



Household energy and marketing – experiences from different countries

**Deutsche Gesellschaft für Technische Zusammenarbeit (GTZ)
GmbH**

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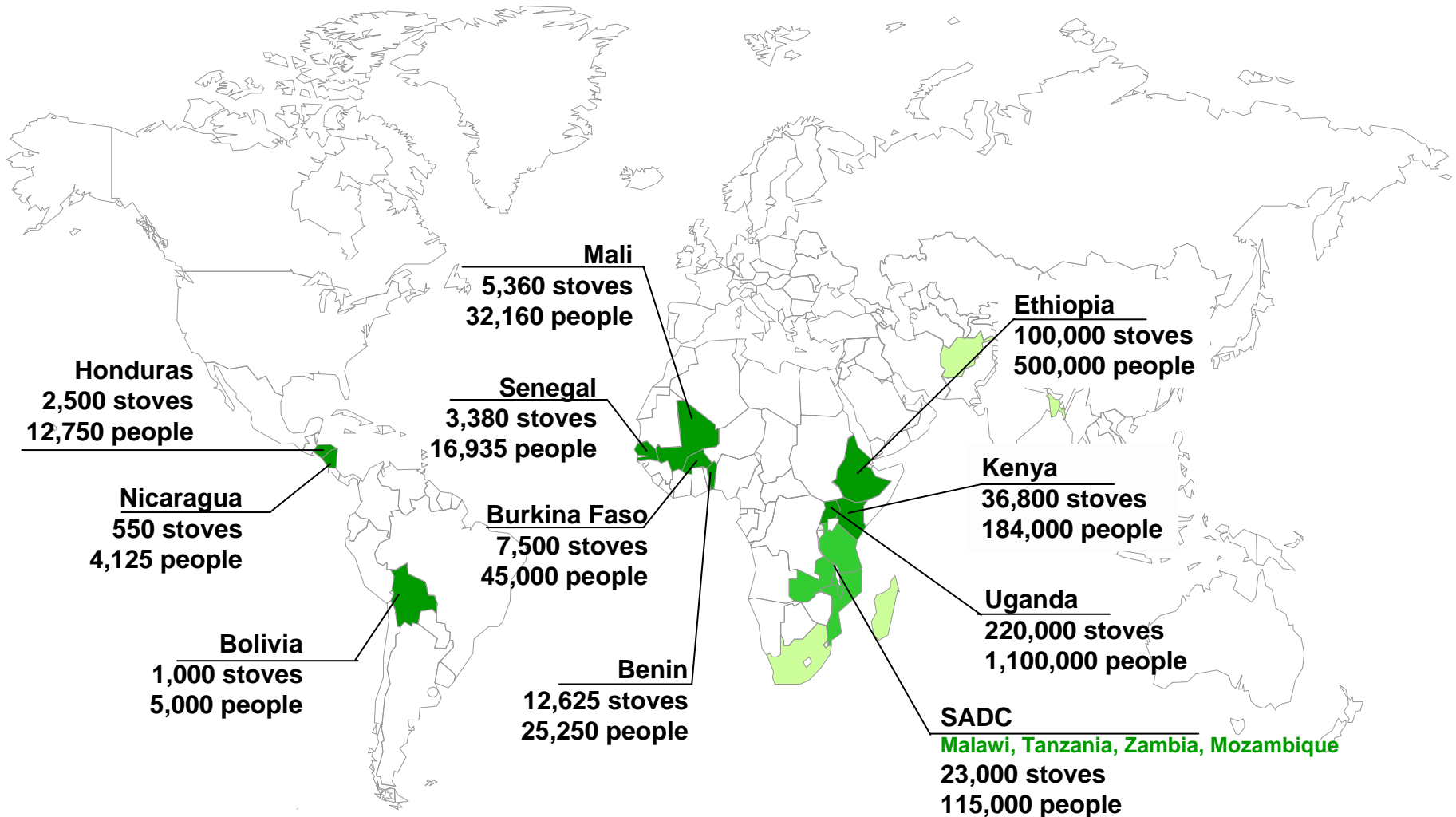


GTZ household Energy Programme HERA

- Development of household energy (HE) concepts
 - Knowledge management
 - Networking between all 14 bilateral HE projects of GTZ
 - Experience and information exchange
 - Alliances with international partners
 - Lobbying at national, regional and international level
-
- Supporting implementation of Dutch-German Partnership
“Energising Development”

