THE TRUTH ABOUT COOKING LANDSCAPE ANALYSIS

October 14, 2016
<table>
<thead>
<tr>
<th>TABLE OF CONTENTS</th>
</tr>
</thead>
<tbody>
<tr>
<td>PROJECT OVERVIEW</td>
</tr>
<tr>
<td>INTRODUCTION TO THE 5CS</td>
</tr>
<tr>
<td>5CS</td>
</tr>
<tr>
<td>PRELIMINARY TRUTHS</td>
</tr>
<tr>
<td>GAPS IN KNOWLEDGE</td>
</tr>
<tr>
<td>NEXT STEPS</td>
</tr>
</tbody>
</table>

2
WHERE WE’VE BEEN
McCann/Africare selected to partner with GACC to develop a market shaping strategy and communications campaign to bolster the LPG cookstove demand in two states in Nigeria.

WHERE WE ARE
McCann/Africare has conducted a landscape analysis of current LPG cookstove market in Nigeria, with specific focus on Abuja and Lagos.

WHERE WE’RE GOING
Develop an evidence-based communications strategy, creative campaign, and community mobilization program, to strengthen the uptake and correct usage of LPG cookstoves in two states.
5C’s Digging

Preliminary Truths

Knowledge Gaps

Qualitative Research

Partner Input

Truth Refinement

Strategic Direction

Creative Direction

More Digging

Partner Input
INTRODUCTION TO THE 5CS FRAMEWORK
TRUTH TO MEANING

It all begins with our process. We start with the central problem and work to identify the drivers around that problem, uncovering the core truths across the category, culture, connections, company, and consumer. From there, the truths lead to a powerful creative idea that we activate across the brand experience.
CONDUCTING A TRUTH AUDIT

A disciplined process of digging in the places that matter

CULTURE
- Cultural barriers or differences to overcome

CONSUMER
- Our target market
- Their motivations, interests, and influences
- Their attitude toward the behavior, product or service

CONNECTIONS
- Channel preferences

COMPANY
- Overview of the organization or company

CATEGORY
- Category characteristics
- Competitive set
THE 5CS

CULTURE
Understanding consumers as whole must go beyond the individual, as cultural beliefs are one of the strongest forces shaping the consumer mindset. Sometimes they work in our favor, but more often than not, they fuel hurdles.

CONSUMER
Foundational understanding of consumers beyond demographics to include attitudes/beliefs and behaviors.

CONNECTIONS
Understanding how our consumers interact and influence each other, as well as the impact from other sources.

CATEGORY
Seeing the category through the eyes of the consumer, as well as competitors within the category, can help us uncover points of tension and opportunity for our efforts.

COMPANY
The consumer-facing brand, service, or offering and any existing perceptions that exist.
PROCESS PRINCIPLES

BE CURIOUS

BE INSIGHTFUL INTO THE HUMAN CONDITION

BE REAL

RESPECT THE AUDIENCE
CULTURE
BIG

EXPLODING POPULATION

LARGEST AFRICAN ECONOMY

RAPID URBANIZATION
EXPLODING POPULATION

LARGEST POPULATION IN AFRICA
Nigeria’s population has doubled over the past 25 years:
1990: 96,000,000
2015: 182,000,000

YOUNG POPULATION
As of 2015:
Median age is 18
44% of the population is under 15

The population of Nigeria is projected to surpass that of the United States by about 2050, at which point it would become the third largest country in the world.
LARGEST AFRICAN ECONOMY

• $509.9bn GDP
• Recently overtook South Africa as largest economy in Africa.
• Oil is Nigeria’s main source of foreign exchange earnings and government financing.

HIGH RATE
Current urbanization rate around 5%, compared to: India (2.3%); China (3%); African Average (3.5%)

RURAL TO URBAN RATIO
In 2015 it was estimated that almost 50% of Nigeria’s total population was living in an urban environment.

URBAN EXPANSION
As the population of urban centers grows, so do the city limits. There has been a huge increase in reclassified—‘rural’ to ‘urban’—settlements.
CENTERS OF URBANIZATION

TOP FOUR
At the national scale, the most extensive urban spatial expansion has been concentrated around 4 massive urban fields, 2 are **Abuja & Lagos**.

**ABUJA**
Abuja is the capital city of Nigeria. Between 2000 and 2010 Abuja grew at the rate of 139.7%, the fastest in the world. It is located in the centre of Nigeria, within the Federal Capital Territory.

**LAGOS**
Lagos, Nigeria’s largest city, was once once the capital of Nigeria. While it may not be the judicial capital, it is the economic capital of Nigeria. It is located in South west of Nigeria on the southern coast of Lagos State.
IMPACT OF GEOGRAPHIC LOCATION

RELIGION

POLITICS

ETHNICITY

(Lewis, 2011) (Kaplan, 2012)
IMPACT OF GEOGRAPHIC LOCATION

FEMALE LITERACY

% OF 1 YEAR-OLDS WHO HAVE BASIC VACCINATIONS

Source: Nigeria Demographic and Health Survey 2008

(NPC, 2009)
Boko Haram has been terrorizing North East Nigeria for the past 7 years. Abuja has experienced multiple attacks; the worst was a bombing in April 2014 that resulted in 88 deaths.

