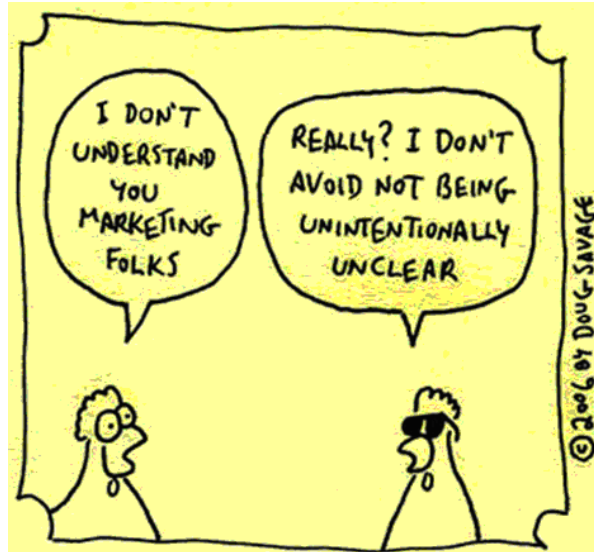


# Selling to the Bottom of the Pyramid:

## Lessons from Marketing Compost

Jonathan Rouse, LondonRIG. 25 March 2010



### What's all this about compost?

- Successful history of production of large volumes of high-quality compost;
- Significant benefits to society and the environment;
- Selling compost remains a challenge; some producers cannot even give it away.
- Lack of markets has caused many businesses to fail/ projects to have no lasting impact.

*Sound familiar?*

### What is marketing?

More than just promotion...

'Marketing is about identifying and targeting customers and succeeding to sell products that satisfy customers at a price and in sufficient quantity to ensure the success of a business.'

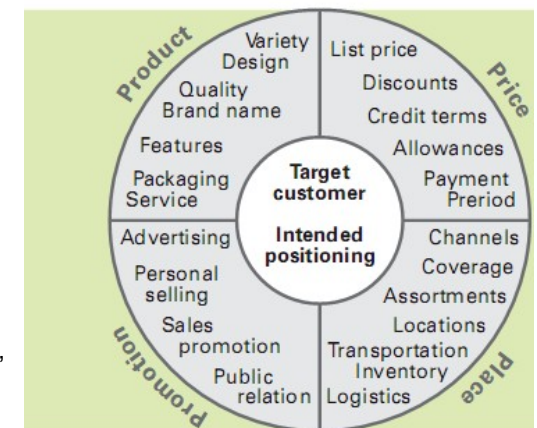
- Helps determine if a **profitable** [/ sustainable] **opportunity** exists
- **Customer**-centered, focused on **satisfaction**, and recognizing **choice**
- Accounts for the **external environment** & forces such as legislation, environment, technology, and competition
- Ensures the development, manufacture/ sourcing, and sale of products at a price and quantity that ensures **viability** and profitability;
- **Communicates** the benefits of products to stimulate **demand**.

### Marketing & donor-driven international development...?

- Viability [= sustainability?]
- Scale
- Enterprise
- [Carbon finance]

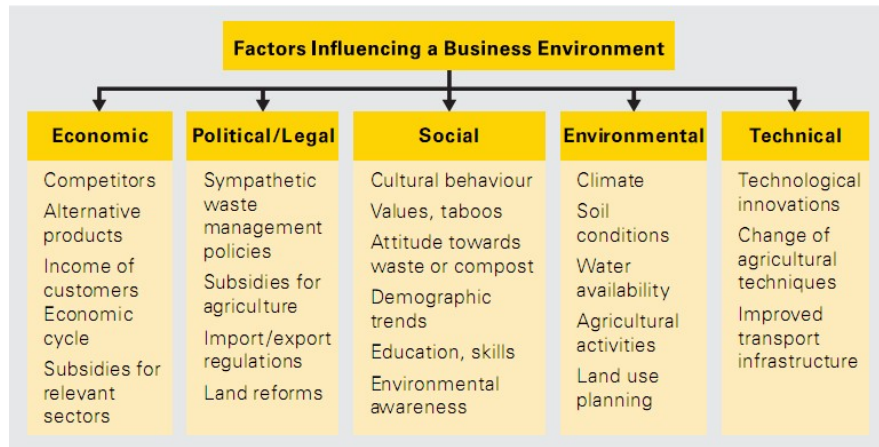
### Marketing – a bit more detail

1. The marketing environment
2. Market assessment
3. Product, positioning and location
4. Product pricing
5. Promotion



The 'marketing mix'

## 1. The marketing environment

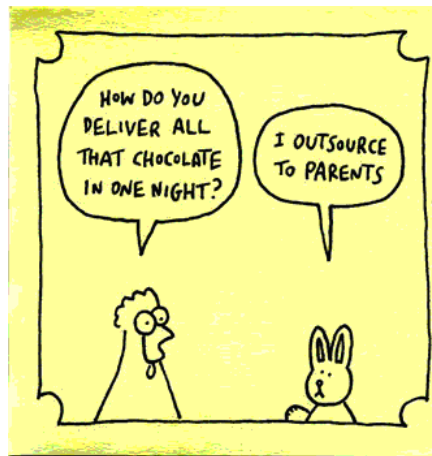


## 2. Market assessment

Segmenting your market; Understanding customers; Quantifying market demand; Targeting market segments.

## 3. Product, positioning and location

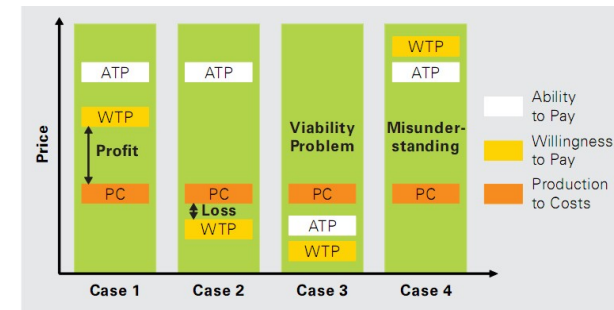
- Defining your product
- Quality & consistency
- Meeting demand through production
- Business location
- Distribution channels



Easter rabbit's distribution strategy:

## 4. Product pricing

Production costs and profit; willingness & ability to pay; terms of payment.



## 5. Promotion

- Communication
- Branding
- Advertising



## Resources

Kotler, P., Armstrong, G. 2006. **Principles of Marketing** (11th edition), Northwestern University, University of Carolina, USA. (A detailed, step-by-step guide to marketing. Contains many case studies, examples and simple illustrations of principles. It covers the basics of market research and more).

REED Toolkit: **A Handbook for Energy Entrepreneurs.**

<http://www.areed.org/training/toolkit/index.htm>

GTZ **Cooking Energy Compendium:** (Chapter 2 on Marketing)

<http://www.hedon.info/GTZCookingEnergyCompendium>

The **compost marketing handbook** can be downloaded from

[www.hedconsulting.com/publications.html](http://www.hedconsulting.com/publications.html)

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