

Mobilizing the Commercial Sector for Public Health Objectives

A Practical Guide

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BASICS

BASICS (Basic Support for Institutionalizing Child Survival) is an innovative five-year international public health project funded by the United States Agency for International Development (USAID). USAID has been a leading partner in the global effort to meet the challenge of child survival, and BASICS is the largest USAID program in this field. BASICS provides both technical leadership and practical field programs for reducing infant and childhood illness and death worldwide. The project operates programs in Africa, Asia, Latin America, and in the New Independent States (NIS). BASICS provides these countries with cost-effective child survival interventions and serves as a technical resource to those around the globe who design and implement child survival health programs. The project also collaborates with a wide range of nongovernmental organizations, other donors, and public health institutions.

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Table of Contents

Acknowledgments	iii
List of Figures	vii
Chapter 1. Introduction	1
Chapter 2. Exploring How the Private Sector Can Help Save Children’s Lives	5
The Commercial Sector	9
The Public Sector Complements the Commercial Sector	11
The Dynamics of Commercial Marketing and Distribution	13
Factors Motivating Commercial Firms	21
Prerequisites for a Successful Public/Private Partnership	22
Chapter 3. A Hypothetical Public/Private Conversation	23
Chapter 4. Identifying Opportunities for Public/Private Partnerships	29
Step One: Analyze the Target Audiences	32
Step Two: Assess the Product Environment	39
Step Three: Assess the Market	41
Step Four: Investigate Manufacturers and Suppliers	43
Step Five: Investigate MOH Policies, Priorities, and Plans	47
Step Six: Explore the Resources of Other Organizations	48
Step Seven: Substantiate the Potential for a Partnership	49
Chapter 5. Case Study: Launching a Partnership	51
Promoting ORS Commercialization in Bolivia	53
Overview	53
Creating the Partnership	54
Approaching the Target Companies	54
Profiling the Consumer	56
Building a Product Identity	56
Building the Relationship	56
Creating an Advertising Strategy	58
Launching the Product	58
Pricing the Product	59

The Partnership in Action	59
Conclusion	59
Chapter 6. Building a Partnership for Public Health Objectives	61
A Task Force Approach to Partnership	63
Step One: Establish a Task Force	63
Step Two: Agree on Objectives	64
Step Three: Identify Potential Incentives	65
Step Four: Select Potential Partners	67
Step Five: Approach Potential Partners	67
Step Six: Request an Economic Feasibility Study	70
Step Seven: Negotiate a Partnership	71
Step Eight: Develop the Marketing Plan	71
Step Nine: Implement the Marketing Plan	73
Step Ten: Enhance the Impact	74
Step Eleven: Maintain an Effective Partnership	79
Step Twelve: Monitor and Evaluate the Intervention	81
Chapter 7. Conclusion	83
Bibliography	87
Glossary	89

List of Figures

Figure 1.	Potential Public/Private Collaborations in Maternal and Child Health .	4
Figure 2.	ORS Distribution in Pakistan	8
Figure 3.	ORS Sales in Pakistan	8
Figure 4.	Sample Pharmaceutical Promotion for Physicians	15
Figure 5.	Distribution of Pharmaceuticals in Mexico	17
Figure 6.	A Comparison of Prescription and Nonprescription Products	18
Figure 7.	Consumer-Oriented Poster for an ORS Product	20
Figure 8.	A Map of Consumers for an ORS Intervention	35
Figure 9.	Estimating the Theoretical Market for ORS in a Hypothetical Country	42
Figure 10.	Assessing the Capabilities of Potential Commercial Sector Partners .	46
Figure 11.	Criteria for Assessing Companies' Capacity	55
Figure 12.	Package Design for New ORS Product	57
Figure 13.	Ranking of Potential Commercial Partners for ORS Intervention . . .	68
Figure 14.	Example of Cost Analysis for a Product	70

CHAPTER I

Introduction

I. Introduction

Public health budgets are shrinking worldwide, just as populations swell. The result is that the illnesses of children are multiplying. Governments are increasingly recognizing that they cannot fully meet the health needs of their people relying only on public resources.

The potential is also being acknowledged for collaboration between the public health sector and commercial producers and distributors of health-related products to effectively meet the challenge. Governments increasingly view commercial suppliers—considered in the past to be more interested in earnings than in the public welfare—as willing and useful partners for pursuing and supporting public health objectives. Commercial producers increasingly view government officials—perceived in the past to be authoritarian and needlessly obstructive—as capable, responsive partners for public health–related activities.

Mobilizing the commercial sector does not entail subsidizing production or otherwise funding a commercial company’s operations. Instead, it involves motivating commercial partners to take responsibility for sustainable production, distribution, and promotion of public health–recommended products. The goal is to eventually provide only initial support to launch such commercial ventures.

Alliances among government agencies, commercial enterprises, and international donor organizations formed to achieve public health objectives are becoming increasingly common and productive. Examples of this pioneering work include fortification of food with vitamin A or iron, iodization of salt, and marketing of essential drugs, particularly ORS (oral rehydration salts). Figure 1 outlines possible public/private partnerships to improve maternal and child health.

The purpose of this guide is to provide the map, compass, and tools needed to explore and develop alliances between the public and private health sectors. It has been written for health professionals worldwide who face the challenge of enhancing public health while struggling with limited resources, ranging from government officials to donor agency staff and social marketing consultants.

This guide describes the process for conducting an initial exploration of the potential for a public/private partnership in a given commercial and health environment. It enumerates steps to be taken to establish the partnership and identifies the roles and responsibilities of each partner. The guide then details the activities the partnership should plan to achieve the public health objectives it sets.

Alliances between the commercial and public sectors are more than an area for possible exploration; they are becoming essential. Partnerships that result in affordable health products, behaviors, and programs present universal benefits.

Figure 1. Potential Public/Private Collaborations in Maternal and Child Health

Maternal and/or Child Health Problem	Intervention and/or Product	Commercial Partner
Vitamin A deficiency	<ul style="list-style-type: none"> ■ Vitamin A supplements ■ Foods fortified with Vitamin A 	<ul style="list-style-type: none"> ■ Vitamin A manufacturers ■ Food manufacturers
Iron deficiency	<ul style="list-style-type: none"> ■ Iron supplements ■ Foods fortified with iron 	<ul style="list-style-type: none"> ■ Pharmaceutical manufacturers ■ Food manufacturers
Iodine Deficiency	<ul style="list-style-type: none"> ■ Iodized salt ■ Foods fortified with iodine 	<ul style="list-style-type: none"> ■ Salt producers ■ Food manufacturers
Malaria	<ul style="list-style-type: none"> ■ Insecticide-treated bed nets ■ Antimalarial treatment and prophylaxis 	<ul style="list-style-type: none"> ■ Textile/synthetic fibers manufacturers ■ Insecticide manufacturers ■ Pharmaceutical manufacturers
Diarrhea	<ul style="list-style-type: none"> ■ ORS for dehydration ■ Soap for handwashing ■ Chlorine for water disinfection 	<ul style="list-style-type: none"> ■ Pharmaceutical manufacturers ■ Soap manufacturers ■ Chemical manufacturers
ARI	<ul style="list-style-type: none"> ■ Antibiotics ■ Timers 	<ul style="list-style-type: none"> ■ Pharmaceutical manufacturers ■ Equipment manufacturers
Immunizable Diseases	<ul style="list-style-type: none"> ■ Vaccines ■ Cold chain equipment 	<ul style="list-style-type: none"> ■ Biological manufacturers ■ Cold chain equipment manufacturers

CHAPTER 2

Exploring How the Private Sector Can Help Save Children's Lives

2. Exploring How the Private Sector Can Help Save Children's Lives

Many young children in the developing world continue to die from preventable and treatable diseases. Finding new ways to save children's lives is therefore an urgent need. Mobilizing the resources of the private sector in the developing world is one way to make more broadly available the treatments that can save children's lives.

In many countries, the public health infrastructure reaches less than 40 percent of the population. In Indonesia, for example, only 28 percent of mothers turn to government health facilities for assistance when their children have diarrhea (Muhuri, Anker, and Bryce, forthcoming 1996). When a child is ill in Indonesia—as in most other developing countries—the parents or other caretakers most often seek help from pharmacists, private practitioners, and neighborhood shopkeepers. Unfortunately, these entrepreneurs have remained outside most public health programming activities. Public health–recommended products—such as oral rehydration salts (ORS), insecticide-treated bed nets, iodized salt, iron supplements, chlorine bleach, and antibiotics—are not readily available from commercial sources in developing countries. Caretakers of children therefore cannot obtain these products at crucial moments in the progression of the children's diseases.

The private sector has the potential to take such products beyond the boundaries of the public health system into the pharmacies and other shops where parents seek help when their children are sick. Well-established commercial product promotion and distribution networks can be used to make public health products available to even the smallest retail outlets and informal distribution systems. These products will then be more accessible to the caretakers of young children who urgently need them.

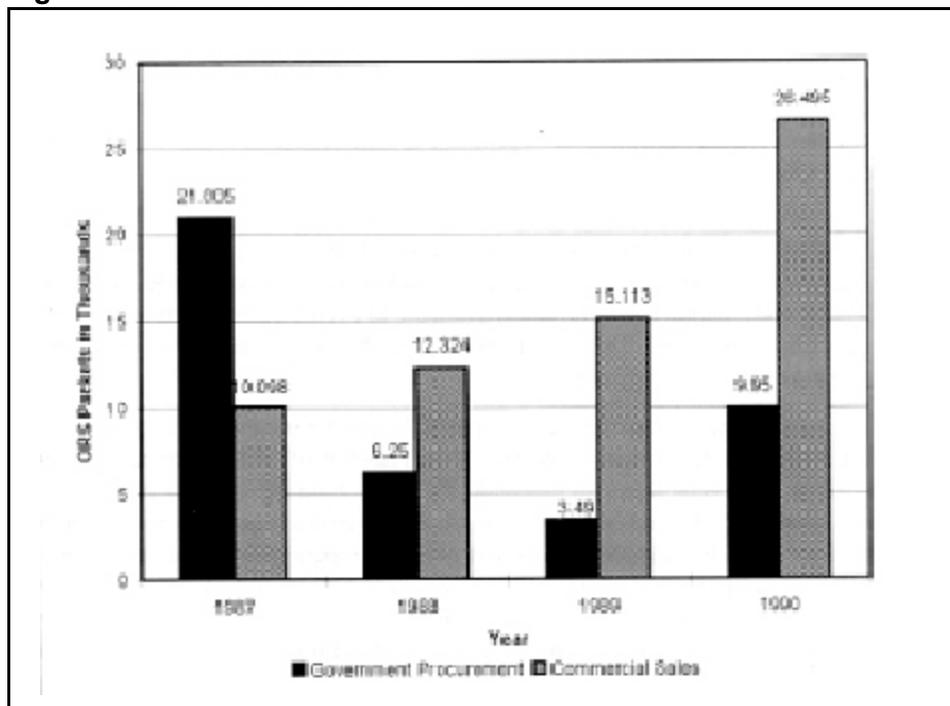
An outstanding example of the potential of the private sector relates to the treatment of diarrhea. It has been demonstrated repeatedly that promotion of ORS by companies' medical representatives is a major factor in changing the prescribing behavior of physicians and pharmacists. However, ORS and other public health–related products generally are not promoted this way. Private physicians and pharmacists have not been properly informed about or convinced of the value of such products, and, as a consequence, they fail to recommend them. Recommendation and use of more expensive antibiotics, antidiarrheals, and other largely ineffectual—but aggressively promoted—drugs for diarrhea dwarf ORS use in most countries.

How can the resources of the private sector be tapped to promote the well-being of children? One way is for health officers within international agencies or other interested parties to serve as catalysts for forging partnerships between the public and private sectors.

Figure 2. ORS Distribution in Pakistan

In Pakistan, the Ministry of Health could not sustain financially the free distribution of ORS through the public health system. The U.S. Agency for International Development arranged for an assessment of the capacity and interest of commercial ORS manufacturers in expanding distribution and promotion of the product. This led to the development of a generic marketing plan for ORS. In addition, three manufacturers implemented their own marketing plans and invested their own resources to increase ORS sales throughout the country. The number of ORS sachets sold by the private sector grew from 10 million in 1987 to 26 million in 1990, and the effort has since become self-sustaining (Ferraz-Tabor and Jansen, 1991).

Figure 3. ORS Sales in Pakistan



Source: Ferraz-Tabor and Jansen (1991, 15).

The Commercial Sector

In discussions of public health–related topics, the term “private sector” is generally used to refer to nongovernmental organizations (NGOs), private health providers, and the commercial sector. This guide focuses on the commercial sector—suppliers of health care products and their supporting infrastructure. It illustrates how to tap into the resources of the commercial sector to improve the health of mothers and their children. Below is an outline of the types of firms and actors that comprise the commercial sector and the private health sector.

COMMERCIAL SUPPLIERS OF HEALTH CARE PRODUCTS

- **Pharmaceutical companies** manufacture and actively market their products. Some companies deal directly with private health care providers to satisfy existing demand and to create new demand. Their products are available by prescription only. Other companies manufacture “over-the-counter” products, which are available to consumers without a prescription. Some pharmaceutical companies are, for all practical purposes, simply manufacturers. They do little marketing and supply their products on demand only, typically to governments or donor agencies.
- **Soap manufacturers, marketers, and/or distributors** mass produce, distribute, and promote soaps. These businesses could potentially include messages on the health benefits of handwashing with soap on their products and in their promotion materials. The distribution infrastructure of these businesses often reaches the most remote rural areas.
- **Bed net manufacturers** produce synthetic or cotton bed nets, which offer protection from mosquitos that carry malaria. If treated with a safe insecticide, bed nets can actually help reduce transmission of malaria.
- **Chemical manufacturers** produce chlorine bleach, which is used to wash laundry by most households, even in rural areas. Chlorine also serves as a water disinfectant for purifying drinking water and cleaning fruits and vegetables. Other chemical manufacturers produce insecticides for treating bed nets.
- **Salt, sugar, and other food manufacturers** can enrich their products with micronutrients. Iodization of salt involves a relatively simple technology that is accessible to all major commercial salt producers. Sugar manufacturers and dairies in many countries have added vitamin A to their products, and milling companies are fortifying flour with iron.