Since the mid 90’s a variety of local militant groups have been targeting major foreign oil companies.

BOKO HARAM FATAL ATTACKS

Civilians reported killed in Boko Haram attacks Jul 2009–Jan 2015

Source: Armed Conflict Location and Event Data Project, created by Prof. Clionadh Raleigh, University of Sussex
BIG PROBLEMS

- Economic Recession
- Exacerbated Inequality
- Culture of Corruption
ECONOMIC RECESSION

TOO MANY EGGS IN ONE BASKET
Oil prices have fallen significantly over the past year, and Nigeria has entered a major economic recession after almost a decade of significant economic prosperity.

AROUND 4.6 MILLION PEOPLE HAVE LOST THEIR JOB IN THE PAST YEAR

INFLATION IS AT AN 11 YEAR HIGH OF 17%

“In Nigeria, a country of rampant inequality, the poor have long been desperate, and the rich are still able to buy their way out of problems.” —NYT, 2016

EXACERBATED INEQUALITY

152 OUT OF 188 COUNTRIES ON THE SCALE OF THE HUMAN DEVELOPMENT INDEX

The Human Development Index is a composite of life expectancy, education, and income per capita indicators.

BARELY GETTING BY
Most recent statistics show that 76.6% of the population earns less than $2 a day, 62% less than $1.25 (extreme poverty).
CULTURE OF CORRUPTION

- Ranks 136 out of 168 on the Corruptions Perception Index
- 63% reported paying a bribe in 2010
- 73% felt that corruption has increased
- NGOs, religious organizations, and the media were perceived as the least corrupt institutions

(Transparency International, 2015)
CORRUPTION PERCEPTION

% of public who feel the mentioned institution is corrupt/extremely corrupt

(Transparency International, 2015)
RURAL-TO-URBAN MIGRATION IN LAGOS AND ABUJA

A World Bank study found that rural-to-urban migration accounts for 97% of migrant flows in Lagos State and 85.1% in Abuja.

MEN AND WOMEN MIGRATE EQUALLY

Historically men have been significantly more likely than women to migrate, but data shows no significant difference in migration propensities between men and women.

THOSE IN SEARCH OF OPPORTUNITY

The most common reasons for men to migrate are to seek employment (24%) and to further education (16%).

For women the most commonly cited reasons were to join a spouse or marry (40%), to further education (11%) and to seek employment (11%).
YOUNG AND EDUCATED

• It is rarely the poorest and most vulnerable who abandon the countryside for the city but rather the young and relatively well-educated.

• These individuals leave with some assets or resources—and often have social connections in the target destination.

• Education level, in particular, is highly correlated rural-to-urban migration.
GROWING PAINS

POPULATION GROWTH > CITY CAPACITY
An estimated 2,000 people enter Lagos every day, many ending up in informal settlements/slums.

HIGH DEMAND, LIMITED SUPPLY
The housing shortage has inflated the cost of renting and purchasing houses and priced millions of people (particularly low & middle income) out of obtaining housing.

LAGOS: “AFRICA’S FIRST CITY”

LARGEST CITY IN NIGERIA
But the exact population is unclear: 17 Million–21 Million

HOME OF NIGERIA’S MOST AFFLUENT...
10 of the 13 Richest Nigerians call Lagos home. Lagos is well known for its lavish, extravagant lifestyles and the “get rich” atmosphere and attitude.

...AND SOME OF THE LEAST
Lagos is “bursting at it’s seems”, the population is ever increasing and it is estimated that 66% of the population is living in slums.

RELIGION
Predominantly Catholic

ETHNICITY
Primary: Yoruba
Secondary: Awori & Egun

INSULATED
Lagos’ greater degree of self-sufficiency is likely to insulate it from an oil price downturn compared to its peers.

ECONOMIC CAPITAL OF NIGERIA
The most self-reliant state in the country with around two thirds of revenue from internally-generated sources.
LAGOS...

“A MODEL CITY”
—New York Times

“A MEGA-CITY OF SLUMS”
—IRIN
LAGO’S SLUMS: MAKOKO
Lagos’ Largest, and Highest Profile Slum

SEEKING TO STAY
After bouts with demolition in 2012 the people of Makoko, with assistance from Urban Spaces Innovation, submitted a plan to develop Makoko into a livable and sustainable community.
ABUJA: STUCK IN THE MIDDLE

AT THE CENTER OF IT ALL
“Abuja was planned as a capital where all Nigeria's ethnic groups, tribes, and religions would come together in harmony.”

EXTREMELY DIVERSE
Its seems that Abuja’s central location and political significance has brought together a bit of every part of Nigeria.

UNSUPPORTED GROWTH
According to the World Economic Forum Abuja is growing at an “eye-wateringly fast rate”, and its current infrastructure is not readily equipped to handle it.

Slums and settlements are interwoven in between modern buildings.

“From the comfort of the first floor of Central Bank of Nigeria Quarters (CBN), you can see the slum dwellers of Garki, the biggest slum in Abuja.”
—The Sun, 2016

(Kilcullen et al., 2016) (New World Encyclopedia, 2016)
“We don’t have money to pay the kind of rent they charge in Abuja. Where I am living is just thirty thousand Naira in a year. We share toilets with other tenants and cook outside in a makeshift kitchen. Of course we are not comfortable, but what can we do?”