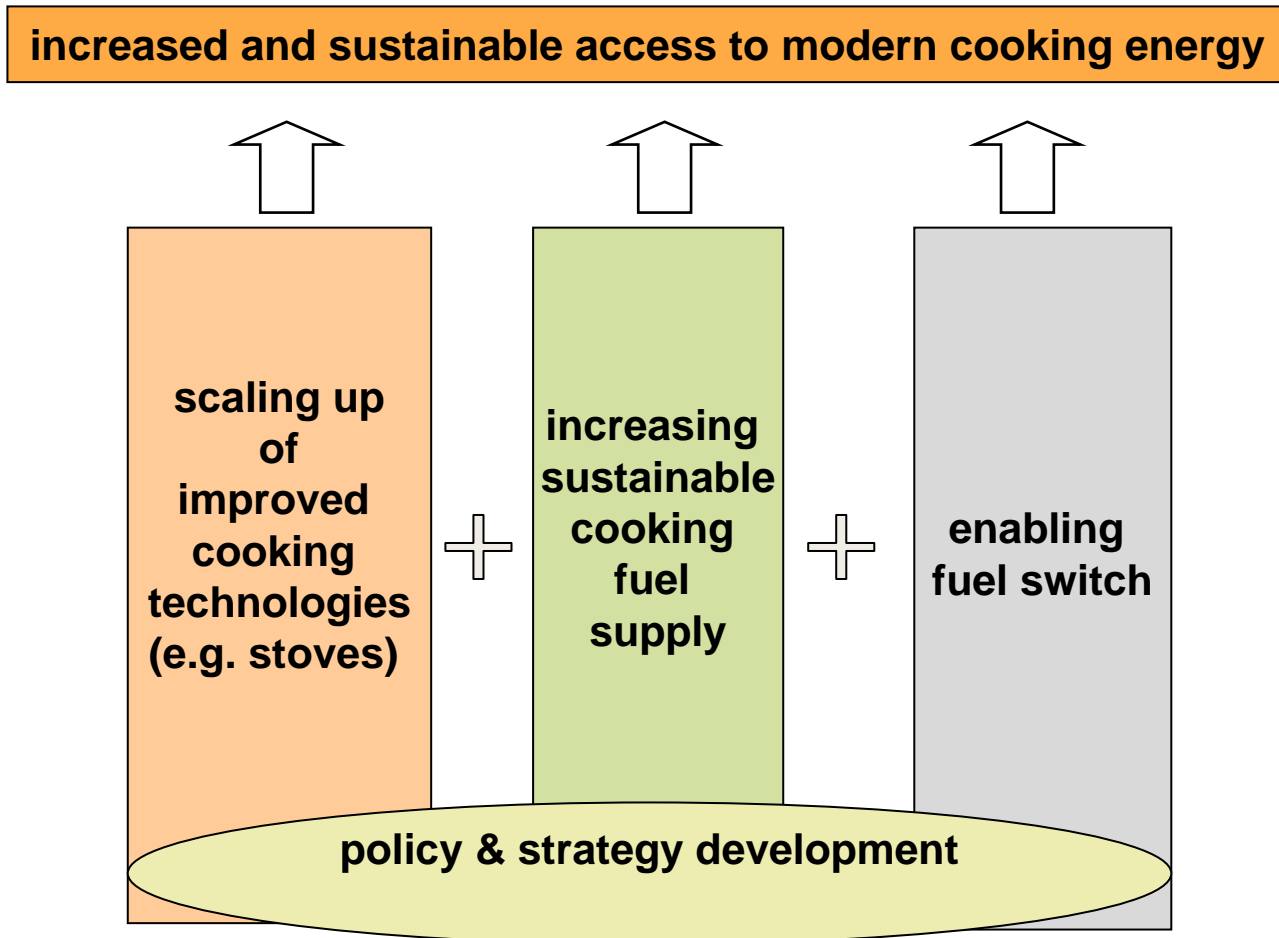


Energising Development – Access to Household Energy





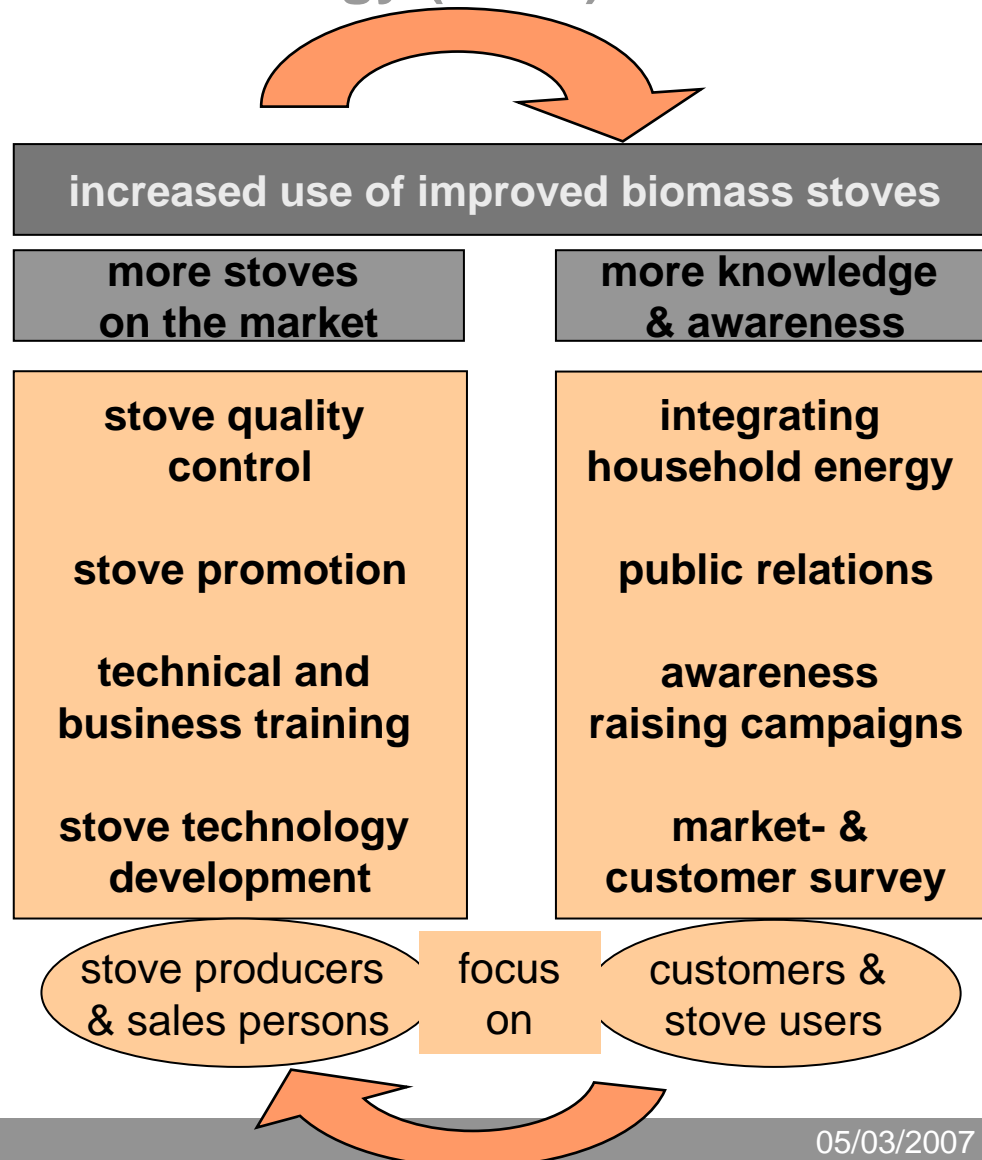
Scaling up Household Energy





Scaling up Household Energy (cont.)

How to achieve scaling up of improved technologies on a commercial basis?





Marketing – What is it about?

5 Ps

- Product
 - Price
 - Place
 - Promotion
 - However People are at the heart of stove marketing – users and producers
-
- **Marketing is getting**
 - the right stove
 - to the target users
 - in the right quantity/quality/price
 - in the right place at the right time
 - and with each business person in the marketing chain making a fair profit (not the project)



... the right stove ...

acc. to experience:

- improved Stoves have to be:
- **efficient (min. 40% fuel saving)**
 - **clean burning**
 - **adapted to local needs and habits**
 - **convenient for the cook**
 - **attractive and modern**
 - **affordable for target income group!!!**



... e.g. ProBEC stoves in Malawi ...



