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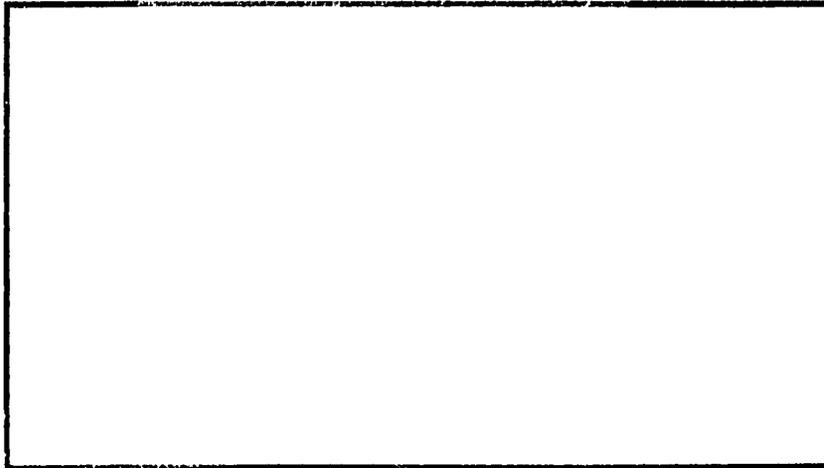
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TECHNICAL ASSISTANCE REPORT
ON THE
"FAMILY OF THE FUTURE"
CONTRACEPTIVE SALES PROGRAM

Cairo, Egypt

A Report Prepared By:
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During The Period:
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ABBREVIATIONS

AID	Agency for International Development
AUC	American University, Cairo
CPS	Contraceptive Prevalence Survey
CRS	Contraceptive Retail Sales
DBSI	Delta Business Services International
EFPA	Egyptian Family Planning Association
FOF	Family of the Future
GOE	Government of Egypt
IPPF	International Planned Parenthood Federation
MOH	Ministry of Health
RFP	Request for Proposals
SIS	State Information Service
TA	Technical Assistance
WFS	World Fertility Survey
WHS	Westinghouse Health Systems

I. INTRODUCTION

I. INTRODUCTION

During the period November 23-December 4, 1980, AID received marketing consultation on retail contraceptive sales and related programs in Egypt.*

The primary focus of the consultation was marketing research. However, during the assignment, it became clear that the FOF programs and related family planning activities had changed considerably since Donald and Seims had issued their report in January-February 1980. To incorporate this change into the consulting assignment and to assist AID/Washington in updating its program perspective, a wider-ranging review was undertaken. This report details the work performed and offers specific recommendations for FOF development and expansion.

During the consultation in Egypt, discussions were held with Dr. Bud Shutt, Tom Reese, and Laura Slobey of AID/Cairo. Considerable time was spent with Effat Ramadan, director of FOF, and his staff. Several meetings were scheduled with Robert Higgins and Fareg El-Kamel, who represented the Social Development Center of the University of Chicago and who work with the Egyptian State Information Service (SIS) in public information/education and research.

The consultants interviewed Mrs. Aziza Hussein of the Egyptian Family Planning Association (EFPA) and Dr. M. Khattab and his associates at Delta Business Services International (DBSI), which provides consulting services in research and development. They arranged other meetings with a press officer and economic specialist in the U.S. Embassy in Cairo.

The consultants attended a FOF educational rally, visited pharmacies which retail contraceptive products, and toured a field office of the State Information Service. They observed urban and rural enclaves within urban areas ("rurban") and visited outlying rural areas.

Numerous research studies and proposals, AID's 1981 plans, economic and demographic data, mass media messages, product packaging and usage instructions, point-of-purchase materials, and other promotional items were reviewed.

This report was presented verbally and in its entirety to Dr. Shutt, Mr. Reese, Ms. Slobey, and Mr. Ramadan on the final day of the assignment in Cairo. These persons' comments have been incorporated into the final version.

* The AID-supported retail contraceptive sales (CRS) program in Egypt is known as "Family of the Future." Its acronym, FOF, will be used throughout this report.

Recommendations for next steps in FOF development and expansion are included in each section of this report and are also listed at the end of the document (see Chapter V).

II. BACKGROUND

II. BACKGROUND

Organizations Involved in Egyptian Family Planning

The excessive rate of population growth in Egypt is recognized as a significant problem affecting virtually all sectors of development and the nation's quality of life.

AID is actively supporting programs designed to reduce this growth rate, and several Egyptian agencies and organizations are involved in the effort as well. The AID Office of Health and Population's Family Planning Project is designed "to assist the GOE [Government of Egypt] in strengthening family planning services nationwide and [to] increase the number of couples actively practicing family planning." Within this broad program, assistance is provided in supplying contraceptives, training, administration, demonstration programs in community-based service delivery, and public and professional information/education. The Ministry of Health (MOH) and the Ministry of Social Affairs are involved in the project. The efforts of both the State Information Service (the public sector program with the most direct impact on the FOF) and the FOF program itself stem from the Family Planning Project.

The SIS program is primarily a mass media information campaign with adjunctive films and promotional aspects. An interpersonal village-by-village instructional program ("Through the Door") is planned for 1981. The mass media effort is divided into a series of relatively brief campaigns, the first of which provided information stressing the seriousness of Egypt's population problem ("Look Around You") and the various personal benefits to be derived from small families. The SIS program seeks to create awareness of specific methods of contraception and, within the limits of media censorship, to provide information on the use and availability of contraceptives.

The SIS effort uses both broadcast and print media. Three major newspapers cover the entire country. Other newspapers are used for advertising, including a news publication in the Egyptian Delta and various specialized publications (e.g., Christian, labor, agriculture, opposition political party). Magazine space is also purchased.

The SIS receives two and one-half minutes of daily spot-commercial time from the government-owned television station.* Because the SIS pays some program production costs, its information is integrated into television programs (e.g., talk shows, interviews, game/quiz shows, health shows).

* All commercial messages appear in a cluster which is broadcast twice each day.

Radio advertising is purchased, and programs (including soap operas) are used. One approach novel to the Egyptian media environment is the use by the SIS of ten-second radio IDs. (The relationship between the SIS and FOF is discussed further in several other sections of this report.)

Another organization working to limit population growth is the Egyptian Family Planning Association. The EFPA has long been active in providing information on contraceptives and in delivering services. At this time, it is estimated to have about 400 centers. In comparison, the GOE Ministry of Health operates approximately 2,300 rural clinics and about 700 urban clinics. (Most of the urban clinics are hospital-based.) It is estimated that upwards of 50 percent of current contraceptive users receive services at MOH clinics.

The commercial sector, excluding the FOF, has a lesser role in Egyptian family planning. An unknown quantity of condoms is smuggled into the country and sold at 35 p. for three--a higher price than either FOF's Tops or Tahiti, which are supplied by the government to pharmacies. Searle, Schering, and others sell a variety of oral pills to the GOE for distribution through MOH clinics and pharmacies.* Also, pharmaceutical companies supply IUDs directly to physicians and provide training in insertion. It is estimated that the private sector, including the FOF, accounts for approximately 35 percent of all products supplied to those now practicing contraception in Egypt. The future of the private sector, and especially of the FOF, in family planning appears to be promising. The SIS baseline survey indicated that a large percentage (45 percent) of those intending to practice contraception in the future would go to pharmacies for information and services.

Data Available and Planned

There is no lack of research on family planning and related issues in Egypt. A number of studies exist or are in the stage of planning or data collection. However, existing studies seem to be flawed in various ways. Apparently, the sample design is flawed most often, and the respondents' veracity, too, may be questioned. Moreover, no attempt is made to synthesize existing data into a coherent whole that would indicate common findings among the studies; the patterns and generalizations that might be drawn; methodological similarities, strengths and limitations; and gaps where additional research is needed.