—Mother of six, living in Abuja slum, 2016
ABUJA’S SLUMS

ABUJA HAS THE SPACE, BUT IT’S TOO EXPENSIVE

The population density in Abuja is far less than that of Lagos, but the high prices of rent force people into informal settlements.

NOT ALL MIGRANTS

Before Abuja, Zuma rock was surrounded by a variety of indigenous villages. Construction displaced these villages, and now members of these villages make up a decent proportion of township inhabitants.
SIGNIFICANT DIFFERENCES

- SIZE
- GEOGRAPHY
- SOCIAL CONNECTIVITY
- TRADITIONS
- RELIGION
DIVERSE ETHNICITIES

ETHNIC
Composed of more than 250 ethnic groups; the most populous and politically influential are:
Hausa and the Fulani 29%, Yoruba 21%, Igbo (Ibo) 18%, Ijaw 10%, Kanuri 4%, Ibibio 3.5%, Tiv 2.5%

LANGUAGE
English (official), Hausa, Yoruba, Igbo (Ibo), Fulani, over 500 additional indigenous languages

BLOOD LINE
Nigerians strongly identify with their ethnic backgrounds.

THE “UNOFFICIAL” LANGUAGE OF NIGERIA: PIDGIN ENGLISH
It is used very commonly throughout the country, especially by lower income groups

(CIA Fact Book, 2015)
Religious Commitment

Nigeria has been noted as a leading religious nation with about 91% of the population attending religious services and 95% praying regularly.
Even in the face of all the aforementioned difficulties, Nigerians constitute some of the most optimistic people in Africa.

In 2015 almost 85% of Nigerians were optimistic about the future.

Note: Charts top and bottom readings in 40-country poll.
IMPORTANCE OF CHILDREN

“Children are very important to Nigeria families because parents believe that their children will provide support for them in their old age.”

(Atu, 2015)

IMPORTANCE OF MARRIAGE

Getting married (in addition to having children) having children are regarded as musts in Nigerian culture.

(Euromonitor International, 2014)
FAMILIAL STRUCTURE

IMPORATANCE OF EXTENDED FAMILY
Extended family members are considered as being part and parcel of one’s immediate family and are consulted for individual decisions.

HIGH REGARD FOR ELDERS
Family relationships are mostly guided by strict system of ‘seniority’

(Halliru, 2013) (Labeedan, 2005)
ENDURING PATRIARCHY

Patriarchal & Oppressive
The latest Social Institutions and Gender Index report ranks Nigeria 79 out of 86 countries.

Demographic Variations
Almost all cultures within Nigeria have patriarchal roots, but some currently institute these traditions more than others.

Sharia Influence
Sharia customs traditionally favor men. Many regard tenants of Sharia law as infringements on women's rights.
CULTURE SUMMARY
NIGERIA

Strong, yet fragile (oil dependent) economy

Urbanization driving both modernization and structural inequalities/violence

Plagued by mistrust and high levels of perceived corruption
CULTURE SUMMARY
NIGERIA

LAGOS

Economic and Cultural Capital

Known to be “lavish” and extravagant

ABUJA

Nigeria’s Melting Pot

Over-populated townships, and over-priced homes

Strong, yet fragile (oil dependent) economy

Urbanization driving both modernization and structural inequalities/violence

Plagued by mistrust and high levels of perceived corruption

Over-populated townships, and over-priced homes

Known to be “lavish” and extravagant
CULTURE SUMMARY
SOCIAL STRUCTURES & TRENDS

Extremely diverse, young, on-the-move and exploding population

Optimists grounded in strong religious beliefs

Family Centric & Family First

Ambitious and willing to take risks
Nigeria boasts a powerful economy that benefits a fortunate few who live lavish lives and appear to be immune to the problems that plague the rest of society. People recognize this and covet the success of the fortunate few.
But, they won’t find their better tomorrow if they remain in the countryside, and the government certainly is not in a position to help.

To get theirs, they need take the risk, travel to the city, and roll with the punches.

They believe that…
Better Days are Ahead
MACRO TRENDS

RESPECT FOR BRANDS
MATERIALIST ON A BUDGET
SECOND HAND SALES
SHORTER TERM PURCHASES
LOOKING FORWARD
FAVOR INTERNATIONAL BRANDS

Nigerians prefer buying products from international brands, often considering them to be of a higher quality than locally produced alternatives.
“I would call us the ambitious class, we’re hardly middle class but we strive hard to live the life we want. We can’t afford most of the things we have, but we buy them anyway because we aspire for the lifestyle they bring.”

Nigerians believe looking good commands respect from the people around you.

Many cannot afford to purchase the real deal will opt for an imitation because they yearn for the status it brings and the respect it commands.

SECOND-HAND SALES

BARGAIN SEEKING
Regardless of income, Nigerians are notorious bargain hunters, haggling at markets for many “big-ticket” items, including electronics, appliances, cars and furniture are bought second-hand.