1 USD



8 USD



15 USD



20 USD



30 USD



50 USD



80 USD



50-100 USD



200 USD

300 USD



... to the target users ...

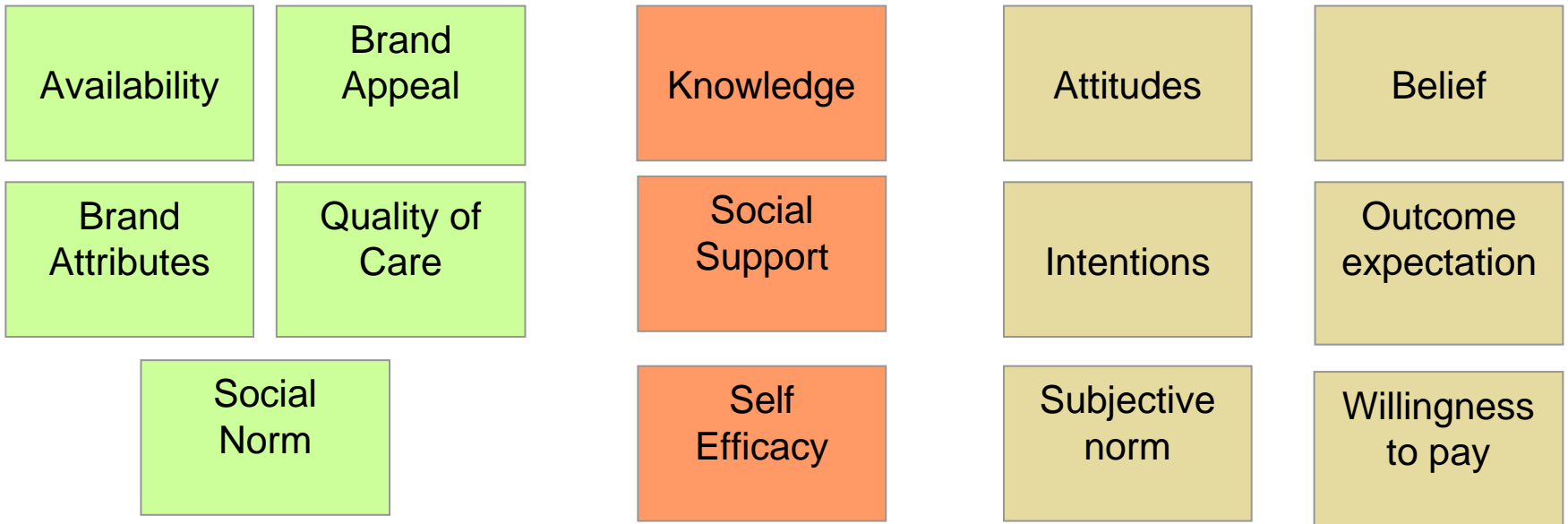
- Who is the target group? → Are our customers the same as the users?
→ Ability and willingness to pay
- What are they demanding? → Needs, requirements, habits, ...
- What are aspirational factors? → Trends, fashion, modernity, ...

- **Market- and customer analyse** help to develop a clear picture about the target group and potential costumers.



... to the target users – behavioural change ...

| OPPORTUNITY | ABILITY | MOTIVATION |
|---|--|--|
| is institutional or structural factors that influence an individual's chance to perform a promoted behavior | is an individual's skills or proficiencies needed to perform a promoted behavior | is an individual's desire to perform a promoted behavior |



POPULATION CHARACTERISTICS!



... in the right quantity, quality and price ...

To be considered

- production capacity
- quality factors of stoves, warranties, quality control, quality standards, logo/branding
- price – affordability