* Pharmaceutical commodities sold to the GOE by a private sector company cannot also be marketed directly by the pharmaceutical corporation through retail outlets to the public.

Two other problems in research seem apparent. First, there is little cooperation between the agencies and organizations in coordinating areas of inquiry, timing studies, or sharing results.* Second, it is unclear that research findings are systematically fed back into replanning.

The following is a brief outline of the studies and surveys that came to light during the investigation.

A. FOF Baseline Survey (1978)

Undertaken by Delta Business Services International (Dr. Mohey Khattab), this study was to be the foundation for FOF planning and program implementation. Metropolitan Cairo was studied. The sample included 1,225 respondents from 1,000 households. The data from this survey appear to be of questionable utility because:

- More than one respondent was interviewed in as many as 20 percent of the households. These multiple-respondent households were not analyzed separately as clusters, but were treated the same as all other respondents.
- Only about one-third of the sample was male. Interviews and callbacks were halted after 4:00 p.m. each day. This may partly explain why so few males were found at home.

Other sampling problems are also evident.

B. "Doctor's Survey in Greater Cairo" (Early 1979)

In all, 160 physicians (72 gynecologists, 60 residents in gynecology, and 28 general practitioners) were interviewed. It is not clear whether the sample was representative of the physician population. Given an adequate

* This lack of cooperation is not restricted to research areas alone, as is indicated in other sections of this report.

** This was probably done in Metro Cairo rather than in Greater Cairo. The portion of Greater Cairo not included in Metro Cairo covers an outer ring which may contain as much as 40 percent of the total area's population.

sample representation, the study's findings would appear to be useful for planning detailing efforts involving physicians, for continuing medical education in IUD insertion and other family planning areas, and for conducting follow-up research.

C. FOF Benchmark Survey (June 1980)

Using staff and volunteers, and a sample design and survey instrument reviewed by the American University in Cairo (AUC), FOF Director Effat Ramadan conducted, coded, tabulated, and analyzed a survey of 1,856 households in Metro Cairo. Mr. Ramadan does not claim that this was a rigorous, totally reliable study. But the data appear to be directionally useful when used descriptively. Moreover, this undertaking appears to have demonstrated that the FOF is capable of applying in-house resources to conduct quantitative research.

In this study, about 57 percent of the sample reported using contraceptive methods, with 44 percent citing oral pills, over 6 percent reporting use of Amaan (vaginal pill), 4 percent citing condoms, and 4 percent reportedly using IUDs. The results of the study have not been distributed, but they are used for internal FOF planning.

D. FOF Pharmacists Survey (June 1980)

Again, using staff and volunteers, Mr. Ramadan made a broad-scale survey of pharmacists' awareness, product preferences, customer relations, etc. The data have not been compiled.

E. SIS Baseline Survey (February-July 1980)

The SIS survey included 2,000 respondents, drawn to represent the entire country and to provide adequate representation of each government's urban and rural populations. It is possible that random sampling of households was inadequate, resulting in biased data. In reporting the findings, the SIS showed data for Cairo and Alexandria as one subsample. The survey was undertaken for the SIS by the Social Development Center of the University of Chicago. Analysis is ongoing. Only two of 15 planned reports have been prepared, but they have not been officially issued, although portions have been reported in the press. The reports contain considerable puffery, perhaps to improve their chances of acceptance by the GOE. Available findings show a high level of recognition of the country's population problems and

extremely strong predispositions toward family planning and contraception. Reported contraceptive usage among those sampled was 40 percent.

The study suggests a number of areas for FOF planning, such as immediate introduction of an oral contraceptive, and of areas in which the SIS and FOF can cooperate. For example, the two organizations could together promote pharmacies as outlets for contraceptives.* On the whole, the findings are so positive that a more sober, conservative viewpoint might be worth examining. For instance, it may be that:

- The sampling problem may have biased the results, making them overly positive.
- Claimed contraceptive usage (40 percent) may be overreported, for any of the following reasons:
 - respondents' attempts to appear to be "modern;"
 - respondents' efforts to give socially acceptable answers;
 - respondents' attempts to describe their reported contraceptive behavior so that it is consistent with their attitudes toward the national population problem and family planning as a national (though perhaps not personal) solution.

Whether or not the 40 percent figure is accurate, it is possible that contraceptive behavior may be incorrect, based on anecdotal reports,** or sporadic rather than regular. Also, the remaining portion of the population which is not contracepting may be difficult to convert, given the religious strictures against family planning, the perceived ineffectiveness of methods, and the perceived unhealthful side effects (as reported in the survey). A number of questions on the SIS Baseline Survey should be pursued. For example:

- Can Alexandria and Cairo be analyzed separately and with confidence?

* The study indicated that 45 percent of those who planned to use a contraceptive would go to pharmacies for family planning information or products.

** For example, women taking oral contraceptives only when their husbands are home from work abroad.

- Do other demographic variables besides sex* (e.g., age, education) show different levels of response?
- Are the data available to describe the demographic and attitudinal characteristics of contraceptors vs. non-contraceptors, and of persons who report intention to contracept (by method reported) vs. those who do not?

This survey is scheduled to be repeated, probably in late 1981.

F. State Information Service Monitoring (Ongoing)

During the SIS public information/education campaigns, awareness, attitudes, and reported contraceptive behavior are tracked over time, and data are collected. These monitoring efforts are often piggybacked onto pretests of SIS messages and materials. Monitoring questionnaires were not reviewed. Nor were methods for data collection and analysis.

G. SIS Pretests of Messages and Materials (Ongoing)

Beginning with the SIS program logo, numerous pretests of messages and materials have been made. Reportedly, urban and rural and male and female respondents are used (approximately 36 respondents per test). The tests purportedly are designed to elicit comprehension and reaction and are consistent with the methods developed and reported by Bogue and others at the University of Chicago.** There appears to be some question about how well the pretest findings and indicated action are used in revising and replanning messages and materials.

H. World Fertility Survey, Egypt (Early 1980)

This reportedly comprehensive and wide-ranging study is now being analyzed. The results have yet to be reported.

* Sex was the only demographic variable reported in the first two survey reports.

** See Jane E. Bartrand, Communications Pretesting, Media Monograph 6, Community and Family Study Center, University of Chicago, 1978.

I. Contraceptive Prevalence Survey (Currently in the Field)

This study by Westinghouse Health Systems* is using a random sample of rural Egypt. Data are now being collected.

J. Social Marketing Study for Initiating CRS in Greater Cairo and Alexandria Governments (Proposed)

Following submission of the Seims/Donald report (January-February 1980), the FOF and AID received a proposal from Delta Business Services International to conduct a wide-scale study for FOF expansion. The objectives would be: "identification of target populations, analysis of demand capability, analysis of current contraceptives supply capability, analysis of current communication-promotional activities, and analysis of perceptions of product usage and effectiveness." The supplier proposes to use virtually the same sampling design he employed for the 1978 FOF baseline survey (see "E" above). The proposal is not comprehensive. Most of the areas of inquiry (except the analysis of supply) will be covered by the numerous other existing or planned studies described above. More details are needed to determine whether the portion of this proposal on supply would be useful to the FOF in making management decisions.

Changes in Egyptian Family Planning Environment
Since Donald/Seims Report

Significant progress has been made since Donald and Seims reported their findings in January and February 1980. These changes suggest the need for several modifications in the recommendations contained in the earlier report and present several new opportunities that could not have been foreseen at the time.

One of the most important changes since early 1980 is the apparent correction of the erratic supply situation. The current supply system seems to be adequate for present and future needs. All products are in stock at retail. To meet distribution needs, 10,000 gross of Tahiti condoms were transferred from the MOH to the FOF and are being repackaged under the name

* According to AID Population Officer Tom Reese, a 1979 rural fertility survey was conducted, but has yet to be fully analyzed. A preliminary presentation will be made in December 1980. Also, in 1974-1975, a fertility survey was taken, but only minimal analysis and reporting were done.

