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THE FUTURES GROUP • 1101 FOURTEENTH STREET, NW •
WASHINGTON, DC 20005 • USA • (202) 347-8165 •
TELEX: 955439 INTL DIV ATTN FUTURES WASH

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The Futures Group has initiated a series of Occasional Papers under its SOCIAL MARKETING FOR CHANGE (SOMARC) project. Research and strategic marketing activities supporting SOMARC's contraceptive social marketing implementation and technical assistance programs around the world are generating a continuing stream of findings and practical assessments of potential interest to the professional CSM community.

All of the papers in this series will be brief and focused. Topics will relate chiefly to the research and management aspects of in-country CSM programs--interesting recent research results, new developments in technical approaches, success of alternative program strategies, and the like.

We hope that you will find SOMARC's Occasional Papers interesting and informative. In almost all cases, further details on the topics presented are provided in other SOMARC documents. For access to these documents or for further information, please address a request to:

Ms. Katherine Willson
Manager, Information Services
SOMARC/The Futures Group
1101 Fourteenth St., NW, Suite 300
Washington, DC 20005

LESSONS LEARNED FROM THE DUALIMA CONDOM TEST MARKET

Mary Debus
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SUMMARY: A three-city test market was conducted before the national rollout of the DuaLima condom in Indonesia. Results of the test market were used to modify the marketing strategy in order to avoid potential conflicts and increase the cost-effectiveness of the full-scale campaign. This paper reviews the test market design, presents the results and addresses the key findings.

INTRODUCTION

A test market assesses the effectiveness of a marketing strategy via the small-scale launch of a new product. Its aim is to pretest one or more proposed marketing strategies by looking at product performance in limited parts of the market. One of the main values of a test market is learning about unsuspected problem areas and opportunities connected with the marketing mix of a new product and adjusting the marketing strategy before the full-scale launch.

A test market was designed as part of the introduction of the DuaLima condom to the major urban areas of Indonesia. DuaLima was the first product launched by the IBK-SOMARK CSM project. The aim of the campaign was to introduce the condom as a family planning device and to dispel popular negative notions about condoms by presenting them as clean, reliable and for use within marriage. The name DuaLima ("two, five") was chosen because it is easily pronounced and remembered, and a simple hand gesture could be used at the time of purchase. It also relates to age 25, considered the ideal age for a man to father his first child.

DuaLima advertising features a small, middle-class family emphasizing the fact that DuaLima is family oriented. The logo and packaging reiterate the "two, five" theme, and the simplicity of the two-five hand design on the package reinforces the idea of quality and respectability. The condom itself is clear and colorless. The DuaLima condom was introduced in 3- and 12-piece packs.

The test market was conducted in three pilot cities as the first phase of a 3-phase rollout. The results of this test market were then used to modify the marketing strategy before the implementation of Phase 2--the introduction of DuaLima into Jakarta, Indonesia's largest urban center. Ultimately, Phase 3 extended the campaign to six additional cities. The combination of the 3 phases of the national rollout then covered the ten largest urban population centers in Indonesia.

TEST MARKET DESIGN

Goals

Five goals for the DuaLima test market were defined by project management:

- o Determine target audience awareness of, and attitudes toward, DuaLima.
- o Assess DuaLima's standing in comparison to other brands.
- o Assess the relative impact of different channels of the mass media campaign.
- o Evaluate the current DuaLima marketing strategy against specific marketing objectives that had been set for the brand.
- o Establish marketing goals for the next phases of the DuaLima introduction.

Site Selection

The three geographically diverse cities of Surabaya, Bandung and Medan were chosen for the test market because they allowed project planners to assess regional responses.

Duration

The test market was designed to last 3½ months in order to allow project planners to obtain a view of repurchase and brand switching behavior since the condom is a product that, if used consistently, requires a fairly rapid rate of repeat purchase. The 3½-month time frame was also sufficient to evaluate the intense advertising component of the campaign.

Tracking

A series of retail audits tracked DuaLima distribution and sales. The retail audit was conducted in the three target cities among 50 apotiks (pharmacies) and toko obats (drugstores), which carried DuaLima condoms. Each outlet was visited every six weeks, in three phases. Each phase consisted of two visits, one week apart. The data collected included brands stocked by package, quantity of stock by brand, past week sales and selling price.

The tracking survey tracked consumers' awareness, attitudes and purchase intentions regarding the new condom. The target audience for this survey was a randomly selected sample of men aged 18-49. All were in the lower socioeconomic classes (C, D and E) and none was currently trying to have a child. The men were then subdivided into three groups: (1) married current condom users, (2) married nonusers of any reliable contraceptive method and (3) bachelors. This division was chosen to provide information on DuaLima's performance among meaningful market segments. It was not designed to be a national probability sample, but rather to represent the target audiences for DuaLima.

RESULTS

DuaLima's performance in the early phases indicated a national rollout was justified. Awareness, trial and repurchase rates achieved test market objectives:

- o Total unaided awareness of DuaLima was 55 percent, 10 percent higher than the target objective.
- o Trial among condom users was 33 percent, 8 percent higher than the objective of 25 percent.
- o Repurchase intent was high at 82 percent.

Overall, DuaLima showed enough promise that project management projected it would capture a viable share of the marketplace.

