

**The Costs of  
Contraceptive Social  
Marketing Programs  
Implemented  
Through the  
SOMARC Project**

**SOMARC III  
Special Study 2**

**The Futures Group  
International**

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**The Costs of Contraceptive Social Marketing Programs Implemented  
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## I EXECUTIVE SUMMARY

Family planning services are available to potential users through a variety of sources. Government services are typically offered through hospitals, clinics and health centers and, in some cases, through outreach workers. Non-governmental organizations (NGOs) may offer services through clinics and community-based distribution. The commercial sector provides family planning products through pharmacies and other outlets and family planning services may be offered by private physicians. Commercial services contribute to the family planning program at no cost to the public sector. However, these services are usually high cost for the consumer and often available only in urban areas. Thus, they generally serve only the wealthiest segment of the population. Government and NGO services are typically low cost or free, but they may not reach all geographic areas and waiting times may be long. As the number of family planning users increases, the public subsidy required to provide services can become a burden on government budgets. Social marketing programs are intended to contribute to the overall family planning program by using commercial sector techniques to generate demand, expand access and operate with little or no public sector subsidy. These programs are designed to reach mid- to low-income consumers with affordable products and services. This study examines the actual costs of a number of USAID-funded contraceptive social marketing programs in order to determine whether such programs really are cost-effective.

The SOMARC I, II and III projects have implemented a large number of contraceptive social marketing projects in countries around the world. These projects are designed to expand the availability of affordable contraception to couples who want to plan their families. SOMARC strives to develop projects that can achieve a maximum degree of sustainability while still keeping prices within the reach of the majority of the population. In some countries it has been possible to develop projects that have achieved complete self-sufficiency within as little as five years. In others, complete self-sufficiency is not possible in the near future. In all cases, SOMARC uses a variety of innovative approaches, including private sector partnerships, to keep the net costs of the projects as low as possible. The present study updates two prior studies done in 1992 and 1995 and includes twenty-nine countries where the 1992 and 1995 studies covered nine and fifteen countries, respectively. This study includes data through 1996. A country had to have at least two years of sales and a majority of costs flowing through the SOMARC project to be included.

The cost effectiveness of these projects has improved over time. The average cost-per-CYP of contraceptive social marketing programs implemented by SOMARC was \$8.78 in 1992, \$6.36 in 1994 and \$5.31 in 1996 (all years expressed in 1996 dollars). In 1996, these costs ranged from a high of \$94 per CYP in Haiti, \$89 per CYP in Niger and \$66 per CYP in Kazakhstan to a low of no cost-per-CYP in countries that have become completely self-sufficient. (Several projects were started with USAID-funding but have now graduated from donor assistance. That is, they continue to provide family planning services with no public sector subsidy.) The cumulative cost for all program years and all country projects is only \$6.83 per CYP. When project overhead costs are added to the

country-specific costs the annual cost-per-CYP in 1996 becomes \$6.37 and the cumulative costs for all years become \$8.18. All of these costs are well below the figure of \$15-20 per CYP often used by USAID as an average cost for all modes of service delivery.

The costs of SOMARC projects decline significantly as projects mature. The average first year cost is \$19.88 per CYP, but this drops to an average of \$4.82 per CYP by the seventh year and to just \$0.54 per CYP for the one project that has been ongoing for twelve years.

Costs also vary by implementation model. For example, the average cost in the seventh year for all projects using donated commodities is \$11.64 while the average for those using commercially purchased commodities is just \$4.07 per CYP.

The major conclusions from this study are:

1. The costs of contraceptive social marketing projects implemented by SOMARC are substantially below average costs for other modes of service delivery.
2. Cost-per-CYP declines dramatically with the duration of the project as the initial investments in market research and project design begin to pay off.
3. Several SOMARC projects have achieved complete self-sufficiency and are now providing services to clients with no additional public subsidy.

## II INTRODUCTION

Social marketing is the application of commercial marketing techniques to achieve a social goal. Traditional tools of commercial marketers are employed, including mass media advertising, promotional activities, retailer training and commercial distribution. Contraceptive Social Marketing (CSM) is the application of these marketing tools to increase the availability and affordability of modern contraceptive methods and services to moderate-to-low income consumers.

As the name implies, CSM projects are not geared toward economic marketing (selling products for the highest return) but toward social marketing — selling products at low prices to consumers of low socioeconomic levels who would otherwise not be using contraceptives (or would be using less effective contraceptives or public sources). The target audience is usually defined as lower socioeconomic class consumers who currently are not contracepting or are using public sources. The lowest income groups may not be able to pay even these lower prices and, therefore, may need to be supplied by free government services. The highest income groups are presumably able to pay existing commercial prices for contraception and, therefore, do not need lower-priced CSM products.

The costs of CSM projects have not been thoroughly documented. Since CSM products are always sold for a price, every CSM project includes some cost recovery. However, this does not ensure that these projects will be less costly than other modes of contraceptive delivery. Marketing and advertising expenses may be very high in some instances, and prices may be so low that revenues are insignificant. On the other hand, CSM projects have the potential to be completely self-sufficient and, therefore, to deliver contraceptives at no public cost. As described below, several SOMARC projects have achieved self-sufficiency.

Few cost studies of CSM projects are reported in the literature. Huber and Harvey (1989) report cost-per-CYP for seven social marketing projects, but the report does not describe what costs are included or excluded. Comprehensive analyses of cost-per-CYP are reported by Balk (1988) for Matlab, Bangladesh, Vernon (1988) for Colombia, and Janowitz (1990) for Honduras. Barberis and Harvey (1997) updated the earlier work of Huber and Harvey and report cost-per-CYP for several countries. These estimates are shown in Table 1.

It is difficult to compare results from all these different studies. Methodologies to calculate cost-per-CYP vary from study to study, different types of costs may be included or excluded, costs differ depending on how long a particular project has been in operation and there may be regional differences in costs experienced by the project. Nevertheless, a summary of costs is useful as it allows one to get an idea of the range of costs of CSM programs.

The SOMARC project has conducted two prior studies that determined the costs of its social marketing programs, the first one in 1992 and the follow-up study in 1995. The first study reported on costs for nine country programs and found the 1992 average cost-per-CYP to be \$8.78. The 1995 study reported on fifteen countries and found the average cost-per-CYP in 1994 to be \$6.36.

The purpose of this study is to update the earlier studies to include more recent data on already existing programs and on SOMARC projects begun since the completion of the 1995 study. While the same methodology is employed, results from this study are not directly comparable with the prior two studies since different CYP conversion factors have been used this time for some methods (condoms, VFTs and orals) leading to higher cost per CYP in this study.

**Table 1**

***COST-PER-CYP FOR CSM PROJECTS***

<b>Country</b>	<b>Year</b>	<b>Cost/CYP (\$)</b>	<b>Source</b>
Colombia	1984	Profit	Huber & Harvey
Sri Lanka	1984	Profit	Huber & Harvey
Mexico	1984	1 00	Huber & Harvey
Egypt	1984	3 00	Huber & Harvey
Thailand	1984	2 00	Huber & Harvey
El Salvador	1984	4 00	Huber & Harvey
Bangladesh	1984	6 00	Huber & Harvey
Matlab, Bangladesh	1985	5 62	Balk
Honduras	1989	11 94	Janowitz
Colombia	1984-86	4 69	Vernon
Morocco	1991-92	15 39	Barberis & Harvey
Nigeria	1991-92	14 51	Barberis & Harvey
Zaire	1991-92	13 53	Barberis & Harvey
Colombia	1991-92	Profit	Barberis & Harvey
Indonesia	1991-92	1 32	Barberis & Harvey
Egypt	1991-92	2 03	Barberis & Harvey
India	1991-92	2 15	Barberis & Harvey
Ghana	1991-92	7 86	Barberis & Harvey

### III SOMARC PHILOSOPHY

SOMARC's mission is to develop CSM projects to effectively deliver quality, low-cost contraceptives to low-income consumers. Intrinsic to that objective is the requirement to develop sustainable and self-sufficient contraceptive delivery programs. SOMARC's philosophy is distinct from most other CSM practitioners because of its emphasis on self-sufficiency and sustainability.

The SOMARC program believes that these objectives must be incorporated into CSM projects at their design stage. Several SOMARC design strategies have evolved for achieving sustainability and self-sufficiency goals. Primarily, they emphasize the importance of the active recruitment of private sector collaborators, as well as the establishment of partnerships that are maximally sustainable. The private sector is seen as an irreplaceable resource for CSM projects. Rather than developing new project structures and distribution channels, SOMARC strives to work within existing private sector infrastructures. SOMARC will provide technical assistance, training and funding to launch CSM products and will continue to do so until the product becomes a profitable one. SOMARC emphasizes on strong marketing and advertising efforts enables local partners to generate a sufficiently high volume of sales to cover costs and to realize a profit. Once this occurs, the CSM program is transferred to the local partner (graduated).

Achieving maximal sustainability means developing pricing strategies that result in prices which CSM target consumers can pay and that offer maximum coverage of project costs and adequate incentives to private partners. This approach is crucial to developing projects that will be successful and sustainable. The private sector has responded favorably to the initiative of CSM.

#### ***SOMARC Cost Recovery and Sustainability Strategies***

Each SOMARC project is designed to maximize cost recovery and sustainability in order to increase the likelihood that the project will become self-sufficient. Five-year financial projections provide a measure of the cost-recovery potential of the design and are used to analyze alternative pricing scenarios. A key component of project design is the plan for obtaining commodities. SOMARC currently uses two different commodity-sourcing models. These models provide options for procuring commodities from commercial sources as well as from donors.

## Donated Commodities

In low income countries prices for contraceptives cannot be set high enough to recover the wholesale costs of product and still remain affordable to the target market. In others countries restricted access to foreign exchange may make it impossible to import contraceptives. In these cases, SOMARC must rely on the use of donated commodities to make affordable contraceptives available. In countries such as Ghana (orals, condom, VFT), Bolivia (condom) and Nepal (condom, orals, injectable, IUD, VFT, implant) economic conditions or restrictions make it unlikely that CSM projects will be able to commercially obtain products. It is expected that these projects will remain dependent on donations for the foreseeable future. It is possible, however, that social marketing activities such as advertising, promotion and research may develop the markets to such an extent that the revenues generated by sales can cover the future costs of these marketing activities even if subsidized commodities are still required.

For other countries or products, donated commodities are required during the early phases of market-building. In these countries — such as Bolivia (orals), Morocco (condom), and Ecuador (condom), — donor-supplied commodities as well as funding for advertising, promotion, and research are provided during the first three to five years of project operations. At the end of that period, a sufficient low-income market for the CSM product will have been developed to permit the implementing agency to begin to purchase project commodities.

## Commercial Commodities

Commercial purchase can be used in countries with moderate income levels and good commercial infrastructures. In countries with these characteristics and with access to foreign exchange, SOMARC seeks to identify a private partner who will commercially purchase project commodities. In exchange, SOMARC provides funds to build the market through advertising and promotion. In these countries — such as Indonesia (condom), Turkey (condom), Haiti (orals), Jordan (orals, injectable, IUD) and Peru (condoms, orals, injectable, VFT) — a local distributor purchases the CSM contraceptive from its manufacturer at a price sufficiently low to be affordable to the CSM target market and distributes the product to consumers through its own commercial network. Donor funding is used during the project period for advertising and other activities, which help to develop the low-income market for the CSM product. At the end of this time, sales volume will have increased to a level where it will be profitable for the local distributor to continue to purchase, promote, and sell the CSM contraceptive to the target market with no further donor support or with only occasional technical assistance.

In some cases, it is has been possible to use products that are already on the market locally. These products are made accessible to low-income consumers by developing partnerships with the project's manufacturer. In these instances — such as oral contraceptive projects in Indonesia, the Dominican Republic, and Ecuador — manufacturers agree to lower the prices of their product and to distribute through their own distribution networks. Donor funds are used during the first years of CSM project operations for advertising, public relations, and research activities necessary to fully expand the market for the CSM product. CSM activities are necessary, as well,

to assure adequate supplies, expand product lines and ensure proper information is provided to consumers. At the end of this market development period, the contraceptive's sales volume is sufficient to allow the manufacturer to continue to sell its product at an affordable price and to undertake the necessary advertising and promotion with its own funds.

SOMARC's strategic planning for project sustainability has already demonstrated impressive results. A significant number of products have graduated completely from USAID assistance. These projects continue to supply contraceptives to low-income consumers at affordable prices. Among the products that have graduated from SOMARC assistance are those shown in Table 2.

**Table 2**  
**GRADUATED PRODUCTS**

<b>Year of Graduation from SOMARC</b>	<b>Product Name and Type</b>	<b>Country</b>
1990	Microgynon orals	Dominican Republic
	Dualima condoms	Indonesia
	Blue Circle products	Indonesia
1991	Protektor condoms	Mexico
1992	Panther condoms	Barbados
	Lo-Randal orals	Dominican Republic
1993	Protex condoms	Morocco
	O K condoms	Turkey
	Protector condoms	Zimbabwe
1994	Protector condoms	Papua New Guinea
	Microgynon orals	Turkey
	Triquilar orals	Turkey
	Lo-Ovral orals	Turkey
	Ginera orals	Turkey
	Desolett orals	Turkey
1995	Microgynon orals	Morocco
	Minidril orals	Morocco
	Minigynon	Haiti

#### IV METHODOLOGY

This section describes the methodology used to calculate cost-per-CYP for each of the SOMARC projects and the CYP conversion factors used in this paper. The cost-per-CYP calculations in this study are done on a consistent basis that will allow comparisons of cost-effectiveness across projects and over time.

The cost-effectiveness of each project is defined as the dollars expended per CYP provided. The following definitions are used:

- CYP The number of couple-years of protection provided by the CSM program. In projects where the CSM project introduces a new product, the number of units provided is simply the sales of the product. In cases where the CSM project uses an existing product, the number of units provided is the increase in sales compared to the year before the start of the project. (A more precise definition in this case would be sales of the product minus the sales that would have been attained without the CSM project. However, this requires a forecast of sales in the absence of the CSM project. In most cases, sales of these products were constant or declining prior to the CSM project so that even the manufacturers have agreed to use the sales in the year before project launch as the basis for determining the impact of the CSM program.)
- Total costs The costs are defined as the total publicly-funded costs. They do not include any costs paid by the private sector nor is any credit taken for private sector revenues or profit.
- Cost units All costs are expressed in 1996 dollars. The U.S. GDP deflator is used to convert all dollar values to 1996 dollars.
- SOMARC costs Expenditures by the SOMARC project are tracked by the management information system (MIS) of The Futures Group International. Total expenditures for any project are calculated by summing direct labor costs (salaries), overhead charges (fringe benefits, rent, utilities, etc. calculated as a percentage of direct labor), other direct costs (consultants, travel, in-country subcontracts, etc.), and fees.
- Commodity costs In projects where commodities are donated by AID, the costs of these commodities are included in total project costs. Table 3 presents costs of AID-donated commodities. These costs do not include logistical or transport costs related to these commodities.
- USAID costs USAID costs include donated commodities and expenditures made through the SOMARC project. No costs are included for the time of Population Officers or AID/Washington staff to participate in project design, implementation, or evaluation activities.

- In-country costs In-country costs are defined as all expenditures made in the project country, usually in local currency. This includes all SOMARC costs for advertising, market research, packaging, distributing, etc

**Table 3**

***COSTS OF USAID-DONATED COMMODITIES***

<b>Method</b>	<b>Unit Commodity Cost</b>				
	<b>1985-1991</b>	<b>1992-1993</b>	<b>1994</b>	<b>1995</b>	<b>1996</b>
IUD	\$1 06	\$0 965	\$1 08	\$1 12	\$1 18
Orals	256	267	0 267	195	208
Condom	0451	0535	0 0535	049	053
VFT	0925	0935	0 0925	104	108
Injectable	50	96	0 96	960	930
Implant	23 00	23 00	23 00	23 80	23 80

In an effort to make these calculations comparable with calculations done by other organizations for other projects, the cost/CYP figures are calculated using two different methods (1) in-country costs + technical assistance (TA), and (2) in-country costs + TA + project overhead

1 **In-country Costs + TA** In this approach the costs of technical assistance provided by SOMARC are added to the in-country costs. This gives a good picture of the actual costs to start the project but may overstate the long-term costs of running the project once it is well established (if only a few years of project experience are available), since technical assistance costs may decline. Some studies report just in-country costs under the assumption that these represent the true costs to run the project once it is self-operated. However, many projects never achieve that status. Therefore, in this study, all costs include both in-country and technical assistance

2 **In-country Costs + TA + Project Overhead** This approach is the same as the previous approach except that project overhead costs are added. These overhead costs include expenditures for SOMARC activities that are not directly related to any specific country, such as overall SOMARC management. Overhead expenditures are allocated to each of the country projects in proportion to the project's in-country and TA costs. This approach assumes that almost all SOMARC activities, even those related to general project planning, should be allocated proportionately to country projects. This presents the most complete view of costs but results in higher costs for those projects that started early (when there were fewer projects over

which overhead was allocated) rather than those that started later (when costs were allocated over a larger number of projects) This approach is not as useful as approach (1) in comparing costs across projects since few other organizations report their costs in this manner The overhead factors used in this study are shown in Table 4

**Table 4**

**OVERHEAD FACTORS**

<b>Year</b>	<b>Overhead Factor (as % of direct expenditures)</b>
1986	613
1987	395
1988	198
1989	334
1990	206
1991	080
1992	285
1993	378
1994	272
1995	281
1996	199

In all cases, project calculations are prepared on a year-by-year basis and a life-of-project basis In the year-by-year calculation, total costs incurred in each calendar year are divided by the CYP provided that year This approach yields high costs in the first year or two of the project since start-up costs such as baseline research, project assessment and design activities are included Costs in later years are lower since they include only continuing project costs These later costs are an accurate reflection of long-term costs for future years

The life-of-project calculations present figures for total costs and CYP from the start of the project until the year of the calculation Thus, calculations for Year 5 include all costs and CYP provided from Years 1 to 5 This approach is useful for understanding the total costs of the project Declining costs reflect the fact that the one-time start-up costs are being allocated over a larger and larger number of CYP as the project matures

All SOMARC projects that have at least two years of sales and the majority of project funding flowing through SOMARC are included in this study Total project costs are the sum of the individual country costs

### *CYP Conversion Factors*

In 1997 the Office of Population of USAID established a new set of recommended conversion factors for calculating CYP (Stover, *et al* , *Empirically Based Conversion Factors for Calculating Couple-Years of Protection*, The EVALUATION Project, February 1997) These factors are

**Table 5**

#### **USAID CYP CONVERSION FACTORS**

<b>Method</b>	<b>Conversion Factor</b>
Oral contraceptive	15 cycles per CYP
Cu "T" 380-A IUD	3.5 CYP per IUD inserted
Condom	120 condoms per CYP
VFTs	120 tablets per CYP
Depo-Provera	4 injections per year
Noristerat	6 injections per year
NORPLANT	3.5 CYP per implant

The conversion factors are used to determine the equivalent number of couples who are protected for an entire year by a given amount of contraceptives. These new conversion factors include an assumption that a significant amount of wastage occurs for condoms, VFTs and orals. While this may be true for products that are provided free, we believe that wastage is minimal for socially marketed products since the consumer pays for these products. Therefore, in this study, we assume wastage to be nil. The revised conversion factors (with no wastage) used in this study are shown in Table 6.

