

**A.I.D. EVALUATION SUMMARY - PART I**

PD-ABA-173  
64045

1. BEFORE FILLING OUT THIS FORM, READ THE ATTACHED INSTRUCTIONS.  
2. USE LETTER QUALITY TYPE, NOT "DOT MATRIX" TYPE.

**IDENTIFICATION DATA**

<b>A. Reporting A.I.D. Unit:</b> Mission or AID/W Office <u>USAID/Islamabad</u> (ES# _____)		<b>B. Was Evaluation Scheduled in Current FY Annual Evaluation Plan?</b> Yes <input checked="" type="checkbox"/> Slipped <input type="checkbox"/> Ad Hoc <input type="checkbox"/> Evaluation Plan Submission Date: FY <u>88 Q 2</u>		<b>C. Evaluation Timing</b> Interim <input checked="" type="checkbox"/> Final <input type="checkbox"/> Ex Post <input type="checkbox"/> Other <input type="checkbox"/>	
<b>D. Activity or Activities Evaluated</b> (List the following information for project(s) or program(s) evaluated; if not applicable, list title and date of the evaluation report.)					
Project No	Project /Program Title	First PROAG or Equivalent (FY)	Most Recent PACD (Mo/Yr)	Planned LOP Cost (000)	Amount Obligated to Date (000)
391-0484	Social Marketing of Contraceptives Project	3/31/84	--	\$20M	\$20M

**ACTIONS**

E. Action Decisions Approved By Mission or AID/W Office Director	Name of Officer Responsible for Action	Date Action to be Completed
Action(s) Required 1. An oral contraceptive component will be added to the SMC Project as soon as possible. 2. Operating Group comprised of Woodward, PCS and PSIMA formed to maintain regular, frequent communication on project implementation activities. 3. Extension of technical assistance contract for another four years. This requires: (a) 6 month extension of current contractor through June 30, 1990; and (b) competitive procurement of TA services covering period July 1, 1990 through September 30, 1993. 4. Development of annual research plan and increased role by PSIMA in planning and execution of market research. 5. Woodward and PSIMA to better define the target market in order to refine and expand current communication and promotional strategies. 6. Continuation of attempts to remove the restrictions on the use of TV and radio advertising. 7. Develop appropriate strategy for expanding condom/oral's market both within urban and rural areas.	Spaid, USAID Davies, PSIMA Janjua, Woodward Davies, PSIMA Spaid, USAID Cromer, USAID Davies, PSIMA Davies, PSIMA Janjua, Woodward Janjua, Woodward Khan, PWD Davies, PSIMA	August 1990 Implement- since 1/89 Nov. 1989 June 1990 Sept. 1990 Dec. 1990 June 1990 Dec. 1990

(Attach extra sheets if necessary)

**APPROVALS**

<b>F. Date Of Mission Or AID/W Office Review Of Evaluation:</b> None held; Mission did not deem a review necessary.				(Month)	(Day)	(Year)
<b>G. Approvals of Evaluation Summary And Action Decisions:</b>						
	Project/Program Officer	Representative of Borrower/Grantee	Evaluation Officer	Mission or AID/W Office Director		
Name (Typed)	Barbara J. Spaid	Saeed A. Khan	Lynne Lewis	James A. Norris		
Signature	<i>Barbara J. Spaid</i>	<i>Saeed A. Khan</i>	<i>Lynne Lewis</i>	<i>James A. Norris</i>		
Date	10/19/89	11/2/89	11/2/89	11/5/89		

**ABSTRACT**

**H. Evaluation Abstract (Do not exceed the space provided)**

An interim process evaluation of the Social Marketing of Contraceptives (SMC) Project was carried out from October 16 to November 11, 1988 by an external, four person team of specialists. Field visits were made to over 100 retail centers in Karachi, Rawalpindi, Lahore, Thatta and Peshawar.