In some cases it’s not just price that drives the uptake of second-hand goods, consumers may believe that imported second-hand goods are more durable.
SHORT TERM PURCHASES

LIVING DAY-TO-DAY

Most Nigerian consumers buy for the purpose of meeting immediate needs and limited daily budget.
GREATER ASPIRATIONS
Low-income respondents living in rented and rooming-house types of accommodation 73% of them expressed an intention to move to another residence. 56% of this category of respondents intend to move into self-contained flats.
PURCHASING DECISIONS AND INFLUENCES

PURCHASING POWER

PURCHASING INFLUENCES
COOKING IS UNDER THEIR CONTROL
Because it is classified as “feminine” women traditionally decide what is being cooked and how it is prepared, this may include section of fuel type.

MAINTAIN THE HOME
Across all Nigerian ethnicities, women are traditionally responsible for cooking, cleaning, childcare, fetching water, fetching fuel (normally wood).

PURCHASING POWER

WOMEN
Their Domain

MEN
Their Money

In both Lagos and Abuja, 80% of women decide how their cash earns are spent, but have little say in how their husbands money is spent - Given the price of cookstoves/LPG (and wage disparities) men will likely finance the purchase.

The degree of male dominance in decision making varies per ethnicity and religion. In Abuja, men in muslim households are likely to be more dominant and/or require women be kept indoors.
Purchasing Influences

Family Driven

• The family constitutes the most influential primary reference group shaping a buyer’s behavior.

• As per Nigerian culture senior individuals will have a more significant say.

• As it pertains to household decisions, the husbands mother will likely hold a very strong opinion.

Community Driven

People often rely heavily on recommendations from friends outside of their family.
OUR TARGET:

YOUNG, MARRIED WOMEN LIVING IN LOW-INCOME COMMUNITIES
MAINTAIN THE HOME
Women are traditionally responsible for cooking, cleaning, childcare, fetching water, fetching fuel (normally wood).

... AND HOLD JOBS
At the time of the DHS 2013 survey, 73% of women in Lagos were employed, and in Abuja it was 66%.
COOKING IS UNDER THEIR CONTROL
Because it is classified as “feminine” women traditionally decide what is being cooked and how it is prepared, this includes section of fuel type.

PRIORITIZE FAMILY NEEDS
Cooking a proper meal on time and in sufficient quantity is more more important than fuel choice.
Food purchases account for as much as 70% of family income.

(Akintan, 2014) (Ijewere, 2012)
CONSUMER SUMMARY

MACRO TRENDS

- Bargain hunters
  - Invested in their Self Image

- Prioritize satisfaction of immediate, short-term needs

- Respect and Value Brands
CONSUMER SUMMARY

TARGET AUDIENCE

Wife, Mother, Homemaker, & Breadwinner, they have little time to spare

Put the wellbeing of their family first

An enduring patriarchy limits their decision/purchasing power, but this may not be the case with cooking
Family comes first. As mothers, wives, and overall caregivers their families (both immediate and extended) depend on them for everyday essentials. They are the keystone of the family unit.
However, keeping the family satisfied is difficult on such an impossibly small budget. They make the most out of every penny, hunting for the best deal and attempting to negotiate a better one when they find it.

At the end of the day though there’s not much left to satisfy their own desire and aspirations. They are...
CONSUMER TRUTH:

Striving while Struggling
THE MARKETPLACE

INFORMAL SHOPPING
MORE THAN A MARKET
EXPERIENCED NEGOTIATORS
The din is truly remarkable; traders bellow prices of their wares at the top of their lungs in different languages, microphones blare advertisements for trado-medical products offering cures for everything under the face of the sun… Traders, much like telecommunication masts, bombard the airwaves with every type of frequency, while customers sieve through them tuning in only to the signals they fancy.
INFORMAL SHOPPING SECTOR DOMINATES

FAMILIAR FACES
Many consumers still prefer to make purchases, big or small, in the open air market where they can form intimate relationships with sellers.

FUEL MERCHANTS
While it’s possible in rural areas for women to collect their own wood, their urban counterparts mostly rely on firewood, coal, and kerosene merchants in informal markets to satisfy their fuel.

MORE THAN A MARKET

A WAY OF LIFE
Of women who are employed in Nigeria, a majority of them work in the sales and services sector.

53% of women in Abuja and 66% of women in Lagos work in the sales and services sector.
“Regardless of income, Nigerians are notorious bargain hunters” —Euromonitor International, 2015

**BARGAINING**
At these markets consumers have the opportunity to haggle for products. Striking a deal saves money and is rewarding in itself.

**CULTURAL PREFERENCE**
Consumers often prefer traders who speak the same language as them, as they are traditionally able to barter a better deal.
ON THE MOVE
Many Nigerian’s will choose to purchase groceries and other household items on their way home from work at familiar road side stands or markets they pass on their commute.
OTHER FORMS OF CONNECTIVITY

PERSONAL CONNECTIONS
COMMUNITY HIERARCHIES
MEDIA PENETRATION
MOBILE
Word of mouth plays a key role in connecting.

Within communities attention is paid to trusted opinion leaders—i.e. community leaders, community doctors, senior family members, etc.