"Tops." With the Tahiti condoms the FOF will be able to operate until the 6,000 gross of Durex condoms are received in late December from the IPPF. The transfer of stock from the MOH was an unprecedented gesture of cooperation between the GOE and the FOF.

Another indication of progress is the initiation and maintenance of the large-scale public information/education program of the SIS. (This effort is described elsewhere in this report.) The SIS effort includes institutional, or missionary, advertising and other communications activities. Within this framework the FOF can concentrate on building a brand franchise.

Considerable progress also has been made in public survey research. For example, pharmacists in Cairo have been surveyed. Unlike many other countries with retail contraceptive sales programs, Egypt may now be said to have a substantial amount of usable data for planning and for measuring progress.

Since the Donald/Seims review of the FOF program, new staff have been hired, and the number of individuals who report directly to the director has been reduced. A manager and an assistant manager for the volunteer division are now in place. An individual has been assigned public relations responsibilities. Currently, a sales and distribution manager and two representatives are calling on pharmacies and physicians, and another representative will be added this month. Also, two detail men will be added to the present four-man force before the year ends. A graphic artist has been added to the FOF staff, and a search is underway to select an assistant project director. When this latter position is filled, the number of FOF staff who report directly to the director will be reduced still more. (See Exhibit A, a planned organizational structure for the program in 1981.)

In the past year there have been two price increases which provide additional program revenue. The retail price of the Copper T was raised from LE 1.50 to LE 2.0. Amaan (Neo-Sampoo) was changed from a tube of 20 tablets for 30 p. to a package of 12 foil-wrapped tablets for the same price.

Donald and Seims indicated that sales reporting was an area that required attention and improvement. It now appears that a reasonable system of call reports and records and sales data is in place.

Exhibit A
ORGANIZATIONAL STRUCTURE
OF
"FAMILY OF THE FUTURE"

Board of Directors

Executive Committee

Mrs. Aziza Hussein, Chairperson
Mrs. Zohra Ragab, Secretary
Dr. Sadek Foda, Treasurer

Consultant to the Board

Dr. Maher Mohran

Project Director

Assistant Project Director
Public Relations and Board Affairs Coordinator
Secretary

Departments (7):

Sales and Distribution

1 Manager
6 Sales Representatives
5 Distribution Representatives
1 Administrative Assistant

Volunteers and Social Affairs

1 Manager
2 Administrative Assistants

Advertising and Publicity

1 Creative and Art Work
Supervisor

Follow-Up and Information

1 Manager
1 Administrative Assistant

Administrative and Warehousing

1 Manager
1 Chief of the Store
2 Administrative Assistants
3 Drivers
4 Messenger Boys

Scientific and Medical

1 Manager
1 Research Assistant
1 Communication Assistant

Accounting

1 Manager
1 Assistant Accountant
1 Clerk

III. GENERAL ASSESSMENT OF FOF

111. GENERAL ASSESSMENT OF FOF

The FOF is moving forcefully ahead in retail contraceptive sales. This movement is largely attributable to the program's director. He appears to have a solid business-marketing background (in the U.S.), a thorough knowledge of the unique features of Egyptian market forces, and an industrious approach to his FOF responsibilities, from grassroots retail work to upper-level relationships with many organizations and individuals.

AID is providing adequate (incremental) funding to the FOF and thus far has vested clear authority in the program's director to make and implement necessary decisions.

The FOF appears to have excellent relations with the volunteer organization, the Egyptian Family Planning Association.* Most important to the success of the FOF, however, are the relationships with the several GOE agencies. The GOE State Information Service is conducting a massive effort in public information/education. The Ministry of Health not only operates clinics that provide free family planning services, but also distributes oral pills, condoms, and Neo-Sampon to pharmacies, the primary outlet for FOF sales.

GOE and FOF efforts overlap. The redundancy is costly. The government and the FOF use separate logos, advertising (paid and assigned by the state-owned broadcast media), distribution systems, warehouses and inventories, and other program components. First impressions suggest that with better cooperation and coordination, substantial resources could be saved and overall family planning performance improved. However, further investigation suggests that the two systems should remain separate, but in a balanced state of moderate cooperation and competition.

The chances that the FOF will prosper and become institutionalized will be enhanced if the FOF is not tied to the government. Changes in government policy and programs should not be allowed to have an undue effect on the FOF.

FOF Director Effat Ramadan and his staff appear to be strong in several significant areas. They are skilled promoters and know how to provide incentives to the trade; they understand the motivation and needs of pharmacists and physicians in relation to family planning; they are aware of the marketplace, including competitive pressures from the government and the private sector; they have a substantial knowledge of the supply and distribution systems required to operate effectively in Egypt; they have the ability to influence and set wholesale and retail prices effectively; they possess an innate sense of strategic planning (although plans are not

* Mrs. Aziza Hussein, a key member of this association and president of the IPPF, is chairman of the Board of Directors of FOF.

properly or formally presented as marketing missions for which the necessary steps are specified).

At the same time, the FOF clearly needs technical assistance in the following areas:

1. Marketing Research

- Staff training is needed to conduct both qualitative and quantitative studies.
- Training is needed in the skills essential to research or participation in shared studies with the SIS or other organizations. Skills-training is needed to establish areas of inquiry (problem definition); to prepare a plan for analysis before data are collected; to design a methodology and sample; to analyze and interpret action indicated by research; and to use results for replanning.

2. Package Design

Assistance in designing contraceptive packaging should be obtained locally to ensure that cultural nuances are observed.

3. Establishment and Management of Advertising Program

This task includes development of a research-based communication strategy, creative broadcasting and execution of printed matter, media planning, buying, and monitoring. It is an issue whether these various skills should be entirely in-house. Some believe the FOF should retain an advertising manager who would purchase and supervise the services of an advertising agency or individual suppliers.*

* Recently, a graphic artist was hired for the FOF. The newspaper Al Ahram provides the media buying services used at this time.

4. Marketing Information System

The FOF needs assistance in establishing an effective marketing information system for gathering, processing, and reporting timely, adequate, and accurate data for decisionmaking. An improved internal records system (orders, sales, inventories, etc.) and a marketing intelligence system using field workers to gather data and to buy or establish other sources of information on the marketplace are needed.

5. Financial Planning

The FOF would benefit from assistance in sound budgeting related to sales, revenue projections, new product costs and payouts, and other aspects of marketing finance. One component of such assistance would be financial planning that leads the program to self-sufficiency (excluding commodity costs).

In addition to these necessary technical assistance services, it would be useful to have periodic, independent marketing audits of the FOF effort. These audits would cover objectives, implementation efforts, organizational structure, and management and control. The purpose of the audits would be to assess what is being done and to make recommendations for mid-course corrections and future action. For the next 18 months, semi-annual audits should be undertaken. Subsequent, annual audits would then suffice.

Given the consultants' assessments of FOF management strengths and needs, it is recommended that the current plan to provide contractor assistance, beginning in early 1981, be reviewed. Although the vehicle of a contract is to provide support, the scope of work of the current RFP should be reexamined to ensure that it neither forces the FOF to accept unnecessary services nor fails to identify those services which are needed.

IV. KEY PROGRAM ELEMENTS

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Products and Packaging

Egypt has a highly illiterate population (estimated at 60 percent - 70 percent of the total population). There is, therefore, an acute need, in both the private and public sectors, for easily understood, explicit instructions in the use of contraceptives. It is extremely likely that the high level of public mistrust of modern contraceptive methods (reported in the 1980 SIS Baseline Survey) is the direct result of a high incidence of failures of methods that are attributable to improper contraceptive use.

This general lack of appropriate instructions for contraceptive users characterizes the FOF product line. No use guides are included in any FOF condom package. The Anaan package contains a leaflet in Arabic and English, but the instructions, which are printed on the same sheet, differ in the amount of time that is supposed to elapse between insertion and safe intercourse. Moreover, the illustrations are difficult to follow.