**Table 6**

**REVISED CYP CONVERSION FACTORS (EXCLUDING WASTAGE)**

<b>Method</b>	<b>Conversion Factor</b>
Oral contraceptive	14 cycles per CYP
Cu "T" 380-A IUD	3.5 CYP per IUD inserted
Condom	105 condoms per CYP
VFTs	105 tablets per CYP
Depo-Provera	4 injections per year
Noristerat	6 injections per year
NORPLANT	3.5 CYP per implant

## V RESULTS

### *Sample Country Results*

A total of 29 country programs fit the criteria for inclusion in this study (at least two full years of sales by the end of 1996 and majority of project costs flowing through SOMARC) The detailed results for each country program are given in the Appendix This section first illustrates the results for two countries (Uganda and Ghana) and then presents a summary of the findings for all countries

Table 7 shows sales by CSM product for Uganda In most country programs, this table shows the total sales of the CSM products However, in programs where the product was on the market before the start of the SOMARC activity, credit is taken only for the increment in sales over the sales level in the year before the start of the program In the case of Uganda, the products were new

**Table 7**

#### **CSM SALES IN UGANDA**

<b>Year</b>	<b>Condoms</b>	<b>Orals</b>	<b>Depo</b>
1991	302,106	0	0
1992	1,318,410	0	0
1993	1,812,488	66,026	0
1994	4,081,941	247,491	0
1995	5,980,285	271,943	0
1996	9,950,760	399,480	4,140

Table 8 shows the cost-per-CYP in Uganda in four different ways The first cost column shows the cost-per-CYP in each year of the project These costs can show significant fluctuation from one year to the next as costs and sales vary The second cost column shows cost-per-CYP cumulated from the beginning of the project Thus, the figure for 1996 is the cumulative costs since the beginning of the project divided by the total CYP sold since 1991 The third and fourth cost columns are similar to the first two columns except that they add project overhead to the costs

In general, the final cost column, cumulative cost-per-CYP with project overhead, gives the best picture of the true costs of the project However, few other family planning projects report costs in this way Thus, for purposes of comparison, the first cost column, cost-per-CYP by year, will

be most useful. The Appendix includes all four cost calculations for all countries. Most of the rest of this discussion focuses on the results of the first two approaches (columns one and two).

**Table 8**

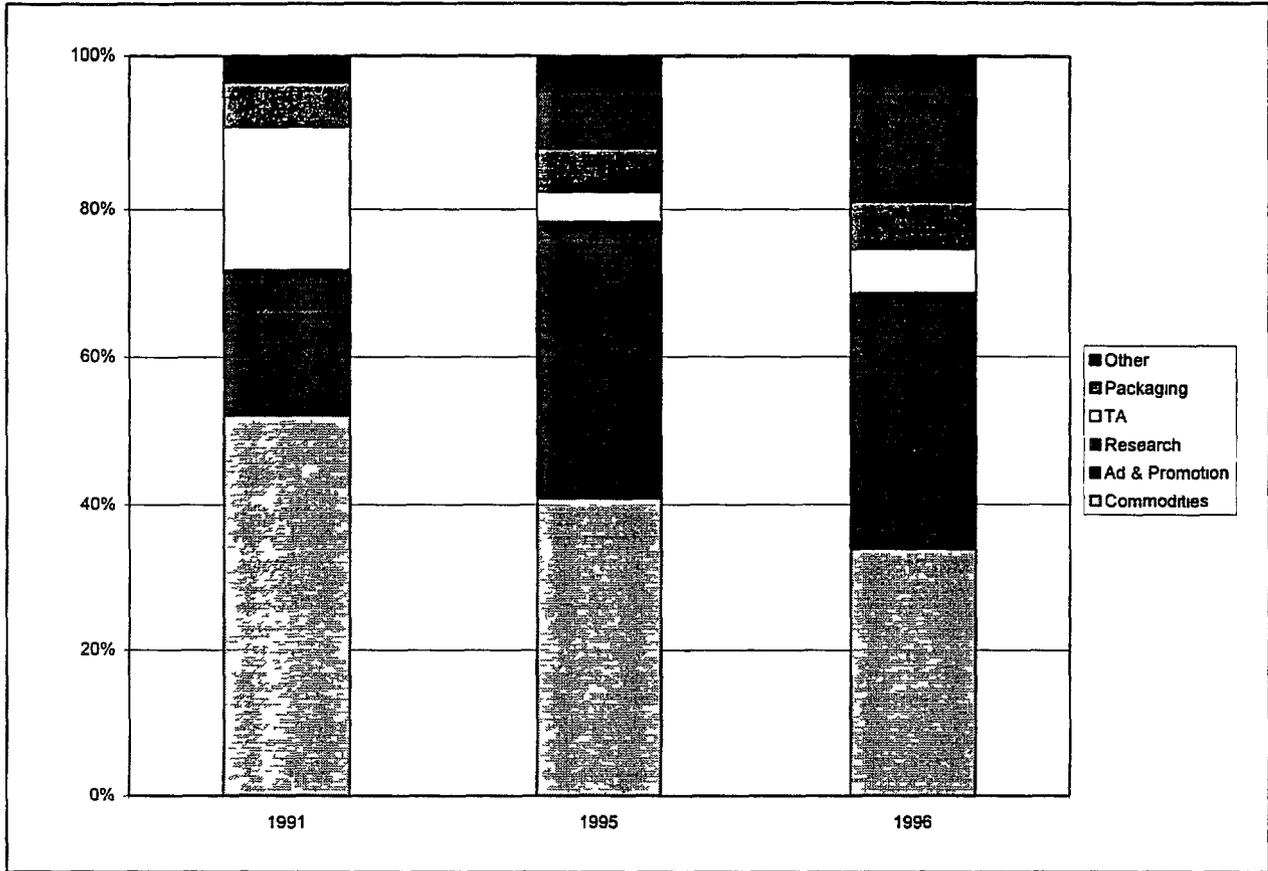
***COST-PER-CYP FOR SOMARC PRODUCTS IN UGANDA***

<b>Year</b>	<b>\$/CYP/Year</b>	<b>Cumulative \$/CYP</b>	<b>\$/CYP/Year with Overhead</b>	<b>Cumulative \$/CYP with Overhead</b>
1991	105 15	105 15	113 56	113 56
1992	24 25	38 80	31 16	49 86
1993	25 50	30 65	35 13	42 22
1994	14 28	20 39	18 16	25 94
1995	17 42	18 61	22 31	23 84
1996	14 86	17 37	17 82	20 83

In another country example, expenditure patterns for three different years are shown for Ghana in Figure 1. This chart illustrates how SOMARC expenditures change over time. Typically, in the initial years, the major portion of expenditure goes towards commodities. As projects mature and CSM programs obtain commercial commodities, more and more resources go towards advertising and management.

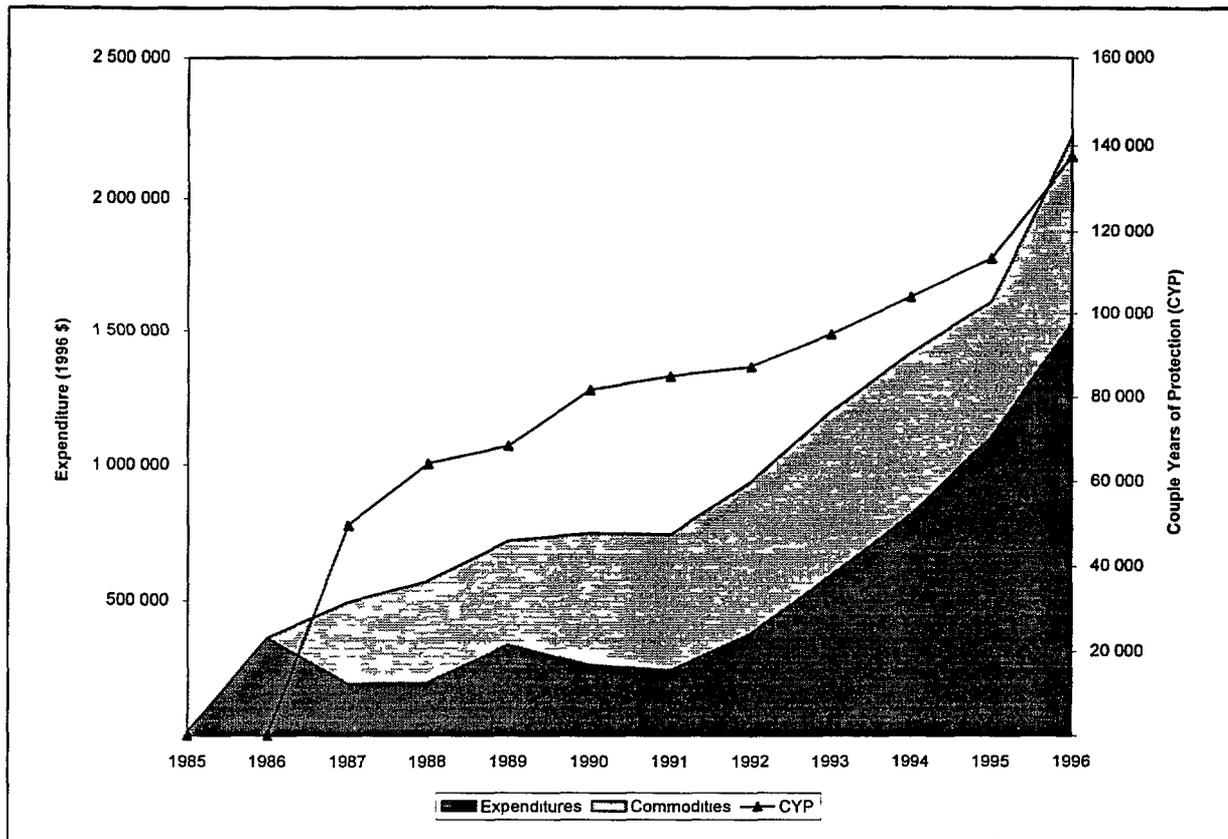
Figure 1

**DISTRIBUTION OF SOCIAL MARKETING EXPENDITURES IN GHANA**



The area chart of Figure 2 shows total SOMARC expenditures in Ghana and the costs of commodities. The line shows the total CYP that were produced by these expenditures.

**Figure 2**  
**EXPENDITURES, COMMODITY COSTS AND CYP PROVIDED BY THE SOCIAL MARKETING PROJECT IN GHANA**



*SOMARC Project Results*

Figure 3 shows the expenditure per CYP in 1996 for the individual countries included in this analysis. The range of costs is quite large. In four countries costs are over \$40 per CYP while in others costs are less than \$1 per CYP. A variety of factors affect these costs, including the economic and social context of the country as well as program factors such as program duration and implementation model. These program factors are discussed in more detail below.

**Figure 3**  
**EXPENDITURE PER CYP BY COUNTRY (1996 \$)**

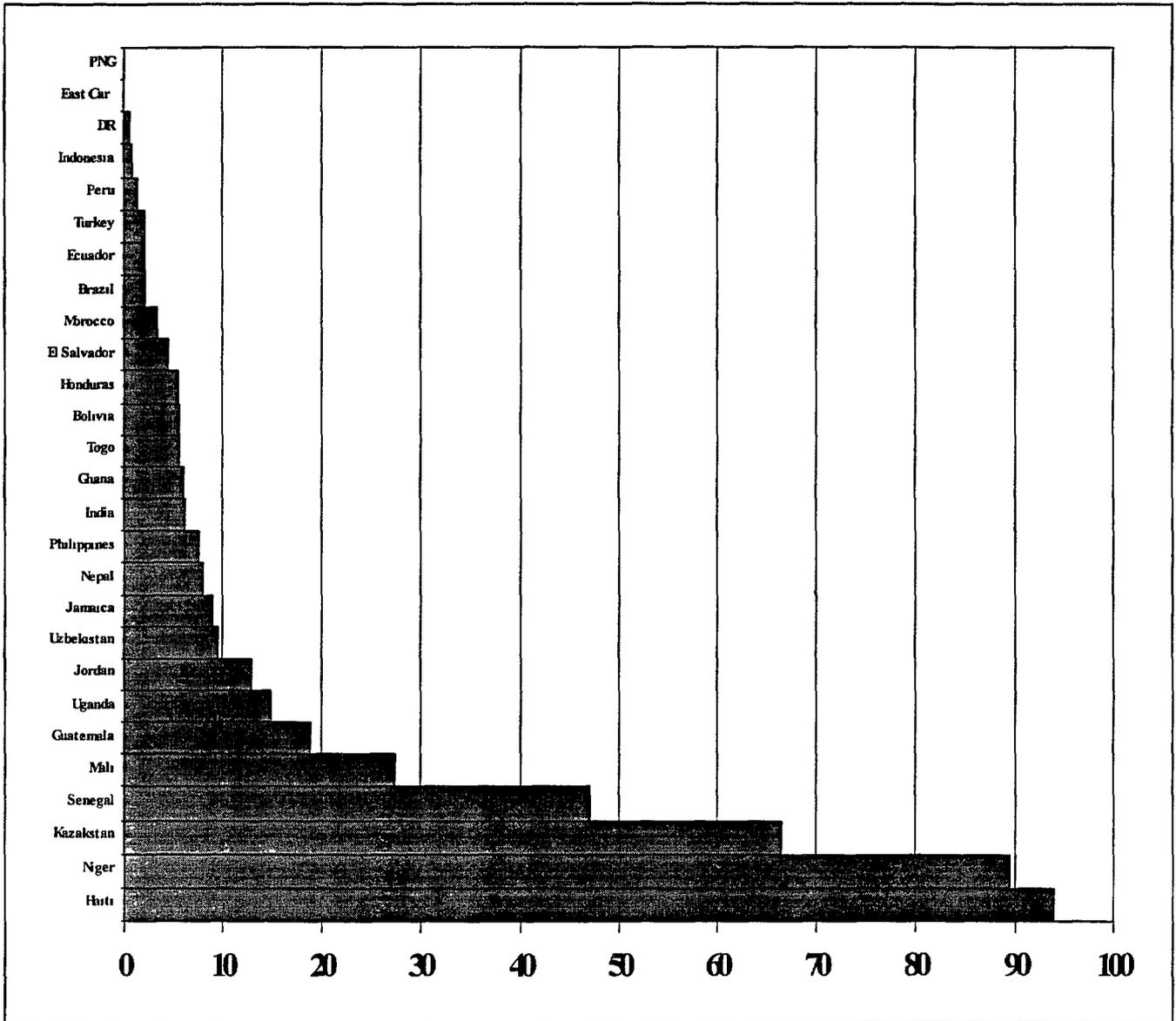
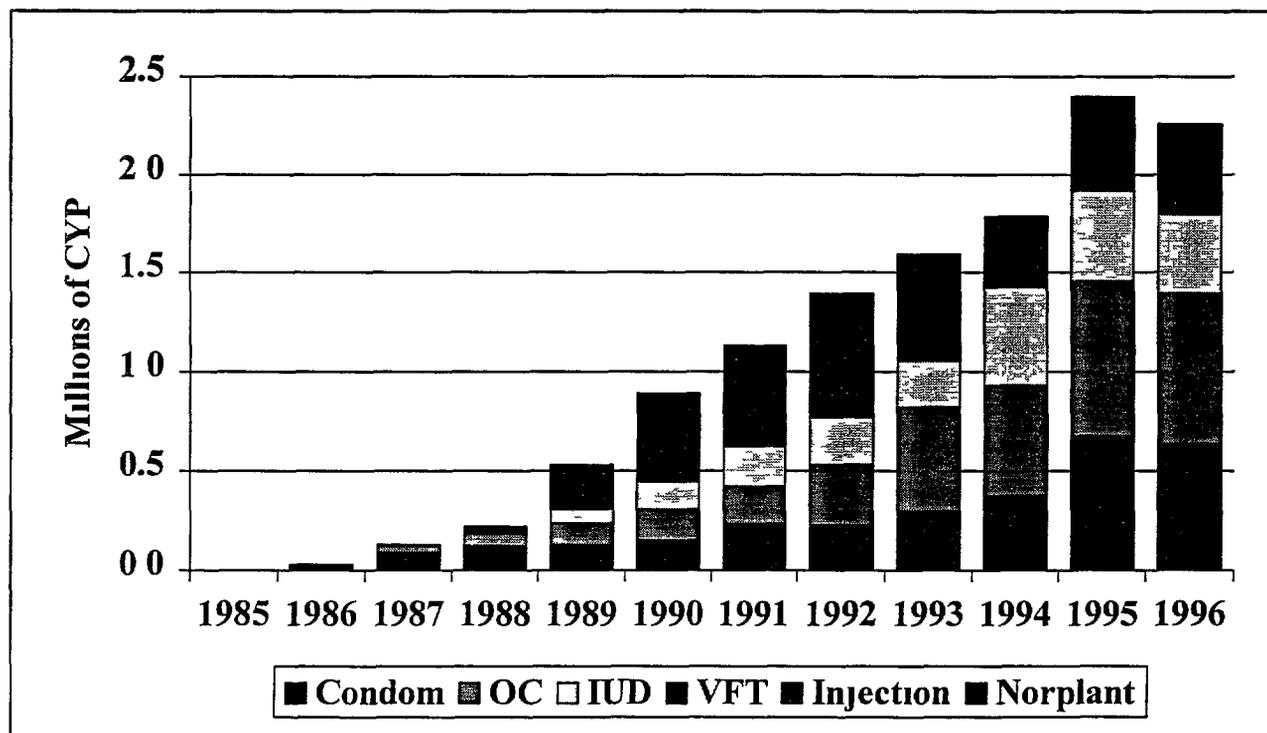


Figure 4 shows the total CYP by method delivered by all SOMARC programs included in this study. The total of almost 2.5 million CYP is largely generated by sales of four methods: condoms, orals, IUDs and injectables.