Oando distributed LPG cooking stoves to women entrepreneurs in Ipetumodu area of Osun State in Western Nigeria.
Many townships and low income communities have an informal government in place. For example, in Makoko local chiefs, known as Baales, preside over various parts of the waterfront. (Ogunlesi, 2016)
FINDINGS:

LAGOS: Radio, TV, OOH have the highest penetration

ABUJA: Radio, internet, OOH have the highest penetration with TV on the average

NOTE: TV, Radio, and Print is accessed at least once in the last one week, while others are accessed at least once in the last four weeks.

Target Market: Male/Female, Age 25-40, sec C2DE
Source: AMPS 2015
AMPS Universe: 2,787,745
MOBILE - MORE THAN A PHONE

ON THE RISE
- 68 mobile phones per 100 people
- 89% of Nigerians own a cellphone, 27% of whom own a smartphone

INTERNET ACCESS
Of Nigerians who access the internet, 82% do so using a mobile phone
CONNECTIONS SUMMARY

Radio is King

Open-Air & Open Prices

Informal & Interpersonal

Trust in Community Opinion

Value Seller-Buyer Relationships

Mobile Phones = Internet Access
In a country plagued by corruption, scams, theft, and fraud it’s difficult to decide who you truly trust.

Our consumers navigate this uncertainty by leveraging various interpersonal relationships. Rather than purchasing goods at formal shopping centers, they opt for the many informal markets woven throughout urban streets.
They are familiar and comfortable in these markets. They know the rules, can recognize a bad deal, are able to negotiate prices, and can form fruitful interpersonal relationships with sellers.

Similarly, for information and the news they tune in to local radio stations and seek testimonials and advice from trusted members of their communities.

Put simply…
CONNECTIONS TRUTH:

Relationships Rule
COOKING FUEL

FUEL PREVALENCE VS FUEL PREFERENCE

FUEL ACCESS: AFFORDABILITY AND AVAILABILITY
HIGH PREVALENCE OF TRADITIONAL METHODS
90 million Nigerians, and almost all public institutions, cook with wood on the traditional “three-stone fire.”

FUEL PREVALENCE ≠ FUEL PREFERENCE

PREFER KEROSENE, BUT USE WOOD

• A study conducted in 2012 found that while 78% of women preferred kerosene, 75% of the women cooked with wood/coal.

• About 60% of women chose fuel-wood energy because it was available cost-free.
LIMITED ACCESS: AFFORDABILITY

PRICE AS A PREDICTOR OF FUEL CHOICE
In a majority of the literature exploring predictors of fuel choice, both in and outside of Nigeria, the authors stress the predicting power of price.

BLACK MARKET PRICE GOUGING
Despite governments attempts to regulate price, fuels, in particular kerosene, are notorious for being purchased in bulk at low prices and sold for far higher at informal markets during times of short supply.

HIGHPRICESCAUSESLOWDEMAND,ORLOWDemand cause high prices?
LIMITED ACCESS: AVAILABILITY

LACK OF SUPPLY

• Due to a lack of demand, most LPG is exported.
• Kerosene shortages occur frequently, leaving many with out fuel.
• Fuel shortages are further complicated by the frequent attacks carried out against oil companies and their pipelines.

OUT OF REACH

• With short supplies, the locations to buy non-biomass fuels are few and far between.
• Studies exploring predictors of LPG uptake found that the physical distance was negative correlated with LPG uptake.
OTHER USES OF SMOKE/WOOD FUEL

**FOOD PRESERVATION**

Smoking meats and fish is common practice in communities that lack refrigeration capabilities.

**CONSTRUCTION**

In some of the interview sessions householders indicated that when they were constructing a new building and wanted to move in quickly, they used wood smoke to fast track the drying of the mud blocks. It is believed that the wood smoke will prolong the life of that building.

**TRADITIONAL MEDICINE**

The traditionally-held belief is that the procedure involved in preparing medicinal herbs influences its potential effectiveness. A special fireplace is created for cooking medicinal herbs in homes with specific arrangements of the wood fuel in the fireplace.

“Ordinarily when cooking my meals I don’t pay attention to the wood arrangement, but for the herbs, the wood must not be chunked in the fireplace but be appropriately arranged at an equal distance to other wood”

“The use of wood smoke does no harm to the food; it only prolongs food shelf life”
KEROSENE

PREVELANCE OF KEROSENE
A FUEL OF THE PAST
THE FINAL BLOW
PREVALENCE OF KEROSENE

EQUIPPED FOR KEROSENE
Households in the urban areas depend heavily on kerosene as a fuel type for cooking.

77% of urban homes own a kerosene stove.

KEROSENE FOR LIGHTING
Kerosene is the primary energy used for lighting homes in the south.

HISTORY OF KEROSENE COOKING
In 1980 biomass only accounted for 47.6% of cooking energy - Kerosene accounted for 49%.
Kerosene has been on the decline - now biomass accounts for around 90% of cooking energy.
A FUEL OF THE PAST

RISING PRICES & MISSING FUEL

Many of households have been forced to switch to traditional fuel sources due to the high cost of kerosene and its scarcity in recent time.
Prices of kerosene skyrocketed at the start of this year when the government removed the subsidy on kerosene.
COOKING

INGRAINED IN CULTURE & TRADITION

NECESSARY SKILL
Cooking touches on an entire lifestyle, which can include gathering wood (an activity with a strong social component) as well as cooking (an activity heavily influenced by tradition).

