

## Request for Proposal Consumer Market Research

Offline, In-Home, Water Treatment Filters and Chemical Treatments  
For Low- and Middle-Income Populations in Vietnam and Cambodia  
**August 2009**

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### I. Summary of Deadlines (all deadlines are effective at 21:00 Bangkok time)

Release of Request for Proposal (RFP)	August 25, 2009
<b>Confirmation of interest and questions on RFP due</b>	<b>September 7</b>
Responses to questions published	September 10
<b>Proposals due</b>	<b>September 21</b>
Short-listed firms notified	September 25
<b>Interviews in Bangkok with short-listed firms</b>	<b>September 30-October 2</b>
Selection of firm	October 9
Commencement of research	November 9

Note that PATH reserves the right to modify this schedule as needed. All parties will be notified by email of any schedule changes.

### II. PATH Statement of Business

PATH is an international, nonprofit organization that creates sustainable, culturally relevant solutions, enabling communities worldwide to break longstanding cycles of poor health. By collaborating with diverse public- and private-sector partners, PATH helps provide appropriate health technologies and vital strategies that change the way people think and act. PATH's work improves global health and well-being.

Headquartered in Seattle, Washington, PATH has offices in 30 cities in 20 countries. PATH currently works in more than 70 countries worldwide in the areas of health technologies, maternal and child health, reproductive health, vaccines and immunization, and emerging and epidemic diseases. For more information, please visit [www.path.org](http://www.path.org).

### III. Brief for Consumer Market Research in Vietnam and Cambodia

PATH's Safe Water Project (SWP) seeks market research, especially quantitative consumer survey(s) and analysis, to address the research objectives and hypotheses outlined below (see glossary in Appendix A):

1. **Key issue:** Offline, in-home, water filters and chemical treatments are under-penetrated categories.
2. **Marketing objective:** Increase penetration of *effective* offline, in-home water filters and/or chemical treatments among non-users of products—especially among lower-income households.
3. **Research objectives:**
  - A. Learn about consumers' behaviors and attitudes both on water and generally as relevant to this brief.
  - B. Identify potential segments to inform marketing strategies for new/improved products, messages, etc.
  - C. Sub-modules to:
    - i. Characterize uptake, use, and perceptions of “mineral pot” filters.
    - ii. Characterize uptake, use, and perceptions of ceramic water pot filters (for Cambodia only).
    - iii. Profile consumers using community treatment and their attitudes toward in-home treatment.
    - iv. Study receptivity to in-home treatment of water by parents of children under five years old.
4. **Critical hypotheses to be tested:**
  - A. Attitude, specifically feeling a need to treat, is key to intention to try and adoption of methods.
  - B. Widespread water treatment and related behaviors reflect benefits/drivers such as convenience, health, taste, temperature, odor, appearance, perceptions of treatment as in fashion, etc—and indicate some potentially promising segments.
  - C. Regular boiling of drinking water defines a key potential segment strongly motivated by health benefits (in part since boiling has been consistently promoted to improve health).
  - D. Various segments of potential buyers (see points A, B, and C above) have distinct and identifiable profiles in terms of behaviors (consumption/lifestyle/media), demographics, and/or psychographics.
5. **Geographies:** Vietnam and Cambodia, nationwide.
6. **Research design: methods and sample sizes to be recommended by market research firm**
  - A. Quantitative focus, with qualitative complement as appropriate
  - B. Gender: include men and women.
  - C. SES: emphasis on lower- and lowest-income segments; also include middle-income.
  - D. Booster samples for mineral pot owners and ceramic water pot owners.
7. **Timeline: November 2009 to March 2010**
8. **Other considerations**
  - A. Audiences for results.
    - i. Commercial players, including in-market and new entrants, regional and international.
    - ii. Water/sanitation stakeholders in the government and NGO sphere.
  - B. Use of results: inform marketing strategies, including new or improved products and messaging.
  - C. Country context.
    - i. Rural South Vietnam and parts of rural Cambodia use settling to clear turbidity, often coupled with decanting and/or addition of alum. Cloth filtration is also used in both countries.
    - ii. Awareness of boiling and government and NGO health messages is high across both countries.
    - iii. Self-reporting of boiling is high in Vietnam but somewhat less in Cambodia; practice varies.
    - iv. Category of mineral pot stands out as widely available—and thus of great interest for PATH to understand its relative success; treatment effectiveness, however, is low and penetration unclear.