**Figure 4**  
**CYP PROVIDED BY SOMARC PROJECTS**



In Table 9, the annual expenditures per CYP are shown for all SOMARC countries. Cost per CYP shows a clear downward trend, dropping from \$23.11 in 1987 to just \$5.91 by 1996.

In Table 10 the cumulative costs (since the beginning of the SOMARC program) are shown. These results include all countries where SOMARC-assisted programs have been operating for at least two years. For any program that was started by SOMARC but now continues through assistance from another international organization, results are included only for the period of SOMARC assistance. Programs that have graduated from SOMARC assistance and continue on their own resources are included.

The trend in declining costs-per-CYP is quite clear from Tables 9 and 10. The trend is a result of at least three factors. First, as more projects are implemented, overhead costs are distributed across a larger number of CYP. Second, more projects that make greater use of existing private sector resources were implemented in the later years of the project than in the early years. Third, most country programs experience declining costs as the program matures. This effect can be seen most clearly in Table 11, which shows average costs for all projects by number of years since project launch (rather than by calendar year as in Table 9).

**Table 9**

**ANNUAL COSTS FOR ALL SOMARC PROJECTS (1996 \$)**

<b>Year</b>	<b>Annual Expenditure</b>	<b>CYP Delivered</b>	<b>\$/CYP/Year</b>	<b>\$/CYP/Year with Overhead</b>
1985	91,190	715	127.54	968.00
1986	2,757,870	31,417	87.78	141.59
1987	3,035,169	131,340	23.11	32.24
1988	4,118,019	224,769	18.32	21.95
1989	5,824,664	531,588	10.96	14.62
1990	4,987,161	892,882	5.59	6.74
1991	6,924,885	1,126,129	6.15	6.64
1992	12,194,813	1,389,205	8.78	11.28
1993	12,002,564	1,594,896	7.53	10.37
1994	12,995,761	1,915,221	6.79	8.63
1995	16,302,064	2,450,585	6.65	8.52
1996	13,655,280	2,309,612	5.91	7.09

Table 10

**CUMULATIVE COSTS FOR ALL SOMARC PROJECTS (1996 \$)**

<b>Year</b>	<b>Cumulative Expenditure</b>	<b>Cumulative CYP Delivered</b>	<b>Cumulative \$/CYP/Year</b>	<b>Cumulative \$/CYP/Year with Overhead</b>
1985	67,952	715	127 54	968
1986	2,178,765	32,132	88 59	142 90
1987	4,563,159	163,472	35 53	49 57
1988	7,910,407	388,241	25 07	30 03
1989	12,824,007	919,829	16 53	22 05
1990	17,206,398	1,812,711	10 80	13 03
1991	23,522,769	2,938,840	8 78	9 48
1992	34,956,746	4,328,045	8 61	11 07
1993	46,453,050	5,922,941	8 19	11 28
1994	59,327,007	7,838,162	7 64	9 72
1995	76,144,778	10,288,747	7 17	9 19
1996	89,800,058	12,598,359	7 13	8 55

Table 11 shows the striking result that costs do decline significantly as projects mature. The average cost per CYP in the first year of a project is almost \$20, but by the sixth year it has declined to less than \$5.

The high costs in the initial years are due to the start-up costs of market research, project design and project launch. Not all these costs continue into future years of the project. As the marketing and distribution systems generate more and more sales each year, the costs are divided by a larger number of CYP provided. Therefore, it is clear that the evaluation of any CSM project needs to consider how long the program has been in existence and the time trend of costs.

**Table 11**

**AVERAGE COSTS BY DURATION OF PROGRAM**

Duration of Program (Years)	Number of Countries	\$/CYP/Year	Cumulative \$/CYP
1	29	19.88	23.72
2	29	13.27	17.38
3	19	14.59	19.92
4	18	10.23	15.04
5	15	6.44	13.39
6	12	4.35	8.88
7	9	4.82	7.93
8	8	3.86	5.63
9	7	2.26	4.83
10	5	2.28	4.08
11	2	1.32	3.17
12	1	0.54	4.56

Note: Program duration is measured from the first year of sales. Some projects had start-up costs but no sales in the first year of operation. Thus, cumulative costs per CYP are higher than annual costs in the first year.

Figure 3 shows that there is considerable variation in costs from one project to the next. This variation is due to a number of factors. One of the most important factors is the commodity-sourcing model used. Those projects based on commercially purchased products have greater opportunity to achieve lower costs than those projects based on donated commodities. However, other factors, such as market size are also important. In fact, country characteristics may be the most important of all these factors, since these characteristics often determine the commodity-sourcing model that can be used. Table 12 shows cost-per-CYP by commodity-sourcing model.

and program duration. Although the number of cases in each category is small, it is clear that being able to purchase commodities commercially can produce lower costs in the long run. The pattern is similar if all countries are evaluated in the same program year. (This table is useful for examining the general relationship, but significant variation can occur from one year to the next as those programs with shorter durations are dropped from the averages.) Thus the commercial model is likely to produce lower costs and is preferred where it is appropriate. However, in some countries the existing commercial system will not support such a program, therefore, a variety of approaches is still needed.

**Table 12**

**COST-PER-CYP BY COMMODITY SOURCING MODEL**

Program Duration (yrs.)	Donated Commodities		Commercial Commodities	
	\$/CYP	Number of Countries	\$/CYP	Number of countries
1	15 55	15	24 50	14
2	11 37	15	15 33	14
3	15 52	10	14 00	9
4	14 59	9	7 85	9
5	15 89	8	3 81	7
6	14 07	5	2 49	6
7	11 64	4	4 07	3
8	2 88	3	4 16	3
9	3 48	3	1 88	2
10	6 04	1	1 67	2
11	-		1 32	2
12	-		54	1

Expenditure per CYP by country and year is shown in Table 13. In this Table countries are classified according to whether commodities are donated or purchased. (These classifications are based on the predominant mode. Some countries, such as the Dominican Republic use both donated and purchased commodities. Others, such as Mexico, switched from initial donation to commercial purchase.)

**Table 13 EXPENDITURE PER CYP BY COUNTRY AND YEAR ACCORDING TO COMMODITY SOURCE (1996 \$)**

	Country	1985	1986	1987	1988	1989	1990	1991	1992	1993	1994	1995	1996
Donated	Brazil											1 51	2 10
Commodities	Bolivia				477 73	171 39	54 45	29 41	15 46	13 67	12 64	4 74	5 56
	EC			119 69	90 69	96 85	18 55	6 47	12 97	-	-	-	-
	Ecuador				37 99	16 16	16 55	12 29	18 17	33 69	111 31	1 00	2 06
	El Salvador											3 64	4 49
	Ghana			9 98	8 89	10 51	9 15	8 74	10 75	12 60	13 58	14 16	16 15
	Honduras											3 66	5 40
	Mali								189 24	41 84	24 05	27 42	27 51
	Mexico		88 12	93 63	36 06	14 58	5 99	1 88	-	-	-	-	-
	Nepal									8 01	9 14	7 78	7 97
	Niger										64 88	50 12	89 46
	PNG							348 89	181 92	46 44	108 91	5 35	-
	Senegal											77 97	47 07
	Togo								56 88	41 21	18 89	14 72	5 57
	Uganda							105 15	24 25	25 50	14 28	17 42	14 86
	Uzbekistan											433 90	9 51
	Zimbabwe				177 20	22 10	15 77	17 96	20 28	19 58	15 74		
Purchased	D R.	15 72	106 08	44 82	13 75	11 55	3 28	1 38	4 50	1 80	4 74	3 26	0 54
Commodities	Guatemala											16 11	18 88
	Haiti											85 31	93 97
	India											5 27	6 18
	Indonesia		52 60	5 66	8 17	6 51	3 15	2 61	4 52	4 31	1 90	0 69	0 78
	Jamaica									0 39	6 60	13 40	8 91
	Jordan											32 12	12 86
	Kazakhstan											71 96	66 48
	Morocco					123 86	29 20	13 12	23 90	5 00	3 51	2 83	3 34
	Peru									0 31	4 97	3 87	1 38
	Philippines								786 32	109 12	72 21	27 10	7 56
	Turkey							31 69	4 95	6 73	3 75	3 66	2 05

It is clear from these results that the costs of CSM projects are generally low compared to other service delivery channels. Studies generally estimate the cost of family planning services from all sources to be \$15-20 per CYP (Gillespie, 1988, Janowitz, 1990, Vlassoff, 1998). The average cost in the projects examined in this report is just \$5.31 per CYP in 1996. This suggests that the SOMARC project is supplying family planning services in a cost-effective manner.

Finally, it is significant to note that many of the country projects are currently self-sufficient. This clearly shows that given the right set of country characteristics, it is possible to implement social marketing programs that can be free of all public subsidies within a period as short as five years.

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## **Appendix**

### **Results by Country**

The following pages present a brief summary and detailed cost information for each country in this report. Details about the structure of each country activity are available in other SOMARC publications, such as annual workplans and management reviews.

## DESCRIPTION OF COUNTRY PROGRAMS

The following descriptions provide background information on each country where FUTURES has a contraceptive social marketing program. Information on products distributed, the implementing agencies, any private partners, distribution strategies, and any advertising and promotional activities that have been developed in support of the CSM project are provided as well. Total sales of each product, the number of CYPs provided from these sales and the cost per CYP are also presented for each country. Note that all figures related to costs per CYP in this report are stated in 1996 dollars.

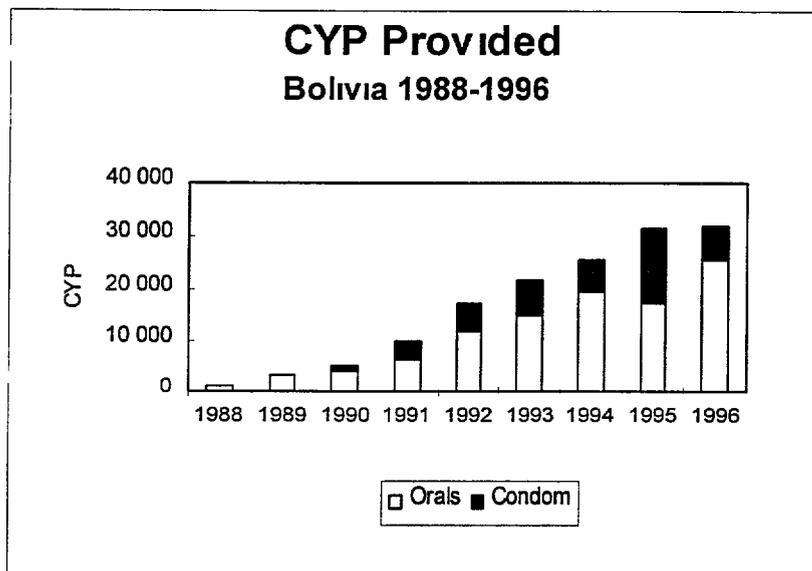
### Bolivia

In May 1995, Population Services International (PSI) took over the CSM program in Bolivia. The table below shows sales of SOMARC products from 1988 through 1994, the years SOMARC was active in Bolivia.

**Sales by CSM Product**

Year	Condoms	Orals
1988		13,704
1989		47,606
1990	118,368	58,009
1991	376,743	88,934
1992	542,592	167,593
1993	684,294	210,132
1994	631,743	269,715
1995	1,477,785	242,866
1996	650,728	356,476

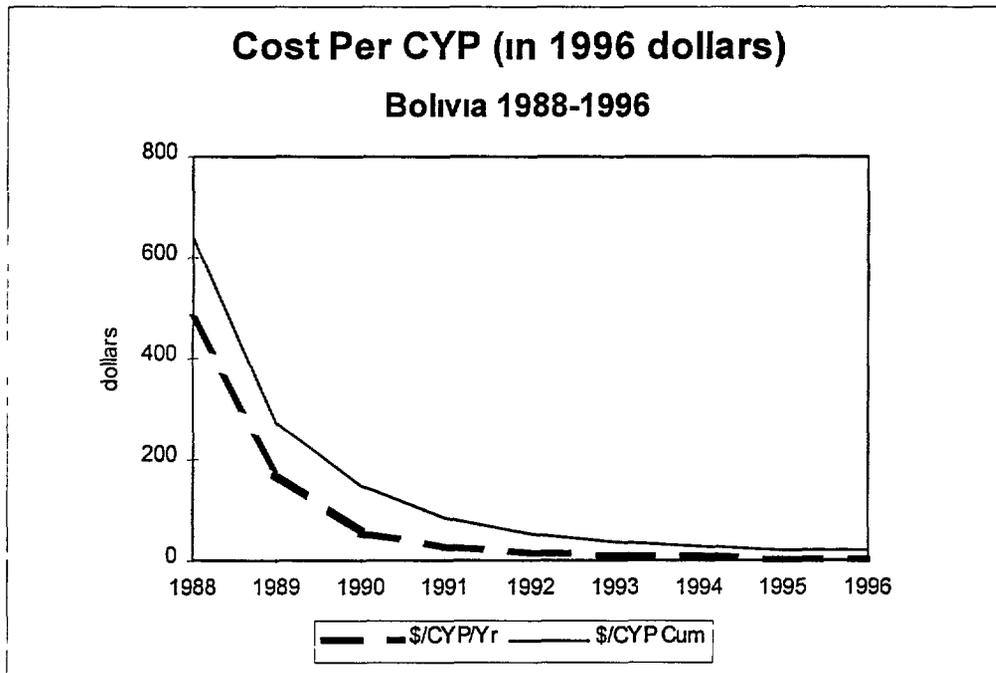
The bar chart shows the number of CYP provided by these sales.



The following table and accompanying graph present both the annual and cumulative (life-of-project) cost per CYP for the project in Bolivia. Cost per CYP is calculated both with and without overhead, however, the graph shows only cost per CYP **without** overhead.

**Dollars Per CYP**

Year	\$/CYP/Year	\$/CYP Cumulative	\$/CYP/Year with OH	\$/CYP Cumulative with OH
1988	477.73	640.38	572.32	767.18
1989	171.39	271.00	228.64	361.52
1990	54.45	147.80	65.67	178.25
1991	29.41	85.06	31.76	91.87
1992	15.46	51.35	19.87	66.00
1993	13.67	36.75	18.83	50.62
1994	12.64	28.60	16.07	36.38
1995	4.74	21.25	6.07	27.22
1996	5.56	18.39	6.67	22.05



**Brazil**

While contraceptive prevalence is high (77 percent<sup>1</sup>), there is over reliance on two methods, female sterilization and orals. At the present time, USAID has plans to phase

<sup>1</sup> DHS 1996 among currently married women

out all population assistance to the country with the public sector and various NGOs will take on responsibility for providing family planning services and supplies as phase-out continues

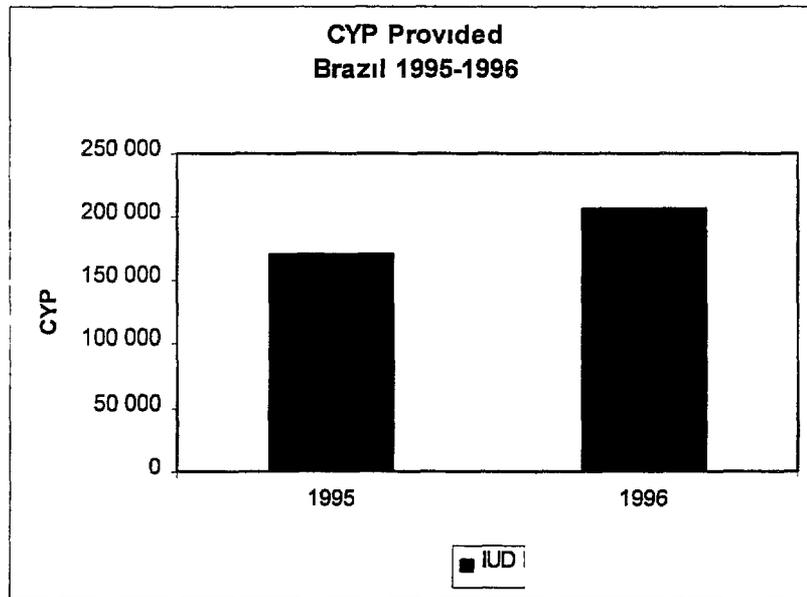
Given this context, SOMARC has decided to 1) help expand the range of methods available in the public sector, 2) assist the implementing organization, Contraceptive Procurements Organization (CEPEO) in attaining self-sufficiency, 3) stimulate IUD distribution in the commercial sector and 4) launch a new condom in the commercial sector

SOMARC's involvement in Brazil began in 1995 with the initial distribution of the CUT380A IUD. Sales continued throughout 1996 of USAID-donated product. Below are sales of IUDs for 1995 and 1996

**Sales of CSM  
Products**

Year	IUD
1995	48,896
1996	58,739

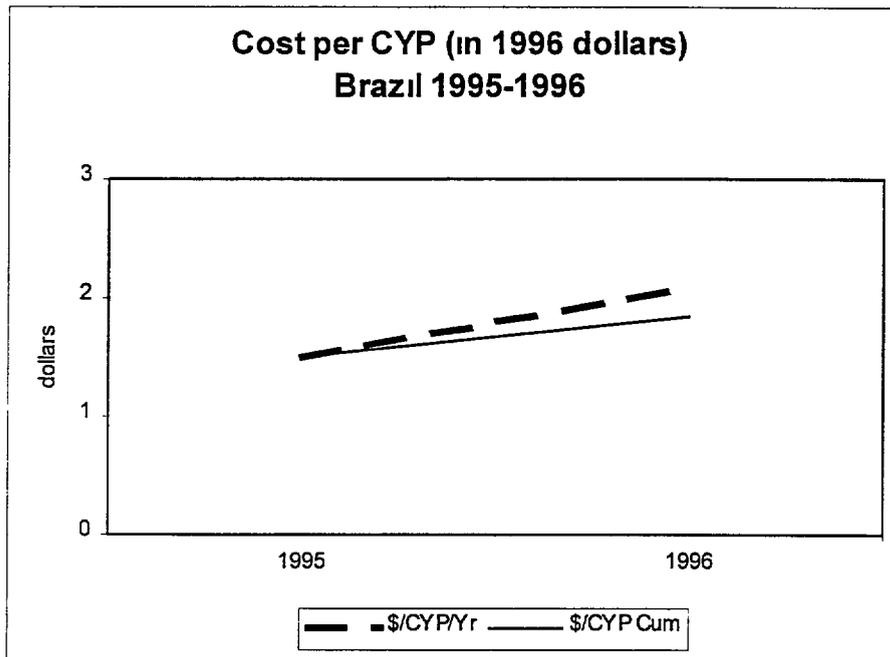
The bar chart below shows the number of CYP provided for the two years



The following table and accompanying graph present both the annual and cumulative (life-of-project) cost per CYP for the project in Brazil. Cost per CYP is calculated both with and without overhead, however, the graph shows only cost per CYP **without** overhead.