Changes in lifestyle may bring significant benefits—the ability to replace wood gathering with productive economic activities, for example—but they are not undertaken lightly.
NECESSARY SKILL

HIGH EXPECTATIONS

Women are expected to be able to cook, and cook well, in accordance with Nigerian traditional meals. Inability to cook may be regarded as poor upbringing on the part of a woman’s parents.

Therefore, women are taught by their mother how to cook from a young age, helping out in the kitchen as early as 7 years old.
GETTING TO CLEAN

THE PROBLEM WITH TRADITIONAL METHODS

PERCEPTIONS OF CLEAN COOKSTOVES

BARRIERS

STOVE STACKING
THE PROBLEM WITH TRADITIONAL METHODS

SILENT KILLER
Cooking smoke causes over 95,000 deaths, mostly women and children in Nigeria annually. For those who survive the smoke there are serious health problems.

EXPENSIVE AND INEFFICIENT
• Uses 90% more wood than is necessary
• Must purchase in urban environments

ENVIRONMENTALLY UNFRIENDLY
Fuel wood is a major cause of deforestation CO2 emissions from millions of cooking fire are contributing to greenhouse gases.

TOP THREE KILLERS IN NIGERIA:
Malaria
HIV/AIDS
Upper Respiratory Infections
PERCEPTIONS OF CLEAN COOKSTOVES

DIFFICULT
“Improved cookstoves that are more complicated than traditional technologies may require training and ongoing correct use to reap their benefits.”

UNIFORM
Traditional stoves are home made, easily modifiable, and easy to fix. They are entirely customizable.
Most clean cookstoves fall under a “one size fits all category.”

EXPENSIVE
In a survey of women from Abia State 87.5% cited the high cost of start up as a reason for not using an LPG cookstove.

“Our food types (beans, yam, rice, cassava flour) can take a longer time to prepare [...], not only that we use big cast iron cooking pots that require much heating before cooking can be done [...] considering all these factors then, I think firewood will be faster during cooking [...] also this type of pot is not convenient for use on the kerosene stove.”

(Akintan, 2014) (Slaski et al., 2009) (Oteh et al., 2015)
LPG COOKSTOVES: BARRIERS

- AVAILABILITY
- COST
- LONG-TERM INVESTMENT
- PERCEPTION OF RELIABILITY
- LOW HEALTH RISK PERCEPTION
- “DANGEROUS”
- NO SECONDARY USES
STOVE STACKING

TWO FOLD BEHAVIOR CHANGE
(1) Uptake & (2) Exclusivity
A clean cookstove is only effective if it is used exclusively. If clean and traditional stoves are used simultaneously, there is no benefit to the clean stove.

MIXING FUEL TYPES
Due to rising prices of kerosene, rather than cooking with kerosene many families choose to instead use it only to light biomass.

HOUSE-HOLD SIZE
Household size is commonly positively correlated with likelihood of stove stacking - Likely because they are able to cook greater amounts of food in a shorter period of time.

OLD RELIABLE
Negative perceptions regarding the reliability and the availability of fuel may drive families to keep traditional stoves in place “just in case.”
SUPPORT FOR CLEAN COOKSTOVES

AN AMBITIOUS GOAL

MIXED REVIEWS

CONCERNING ASSOCIATIONS

FACING HEADWINDS
Nigerian Alliance for Clean Cookstoves’ set the goal to introduce 10 million fuel efficient and clean cookstoves to Nigerian homes and institutions by 2020.
MIXED REVIEWS: THE GOOD

Reporting on Positive Health Effects

Lauded as a Necessity for Advancement

Potential Jobs Creator

Negative Reporting on Traditional Cooking Methods
MIXED REVIEWS: THE NOT SO GOOD

N9.2bn Clean Cook-Stove Project Controversy Worries Group

Senator Saraki Slams N9.3bn ‘Clean Cookstoves’ Contract

Anxiety mounts over FG’s N9.2bn cook stoves project

Questions Surround Nigeria Clean Cook Stove Program
CONCERNING ASSOCIATIONS

GOVERNMENT | BLACK MARKETS | “BIG-OIL”
FACING HEADWINDS

RISING PRICES
Cost of LPG and cylinders have rising.

DECLINING ACCESS
Access to kerosene has also declined in recent times.

MOVING DOWN THE LADDER
Families are climbing down the cooking energy ladder. According to the National Bureau of Statistics, 72% of Nigerian households depend primarily on firewood for cooking.

IS 10 MILLION CLEAN COOKSTOVES BY 2020 THREATENED?
Several Nigerian families are climbing down the energy ladder. With the devaluation of the Naira, the prices of LPG and kerosene have soared and families are going back to firewood use. This is a big threat to the Nigerian Alliance for Clean Cookstoves’ goal...
— Nigerian Alliance for Clean Cookstoves Newsletter, 9 September 2016
It’s Not Just Cooking

Cost & Availability Concerns

Cooking with Fuel is Not New

Kerosene is on it’s Way Out
Kerosene Has Set a Poor Reputation for Non-Biomass Fuels

Pro-Cookstoves, But Anti-Process

More Than Just Uptake

Running With the Wrong Crowd?