**Important note:** depending on their expertise and capacity, firms should propose to work in one country or in both countries. PATH intends to conduct the work in both countries and will select either one firm per country or one firm total. IV. Background on PATH’s Safe Water Project.

## **IV. General Background on PATH’s Safe Water Project**

### **Program for Appropriate Technology in Health (PATH) and the Safe Water Project**

PATH’s five-year Safe Water Project (SWP) is a learning initiative funded by the Bill & Melinda Gates Foundation to explore whether commercial models can be developed to sustainably deliver appropriate household water treatment and storage (HWTS) products to poor populations. The SWP aims to develop and demonstrate the effectiveness of commercial strategies for providing HWTS products to low-income consumers; encourage correct and consistent use of effective point-of-use (POU) HWTS products by low-income consumers; and develop strategies and tools for scale-up, replication, and sustainability for a range of settings and countries. While the primary focus of the SWP is on India, the project also aims to capitalize on opportunities in other global regions including Vietnam and Cambodia.

In order to deliver on its objectives through deliberate, targeted activities, the SWP developed a project action question to shape and focus a market-based strategy: *What actions are most likely to accelerate widespread adoption of POU HWTS devices by low-income populations and sustain POU treatment by them over time?*

PATH’s core strategic approach for this project is to work as a catalyst with existing private-sector HWTS product manufacturers, the private-sector market, and commercial agents and focus these resources on the low-income HWTS market. By focusing on three key activities (listed below) centered around products, channels, and consumers, the SWP will help bridge the gap between opportunity and impact in order to encourage widespread HWTS market evolution.

### **PATH’s SWP activities**

- Enable appropriate technology: advance the category to support competition.
- Strengthen systems: catalyze market participants.
- Know the customer: understand household needs/behavior.

The initial stage of the SWP’s strategic approach in each geographic setting is to gain a broad perspective on current market conditions for POU products. Further gap analysis and business model development then follows to prepare for eventual on-the-ground efforts for testing the viability and sustainability of each approach—all in collaboration with commercial partners which will lead to implementation. During 2008, the SWP conducted formative research in Vietnam and Cambodia. This included rapid, qualitative research on product availability, distribution channels, and consumers. During 2009, SWP activities in the region have centered on cultivating partnerships and laying the groundwork for targeted on-the-ground efforts. PATH will support testing of a direct sales distribution model by a commercial partner, and other activities are in preparation.

## **V. Project Deliverables and Timeline**

Deliverables for this project are to:

- Communicate with PATH staff and consultants based in Phnom Penh and Hanoi on a weekly basis to discuss progress and findings throughout the duration of the project.
- Submit study design and data collection instruments.
- Submit clean dataset(s) formatted for analysis in Microsoft Excel.

- Submit a draft written report and PowerPoint presentation covering the entire scope of the research.
  - Submit a final written report and PowerPoint presentation covering the entire scope of the research.
- Additional deliverables may be negotiated with applicants prior to the award.

Given the aggressive project timeline, the research fieldwork and analysis need to be completed by February/March 2010. Separate from the firm’s analysis, PATH may also conduct its own analysis of data. The bulk of data (cleaned and formatted for analysis in Excel) needs to be available to PATH by early February 2010. Firms may suggest an alternate project timeline within this overall time frame.

<b>Suggested Project Timeline (*denotes Deliverables)</b>	
Commencement of research	<b>November 9, 2009</b>
*Study design and data collection instruments	<b>December 18, 2009</b>
Fieldwork/surveys completed (modules may lag)	<b>January 20, 2010</b>
*Clean dataset(s) available for PATH use	<b>February 1, 2010</b>
*Draft country analyses and reports	<b>February 24, 2010</b>
*Final country analyses, reports, and presentation	<b>March 16, 2010</b>

## **VI. Project Budget**

Bidders should note that cost competitiveness will remain a factor in the criteria and should offer their most competitive proposal. Accompanying budget narratives should clearly show how the proposed costs support and align with the activities described in the proposal. If a firm proposes to work in more than one country, it is very important that the proposal itemizes costs separately for each country.

PATH’s available budget for this work is in the range of US\$100,000 to US\$125,000.