**Dollars per CYP**

Year	\$/CYP/Year	\$/CYP Cumulative	\$/CYP/Year with OH	\$/CYP Cumulative with OH
1995	1.51	1.51	1.93	1.93
1996	2.10	1.85	2.52	2.22



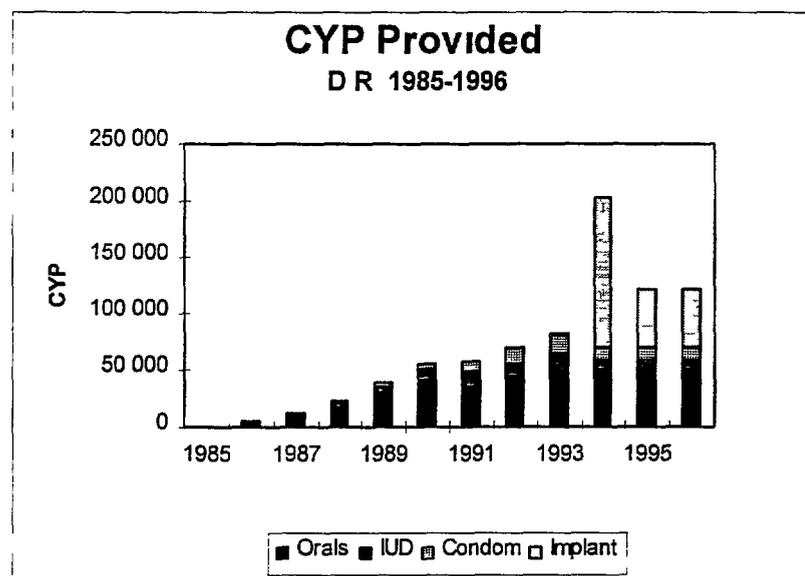
## Dominican Republic

SOMARC's support for the CSM program in the Dominican Republic began in 1985 with the first sales of Microgynon oral contraceptives, making the program one of the two oldest in the SOMARC project. In subsequent years, another brand of oral and two brands of condoms were introduced and marketed, attaining self-sufficiency soon after launch. A socially marketed IUD and the implant, NORPLANT, were added. Currently, the CSM program is fully graduated with the implementing agency, PROFAMILIA, the local IPPF affiliate, marketing and selling products on its own. Sales since inception of the CSM program are shown below.

**Sales by CSM Product<sup>2</sup>**

Year	Condoms	Orals	IUDs	Implant
1985		10,010		
1986		50,466	382	
1987		162,119	434	
1988	25,740	249,833	1,399	
1989	290,289	433,518	1,605	
1990	449,547	579,910	2,630	
1991	869,016	497,579	3,681	
1992	1,584,240	615,827	3,094	134
1993	1,810,269	752,896	2,897	317
1994	1,241,581	707,030	2,187	38,370
1995	1,241,581	707,030	2,187	14,534
1996	1,241,581	707,030	2,187	14,534

This bar chart shows the numbers of CYP that have been provided through sales of CSM products since 1985.

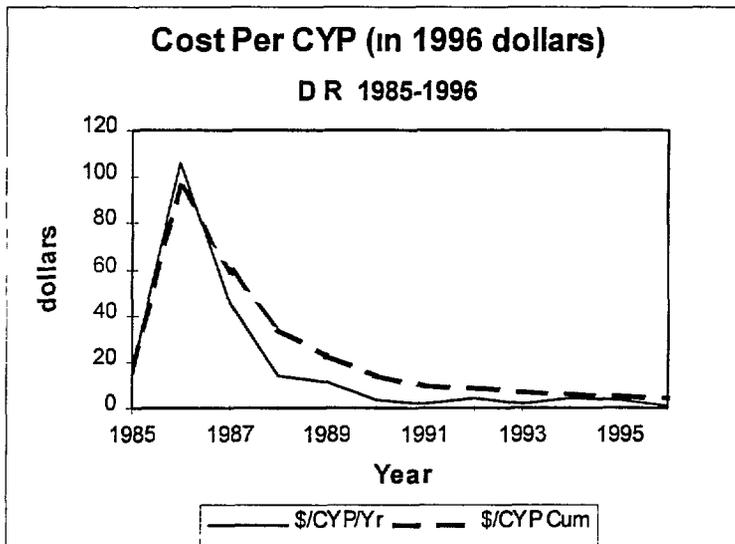


<sup>2</sup> Sales after 1994 kept at 1994 level, as SOMARC no longer has access to yearly sales figures

The following table and accompanying graph present both the yearly and cumulative cost (life-of-project) per CYP for the CSM project in the Dominican Republic. Cost per CYP is calculated both with and without overhead, however, the graph shows dollars per CYP without project overhead.

**Dollars per CYP**

Year	\$/CYP/Yr	\$/CYP Cum	\$/CYP/Yr with OH	\$/CYP Cum with OH
1985	15.72	15.72	119.28	119.28
1986	106.08	94.61	171.11	152.61
1987	44.82	59.11	62.53	82.45
1988	13.75	33.24	16.48	39.82
1989	11.55	22.09	15.41	29.47
1990	3.28	13.97	3.96	16.85
1991	1.38	9.90	1.49	10.70
1992	4.50	8.26	5.79	10.62
1993	1.80	6.59	2.48	9.08
1994	4.74	5.77	6.03	7.34
1995	3.26	5.13	4.17	6.57
1996	0.54	4.56	0.65	5.47



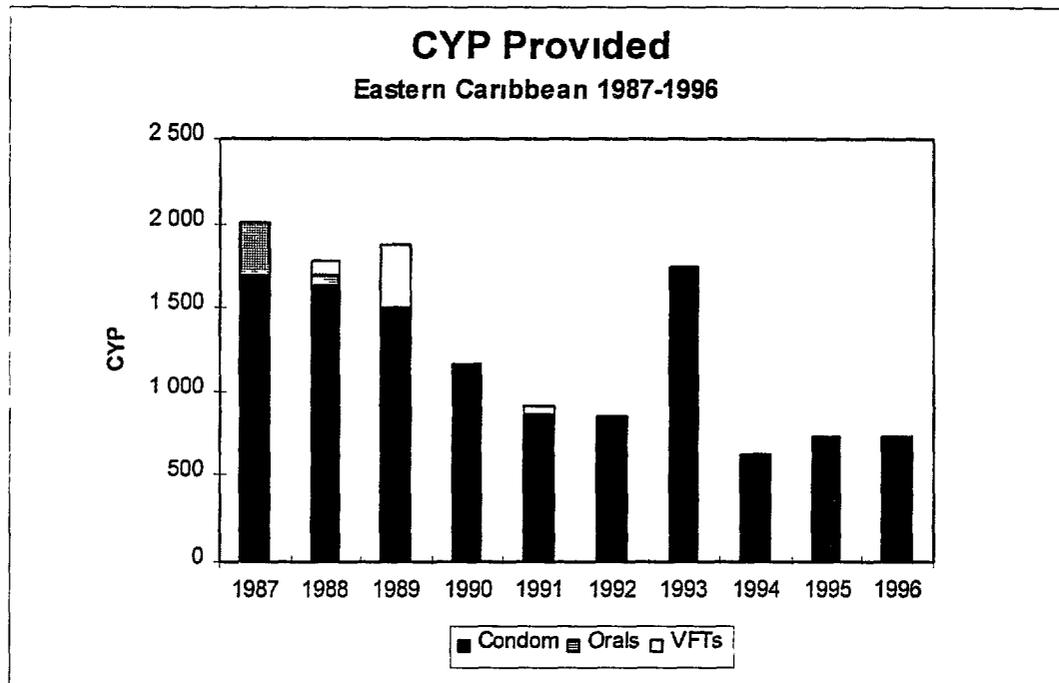
**Eastern Caribbean**

The CSM program in the Eastern Caribbean region graduated in 1995<sup>3</sup> Sales of products since 1987 are shown here

**Sales by CSM Product**

Year	Condoms	Orals	VFTs
1987	178,371	4,363	
1988	171,216	954	8,160
1989	157,815		39,036
1990	121,839		574
1991	90,399		6,064
1992	90,123		
1993	183,402		
1994	66,220		
1995	76,422		
1996	76,422		

The numbers of CYP provided through sales of these products are shown below



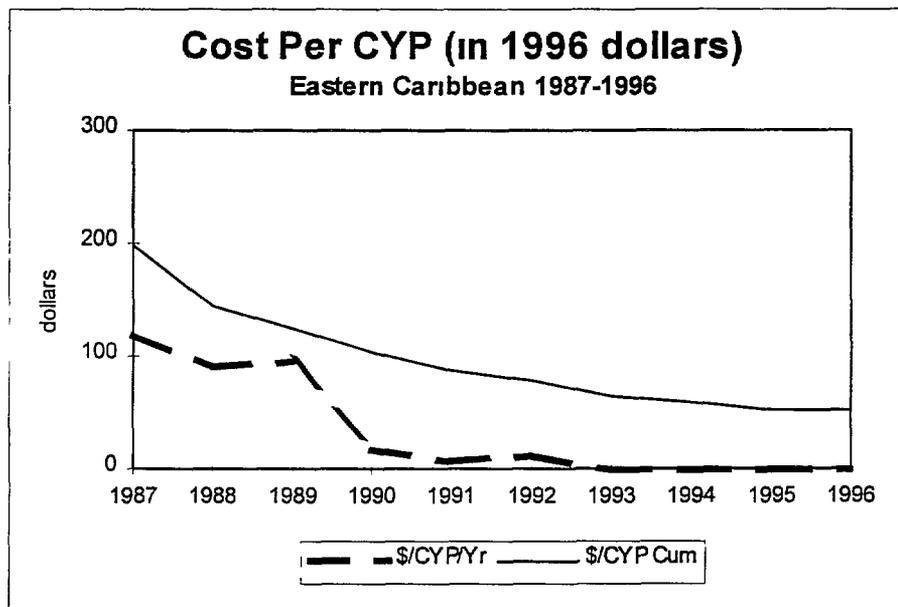
The following table and accompanying graph present both the annual and cumulative (life-

<sup>3</sup> The organization that took over the CSM program does not make sales figures available Therefore, assuming 1996 sales remained at the 1995 level

of-project) cost per CYP for the project in the Eastern Caribbean. Cost per CYP is calculated both with and without overhead, however, the graph shows only cost per CYP **without** overhead.

**Dollars Per CYP**

Year	\$/CYP/Year	\$/CYP Cumulative	\$/CYP/Year with OH	\$/CYP Cumulative with OH
1987	119.69	199.07	166.97	277.70
1988	90.69	144.68	108.64	173.33
1989	96.85	125.31	129.20	167.17
1990	18.55	102.93	22.37	124.13
1991	6.47	88.16	6.99	95.22
1992	12.97	78.51	16.68	100.90
1993	0.00	63.88	0.00	88.01
1994	0.00	58.22	0.00	74.06
1995	0.00	52.43	0.00	67.16
1996	0.00	50.92	0.00	61.06



**Ecuador**

The most common methods used in Ecuador are female sterilization, the IUD and orals. The private sector is the main source of contraceptive methods, except for female sterilization, where the public sector is the major provider. The market for injectables is developing, with drugstores selling Depo-Provera from Upjohn, "Topasel" from Boehringer and "Mesigyna" from Schering.

SOMARC has been involved in CSM activities in Ecuador since 1986. Starting in 1989, Fundacion Futura, a local non-profit agency, was the implementing agency. At that time, the CSM condom "Protektor" was launched and support for a commercial oral, "Microgynon", occurred. However, in 1995, CEMOPLAF, a NGO active in the country, became the implementing agency and a sales force was identified and trained to distribute contraceptives along the lines of a community-based distribution system. "Protektor" was re-launched and distribution began of brand name products in the commercial sector. "Protektor" stickers were placed in drugstore windows, promotional activity was begun in the form of volume discounts and gifts to pharmacists and drugstore clerks. The product was advertised on radio as well.

Orals from Organon, Wyeth and Schering were distributed in the commercial sector and injectables sales were begun. Family planning and reproductive health service spots were aired on TV and radio and included CEMOPLAF's logo and the phrase "For your family's health".

Currently, SOMARC's goals in Ecuador include 1) promoting continued, correct use of orals, 2) stimulating the commercial condom market, 3) promoting IUD use, 4) supporting the development of the injectable market, and 5) achieving self-sufficiency by the end of 2000.

Nine brands of orals are available, besides "Microgynon", through the CSM program. The injectables, Depo-Provera and "Mesigyna", are available and an unbranded condom, in addition to "Protektor", is available. Condoms, injectables, the IUD and VFTs are all donated while orals are commercially sourced.

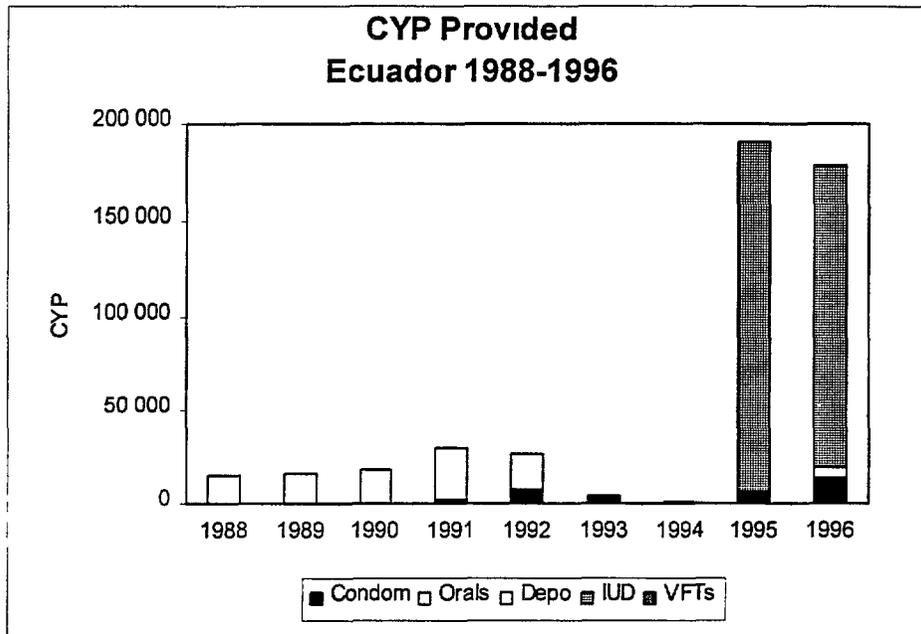
The table below shows the sales, by product, since 1988, the first year of CSM sales. The CSM portion of "Microgynon" sales for 1988 is calculated by subtracting total oral sales in 1987, 332,457 cycles, from cycles sold in 1988, 536,064.