It appears that the FOF project's first priority should be to develop a heavily pictorial, clearly captioned user's guide for each product, to thoroughly test the instructions for acceptability and clarity, and to make the instructions available as soon as possible.

A. Condoms

Tops, the FOF condom, is sold in a package of three for 5 p. GOE-subsidized Tahiti is sold in pharmacies for 1.5 p. per package of three; Durex, which is smuggled into Egypt, is sold for 35 p. per package of three.

At this time, the IPPF logo dominates the Tops package. Plans have been made to reprint locally the outer envelope, with the FOF logo substituted. It is reported that Egyptians' loyalty to brands and packages is so great that other changes are not warranted at this time.

According to the SIS Baseline Survey, 4.5 percent of the 41 percent of the population reporting current use of contraceptives* cite condoms as their method of choice. Condom use ranges from a high of 6.3 percent in the Cairo/Alexandria sector to a reported low of 1.2 percent in rural areas. Of the approximately 59 percent of the total population who know of family

* It is not stated in the SIS study report that respondents were limited to those of fertile age. Consequently, some respondents who reported non-use of contraceptives may have been beyond reproductive age.

planning but are not currently contracepting, 80 percent indicate at least a willingness to consider family planning at some point in the future. Of this subset, 1 percent identify the condom as the prospective method of choice.

Using these figures, the current market for condoms can be described as follows:

Table 1

	<u>Egypt</u>	<u>Greater Cairo</u>
Total Population	42,000,000	10,000,000*
Women at Risk	10,500,000	2,500,000
Percent of Women at Risk of Contracepting	41%	69%
Percent of Women at Risk Using Condoms	4.5%	6.3%
Number of Current Condom Users	193,725	108,675
Percent of Women at Risk, Potential Users	.5%	.25%
	(.59 x 18 x .01)	(.31 x .8 x .01)
Total Number of Potential and Current Users	243,285	114,875
Number of Condoms Used/ Couple/Year	120	120
Total Projected Condom Sales/Year (Pkg. of 3)	9,731,400	4,595,000

* There are no consistent estimates for the Cairo area population. We choose to use 10MM for Greater Cairo and 6MM for Metro Cairo.

If each year* the FOF project sells only 1.6 million (533,333 packages of three) of the condoms available in 67 percent of all pharmacies in Greater Cairo, if the government-subsidized "cheap" condoms are as unacceptable to pharmacists and to the public as is popularly reported, and if all other

* See Donald/Seims report, February 1980.

condoms are "smuggled" into the country, it seems unlikely that 13,785,000 condoms* per year are being distributed** in Greater Cairo. It may be that some of those who are reporting condom use as the method of choice are, at best, irregular users.

Again, from a review of the results of the 1980 SIS Baseline Survey, consumers appear to have two primary objections to increased acceptance and sales of condoms throughout Egypt. One, the 19 percent of the population who know of the condom as a family planning method feel that it is "a little" or even "very unsafe" to their health. Two, only 51 percent of that same segment of the population think that condoms are a "very" or even "moderately" reliable family planning method. The introduction of a higher priced condom may be found to be helpful in overcoming the negative product image of low method-reliability, but this assumption should be carefully tested before any action is taken. It should be remembered also that a new, higher-priced condom will have to be differentiated from the current Tops product, which is lubricated and colored. In the opinion of Effat Ramadan, procurement of a lubricated, spermicidal-coated condom will be necessary.

It is the opinion of the consultants that the most cost-efficient and immediate means of increasing the acceptance, use, and sales of FOF condoms is to heavily emphasize in all Tops advertising and promotion, as well as in all FOF face-to-face programs, the importance of regular condom use and the worldwide record of method reliability and safety.

The decision to introduce a higher-priced condom to the FOF product line should, in the consultants' estimation, be postponed until the emphasis in advertising and promoting the current Tops product is modified and the resulting new level of market penetration is analyzed. In any event, before a new condom is procured, a careful study of prospective product demand and of packaging and introduction costs should be made to determine the cost-efficiency and net-profit of such a move.

* Based on Table 2: 4,595,000 pkg. x 3 condoms/pkg.

** Distributed versus sold, since some condoms may be obtained at government clinics. Given the time required to obtain free government condoms and the negligible cost of both GOE and FOF condoms, it seems unlikely that government clinics are a heavy source of condoms in the urban Cairo setting.

B. Foaming Tablets

The FOF project sells Neo-Sampoon under the brand name "Amaan" in 12-tablet packages for 30 p. The Government of Egypt sells Neo-Sampoon--so named--in tubes of 20 for 20 p. Larophin is available at 79 p.

The current package design for Amaan appears to be weak, both in aesthetic appeal and brand identification. In addition, no FOF logo appears on the box. At the very least, evolutionary changes should be made to give visual importance to the name "Amaan," relative to the name "Neo-Sampoon," especially in anticipation of the eventual discontinuation of the supply of Neo-Sampoon through USAID channels. New package designs should be developed and tested, and the best choice designated as soon as the process can be implemented so that proposed changes to the package can be presented and approved at the February 1981 meeting of the Pharmacists' Association.

At this time, according to the SIS Baseline Survey, product awareness and acceptability are very low throughout Egypt as a whole. SIS findings indicate that only 0.4 percent of the contraceptors in the sample use foaming tablets, and that none of the non-contraceptors who plan at some time in the future to use family planning cites foaming tablets as the method of choice. (The fact that no one names foaming tablets may be attributable to a lack of knowledge of rather than aversion to the method.) Of those interviewees who claim to have a knowledge of foaming tablets as a contraceptive method, 51 percent believe it is "a little" or "very unreliable" and 37 percent believe it is "a little" or "very unsafe" to their health.

The FOF Benchmark Survey (June 1980) presents findings on the acceptance and use of foaming tablets in Greater Cairo; these findings are not so negative as those of the SIS report. In the FOF survey, 56.6 percent of the sample indicate current contraceptive use. Within this group, foaming tablets enjoy a greater franchise than either IUDs or condoms. All three methods combined, however, represent only 30 percent as great a share as oral contraceptives.

It appears then, that the original projection* of future sales of Amaan was too high and that a more modest estimate should have been made. Given available sales data and the fact that supplies of Amaan were irregularly available in 1980, it seems unlikely that the FOF project could have sold to date one million tablets. Effat Ramadan is projecting that sales of Amaan for next year will increase 30 percent over 1980 sales.

Despite the rather bleak survey findings on current market awareness and product acceptance, the consultants believe that Amaan can become a

* See Donald/Seims report, February 1980.

sound, secondary product in the FOF line. A heavy campaign of method awareness is needed. Such a campaign has been launched, at least in part, with the listing in SIS mass media advertisements of five modern contraceptive methods, of which foaming tablets is one. In addition, FOF advertising and face-to-face programs need to stress method reliability and safety. Certain forces at work in the market seem to bode well for future sales of Amaan. These are (1) a high price, relative to other FOF and government contraceptive products, which will make Amaan an attractive item for promotion by pharmacists; (2) the capacity for intermittent, yet effective, use of Amaan, especially in view of the increasing numbers of Egyptian men who are working abroad and visiting their homes only infrequently; and (3) the fact that pregnancy is usually a more direct concern of women than of their partners and that Amaan is a "woman's" method.

C. Oral Contraceptives

Oral pills constitute by far the largest share of the contraceptive product market, with 71 percent of all contracepting couples using them.* Of all current non-users of family planning who have indicated that they plan to begin contracepting at some time in the future, a full 71 percent say that their method of choice will be oral pills.** This predisposition of potential contraceptors to orals suggests that the market for pills in Egypt will continue to grow, exceeding the currently high demand.