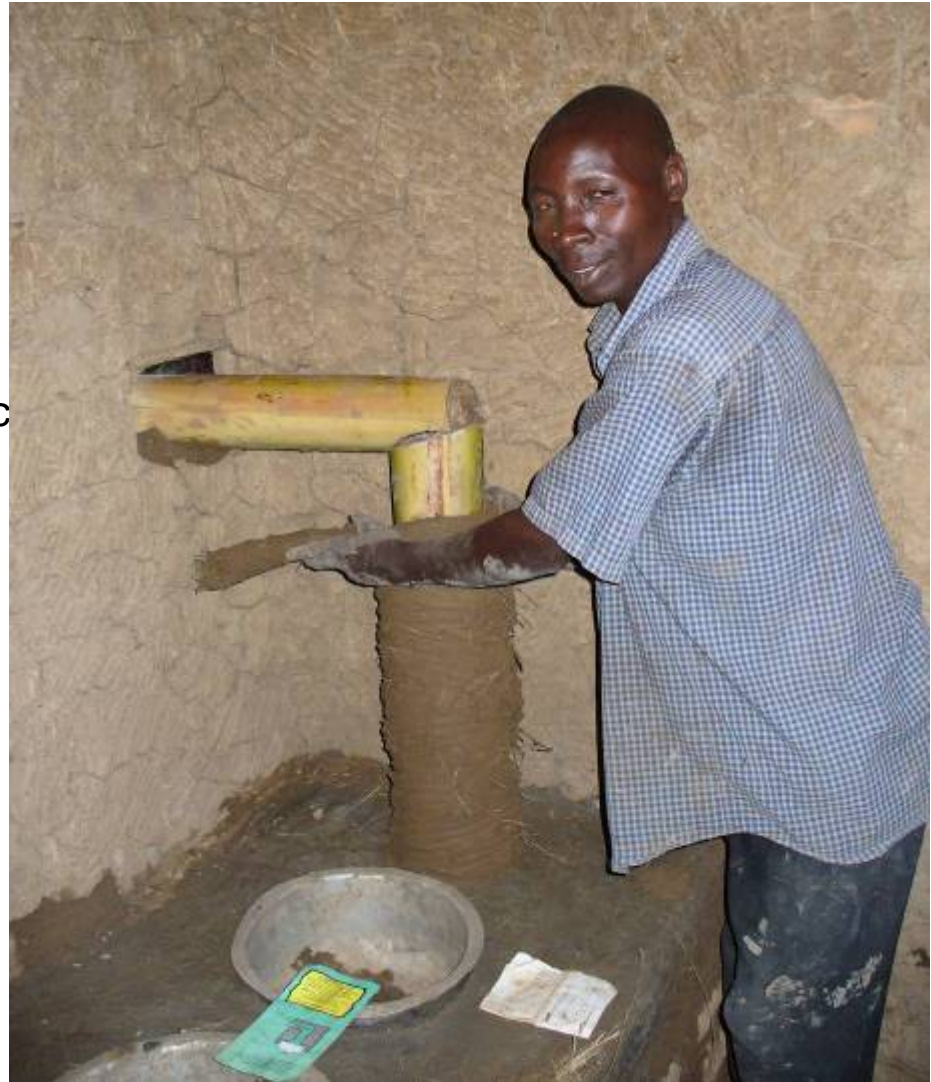
To reflect:

- Acceptance tests
- Efficiency and emission tests



... e.g. Rocket Lorena in Uganda ...

- Quantity:
200,000 stoves within 2 years
built by 290 producers
- Quality:
60% specific consumption reduction
emission cons. Reduced
adopted to people's needs
- Price:
1 – 5 EUR
price negotiated





... e.g. ProBEC stoves in Malawi ...

quality control, certification and branding – experience





... in the right place and at the right time ...

Where? How? → Market place! → Mobile sales structures!
e.g. Energy Advisory Project Uganda





... in the right place and at the right time ...

When?