Please provide explanations for itemized costs for the total scope of this project, based on the scope of work outlined in Section III of this RFP. The scope of work may be subject to negotiation; awards will be made against the negotiated scope of work. Project budgets should be submitted in US dollars using the budget template provided (see Appendix B) and should include itemized costs for key elements of the scope of work in the following categories:

- **Personnel.** Describe the role of key staff on the project; include the salary rates and level of effort on the project for each person (expressed in number of days).
- **Travel.** Itemize all anticipated travel costs including number of trips, travel costs per trip, per diem per trip (number of days multiplied by per diem rate), and estimated associated costs.
- **Supplies.** Describe costs and purpose of supplies required.
- **Contractual.** Name partner organizations, state proposed role on the project, and indicate whether they are an established partner or if a new partnership will be developed. If contractual expenses are a significant portion of the project budget, a detailed budget of anticipated contractual obligations is required.
- **Other Costs.** Itemize all other expenses not described in the categories above (e.g., service tax).
- **Indirect Project Costs.** Indirect costs are overhead expenses incurred as a result of the project but not easily identified with the project’s activities. These are administrative expenses that are related to overall general operations and are shared among projects and/or functions. Examples include executive oversight, accounting, grants management, legal expenses, utilities, and facility maintenance. Identifiable (allocable) costs should be documented and justified in the proposal as *direct costs*, including those for dedicated ongoing project management, facilities, and support.

**Indirect rate allowances:** These rates are maximum allowances. If the organization has lower rates, the lower rates should be used. To the extent that indirect costs are applicable, they are subject to the following limits:

- Up to 10% for US universities and other academic institutions.
- Up to 15% for non-US academic institutions, private, voluntary and nongovernment organizations, regardless of location.
- No indirect costs will be paid to US government agencies.

*Rates apply to the primary grantee as well as all sub-recipients that are part of the proposal.*

## VII. Instructions for Responding

### A. Confirmation of interest: September 7, 2009 at 21:00 (Bangkok time)

Please send a statement acknowledging receipt of this solicitation and your intent to respond or not respond no later than September 7, 2009. Send the confirmation to [SafeWaterRFP@path.org](mailto:SafeWaterRFP@path.org).

### B. Fact-finding questions: September 7, 2009 21:00 (Bangkok time)

Questions on this solicitation will be accepted via email to [SafeWaterRFP@path.org](mailto:SafeWaterRFP@path.org) through September 7, 2009. Questions and answers to all questions will be published at on September 10, 2009. Please note that responses will **not** be confidential except in cases where proprietary information is involved. Inquiries after this date cannot be accommodated.

### C. Proposals due: September 21, 2009 at 21:00 (Bangkok time)

Completed proposals should be submitted by e-mail to [SafeWaterRFP@path.org](mailto:SafeWaterRFP@path.org) by 21:00 (Bangkok time) on September 21, 2009.

Submissions should include the following:

**1. Proposal:** Your proposal should include information specific to the project brief outlined in this RFP (Section III above). Any accompanying information, such as examples of protocols and/or proposed interactions with consumers (e.g., focus groups, interviews, etc), should be included as attachments.

The following is a list of **significant criteria** against which proposals will be assessed. The criteria are not listed in order of priority. This list is not exhaustive or 100% inclusive and is provided to enhance a company's ability to respond with substance:

- Methodology and its appropriateness for conducting the work.\*
- Ability to meet qualifications (as listed under the Qualifications heading below).
- Reasonableness of costs (itemized as per instructions under Section VI. above).
- References.

\*Methodology is a significant criterion in considering proposals, so it is important to clearly describe the proposed research design and methodology.

**2. Qualifications:** Include a section on your overall qualifications, including:

- Professional expertise/experience in conducting market opportunities and needs assessments.
- Profile of relevant corporate qualifications.
- Previous experience with health or technology products.
- Professional expertise with qualitative and quantitative market research.
- Experience working in each country in which the firm is proposing to work.

- Knowledge of government policies.
- Ability to report relevant market information for new (previously nonexistent) products.
- Qualifications of key members of the proposed project team (attach CVs and provide details of backup/standby teams).
- Years in business.
- If your company has more than one location, please distinguish these qualifications for the site that is responding.

**3. Performance References:** Provide up to three relevant past performance references who can speak to your organization's experience with similar work. The name, organization, and contact information for each identified reference should be provided.

Proposals should be submitted via e-mail to [SafeWaterRFP@path.org](mailto:SafeWaterRFP@path.org). We will not accept responsibility for resolving technical transmission problems with proposals. A hard copy of the proposal should not be sent. Your proposal should only include information specific to accomplishing the scope of work. Additional information submitted outside of the proposal requirements will be reviewed at PATH's discretion only. Elaborate materials, artwork, or other information not directly related to the scope of work are discouraged.

