Developing a 4Ps Marketing Mix to Introduce the Adhunik (Modern) Chula in Bangladesh

The Importance of a Marketing Mix

A marketing mix includes the 4 Ps: Product (or Service), Price, Promotion, and Place. These elements work together to create a strategy for introducing and promoting a new product or service. Each component is crucial in ensuring the product meets consumer needs and is successful in the market.

The 4Ps of Marketing

To introduce and sell a new idea or product, marketers develop a strategic marketing mix, classically comprised of 4 variables:

- **Product (or Service)**: What attributes does each consumer segment value? Are similar stoves and products more appealing/appropriate for one segment?
- **Price**: How much can the segment pay for the product? Can adaptations and accessibility be included in the pricing?
- **Promotion**: What benefits are most appealing to this segment? What is the most influential channel to reach them?
- **Place**: Where are the sales agents? Are there any sales and distribution outlets for the product?

The Benefits of an Improved Stove

Improved cookstoves can save fuel and reduce smoke. Time savings from reduced fuel collection can free up women and girls to focus on income generation, and both time and cost savings (for those who purchase wood) can go toward schooling, recreation, and other productive opportunities. However, many cookstoves are designed without input from end users, but rather developed as an "ideal" product from a health or energy point of view. Consequently, the stoves are not appealing to consumers, who end up using them inconsistently or not at all, negating all potential benefits.

In Bangladesh, WASHplus teamed up with the Global Alliance for Clean Cookstoves, CCEB, and other key stakeholders to facilitate opening the market to new improved cookstoves by conducting and applying a suite of consumer research and strategic marketing assessments.

The High Price of Cooking

Cooking has become one of the most dangerous daily activities for women in the developing world. Exposure to smoke from inefficient traditional cookstoves and open cooking fires kills 4 million people annually and causes cancer, pneumonia, heart and lung disease, and blindness; traditional cooking can also lead to scalds, burns and injuries from hauling heavy bundles of wood. Women and girls may risk physical and sexual assault when collecting fuel. Even when fuel is freely available, women using traditional methods pay too high a price for cooking.

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Differenitizing the Product from the Traditional Stove and the Bondhu Chula

The consumer research explored how best to position the "next generation" of ICS in relation to both the local Bondhu Chula ICS, and the traditional stoves. Because these new ICS carry different product attributes and pricing than the Bondhu Chula, research concluded the need for a distinguishing name to reflect a unique image and appeal of the product. After testing several options, consumers chose the Adhunik (Modern) Chula to refer to this general category of ICS. Individual stoves will be marketed by their brand name.

Further defining the Product "P"

Consumer research suggests further distinguishing the ICS by differentiating two distinct ICS product categories – Value & Premium – to increase targeting of the ICS products to the various early adopter segments.

First Market to the Early Adopters

- **Early Majority**
- **Early Adopters**
- **Late Majority**

In Bangladesh, the WASHplus project conducted a Consumer Preference and Willingness to Pay study of five types of new stoves, to identify the needs and wants of Bangladeshi cook and families. Consumers gave feedback after using the stoves in their homes for 3 weeks; this was shared with manufacturers, some of whom opted to modify their stoves accordingly, to make the product more appealing to consumers.

EcoChula

For example, Alpha Renewable Energy modified their EcoChula to be slightly larger, and incorporate a top skirt and a heavy duty stand in response to consumer complaints about instability. Prakti modified their Chula to accommodate typical Bangladesh pots, increasing the size of the fuel compartment and adding a top skirt and a heavy duty stand to respond to consumer complaints about instability. Prakti modified their LeoChimney by adding more space around the burners to better accommodate typical Bangladesh pots, increasing the size of the fuel door, and improving the ash collection design.

Defining and Shaping the ICS Product to Meet Consumer Needs and Wants

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The Modern Value

For “next generation” improved cookstoves, stakeholders in Bangladesh conducted consumer research to identify EARLY ADOPTER SEGMENTS, groupings of consumers most likely to try and buy the new ICS, and then developed a 4Ps Marketing Mix for each of these early adopter segments. Targeting early adopters is a technique first used with those most open to new products such as the ICS, with ability to pay or finance the product. Adopter segments are often “staged” to build momentum, popularity and sales of the product over time.

Early Adopter Segments for ICS

1: **Urban/peri-urban middle class**

Interested in exploring new technologies and products that will help them stay a step ahead of others by making their life more comfortable, convenient and increase their social status/image. Offering: Premium product, bundled with an aspirational rice cooker with messages around flexibility.

2: **Urban/peri-urban lower middle class**

Responsive to what the middle class does, this second group of “early adopters” see a Modern Value Chula as a more efficient and cost-effective product that cooks better tasting food than a kerosene stove. Bundled with other “modern kitchen products” such as a water filter, they now see the modern kitchen “within reach” through option financing or installment payments.

3: **Urban/peri-urban poor**

Our third segment sees the middle and particularly the lower middle class “advancing” and benefiting from the modern kitchen. The Modern Value Chula bundled with other “modern kitchen components”, to be determined with option financing. Perhaps a new pot is included as a “guarantee of quality,” to monitor stove effectiveness (no black pot!) and indicate when servicing is needed.

4: **Rural lower middle class /middle class**

Want to make life easier and save money for other priorities like children’s schooling and health urgencies. Need to make fuel savings “visible” to make purchase “practical,” financing or installments help make it possible. Middle class aims for premium chula for status and product benefits; lower middle most receptive to modern value chula to reach aspirations. Focus marketing just before and during rainy season.

For all segments, target those who purchase and burn wood fuel.