FACT SHEET SPRINGHEALTH (INDIA)

A business approach to access to safe water at the household level:

Introduction to the Indian chlorinated water, delivered at home by SpringHealth

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INTRODUCTION

India is after China the most populous country with an estimated 1.21 billion people (Indian Administrative Service, 2011) and is considered to be home to about one third of the world's poor, which represent 37.2% of the total population (UNDP, 2011). Although it experienced impressive economic growth during the past years and became a powerful economic player, India is still a country with enormous socio-economic disparities. Poverty is a prevalent problem and will not disappear without extensive structural changes.

Since 2013, Spring Health have been promoting household based water treatment through the delivery of chlorinated water to households. In 2010, a new social enterprise was established to produce, promote and sell 10L jerry cans in all rural areas of Bhubaneswar, Orissa district. In one year, Spring Health has set up direct sales activities, showing an important **social impact** to people, especially in rural area. An interesting and pertinent marketing approach has been implemented with efficient results and success. Besides educating people through "Water Melas", Spring Health is also generating profits and is increasing sales result. As of March 2014, Spring Health is selling an average of 3.5 Millions of safe water per month thanks to the establishment of direct sales force, covering 173 villages. The results from the past year indicate that direct sales **model was successful**.

This datasheet focuses on the case of Spring Health, an Indian-based for-profit social enterprise that provides safe drinking water to the poor rural population in Orissa (India). We will start with a general overview of the current situation of safe drinking water in India, different POU water treatment technologies and its market potential, followed by a short synopsis of the foundation and evolution of Spring Health Water. In the second part, the business model of the company is quickly outlined. The current marketing and social marketing activities provides a detailed picture of strengths and weaknesses.

I. A business story: how did it start?

1.1 Background on safe drinking water in India

India lags together with China behind the rest of the world in access to safe drinking water (WHO/UNICEF, 2012). India reached its MDG target for water five years ahead of schedule, but an estimated 97 million people are still unserved with improved drinking water sources. Especially the poorest and most disadvantaged households have the lowest access to an adequate water source. Unsafe and unsustainable drinking water supply is a major national economic burden in India and is estimated at US$ 600 million a year (WaterAid India, 2008). According to official estimations of the Indian national Census 2011, only 32% of the Indian households use treated drinking water and 17% need to travel more than half a kilometre in rural areas or 100 meters in urban areas to fetch drinking water (The Hindu, 2012). Due to season and availability, people often get their drinking water from different water sources.

The main source of drinking water in India is tap water (43,5%), followed by hand pumps (42%) and 11% of the Indian population still use open wells as a drinking water source (The Wall Street Journal, 2012). It is estimated that every year, 37.7 million Indians are affected by water-related diseases (WaterAid India, 2008). In the state of Orissa in Eastern India, less than 10% of the population has access to tap water from a treated source, 17,3% use uncovered well water and 38.5% households in rural villages have to travel more than half a kilometre to get drinking water (Ministry of Home Affairs, 2011). The largest socioeconomic census ever attempted in history revealed that most Indian households are struggling with drinking water.

For a long time, it has been supposed that conventional source-based interventions (point of distribution) are effective for the prevention of waterborne diseases. However, during the last few years, several studies revealed that household-based, so-called point-of-use (POU), water treatment interventions and safe storage in improved vessels are significantly more effective (Wright, Gundry & Conroy, 2004). Water quality problems are, for the most part, a result of inappropriate hygiene and sanitation practices. Even if communities have access to a safe water source, microbiological re-contamination of drinking water often happens during water collection, storage and use at the household level (Sobsey, 2002). Diarrheal and other waterborne diseases can be effectively and quickly reduced with POU-interventions and improved hygiene behavior. Evidence shows that POU water interventions can reduce diarrheal and other water-related incidences by 6 to 50% depending on technology and specific economic and demographic factors

(Nath, Bloomfield, & Jones, 2006). But despite growing interest in point-of-use water treatment and the evidence of substantial health gains with low-cost technologies, it is important to continue investing in safe community water supplies. Point-of-use water treatment interventions should be seen as a short-term alternative over the long-term goal of full coverage of piped (safe) water distribution systems. There are a variety of different chemical and physical household-based water treatment technologies. The most common approaches of POU water quality treatment are boiling, chlorination, filtration (sand, cloth, ceramic pot), solar disinfection (SODIS) and combined flocculation/disinfection. Among these household-based water treatment methods, chlorination is the most cost-effective (WHO, 2008). But the intervention method needs to be adapted to the circumstances.