- ***Distributors and wholesalers*** distribute producers' goods to retailers. They have the capacity to reach remote retailers on a regular basis.
- ***Retailers*** sell medicines and other health-related products, either exclusively or in sections of their stores. They provide the link between products and their users and are often de facto health advisors to the community. Retail outlets include pharmacies, over-the-counter drugstores (medicine shops), supermarkets, corner groceries, market stalls, kiosks, and peddlers' carts.

Supporting Infrastructure

Commercial suppliers interact with a supporting infrastructure of highly specialized service organizations. These organizations have the potential to contribute to public health objectives through data-gathering, information dissemination, and communications:

- ***Electronic media***, primarily TV and radio
- ***Print media***, such as newspapers, magazines, and professional journals
- ***Advertising and public relations agencies***
- ***Market research agencies***
- ***Health insurance companies***
- ***Manufacturers' associations***

PRIVATE HEALTH CARE PROVIDERS

This sector includes a diverse group of health professionals and health organizations that provide care directly to patients and provide advice to caretakers. These providers form an important link between the commercial sector and consumers:

- ***Private physicians, nurses, paramedics, and unlicensed practitioners***
- ***Midwives***
- ***Private hospitals***
- ***Employer-sponsored health clinics***
- ***Group clinics/practices and health maintenance organizations***
- ***Pharmacists and other drug sellers***, who are often the first choice for health advice
- ***Professional schools***—for example, medical, nursing, and pharmacy

- **Professional associations**—for example, of doctors, nurses, and pharmacists

The Public Sector Complements the Commercial Sector

The actions and policies of different government ministries affect the activities and priorities of the commercial sector in a variety of ways. The public sector can bring this influence to bear in ways that serve public health goals. Although the potential role of many ministries is outlined below, the ministry of health should be the primary focus for any effort to explore and build public/private partnerships.

MINISTRY OF HEALTH

To implement national health programs in such areas as maternal and child health, preventive medicine, or primary health care, the ministry of health (MOH) issues policies, develops plans, and implements activities at the central and regional level that affect the commercial sector. For example, a national policy that stipulates that every diarrhea patient who reports to a government health center will receive two ORS sachets for home treatment creates demand for commercial ORS products and provides a ready distribution channel.

- **Drug regulatory authorities** within the MOH approve the production, importation, and marketing of drugs on a national scale. The drug regulatory body therefore wields considerable influence over companies. In many countries, it has established an essential drug list, and the products on this list form the core of MOH drug procurement. It can expedite or delay the approval of a new drug or withdraw an existing drug from the market (e.g., if it is shown to have serious side effects). The agency also has the power to allow specific drugs to be sold over-the-counter. As a result of this power, drug manufacturers and importers seek to maintain good relationships with drug regulatory personnel.
- **National health planners** within the MOH play a key role in developing health policy and in determining how health programs will be financed, and they work closely with their ministry of finance and with international agencies to carry out these tasks. The policies and programs instituted by these officials can have a significant impact on the commercial sector. For example, cost-recovery and fee-for-service programs may be instituted to alleviate the public sector burden for financing health care. But such programs can also help create more favorable conditions for the

commercial sale of health products because the public becomes more accustomed to paying for health services.

- **Health education units** within the MOH develop communications strategies to target both the population at large and specific groups, such as health workers, mothers of young children, and community volunteers. These units usually work closely with parastatal or private broadcasting media to create TV and radio programs that are aired as public service announcements (PSAs). PSAs can promote the use of public health products in a generic manner, thereby supporting parallel commercial promotion of the same products. Health education units also have a wealth of experience working with community-level organizations and reaching remote audiences. This experience can be of great value to commercial firms that seek to expand their reach.
- **MOH purchasing and supply departments** select and procure drugs and medical supplies for the public health system. Purchases from local and foreign suppliers are usually made at the central or regional level, using open tenders (which are often renewed on an annual basis). For companies, these tenders can be an opportunity to increase sales volume and to thereby utilize idle production capacity and reduce unit cost. The tender business is also a way to draw public attention to a company's brand-name products, or, in the case of generic products, to the company's name (and capacities).
- **Public health delivery systems** include a vast array of health facilities, from teaching hospitals to rural health centers. These systems employ a large pool of health personnel and are potential clients for health products companies.

MINISTRY OF EDUCATION

The formal education system plays a key role in influencing the health behavior of school children, who in turn may influence the behavior of their parents, siblings, or other family members. In addition, medical, nursing, pharmacy, and other professional schools that train health care workers are often housed in universities and other institutions that are under the ministry of education (although they are sometimes under the ministry of health). Sophisticated pharmaceutical and food companies start to build relationships with future health care professionals while they are students, conducting orientation visits, sponsoring educational and extracurricular activities, providing internships, and even offering scholarships and grants. The faculty members of medical, nursing, and pharmacy schools are often carefully targeted by health product companies because they can exert tremendous influence on current practitioners and future generations of health professionals.

MINISTRY OF FINANCE

The ministry of finance sets and implements national policies on prices, taxes, and financial incentives. It also controls access to hard currency—and food and drug imports are not always considered a priority when hard currency is limited. The finance ministry can grant tax exemptions for imports of raw materials for foods and drugs, and it can lower trade barriers and tariffs for certain health-related products or equipment.

MINISTRY OF INDUSTRY AND COMMERCE

This ministry regulates local industries and sets policies for import/export activities. In some cases, it directly manages parastatal industries from which the government procures, such as food, salt, and drug manufacturers. When the commercial sector builds contacts and mechanisms for coordination with this ministry, it can transform the public/private relationship from a rivalry to a partnership, to the benefit of both sectors.

MINISTRY OF INFORMATION

This ministry controls the media, broadcasting system, and general flow of information. It regulates programming and sets censorship standards for the public broadcasting system. This ministry can provide free or subsidized air time for public or commercial messages that serve public health goals. Commercial firms can exploit this potential marketing vehicle by producing generic messages on issues related to their products and services to be aired as public service messages—for example, promoting handwashing as part of a soap campaign.

The Dynamics of Commercial Marketing and Distribution

Manufacturers of public health–recommended products distribute through a wide variety of channels. They often promote their products directly to consumers through radio, television, billboards, and other forms of advertising. They may forge direct links with health providers and retailers. Understanding the variety of marketing and distribution channels used by commercial suppliers can help identify potential public/private partnerships.

MARKETING PHARMACEUTICALS THROUGH HEALTH PROFESSIONALS

Manufacturers of pharmaceuticals market their nonprescription (over-the-counter, or OTC) and prescription products differently. Nonprescription (over-the-counter) products are marketed directly to consumers and are distributed to general retail outlets. Prescription products are promoted through professional communication with health providers and are distributed only to licensed drug outlets. Some health care providers dispense drugs directly to their patients, but in most countries they give patients a prescription to be filled at a drug outlet. Even so, the reality in many countries is that drug retailers dispense drugs to consumers without a prescription.

The primary way pharmaceutical companies reach the medical community is through medical representatives, often called the detail force or sales force. These individuals are specially trained salespeople whose job is to vigorously promote the company's products. They typically visit the offices of 200–300 physicians each month (or promotional cycle) and conduct one-on-one meetings with physicians. They talk about current clinical studies related to their products and try to persuade physicians of the relative advantages of their products. In general, they promote only three or four products during each visit.

Major pharmaceutical companies have developed sophisticated promotional programs to make the most of each sales visit. They use appealing and well-produced materials to outline the products' advantages and benefits. They give samples to spur physicians to try new products or increase their use of existing products. Promotional items (e.g., prescription pads or desk accessories) are sometimes left to remind physicians of particular products. Figure 4 shows a prescription pad distributed by Searle/Pakistan.

Medical representatives also conduct similar interpersonal promotions with pharmacists, nurses, and hospital purchasing agents. Medical representatives are a major source of information about advances in treatment and new products, especially for rural practitioners. They have the potential to convince practitioners to change their prescribing habits. To complement the activities of their medical representatives, companies often sponsor medical association conferences or seminars, particularly on topics related to the company's products.

Conventional wisdom in the pharmaceutical industry is that, to be successful, non-prescription products must first be highly credible with medical professionals.

Figure 4. Sample Pharmaceutical Promotion for Physicians

Every child has the right to survive!

Cover



Interior

Peditral
A PALATABLE WAY TO
MANAGE DIARRHOEA

Peditral *Prevents dehydration*
It counteracts the dehydration that is
the usual result of acute diarrhoea.

Peditral *Reduces fever and
relieves discomfort*
It soothes sore throats,
prevents and relieves oral
and ear infections,
and relieves acute
conjunctivitis.

Peditral *Prevents convulsions*
A safe, specially designed for
children, it is used to all convulsions
and prevent acute febrile
convulsions.

Peditral *It is highly palatable with
no odour.*
Manufactured with international
T.G.P. standards, passing through
high-quality control systems at
every stage of production.

Peditral *Saves Lives* 

R_x

SEMPER

MANUFACTURERS AND DISTRIBUTORS

Distributors play a central role in promoting and selling health-related products directly to consumers. Large, global manufacturers such as Coca-Cola, Glaxo, Unilever, and Colgate Palmolive have their own distribution systems. Smaller companies—especially in the pharmaceutical field—rely on independent distributors, which typically handle hundreds of products from many manufacturers.

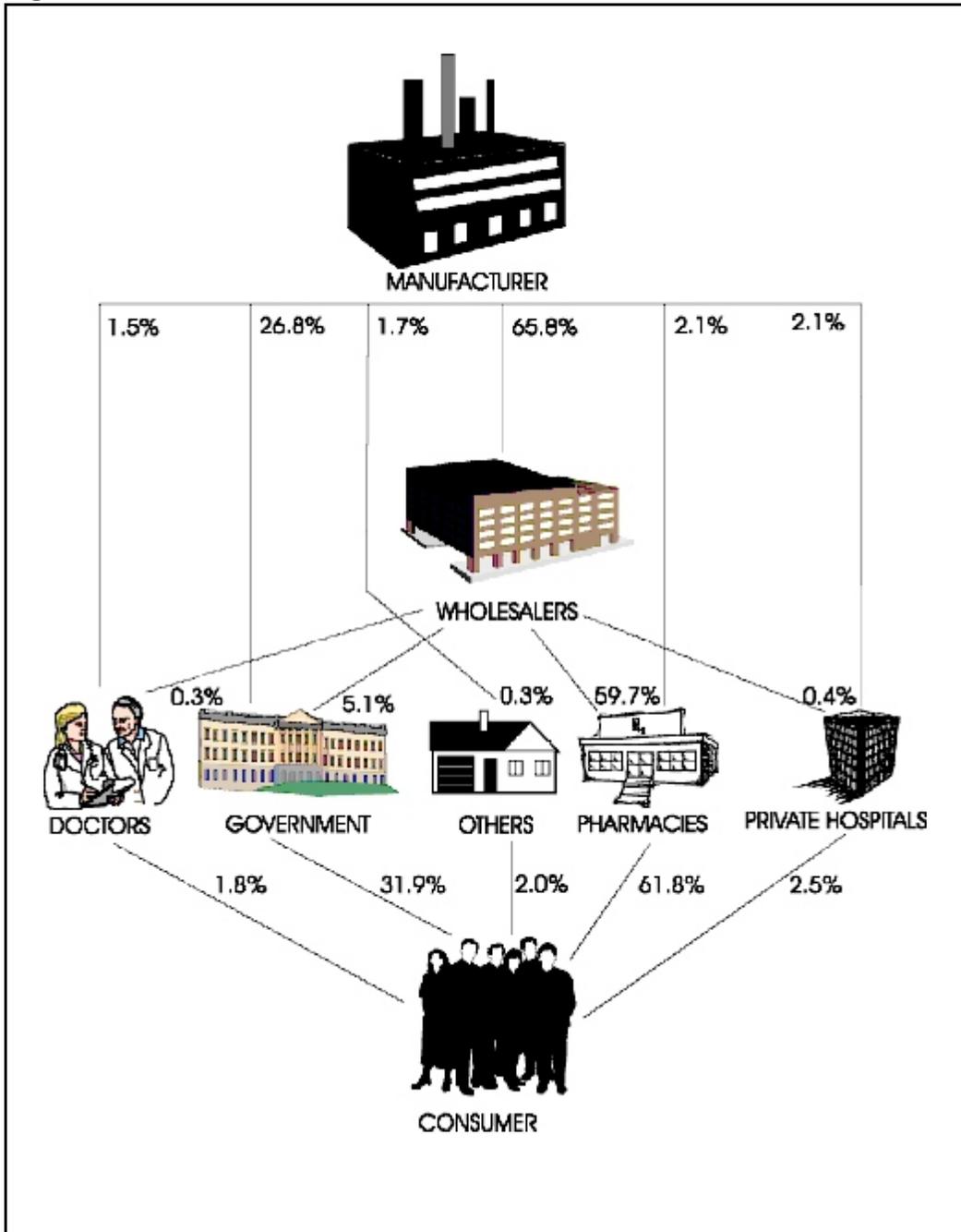
Companies usually agree to give a distributor exclusive rights to specific geographical areas, and the companies and distributors coordinate distribution strategies. Figure 5 illustrates the distribution channels for pharmaceutical products in Mexico.

Together, manufacturers and distributors comprise the core of an intricate distribution network that makes goods accessible through even the smallest retailers. Even large retail organizations buy from distributors, paying a markup of 7–20 percent, rather than directly from manufacturers. One reason is that distributors serve a valuable inventory management function: they forecast demand, store the product, and pay for the loss if stock expires unsold.

Informal distribution systems also exist. They vary from country to country but usually include local markets, traveling vendor fairs, individual trucks that tour rural areas, and pharmacies and large stores that sell to small shopkeepers. Successful companies also channel their products through these informal systems.

Popular over-the-counter health products, such as aspirin and antacids, and household products, such as soap, are generally found even in the most unexpected and remote places. The companies that market these products may be good candidates for private/public collaborations to distribute health-related products.