Strong Stakeholder Commitment
Clean Cookstoves are traditionally portrayed in a positive light, associated with progress and prosperity and, unlike other target countries, our consumers are not strangers to cooking with non-biomass fuels.
However, due to fuel shortages and volatile pricing, kerosene and LPG are periodically out of our consumers’ reach.

As a result, over time, consumers have slowly slipped down the energy ladder and now find themselves reluctantly cooking with biomass.
Slipping Backwards
LPG COOKSTOVES: MADE IN NIGERIA
A RICH MAN’S FUEL
MIXED PERCEPTIONS
COMPARISON
MADE IN NIGERIA

PRODUCED IN COUNTRY BUT PRIMARILY EXPORTED

Unlike kerosene, LPG is produced in country. LPG is primarily exported because there is a lack of demand of it.

FOREIGN FUEL IN HOT WATER

Recently foreign fuel companies have been accused of selling sub-par/“dirty” fuel to Nigeria.

The initial cost of the stove, and the high cost of fuel often deter low-income families. Stove maintenance and the uncertainty of gas availability and affordability additionally deter families.
**MIXED PERCEPTIONS**

**UNRELIABLE SUPPLY**
In a survey of women from Abia State who primarily use kerosene, 100% of respondents reported Unreliability/Unstable Supply as a problem associated with LPG use.

**DANGEROUS**
Individuals may perceive cooking with LPG as dangerous, often associating the stoves with explosions.
PREDICTORS OF LPG UPTAKE

POSITIVELY CORRELATED

EDUCATION
AVAILABILITY
INCOME

NEGATIVELY CORRELATED

PRICE
COOKING FREQUENCY
FAMILY SIZE
DISTANCE FROM LPG SOURCE

(Oteh et al., 2015) (Baiyegunhi et al., 2014) (Oyekale et al., 2012) (Onyekuru et al., 2011)
UPFRONT COST OF ONE BURNER COOKSTOVE (IN USD)

USD $1 = ₦150

- BASIC WOOD STOVE: $2
- CHARCOAL: $3
- KEROSENE: $10
- LPG: +$8/YEAR

includes stove, cylinder, valve, and rubber tube

ongoing annual replacement cost of burner and control

FUEL COST PER WEEK (IN USD)

USD $1 = ₦150

- WOOD PURCHASED: $10
- CHARCOAL: $8.3
- KEROSENE: $12.5
- LPG: $7.8

at regular price of ₦50 a liter
at peak price of ₦150 a liter during shortages

*prices not up to date
# Stove Comparisons

<table>
<thead>
<tr>
<th>Fuel</th>
<th>Purchase Unit</th>
<th>Usage</th>
<th>Cost</th>
</tr>
</thead>
<tbody>
<tr>
<td>Wood</td>
<td>5 Sticks</td>
<td>1 Meal</td>
<td>₦100 / USD 0.67</td>
</tr>
<tr>
<td>Charcoal</td>
<td>Small Bags</td>
<td>1 Day</td>
<td>₦150 / USD 1</td>
</tr>
<tr>
<td>Kerosene</td>
<td>1 Liter</td>
<td>1 Meal</td>
<td>₦50-150 / USD 0.33-1</td>
</tr>
<tr>
<td>LPG</td>
<td>12.5 KG Cylinder</td>
<td>~3 Weeks</td>
<td>₦3,500 / USD 23</td>
</tr>
</tbody>
</table>

*Prices not up to date*

(Accenture, 2011)
LPG COOKSTOVES: LONG-TERM BENEFITS

EFFICIENCY: SAVE MONEY
HEALTHIER
ENVIRONMENT FRIENDLY
INVESTMENT IN DOMESTIC ECONOMY
LPG COOKSTOVES: SHORT-TERM BENEFITS

CLEANER
SAVES TIME
SMOKELESS
SOCIAL STATUS
COMPANY SUMMARY
LPG COOKSTOVES

Economy Booster
Long-Term Investment

“Rich Man’s Fuel”

Economic, Time, and Health Benefits
To be developed early 2017
POTENTIAL AREAS TO INVESTIGATE

HEALTH IN ADULTS DRIVE EARNING POWER

FUTURE OF CHILDREN’S HEALTH

CLEANER HOME

STATUS AND MODERNITY
Practical Ambition
(preliminary)

TRUTHS
CULTURE
Better Days Are Ahead

CONSUMER
Striving While Struggling

CATEGORY
Slipping Backwards

COMPANY
Practical Ambition

CONNECTIONS
Relationships Rule
What is the most powerful truth that can be applied to the brand to solve the problem?
KNOWLEDGE GAPS
KNOWLEDGE GAPS: CULTURE

DO PEOPLE WANT TO STAY IN THE CITY?
What is the ultimate goal/aspiration that drives them there?
Where do they see themselves in 10 years? 20?

WHY SO OPTIMISTIC?
How does this optimism translate into day to day activities?
How does this optimism shape social activities and social interactions?
Who is optimistic? At what point in their life are they?
KNOWLEDGE GAPS:
CULTURE

WHAT NORMS GOVERN HEALTH AND HEALTH SEEKING BEHAVIORS?
How important is physical health?
What, if anything, takes precedence?

Who is the primary source for health information?
Are there specific health beliefs associated with cooking and food?