Spring Health, the company at the centre of this factsheet, uses a simple electro-chlorination technology, called WATA, to produce chlorine, which is used to purify the water at the point of sale. This consumer market has been largely unreachable and untapped. The company estimates the potential market at 200 million customers in East India alone (Spring Health, 2012). By chlorinating water at the point of sale and delivering it directly to the home of the customer in a clean jerry can, the company ensures that the likelihood of recontamination is minimized.

1.2 Development of the business model

International Development Enterprises (IDE) founder Dr. Paul Polak established in 2008 the for-profit venture Windhorse International with the objective to provide low-cost and innovative products to millions of people living on less than 2 US$ a day. In 2010, he launched his first division, a for-profit social enterprise called Spring Health. The purpose of the start-up is to sell affordable safe drinking water to poor people living in small rural villages in Eastern India (Orissa) through a network of local water kiosk owners, with an ultimate objective is to reach 20'000 villages in 2020.

First water kiosks have been rolled out in 2010 in 10 villages as part of a pilot, selling chlorinated water in branded designed 10L jerry can. For this project, experienced and competent persons from the private sector were recruited for the operative management. In November 2011 the company started to gradually roll out kiosks. At the end of October 2012, Spring Health operated water kiosks in 29 villages. As margins are quite low, high quantities of water need to be sold in order to make the business profitable. While sales were quite low at the beginning, they started to accelerate in February 2012. And, between February and June 2012, sales increased from 80'000 liters a month to over 350'000 liters. Interestingly, based on the pilot project feedback, almost all clients prefer home delivery of water, even if it costs 25 % more. The water priced ranges from 3 to 4 Rupees per 10L is 20 times less than other commercial 20 litres bottled water brands.

Paul Polak, Founder Spring Health

"Spring Health was started with the basic idea that poor people are customers and producers not recipients of charity and need to be treated with dignity."

Figure 1: Location of Orissa Province in India, province where Spring Health starts its activities in 2012

II. The implementation of the business model

The vision of Spring Health is to "provide safe and affordable drinking water to one and all" (Spring Health, 2012). In addition, the goal is to reduce the incidence of waterborne diseases and the related expenses for medical treatment. The long-term objective of Spring Health is to have a presence in the entire country.

The enterprise addresses the problem of safe drinking water access in rural India by offering customers a ten-liter jerry can with safe water for 3 INR (Indian Rupees). The cost of the water is around sixty times less expensive compared to alternative products, such as bottled water (1l = 15 INR) or packet water (150 ml = 2 INR).

The targeted segment are consumers living at the bottom of the pyramid in small remote villages in Eastern Indian states like Orissa, West Bengal, Bihar and Eastern Uttar Pradesh, where water tables are high and wells are shallow (Spring Health, 2012). These people are mostly bypassed by current formal markets and they have specific needs and problems, which had to be taken into account during the business model development process. For example, the product offered needed to be radically affordable due to the customer's lack of financial means.

Since 2012, SpringHealth received a grant from Antenna/SDC (50'000CHF/year) "to support a social marketing campaign to increase sales of chlorinated water delivered in India. This grant has helped Hydrologic long-term aim to reach **20 million households with improved access to safe drinking water, sanitation, and hygiene by 2020**.

2.1 Description of the business model

A central part of the model is the implementation of a profitable last-mile supply chain. Spring Health partners with local entrepreneurs or village shop owners and installs tanks next to their private shallow well at an affordable price. The sales description is described as per Figure 1.