The Project has made excellent progress toward achieving its objective of making condoms available to low income acceptors at affordable prices. With only two years of project activities completed, sales goals have been exceeded, the Sathi condom has achieved a high level of distribution and has become a highly visible, everyday consumer product. The marketing strategy including packaging, distribution, promotion and advertising has proved to be extremely effective. The existing sales reporting format was deemed less than adequate to generate necessary sales data. Research has focused on distribution issues rather than on consumer identification and attitudes.

Major recommendations include the following:

- (1) Condom distribution should be expanded through a greater number of retail outlets in a greater number of towns;
- (2) Consumer demand in the rural areas should be investigated and developed;
- (3) An oral contraceptive component should be added as soon as possible;
- (4) A research plan should be developed and more extensive research undertaken regarding consumer attitudes, product use and effectiveness of advertising;
- (5) The Technical Assistance Contractor should play a greater role in planning and executing market-oriented research;
- (6) An Operating Group comprised of the Distribution firm, the GOP and USAID technical advisory contractors should be formed to maintain regular and frequent communication on project implementation activities;
- (7) A large count consumer package should be developed and tested; however, no price increase should be considered until sales volume reaches 100 million condoms per annum.

**C O S T S**

1. Evaluation Costs				
1. Evaluation Team		Contract Number OR TDY Person Days	Contract Cost OR TDY Cost (U.S. \$)	Source of Funds
Name	Affiliation			
Mr. Carl Allen - Marketing Specialist (team leader), ISTI		DPE-3024- Z-00-8078-00	\$65,137	Project
Mr. Matthew Friedman - Family Planning Specialist, ISTI/POPTECH				
Mr. Nadim Shafiqullah - Marketing Specialist, Tourism Promotion Services (Pak) Ltd.				
Mr. John Trost - Market Research Specialist, Trost Associates Inc.				
2. Mission/Office Professional Staff		3. Borrower/Grantee Professional		
Person-Days (Estimate) <u>62</u>		Staff Person-Days (Estimate) <u>13</u>		

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## A.I.D. EVALUATION SUMMARY - PART II

### SUMMARY

J. Summary of Evaluation Findings, Conclusions and Recommendations (Try not to exceed the three (3) pages provided)

Address the following items:

- Purpose of evaluation and methodology used
- Purpose of activity(ies) evaluated
- Findings and conclusions (relate to questions)
- Principal recommendations
- Lessons learned

Mission or Office:

USAID/Pakistan

Date This Summary Prepared:

7/25/89

Title And Date Of Full Evaluation Report:

Evaluation of the Pakistan Social Marketing of Contraceptives Project

#### PURPOSE OF EVALUATION

The purpose of the evaluation was to assess progress to date under the SMC Project and the performance of the agencies involved. The findings and recommendations were to be used to guide project changes and provide direction for the remainder of the project. The evaluation was also to suggest a plan for introducing oral contraceptives into the SMC Project.

#### METHODOLOGY

The evaluation was carried out by a multi-disciplinary team of specialists from October 16 to November 11, 1988. The team members spent three days in Islamabad interviewing Population Welfare Division (PWD) and USAID officials, studying supporting documents and identifying their specific roles. The team then traveled to Karachi for in-depth discussions with W. Woodward Pakistan (Private) Limited, Population Services International Marketing Associates (PSIMA), the National Development Finance Corporation (NDFC), Domestic Research Bureau (DRB), Interflow Communications, and Insight Incorporated. As part of these meetings, performance and financial materials on file were reviewed. Field visits were made to trade sites in Karachi, Lahore, Rawalpindi, Thatta and Peshawar to observe the project activities first hand. To collect consistent information during these field visits, the team developed a standardized questionnaire which was filled out at every retail site. The team visited over one hundred urban and semi-urban retail centers including: pharmacies (49); groceries (14); general stores (29); kiriyana shops (6); pan shops (10) and others (4). The retail outlets were located in diverse settings ranging from urban slums to affluent semi-urban areas.