**Sales by CSM Product**

Year	Condoms	Orals	Orals CSM Only	Injectables	IUD	VFTs
1988		536,064	203,607			
1989		551,446	218,989			
1990		585,570	253,113			
1991	214,350	716,192	383,735			
1992	827,868	589,241	256,784			
1993	417,167	329,022	0			
1994	90,792	0	0			
1995	694,536	190,999	0	1,040	52,388	50,675
1996	1,494,483	261,183	0	19,595	45,438	82,422

Information on the number of CYPs provided in each year are shown here. Note that the CSM portion of orals is taken into account in this graph. Thus, for the years 1993 to

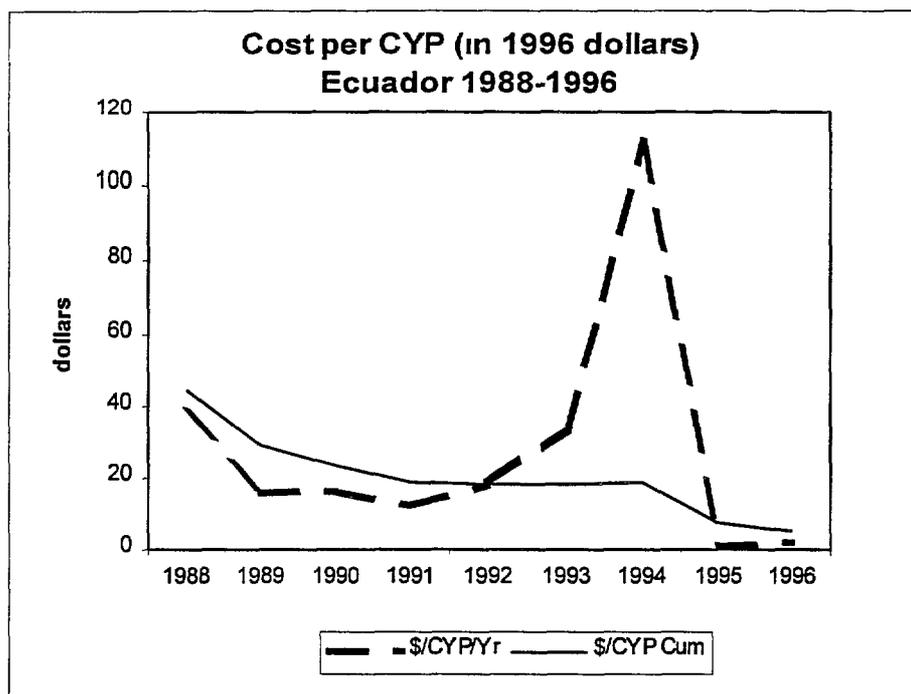
1996, there were no CYPs provided by orals since sales were below the levels seen prior to the start of the program



The following table and accompanying graph present both the annual and cumulative (life-of-project) cost per CYP for the project in Ecuador. Cost per CYP is calculated both with and without overhead, however, the graph shows only cost per CYP **without** overhead

#### Dollars per CYP

Year	\$/CYP/Year	\$/CYP Cumulative	\$/CYP/Year with OH	\$/CYP Cumulative with OH
1988	37.99	44.21	45.51	52.97
1989	16.16	28.90	21.56	38.55
1990	16.55	23.55	19.95	28.40
1991	12.29	18.75	13.28	20.25
1992	18.17	18.22	23.35	23.42
1993	33.69	18.42	46.42	25.38
1994	111.31	18.55	141.59	23.60
1995	1.00	7.11	1.29	9.11
1996	2.06	5.36	2.47	6.43



### El Salvador

SOMARC contributes to the sustainable achievement of higher contraceptive prevalence in El Salvador through its strengthening of the financial and institutional sustainability of the Salvadoran Demographic Association (ADS). This strengthening is based on an integrated program to improve the effectiveness of ADS' marketing programs – their product range and availability, distribution, and point-of-sale promotions throughout the country.

While use of female sterilization is very high in El Salvador, over the past several years, its use has not increased appreciably. Use of other methods has not increased much either. However, injectable use has risen somewhat between 1988 and 1993.

ADS has approximately a 20 percent share of the condom market. There are a wide range of brands, and the CSM program offers four basic condom brands, with a wide range in prices geared to all income levels. The condom market is highly competitive and the ADS brand has only one manufacturer who has raised the price several times in the past few years. This threatens the long-run sustainability of the CSM program. In the oral market ADS has a 37 percent market share. Its Perla brand is the market leader.

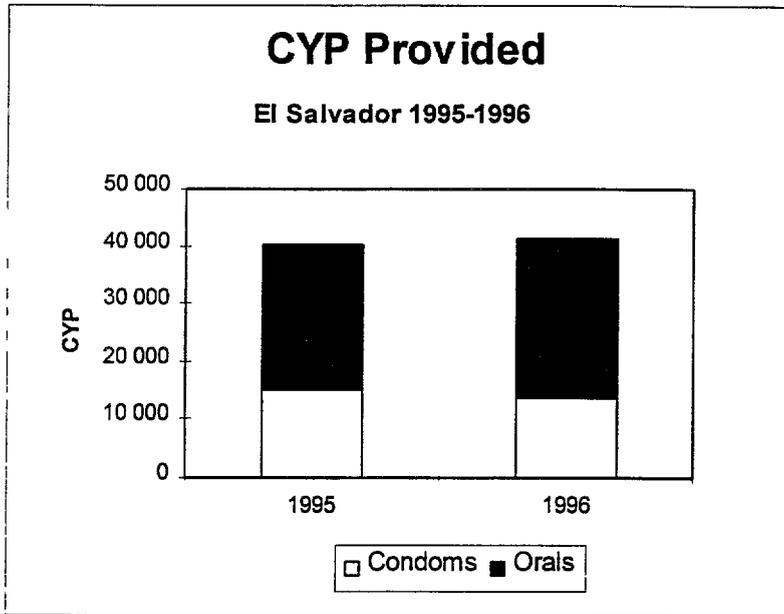
As mentioned previously, injectables have proven to be popular with women in El Salvador. To that end, ADS will add an injectable and a new condom brand to its product line in the near future.

This table shows sales of CSM products in the two years, 1995 and 1996.

**Sales by CSM Product**

Year	Condoms	Orals
1995	1,584,574	351,881
1996	1,421,757	387,923

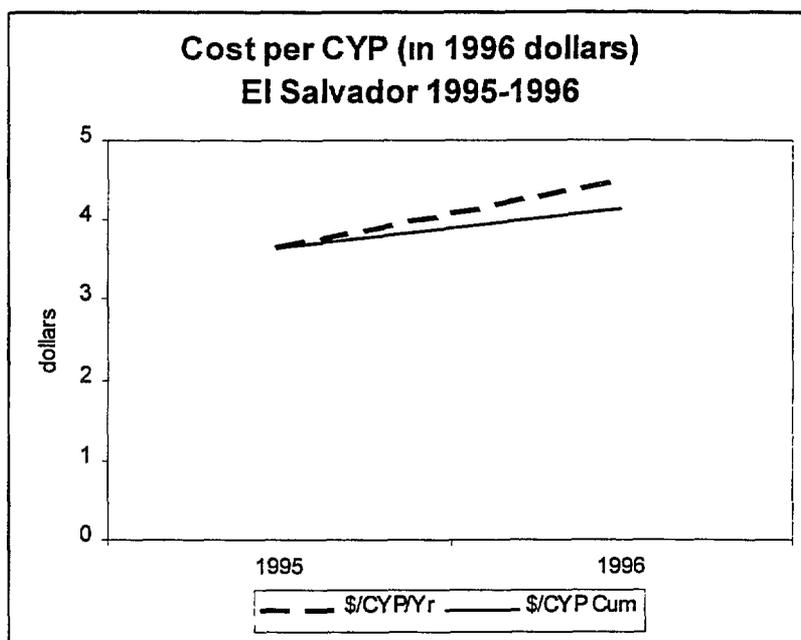
The number of CYPs provided through sales of the above products is shown here



The following table and accompanying graph present both the yearly and cumulative cost (life-of-project) per CYP for the CSM project in El Salvador. Cost per CYP is calculated both with and without overhead, however, the graph shows dollars per CYP **without** project overhead.

**Dollars per CYP**

Year	\$/CYP/Year	\$/CYP Cumulative	\$/CYP/Year with OH	\$/CYP Cumulative with OH
1995	3.64	3.64	4.66	4.66
1996	4.49	4.13	5.38	4.95



## Ghana

USAID implemented the initial social marketing program, the Ghana Social Marketing Project, in 1988 with technical assistance from SOMARC. At that time, prevalence was 7 percent. The basic goal of the program was to expand modern method use through the private sector. The product line included the “Panther” condom, a low-dose oral, “Norminest” and a VFT, “Kamal”. The program was implemented through Danafco, a local pharmaceutical distribution organization.

In 1992, another USAID-funded bilateral contract, the Family Planning and Health Project, established the Ghana Social Marketing Foundation (GSMF), which now has the responsibility of managing and implementing the CSM program. The goal was to further increase contraceptive use, through an increase in use of temporary methods, mainly condoms, orals and vaginal foaming tablets. During SOMARC III, the GSMF goal was to further increase prevalence, this time through expansion of long-term method use and intensified private sector involvement in service delivery.

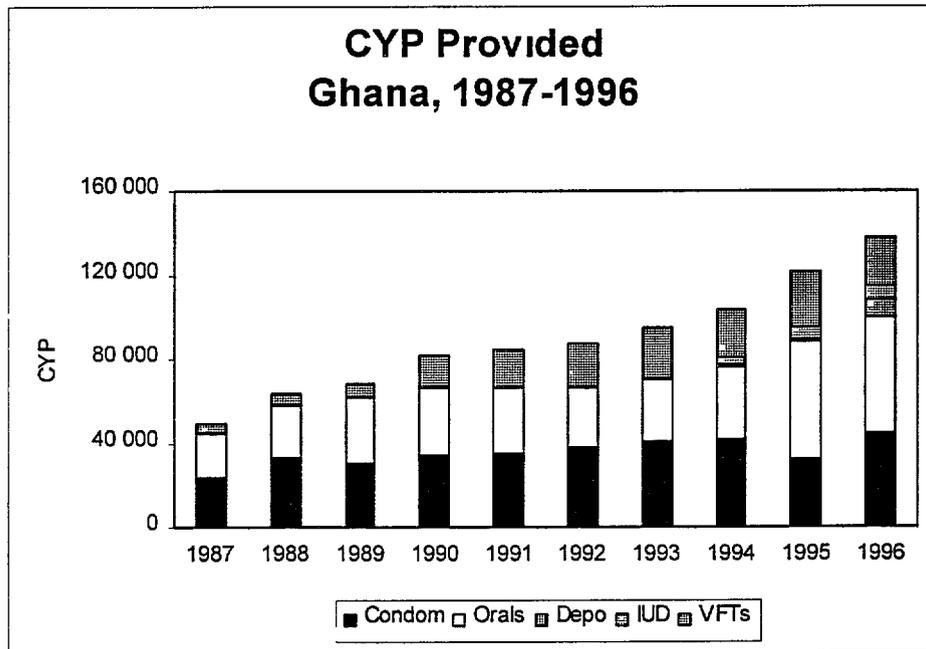
Currently, the CSM program has three brands of condom (“Panther”, “Protector” and “Champion”), the injectable, Depo-Provera, the CUT380A IUD, the “Secure” brand of oral, and “Kamal” VFTs. All products are donated. The goal is to eventually attain total sustainability, exclusive of commodities.

Unit sales of CSM products from 1987 through 1996 are shown below

### Sales by CSM Product

Year	Condoms	Orals	Injectable	IUD	VFTs
1987	2,532,300	285,363			544,224
1988	3,501,127	350,517			614,498
1989	3,216,400	432,681			725,784
1990	3,586,500	452,444			1,602,200
1991	3,748,300	435,300			1,909,400
1992	4,026,711	392,067			2,190,392
1993	4,289,465	413,263			2,580,776
1994	4,386,120	487,140	1,125	1,150	2,439,000
1995	3,410,604	779,120	4,920	1,700	2,774,860
1996	4,664,948	777,400	35,930	1,850	2,334,250

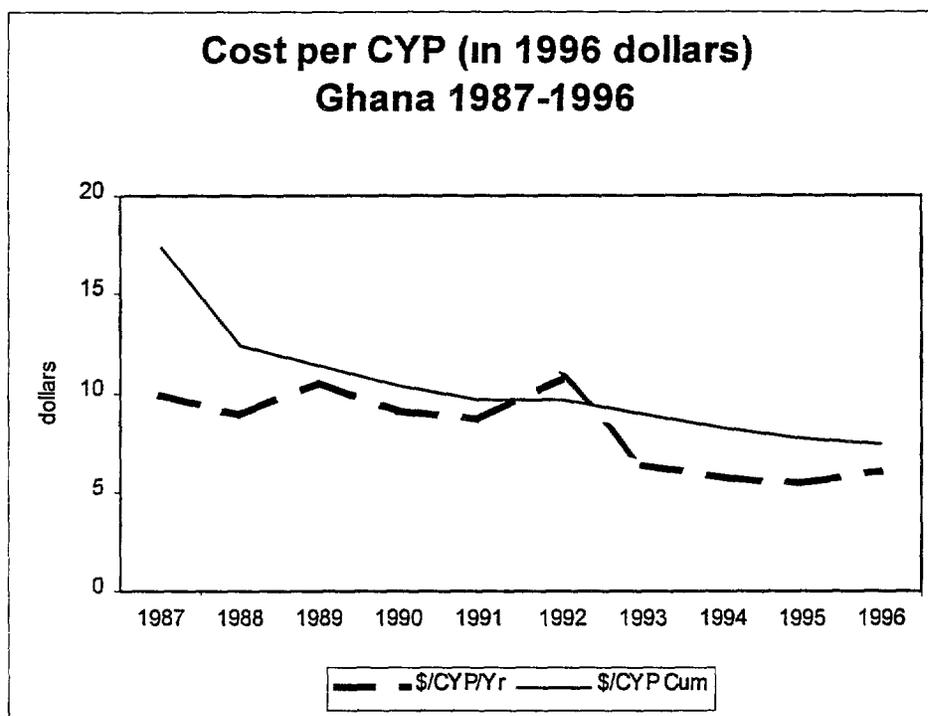
This bar chart displays the number of CYP provided by year, by method



The following table and accompanying graph present both the yearly and cumulative cost (life-of-project) per CYP for the CSM project in Ghana. Cost per CYP is calculated both with and without overhead, however, the graph shows dollars per CYP **without** project overhead.

**Dollars per CYP**

Year	\$/CYP/Year	\$/CYP Cumulative	\$/CYP/Year with OH	\$/CYP Cumulative with OH
1987	9 98	17 39	13 92	24 27
1988	8 89	12 34	10 65	14 79
1989	10 51	11 37	14 02	15 17
1990	9 15	10 37	11 04	12 51
1991	8 74	9 69	9 44	10 46
1992	10 75	9 69	13 82	12 45
1993	6 43	8 94	8 85	12 31
1994	5 79	8 17	7 36	10 40
1995	5 52	7 74	7 07	9 58
1996	6 07	7 46	7 28	8 94



**Guatemala**

SOMARC assumed responsibility for the social marketing program in Guatemala in January 1995. The Importer and Exporter of Pharmaceutical Products (IPROFASA) is the organization responsible for implementing the program.

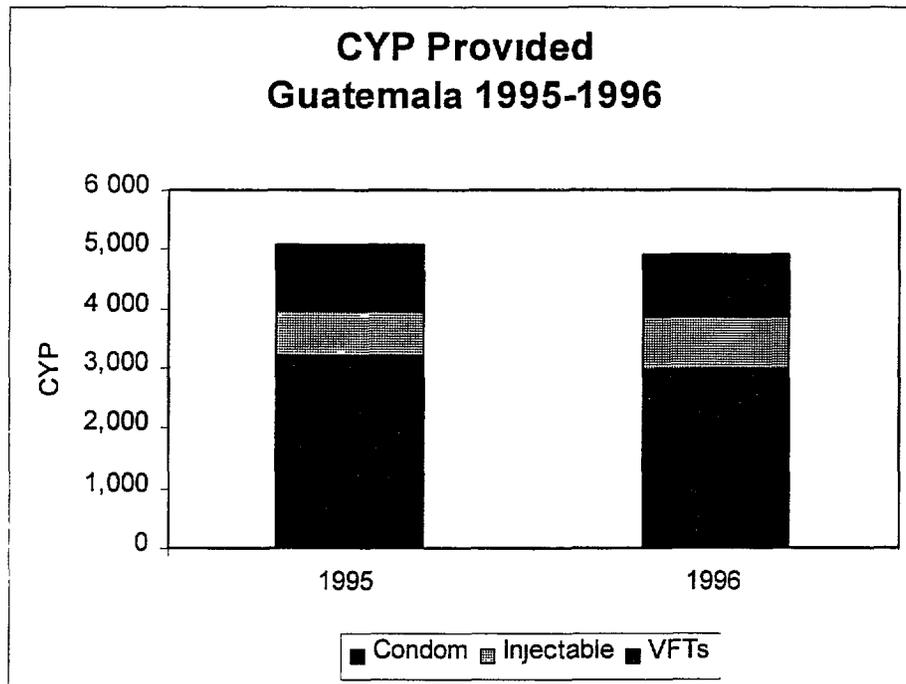
USAID initially donated two brands of condom, two brands of orals and one brand of VFTs. Currently, the condom brands, "Panther" and "Scudo", are donated. IPROFASA has launched three commercial contraceptives: their own condom brand, "Scudo Oro",

“Ciclofemyna” injectables, licensed by Mexico’s Laboratorios Latinoamericanos and “Iprogel”, VFTs, made for IPROFASA in Mexico “Ciclofemyna” is donated by USAID as well Sales by product are shown below

**Sales by CSM Product**

Year	Condoms	Injectable	VFTs
1995	334,944	3,036	119,468
1996	310,103	3,643	111,172

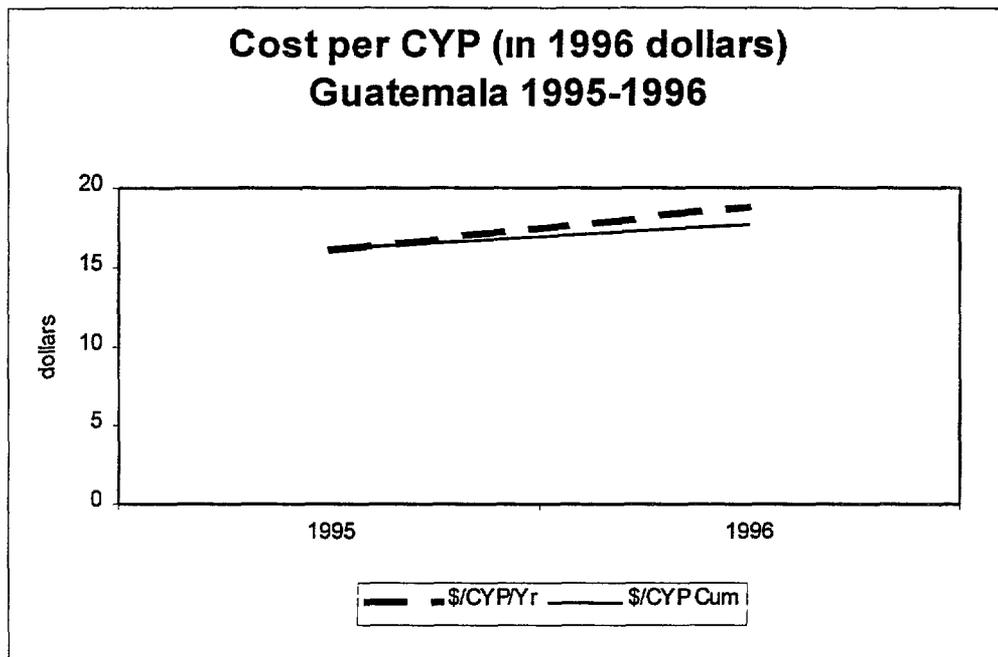
CYPs provided for 1995 and 1996 are shown here