- The tank is filled with usually contaminated water pumped up from the well and is purified with chlorine by a company staff member.
- The local entrepreneur then sells the treated water in 10L jerry cans through a home delivery service system. A delivery boy or the entrepreneur himself carries the jerry cans filled with the purified water with a bicycle or a trolley directly to the home of the customers within a radius of several kilometres.

The revenue is distributed as follows: the delivery boy earns 1 INR per sold jerry can and the other 2 INR are shared between the entrepreneur and SpringHealth. In the first year, the entrepreneur receives 25% of the sales (as SpringHealth has brought 75% of the initial investment) but within two years the entrepreneur profit will increase up to 75% of the total sales.

Kishan Nanavati, CEO SpringHealth

« Spring Health has a strong hierarchical organisation, and all employee have the mission to increase daily sales. It is profitable for them, as they are paid also on their sales targets but also the whole company.
My experience in working in cell phone companies, managing 25'000 telephone kiosks in India has allowed to reach a BOP market that have the capacity to pay for water but just need to have a solution offered to them that could be sustainable but moreover cheap and convenient."

Figure 2: SpringHealth headquarters in Bhubaneswar, Orissa

Figure 3: SpringHealth business model description (Source: Amanda Ammann)

2.2 Focus on innovative designs and inspirational products

Building a strong brand identity is another important part of the Spring Health strategy. The target audience in remote villages should recognize and emotionally connect with the company brand. Spring Health's brand identity is created through a professionally designed logo, recognizable t-shirts and baseball caps worn by company staff members, unique jerry cans and branded posters around and close to the water tank. One of India's leading branding company, IDIOM Design, is responsible for developing a strong and reliable brand identity in rural villages.

Figure 4: Brand marketing of Spring Health (Sources, Amanda Ammann, 2012)

2.3 Strong social marketing

Awareness creation and an effective commercial and social marketing mix are important factors to make the Spring Health model successful. Selling a product to people living at the bottom of the pyramid is not an easy task, because they have to be cautious about where they want to spend the little money they have. Before buying anything, they will critically think about the benefits the product offers. Another difficult task is to change the behaviours of the targeted population. Many poor people are not aware of the benefits of safe water and would not pay anything for it as long as they have water available in their well. Hence, to support the launch of a new safe water entrepreneur a strong social marketing has to be set up. Spring Health invented here a unique strategy to roll out villagers and convince them to buy safe water. First, strong sales promotion gather the village community around water melas awareness campaign and social entertainment such as theatre drama where the main topic is safe water.

2.3.1 Door to door campaign

SpringHealth is since 2013 working with a strong marketing methods such as door to door sales, with 4 team of 20 people in uniforms handing out brochures in the village, accompanied by an auto rickshaw with speakers, and a cycle trolley or tuktuk with full jerry cans of water to sell on the spot. Such a large group arriving in a village raises interest of villagers and they are brought and invited to the water testing melas or the theatre drama. Spring Health team can start give awareness to the community around safe water and villagers are encouraged asking question and sharing their experience. Furthermore,

2.3.2 Theatre drama

A traditional theatre drama is organised at the centre of the village (started in August 2013), to inform and entertain the community about safe water and health issues (Figure 4). It has been proven that organising an activity for the villagers has more impact and it also encourage people to share their experience and ask more questions.

Figure 5: Social marketing in villages: dramas and water "melas".

2.3.3 The Water Testing Mela

Spring Health started to conduct so-called water testing melas[1], where villagers have the possibility to test the water they usually drink for bacteria. It is a tool to convince them that their drinking water is contaminated. The company sets up a branded booth for three to four hours in the centre of the village, where people gather around bringing their water and observing the testing process. A company staff member adds 2 ml of each water sample to the liquid medium in a plastic Petri dish. After an incubation time of 24 hours at 25-35 degrees, bacterial colonies and parasites grew and are clearly visible. Around 2 to 5 days after the water testing mela, the Petri dishes are then personally returned to the villagers. A staff member explains the consequences of drinking water contamination, while the person has the possibility to study the bacterial colonies and parasites in the Petri Dish together with his family. In the end, he is asked if he wants to purchase Spring Health water and become a regular customer. Such process is described in the Figure 6 below.

