

# SVADHA: ORGANIZING A RURAL SANITATION ECO-SYSTEM

- **Background**

Lack of access to proper sanitation facilities is a major problem in India, with around half the population defecating in the open. One of the main constraints in improving the conditions is the disorganized sanitation market faced by customers, as local sanitation shops typically have a limited and unreliable offering of sanitation materials. Customers thus face high prices and time costs in dealing with numerous distribution points. This poses a threat to women and girls forced to utilize unsafe sanitation facilities, which also negatively affect school attendance for millions of girls.

Svadha is a social business and the only company, globally, establishing organized, rural WASH (water, sanitation, and hygiene) markets to bring quality, affordable, and sustainable WASH solutions. We aggregate from leading national manufacturers to provide an easy one-stop solution of high-quality and affordable sanitation products. Using design research and consumer insight, we also innovate new sanitation products and services to better meet consumers' sanitation needs and aspirations. Our products and services are then delivered to end consumers through our vast network of over 220 sanitation entrepreneurs whom we establish, train, and support to maintain sustainable sanitation access in rural areas. To more effectively build these local sanitation entrepreneurs and deliver greater sanitation access to end-consumers, we manage strong partnerships with NGOs and foundations. This integrated system brings greater impact through enhanced livelihoods for our entrepreneurs and dignity and health for end-consumers.

Svadha wants to ensure that households in India have their own toilet, instead of relying on community toilets or open defecation. Svadha provides quality and affordable sanitation for end-consumers by creating a sanitation eco-system with locally trained entrepreneurs. Svadha's main product is a complete package of the elements needed to construct a toilet. Their products include bio-toilets with waste processing, toilet insurance and customizable packages of hygiene products. Furthermore, Svadha offers different services to entrepreneurs and consumers, such as masonry, community training, business development and consulting support.

- **Location, Date**

Odisha, 2015

- **Areas**

Rural

- **Stage/Scale**

Odisha, Bihar and Andhra Pradesh

- **Objective of the assignment**

The main aim is to establish an army of entrepreneurs to provide access to quality, affordable and sustainable sanitation solutions.

## • What was done

Svadhya works to achieve its objectives by following three steps:

- Ecosystem creation: It provides supply chain and logistics operation; cutting-edge products, services and processes and creates strategic partnerships to scale and create collective impact.
- Entrepreneur Development: Through this, they provide one-stop solution for access to affordable, high quality products; and business consulting and training services for efficiency, growth and quality.
- Solutions for consumers: Through these entrepreneurs they create local point of contact for sustained support.



Svadhya equips rural areas with sanitation products and services, using an enterprise-driven approach. It partners with grassroots level entrepreneurs and trains them on how to assess the sanitation requirements of their clientele and how to address them. Addressing their sanitation needs is not limited to providing them with the necessary infrastructure, products, and services, but also extends to providing education on sanitation where required.

Svadhya works with these entrepreneurs in designing specific solutions. The organization does not have a 'one-size fits-all' approach to sanitation needs; it designs various solutions to challenges across a range of areas spanning behavior change communication, toilet design (including the components used to construct toilets, whether the toilet includes a washing area, etc.) and toilet technology (including two pit latrine systems, pre-fabricated solutions, and low-cost but high-quality bio-digester solutions developed by the organization).

Svadhya develops supply chains to assist rural entrepreneurs in accessing the supplies they need; these services generate revenue for the organization. To assist the rural populace in accessing adequate sanitation facilities, it also links them to local microfinance institutions.

## • Impact

Svadhya currently has more than 300+ entrepreneurs, reaching a total of approximately 120,000+ end-consumers with sanitation solutions and delivered 24000+ toilet packages. Svadhya covers 70% percent of districts in Odisha, and hopes to work with 900+ entrepreneurs in three years.

## • Challenges and Issues

### Demand side

- Lack of customized choice- as local markets do not offer all-in-one WASH solutions
- Rigid Price - \$60 for a pit latrine to a minimum of \$400 for toilet with complete closet

- Lack of Awareness: still unaware of the disastrous consequences of open defecation

### Supply Side

- Low-quality products: Huge presence of counterfeit but costly material with consumers having low awareness on the quality and on how to build comfortable, sturdy toilets
- Fragmented market: A highly disorganized, fragmented sanitation supply chain, with each player working in silos to their core competencies and lacking coordinated action to solving water, sanitation, and hygiene issues.
- Lack of one-stop shop availability of the necessary products and materials to build toilets and ensure proper toilet and hygiene maintenance in local markets

### • **Innovation**

Svadha addresses the full sanitation eco-system, providing one-stop solutions for entrepreneurs seeking business opportunities and customers seeking sanitation services. Svadha negotiates directly with manufacturers, ensuring affordable and quality products. An important element of the business model is free delivery to entrepreneurs, eliminating 'last-mile penalty', facilitating service access to remote communities and alleviating capital investment requirements (as entrepreneurs can buy small shipments instead of excessive bulk). The value proposition thus revolves around convenience for entrepreneurs, and Svadha benefits from the entrepreneurs' knowledge of demand in their community. End-consumers benefit through reliable access to quality products.

### • **Lessons learnt**

Although the sanitation sector across the country is getting more attention, but there is still lot of work to be done for developing better sanitation solutions (e.g. waste processing) and consumer insights.

### • **Financials**

Not Available

### • **Economic sustainability/Revenue Model**

Svadha's approach ensures a customized, market-based approach to effectively provide sanitation to underserved rural areas with quality products, by both negotiating with national brands for materials and providing hands-on assistance to entrepreneurs and equipping them with tools to expedite and improve the efficacy of sanitation products.

To fulfill the comprehensive WASH requirement of rural consumers, Svadha provides its products and services through several brands such as Svadha Mart (for village entrepreneurs), Svadha lite (for hardware shop entrepreneurs), and Svadha Plus (for women entrepreneurs focusing on total household hygiene and health requirement).

### • **Implementer Contact Persons**

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- **Sources and References**

- Company Website
- Svadha Report