The following table and graph present both the annual and cumulative (life-of-project) cost per CYP for the project in Guatemala Cost per CYP is calculated both with and without SOMARC overhead, however, the graph shows the cost **without** project overhead

**Dollars Per CYP**

Year	\$/CYP/Year	\$/CYP Cumulative	\$/CYP/Year with OH	\$/CYP Cumulative with OH
1995	16 11	16 11	20 64	20 64
1996	18 88	17 73	22 64	21 25



**Haiti**

Contraceptive use is low in Haiti, in 1994, only 18 percent of married women or 12 percent of all women of reproductive age were using a method<sup>4</sup> Given the past political situation, little role was played by the government and commercial sector supplies and services were simply too expensive for most to afford Thus, NGO facilities have been active in providing services and supplies

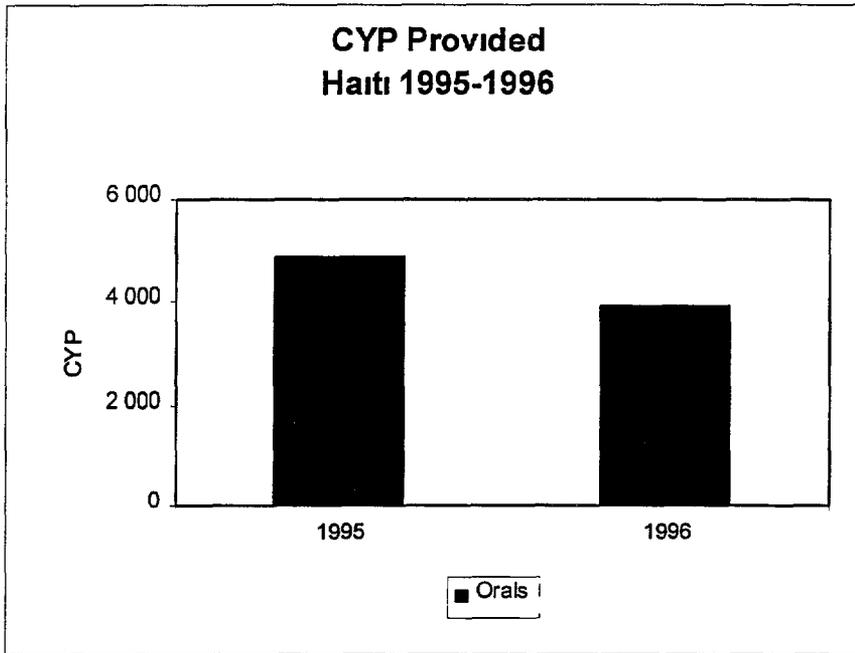
SOMARC launched a commercially sourced oral, “Minigynon”, in 1989 In 1994, SOMARC withdrew assistance due to political unrest However, in 1995, SOMARC reentered Haiti with distribution and sales of “Microgynon” In 1996 it introduced Pharmacia & Upjohn’s injectable under the brand name “Confinace” and a second social marketing pill, “Pilplan ” The implementing agency is Sante Plus Sales of the oral contraceptive, “Minigynon”, since 1995, are shown below, the subsequent bar chart displays the number of CYPs provided by these sales

**Sales of CSM Products**

Year	Orals
1995	68,091
1996	54,785

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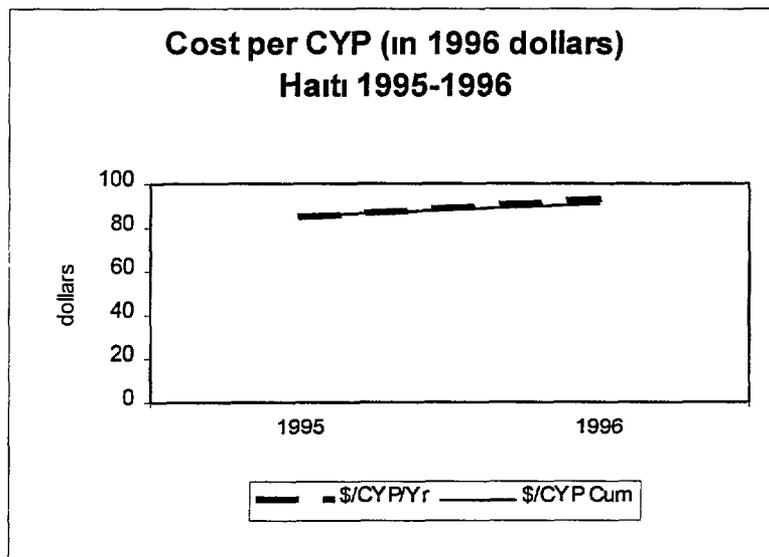
<sup>4</sup> 1994 DHS



The following table and graph present both the annual and cumulative (life-of-project) cost per CYP for the project in Haiti. Cost per CYP is calculated both with and without SOMARC overhead, however, the graph shows the cost **without** project overhead.

#### Dollars per CYP

Year	\$/CYP/Year	\$/CYP Cumulative	\$/CYP/Year with OH	\$/CYP Cumulative with OH
1995	85 31	85 31	109 28	109 28
1996	93 97	90 67	112 67	108 71



## **Honduras**

The Honduras Family Planning Association (ASHONPLAFA), the local IPPF affiliate, and the implementing agency of the CSM program, is facing the challenge of ensuring financial sustainability of the CSM program once donor support ends. SOMARC is helping ASHONPLAFA with its financial and institutional sustainability concerns, through improvement of range and availability of products, product distribution and promotional activities. ASHONPLAFA sells condoms and orals to pharmacies through the CSM program. ASHONPLAFA has a 23 percent share of the condom market. Both sales of condoms and orals have dropped in recent years due to competition from other heavily promoted brands.

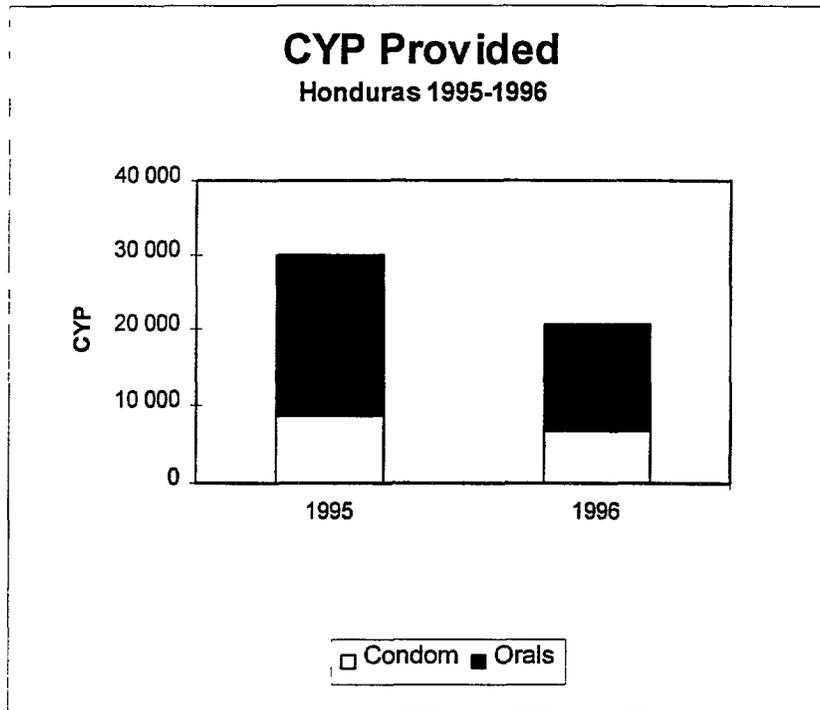
In 1991, with SOMARC technical support, ASHONPLAFA designed a long-term self-sustainability strategy, that included a market segmentation strategy and a phase-out plan for donated commodities. Since 1995, SOMARC has assisted ASHONPLAFA in the development and implementation of a marketing strategy that covers both family planning services and supplies. A new image and logo will be designed, tested and implemented as part of this overall strategy. In support of this strategy, a number of research activities are planned. A communications strategy, including advertising and promotional activities, their distribution and media placement is included as well. SOMARC is also assisting ASHONPLAFA with the selection, negotiation and contracting of local distributors for its products.

Donated products sold under the program include "Guardian" and "Protektor" condoms and two oral brands, "Lo-Rondial" and "Perla". Sales of these products for 1995 and 1996 are shown in this table.

**Sales by CSM Product**

<b>Year</b>	<b>Condoms</b>	<b>Orals</b>
1995	890,400	300,096
1996	697,536	193,584

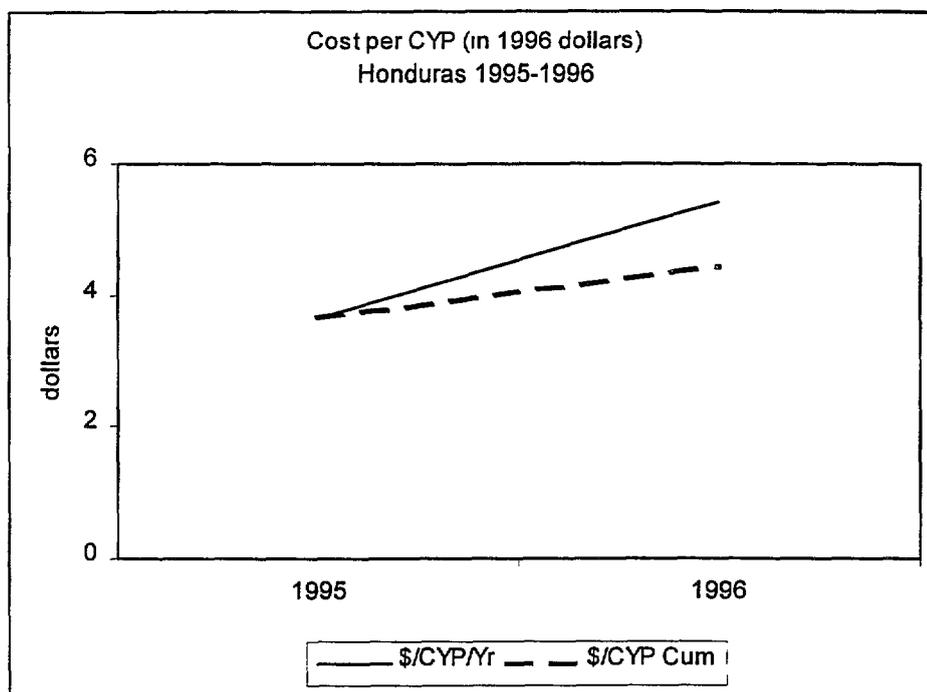
The number of CYP provided by sales of these products are shown here



The following table and graph present both the annual and cumulative (life-of-project) cost per CYP for the project in Honduras. Cost per CYP is calculated both with and without SOMARC overhead, however, the graph shows the cost **without** project overhead.

#### Dollars Per CYP

Year	\$/CYP/Year	\$/CYP Cumulative	\$/CYP/Year with OH	\$/CYP Cumulative with OH
1995	3.66	3.66	4.69	4.69
1996	5.40	4.44	6.48	5.32



### **India (Uttar Pradesh)**

Since 1994, SOMARC has been involved in the social marketing of condoms and oral contraceptives in Uttar Pradesh (UP) under the IFPS (Innovations in Family Planning Services Program). Two Indian organizations, Population Services International (PSI) and Parivar Seva Sanstha (PSS) are the implementing agencies. SOMARC will continue to work with PSI to expand the distribution of its condom and pill through private sector and NGO distribution networks. The overarching goal of SOMARC assistance is to use commercial networks to make reproductive health, family planning, and HIV/AIDS prevention products and services available and affordable to low income people. Crucial challenges for SOMARC in Uttar Pradesh are 1) involving private sector manufacturers in expanding the condom and pill markets, 2) engaging women's groups vehemently opposed to use of Depo-Provera in discussion, and 3) ensuring that stockouts diminish.

Only 19 percent of women of reproductive age are contracepting, there is a large pool of unmet need (30 percent of married women)<sup>5</sup>. SOMARC-supported condoms and oral contraceptives had market shares of 26 percent (Masti) and 9 percent (Sawan and Bliss) in UP. From 1995 to 1996, the total commercial condom market (including social marketing brands) in the project area expanded by 17 percent and the OC market by over 44 percent.

SOMARC has fully covered the cost of CSM activities up through June 1997 in Uttar Pradesh. Future plans include expansion of activities into the three other northern states and expansion of condom and oral distribution through private sector and NGO networks.

The following table presents data on unit sales, by product, since 1995

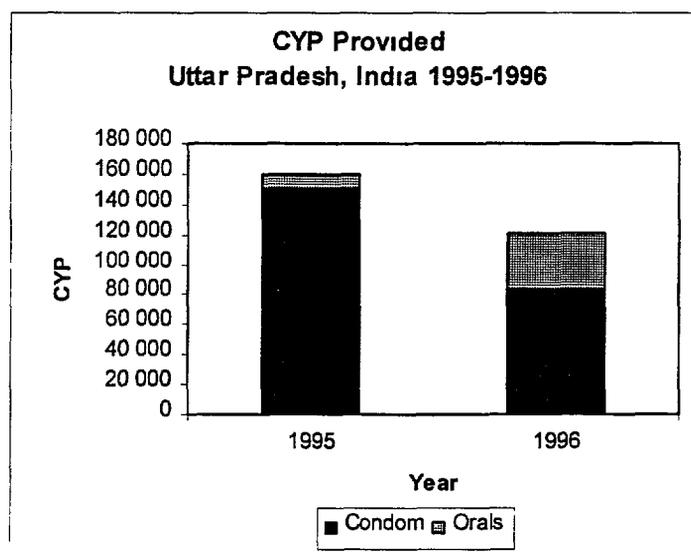
<sup>5</sup> 1992/93 DHS for Uttar Pradesh state

### Sales by CSM Product

Year	Condoms	Orals
1995	15,847,100	118,797
1996	8,799,640	514,400

Sales of condoms decreased due to a halt in supply from the Government of India to the CSM program. The terms of the procurement contract with the manufacturer were not decided upon at the time.

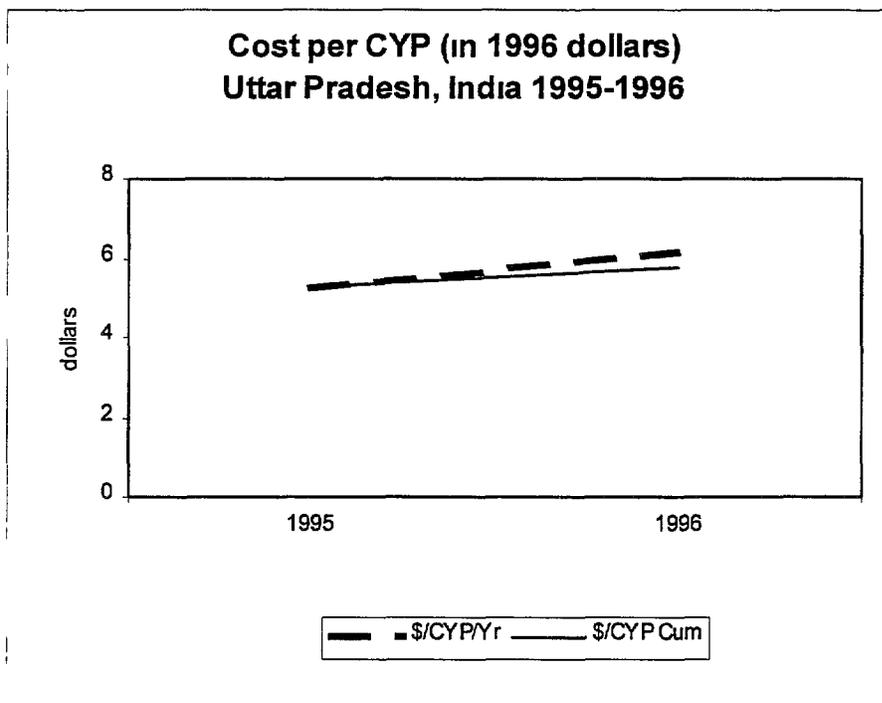
CYP provided by these sales, in graphical format, is shown below.



The following tables and graphs present both the annual and cumulative (life-of-project) cost per CYP for the project in Uttar Pradesh. Cost per CYP is calculated with and without SOMARC overhead included, however, the graphical presentation shows the amount **without** overhead included.