AT WHAT CULTURAL LEVEL ARE MARKETING CAMPAIGNS BOTH EFFICIENT AND EFFECTIVE?
Do people identify with their new found urban life and community, or their rural roots?

How does heavily message language/dialect effect reception?
CONSUMER KNOWLEDGE GAPS
KNOWLEDGE GAPS: CONSUMER

WHAT ARE OUR AUDIENCE’S PRIMARY CONcerns?
What behaviors do they engage in to mitigate risk?
What/who contributes to the establishment of these concerns?
Where does physical health rank among these concerns?

DOES OUR AUDIENCE SAVE MONEY?
What are they saving for?
How do they save? Formal bank? At home?

DO MEMBERS OF OUR AUDIENCE MAKING ANY PURCHASES OF A SIMILAR VALUE?
KNOWLEDGE GAPS: CONSUMER

HOW CAPABLE ARE OUR CONSUMERS TO ADOPT A CLEAN COOKSTOVE?
Are our consumers able to afford a clean cookstove?
How common is it for landlords to ban certain types of stoves?
Do homes come pre-equipped with a specific type of stove?

WHAT TYPE OF BRANDS DO THEY RESPECT/DESIRE?
What are the main attributes of these brands?

WHAT ARE COMMON SYMBOLIZATIONS OF STATUS?
What current trends appeal to our audience?
Who/what defines these status symbols?
KNOWLEDGE GAPS: CONSUMER

WHAT DO WE KNOW ABOUT TRANSITION FROM BIOMASS TO KEROSENE?

What caused the switch to kerosene from biomass?

Who was responsible for that decision and how was the decision made?

What were the ramifications of that decision?

Was there any pushback from influencers, e.g. mothers in law, husbands?

How did people become aware of kerosene cookstoves and through what medium?

Of those who have held out and not switched back to biomass, what is their motivation?
KNOWLEDGE GAPS: CONNECTIONS

WHAT EXISTING COMMUNITY INFRASTRUCTURE CAN WE TAP INTO?
Does our target audience participate/belong to any organizations?
Are there specific urban community celebrations or reoccurring meetings/gatherings?

WHAT ORGANIZATIONS ARE ALREADY WORKING WITH THESE COMMUNITIES?
Are there any organizations focused on economic well being?
What is the success of these organizations?
What do people like dislike about them?
HOW CRUCIAL IS HAGGLING?
On big ticket items how much is the price haggled down on average?
Is this a critical element of the Nigerian shopping ‘experience’?

IN MARKETS, WHAT DO CONSUMERS LOOK FOR IN SELLERS?
What do ‘preferred’ stands look like?
How affected are they by sales pitches?
How important is the ethnicity of the salesman? Language?
KNOWLEDGE GAPS: CONNECTIONS

WHAT IS OUR TARGET AUDIENCE'S PRIMARY SOURCE OF ENTERTAINMENT?
How can we tap into it?

WHAT CULTURAL ICONS DO OUR AUDIENCE FOLLOW OR IDENTIFY WITH?

IS OUR AUDIENCE ACCESSING THE INTERNET?
If so, what platform do they use, and how frequently?
What sites do they go to?
KNOWLEDGE GAPS
CATEGORY
KNOWLEDGE GAPS: CATEGORY

WHO SELLS BIOMASS FUELS?
What is their influence on the communities they sell to?
How committed are consumers to a particular fuel salesman?

WHAT IS THE BIOMASS EXPERIENCE?
What are common problems with these stoves?
What do the stoves look like?
KNOWLEDGE GAPS:
CATEGORY

WHAT WAS THE CAUSE OF THE SWITCH FROM BIOMASS TO KEROSENE IN THOSE USERS?

Who was responsible for that decision and how was that decision made?

What were the ramifications from making the decision to use kerosene? Was there any pushback from influencers, e.g. mothers in law, husbands?

How did people become aware of kerosene cookstoves and through what medium?

Of those who have held out and not switched back to biomass, what is their motivation?
KNOWLEDGE GAPS: CATEGORY

WHAT ARE THE CURRENT PRICES OF DIFFERENT FUELS?
How frequently are these prices changing?
Are there price predictions?

WHO SELLS CLEAN(ER) FUELS? KEROSENE? LPG?
How committed are consumers to a particular fuel salesman?
What is their influence on the communities they sell to?

WHAT IS THE KEROSENE STOVE EXPERIENCE?
What do the stoves look like? How is kerosene sold?
What are common problems with these stoves?
What defines a ‘quality’ kerosene stove?
KNOWLEDGE GAPS:
CATEGORY

WHAT IS THE ACTIVITY TO DATE?
What awareness campaigns have been conducted in Nigeria?
In Lagos and Abuja?
Who facilitated these campaigns?
How were these campaigns received?

ARE THERE OTHER TYPES CLEAN COOKSTOVES STILL BEING PROMOTED AMONG OUR TARGET AUDIENCES?
KNOWLEDGE GAPS:
COMPANY

WHAT DO WE KNOW ABOUT OUR STOVE?

Will the same stove be used in both Abula & Lagos?

What brands/entities are already associated with our stove?

What does the stove look like? How do you use it?

Is it already in market? Where? How?

Who owns it now? Is there feedback?

What does a filling station look like? What is the process to fill your tank?
THANK YOU