**D. Selection and in-person interviews of short-listed firms: September 30 to October 2, 2009**

As part of the shortlist selection process, PATH plans to interview and discuss specific details with those candidates who are on the shortlist from September 30 to October 2, 2009. PATH will communicate the request for an interview by September 25, 2009. This will apply only to those candidates selected for the shortlist. In-person interviews will take place at PATH's offices in Bangkok, Thailand.

**E. Selection of firm: October 9, 2009**

Applicants will be notified of PATH's decision by October 9, 2009. Final award is subject to terms and conditions included in this solicitation as well as successful final negotiations of all applicable terms and conditions affecting this work.

## **VIII. Terms and Conditions of the Solicitation**

**A. Notice of nonbinding solicitation**

PATH reserves the right to reject any and all bids received in response to this solicitation and is in no way bound to accept any proposal.

**B. Confidentiality**

All information provided by PATH as part of this solicitation must be treated as confidential. In the event that any information is inappropriately released, PATH will seek appropriate remedies as allowed. Proposals, discussions, and all information received in response to this solicitation will be held as strictly confidential, except as otherwise noted.

**C. Communication**

All communications regarding this solicitation shall be directed to appropriate parties at PATH. Contacting third parties involved in the project, the review panel, or any other party may be considered a conflict of interest, and could result in disqualification of the proposal.

**D. Acceptance**

Acceptance of a proposal does not imply acceptance of its terms and conditions. PATH reserves the option to negotiate on the final terms and conditions. We additionally reserve the right to negotiate the substance of the finalists' proposals, as well as the option of accepting partial components of a proposal if appropriate.

### **E. Right to final negotiations**

PATH reserves the option to negotiate the final costs and scope of work as well as the option to limit or include third parties at PATH's sole and full discretion in such negotiations.

### **F. Third-party limitations**

PATH does not represent, warrant, or act as an agent for any third party as a result of this solicitation. This solicitation does not authorize any third party to bind or commit PATH in any way without our express written consent.

### **G. Rights to data**

PATH will have ownership rights to all data generated by the project. PATH will collaborate with the contractor on publications of findings.

### **H. Research review requirements**

Work conducted or sponsored by PATH that involves human subjects must be reviewed by PATH's Research Determination Committee (RDC); certification of ethical review from PATH's Research Ethics Committee (REC) may be required as well. In addition, compliance with all applicable Vietnamese and Cambodian national laws, regulations, and codes of ethics of the jurisdiction is mandatory.

## **Appendix A: Glossary of Useful Terms**

### **Effective offline, in-home, water filters and chemical treatments**

- Synonyms: point-of-use (POU) water treatment; household water treatment and storage (HWTS).
- "Effective" refers to the reduction of microbiological pathogens (especially bacteria and viruses) to safe levels, in a sustained and robust manner. Other contaminants may also be reduced.
- "Offline" refers to operation without need for electricity or piped water connections.
- "In-home" refers to within a single household, although this definition is flexible up to a point and use could encompass a small number of households (such as a family compound).
- "Water filters" in this category operate by gravity or siphon action and include a physical filter.
- "Chemical treatments" especially include various means for chlorinating water (tablets, liquids).
- Such products are generally targeted to middle- and lower-income groups' needs and circumstances.

### **Community treatment**

- In rural areas, a relatively small plant may filter and/or chemically treat water. The water is then provided to multiple households, often by means of pipe connections. Participating households generally are assessed fees on a usage basis. They may also pay a fee for the initial connection. Benefits include convenient water access as well as treatment, although actual treatment/effectiveness varies.
- In large urban areas, such systems are operated on a large scale from centralized treatment facilities.

### **SES (Socioeconomic Status)**

- International framework used by marketers to classify populations across the socioeconomic spectrum (A, B, C, etc.).
- Marketers in Vietnam and/or Cambodia may utilize a local equivalent. Using such a local framework carries several benefits, especially as there is usually good secondary data available already.

### **Mineral pot filters**

- A class of very similar products sold under a variety of brands (e.g., Korea King, Seoul, Acura, etc).

- Two-chamber filters that feature a half-sphere ceramic filter (visible in the upper chamber) and “minerals” (visible in the lower chamber).
- Widely available in both Vietnam and Cambodia.
- Actual treatment effectiveness over time is questionable; commercial success may hold lessons.



### Ceramic water pots

- Filters that are available in Cambodia only, where they have been manufactured and marketed by two NGOs for a number of years.
- Effectiveness in reducing diarrheal disease has been proven through rigorous health impact studies.
- Functional design lacks consumer appeal relative to the mineral pot filters.