Figure 5. Distribution of Pharmaceuticals in Mexico



 MANUFACTURERS AND RETAILERS

In general, it is a company's interaction with retailers that is the key to the success of a health-related product, even though some companies market directly to consumers. For prescription products, physicians and pharmacists are the gatekeepers in the retail process: physicians make decisions about which products are best, and pharmacists ensure that those products are properly dispensed with clear instructions for use. For nonprescription (over-the-counter) products, the retailers themselves are gatekeepers. Figure 6 offers a general comparison of prescription and nonprescription products.

For a prescription product, the company's promotional efforts focus on convincing physicians and pharmacists to recommend the product and educating them on its correct use. For a nonprescription product, the consumer must also be targeted by the promotional effort, since he or she also participates in the decision to use the product for a particular ailment. For a new nonprescription product, the company also has to convince physicians and pharmacists to recommend the product and to educate them on its use.

Figure 6. A Comparison of Prescription and Nonprescription Products

	Prescription Products	Nonprescription (Over-the-Counter) Products
Decision to Use	<ul style="list-style-type: none"> ▪ A medical professional must select, determine dose, decide treatment duration, and provide a prescription containing this information 	<ul style="list-style-type: none"> ▪ Consumers are able to decide when to initiate treatment with these household drugs
Cost	<ul style="list-style-type: none"> ▪ Relatively expensive 	<ul style="list-style-type: none"> ▪ Relatively inexpensive
Profit and Sales Volume	<ul style="list-style-type: none"> ▪ High profit margins, variable sales 	<ul style="list-style-type: none"> ▪ Low profit margins, high sales volumes
Sales Outlets	<ul style="list-style-type: none"> ▪ Legally sold only in health clinics and pharmacies 	<ul style="list-style-type: none"> ▪ Sold in a wide variety of retail outlets
Product Visibility	<ul style="list-style-type: none"> ▪ Out of sight of potential users in retail environment 	<ul style="list-style-type: none"> ▪ Visible and accessible on open shelves
Marketing Targets	<ul style="list-style-type: none"> ▪ Health professionals only 	<ul style="list-style-type: none"> ▪ General public and, sometimes, health professionals

Company salespeople handle the business end of negotiating price and introducing new nonprescription items. Delivery personnel or merchandisers are responsible for positioning the product in the store. This includes securing a good location on the floor, getting eye-level shelf space, getting good placement for the product in relation to competitors, and keeping the store well-stocked. Delivery personnel often use signs, posters, mobiles, and other special displays to draw consumers' attention to the product. Figure 7 is a poster promoting an ORS product.

All of these in-store activities—called merchandising—are tactics aimed at changing the potential buyers' behavior by providing the shopper a solution (e.g., the product) to their problem.

Some companies also use mass media advertising to raise the overall awareness and brand-name recognition of their products. Mass media campaigns also affect product availability, albeit indirectly, because retailers often buy only products that companies plan to promote (this is especially true for new products).

A combination of active promotion to the medical community and direct promotion to consumers through over-the-counter marketing—good in-store visibility, wide availability, intense mass media—can be a catalyst for bringing a public health–recommended product into widespread use. The fact that this style of aggressive marketing is seldom used for public health–recommended products may explain why many people do not change their behavior to use or recommend a product, even when they are aware of the product and its uses.

Some companies have developed expertise in over-the-counter marketing and may be particularly helpful to public health professionals in countries where health products have never been marketed in this way. For instance, companies that are (or can be) convinced of the profitability of marketing insecticide-treated bed nets or soap for hygiene purposes can fulfill the potential of these products by making them widely available to the populations that need them most and by educating these groups on their correct use.

Advertising brings the product to the consumer. In-store merchandising brings the consumer to the product.

Figure 7. Consumer-Oriented Poster for an ORS Product

Rehidratación Oral

Para toda la familia

¡Agradable sabor a fruta!

Oraelectril
Sales de rehidratación oral,
lista para usarse en toda
ocasión.
Súave, eficaz y fácil de tomar.

Oraelectril
El primer paso en caso de
cólera.

Finlay
Laboratorios Finlay, S.A.

The poster features two bottles of Oraelectril ORS solution. The larger bottle is on the left, and the smaller one is on the right. Both bottles have a white label with a black and white checkered pattern at the bottom. The brand name 'Oraelectril' is printed on the labels. A speech bubble above the bottles says '¡Agradable sabor a fruta!'. The text 'Rehidratación Oral' is at the top, followed by 'Para toda la familia' in a large, bold font. Below the bottles, there are two columns of text describing the product's benefits and uses. At the bottom right, there is a logo for 'Finlay' and the text 'Laboratorios Finlay, S.A.'.

Factors Motivating Commercial Firms

Senior managers in the commercial sector are often thought to care above all about making money and to base their decisions only on the potential effects of an action on company profits. This is not always true. When considering ways to create alliances with commercial enterprises, remember that the motivation of top business people is not just financial. Within a particular company, the chief executive officer (CEO) controls the fate of a product. The CEO is the key decision maker and the central figure in determining the company's direction. Other executives who influence the direction and activities of the company include the heads of the marketing, sales, finance, and production departments.

Profit considerations are critical to the decision making of these executives, of course. But the profit motive is best understood as a *prerequisite* to investment in an activity—a new product must present the potential of a reasonable profit to be considered. At any given time, a company's senior managers are considering several potentially profitable products. The choice among these products most often comes down to subjective factors and personal preferences. Most CEOs are motivated by such factors as a desire for respect, dignity, and good standing in the community, and a desire to contribute to making life more comfortable for people. Building public/private alliances to advance public health objectives appeals to these broader motivations.

Although a company may market hundreds of products, it may have only one public health–recommended product, which may have a low sales volume. For example, an informal survey among 15 Asian companies that produce and market ORS showed that the product accounts for only 3 percent of total sales. Despite low sales, companies can justify making proportionally higher investments in promotion of public health–related products if there are sound reasons to believe that sales can be increased—especially if those sound reasons come from the CEO.

There is a growing interest within the commercial sector in embracing social responsibility. By being socially responsible, a company not only improves its image but generates additional business. For example, the pharmaceutical giant Merck is making the drug ivermectin available free of charge to developing countries to fight river blindness.

Senior managers often fail to realize the public health potential of their products. This is due in part to the fact that those managers who are responsible for developing marketing strategies, creating promotional materials, and training the medical representatives and salespeople do not have regular lines of communication with public health officials who can help draw these connections. For example, MOH staff can approach firms to reposition particular products as public health–related products, holding out the promise of product diversification and a gain in market share. In Indonesia, a USAID project successfully demonstrated the market potential for handwashing with soap. The project also influenced Unilever, the leader in the soap and detergent market, to position its Lifebuoy™ soap as a handwashing and hygiene product and to undertake a TV and print campaign to promote its use among the target audiences.

Prerequisites for a Successful Public/Private Partnership

The public and private sectors can work together to create a variety of partnership structures to meet specific objectives and conditions. Whatever the structure, the alliance must satisfy certain conditions if it is to be successful. There must be:

- ***A viable commercial infrastructure***—A commercialization initiative for a public health–recommended product would be much more likely to succeed in a country like Jordan, which has a relatively small population (3 million) but has a number of pharmaceutical manufacturers and a network of more than 1,000 pharmacies. Many developing countries, particularly in Eastern Europe, Latin America, the Near East, and Southeast Asia, are witnessing a significant increase in private sector activities.
- ***MOH support for the commercialization of public health products and services.*** Until recently, the national policy in Senegal and Nigeria for controlling diarrheal disease involved a recommendation that home-available fluids be used for treatment; the use of ORS was restricted to health centers. If unchanged, such a policy environment would not be conducive to either a private sector effort to market ORS or the creation of a public/private partnership to commercialize ORS.
- ***A high level of awareness on the part of the target audience about the health issue or product in question.*** It is much easier to get people to use a product for which there is latent demand than to create new demand for the product. For example, bed nets are commonly used in the Gambia for privacy and to prevent insect bites. Therefore, an effort to promote treating bed nets with insecticides to control malaria is likely to be more successful there than in a country where bed nets are not widely used.
- ***A person (foreigner or national) who can act as a catalyst for establishing a public/private partnership.*** A catalyst can help overcome such barriers to collaboration as a lack of communication between the public and private sectors, reluctance of potential partners to participate, and misperceptions on the part of potential partners about the motivations and interests of other actors. A catalyst can initiate a public/private collaboration; facilitate dialogue between potential partners; and provide technical, marketing, and managerial expertise. Representatives of international agencies such as USAID or UNICEF can work closely with host-country counterparts to play this role.

CHAPTER 3

A Hypothetical Public/Private Conversation

3. A Hypothetical Public/Private Conversation

Most of us have listened to conversations in which the participants are speaking the same language but are not really communicating with each other. This often occurs when individuals' biases prevent them from hearing what others are really saying. In such cases, it is clear to observers that, if only the participants could put their biases aside and listen more carefully, all sides would benefit from the exchange.

This is just what happens in the following hypothetical dialogue. The participants are a senior MOH official, a health officer from an international donor agency (say, USAID or UNICEF), and the CEO of a commercial pharmaceutical firm. The topic is a potential public/private partnership to distribute ORS.

MOH OFFICIAL: We've worked very hard to pool the resources to open three new clinics in Region One, but the infant mortality rates are still much too high—despite an increase in clinic use by children. Our health minister is quite discouraged.

CEO: We've done a good job of getting our products into the hands of retailers in that region. In fact, about 90 percent of retailers there carry our products. And we think we can do even better.

DONOR REPRESENTATIVE: We're concerned that, even after years and years of donor funding, child survival rates have not improved much. We need new thinking to save these children's lives!

MOH OFFICIAL: Do you know that diarrhea is still the leading cause of death among these children? We've clearly stated our national CDD [Control of Diarrheal Disease] policy. But we sure could use some help in making ORT [oral rehydration therapy] more widely understood and available.

CEO: If you're thinking about ORS, we have a sacheting machine in our plant.

DONOR REPRESENTATIVE: My agency and several other donors are supporting the CDD policy. I understand several NGOs—even including some business associations—have pledged to participate in a national effort to promote ORS and ORT.

CEO: My company might be interested in getting involved, by manufacturing and marketing ORS.

DONOR REPRESENTATIVE: Great! How can we explore this further? What are your primary concerns?

CEO: To be frank, the feasibility of the whole undertaking. I'll need to ask my people to study the potential for profit and to explore in greater depth the type of collaboration this would involve.

MOH OFFICIAL: We would want you to support our national policy and our guidelines for ORS production and communication.

CEO: Well, good production and communication guidelines from MOH would be very helpful to us. Nonetheless, we'll want to work out the marketing strategy ourselves. That's what we know best.

MOH OFFICIAL: Can you make ORS widely available in rural areas at a price people can afford?

CEO: I'm not sure that we can. Rural people are generally very poor, and they usually can't afford our products. I would probably want to cover the urban and peri-urban markets first. I'm used to them, and I know I could do a good job there. It would be very costly for us to develop a new distribution system to get into the rural areas.

MOH OFFICIAL: I'm still concerned about reaching rural people. That's where diarrhea is a major problem.

DONOR REPRESENTATIVE: How can we keep the price of ORS at a level the poor can afford?

CEO: You could help me reduce my unit cost by purchasing, at a contract price, your tender needs for the next few years and by paying me on time. Otherwise, I incur financing costs that I'll have to recoup in addition to the product costs.

MOH OFFICIAL: I'll look into that. I'll contact my procurement department.

CEO: But don't restrict me to an unreasonably low price. I've got operating charges, market development, and distribution and promotion costs.

DONOR REPRESENTATIVE: Let me look into whether we can help with the promotion costs.

MOH OFFICIAL: We've got lots of experience training health workers to promote ORT at the community level. You can benefit from our efforts in that area. And you can help *us* adapt and deliver our messages to retailers and providers.

CEO: You'll need to tell me your key messages. Then, I can include them in the promotion strategy we develop for each of the market segments we need to reach.

DONOR REPRESENTATIVE: Can you help MOH improve the image of ORS?

CEO: We certainly have ways to make the product more attractive. For example, I'm sure we'll have some ideas about packaging, flavoring, and presentation. The thing I need help with is speeding up the registration process. Our experience is that it takes too long.

MOH OFFICIAL: We'll do our best to keep any delays to a minimum. And I'll let my colleagues in the drug regulation department know about this priority and about just how pleased we are to be working with you on this.

CEO: I like the idea of working with MOH. And I like the idea of improving the well-being of the community. You know, as a corporate citizen, we too are concerned that all these children are dying.

DONOR REPRESENTATIVE: The next step is to get on with the feasibility study. How can we help you with this?

CHAPTER 4

Identifying Opportunities for Public/Private Partnerships

4. Identifying Opportunities for Public/Private Partnerships

This chapter outlines a step-by-step methodology for identifying opportunities for establishing public/private partnerships to plan and implement public health-related interventions. The process outlined here correlates to a typical commercial procedure for market analysis and planning. It is recommended that this methodology be used for each health intervention. Much of the analysis involved can be done using only qualitative data.

Seven Steps for Identifying Partnership Opportunities

Step One: Analyze the Target Audiences

- Consumers
- Health Care Providers
- Retailers

Step Two: Assess the Product Environment

Step Three: Assess the Market

Step Four: Investigate Manufacturers and Suppliers

Step Five: Investigate MOH Policies, Priorities, and Plans

Step Six: Explore the Resources of Other Organizations

Step Seven: Substantiate the Potential for a Partnership

Applying this methodology involves undertaking a systematic review of all the factors that can affect a potential alliance with the commercial sector. This “situation analysis” involves identifying current barriers to the use of the product or the adoption of the

health behavior in question and exploring ways to convert such barriers into opportunities. Overall, this situation analysis results in a clear, well-thought-out plan for action. Having a clear plan helps:

- *ensure that decisions are well-informed*
- *minimize costly oversights and errors*
- *reveal hidden opportunities*
- *identify commercial partners that are well-suited to the task*
- *make the health intervention more successful*

Each step comprises two parts: a rapid assessment and a comprehensive assessment. The rapid assessment involves simple fact-finding and provides a quick overview of the situation. The comprehensive assessment uses broader fact-finding and deeper analysis to identify underlying habits and preferences among the potential players. It may be necessary to hire a marketing consultant who is familiar with the health field to undertake this more detailed assessment (it may also be necessary to retain this consultant to manage the implementation process).