**Dollars Per CYP**

Year	\$/CYP/Year	\$/CYP Cumulative	\$/CYP/Year with OH	\$/CYP Cumulative with OH
1995	5.27	5.27	6.75	6.75
1996	6.18	5.75	7.41	6.90



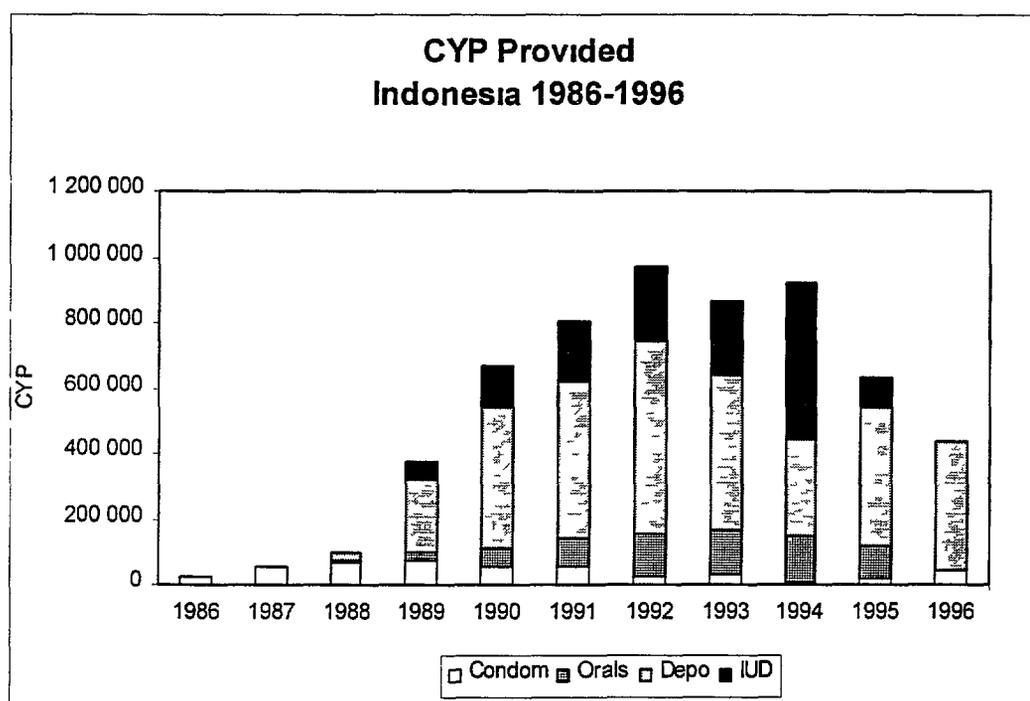
**Indonesia**

SOMARC has long been active in Indonesia, with the initial CSM activities commencing in 1986. However, the program is no longer supported by SOMARC, being fully self-sufficient and graduated. The table below shows sales by product.

### Sales by CSM Product

Year	Condoms	Orals	Injectable	IUD
1986	2,372,000			
1987	5,958,014			
1988	7,205,918	45,630	105,365	
1989	7,868,160	337,878	872,496	16,025
1990	5,858,380	745,772	1,736,700	35,624
1991	5,928,956	1,153,321	1,936,103	52,410
1992	2,727,996	1,759,779	2,383,351	64,961
1993	2,979,350	1,920,730	1,908,487	64,012
1994	675,648	1,966,079	1,181,918	137,025
1995	2,068,560	1,360,848	1,708,287	26,041
1996	4,519,303	0	1,584,242	0

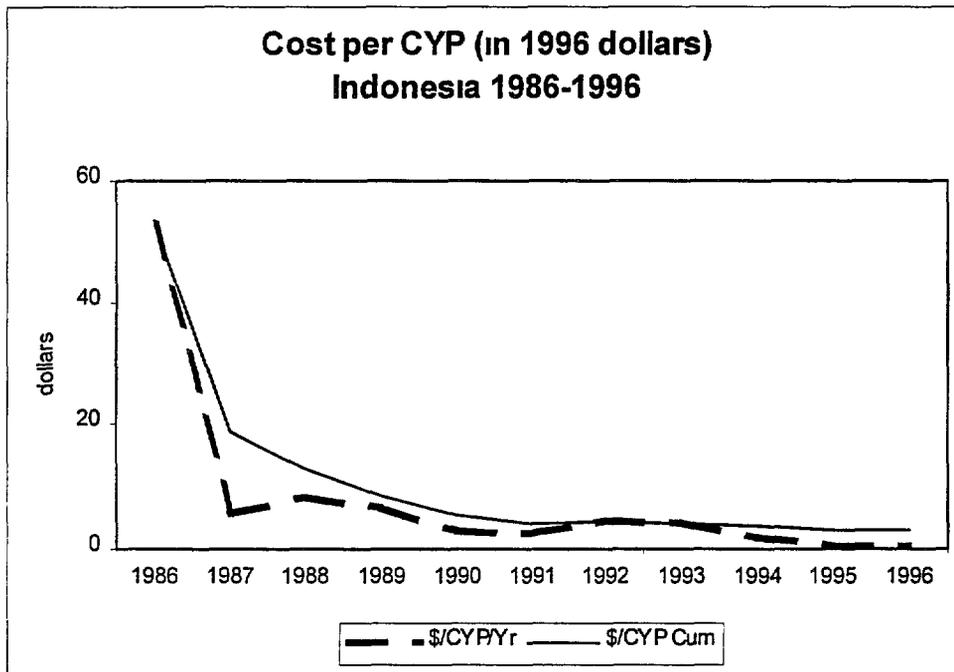
The bar chart shows the number of CYP provided by sales of these products



The following tables and graphs present both the annual and cumulative (life-of-project) cost per CYP for the project in Indonesia. Cost per CYP is calculated with and without SOMARC overhead included, however, the graphical presentation shows the amount **without** overhead included.

### Dollars Per CYP

Year	\$/CYP/Year	\$/CYP Cumulative	\$/CYP/Year with OH	\$/CYP Cumulative with OH
1986	52.60	52.60	84.85	84.85
1987	5.66	18.64	7.90	26.00
1988	8.17	12.57	9.79	15.06
1989	6.51	8.32	8.69	11.10
1990	3.15	5.34	3.80	6.44
1991	2.61	4.13	2.82	4.46
1992	4.52	4.18	5.80	5.38
1993	4.31	4.14	5.94	5.71
1994	1.90	3.60	2.41	4.58
1995	0.69	3.13	0.88	4.01
1996	0.78	3.05	0.94	3.65



### Jamaica

In Jamaica, contraceptive awareness and prevalence are high. Two major goals of the Jamaica National Family Planning Board (NFPB) are to shift the method mix to long-term/permanent methods and increase private sector participation in service delivery.

SOMARC's challenge in Jamaica is to help increase the demand for contraceptives through private sector channels, in line with the goals of NFPB. In October 1995, the Personal Choice social marketing initiative was established to transition the social

marketing activities in Jamaica to commercially sourced products, helping to build a sustainable market for these products

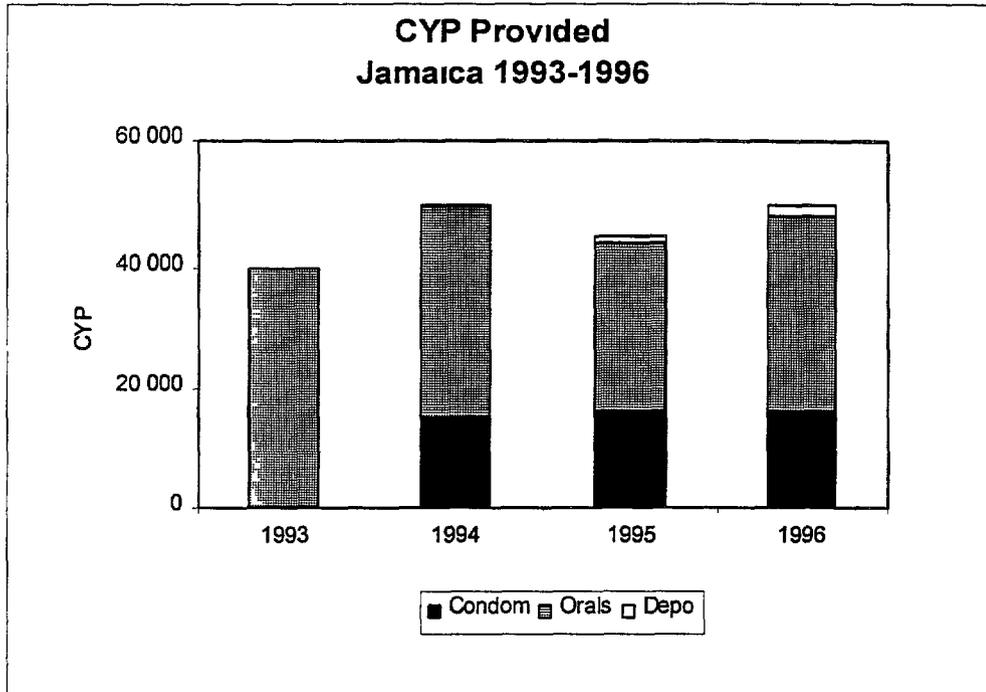
Currently, the CSM program includes two low-dose oral contraceptives that are available at approximately half the commercial price of the other brands and the injectable. A public relations and advertising campaign commenced shortly after establishment of the program, to publicize the Personal Choice logo, and its products. Continuing technical assistance in the areas of market research, advertising, public relations and promotion is given by SOMARC. SOMARC is assisting in the development of a network of private providers who will be able to provide both temporary and permanent methods, at affordable prices in a high-quality manner. A commercially-sourced IUD was introduced in January of 1998.

There are two brands of condom, "Panther Premium" and "Panther Stud", two brands of orals, "Minigynon" and "Perle LD" and Depo-Provera available through the CSM program in Jamaica. All products and services are commercially-sourced now. Donations ceased as of 1995 and condoms graduated from SOMARC assistance in 1995. The table below shows sales since 1993. Sales figures do not include vasectomy as acceptors were minimal. The bar chart shows the number of CYPs provided by the CSM program in Jamaica.

#### Sales by CSM Product

Year	Condoms <sup>6</sup>	Orals	Injectable
1993		562,244	
1994	1,595,304	490,402	424
1995	1,705,248	390,571	3,569
1996	1,705,248	451,772	5,989

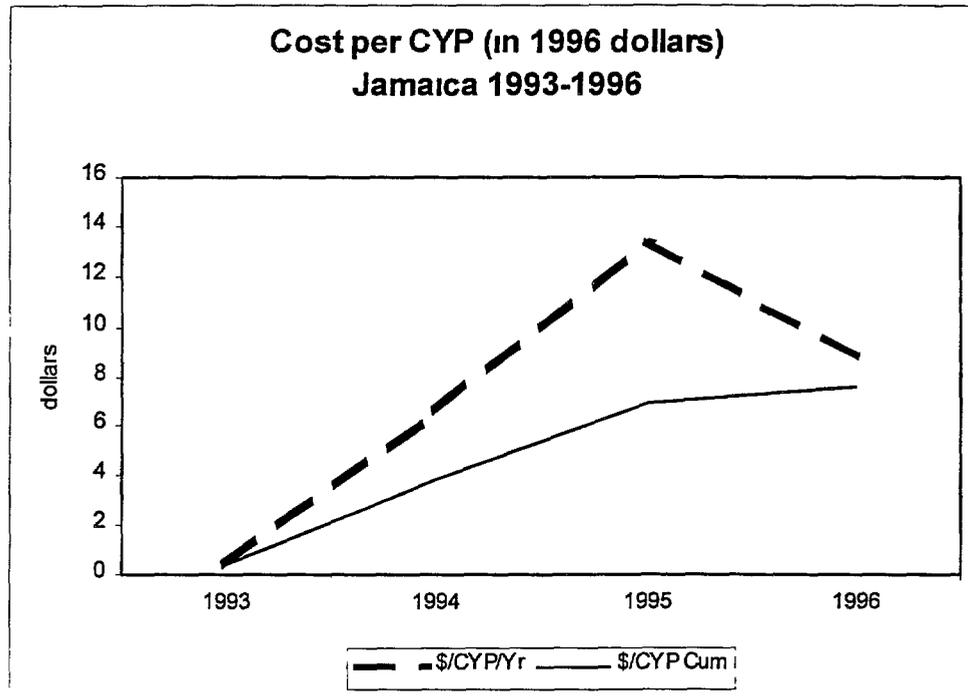
<sup>6</sup> Distributor did not make 1996 condom sales figures available, assuming 1996 level same as 1995



The following table and accompanying graph present both the annual and cumulative (life-of-project) cost per CYP for the project in Jamaica. Cost per CYP is calculated with and without SOMARC overhead. The graph, however, shows the cost **without** overhead.

#### Dollars Per CYP

Year	\$/CYP/Year	\$/CYP Cumulative	\$/CYP/Year with OH	\$/CYP Cumulative with OH
1993	0.39	0.39	0.53	0.53
1994	6.60	3.84	8.40	4.88
1995	13.40	6.91	17.16	8.86
1996	8.91	7.61	10.68	9.13



### Jordan

SOMARC redesigned the already existing Contraceptive Social Marketing project in Jordan in 1992. SOMARC had responsibility for the marketing and communications components of the CSM program, now known as the Jordan Birth Spacing Project (JBSP). In 1994, a variety of CSM start-up activities ensued and first sales were reported in 1995, under the restructured program. A Pan Arab advertising campaign was developed and a number of providers participated in contraceptive technology seminars with an emphasis on Depo-Provera. Cubeisy was selected to manage the program's advertising and public relations campaign. A project logo was chosen and a resident advisor was hired to head the JBSP. A number of events, such as press briefings, TV and radio interviews are ongoing to increase awareness of the program. The Pan Arab method-specific ads were approved to air on TV, a first for Jordanian television.

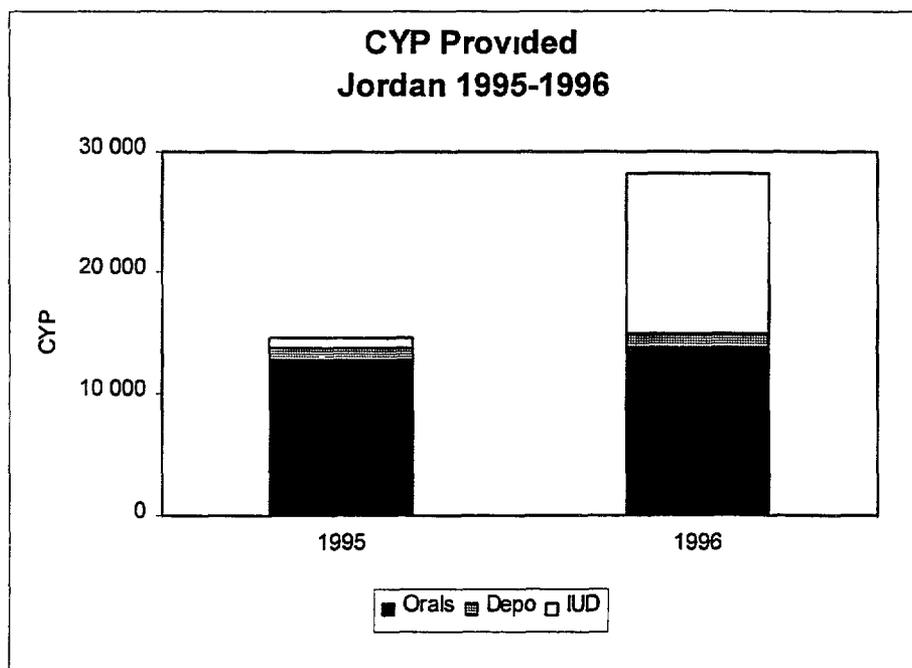
Since Jordan has a highly developed commercial sector, one of SOMARC's current objectives is creation of a provider network, consisting of private practitioners, to increase availability and accessibility of family planning. SOMARC will also continue to promote and market CSM methods with the aim of attaining sustainability by the end of 1998.

Methods being promoted and marketed include three brands of orals, "Femulen", "Microgynon" and "Nordette", the CUT380A IUD and Depo-Provera. All products are commercially sourced. Sales are shown in the table below.

### Sales by CSM Product

Year	Orals	Injectable	IUD
1995	178,677	3,693	240
1996	191,554	4,661	3,804

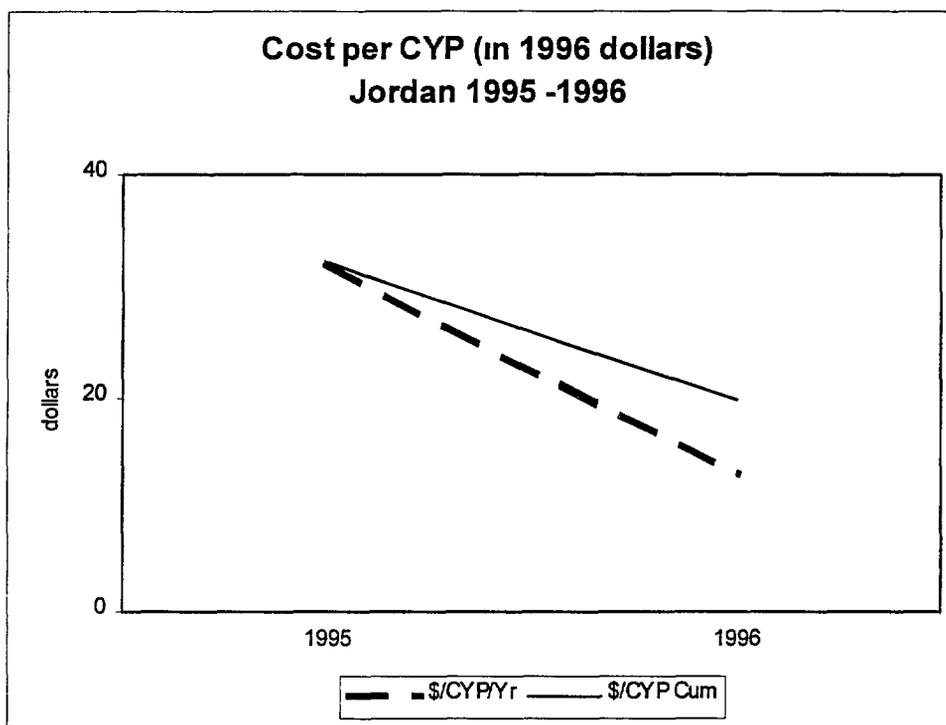
Information on CYP provided by these sales is shown in this bar chart



The accompanying graphs and tables show the costs per CYP, both annually and cumulative (life-of-project) for the CSM project in Jordan. Cost per CYP is calculated both with and without SOMARC overhead, however, the graph shows cost per CYP **without** this overhead

### Dollars Per CYP

Year	\$/CYP/Year	\$/CYP Cumulative	\$/CYP/Year with OH	\$/CYP Cumulative with OH
1995	32.12	32.12	41.14	41.14
1996	12.86	19.76	15.42	23.69



### Kazakstan

The fertility rate is 2.5 children per woman in Kazakstan. Although women have clearly demonstrated the desire to space and limit their children through their high levels of abortion and IUD use, there is significant concern among local host governments that promoting family planning will anger pro-natalist groups. Family planning has, therefore, been incorporated into the broader maternal and child health mandate of the government. Induced abortion has been relied upon as a means of fertility control. The total abortion rate is almost two (1.8) abortions per woman. Prevalence is at 59 percent overall with use of modern methods at 46 percent. The IUD comprises almost 70 percent of the method mix.