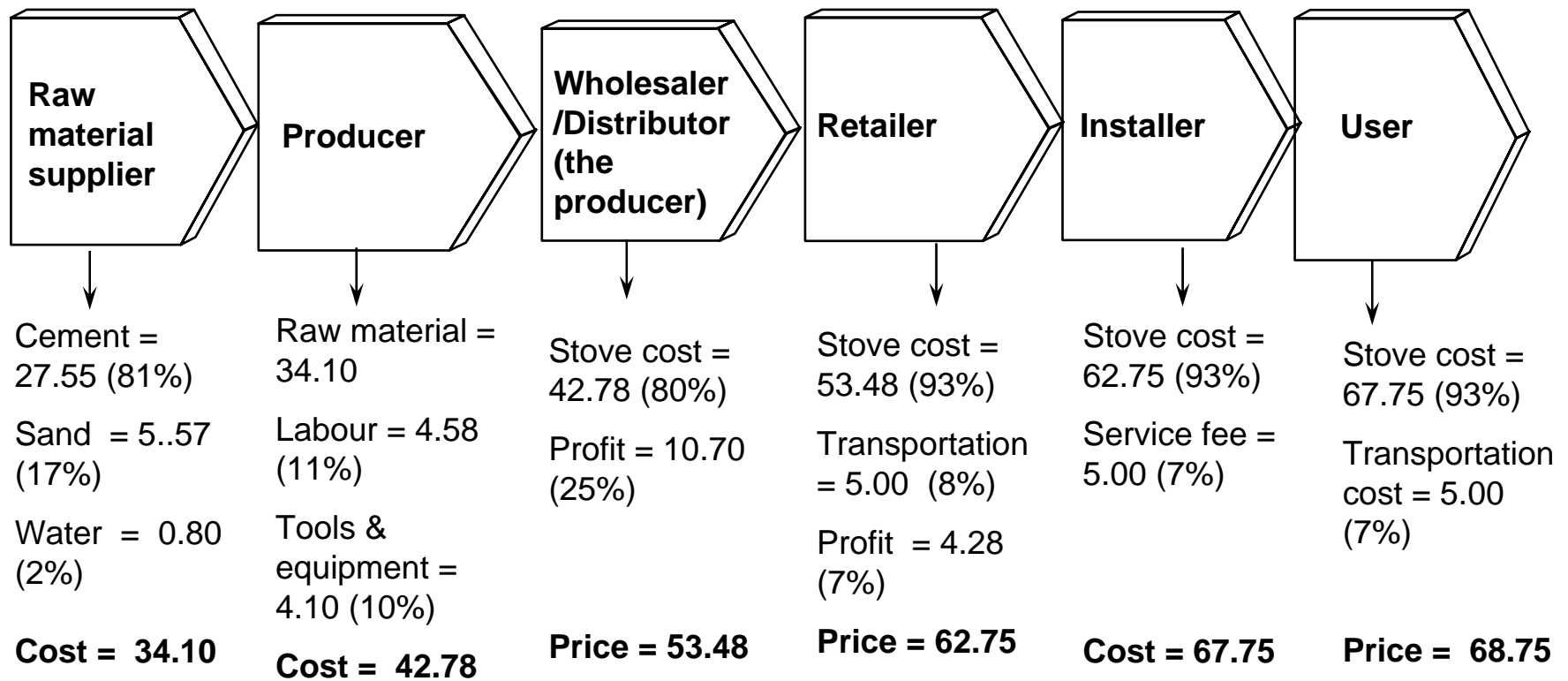
→ Create display platform: Trade Fair etc
e.g. Energy Advisory Project Uganda





... so that everybody involved gets a fair profit

Price development in marketing chain – SUN Energy in Ethiopia (1 ETBirr = 0,1 EUR)