Although the steps of this process are presented sequentially, it is often possible to gather information for several of the steps at once. For example, retailers can often provide information on manufacturers and distributors, and so visiting a dozen retailers in a central urban area can yield a fairly comprehensive picture of the distribution channels in place.

Step One: Analyze the Target Audiences

The first step is to analyze the current behavior of the target audiences. All health interventions involve the following target audiences, or customers:

- *consumers*—parents and other caretakers of young children
- *health care providers*—physicians, nurses, unregistered doctors, and midwives
- *retailers*—pharmacists and others who sell health products

CONSUMERS

For most child health interventions, parents—generally mothers—and other caretakers are the primary target audience. For some interventions, including malaria prevention or addressing iron deficiency, the primary target audience is pregnant women. These consumers must have both a high awareness of the health problem to be addressed and a desire to solve or prevent the problem.

Step One: Analyze the Target

Audiences

- **Consumers**
- Health Care Providers
- Retailers

Rapid Assessment

It is important to know the behavior and motivations of consumers related to the illness to be targeted by the intervention, including:

- *what they know* about the causes and signs of the illness
- *how they currently treat or prevent the illness* and why
- *where they seek help*
- *their aspirations for more effective treatment or prevention*

This information can be gathered from a number of secondary data sources. A sensible point of departure is health surveys. Useful data also may be gleaned from the results of focus group studies and knowledge, attitude, and practices (KAP) studies already done by ministries of health, the World Health Organization (WHO), USAID, Demographic and Health Surveys (DHS), the U.S. Centers for Disease Control and Prevention (CDC), UNICEF, private voluntary organizations (PVOs), universities, or market research agencies. Another important resource is the professional judgment and managerial expertise of public health professionals. For example, for an intervention to reduce malnutrition through increased use of foods fortified with iron, these secondary data sources would provide information on the extent of iron deficiency by population group; the level of knowledge about the problem; the types of food most commonly consumed by the target population; the availability, affordability, and acceptability of fortified foods; and the characteristics of the ideal iron-fortified foods.

Comprehensive Assessment

While the rapid assessment is limited to a brief analysis of available KAP, demographic, and epidemiological information, the comprehensive assessment seeks to depict in detail the behavior of parents and other caretakers. This requires collecting the following data:

- *how serious they consider the problem*
- *how they treat or prevent the problem at home*
- *where they learned about the treatment they use*
- *where and when they obtain treatment*
- *what they pay for treatment or prevention*

The purpose of the comprehensive assessment is to identify companies that can best serve each segment of this target population. One way to do this is to group the population by income level and to analyze the links of each group with health providers, drug retailers, and health product suppliers.

This information can be assembled into a visual map. This could literally be a map of the country with each region coded according to key data. Alternatively, the map could be more like Figure 8, which groups the consumer population according to income level and matches each group to its health service providers, points of purchase/distribution for health products, and companies and organizations that supply the health product in question. Commercial enterprises use this kind of visualization to identify product opportunities and to create different types of products to suit the needs of different groups. For example, *Laboratorios Quifarma* in Guatemala makes a high-priced liquid ORS product aimed at socioeconomic groups A, B, and C, and a low-priced sachet intended for groups C, D, and E. In marketing terminology, this differentiation is called “market segmentation.” Quifarma’s different product and price strategies are called “product and price differentiation.”

Beware of untested assumptions! Health planners often make assumptions about the behavior and motivations of consumer groups. Any such assumptions should be tested—the results are often surprising.

Figure 8. A Map of Consumers for an ORS Intervention

Socioeconomic Category	Health Service Providers	Points of Purchase and/or Distribution	ORS Suppliers
A (Most Affluent)	<ul style="list-style-type: none"> ▪ Private providers 	<ul style="list-style-type: none"> ▪ Pharmacies 	<ul style="list-style-type: none"> ▪ Prescription-only ▪ Over-the-counter and prescription
B	<ul style="list-style-type: none"> ▪ Private providers 	<ul style="list-style-type: none"> ▪ Pharmacies ▪ Shops 	<ul style="list-style-type: none"> ▪ Prescription-only ▪ Over-the-counter and prescription ▪ Over-the-counter only
C	<ul style="list-style-type: none"> ▪ Private providers ▪ Public health providers ▪ Unregistered village doctors ▪ Traditional healers 	<ul style="list-style-type: none"> ▪ Shops ▪ Public health facilities 	<ul style="list-style-type: none"> ▪ Over-the-counter and prescription ▪ Over-the-counter only ▪ Government
D	<ul style="list-style-type: none"> ▪ Public health providers 	<ul style="list-style-type: none"> ▪ Shops ▪ Kiosks 	<ul style="list-style-type: none"> ▪ Over-the-counter only

- E (Least Affluent)*
- Public health providers
 - Unregistered village doctors
 - Traditional healers

Step One: Analyze the Target Audiences

- Consumers
- **Health Care Providers**
- Retailers

- Public health facilities
- Government
- NGOs

*Note: Those in the E category are well below the poverty level and are generally outside the market economy. When health products and services for this group must be subsidized, they are best provided by public health facilities, charitable organizations, humanitarian aid agencies, and NGOs.

HEALTH CARE PROVIDERS

Physicians, nurses, unregistered doctors, and midwives have a great deal of influence over the treatment choices of consumers, and their approach to treating a particular illness needs to be understood. It is important to note that most pharmaceutical companies do not routinely reach unregistered doctors and midwives, although smaller and/or regional companies may be capable of such grassroots penetration. This is an important consideration if the goal is to get public health–recommended products into poorer communities or rural areas.

Rapid Assessment

Health facility surveys conducted by ministries of health, WHO, and other organizations can provide considerable information about public health providers. Much less is generally known about providers in private practice. Existing data sources such as MOH physician registration lists, medical association lists, and even the telephone book can provide information on the number of health providers, their geographic location, and their affiliation (public or private).

In many countries, physicians and other health professionals who are employed in the public sector also maintain a private practice, blurring the line between the two sectors. For example, in private practice a physician may prescribe expensive antibiotics, bronchodilators, and cough suppressants for a child sick with pneumonia, while at the public health clinic the same physician may prescribe only the recommended trimethoprim. One way to learn more about the prescribing behavior of health providers is to ask local family physicians how they and their peers typically treat the illness in question, how they counsel patients and their families, and their views about the treatment/behavior the intervention will promote.

Physicians are said to give inappropriate medication in response to parents' alleged demands for immediate results. Studies in Indonesia and elsewhere show that, in fact, parents are willing to comply with what doctors advise. The fact that doctors act on untested perceptions should not interfere with correct medical practice but has to be dealt with in promotional campaigns.

Comprehensive Assessment

Market research techniques such as surveys or focus group discussions should be used to assess KAP regarding treatment and prevention of childhood diseases. Health care providers should be asked about their:

- *perceptions of the extent of the health problem* (how frequently they see it, the seriousness and seasonality of cases)
- *treatment and prevention recommendations and the perceived benefits*
- *sources for updated medical information*
- *attitudes toward the public health—recommended treatment or preventive action*
- *attitudes toward the proposed intervention*
- *attitudes toward prevention education*
- *counseling practices for patients and caretakers*

RETAILERS

Pharmacists and others who sell health products can play a key role in influencing parents and other caretakers to use appropriate products. They are the link between the product and its users. It is important to assess the habits

- Step One:** Analyze the Target Audiences
- Consumers
 - Health Care Providers
 - **Retailers**

and preferences of this group regarding the product to be targeted by the intervention, as well as their perceptions of customer preferences.

Rapid Assessment

The number of pharmacies in the country can be determined by consulting MOH—in general, all pharmacies are required to register—or the pharmacists’ professional association. The number of other shops that sell health products can be determined by consulting manufacturers and distributors.

A rapid assessment of the habits and preferences of this group can be completed by conducting spot visits to a dozen urban pharmacies and to small shops located in commercial, residential, and peri-urban areas. The individuals in charge should be asked:

- ***How many people sought assistance during the past month*** for the health problem targeted by the prospective intervention?
- ***What treatment was recommended?***
- ***Why did they make the recommendation they did?***
- ***What products do they prefer? Why?***
- ***What pharmaceutical and/or health product companies do they prefer? Why?***
- ***What products do customers buy*** on their own, when they don’t seek advice?
- ***What are customers’ expectations*** for the product?

Comprehensive Assessment

The comprehensive assessment is a more thorough version of the rapid assessment. It involves surveying the KAP of pharmacists and other store owners in urban, peri-urban, and rural areas. The sample should be representative and should be large enough to ensure the validity of the data. Other areas to explore include:

- ***the level of knowledge about the health problem***, its transmission, appropriate treatment, and preventive measures
- ***attitudes toward the problem*** (e.g., its seriousness)
- ***customers’ treatment requests***
- ***type and level of counseling provided to customers***
- ***attitudes toward the product*** to be targeted by the intervention, as well as competing products
- ***financial advantages to retailers*** for recommending certain products

- impressions about *the cost of treatment* and its affordability for customers
- *alternative treatments offered* to customers who cannot afford the recommended treatment
- *perceived health benefits of the product commonly recommended*

The information gathered in this comprehensive assessment will help identify opportunities for getting public health–recommended products into pharmacies and other shops. It will also help determine opportunities for potential behavior change among retailers. Overall, Step One involves analyzing the target audience for the proposed intervention. This provides a better understanding of the health treatment practices of consumers, health providers, and retailers and helps identify gaps in knowledge, obstacles to overcome, and possible incentives for behavior change. The key findings of the assessments conducted in Step One should be summarized before Step Two is undertaken.

Data for Steps One and Two can be collected simultaneously.

Step Two: Assess the Product Environment

This step involves gathering information on the product(s) available for the proposed intervention and the product environment, including manufacturers, product availability, prices, and promotional activity by manufacturers and retailers. This information provides a general overview of the product environment, which is needed to assess whether consumer needs can be satisfied by existing products—fueled with new marketing strategies—or if alternative products should be considered.

This information can be gathered in a simple store check, which is similar to the process described in Step One for obtaining information on the knowledge, attitudes, and practices (KAP) of pharmacists and store owners. For a nutrition intervention, for example, a store check would help identify the fortified foods currently available, their prices, and how they are promoted.

RAPID ASSESSMENT

The rapid assessment is conducted by quick spot visits to a small sample of different types of stores, such as pharmacies, markets, and small shops. The objective is to determine if the product of interest is available and, if so, to collect the following information:

- ***product type*** (e.g., is it a top-selling health product such as aspirin or antacid, or a household product such as soap or cereal?)
- ***product name***
- ***manufacturer or distributor***
- ***form*** (tablet, liquid, flakes, powder)
- ***flavors and sizes*** (if applicable)
- ***package characteristics*** (foil, plastic, paper, cardboard, tin)
- ***price***
- ***product visibility*** (prominent display?)
- ***promotional materials*** (stickers, posters, brochures, signs)
- ***promotional activities*** (discounts, contests, educational lectures, gifts)

For drugs, another source of information is the MOH list of registered products and companies. This list usually includes the product name and generic name, composition, manufacturer(s), and date of registration. It is essential to check whether the products listed are actually available—companies often register products only to prevent their names from being used by competitors. A knowledgeable pharmacist will know which registered products are actually available in stores.

COMPREHENSIVE ASSESSMENT

This is a more thorough version of the rapid assessment: it involves store checks and uses the same questions. However, the sample should include more stores and should include stores in rural and remote areas. In addition, the extent of product promotion outside of stores should be assessed, including promotion directed to physicians and other health providers using TV, radio, or less conventional channels. The comprehensive assessment provides in-depth information about product availability and the impediments to wider use of the product.

Information on the level of resistance to using the public health–recommended products may be obtained from pharmacists and MOH staff. Pharmacists and other retailers should be asked about competing treatments. For example, instead of the recommended antibiotic, children with pneumonia are often given a “cocktail”—a prescription that contains antibiotics, bronchodilators, cough syrups, vitamins, and analgesics.

Summarize the information gathered before moving on to Step Three.

Step Three: Assess the Market

Once a product has been identified for the intervention, it is necessary to estimate the size of the current market for the product and the size of untapped potential market.

RAPID ASSESSMENT

For each product identified during Step Two, the following information regarding the current market should be gathered from manufacturers, manufacturers' associations, trade audits, or chambers of commerce:

- ***number of units sold in one year***
- ***market share of each product*** (sales in relation to total sales for product)
- ***overall sales ranking***

COMPREHENSIVE ASSESSMENT

The comprehensive assessment goes beyond assessing the current market and involves exploring the potential for increasing the overall volume of sales. The *theoretical market* for a product is the quantity that would be required if every consumer who needed the product received it. The *potential market* is estimated by calculating the need among the entire target population and subtracting the quantity of the product currently available. The information required for these calculations can be extracted from demographic, epidemiological, and national policy data. The size of the untapped market is valuable information to share with potential commercial sector partners.

For example, if the theoretical market is estimated to be 100 units and the current actual market is 30, the unmet need is 70. In reality, the potential market is probably closer to 50, for several reasons. First, in every country, some portion of the population cannot be reached because it is outside the cash economy or located in a very remote area. Second, another portion of the population is already following an acceptable practice (e.g., those who use home-available fluids to prevent dehydration from diarrhea) and are not likely to use the product. (WHO recommends that 10–20 percent of the total diarrhea episodes will require treatment of dehydration with ORS, which assumes that health workers prescribe ORS for treatment of dehydrated cases only. In contrast, for an intervention to significantly improve ORS availability

in stores, the estimate may include sachets for preventing dehydration as well as treating it—i.e., almost 100 percent of cases.) Figure 9 calculates the theoretical market for ORS in a hypothetical country.

Summarize the findings of the three previous steps before moving on to Step Four.