The outcome of the water testing melas are generally positive. Most persons, who tested their drinking water, are interested to buy Spring Health water and become daily customers. They were surprised to find so many bacteria and parasites in their sample. Even persons who were aware of drinking water contamination, but never believed that their own water was contaminated because bacteria were not visible, were convinced. Regarding sales, the number of jerry cans sold increased obviously in villages, where a mela has been conducted. Generally, the water testing mela is considered to be a highly effective tool to raise awareness about drinking water contamination and increase sales volumes in a short period of time. In order to implement the intervention more systematically, the targeted market needs to change its behaviours, which require a deep understanding of the current behavior of the target audience and the barriers and benefits associated with the product.

[1] Mela is a Sanskrit word used in the Indian subcontinent and refers to different kinds of gatherings or fairs.

Figure 6: Water melas description in the villages of Sarion and Balarampur, 2012 (A. Amman, 2012)

2.3.4 School Awareness Programme

Furthermore, the School Awareness Programme started in the district of Khurda where Spring Health has the highest number of kiosks. Activities have been initiated in 70 of the planned 100 schools as of 2013, to spread awareness of "Safe Drinking" water to the junior students in various Government and Private Schools. It is an interactive 2 days program where students take active part in the activities. Indeed, basic introduction to the class and class teachers providing info on water treatment methods and diseases one may contract by consuming contaminated/impure water. Furthermore, interactive games and quizzes, so students get a chance to participate and also get a first-hand experimentation opportunity. Spring Health also conduct a Water Test Mela in the schools, where the students get water from their homes to be tested for bacteria content. Indeed, the program is divided into 3 stages:

1. SpringHealth have a basic introduction to the class along with the respective class teachers and talk about various methods of purifying water and the diseases which may occur due to contaminated water or impure water.
2. Then SpringHealth organise interactive games and quiz programs, so that the students get a chance to participant and also get a first-hand experience to learn.

3. Last, students are asked to get water sample from their homes and we do the testing with the students, we encourage them to do the test themselves and then after 48 hours show them the results.

2.3 Set up sustainable delivery channels

Water entrepreneurs in villages distribute through the home delivery safe water to all customers. This innovative model, requires the organisation of village meetings where the local population can be informed of the health and economic benefits of drinking clean water. Training, awareness-raising and marketing activities are supported by SpringHealth whereas the water entrepreneurs provide safe water every day to the convinced customers.

2.3.1 Set up of the village water entrepreneurs

SpringHealth continues to have ambitious goals such as rolling out 25 kiosks per month (or one village a day) and working towards rolling out 50 kiosks per month by mid of 2014. To accomplish this, staff recruitment is crucial. Already based on a strong fully business oriented board of director, Spring Health has expending its staff and more people should join the team with the forecast scaling up. There are as of March 2014, 173 local water entrepreneurs enrolled within Spring Health safe water, supervised by 5 kiosks managers.

Mr Biranchi Narayan Sahu and his wife - from Taraboi (near Bubhaneswar) - are running a small shop and have a well in their backyard. They have started one year ago with a small tank and have now the 3'000 litre tank with pipes through their house. They can deliver the water in front of the house.
At present, they sell some 700 litres per day from the shop and another 200 litres through a tuktuk home delivery (priced at 40 paise per litre). In better times, he sold 1'000 litres per day. His income is thus almost Rs. 200/day from direct water sales but he has to deliver Rs. 100 to Springhealth. He is satisfied, as his sales in the shop have also gone up considerably (from Rs. 200 / day to Rs. 400 to 500 per day)

In the village of Bisiapara, Dinabandhu Chand and his wife, have started only 6 months ago and sell some 400 litres/day directly and some 150 litres per day through a home delivery system. They think it is a good business and the water sales have increased his sales from Rs. 500/d to over Rs. 700 / day.
If all the marketing improvements are done, he thinks he can sell up to 2'000 litres per day. His wish-list was: a) introduce a home dispenser of 20 litre and use a tricycle for home delivery, b) introduce a 1Rs. Bag of ¼ litre and bottled water of 1 litre. When he was asked whether this would not favour the rich, he said, the bottles and bag yes, but the dispenser and the tricycle would benefit the poorer customers.

