurrently with alternative sources
- Likelihood of non-users buying CWE water in Msar Krang is higher than Ta An, likely due to the forecast of lack of alternative sources (rainwater) in the dry season.
- Households using CWE water are the ones who were mainly using bio-sand filter or sand filter previously, which shows the importance of hygiene to them. Non-users tend to use rainwater without boiling or filtering more compared to users.

INTERVIEWS WITH WATER PROMOTERS

Ta An:
3 promoters

Msar Krang:
2 promoters

INTERVIEWS WITH DISTRIBUTORS

11 distributors covering at least one distributor from each village except Phnom Touch Village

KEY INSIGHTS

- There is 100% coverage of households by promoters and 81% are interested in purchasing
- In Ta An commune where water promoters ensured the involvement of the village people in the CWE initiative (with a part of the revenue being re-invested in the community), the CWE adoption rate was higher as compared to Msar Krang commune where no such initiative was undertaken.
- Quality of water is determined via experiential info for users (taste, smell, understanding that it is good for health) while non-users use mainly visual cues to ascertain quality (knowing the source, water treatment process through marketing collaterals, and clear water)
- Allowing the villagers to sample the water was effective in convincing them of the higher quality of the CWE water

2 FOCUS GROUPS: USERS AND NON-USERS

Ta An:
9 Users
6 Non-Users

Msar Krang:
9 Users
8 Non-Users

2 FOCUS GROUPS: (ENTREPRENEUR & WMC) (VILLAGE CHIEF & WATER PROMOTERS)

Ta An:
Entrepreneur and 3 WMC members

Msar Krang:
Entrepreneur and 4 WMC members

Water promoters and Village Chief

Water promoters and Village Chief

KEY INSIGHTS

- Consumers are not used to spending money on water, which is considered a "free resource", hence conversion of respondents to consume CWE water is minimal (7.3%).
- Users feel CWE water is convenient to use. One does not need to go through the tedious process of collecting water (from different sources), to filtering and boiling it, especially when they are busy in the farms.
- Low demand during rainy season increases the cost of transportation as logistics cost remain even despite loss in demand.
- They focus on the one time cost of bottle to increase adoption rate. Entrepreneur in Ta An commune also allows villagers to purchase CWE water with existing/ undamaged bottles that villagers previously owned to increase adoption rate of CWE water.



RECOMMENDATIONS

The primary research suggests that the water promoters have led to high levels of awareness in the two communes regarding the CWE initiative. Among non-users, a key determining factor is their habit of relying on free sources of water thus seeing little incentive to convert to bottled water. Given this, the following recommendations could help increasing conversion.

EDUCATION

THROUGH HYGIENE PROMOTION SESSIONS

FOCUS ON COMPARISONS AND VISUALS

- Highlight the hygiene of bottled water in comparison to common alternative sources of water (e.g. rainwater in Msar Krang).
- Provide free samples to villagers/households who have not tried the CWE water as this is shown to increase conversion rates.
- Provide a test kit within the commune/village to allow villagers to differentiate the quality of CWE water from alternative sources.
- Highlight visual factors that “represent” good water quality - water treatment process, turbidity, water source etc. and encourage villagers to visit water treatment plant and have aids that would explain each step of the treatment process.

PRICING

THROUGH WATER PRICING COMMITTEE

INSTALLMENT PLANS AND DISCOUNTS

- While most of the villagers said that the price of the CWE water is affordable, there was a significant number who reflected that the cost of the bottle was expensive. Alternative payment plans could be explored by Lien AID to make the water affordable to a larger audience.
- The availability of substitutes (mostly seasonally driven) also played a significant role in the water-buying decision. Most non-users reflected that they would buy CWE water when they ran out of alternative sources of water (which is likely the dry season). Supplying the villagers with a price incentive during the rainy season could encourage more to buy the CWE water.

MESSAGING & PROMOTION

THROUGH WATER PROMOTERS

TARGETED MESSAGING

- Ensure that advertisements and promotional activities target the female audience, who are the key decision makers in the purchase of clean water. Promotional activities can also be targeted at villagers during the dry season, where the likelihood of adoption is higher.
- Provide some pricing rationale in the messaging and communication. Several villagers shared that they were hesitant to purchase CWE water until they realised that it was more cost & effort efficient than their current sources.
- Inform villagers that people in their community are involved in CWE. This increases sense of belonging.

CONCLUSION



Through the on-site visits and interviews, Conjoint learnt about the villagers' perception of clean water, their use of alternative water sources and their receptivity to the hygiene promotion campaigns by Lien AID. Conjoint also learnt about some of the distributors' and promoters' self-initiated promotional tactics such as free sampling, delivery of CWE water, and informing villagers that their own community people are involved in CWE. The team concluded that Lien AID's marketing campaign in Ta An and Msar Krang has been overwhelmingly successful in raising awareness of the CWE water services, and hence focused on recommendations to encourage conversion.

The understanding of who the decision makers are and their decision factors helped the team identify potentially crucial tweaks to pricing and messaging that Lien AID can adopt to maximize its impact. Specifically, despite the relatively high level of awareness about the hygiene level of existing water sources and importance of consuming clean water amongst respondents, the team realised that villagers' consumption behaviours were mainly influenced by their seasonal lifestyle habits. It was an interesting discovery that has implications on marketing strategy. Lien AID can creatively increase adoption rates and reduce costs at the same time by using time-based targeting of marketing efforts (increasing marketing during dry seasons). To encourage more villagers to buy CWE water during the rainy seasons, instead of using alternative sources like boiled rainwater which are less clean, Lien AID could potentially give an off-peak seasonal discount.

Having lived in cities most of our lives, we often overlook the value and significance of clean water given our easy access to it, especially in Singapore. Lien AID is committed to enabling sustainable access to clean water and sanitation for Asia's rural poor. The Conjoint team was glad to have had the opportunity to help Lien AID do better while doing good.