Figure 9. Estimating the Theoretical Market for ORS in a Hypothetical Country

Step	Data Needed	Source of Data	Function	Example
1	Population under age 5	Census figures	Estimate	5 million
2	Average number of diarrheal episodes per child per year	Epidemiological data from MOH	× (multiply by)	4 episodes
3	Total diarrhea episodes in one year among children under age 5		= (equals)	20 million episodes
4	Minimum number of ORS sachets required per diarrheal episode	CDD National Policy	× (multiply by)	2 (based on one-liter sachet)
5	Theoretical need: total ORS sachets required to treat all cases of diarrhea per year		= (equals)	40 million sachets
6	MOH annual distribution	MOH	– (minus)	6 million sachets
7	Current annual commercial sales	assessment, trade audits	– (minus)	4 million sachets
8	Real market sales		+ (plus)	10 million sachets
9	Unmet needs		= (equals)	30 million sachets
10	Unreachable portion of the market due to <ul style="list-style-type: none"> ■ poverty (10%) ■ remoteness (20%) ■ use of home-available fluids (10%) 	demographic and epidemiological data	– (minus)	16 million
11	Potential market		= (equals)	14 million

Step Four: Investigate Manufacturers and Suppliers

Steps One and Two identified the needs and preferences of the target audience and determined what products they currently use. Step Three assessed the untapped market for the product. Step Four involves gathering information on the manufacturers and other suppliers of these products, as well as on their distribution channels.

RAPID ASSESSMENT

The goal of this assessment is to identify potential partner companies for the proposed intervention. These companies will fall into two broad categories:

- ***companies that make or carry the product***
- ***companies that do not make or carry the product*** but are exceptionally capable and have the potential to make the product perform well

MOH regulatory authorities can probably provide the names of companies in the first category. Identifying those in the second category is a challenge. Research for the previous steps may have revealed popular products and their manufacturers. Companies that make and/or distribute over-the-counter products that are found even in remote areas may be good potential allies. Another way to identify highly capable firms is to consult specialized trade audits, such as the International Market Statistics (IMS). Manufacturers themselves may be willing to share information on a confidential basis. If time permits, it would be valuable and informative to conduct two or three informational interviews with sizeable companies, following the format described under the comprehensive assessment.

Expect the unexpected! A CEO may be intrigued and move prematurely to discuss potential alliances. Keep the first conversation purely informational. You must compare the capabilities of various companies objectively.

COMPREHENSIVE ASSESSMENT

The best way to find out about potential commercial sector partners is to establish contact directly with the top management of the companies and to schedule informational interviews with CEOs. The objectives of such interviews are to learn more about the marketing and distribution capabilities of the private sector overall and to develop a sense of the particular strengths and weaknesses of individual companies.

The purpose of the visit should be made immediately clear to the CEO: “The public sector is interested, in principle, in creating public/private alliances to meet maternal and child health objectives. I have come to ask for your advice in understanding the market and to learn more about your company.” The interview should proceed as follows:

- Open-ended questions about the market and the industry:
 - What is the size of the average pharmaceutical, soap, or food company, in terms of number of products, total sales, number of medical representatives and/or sales people, and production capabilities?
 - Is there an association of pharmaceutical or consumer-goods manufacturers or distributors? Which companies are most influential among the membership? with the government?
 - How big is the commercial market relative to the public sector market?
 - How many pharmacies and retail shops are there in this market?
 - What other types of shops sell over-the-counter drugs? How many of these are there?
- Questions about the particular company:
 - Describe your product line. What products are the best-sellers? What percentage of your product line is food, soap, or, if pharmaceutical, over-the-counter versus prescription products?

- How are your products distributed?
 - In which regions do your products have a strong presence?
 - In which regions do you have your own distribution centers?
 - Who are your major national and regional distributors?
 - How many salespeople do you have? How many accounts does each cover regularly? How are they organized geographically?
 - For pharmaceutical companies, how many medical representatives do you have? How many doctors does each one cover regularly?
 - What kind of advertising support do you typically provide for over-the-counter products?
 - What kind of in-store promotion do you find most useful?
 - Does your company manufacture any of the following child health products: ORS, co-trimoxazole, ampicillin, penicillin procaine, chloroquine, paracetamol, polyvitamins, mineral supplements (iron, iodine)? (Note: These products are relevant to a pharmaceutical company; the list would be different for a consumer products company.)
 - Does your company have the production equipment necessary to make any of these products? If so, what is your total capacity? What is your present capacity? If no production equipment is available, what level of investment would be needed for start-up?
 - In your opinion, what are the most successful public sector activities to date to improve child health? (Examples might include door-to-door education efforts or mass media communication campaigns to promote ORT, immunization, or breastfeeding.)
 - How might the strengths of the public sector complement your commercial strengths in an alliance to promote public health products, such as ORS, antimalarials, or micronutrients? Have you had problems with the public sector? (The company may find MOH too restrictive in its regulation of competitive prices or product variation, or MOH may not have paid its bills on time.)
 - What kinds of activities might a commercial company undertake to effectively reach lower- and middle-income families? What kinds of resources would be needed to undertake these?
 - What proportion of your business represents sales to the government?
- In each country a few manufacturing companies are organized primarily to fill government tenders. The CEOs of such companies may

suggest that the company create a sales force solely for the partnership project. If a company has little or no field force, it is best not to be involved in creating one, which requires substantial investments in time and resources. On the other hand, it may be feasible to link this company to another that already has a highly capable marketing capacity. Be alert to whether the company is operating in the commercial open market or is really organized just to fill government tenders (passive manufacturer).

Summarize the key findings, and make a list of potential partner companies. Figure 10 outlines a possible format for this task.

Figure 10. Assessing the Capabilities of Potential Commercial Sector Partners

Capability	Company			
	A	B	C	D
Production				
▪ Output per year (units)	5,000,000	2,600,000	4,200,000	N.A.
▪ Good manufacturing practices (GMP)—e.g., as defined by WHO	yes	yes	no	N.A.
Distribution				
▪ Trucks	8	5	9	16
▪ General distributors	4	6	—	8
▪ Outlets covered	2,300	1,750	2,100	4,300
Selling				
▪ Size of sales force	11	7	10	15
▪ Health professionals visited	2,100	1,700	2,800	4,200
▪ Direct coverage of rural outlets	65%	32%	73%	90%
Promotion				
▪ Use of mass media	No	No	No	Yes

Figure 10. Assessing the Capabilities of Potential Commercial Sector Partners

Capability	Company			
	A	B	C	D
■ Use of alternative consumer promotions	Yes	No	Yes	Yes

Step Five: Investigate MOH Policies, Priorities, and Plans

Having collected information on the target audience, market environment, and manufacturers and suppliers, it is time to analyze MOH policies, priorities, and plans that can have an impact on a potential partnership with the commercial sector. It is important to take note of key people within the MOH who appear enthusiastic about a potential public/private partnership.

RAPID ASSESSMENT

Gather information on national policy and program priorities and plans from the maternal and child health (MCH) division of the MOH, either by seeking out available documents or by interviewing one or more key officers. Look specifically for policies that influence the use of potential products. The most obvious are policies regarding treatment and prevention of the major childhood diseases that involve a potential product. Look also for programs or policies related to the use of subsidies, tax relief, and/or current mass media health promotion (on handwashing or fortified weaning foods, for example) that might constitute a precedent. Make a calendar of scheduled events that could be used to spark joint activities related to the intervention.

Ask the maternal and child health officer about activities and goals of other ministries that might be related to your public health intervention and may be of interest to commercial firms. Ask also about any upper-echelon political commitments and plans.

COMPREHENSIVE ASSESSMENT

To supplement the information gathered in interviews with maternal and child health officers, review MOH work plans to assess the national policies, plans, and priorities for specific maternal and child health areas, including control of diarrheal disease, acute respiratory infections (ARI), immunization, malaria, and nutrition. Try to identify new or expanded program activities. For example, if a bilateral donor is getting ready to fund a vitamin A initiative, there may be an opportunity to involve local pharmaceutical, dairy, food, or seed companies.

Ask for more detail about those policies that support commercial sector involvement and those that hinder it. Does government treatment policy for diarrhea, for example, unambiguously support ORS as a home preventive for dehydration? Does it welcome or oppose the participation of the private sector in manufacturing, distributing, and promoting ORS on a massive scale? How specific are the government's policies regarding the treatment of ARI/pneumonia—do they recommend a single antibiotic or a range of antibiotics?

Investigate regulatory policies and practices that could foster private/public collaboration. For example, if the regulatory authorities have agreed to force the iodization of salt, then this may open new opportunities to develop collaborative ventures with salt manufacturers. Assess the number of MOH health workers specifically trained in such areas as case management for ARI or diarrheal disease. This can indicate the level of sustained support for antibiotic manufacturing because the health workers generally specify a particular antibiotic and its dosage and form. Find out from the MOH health education unit about health promotion campaigns. Staff members of these units have ongoing relationships with public and private media, and they know how to conduct research and pretest messages.

Before beginning Step Six, summarize the main findings and make a list of key people within the MOH who seem interested in pursuing a potential partnership with the private sector. Investigating the interest in a potential partnership within the MOH and identifying potential allies are the first steps in forming a team to implement a partnership.

Step Six: Explore the Resources of Other Organizations

Although many kinds of organizations have the potential for helping a public/private collaboration for a public health objective, the focus in this step is on identifying organizations that can support such an initiative. These groups include:

- ***international and regional lending institutions***, such as the World Bank or the Inter-American Development Bank
- ***bilateral aid agencies***, such as USAID, Canadian International Development Agency (CIDA), etc.
- ***professional associations***—for example, for physicians, nurses, pharmacists, midwives, and paramedical workers
- ***NGOs***, such as mission health care agencies or volunteer community development agencies

It is impractical to divide this step into rapid and comprehensive assessment phases. The resources, capabilities, and plans of these organizations should be assessed by contacting the groups directly. Explore the interest of key personnel in a potential overture to the commercial sector and their general willingness to commit resources to a public/private partnership. Examine whether they are willing to participate in organizing and implementing a partnership and to generate political support for the undertaking. Identifying organizations that can be catalysts in spurring the formation and ongoing implementation of a partnership may be critical to success.

Summarize the findings and make a list of organizations that are potential allies in a partnership before moving on to Step Seven.

Step Seven: Substantiate the Potential for a Partnership

Making the case for proceeding with a partnership is a critical step. Remember, the overall objective is sustained use of the health-related product recommended by the intervention or sustained performance of a specific behavior. The vehicle for accomplishing this objective is a partnership between manufacturers, government officials, and representatives of supporting organizations.

Review the information gathered in the first six steps. Answer the following questions to help substantiate the potential for a partnership:

- *Is there high consumer awareness of the need for a solution to the health problem?*
- *Can target audiences be influenced to use this public health–recommended product?*
- *Is there a local source of supply for the product? If not, is there a potentially reliable alternative?*
- *Can the potential market be presented in a way that is attractive to the commercial sector?*
- *Are there strong commercial sector candidates for a possible collaboration?*
- *Is the MOH willing to work with the commercial sector?*
- *Are there key sponsoring organizations ready to commit resources to support a collaboration?*

Answering these questions helps reveal new ways of addressing public health needs by mobilizing the resources of the commercial sector. Share these findings with others working to improve public health to generate support for making an overture to the commercial sector. Launching the public/private partnership requires establishing a task force to plan, organize, and implement the intervention—a process outlined step-by-step in Chapter 6. The next chapter (Chapter 5) outlines how a partnership was created in Bolivia to increase use of ORS. The Bolivia case study offers a real-world context for the detailed steps presented in Chapter 6.

CHAPTER 5

Case Study: Launching a Partnership

5. Case Study: Launching a Partnership

Promoting ORS Commercialization in Bolivia

The following case study summarizes the authors' experience in establishing a partnership to increase the use of oral rehydration salts (ORS) in Bolivia. The approach followed here was dictated by the opportunities and resources available in this particular country. It is important to adapt any lessons provided by this case study to the local environment.

Overview

While ORS has been available in Bolivia for a number of years, infants and young children throughout the country continue to die from the effects of diarrheal dehydration. Parents have had a limited understanding of the product, and health professionals have not been convinced of its benefits. Distribution of ORS has been limited to health centers and some urban pharmacies, and ORS has not been commercially promoted. The Bolivian Ministry of Health (MOH) sought to increase and sustain ORS availability beyond its own limited distribution system. The MOH decided to encourage the private sector to help achieve this goal, with the support of three international donor agencies—the Pan American Health Organization (PAHO), United Nations Children's Fund (UNICEF), and U.S. Agency for International Development (USAID).

A major obstacle to increasing the availability of commercial ORS in Bolivia is the limited market for ORS and consequent lack of economies of scale for current and potential ORS producers and marketers. Pharmaceutical companies had little interest in setting up local production and/or marketing operations because of the lack of demand for ORS. This was compounded by the high cost of importing the raw materials for ORS and its packaging. In addition, the large quantity of ORS being imported and distributed at subsidized prices by international aid programs effectively limited the commercial ORS market. In the end, this supply-demand problem became an opportunity for collaboration and mutual understanding between the public and private sectors. Two Bolivian pharmaceutical manufacturers are now able to exploit new markets for ORS by having joined with the MOH. They are gaining technical

expertise in promoting a socially beneficial health product. The international donor agencies are providing technical expertise and funding for the first two years of the program and are the catalysts for the collaborative effort. By the third year, the private sector will assume full responsibility for manufacturing and distributing ORS and will coordinate promotional activities with the MOH.

Creating the Partnership

Representatives of the donor agencies and the MOH took the first step in building a private/public partnership for ORS by establishing a task force charged with increasing national use of oral rehydration therapy (ORT) and reducing the high infant mortality rates attributable to diarrhea. The task force comprised key personnel from the MOH and representatives from the three donor agencies. MOH participants included the director for the Control of Diarrheal Diseases (CDD) Program and the head of the drug and pharmacy regulatory department. The donor representatives are part of an interagency group and serve as catalysts for the effort. To secure a high level of political commitment, both the minister and the sub-minister of health were briefed regularly on the task force's work.

The task force requested the technical assistance of two outside marketing experts, one from UNICEF headquarters and one from the BASICS (Basic Support for Institutionalizing Child Survival) project. A local marketing consultant based in La Paz teamed up with the two marketing consultants to follow up on all planning and implementation activities and to ensure local continuity.