2.3.2 Self Help Groups

Lastly, since January 2014, another social marketing activity was launch through Self -Help Group (SHG), which are groups of women who promote health awareness in villages. Those groups are well integrated among the community and were initially created for polio awareness campaign. Nowadays, they are acting as social workers, baby-sitting, providing medicine but also healthy food for students (one meal a day is subsidised by the government).

Working now with Spring Health marketing program can ensure them additional income as they will have the social responsibility of informing the villagers on water related diseases and inform SpringHealth about the villagers' readiness to drink safe water. Those reports are valuable for Spring Health before the launch of their safe water entrepreneur.

As of Feb 2014, 22 SHG members in 7 villages have added SH safe water solution to their agenda. The contract is based on 7 reports per months paid 100 INR each, so each women joining the program will be earning 700rs/month, not a full salary but an interesting incentive.

III. Customers/beneficiaries and sales impact in the country

3.1 Customers and beneficiaries

All villagers can benefit of the village water entrepreneur, purchasing the delivery at home. The average family in India is 4 people. 10L/day should be sufficient for the families.

The Figure 7 below present several families and show their motives to buy SH water and their satisfaction in a village nearby Bhubaneswar, where most of the men are fishers, as it is located near a large lake. All of the persons interviewed were unanimous on the home delivery, allowing them to save time for work for a relative cheap cost. The 10 L jerry cans water prices were described affordable for the interviewed people. Some of the interviewed women were concerned of their children and elderly parents' health. But one woman interviewed mentioned she was purchasing safe water for herself only, as most of her family members did not like the taste of chlorine.

Figure 7: Customers of SpringHealth safe water in Orissa, India

	
Household: 3 people , among them 1 kid Daily purchase: 10L/ day of SH safe water Safe water for all the family	Household: 4 people (elderly) Daily purchase: 10L/day of SH safe water Safe water for all the elderly people

	
Household: 8 persons, among them 4 kids Daily purchase: 20L/day of SH safe water Safe water for the kids	Household: 8 people, among them 2 kids Daily purchase: 20L/day of SH safe water Safe water for all the family

3.2 Beneficiaries reach by SpringHealth

The market trends in Cambodia are quite attractive for the sales of CWE. First of all the Indian population is growing a 0.75% annually and the GDP growth averaged 5 % from 2010 to 2013. Furthermore, Indian population living below poverty line has decreased 9.5% since 1994. In the last decade, governments, NGOs and private partners are increasingly motivated to support sustainable commercial efforts to serve this market.
The sales figures of SpringHealth since 2012 are showing an increasing sales ratio (Figure 8). By the end of February 2014, SpringHealth presents in 173 villages with 87,000 clients and is expecting expanding to 500 villages with 250,000 recurrent clients in the year to com.