The consultants recommend as the first new product in the FOF line a low-dose oral contraceptive. This product should be added as soon as possible. At this time, no low-dose pill is being distributed by the GOE through its pharmacy distribution system. Consequently, if it acts soon, the FOF program can introduce such a pill without offering competition to government products and without being bound to the strictures of government-subsidized prices.

Eight orals ranging from 13 p. to 32 p. per cycle are available through pharmacies. Three are available in government clinics for 5 p. per cycle. In such a relatively crowded field, brand positioning and product differentiation are especially important. The fact that the proposed FOF brand and pill would be low-dose, as opposed to the government-supplied brands and all but two of the commercially available brands, which are higher-dose products,

* See SIS Baseline Survey.

** See SIS Baseline Survey.

should be used to advantage. As is the case with sales of Amaan, sales of pills are restricted to pharmacies.*

The current and potential market for oral contraceptives can be described as follows:**

Table 2

	<u>Egypt</u>	<u>Greater Cairo</u>
Total Population	42,000,000	10,000,000
Women at Risk	10,500,000	2,500,000
Percent of Women at Risk of Contracepting	41.0%	69.0%
Percent of Women at Risk Using Oral Contraceptives	71.2%	61.0%
Number of Current Users Not Currently Contracepting but Predisposed	3,065,160	1,052,250
Percent of Women at Risk, Potential Users	33.5% (.59 x .8 x .71)	17.6% (.31 x .8 x .71)
Total Number of Potential and Current Users	6,583,920	1,492,450
Number of Cycles Used/ Couple/Year	13	13
Total Projected Sales/ Cycles/Year	85,590,960	19,401,850

* A plan of action should be conceived and implementation steps designed now to effect a possible future change in government policy which would allow sales of oral pills and foaming tablets outside pharmacies.

** See SIS Baseline Survey.

The findings of the FOF Benchmark Survey of Greater Cairo indicate that 44 percent of the sampled women at risk use oral contraceptives. Two percent of those sampled stated that when they begin contracepting they will choose oral pills as the method. It is the opinion of Effat Ramadan that, in the first year after the introduction of pills to the FOF product line, the FOF brand will take 5 percent of the current pill users in Greater Cairo (2,500,000 women at risk x 44% using pills x 5% share of FOF brand = 55,000 brand-switchers), plus the 2 percent who are predisposed to pill use but who are not contracepting at this time (2,500,000 x 44% x 2% = 50,000 new users). At 13 cycles per year per user, projected sales in the first year would be 1,365,000 cycles, or 7 percent of the total Greater Cairo market (See Table 2).^{*} This does not appear to be an improbable goal.

As with other contraceptive methods practiced in Egypt, there is a disconcerting distrust of oral pills, despite their almost universal use. Seventy-five percent of the SIS sample who claim to have a knowledge of the pill state that it is "a little" or "very unsafe" to the health of all users, and 25 percent say that the pill is "a little" or even a "very unreliable" contraceptive method. Clearly, a massive campaign must be mounted which communicates the relative safety of pill usage, but also clearly identifies those who should not be pill users, and the high contraceptive reliability of the pill. It would be most advantageous for the SIS mass media campaign to carry the burden of this "institutional" advertising and for the FOF campaign to concentrate on brand awareness and product differentiation. Explicit, easily understood, even pictorial, instructions must be included in each package. Anecdotal evidence of the high incidence of misuse is common.

It may be that the most effective and cost-efficient way to introduce a FOF oral contraceptive is to use Amaan as an "overbrand" for all female contraceptive products. Thus, there would be Amaan foaming tablets and Amaan oral pills. This idea should, however, be carefully tested, especially to prevent the transfer of a negative image from the foaming tablet to the oral pill.

D. IUD

Between January and September 1980, 27,828 units of the copper IUD were sold, although 60,000 had been projected for the calendar year.^{**} Nevertheless, the IUD remains a high revenue-producing item in the FOF line.

^{*} It should be noted that the market does not distribute free pills through government clinics. Clinics charge 5 p. per cycle of oral contraceptives.

^{**} See Donald/Seims report, February 1980.

Of course, it is particularly salable; when coupled with an insertion fee, it becomes a profitable item for doctors.

Currently, the FOF-brand Copper T is sold at pharmacies for LE 2, but two-thirds of total IUD sales are made directly to physicians and clinics. Since the GOE does not supply price-subsidized IUDs to physicians in private practice or to pharmacies, and since non-FOF-brand IUDs retail for LE 5 or more, the FOF brand could enjoy a particularly advantageous position in the IUD market especially if, as Mr. Ramadan has noted, a Copper 7 device were made available under the FOF name. The Copper 7 is, reportedly, the IUD preferred by many physicians in Greater Cairo. Few additional costs would accrue to the program with the introduction of a second copper IUD, since all FOF advertising and promotion are, simply, for "the copper IUD." Consequently, there is no need to redesign the advertising, although a change in product name on packaging would be necessary. Detailing expenses remain constant whether one IUD or two IUDs are promoted. It appears, then, that a second copper IUD in the FOF line has the potential to increase revenue easily. The consultants recommend, therefore, that the Copper 7 be added to the FOF product line as soon as it can be procured.

The SIS Baseline Survey shows that 15.8 percent of the contracepting sample use the IUD as a family planning method. According to the same study, 20.8 percent of the contracepting sample in Cairo and Alexandria use the device. In fact, throughout Egypt the IUD is second only to oral pills as the contraceptive method of choice. The positiveness of this sample's response is tempered somewhat by another SIS survey finding. When asked, "If you were to start using family planning, would you consider using the IUD?" almost as many respondents answered "definitely no" (43 percent) as answered "possibly" or "definitely yes" (48 percent). The most often mentioned side effect is bleeding.

Although it is difficult to gauge the future of the IUD market, because of the apparent discrepancy between the method use rates in the SIS Survey (20.8 percent) and the use rates for Greater Cairo in the sample drawn in the FOF Benchmark Survey (4 percent), Effat Ramadan projects a 100 percent increase in 1981 sales, given the addition of a second IUD to the FOF product line. Of the total increase, 60 percent would be derived from continued sales of the Copper T and 40 percent from sales of the Copper 7.

Pricing

A. Pricing Environment

Egypt presents an unusual situation: the AID CRS price-subsidized products are not the lowest priced contraceptives available through commercial channels. (See section on products and

packaging for retail prices.) The Government of Egypt force-feeds contraceptive products (price-subsidized through MOH/AID supply agreements) to pharmacies which sell them at prices even lower than the prices of FOF products. It is reported, however, that GOE low-cost goods are not selling well in the private sector for two reasons. One, they are not attractive to pharmacists, who would accrue little or no profit by selling them. Two, the popular belief is that anything free or "cheap" can hardly be good.

Although the average annual per capita income is given as only 300 LE, all basic food prices are government-subsidized, a practice that makes most foods easily afforded by all. (See Table 3.)

Table 3

<u>Item</u>	<u>Cost</u>	<u>Quantity</u>
1 Loaf Bread	1-2 p	3-6 Loaves/Day/Person
1 Kilo Imported Meat	3 LE	1 Kilo/Month
1 Kilo Beans	35-50 p.	½ Kilo/Day/Family of 5
1 Kilo Rice	15 p.	1 Kilo/Day/Family of 5
Tea	10 p.	Day/Person
Egyptian Cigarettes	35-40 p.	2 Packs/Day/Smoker
Imported Cigarettes	75 p.	2 Packs/Day/Smoker

The minimum wage for non-agricultural workers is set at 25 LE per month. In Greater Cairo, however, only 15 percent-20 percent of the working population is limited to the minimum wage. Janitors regularly earn 30 LE per month. A young couple, both college graduates, working in entry-level public sector positions may earn jointly an estimated 70 LE per month. With inflation at 35 percent-50 percent and public sector jobs under wage restrictions, relatively uneducated tradesmen are, it is reported, among the highest wage earners in Cairo today.*

* Wage and price data are derived from several sources, including Dr. M. Khattab of the DBSI.