The marketing experts used existing market research data to help the task force assess existing knowledge about ORS use and attitudes toward treating diarrhea in children. The task force set objectives for the program and developed a broad marketing plan to meet those objectives from both a commercial and a public health perspective. The objectives later became the criteria for assessing potential private-sector partners (discussed below). Once the selected companies were brought into the initiative, their representatives also joined the task force.

Approaching the Target Companies

The marketing experts on the task force initiated contact with local pharmaceutical and food manufacturers and distributors. The marketing team conducted a systematic analysis of the capacity of 17 pharmaceutical and consumer goods companies and created a matrix to identify the best candidate companies by matching their capabilities with the criteria agreed upon by the task force (see Figure 11). Using the criteria and a weighting system, the task force assessed the 17 companies and selected the most promising.

Two companies were selected: *Drogueria Inti*, which controlled a large share of the Bolivian pharmaceutical market, produced ORS locally, and had extensive marketing and distribution mechanisms in place, and *Laboratorios Alfa*, a small ORS producer. The CEOs of these two companies were initially skeptical about working with the public sector. In response, the task force sought to build an understanding of common objectives and complementary resources. Consequently, early discussions focused on marketing opportunities and the need for more comprehensive information on the commercial potential of ORS.

Figure 11. Criteria for Assessing Companies' Capacity

Ranking by Order of Importance	Criteria	Points
1 (highest)	Extensive distribution at national level	11
2	Capacity/experience in public marketing	10
3	Distribution to rural areas	9
4	Ability to produce high volume at low cost	8
5	Distribution to urban areas	7
6	Active promotion and sales to pharmacies	6
7	Active promotion and sales to stores/other retailers	5
8	Promotion to physicians and pharmacists	4
9	Sufficient production capability of ORS	3
10	No marketing of anti-diarrheals or infant formulas	2
11 (lowest)	Access to packaging equipment	1

Profiling the Consumer

The task force contracted a local, professional market research agency to survey consumers' perceptions, attitudes, and behaviors concerning diarrhea and ORS. The survey confirmed several assumptions underlying the preliminary marketing strategy. It also confirmed that there was a large, untapped potential market for ORS.

The task force used the market survey results to develop a marketing and positioning strategy, which included the product name and presentation, logo and visual concept, and the consumer benefits the product would deliver. Based on mothers' descriptions of their children's symptoms during diarrhea, the task force decided to position the new ORS product as a restorer of strength lost during diarrhea.

Building a Product Identity

The market research agency used focus group discussions with caretakers of young children in rural and peri-urban areas to test the visual concept, possible brand names, and packet designs. The focus group participants selected the product name, *Suero de la Vida* (Serum of Life), and refined the packet design. The front of the packet contains an animated drawing of an ORS packet and the promise that the product will “recuperate and give strength to the child with diarrhea” (*recupera y da fuerza al niño con diarea*). Four visual panels of ORS mixing instructions are on the back of the packet (see Figure 12).

Building the Relationship

The task force members presented their work to the MOH, representatives of the donor agencies, and the CEOs of the two targeted companies. They highlighted the strong market potential of the new ORS product—provided that the product was properly positioned to meet caretakers' needs and that the products' benefits could be effectively communicated to the target audience. The minister of health formally invited the two companies to join the MOH and the donors in the effort to combat unnecessary deaths of young children from diarrheal dehydration. Both companies accepted the invitation, despite their lingering reservations about the feasibility of the activity. The challenge to the task force was to cultivate the interest of the CEOs in the project and to bring them actively into the planning process.

Figure 12. Package Design for New ORS Product

Creating an Advertising Strategy

The marketing experts on the task force invited executives of the two companies to participate in development of the advertising strategy for the new ORS product. The company executives became more active in the process when they saw the high level of professionalism of the task force members. With all members now fully engaged, the task force developed an advertising brief, a statement of work, and a set of criteria for selecting an advertising agency.

After the advertising agency was selected, separate marketing strategies were elaborated for each of the four target audiences identified: parents, health care providers, pharmacists, and other retailers. Sixty percent of the campaign budget was earmarked for interpersonal communication, using the companies' sales forces to reach physicians, pharmacists, and retailers. The remaining 40 percent of the budget was allocated to radio, TV, village fairs, and other community activities to reach parents.

The donor agencies agreed to share equally the cost of the year-long advertising campaign (approximately US\$180,000). The companies made an in-kind contribution to the effort by donating the time of their sales forces. The larger of the two companies, Drogueria Inti, developed product displays for use in pharmacies and general stores.

Launching the Product

Experience has shown the importance of gaining the support of physicians and pharmacists in ensuring the sustainability of ORS demand and use. Therefore, the task force decided to launch the new ORS product in two stages. The first stage involved an intensive promotional campaign using the companies' medical representatives and targeting private health care professionals (physicians, pharmacists, and nurses). This complemented efforts by the public sector to promote ORT and to train public health workers in the use of ORS. The companies sought to ensure that ORS was:

- ***available in all pharmacies***
- ***actively recommended by pharmacy personnel***
- ***prescribed by physicians and paramedics for treatment of diarrhea***

In the second stage, initiated a few months later, the commercial partners targeted parents in urban and rural areas using mass media and community activities, seeking to expand the reach of ORS by:

- ***increasing the availability of ORS beyond pharmacies into the popular market***, including *tiendas* (small shops), village fairs, open-air markets, and street vendors
- ***gaining the support of retailers*** through educational and commercial incentives linked to ORS
- ***creating demand among parents***
- ***educating parents on the correct use of ORS***

Pricing the Product

The task force conducted a price sensitivity study to determine the price of the new ORS product. This study showed that target consumers were ready to pay 1 Boliviano per packet of ORS. However, the high cost of importing the materials to produce and package ORS meant that the producers would not make a sustainable profit at this price level. After considerable debate, the task force agreed to set the wholesale price at 1.70 Bolivianos and to allow the ultimate price to consumers to be determined by the retail outlet.

The Partnership in Action

The MOH agreed to take ORS off the list of drugs sold by prescription only, making it possible for the product to be sold outside of pharmacies. The MOH also promised to continue campaigns to promote ORT and to continue training both health workers and *sentinelas de salud*—new Army recruits who help develop rural communities—to use the new commercial ORS product. The partners agreed to evaluate the impact of the ORS commercialization efforts on the behavior of the four target audiences a year after the product launch, using as a baseline the market research data gathered prior to the product launch.

Conclusion

The members of the task force have developed a solid partnership, in part because they have paid careful attention to both process and technical issues. The task force's use of professional tools and a well thought-out methodology, as well as the enthusiasm of the individual members, substantially increased interest in the project on the part of the commercial partners. While each of the partners (MOH, the three donors, and the two commercial firms) will benefit from the partnership, the ultimate beneficiaries will be the children of Bolivia.

CHAPTER 6

Building a Partnership for Public Health Objectives

6. Building a Partnership for Public Health Objectives

A Task Force Approach to Partnership

This chapter outlines a step-by-step approach for establishing and sustaining a public/private partnership to pursue public health objectives. This systematic approach centers around the creation of a task force to mobilize the commercial sector and create the partnership. It is critical to have a catalyst (an individual or organization) to initiate the process, but the catalyst should gradually move away from a leadership role and allow other task force members to share the responsibility for decision making.

It may be necessary to hire a consultant to help manage the activities of the task force. The most obvious choice would be someone who was involved in the seven-step process for exploring and identifying opportunities for public/private partnerships outlined in Chapter 4.

Step One: Establish a Task Force

The task force should comprise people who support a collaboration between the commercial and public sectors to undertake a given health intervention. The task force should include MOH representatives—if possible, the director of health services, the director of regulatory affairs, and the intervention program manager. It should also include representatives of international donor agencies such as USAID, UNICEF, and WHO, and, where appropriate, a local marketing consultant. Participants in existing interagency groups that pool resources for specific health interventions should also be considered for membership in the task force. Later, when the commercial sector joins the partnership, commercial firms will be integrated as full members of the task force.

The first meeting of the task force should be focused on securing the support of members for engaging the commercial sector. Task force members should be provided the following information: relevant background information, the overall objectives of the public health intervention, opportunities for partnership with the commercial sector (identified in the process

outlined in Chapter 4), and an assessment of the factors that will be critical for success. It also will be helpful to outline the capabilities and advantages of the commercial sector, including:

- ***the ability to use market research to better understand target audiences***
(consumers, health care providers, pharmacists, and other retailers)
- ***the capacity to develop and introduce new public health–recommended products***
- ***wide distribution networks***—e.g., including all pharmacies, general stores, and supermarkets in urban areas
- ***experience and expertise in effectively promoting products to different audiences***, including developing alternative pricing structures and differentiating product presentation (e.g., packaging, display, flavor) to make products more acceptable and appealing to different segments of the target audience
- ***sustainability***—the likelihood that a successful effort will persist without requiring continued resources from the public sector

Step Two: Agree on Objectives

The overall objective of the health intervention will be to use the resources of the commercial sector to promote sustained use of the public health–recommended product(s), or maintenance of the desired health practice, on a national basis. The name given to the task force should reflect this overarching objective—The Task Force to Promote Oral Rehydration Therapy, for example.

During the first or second meeting, the task force also needs to reach a consensus on the broad objectives for the particular public/private partnership and on the qualities of the ideal commercial partner. These will be used later to develop criteria for selecting appropriate private sector partners (the selection criteria will be formulated in Step Four). Each objective should be “SMART”—Specific, Measurable, Ambitious, yet Realistic, and Time-bound.

A partnership to reduce deaths among children under age 5 from pneumonia might have the following objectives:

- to double the proportion of parents (from 10 percent to 20 percent by the third year) who recognize that rapid breathing is a sign to seek outside medical help
- to convince 80 percent of private physicians to practice correct case management of acute respiratory infections (ARI) through an IEC (information, education, and communication) campaign supported by commercial sector promotion within the next three years

Each task force member should share the group's agreed objectives with decision makers in his or her respective organizations. In general, task force members should regularly report to their organizations on the group's deliberations and decisions. This helps prevent misunderstandings and preserve the institutional support of the organizations for the partnership. To enhance the ability of task force members to do this, the process of discussion that leads to decisions should be reflected in the minutes of task force meetings, so that it is transparent to those in the respective organizations who read the minutes but did not attend the meeting.

Step Three: Identify Potential Incentives

The next step for the task force is to identify incentives to attract local commercial partners. These can be provided by any of the relevant government ministries outlined in Chapter 2: ministries of health, education, finance, industry and commerce, and information. Task force members need to agree on the most attractive potential incentives and to work together to change policy to make them possible. (The catalyst should work to convince members of the task force that this is a productive use of their time and expertise to reduce the resistance factors.) Some clues on the most attractive incentives may have emerged from the initial discussions with the commercial sector, undertaken in Step 4 outlined in Chapter 4.

The following incentives may be attractive to the commercial sector:

- ***Free air time on government-managed media*** for public service announcements (PSAs) dealing with public health interventions. This increases both brand-name recognition and awareness of appropriate treatments. For example, in Mexico, private TV networks aired messages about prevention and treatment of cholera free of charge during prime time at the height of the cholera season. Many of the personal hygiene spots were produced by Colgate-Palmolive.
- ***Tax advantages on imported ingredients and materials.*** These reduce product costs and encourage companies to invest in active and extended distribution and enhanced promotional activities, both of which can have important public health benefits. In Pakistan, ORS manufacturers jointly raised a petition to the Ministry of Finance to refund the duty paid on imported raw materials for making and packaging ORS. The petition, which was supported by the MOH and international donor agencies, was accepted, and a refund was granted for all new imports. This initiative helped lower the cost of ORS and allowed more resources to be directed toward improving packaging and increasing promotion of the product.

- ***Permission to sell health products at all types of stores*** by exempting appropriate public health–recommended products from regulations requiring that they be sold only by prescription or only in pharmacies. This allows wider distribution of these products, making them more accessible to target populations. The drug regulatory authorities in the Philippines agreed to classify ORS as an over-the-counter product, allowing distribution beyond the urban-centered network of pharmacies.
- ***Lifting or loosening price controls.*** This gives the private sector flexibility to price public health–recommended products at levels appropriate for the market. For example, a soap company may be willing to target less affluent consumers with a lower-priced version of the same toilet soaps it sells to more affluent consumers, using less expensive (or no) packaging to differentiate the products. For example, in Mexico, a price-sensitivity study conducted by a professional market research agency demonstrated that rural consumers had the capacity to pay more than the government-fixed price for ORS. This evidence convinced the government to loosen price controls on the product, and the result was a price level that was more attractive to potential commercial marketers but still affordable to the target population.
- ***Greater product flexibility*** for public health–recommended products such as ORS. When manufacturers can vary their products slightly, they can differentiate them from the competition and make them more attractive to different target populations. This can help companies market public health–recommended products more successfully to consumers, health care providers, and retailers. Global pharmaceutical company Abbott has used product differentiation to successfully market both ORT (oral rehydration therapy) in general and Pedialyte™ (Abbott’s ready-made liquid ORS) in Mexico and Central America. Abbott has developed a broad product range for Pedialyte™, making it available in many flavors, sizes, and concentrations to appeal to the needs of different physicians and consumers. In many countries, not allowing variation in formula and packaging was discouraging manufacturers who otherwise were considering a more active marketing effort for their products.

Step Four: Select Potential Partners

In this step the task force will list the specific resources needed to accomplish the objectives of the partnership and rank each potential partner company against these criteria. This process allows task force members to make an objective and transparent decision about each company. In sum, the process for Step Four is:

- ***list the criteria***
- ***rank the criteria*** in order of importance
- ***apply a relative weight to each criteria***
- ***determine the scores of each company***, according to company capability assessment (see Step Four in Chapter 4)

The task force should identify the selection criteria and rank them according to priority. There may be 5, 10, or 20 priority criteria—the number is not important. What *is* important is that task force members actively participate in determining the criteria and in ranking them by priority—a process that strengthens the bonds among the members of the task force.

Figure 13 is a matrix of company ratings according to the selection criteria chosen for the Bolivia ORS partnership described in Chapter 5. The criteria are listed by decreasing importance and priority; there are 11 priorities, and so 11 points are assigned to the highest-priority item. For example, the Bolivian ORS task force ranked production capacity ninth, and assigned it only three points, because ORS can easily be imported into Bolivia. The capabilities of each company are scored on a scale of one to ten, with ten being the highest. This information comes from the company capability assessment undertaken in Chapter 4. The relative weight of each criterion is used as a multiplier.