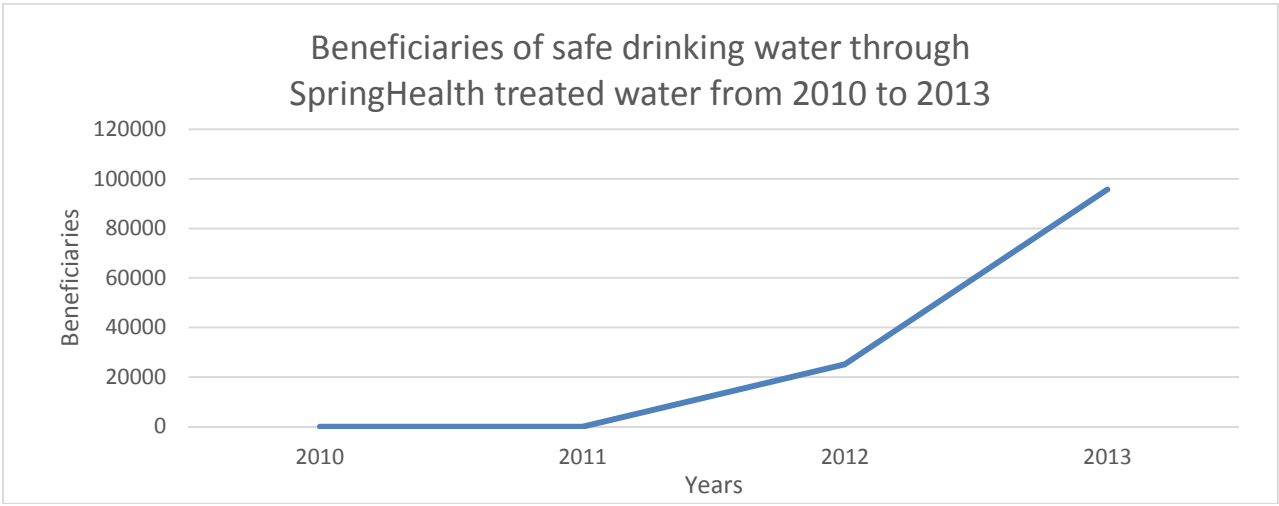

Figure 8: SpringHealth safe water beneficiaries since 2012

IV. Main risks identified to set up the company

4.1 Affordable turnkey solution requires strict quality control

By providing safe water already treated and disinfected at the household level is one of the great innovation of SpringHealth. But it means that Spring Health is bearing the cost and the responsibility of the quality control until the delivery at home. Hence it does represent quite a strong organisation for Spring Health to be able to deliver chlorine to all the different water entrepreneurs (173). Hence water kiosk manager and technical team has to be really organised to produce everyday 250 ml of chlorine to each entrepreneurs, which means a production of roughly 10L of chlorine per day, chlorine that should be then deployed on the field.

4.2 Social marketing is crucial

Unless there is an acute cholera epidemic, it is much more difficult to create the awareness that can lead to sustained behavior change in developing countries. Social marketing seeks to develop and integrate marketing concepts with other approaches to influence behaviours that benefit individuals and communities for the greater social good. It seeks to integrate research, best practice, theory, audience and partnership insight, to inform the sensitive and segmented social change programs that are effective, efficient, equitable and sustainable. The primary aim of social marketing is "social good", while in "commercial marketing" the aim is primarily "financial".

Introducing safe water practices into the delivery of safe water at home proved to be a promising approach to educate “the next generation” of consumers. The Water Melas and school programmes programme has been established to provide information on access to safe water at the community level and to strengthen demand creation in the community. Antenna Technologies through the Safe Water programme supported by SDC has been contributed to the social marketing costs in terms to support the social work on awareness raising in remote areas and allowed to intensify the social marketing.

i) PRODUCT(S) or acceptability

Spring Health’s actual product is purified water, a tangible good, which helps the target audience to perform the desired behaviour that is, drinking safe water. As a large part of the target audience perceives taste not quite positively, it is important that a company staff member monitors and tests the chlorination concentration in the tank. It may be safer to add more chlorine than required, but it is likely that customers would stop drinking the water because of the strong smell and taste. Spring Health should also consider adding chlorine neutralizers to the water. It is also important here to note that the presence of bacteria in drinking water was not perceived as an actual threat. Some interviewed persons were not aware of the health consequences of drinking water contamination or did not perceive them to be severe. Hence, Spring Health have to ensure a strict quality process but also to inform the population why water should have this chlorine test: as a quality control.

An additional element of the actual-product level is Spring Health’s integrated branding strategy, which generates visibility and recognition. The core product is the centre of the product platform and refers to potential benefits the target audience associates with performing the desired behavior. In the case of Spring Health water, the benefit is better health together with saved money and time. In addition, regular customers stated that they consider improved health the key benefit from drinking Spring Health water. The core product for Spring Health’s campaign is therefore “By drinking Spring Health water, you have a healthy and prosperous life”.