#### PURPOSE OF ACTIVITIES EVALUATED

The SMC Project is an important component of the GOP's overall strategy for providing family planning services throughout Pakistan. The major goal of the project is to use the existing commercial network to make condoms and orals available to low income acceptors at affordable prices. Project activities aim to:

- increase the number of retail outlets that stock condoms or oral contraceptives from 27,000 to at least 54,000;
- distribute over 192 million condoms and 9 million cycles of orals;
- provide at least 1.9 million couple years of protection (CYP);
- avert about 450,000 births;
- increase revenues to the extent that a substantial proportion of the operating costs are covered until such time as the project becomes economically self-sustaining;
- undertake market research that would utilize the resources, talent and expertise of the private sector in the launching, sustaining and fruitful completion of this project.

The project places primary emphasis on increasing availability of contraceptives, with program self-sustainability as a secondary concern.

FINDINGS AND CONCLUSIONS

1. Management: The organizational structure of the project is well suited to sustain project activities. W. Woodward Pakistan (Private) Limited, the local manufacturing and marketing firm that has been contracted to carry out condom distribution for the project, is given considerable discretion in conducting the on-going management. Its links with the PWD are handled effectively by Pakistan Consultancy Services (PCS). USAID provides technical assistance through Population Services International Marketing Associates (PSIMA), whose resident advisor's experience and talents provide an important asset to the continued success of the project. Roles and operating procedures are not entirely clear, however, and this confusion has begun to erode the spirit of cooperation that has contributed substantially to the success of the project to date.

A problem among project principals has been disagreement over what sort of sales data should be yielded from the management information system (MIS). The MIS issue was resolved during the evaluation, with the agreement that Woodward will implement the same sales reporting format that is used by Lever Brothers, the largest and most experienced market of consumer products in Pakistan. The time and effort expended in developing the MIS has been very cost-effective.

2. Marketing Objectives and Strategies: For the most part, the initial project strategies have been oriented toward distribution and sales. In these areas, the project has succeeded in achieving all of its stated goals. According to retailers, extensive distribution and effective displays of the product are resulting in strong consumer sales.

The packaging of the project condom, Sathi, and consistent use of high quality graphics and design elements in both point of sale and communications materials represent perhaps the highest quality product presentation observed in an SMC project anywhere. Woodward has also done a superb job in achieving product distribution within its 161-town sales universe. The present network of distributors is a good base from which to achieve the next stages of expansion.

The strategy for product promotion and advertising has consisted of developing a consistent message and a phased plan for its introduction. This two-pronged approach has proved extremely effective. When plans for TV and radio advertising were delayed, it was decided to increase the emphasis on promotion efforts among distributors and retailers. The success of these efforts reinforce the value of regular promotional involvement of the retail trade through display and incentive programs. Advertising through cinema halls has also been commendable. It is important, however, that TV and radio be included within a full mix of all available media. The problems with respect to TV and radio advertising have now largely been resolved.

Sales results to date suggest that the copy and media strategies for the launch of Sathi were appropriate. Very little is known, however, about whether the program is reaching its intended target audience--low-income urban and semi-urban population--or what kind of impact the advertising and promotional campaigns are having on the consumers' attitudes and usage. Thus, the next step is to gain the insights needed to refine the communications strategy and expand the appeal across the full range of target consumers.

3. Research: A number of research projects have been completed and a few others are currently under way. The primary focus of these projects has been on distribution issues rather than on consumer identification and attitudes. The problems that were identified in the research already carried out were generally ascribed to lack of appropriate experience of local research companies, coupled with failure to take advantage of PSIMA's and PCS's insight in this area. No overall plan for research has been drawn up.
4. Price and Sustainability: Although sustainability may be a long-term project goal, up to now the product price has been set purposely very low to aid the effort to increase distribution, particularly among low-income people. The general opinion was that this decision was correct and that it should not be tampered with until sales have at least tripled from their current annual level. At that time, some fixed expenditures will also have stabilized relative to sales, allowing larger per unit profits.
5. Quality Control: Anecdotal evidence from retailers and quality test completed by the National Research Institute of Fertility Control (NRIFC) indicate that there may be a problem with old Sathi inventory (manufacture dates from 1984) or ineffective use of the product by the consumer.
6. Oral Contraceptives: Although orals do not appear to be popular in Pakistan at this time, it is possible that with proper training and detailing provided to the medical profession, and well-implemented consumer advertising, acceptance of orals could be increased significantly. More research is needed to answer questions related to the knowledge, attitudes, and practices of the target population and the medical community with regard to this method.