Marketing tools

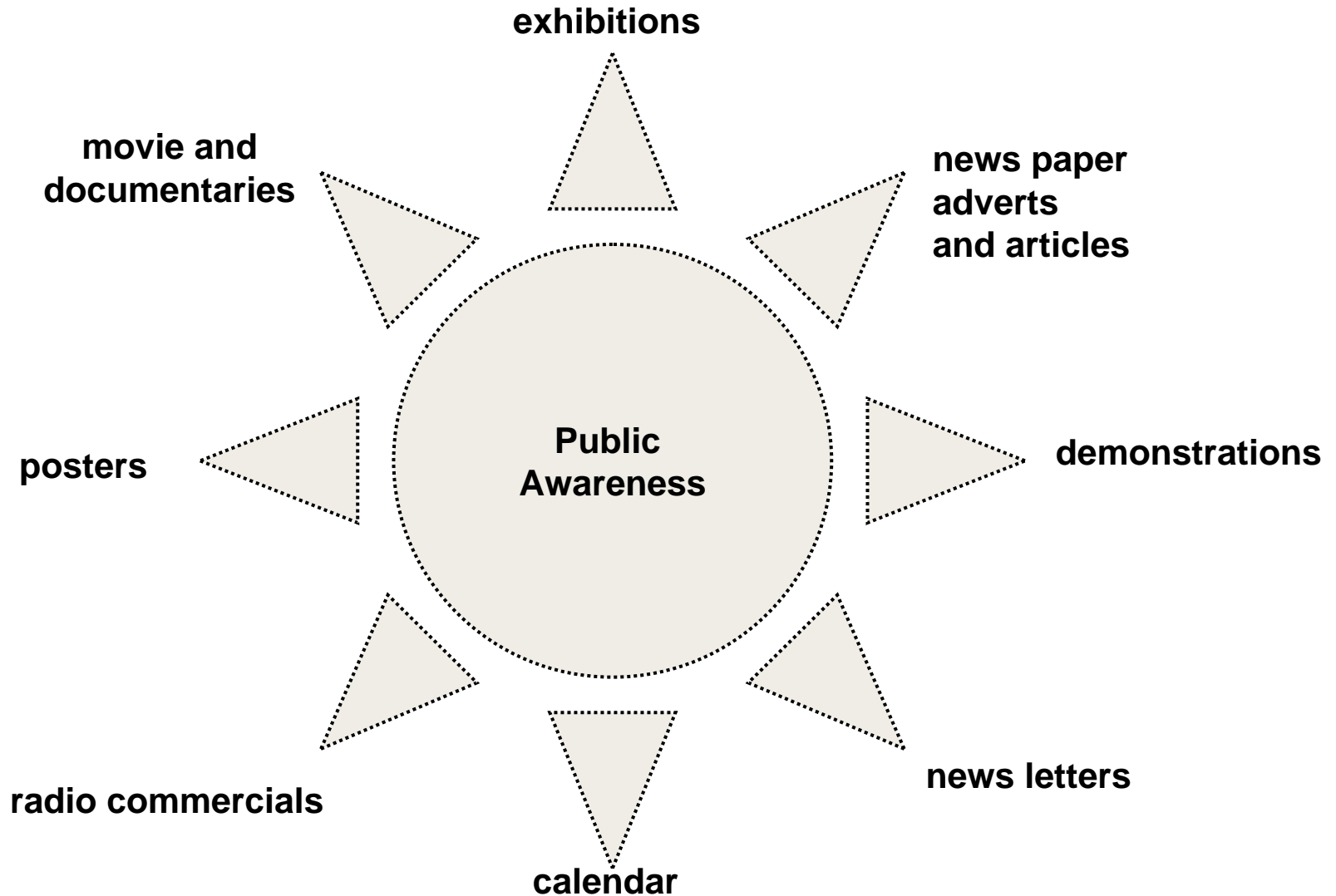
- **Experience tools** – lessons learned to date from previous stove projects such as
 - a range of stoves to meet different needs
 - documenting and learning from failure
 - importance of facilitating training of stove producers in sales & marketing
(document and use experience made)

- **Information tools** – provide the evidence for promotional tools such as
 - market survey, purchasing power
 - innovation adoption curve
 - marketing an price chain
(collect and transfer data and information)

- **Promotional tools** – such as
 - demonstrations
 - brand names, logos
 - Public Relations (PR)
(use experiences and information for promotion)



Promotional tools – e.g. Uganda





Promotional tools – e.g. Ethiopia

Public stove demonstrations





Promotional tools – e.g. Ethiopia

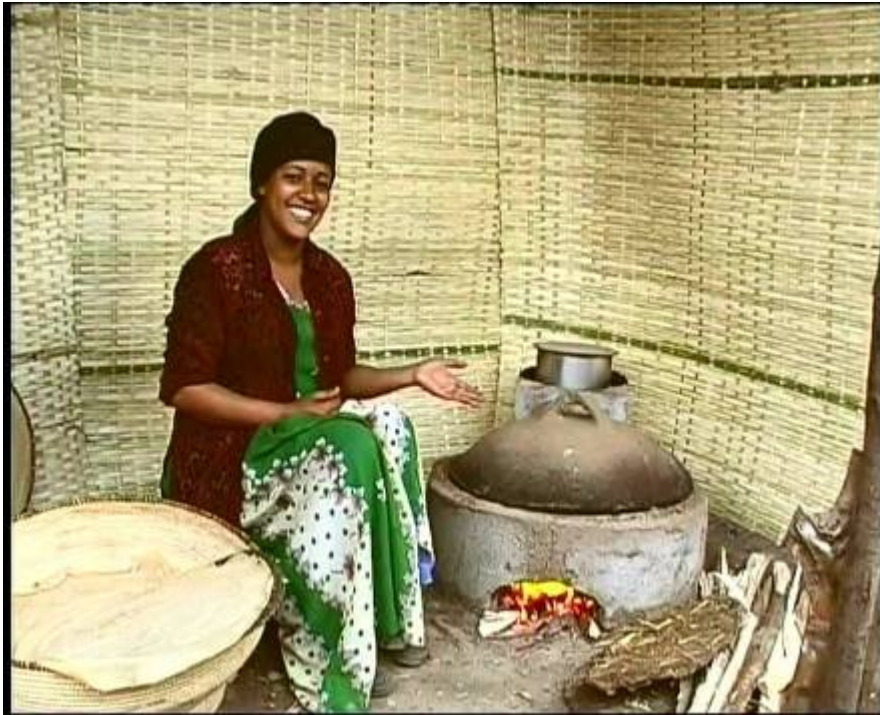
Promotional theatre tours,
videos, dramas