Step Five: Approach Potential Partners

When there is a clear, leading candidate among the selected companies, task force members should concentrate their efforts on gaining the support of that company's CEO for joining the partnership. When there are two or three possible partners, the CEO of each company should be approached individually.

Figure 13. Ranking of Potential Commercial Partners for ORS Intervention

Criteria	Relative Weight	Company					
		A		B		C	
		Score	Points	Score	Points	Score	Points
Extensive national distribution	11	10	110	10	110	8	88
Capacity/ experience in public marketing	10	5	50	0	0	5	50
Distribution to rural areas	9	3	27	0	0	1	9
Ability to produce high volume at low cost	8	6	48	0	0	4	32
Distribution to urban areas	7	10	70	5	35	7	49
Active promotion and sales to pharmacies	6	8	48	8	48	10	60
Active promotion and sales to stores/others	5	7	35	0	0	6	30
Promotion to physicians and pharmacists	4	10	40	10	40	10	40
Sufficient production capability	3	10	30	*	0	*	0
No antidiarrheal or infant formulas	2	5	10	10	20	5	10
Access to packaging equipment	1	10	10	*	0	*	0
TOTAL SCORE			478		253		368

* = not available

Task force members should carefully plan their approach to the companies to increase the chances that the CEOs will be interested. The company assessments conducted in Step Four of Chapter 4 will be helpful. One task force member should make initial contact with the CEO, preferably the international donor representative or the marketing consultant. The goal is to spark the CEO's interest in the project and to engage him in a substantive dialogue about a potential partnership. The task force representative should present the CEO with the following information:

- *an introduction to the task force* and its objectives
- *a clear statement of the health problem* the intervention will address
- *a list of key activities of the MOH and other public health organizations* in recent years that are related to the intervention
- *appropriate background materials*, including the MOH's national policy and brochures on each partner organization (these should be left with the CEO)
- *the potential role of the company*, including common interests, the need for private sector involvement, and the market potential of the product
- *possible incentives*, to stimulate the company's interest
- *reasons why the company is being asked to join the partnership*, including its unique capabilities and how these complement public sector efforts

The task force representative should explore the CEO's initial reaction and discuss his expectations for a partnership, including ideas about the roles of each prospective partner and the resources needed. The representative also should note the CEO's questions and concerns for discussion and response by the task force.

Step Six: Request an Economic Feasibility Study

If the CEO is receptive to the idea of collaborating in a partnership, he will need time to think about the proposal and will probably want to discuss the idea with his production, marketing, finance, and material management departments. The task force representative should ask the CEO to develop an economic feasibility study for the potential joint venture.

A feasibility study is essential for a major product launch, because it allows a company to weigh the risks and assess the potential return on its investment. It also shows whether the activity will be sustainable. The feasibility study includes a cost structure analysis—a breakdown of the costs of producing, distributing, and promoting the product. Figure 14 shows a sample cost structure analysis for a new product, although it does not include the start-up or research and development (R&D) costs that are typically involved. Note that it may be impossible to share the feasibility study with all members of the task force because it contains confidential information about the company's costs and profits.

Figure 14. Example of Cost Analysis for a Product

	Cost per unit (US\$)	
	By Item	Running Total
Production Costs		
Raw materials	1.00	1.00
Packaging material	.20	1.20
Labor	.40	1.60
Equipment depreciation	.10	1.70
Operational costs	.20	1.90
Other production costs	.20	2.10
Financial costs	.10	2.20
Profit (20 percent)	.44	2.64
Distribution costs		
Wholesale margin (10 percent)	.26	2.90
Retail margin (25 percent)	.66	3.56
Trade promotion	.20	3.76
Advertising costs	1.00	4.76
TOTAL COST TO CONSUMERS	4.76	

Secure the CEO's commitment. If this is not possible, thank him for his time and repeat the steps with the next candidate. If the CEO seems interested, but cannot make a commitment, move on to Step Seven to explore ways for the task force to make the project more appealing to the CEO.

Step Seven: Negotiate a Partnership

The feasibility study may raise some concerns about the joint venture on the part of both the public and private sector participants. The MOH will be concerned about the price to consumers, particularly since consumers may already be buying the product at a much lower (e.g., subsidized) price. The company (or companies) will be concerned that the price to

consumers may not be high enough to ensure a reasonable payback over time—that is, for the activity to be sustainable.

This is when the task force—particularly the catalyst—can address both the public health and business concerns in a neutral way. For example, the task force (or one of the participating organizations) can undertake a price sensitivity survey, providing market research on what price each segment of the target audiences can, or is willing to, pay for the product. Or, an international donor agency can offer to co-fund advertising costs for the first two years, to shorten the time before the company (or companies) begin to see some return on investment.

If this type of negotiation between the potential partners is successful, the result will be an agreed-upon work plan, with an appropriate time frame, for the product launch. The work plan should include an outline of the partnership objectives, the strategies to be used to pursue the objectives, a calendar of activities, and monitoring and evaluation indicators. It should list who is responsible for which activities and which organizations will contribute the necessary resources. (The above elements are detailed in Step Eight.)

Once the work plan has been finalized, the partners should execute a formal contract that outlines the provisions of the work plan. Members of the task force should organize a formal signing ceremony to publicize the partnership. The minister of health and the company CEO(s) should be the keynote speaker, and the media should be invited to attend.

Step Eight: Develop the Marketing Plan

As the substantive document for the partnership, the partners need to develop further the outlined work plan into a full-fledged document, usually called the “marketing plan” or “brand plan” in the commercial sector. This document needs to be developed jointly with the commercial sector partners, who are now members of the task force. If the commercial sector partners are familiar with the concept of a marketing plan, encourage them to take the lead in its development. Otherwise, the marketing consultant will guide the commercial partners through the process. The marketing plan should incorporate the following elements, some of which have already been prepared in previous steps:

- ***situation analysis***—essentially the assessment undertaken in Chapter 4. This assessment can be complemented by input from the commercial sector partners, who might have additional information in certain areas related to the target audiences, the market, or the product.
- ***key issues***—the problems and opportunities that will be encountered in marketing the product. These issues are the synthesis of the situation analysis described above, and they should represent those factors that will be addressed by the marketing strategies.

- **objectives**—reflecting both the commercial partners’ objectives and the public health objectives. The objectives should be “SMART,” as explained in Step Two. By developing specific objectives, you will also be identifying your evaluation indicators.
- **strategies**—these address the key issues raised earlier. These should turn the market opportunities into advantages for the product and should help overcome the obstacles in a creative, problem-solving fashion. Marketing strategies typically address the “4 Ps”: Product, Price, Place, and Promotion. This is called the “marketing mix.” You may add other “Ps” as appropriate, such as politics or public relations. Marketing strategies should be customer-oriented, focusing on the target audiences you have selected, such as pharmacists, rural mothers, or schoolchildren. It is imperative to include a monitoring and evaluation strategy that describes the indicators to be measured.
- **action plan**—this details the above strategies by describing the activities to be undertaken or the tactics to be employed; who will be responsible (organization/person) for executing each; and when and where these will be done. A useful way to represent an action plan is to put it in a calendar of activities or chronogram.
- **budget**—this should include the estimated costs of all planned activities. The budget should be submitted for approval to each co-funding organization, and funding does not need to be confined to the members of the task force. Imaginative use the task force’s leverage could help raise additional funds.

The task force should be kept informed of the critical parts of the plan and should be involved in key decisions related to the objectives, strategies, and budget. The final draft of the marketing plan should be presented formally to the task force to secure a consensus among all the members.

Step Nine: Implement the Marketing Plan

Every effort must be made to fully use the resources available to the task force and to integrate the partnership’s activities into the work plans of each organization represented on the task force. The key to a successful partnership is ensuring that the funding and material resources are in place to carry out the activities specified in the work plan. Each partner must make good on its commitments, providing the resources and conducting the activities agreed to in the work plan. Otherwise, there will be delays and a loss of momentum.

The manager of the task force—probably the private sector consultant—should ensure that the marketing plan is being implemented in a timely fashion. He or she should flag any

delays or problems and report them to the full task force at the next meeting. The manager's key tasks include:

- ***reviewing the marketing plan regularly***
- ***monitoring progress*** of each partner in carrying out the marketing plan
- ***identifying real and potential problems***
- ***marshaling internal and external resources to solve problems***—for example, by arranging for technical assistance, facilitating contact with other organizations, or serving as a liaison to decision makers
- ***convening regular and ad hoc meetings of the task force*** to report on the partners' progress and to address problems that arise
- ***recognizing the contributions of active participants*** to positively reinforce their achievements and publicize their role and contributions
- ***ensuring that correct and sufficient data are being collected*** to evaluate the progress and sustainability of the effort—for example, comparing actual results against the projections in the feasibility study

Even with the most thorough planning, problems will arise. The task force members should work together and pool their resources to address such problems. In addition, individual members of the task force should seek to creatively apply the resources at their disposal. For example, an international donor could arrange to provide the raw materials the manufacturer needs to test its production equipment for the new product. A donor with access to technical expertise can provide valuable technical assistance in areas as diverse as quality assurance or communications.

The task force members should regard their activities as an opportunity to upgrade their own and their partners' capabilities in such areas as marketing planning, communication, and sales training. Public/private partnerships help institutionalize the processes involved and help develop skills among the participants that can be used in the future.

One issue that may arise involves who should supply the product in question to the public health system and at what price. It is natural for the commercial partner to expect to fill government orders for the product, even if international suppliers are more competitive on price. International donor agencies may want to encourage local suppliers—i.e., the commercial partner—to build long-term, national manufacturing and/or distribution capacity. Therefore, the international donor may agree to purchase the product directly from the manufacturer, even if the local price exceeds the price quoted by the international manufacturers.

Step Ten: Enhance the Impact

Although the task force has been meeting regularly, it is important to maximize the level of participation of each member. To further institutionalize the process, the task force manager should encourage members to host meetings at their organizations, to rotate responsibility for keeping minutes, and to divide other responsibilities among themselves. The commercial sector representative(s), designated by the CEO(s) of the partner company (or companies), by now should be fully assimilated into the group.

Every effort also must be made to integrate the activities of the partnership into the work plans and budgets of the task force members' organizations and to ensure that funds promised to the partnership are promptly disbursed. The task force manager should keep a master calendar on which task force members put their planned activities—for example, specific health interventions such as ORT (oral rehydration therapy) campaigns, National Immunization Days (NIDs), Vitamin A capsule distribution, bed net retreatment, or cholera prevention campaigns. The calendar should also include the specific activities outlined in the work plan.

IMPROVING THE ENVIRONMENT FOR PARTNERSHIP

The task force can undertake some activities to make the environment more favorable for a public/private partnership and to improve the chances of success. These include:

- ***Raising the awareness of the general public:*** The public sector can organize and carry out mass media campaigns to educate the general public about the health problem being addressed. This helps create demand for the product being targeted by the partnership. For example, in Ecuador, public health officials, educators, and public and private sector communications professionals joined to raise awareness of the health benefits of iodized salt. Health workers, schoolteachers, and local community leaders engaged in interpersonal outreach efforts and the media broadcast some 40,000 radio messages to promote the use of iodized salt. These activities naturally increased consumption of iodized salt.
- ***Engaging the support of medical associations:*** Public sector health communications efforts traditionally have focused on the general public. However, the medical community can be enlisted to embrace public health goals and promote MOH-supported treatments. In Bolivia, a committee of the Pediatric Society is working with the MOH to develop guidelines and protocols for standardized management of pneumonia in children. These guidelines involve use of a number of products manufactured by local pharmaceutical companies. The Indian Medical Association enthusiastically endorsed ORT as the preferred method for treating dehydration due to diarrhea. The association conducted half-day seminars on ORT for more than 40,000 of its members and requested that trained members promote

use of ORT among pharmacists, and recommend the use of locally manufactured ORS packets.

- ***Promoting case management among future health professionals:*** The next generation of health professionals can be trained to take advantage of the most recent research findings and methods to protect public health. In particular, the task force could seek to ensure that the curricula of medical, pharmacy, and nursing schools are up-to-date. For example, the three medical schools in Bolivia agreed to jointly change their curricula to include updated case management of diarrhea emphasizing ORT.
- ***Restricting the irrational use of drugs:*** Officials of the MOH and other regulatory bodies should cooperate to restrict the improper use of drugs. At a minimum, public health officials should lead an effort to curtail abuse of antibiotics and to promote proper management of diarrhea. In both Pakistan and Indonesia, ineffective pediatric antidiarrheal preparations were banned, which created a golden market opportunity for ORS manufacturers.

CEMENTING PUBLIC/PRIVATE COLLABORATION

The task force can undertake other activities to cement the collaborative relationship between the public and private sectors. Some examples include:

- ***Educating companies on national public health objectives:*** Commercial companies need to be made aware of the public health priorities, activities, and capabilities of the public sector. Then companies can tailor their activities to complement—or even to replace—public sector activities. For example, public health officials educated members of the International Federation of Sugar Manufacturers about the health benefits of fortifying food with vitamin A. When the sugar manufacturers were convinced that adding vitamin A would not harm the flavor of the sugar, they made a commitment to work with the public sector to fortify sugar as needed to help eliminate vitamin A deficiency worldwide.
- ***Educating the public sector about commercial sector realities:*** Public health officials are generally not aware of the objectives, operations, or motivations of the commercial sector. The task force can provide insights into the workings of private sector firms for officials in the MOH and other government agencies.
For example, Bolivian MOH officials wanted private ORS manufacturers to expand ORS distribution to indigenous people in remote areas, but were unaware of the obstacles—including the fact that there were no pharmacies outside urban areas and that it was illegal to sell ORS outside pharmacies. MOH officials had an opportunity to discuss these real-world constraints with private sector representatives on the public/private ORS task force discussed in Chapter 5. As a result, the MOH allowed ORS to be sold outside of pharmacies as an over-the-counter drug. It also accepted the ORS manufacturers' need to consolidate their urban markets first before extending distribution to rural areas.
- ***Collecting and sharing market information:*** Companies can better identify market opportunities when they have detailed information on current health behaviors, but they are often reluctant to spend time and money to collect such information. The task force can fund surveys or other research activities to generate such data, or it can share data already gathered as part of KAP (knowledge, attitude, and practices) studies, Demographic and Health Surveys (DHS), technical reports, and ethnographic surveys.
For example, Sterling Health in Kenya studied existing KAP surveys sponsored by the government and international agencies for information about attitudes and behaviors related to treatment of diarrhea in children. The existing data showed that the major obstacles to increased use of ORS by caretakers of young children were product-related, including the availability, taste, and price of ORS and the clarity of instructions for its

use. Because Sterling could address many of these issues, it saw some ready market opportunities.