Although the project is off to a very good start, there remains much to be done to expand on the accomplishments made to date and to establish the Sathi brand for the longer term. Progress to date, however, and the potential for future successes, are convincing evidence that the project should be extended for at least another four years.

#### RECOMMENDATIONS

Twelve major recommendations are contained in the report to support implementation of this overall strategy. These are:

- (1) An Operating Group comprised of Woodward, PCS and PSIMA should be formed to maintain regular, frequent communication on project activities.
- (2) An analysis of ex-distributor sales by trade class can and should be maintained by Woodward to fulfill the information requirements of the PWD.
- (3) PSIMA should play a greater role in the planning and execution of consumer-oriented marketing and research activities.
- (4) Woodward should increase the number of major towns covered through its distributors from the current base of 160 to the roughly 300 towns covered by other major marketers of consumer products.
- (5) An investigation should be carried out to identify a strategy for developing consumer demand in the rural areas.

- (6) Woodward and PSIMA should define the target market more precisely in order to refine and expand the current communication and promotional strategies.
- (7) Research should be undertaken to measure consumers' awareness of current advertising and their attitudes toward it.
- (8) Based on the identification of the different segments of the target audience, specific advertising executions should be developed for distinct groups, e.g., for lower urban economic levels and rural populations. The advertising message and theme should remain consistent.
- (9) Attempts should be continued to remove the restrictions on the use of television and radio advertising.
- (10) A research plan should be made on an annual basis to parallel the marketing plan. PSIMA and PCS should work with Woodward and the PWD in developing this plan.
- (11) The larger count consumer package should be developed and tested, but caution should be exercised in the introduction of a premium priced brand. No price increase for the current Sathi condom should be considered until sales volume reaches 100 million condoms per annum.
- (12) An oral contraceptive component should be added to the project as soon as possible.

#### LESSONS LEARNED

Four important lessons learned in the process of project implementation to date should be taken into account in planning for the future:

- . The marketing and distribution skills of Woodward, the extensive experience of the supporting organizations (NDFC and PSIMA), and the high level of commitment from the GOP have all played an essential role in the successful development and implementation of the project.
- . Effective communication among the implementing agency, the government, and the other players involved will remain essential to the long-term viability of the project.
- . The activities that have kept the distributors and retailers actively involved in the Sathi project have played a major role in the success of the project. Through trade seminars and display week contests, Woodward has made the trade feel that this was their project also.
- . The extensive use of attractive, well-designed POS retail materials has helped to desensitize the public to condoms and has contributed to the acceptance of Sathi as an everyday household item.

## ATTACHMENTS

Attachments (List attachments submitted with this Evaluation Summary; always attach copy of full evaluation report, even if one was submitted earlier; attach studies, surveys, etc., from "on-going" evaluation, if relevant to the evaluation report.)

### 1. Evaluation Report

## COMMENTS

### L. Comments By Mission, AID/W Office and Borrower/Grantee On Full Report

#### Mission Comments:

The evaluation does not favor the introduction of a premium brand condom, nor does it favor a change in the price of Sathi or its price structure. USAID sees this as a shortcoming of the evaluation. In an effort to increase project self-sustainability, the Mission proposes to undertake market trials to assess feasibility of a price increase for Sathi and the introduction of a premium brand condom. The price structure of Sathi was changed in August, 1989 upon agreement of GOP, USAID, Woodward, PSIMA and NDFC. This change in the price structure will allow an additional 26 paisa/Sathi sale to be used for project activities, likely in advertising and trade incentive activities. Development and testing of a larger count consumer package is under consideration.

Woodwards now maintains monthly records of ex-distributor sales by trade class as required by PWD.

Research was carried out in early 1989 to measure consumers' awareness of current advertising and their attitudes toward it.