Product

A closer analysis of the DuaLima test market data revealed no major problems among users of the new condom. Consumer satisfaction was acceptable (53 percent liked it). The test market revealed that 14 percent of purchasers were separating the 12-packs in order to purchase six condoms at a time. This finding indicated potential consumer interest in an intermediate (6-pack) size package. The addition of a 6-pack to the product line would also increase shelf exposure of DuaLima.

Price

The majority of consumers viewed DuaLima's price as average, while 19 percent perceived the price to be cheap. These data indicated that an increase in price might boost sales if higher cost is seen as an indication of increased quality. Data also indicated the potential for a higher-priced line extension.

Place

The retail audit of apotiks and toko obats allowed project planners to collect data on the stock levels, sale and actual selling price of the condoms. They concluded that the salesmen were generally effective in placing DuaLima at retail outlets since 82 percent of all outlets studied were carrying DuaLima at the close of the test period. Stock inventories of DuaLima, however, were lower than those of competing brands. The problem was that at identical profit margins (in percentage terms), retailers received higher returns from sales of higher-priced brands and were inclined to carry these rather than DuaLima. To combat this, the marketing team developed additional incentives to gain trade support and also developed a plan to increase the margin offered to the retailer.

Promotion

The test market also provided DuaLima decision makers with information on the mix of promotional activities. The promotion was generally successful in generating awareness and initial use of the DuaLima brand. DuaLima's performance was also evaluated against that of its competitors. In the 3½-month test period,

DuaLima was able to generate a substantially higher top-of-mind awareness level (43 percent) than older, successful brands such as Kingtex (8 percent) and Young-Young (5 percent).

Since the advertisement of condoms was unprecedented in Indonesia, it was also important to ascertain that the heavy mass media promotion would not lead to a "backlash" from consumers or potential adversaries. No serious potential conflicts were reported.

The promotional budget for the DuaLima campaign was originally allotted for a mix of print (37.1 percent), public relations (24.4 percent), outdoor advertising (15.8 percent), radio (10.2 percent), point of sale (9.3 percent), and direct mail (3.2 percent). This reflected the distribution planned for the national level. An analysis of the data found radio to be the most effective medium for generating awareness, with 80 percent of those aware of DuaLima advertising claiming radio as the source. Based on this finding, program planners increased the media allocation for radio and decreased the allocation for newspaper advertising, since only 33 percent of those aware of DuaLima cited newspapers as a major source of awareness. Additionally, billboards were found to be more effective than expected (27 percent cited these), especially when they were placed along the highway, as opposed to dispersing them in communities. Cinema ads were shown not to be as effective as anticipated (4 percent cited these) and the decision was made not to spend additional funds on them, as was originally planned.

Awareness

A key program goal was to increase the awareness of the condom as an effective contraceptive method among men, since they often play a major role in contraceptive-use decisions. Test market results revealed success in this area. First, overall unaided awareness of contraceptive methods in general, including condoms, increased among the target audience:

- o Pill awareness rose from 62 percent to 72 percent.
- o IUD awareness rose from 56 percent to 63 percent.
- o Condom awareness rose from 68 percent to 77 percent.

Second, the test market results showed an increase in positive attitudes toward condoms. Lastly, the results showed encouraging initial (3 percent) and regular (1 percent) usage of DuaLima condoms among those who had never used any contraceptive method before.

FUTURE OPPORTUNITIES

Finally, the test market also revealed new opportunities and strategies to increase condom market growth. For example, the DuaLima survey found that condom purchase was a joint decision between husband and wife for 32 percent of those trying the new product. This suggested targeting the wives of condom users in future campaigns. The data also revealed perceived pros and cons of condom use such as "good for spacing" and "a hindrance during sex"; these data suggest promotional strategies that could be used to convert nonusers to users. Data also suggested the promotion of regular use as another possible strategy since 34 percent of all condom users reported that they did not use a condom every time they had intercourse. A "user-reminder" strategy later in the life of the campaign could address this issue.

CONCLUSIONS

The DuaLima test market provided CSM project planners with specific findings that were utilized in the national rollout. Most promising was the finding that nonusers were trying and using DuaLima condoms because it suggests that the DuaLima promotional campaign is reaching its intended audience. Results also suggested a more cost effective allocation of resources than was originally planned. The test market also pinpointed potential problems, such as the lower incentives to retailers to sell DuaLima. The results of this test market clearly indicate the need for analyzing each segment of the marketing mix as early as possible in order for decision makers to realistically evaluate a campaign and modify it before implementing a national rollout.

KEY FINDINGS OF THE DUALIMA TEST MARKET

- o Results showed encouraging initial and regular usage of Dualima among never-users in the target audience.
- o Consumer satisfaction with the product was 53 percent.
- o Total awareness of Dualima (aided and unaided) was 81 percent.
- o Awareness of Dualima advertising was 78 percent, with 80 percent of that awareness coming from radio. The use of this medium was increased in the national rollout.
- o Trial of Dualima among condom users was 33 percent; among never-users and noncontraceptors it was 3 percent.
- o Consumer interest may warrant the introduction of a 6-piece pack. This would increase Dualima shelf exposure.
- o Consumer perception of the Dualima price indicates a price increase or a higher-priced line extension may be justified.
- o Placement of the product by salesmen was adequate but inventories were low. Incentives to gain trade support and increase the price margin were indicated.
- o Overall awareness of contraceptive methods and positive attitudes toward condoms increased during the test market.