Lastly, the so-called augmented product, which helps to decrease barriers and assist the target audience to adopt the product, is the home-delivery system. Not only it was convenient and time saving but it also fixed one important challenge that SpringHealth had to face, the cast discrimination among customers. Although it is decreasing, caste still plays a role in rural Indian villages. This became distressingly evident when a member of the untouchable community, the so-called Dalits (people considered as untouchable), accidentally touched the tap of a water tank and the other villagers refused to drink the water, because they considered it as impure (Toor, 2011). For this reason, Spring Health developed a non-discriminatory approach by offering a home-delivery service.

ii) PRICE or affordability

Determining monetary and nonmonetary incentives and disincentives constitute a challenge for Spring Health. The amount of money charged for Spring Health water was set at 3 INR per jerry can (monetary cost) and it is very unlikely that it will be reduced in the near future. There are almost no nonmonetary costs associated with the product. Customers save time, effort and energy, as the drinking water is directly delivered to their house and they do not need to fetch, boil or filter their water anymore. This is an incentive which needs to be included in promotional messages. The only non-monetary cost is perceived usage risk, which can be countered by offering the target audience a free trial of Spring Health water. A monetary incentive, which could be included into the pricing strategy are rebates that reward customers who buy a jerry can each day. Furthermore, a possible non-monetary incentive for Spring Health customers could be earning points with each purchased jerry can. These points can be redeemed in exchange for a branded glass or jerry can they can keep at home. The campaign can also reward regular customers by giving them public recognition, for example a visible sign at their house or, as already considered by the operative management, organizing a get-together, where free drinks and food are offered.

iii) PLACE or availability

Place refers to where and when the target audience performs the behaviour, receives tangible goods or services and the additional augmented product elements (Lee & Kotler, 2011). Making access to the offered product as convenient as possible is one key to increase engagement in the desired behaviour. The Spring Health business model already includes the convenient-access component by offering clean drinking water through home-delivery to the target audience. Drinking safe water is no more time-consuming or effortful. The management has already defined distribution channels for the product, such as local kiosks and home delivery by the entrepreneur or a delivery-boy. It is critical that these channels are functioning properly and reliable in order to increase levels of continued use of Spring Health water. People involved in the distribution channels need a high motivation, resulting from monetary or non-monetary incentives, to fulfil their task appropriately.

iv) PROMOTION or Awareness

Promotion is the final tool of the strategic marketing mix and communicates the product benefits, the price and accessibility. The target audience should be motivated to buy the product through key messages, messengers and communication channels. The key message of the campaign could be “Drink Spring Health water and live a healthy and prosperous life”. It is important that educational and promotional messages refrain from finger-pointing at the undesired behaviour of the target audience, but include positive aspects of the offered product such as convenience, affordability and healthiness. The key messages are transported through messengers and communication channels. Other possible messengers are volunteers and community organizations who spread the word about Spring Health water. Spring Health has just started to recruit rural management and development students who walk in groups through the village shouting slogans or conduct role-plays with educational messages in the centre of the village. These communication channels, the water testing melas and face-to-face selling are promising and should still be used.

SpringHealth is working on door-to-door sales and bringing the solution to the customer. The mobile teams, who tour in the villages for gatherings and who can sell immediately are the key to the sales solution. Indeed, people from the BoP are not going into shops but they need to be pulled in the market. The Tupperware strategy has proved to be working and direct sales to the place is one of the solution, and is one of the keys of social marketing lie in this last mile distribution. But it does have a really high cost for the company in terms of organisation and structure.

Furthermore, water melas are positive but have to be well handled. The lack of coordination between the water testing melas and other business processes showed limitation of this marketing strategy. In one village, for example, Spring Health water could not be delivered to potential customers after the mela as the company staff member, who had the task to chlorinate the water, was on sick leave. In another village, the delivery boy could not deliver the jerry cans during the day because he had another job. These incidences revealed the necessity of a strong coordination between social marketing interventions and a systemic and immediate follow-up with marketing activities to reach as much potential customers as possible. Raising awareness is one part, but delivering the solution immediately after awareness has been created and being highly present after the social marketing intervention is crucial to ensure high long-term adoption rates. In addition, a reliable and pro-active delivery service is important to ensure continued use of Spring Health water.