B. Determination of Optimum Prices

In a market like Greater Cairo, where a one-month supply of FOF contraceptives (12 x Amaan, 12 x Tops, 1 x cycle of pills) costs 20 p.-- which is 1 percent of the income of even the lowest 15 percent of workers-- where government-subsidized, commercially available contraceptives cost even less, and where more than half the population spends 30 p.-70 p. per day for cigarettes, the FOF project is not, unlike many AID CRS programs, in a position to make contraceptives unavailable to potential users by increasing prices.

It appears, however, that there should be concern that current decisions not lock-in the prices of FOF products at so low a level that future need for project self-sufficiency (excluding commodity costs) either cannot be met or can be met only after considerable political maneuvering. The consultants believe that examination from this perspective of current price structures should be made an important aspect of the recommended technical assistance in financial planning.

Several viable ways of increasing project revenues without adversely affecting acceptor rates seem to exist. First, price increases in 1980 in the retail costs of the IUD (from 1.50 LE to 2 LE) and of Amaan (from 30 p. for a tube of 20 to 30 p. for a pack of 12) to cover imposed import duties were not rolled back when the duties were rescinded. Sales have not fallen. Second, a higher-priced condom could at some point be introduced to the FOF product line. It appears to the consultants, however, that a more appropriate revenue-increasing scheme would be to market now a packet of 12 condoms following adequate testing. Offering a larger number of units per package will not only enhance the chances of more regular contraceptive use (a man may be assumed to use condoms more often if he has a convenient supply), but also decrease packaging costs and provide--because of the higher price--a greater profit incentive to pharmacists to promote product sales. The introduction to the FOF product line of a "mid-price" (20 p. per cycle) oral pill and a second type of copper IUD* is a third way to increase current revenue.

* See discussions of these items in section on products and packaging.

Distribution and Sales

A. Sales Outlets: Current Status and Potential Expansion

There are 2,000 pharmacies in Metro Cairo, and FOF product distribution has been established in 80 percent of them. The density of pharmacies and their importance in the Egyptian culture are such that distribution through pharmacies alone* is considered to be at least adequate for present project needs.** (It should be noted that Tops is the only FOF brand permitted to be sold outside pharmacies.) Although distribution of condoms through outlets such as kiosks and barbershops may later be found to be advantageous to product sales, it appears now that the first priority for the expansion of distribution outlets should be to transfer coverage from Metro Cairo to Greater Cairo. Such a move would increase the number of pharmacy outlets available for FOF product distribution by 300-400 and the market population by approximately 4 million.

It is the consultants' opinion that expansion of distribution from Metro Cairo to Greater Cairo and the addition of two new products to the FOF line--oral pills and a second IUD--will require at a minimum one full year of concentrated effort. Only after these moves have been consolidated should FOF product distribution be expanded to the Alexandria market.

B. Sales Incentives

The FOF sales and distribution program uses three primary incentives to increase sales of products to pharmacies. The first combines a 20 percent discount with an offer of free goods equal to 10 percent of the order. The second incentive allows relaxed payment terms (30 days) for any order of LE 50 or more. The third, which will be put into effect at the

* There is at this time one non-pharmacy distribution outlet, the FOF clinic/office, where Effat Ramadan reports increasing direct sales of products to doctors and users. If a decision is made to open FOF satellite clinics or FOF clinics in cooperation with private physicians, the feasibility of using the new clinics as additional product outlets should be considered.

** Forty-five percent of the SIS baseline sample who indicated they intended to begin family planning state that they expect to find family planning products and information at pharmacies. Indeed, pharmacists in Egypt often are quasi-physicians, making diagnoses and prescribing treatments.

beginning of 1981, offers a free counter-top product display rack to each pharmacist who orders a gross of Tops. While these sales incentives certainly appear to be well founded, their full costs should be analyzed as part of financial planning.

C. Commercial Vs. In-house Distribution

The commercial distribution of FOF products is handled by Soficopharm (or Sofico), a distribution firm that was recommended to FOF by Schering. Soficopharm representatives reportedly operate only as order-takers and deliverers of ordered goods to pharmacies (FOF staff handle detailing and the delivery of goods to doctors) and, at that, only to "key" pharmacies. At the moment, FOF staff enroll all new pharmacy outlets and make follow-up calls to ensure product delivery and to gather feedback from retailers.

Effat Ramadan feels that Sofico's distribution services are inadequate for FOF needs and is, therefore, building up an in-house sales and detailing team and studying the possibility of securing program-financed vehicles for its use. He estimates that he can operate this in-house distribution system--selling directly to medical doctors and pharmacies--for less (15 percent) than it costs the FPF project to sell through a distributor (20 percent). This estimation should be carefully quantified and formally projected, and other single distribution firms and firm combines should be evaluated before large investments in staff and equipment are made.

D. Detailing

Detailing to physicians is handled by a staff of four (two more detailers will be added January 1) and is limited primarily to the promotion of the IUD. Although Schering already provides to physicians some training in IUD insertion, interest among practitioners in receiving training appears to be so great that the FOF project will shortly begin its own professional education program.

E. Product Supply

It is imperative that consistent product supply be maintained in order to cultivate loyalty to a brand and to maintain user/method continuation rates. Supplies of FOF products appear to be adequate for current demand, but inventory control must be well monitored and lag times in delivery

anticipated. Procurement procedures for the addition of any new product to the FOF line should be initiated well in advance of date of need.

Communications

There are five aspects to a comprehensive communication program for the FOF: advertising, publicity, promotion, face-to-face instruction, and professional education. Although each of these components was discussed and face-to-face instruction observed, there was insufficient time to make an in-depth assessment of FOF communication efforts.

There is considerable duplication of GOE efforts. Effat Ramadan is on an advisory panel for the SIS information/education program, but little cooperation is evident. Not even media schedules are coordinated. Since neither the SIS nor the FOF appears to have a written, comprehensive plan, neither side can do much to analyze and prepare on the basis of each other's activities.

Advertising copy of the SIS and FOF was shown to the consultants, but translations were not provided. Communication strategies may or may not support each other. In light of available research, it appears that a reasonable division of communication responsibilities would be as follows:

State Information Service

1. Reinforce positive predispositions toward family planning and contraception.
2. Inform the public of the various available contraceptive methods and their use.
3. Familiarize the public with the outlets (including pharmacies) where contraceptives are available.
4. Counteract the perceived religious strictures against contraception, method ineffectiveness, and unhealthy side effects.

Family of the Future

1. Establish brand awareness and promote sales through differentiation (build brand franchises).
2. Familiarize the public with the brands available in pharmacies and from physicians (IUDs).
3. Place some emphasis on brand effectiveness and safety.

A. Advertising

The FOF advertising effort should be reviewed and technical assistance provided in setting up and managing an effective brand-related advertising program.

Four FOF "songs" have been produced for radio. One is designed to create awareness for FOF, another for Amaan, a third for the Copper T, and a fourth for Tops. These "songs" have been pulled from the air for lack of media funds, but the plans are to resume the broadcasts with AID funding. No FOF advertising on television is planned. Newspapers and magazines are used frequently,* although illiteracy rates are high (60 percent-70 percent).

B. Publicity

It appears that the FOF has made some use of opportunities to obtain publicity in the print media, to reach both the public and influential Egyptians. In television, the FOF, like the SIS, has been able to disseminate family planning information through talk shows, game shows, health programs, and the like. More publicity should be planned and executed systematically.

C. Promotion

The FOF has developed a point-of-purchase display unit for pharmacies. It is designed to display Tops, but it also carries the names "Amaan" and "Copper T." Decals are being prepared for pharmacies to indicate availability and to promote FOF products. The FOF has a variety of small promotional items, such as plastic bags, posters, and coasters. However, it has been receiving recently promotional materials (e.g., pens and bags) from the SIS, which has produced a wide variety of items, including coasters, plastic dishes, key chains, match books, paperweights, etc. The utility of these items has not been determined.