- ***Enhancing communication techniques:*** Private sector marketing managers are often unable to create health-related promotion strategies and materials, lacking the motivation, the knowledge, and/or the time. In contrast, the public sector has a wealth of knowledge in health promotion and health communication, embodying years of experience by intelligent and imaginative health professionals around the world. The task force can facilitate a transfer of marketing and communications skills between the two sectors, for example, by conducting workshops or facilitating one-on-one exchanges.
For example, the manager of CDD programs for the Kenyan MOH trained the sales force of Sterling Health in current methods of ORT and about the prescription behavior of public sector health workers. The sales force used this information to market its products to pharmacists and other health professionals.
- ***Facilitating partnerships among commercial suppliers:*** Sometimes the only way to ensure that a public health intervention reaches all the segments of the target population is to involve several commercial firms that have complementary capabilities. For example, a company with a strong production capacity, but a weak marketing structure, can be linked with a firm that has a strong marketing program. Likewise, a company that markets mass consumer goods to rural retailers can be linked with another firm that specializes in marketing to urban pharmacists and physicians. In the Philippines, Procter & Gamble, the country's largest consumer products company, agreed to consider distributing an ORS product manufactured by Astra, a leading pharmaceutical company. Together, these two companies would have greatly enhanced the distribution and promotion of ORS. The plan stalled, however, because of a lack of commitment from the MOH.
- ***Promoting the transfer of experience:*** The task force can sponsor regional conferences to upgrade the technical competency of the partners, improve their motivation, and allow them to learn from others' experiences. One advantage of holding regional rather than national conferences is that participants bring experience from diverse environments. Another is that commercial sector representatives can be drawn from a wider variety of industries or market segments, allowing a more open exchange of ideas among commercial participants than if they were all direct competitors. For example, at a workshop in Singapore, marketing representatives of companies from six Asian countries, which together account for 15 percent

of global ORS distribution, exchanged marketing strategies, analyzed the challenges they faced, and shared advice on solving common problems.

- ***Encouraging the MOH and NGOs to procure from local firms:*** The task force can encourage the public sector and NGOs to purchase specific quantities of public health–recommended products—e.g, vaccines or antibiotics—from local firms to enhance the firms’ economies of scale, reduce uncertainty about demand, and build local capacity. Such procurement agreements can be long- or short-term—for example, renewable based on performance. A two-year agreement to supply ORS to the public sector encouraged Pharmanova in Malawi to take advantage of the massive presence of its product in the public sector to invest in better packaging, increase the time its sales force spent promoting ORS, and create new promotional materials.
- ***Sponsoring events to promote and publicize public health–recommended products:*** The task force can sponsor events that widen the framework for cooperation among the partner organizations. A pharmaceutical company can be approached to participate in an MOH-organized immunization campaign, for example, by having its sales force circulate flyers or other materials prepared by the public sector to physicians, pharmacists, and shopkeepers. It is easier to coordinate events that are of limited duration—for example, a week-long immunization campaign—and which therefore involve a specifically limited commitment of time and resources. In the Philippines, the Department of Health arranged with DHL, a private courier service, to provide free and rapid distribution of vaccines for National Immunization Days (NIDs). The Rotary Club in Indonesia funded preparation and distribution of a poster publicizing the government’s biannual distribution of Vitamin A capsules. Forty thousand copies were distributed to public health centers and health posts throughout the country.

Step Eleven: Maintain an Effective Partnership

Positive recognition and reinforcement are important components of any behavior change process, and they should be used to encourage the companies, organizations, and individuals involved in public/private partnerships to sustain their collaboration. The catalyst should nurture the partnership by ensuring that participants' efforts are recognized, for example, by:

- ***Recognizing CEOs and Senior Managers:*** CEOs and other senior managers are busy people and their time constraints need to be respected. Nonetheless, they should be recognized in front of their peers for the work they have done to improve the health status of mothers and children in their communities. The local situation and the preferences of the individuals involved should guide how this is done, but, in general, it is appropriate to hold special events at meetings of professional associations, trade associations, chambers of commerce, business associations, and clubs. For example, Sterling Health was recognized by the Kenyan Minister of Health, at an event covered by the media, for Sterling's work in expanding ORS use and helping to reduce mortality due to diarrhea-related dehydration. The company's regional managing director for East Africa received an engraved appreciation plaque that was presented by UNICEF and USAID, the other public sector partners in the effort.
- ***Arranging for company executives to speak to associations of health professionals:*** Representatives from commercial enterprises, business associations, and the public sector should be invited by the task force to speak at medical association meetings, professional associations, and other gatherings about their role and experiences in public/private partnerships. For example, Rotary Clubs throughout the world hold weekly meetings and welcome the opportunity to host speakers. The general manager of Johnson & Johnson in Guatemala outlined for the annual conference of the National Council for International Health his company's efforts to build a partnership with the MOH, UNICEF, USAID's HealthCom project, and a local advertising agency to promote the well-being of children through immunization, nutrition, and other preventive behaviors.
- ***Recognizing a subsidiary at the parent company headquarters:*** Representatives of international agencies can arrange to single out senior managers of the subsidiaries of multinational companies in front of their superiors at headquarters. These subsidiaries often operate quite independently, and such recognition may help draw the attention of the headquarter's staff to subsidiaries' public health-oriented work and may spur the company to encourage other subsidiaries to launch similar projects.

For example, it was the local managers of the pharmaceutical companies Sterling/Kenya, Searle/Pakistan, Merck/India, and Glaxo/Ceylon who made a decision to market non-core products such as ORS.

- ***Recognizing pediatric and other medical associations for championing public health interventions:*** Medical associations should be recognized for promoting public health–recommended interventions to reinforce use of these products by the associations’ members and by the broader medical community.
- ***Recognizing business associations for their sense of social responsibility:***

Local business associations that are involved with public health objectives should be singled out. This increases their prestige among peer associations, stimulates other groups to emulate them, and encourages further commitment on their part.

Since 1988 Rotary International has supported a polio eradication program, called Polio Plus, in partnership with WHO and UNICEF. Rotarians working in 102 countries have raised US\$240 million for the effort. Recognizing the contributions of local clubs has helped members maintain their enthusiasm and avoid fund-raising fatigue.
- ***Translating sales data into meaningful public health statistics:***

Traditionally, the commercial sector has collected data on product sales and distribution by region and retail outlet, using sales reports, trade audits, or store checks. Commercial firms also monitor the number of prescriptions by health provider, using sales and prescription data from International Market Statistics (IMS). The task force can use such information to monitor and evaluate the partnership’s activities and to adjust its strategy in such areas as distribution, pricing, or advertising.

The task force manager should help translate the actions and results of one partner to reflect well on the others. Translating commercial sales results into public health terms allows the public sector to take credit when the partnership’s activities lead to reduced incidences of disease. Public health officials also should take credit for positive actions by the commercial sector that lead to public health achievements.

Step Twelve: Monitor and Evaluate the Intervention

The partnership exists primarily to address a public health objective. It is the responsibility of those task force members associated with the MOH and international agencies to measure and document the partnership's activities and to determine whether there is a positive impact on public health. The work plan and the master calendar should both include scheduled dates for taking such measurements, including an early measurement to serve as the baseline for gauging the overall progress of the intervention.

Regular monitoring and evaluation allows the task force to identify and correct problems early, helping to maximize the impact of marketing efforts. For example, such evaluations may spur changes in the product characteristics and/or prices, improvements in the distribution system for the product, adjustments to the message strategy, or shifts in the internal allocation of work and responsibility among the partners. A well-executed monitoring and evaluation plan also enables task force members to measure and report the success of the partnership and its approach.

As part of a UNICEF-supported ORS campaign in Jordan, television spots were aired intensively for two or three months to promote a local ORS product, Aquasal. Product sales increased dramatically during the campaign, but fell sharply afterward. The manufacturer, Al Hikma, asked for technical assistance to address the problem of low sales. The campaign's marketing expert analyzed the situation and found that two key groups—physicians and pharmacists—felt that the mass media campaign had ignored their role. They reacted negatively to the campaign and did not recommend the advertised ORS product to their patients. To compensate for the fact that these groups had been overlooked during the planning for the campaign, the project's catalyst worked with the manufacturer, the MOH, and the international donors to develop a marketing strategy that specifically targeted health professionals. This new marketing strategy also allowed the campaign to tap a new resource—Al Hikma's medical representatives, who helped create ongoing demand for Aquasal among health professionals.

The private sector primarily conducts market research and collects sales and distribution data, which help to pinpoint the target audiences for the intervention. In contrast, the public sector generally collects epidemiological and demographic health data, using regional or national surveys. This information helps to pinpoint health problems and to identify the type of intervention that can best address them, such as training health workers or launching a health education campaign.

One way for the task force to bridge the gap between the private sector sales/marketing data and the public sector epidemiological/demographic data that may be currently available is to measure behavior change among the target audiences for the intervention. Below is a list of questions to ask to measure whether and to what extent the behavior of various segments of the target audience has changed. This type of measurement can be repeated several times during the implementation process to measure the progress of the intervention.

MEASURING BEHAVIOR CHANGE AMONG PARENTS, HEALTH CARE PROVIDERS, PHARMACISTS, AND OTHER RETAILERS

The following four basic questions should be asked of these target groups:

- *Have you heard of the product?*
- *Did you use/recommend the product the last time you had a need/opportunity?*
- *Where did you learn about this product?*
- *Where did you (or can you) get this product?*

MEASURING BEHAVIOR CHANGE AMONG MANUFACTURERS AND DISTRIBUTORS

Manufacturers and distributors of the product should be asked the following questions:

- *How many units of the product do you sell annually?*
- *What is your annual income from sales of this product?*
- *What resources have you expended on producing, distributing, and promoting the product over time?*

MEASURING BEHAVIOR CHANGE AMONG POLICYMAKERS, DONORS, AND NGOS

Policymakers, donors, and NGO representatives should be asked:

- *What is government policy regarding production and distribution of the product?*
- *Did you make changes in policy or regulations that affect the product?*
- *Has the government assisted the private sector in marketing the product?*
- *Has the government purchased this product from local manufacturers?*

CHAPTER 7

Conclusion

7. Conclusion

In an atmosphere that increasingly recognizes the limited capabilities and resources of the public sector, new approaches are needed to save children's lives and to improve the quality of those lives. Partnerships between the public and private sectors can mobilize new resources and can lead to the effective use of health-related products. This can be an important component of overall public health efforts. The public sector can interact with the private commercial sector to influence the production, distribution, and promotion of health-related products.

In addition to enhancing the health of the public, government agencies, national and international donors, and private businesses that participate in the process can each benefit directly from these alliances. The public health sector can learn the value and techniques of aggressive and innovative marketing techniques from private businesses, which can subsequently be applied to other public health initiatives. The private commercial sector can learn processes for planning and prioritizing from the public health sector and can come to recognize when its efforts may help or hinder public health efforts.

The foundation for a successful partnership between the two sectors will include a viable commercial infrastructure, government support for interaction with the commercial sector, a person who can facilitate the potential public/private partnership, and, in general, an awareness among the target audience of the need for the product to be promoted (although this awareness may be enhanced or created by subsequent promotion efforts).

This guide provides a step-by-step formula for forging such productive alliances. While the situations in each country vary to some extent, the overall process outlined is applicable in nearly all circumstances. It has proven effective at producing successful and sustained public health efforts in such widely varying environments as Bolivia, Kenya, Pakistan, and Indonesia.

The goals of improving public health and successfully producing and selling a public health-related product are neither mutually exclusive nor conflicting. Through the type of gradual and mutually respectful process described in this guide, prospective partners can come to understand the needs, priorities, and working methods of each other and together can shape an outcome that will be beneficial to all.

All prospective partners must recognize that establishing a long-term, self-sustaining program is as important as getting good initial results. Reducing diarrheal dehydration for the next year is laudable. Reducing diarrhea-related child morbidity or mortality for the next generation will change the world. Government agencies are institutions that will remain in place regardless of results. Commercial manufacturers will stay in business as long as they can make a profit. But donor organizations ultimately will disappear as they move onto other

projects. When the support of international donors ceases, it is essential that the structure can continue to exist and prosper—producing beneficial public health results. The collaborative approach described in this document is just such a sustainable framework for long-term action and impact.

In an era of reduced resources, governments and donor agencies are realistically assessing what the public sector can accomplish alone. The benefits of pursuing alliances between the public health sector and the commercial sector are becoming increasingly obvious. The process described in this guide demonstrates that these benefits can be attained in a practical way. The challenge, to all three of the players—donor agencies, governments, and commercial suppliers—is to set this process in motion.

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Glossary

ARI	Acute respiratory infections
BASICS	Basic Support for Institutionalizing Child Survival project
CDC	U.S. Centers for Disease Control and Prevention
CDD	Control of diarrheal disease
CIDA	Canadian International Development Agency
DHS	Demographic and Health Survey
GMP	Good management practices
ICM	Integrated case management
IEC	Information, education, and communication
IMR	Infant mortality rate
IMS	International Market Statistics
KAP	Knowledge, attitude, and practices
MCH	Maternal and child health
MOF	Ministry of finance
MOH	Ministry of health
NGO	Nongovernmental organization
NID	National immunization day
ORS	Oral rehydration salts
ORT	Oral rehydration therapy
OTC	Over-the-counter
PAHO	Pan American Health Organization
PSA	Public service announcement
PVO	Private voluntary organization
UNICEF	United Nations Children's Fund
USAID	United States Agency for International Development
WHO	World Health Organization