Promotional tools – e.g. Ethiopia

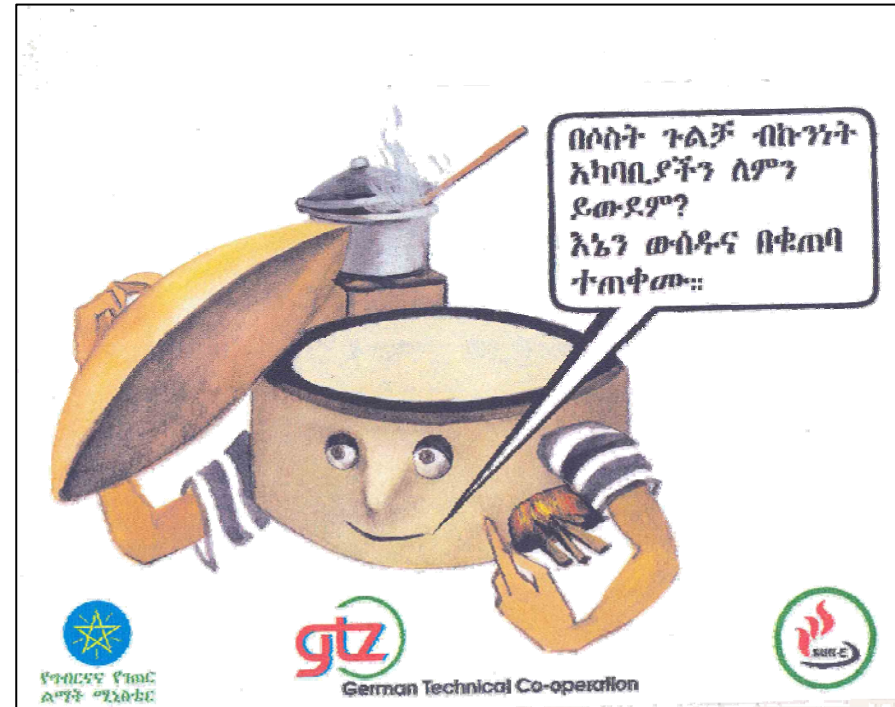
Radio, Television, Adverts, Dramas





Promotional tools – e.g. Ethiopia

Transport advertising





Sustainability Factors – Marketing

- Start planning the exit strategy from the beginning.
Ask who at the end will do – and pay for – all actions that the project itself carries out
- Importance of ownership transferred to producers, NGOs or other organisations
- Enhance supply structures
 - capacity building with producers, government and NGOs
 - develop supply (production capacity and marketing skills) to attract new producers
 - training of new stove producers through vocational training colleges
 - product diversification
 - distribution (transport of stoves) must be included in the final stove price
 - maintain quality control
 - » use of liners to ensure the critical stove dimensions
 - » set up a warranty scheme, involve private or government standardising agencies
 - » costs of quality control scheme should be paid by producers in the long term, once it has been shown to this adds value to the stove and is recognised by users
- Increase demand
 - having a product that potential users/customers want and will pay for
 - buyers have to be aware of product and stoves need to be easily available to purchase
 - raise awareness of potential users/customers about a quality stove during the project – enable them to become the quality “judges”
- In kind payment or subsidised price can achieve mass stove usage during market introduction, but an exit strategy should have to be planned since beginning and clearly communicated, so that a fully commercial system stands in the end



Thank You very much for Your attention!

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Im Auftrag des



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