Several number of other promotional activities have also been implemented during the last 2 years such as point of sales material like leaflets, posters, stickers, banner banners, branding helmets, branding bags, professional shirts and caps developed, printed and distributed in the project areas. But it may need some improvement. The study in the field from Amanda Amman revealed that persons who are illiterate do not understand the flyer, because it is written for the most part and the few illustrations are not understandable right away. Furthermore, there is the possibility to place educational messages about contaminated water and its consequences close to public open and tube wells. Another possible option is to partner with NGO's, who already educate the target audience on behaviour related to water and sanitation.

4.3. Financial strength of the company

Financing such a business models requires quite a lot of investment and it was quite a challenge to launch such a company. Still Spring Health is looking for private investor that could inject several millions of dollars, which could really launch a real scaling up. Yet, as of June 2014, investors are still hesitant to invest in this project.
Spring Health has been supported since the beginning by iDE and has received since 2012 50'000 CHF per year to promote social marketing and intensely secure the project. Additionally, Spring Health is also financed through private investors and Spring Health is looking for new social investors to support the project.

V. Next steps: going to scale

5.1 What does it mean going to scale?

Spring Health wishes to deliver water to 20'000 villages by 2020. To reach such a target, it means that SH needs to multiply by 5 their current activity (1 village/ day), to set up 5 villages a day. But on a shorter time frame, the company objective in 2014 is to reach 500 village kiosks. To reach such targets, several options are considered:

5.1.1 Improve company efficiency with several actions:

- Team management efficiency: SH working with specialised Man Power companies to recruit the best staff at best costs (in all the work specialisation: CEO, business analyst to specific field activities, with local dialect competencies)
- Marketing efficiency: The school program will be handed over to specific training company that would be able to give coherence
- Technology efficiency: automatic data should be enhanced, especially to manage technical issue. As a consequence, SH is working with American University to develop an improved pressure meter with RFID program.

5.1.2 Continuous strong aspirational brand marketing

Along with strong sales team and D2D promotion, the last mile distribution channel should also be strongly implemented as it represents the most important added value to SH water distribution. Health is actually not seen as the most important factor but money and services are.

5.1.3 Define SpringHealth business area

Should SpringHealth focuses its activities in Orissa or should another branch be opened in other states? SpringHealth is right now contemplating the option to set up their office in other Indian states. It would represent costs but it would also balance the risks of the company. Indeed, government instability and natural hazards such as typhoons are elements to take in account in Orissa states.

5.1.4 Continuous search for a stable financial support.

Finance is the continuous research of any new business. SH is mostly financed by private donors and right now only NGO (Antenna Technologies). Scaling up also mean stability of finances, where the company knows it can count on stable income for a medium time frame. It is to be noted that investors really necessary to scale up the business models.

5.2 Use the existing last mile delivery channel for other health product

It exists other potential products that could be delivered in Spring Health BOP network. Spring Health by developing a strong D2D marketing water for the people of the BOPs could use its delivery channel for other interesting products.
For instance, nutrition product could be sold to the community such as nutritional drinks or spirulina but also WASH products like soap or teeth brush/toothpaste

5.3 Replication in other countries?

What to do if we want to replicate this model around the world? The idea to develop a toolbox will allow to document all necessary information to set up the business model around all related financial, economics and business development data. Such package could be developed in near future so that available solution be promoted to different government and donors around the world for replication to investing in scaling up in sustainable drinking water.

CONCLUSION

Since 2013, Spring Health have been promoting household based water treatment through the delivery of chlorinated water to households. Thanks to strong direct sales activities, the company has a social impact to people in rural area. An interesting and pertinent marketing approach has been implemented with efficient results and success. Besides educating people through “Water Melas”, Spring Health is also generating profits and is increasing sales result.

This datasheet detailed the business models, providing safe drinking water to the poor rural population in Orissa (India). With the creation of the business model, SpringHealth is now showing the way to sustainable enterprise, delivering safe water for the poorest customers on a daily basis.

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