* Prior censorship of media must be reckoned with when developing copy. There is one censorship board for the four government-owned radio stations (one station with no commercials and three which accept commercials) and one board for television. The newspapers have their own internal censorship systems. The fact that the GOE Minister of Information sits on the Supreme Council for Family Planning is said to be helpful to efforts to resolve the issue of prior censorship.

D. Face-to-Face Instruction

Face-to-face instruction is an important and impressive aspect of the FOF operation, which uses a force of 100-150 volunteers,* and is an apparently effective supplement to mass media. Interpersonal communication presents opportunities to demonstrate contraceptive methods, answer questions, obtain feedback from the audience, and distribute product samples. Currently, samples of Tops are provided, but plans are underway to sample Tops and Amaan together. These face-to-face instructional gatherings, called "rallies," are held at work sites, at sports and social clubs, in government settings, and at other sites. Physicians are in attendance. In addition, five other volunteers provide individual instruction in food purchasing lines, in open markets, and occasionally door-to-door. Lists of physicians who will insert IUDs at reasonable cost are also provided during group and individual instruction sessions.

Effective, attention-getting audiovisual materials are needed for these "rallies" and are now being produced. In addition, five-minute films produced by the SIS are available for use.

The volunteers were trained and used to conduct the 1980 FOF Benchmark Survey and the 1980 survey of pharmacists.

Measures of change in knowledge, at least, would be useful in assessing the effectiveness of the FOF volunteer rallies.

E. Professional Education

The FOF employs four representatives who detail physicians and pharmacists. Two more detail men, in addition to a second sales and distribution representative, will be added in December 1980. The 1979 Doctors' Survey in Greater Cairo suggested that physicians (especially general practitioners) would be receptive to continuing education sessions on IUD insertion and other aspects of family planning. Pharmacists appear to be primarily profit-motivated, but they, too, seem receptive to the idea of acquiring more information on family planning, in keeping with their role in Egypt as important providers of health and medical advice.

* These volunteers are college seniors or graduates awaiting army service or jobs. They are recruited through ads, are screened and interviewed, and given a ten-day training program and cognitive test. Among the volunteers, turnover is estimated to be 40 percent per year.

All in all, professional education appears to be important to the expansion of FOF sales and revenues. A combination of "push" (professional education) and "pull" (consumer education) strategies needs to be better articulated. Professional education warrants expansion.

As was stated earlier, SIS communication efforts, which are funded in part by AID, are important to institutional, or missionary, advertising. The better and more effective the SIS effort, the more promising the market for FOF. From a standpoint of management and administration, it would seem to be in the best interests of all concerned if the SIS program were reviewed and recommendations for necessary improvements made. It is recommended that an independent communications marketing consultant be retained as soon as possible to audit efforts in mass media, interpersonal communications, promotion, and research.

Marketing Research

Despite the disparities in demographic data,* the difficulty in drawing samples, the reported perception among Egyptians that interviewing is somehow "foreign" and designed to gather tax information, the lack of trained interviewers and coders, the difficult travel and communication conditions in rural areas, and the considerable time and cost required, an enormous amount of survey data on Egyptian family planning has been compiled.

More broad-scale studies do not appear to be warranted at this time. The SIS Baseline Survey, and especially the World Fertility Survey and the Contraceptive Prevalence Survey, should provide a reasonable base of data on fertility and contraceptive awareness, knowledge, perceptions, and reported behavior. There are significant reasons why government and FOF efforts in Egypt must often be redundant and parallel. Nevertheless, it is difficult to justify the lack of cooperation and coordination in the visible area of research for planning and evaluation.

For the FOF, and for Egyptian family planning per se, it is important that AID serve as a catalyst in efforts to properly synthesize and place in perspective research for planning and for measuring progress.

There appears to be little or no need for the FOF to conduct broad-scale, baseline studies on fertility and contraception. The FOF should

* The last Egyptian census was conducted in 1976. Immigration to Cairo has since added considerably to the population, and the reliability of the original data seems to be questioned by program planners and researchers.

instead concentrate its research on areas of inquiry more specific to its own marketing activities.

The marketing and advertising industries in Egypt appear to be in a period of growth. Research suppliers who are part of this industry are likely to become larger, more numerous, and more skillful. However, it appears that, compared to the ad hoc efforts of SIS/CSD and FOF, the efforts of current suppliers to conduct reasonably priced, actionable studies are no more successful.

This situation, plus the administrative skills of the FOF director and his growing core staff and volunteer force, argue for the development and maintenance of most research capabilities in-house. The FOF recently conducted two surveys with minimal outside help: the 1980 public baseline survey and the survey of pharmacists. The methodologies and the coding, tabulation, and analysis of both studies should be reviewed so that future in-house studies can be improved.

There appears to be little need for the FOF to contract with outside suppliers for the kinds of research required to make marketing decisions, including brand development and new product introduction. However, the FOF director has indicated that for political reasons it may be necessary to use outside researchers. These political decisions can be made locally, with the assistance of the AID population officer, case by case. They will not be addressed in this report.

The systematic, periodic research necessary for FOF marketing development and expansion falls into four areas: current brand and product information, communications research, new product-concept testing, and professional/retailer surveys.

A. Current Brand and Product Information

If the SIS monitoring surveys are well structured and conducted, and if the SIS will include brand-related questions, useful tracking information can be obtained for the FOF.

However, more in-depth information will be needed to understand and develop each brand's franchise and potential. Qualitative studies (either depth interviews or focus groups) should be made and used to construct brand-user profiles that include such characteristics as age, family size/life cycle, income, occupation, education, social class, product benefits sought, usage rate (e.g., constant, frequent, occasional), and loyalty to brand.

Also, the degree of correct and incorrect use must be probed. Given existing data (survey and anecdotal information) and the apparent poor quality of instructions for product use, it may be hypothesized that there is a considerable degree of improper contraceptive usage. This may partly explain the high levels of response in the SIS Baseline that virtually all methods are unreliable and ineffective.

A related issue is the need to establish baseline levels of user satisfaction and dissatisfaction with a brand. These levels will change as product/brand usage and correct usage increase. It will be necessary to probe dissatisfactions especially. For example, a high percentage of respondents sampled by the SIS baseline survey considered "weakness" a side effect of oral contraceptives. In a nation where word-of-mouth is a predominant means of information dissemination, users' perceptions are especially important.

The FOF should conduct these qualitative studies using its own trained staff. The quantitative follow-up to confirm the findings should be undertaken by the FOF only if the SIS cannot be persuaded to add a battery of questions stemming from the FOF qualitative studies.

B. Communications Research

The FOF should pretest prototype advertising for broadcast and print before the messages are carried by the media. These are tests of comprehension and reaction. The purposes are to choose among alternative executions and to obtain diagnostic information to improve individual messages.

Such pretesting is not strategic, since strategies must be based on more quantitative data, such as the SIS Baseline Survey, the Contraceptive Prevalence Survey, and the World Fertility Survey.

Pretesting of messages is not especially complex, and the methods for testing are well established. The FOF will require staff training, a standard approach tailored to its own needs, and the management's commitment to make this an ongoing, periodic activity.

The same pretests should be applied to booklets and other written information,* redesigns for current brand packages, and package instructions.

A second area in communications research is the periodic application of tracking studies to continually assess brand and advertising recall. If

* The FOF may not need to produce the items, since the SIS is involved in producing and distributing a wide variety of such materials.

possible, this should be appended to a well constructed SIS monitoring system or some other shared information-gathering system.

C. New Product-Concept Testing

Small-scale test markets are conventionally used to assess the trial, usage, and repeated purchase of new products, overall levels of consumer acceptance, levels of advertising and promotion, price variables, and other aspects of a marketing mix. These in-market tests are preceded by concept-testing and tests of product use that often involve a selected consumer panel.

Given the Egyptian market, the national scope of the media, distribution difficulties, street sales of products, etc., it appears that test markets will be very difficult, if not impossible, to use. Therefore, new decisions on products probably will depend heavily on the results of qualitative tests of concepts and small-scale tests of product use.

In testing a concept, the following should be considered.

1. Product Type

For example, an oral contraceptive pill can be concept-tested among current pill users and also among women who are willing to try oral pills. Perceptions about the new product can be compared to perceptions about existing brands, as well as to perceptions about the "ideal" brand. Such attributes as effectiveness, health/safety, and value for the money should be weighed.

2. Brand Name

Name-testing, including testing of an extension of the Amaan name to other female contraceptives (e.g., an oral pill)* and of Tops to other condoms, should be conducted.

* This may be useful in consolidating advertising and promotion messages, but counterproductive if negative feelings about Amaan as a vaginal pill are transferred to the new oral product.

3. Package Size and Design

In addition to new packages, existing packages should be tested as well. The current Amaan package seems unappealing. It must be revised in any event in anticipation of the removal of the word "Neo-Sampoon" from the label.

4. Selling Promise and Appeals

These aspects will be assessed as part of new product-concept testing.

5. Price

Although consumer responses to price variations are not as useful as observations of consumer behavior in actual purchasing situations, different price levels can be assessed in qualitative testing.

Once all the elements of a new product are set, it would be advisable to place the product, in its final form (including name, package instructions, size, design, and selling promise), with a user panel for a specified amount of time. Data on user satisfaction and dissatisfaction would be analyzed and any necessary revisions made before the product's full introduction to the market. Since the product performance of an oral pill or condom will be known, the usage test will deal primarily with the characteristics described in Item 1.

D. Professional/Retailer Surveys

In the FOF operation, physicians and pharmacists are both health professionals and retailers. Physicians sell or insert IUDs and counsel patients on other methods of contraception. Pharmacists have a unique role in the Egyptian health care system. They freely dispense medical advice, are said to provide prescription medicines without prescriptions, and are found in neighborhoods of nearly every social class. The FOF has surveyed both physicians and pharmacists. These surveys must be assessed, standardized, and repeated periodically (probably annually). The studies should

include small panels, or cohorts of respondents followed from study to study, and also a representative sample of new respondents. The image of the FOF and its services, attitudes toward public advertising and promotion by the FOF, practices in patient education, product and brand preferences, IUD insertions (for physicians), and related areas* should be covered.

It seems clear that Effat Ramadan has the background and managerial skills to use technical assistance in training staff to recruit respondents, conduct qualitative studies, and interpret results. The two staff members whom he has chosen will require training and experience, but both appear to be capable individuals. Ms. Nesma Ragab, for example, has some experience in research and recently completed over 150 individual case-study interviews with women on the subject of family planning.

As an initial step in preparing an approach to FOF qualitative research, discussions were held with Mr. Ramadan on uses and methods, recruitment of respondents, development of moderators' and interviewers' guidelines as substitutes for more structured questionnaires, methods for conducting qualitative sessions, and non-quantified approaches to interpretation and analysis. Materials were left with Mr. Ramadan and additional readings were suggested.**

Neither Mr. Ramadan nor the consultants feel that the staff are quite ready to organize actual focus groups using recruited respondents. Training has been difficult because neither staff member is fluent in English. Both will receive English-language instruction. Mr. Ramadan will instruct his two staff members, and they will then organize a series of focus groups and conduct trial depth interviews.

The next step will be to identify specific areas in which qualitative studies will be conducted (see above) and to begin actual work.

* The studies of physicians and pharmacists are in addition to the sales data that will be gathered as part of the normal operation of the FOF distribution system.

** Because Mr. Ramadan has had substantial experience with focus groups in the U.S., the discussions were all the more profitable.

V. RECOMMENDATIONS

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The following is a complete list of the recommendations found throughout this report.

1. Work should begin as soon as possible to synthesize the many research surveys now in hand or in the field to determine common findings among the studies; identify patterns and generalizations; identify methodological similarities, strengths, and limitations; and locate gaps where additional research is needed.
2. The analysis of SIS baseline data should be speeded up so that the information can be used in FOF and SIS planning while the findings are still current. If possible, the Alexandria and Cairo subsamples should be reported separately.
3. The proposal from Delta Business Services International should not be implemented until currently available data have been studied. This will prevent the implementation of yet another, overlapping study. Additional broad-scale research studies in contraception and family planning should not be conducted at this time.
4. The FOF should receive as soon as possible technical assistance in marketing research, package design, advertising, effective information marketing, and financial planning. The contractual vehicle to provide these services should not be constructed so that it hinders the FOF director's ability to pursue program objectives. The scope of work in the RFP should be reexamined to ensure that it provides only what the FOF needs and not unnecessary technical assistance.
5. Marketing audits independent of those of the FOF and its anticipated contractor should be made every six months for the next one and one-half years and annually thereafter.
6. New instructions for users of FOF products should be designed, tested, and printed on packages as soon as possible.
7. The FOF logo should replace the IPPF logo as one feature of the redesigned Tops package.

8. A higher-priced condom should not be introduced until other, more pressing introductions and expansions are made. Testing of the current Tops product in 12-pack form should be considered.
9. The package for Amaan should be redesigned, tested, and presented for approval at the February 1981 meeting of the Association of Egyptian Pharmacists.
10. A low-dose oral contraceptive should be added to the FOF product line as soon as possible.
11. The Copper 7 IUD should be procured and added to the FOF product line in the near future.
12. The prices of FOF products should be analyzed now as part of overall financial planning to ensure that future project revenues are adequate to maintain the program at required levels of self-sufficiency.
13. The distribution of products should be expanded immediately into the outer areas of Cairo to ensure that the entire Greater Cairo area is covered by the FOF.
14. The expansion of the FOF program into Alexandria should be delayed until full coverage and consolidation in Greater Cairo are achieved and the new oral pill and IUD have been introduced.
15. Analysis of the full cost of FOF sales incentives should be part of the recommended technical assistance in financial planning.
16. Before considerable expansion of the in-house distribution system is undertaken, a full analysis and justification should be made to show that this step is indeed more cost-efficient than available commercial distribution services.
17. The SIS and FOF should make a greater effort to coordinate their public communication efforts so that the two programs can better support and reinforce each other. Comprehensive written plans are required for both organizations.
18. As part of the technical assistance in advertising, FOF publicity efforts should be reviewed, planned, and expanded.

19. Effective, attention-getting audiovisual materials should be pretested and produced for rallies organized by the FOF volunteer force. In addition, simple, knowledge-change assessments should be made to ensure that the information provided by the FOF at these sessions is understood.
20. A combination of "push" (professional education) and "pull" (consumer education) strategies seems to be working, but these strategies should be better articulated. More professional education should be provided.
21. AID should retain an independent communications and marketing consultant, or consultant team, to conduct a thorough audit of the mass media, interpersonal, promotional, and research efforts of the SIS.
22. The FOF should concentrate its marketing research on areas of inquiry that are specific to its own marketing activities. The capabilities necessary to conduct this research should be established in-house. There is little need to contract with outside suppliers to purchase the kinds of research required to make decisions on FOF marketing.
23. FOF research should focus on four areas, and technical assistance should be provided to establish adequate systems for qualitative and quantitative studies. The four areas are:
 - current brand and product information;
 - communication research, including pretests of messages and materials and tracking studies on brands and advertising/selling promise recall;
 - new-product copy-testing; and
 - professional and retailer surveys.
24. Procurement procedures for any new product to be added to the FOF line should be initiated well in advance of date of need.