SOMARC's extensive social marketing initiative was designed to stimulate demand, cover market entry costs and reduce risks on behalf of pharmaceutical manufacturers, to foster a sustainable commercial environment for the marketing of contraceptives through the private sector. SOMARC proposes to consolidate the commercial marketing initiatives implemented over the past two years, to expand the geographical coverage of the program where feasible, and to initiate marketing innovations where possible and appropriate to facilitate the achievement of national reproductive health goals. The focus of SOMARC activities will be on consolidating the progress made and pursuing opportunities that will help insure the sustainability of the commercial activities of the program, once donor-funding ceases.

SOMARC's "Red Apple" program was launched in November 1994 in the pilot areas of Almaty, Karaganda, and Ust Kamenogorsk. SOMARC's support has been instrumental

in creating, fostering and improving commercial interest and commitment on the part of local distributors and international manufacturers to provide consumers with high-quality, affordable modern methods of contraception

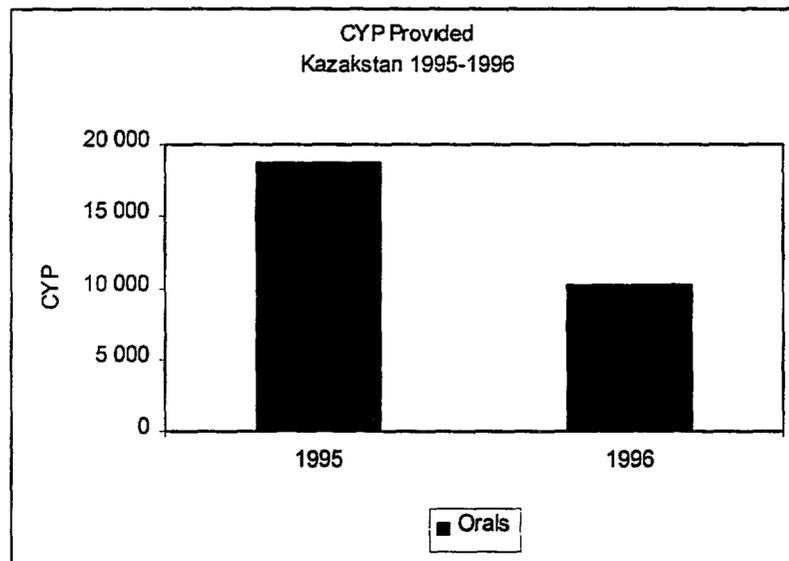
When SOMARC began work in Kazakstan, it was dominated by a single state structure, Farmatsyia (the Central Pharmacy) Few, if any, “private” pharmaceutical wholesalers existed and non-Farmatsyia pharmacies did not exist Farmatsyia was privatized in 1996 with USAID’s direct assistance and guidance with technical support from SOMARC

Goals for the future include support for, and development of, core Red Apple partners (Distributors, Market Service Companies, and Contraceptive Manufacturers) to insure project transition and continued demand creation activities to broaden the market and address consumer fears of hormonal products The table below contains sales data for the years 1995 and 1996 All products are commercially-sourced

**Sales of CSM Products**

Year	Orals	Injectable
1995	262,141	74
1996	143,570	500

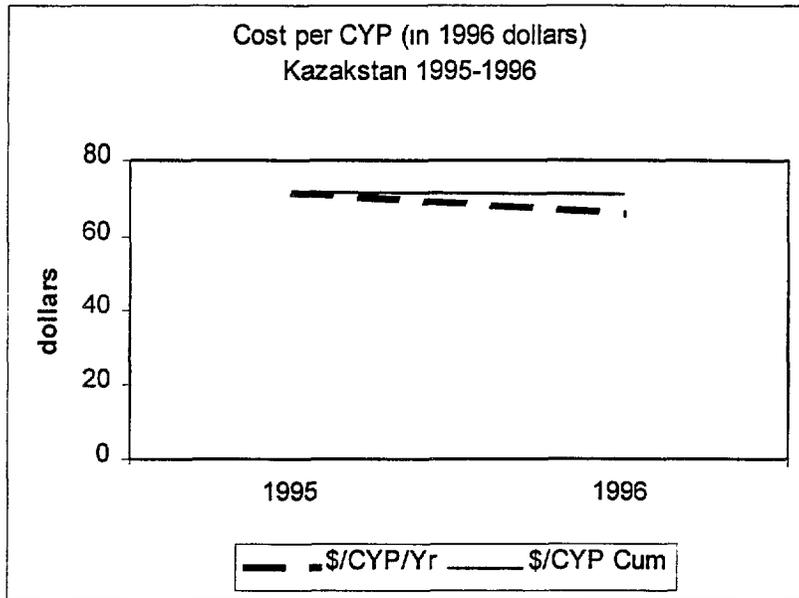
This chart shows the numbers of CYP provided by sales of these products



The following table and accompanying graph present both the annual and cumulative (life-of-project) cost per CYP for the project in Kazakstan Cost per CYP is calculated both with and without overhead, however, the graph shows only cost per CYP **without** overhead

### Dollars Per CYP

Year	\$/CYP/Year	\$/CYP Cumulative	\$/CYP/Year with OH	\$/CYP Cumulative with OH
1995	71 96	71 96	92 18	92 18
1996	66 48	71 48	79 71	85 70



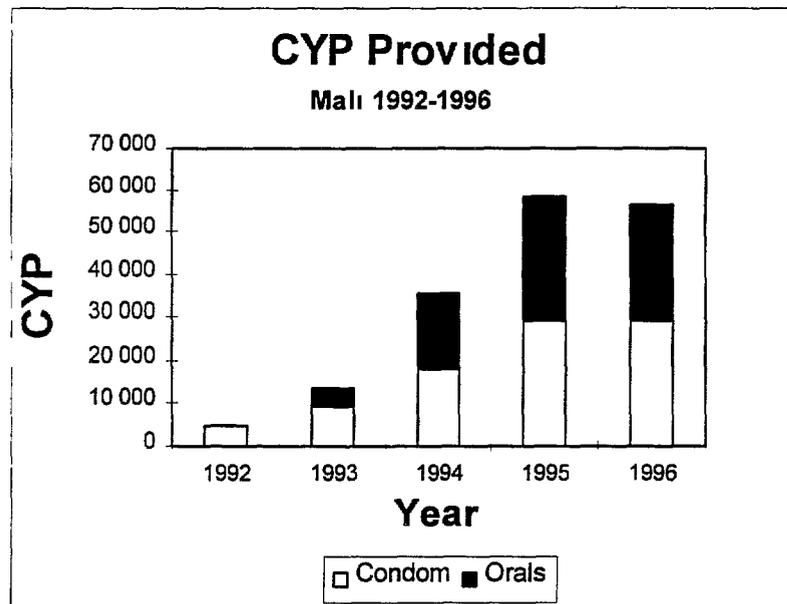
## Mali

The Mali CSM project, originally managed by SOMARC, has been active since 1992. As of November 1994, it has been managed by Futures through a separate contract. The project is not expected to be self-sufficient at any time in the near future.

Donated commodities available through the program include "Protector" brand of condom, the oral brand, "Pilplan" and the contraceptive injection, "Confiance". Oral rehydration salts were also introduced in early 1998. The Malian Popular Pharmacy (PPM) is the implementing agency. This table contains information on sales of these products since 1992 and the number of CYPs provided by these sales is graphically below.

**Sales by CSM Product**

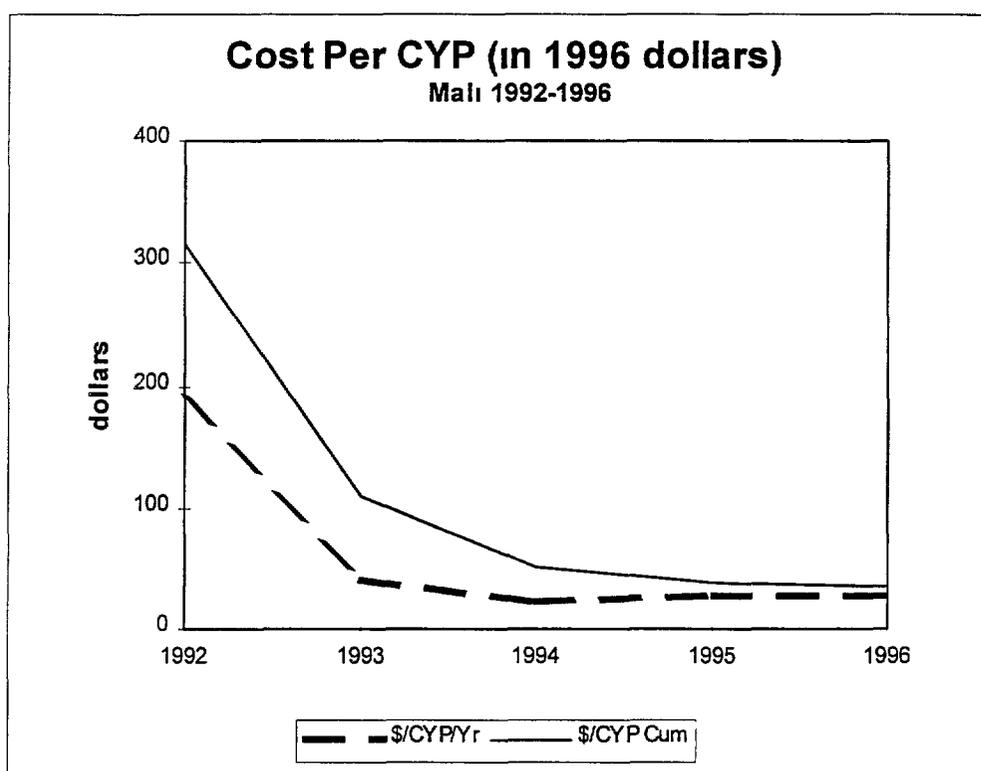
Year	Condoms	Orals
1992	489,167	
1993	958,919	63,166
1994	1,872,933	244,707
1995	3,050,572	406,656
1996	3,052,877	382,057



The following graph and table present both the annual and cumulative (life-of-project) cost per CYP for the project in Mali. Cost per CYP is calculated both with and without SOMARC overhead. Note that there are no 1995 and 1996 calculations with SOMARC overhead included, as the activities were no longer being carried out under SOMARC. The graph shows the cost **without** overhead.

### Dollars Per CYP

Year	\$/CYP/Year	\$/CYP Cumulative	\$/CYP/Year with OH	\$/CYP Cumulative with OH
1992	189 24	315 29	243 21	405 22
1993	41 84	109 75	57 64	151 20
1994	24 05	52 06	30 59	66 22
1995	27 42	38 25	-	-
1996	27 51	35 46	-	-



### Mexico

SOMARC is currently involved in three CSM activities in Mexico, an oral pilot project designed to expand availability of a low-dose oral to rural areas, and two services marketing projects designed to improve the sustainability of the Federacion Mexicana de Asociaciones Privadas de Salud Y Desarrollo Comunitario (FEMAP), a leading NGO and the Fundacion Mexicana para la Planeacion Familiar (MEXFAM), the IPPF affiliate in Mexico. The Consejo Nacional de Poblacion (CONAPO), MEXFAM, FEMAP and the oral manufacturer, Schering, are key players in the oral pilot project. FEMAP and MEXFAM have provided the product to their community-based (CBD) staff for distribution in rural areas not served by Schering's network. CONAPO will provide

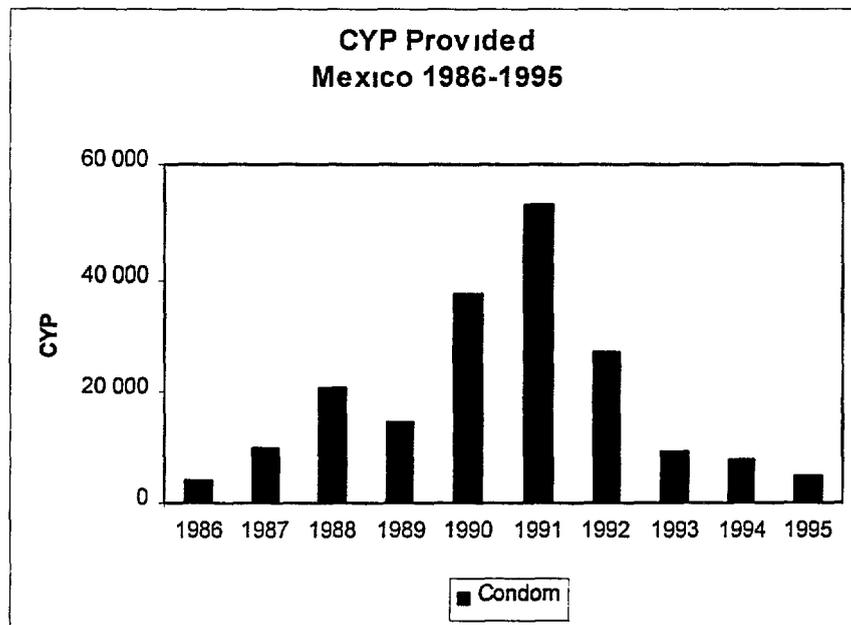
advertising support through radio ads and SOMARC will ensure that MEXFAM's and FEMAP's CBD staff is properly trained

Work is ongoing in developing marketing plans for the several different affiliated family planning organizations within the FEMAP federation and implementing the services marketing training FEMAP ad campaigns have been developed Advertising and public relations support to MEXFAM continues as does the services marketing training

While SOMARC has been assisting in development and implementation of marketing plans and testing of the oral pilot project, sales of "Protector" condoms continued through 1995 "Protector" graduated from SOMARC assistance in 1991 However, it is now no longer available in the market Sales of condoms sold between 1986 and 1995 are shown in this table The number of CYP's provided by "Protector" since 1986 are shown in the bar chart

**Sales by CSM  
Product**

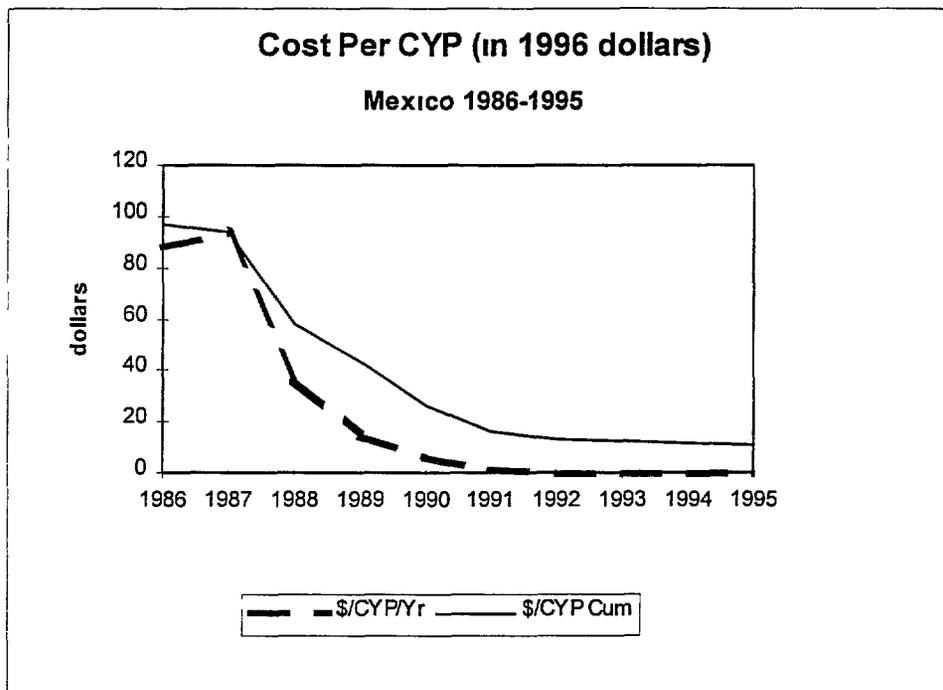
Year	Condoms
1986	407,950
1987	1,029,400
1988	2,182,800
1989	1,541,928
1990	3,974,688
1991	5,579,393
1992	2,846,064
1993	953,232
1994	814,964
1995	500,286



The following graph and table present both the annual and cumulative (life-of-project) cost per CYP for the project in Mexico. Cost per CYP is calculated both with and without SOMARC overhead, however, the graph shows the cost **without** overhead

**Dollars per CYP**

Year	\$/CYP/Year	\$/CYP Cumulative	\$/CYP/Year with OH	\$/CYP Cumulative with OH
1986	88 12	96 44	142 13	155 55
1987	93 63	93 72	130 61	130 74
1988	36 06	57 71	43 20	69 13
1989	14 58	43 35	19 45	57 83
1990	5 99	26 12	7 23	31 50
1991	1 88	16 33	2 03	17 64
1992	0 00	13 32	0 00	17 11
1993	0 00	12 36	0 00	17 03
1994	0 00	11 45	0 00	14 56
1995	0 00	10 72	0 00	13 73



## Morocco

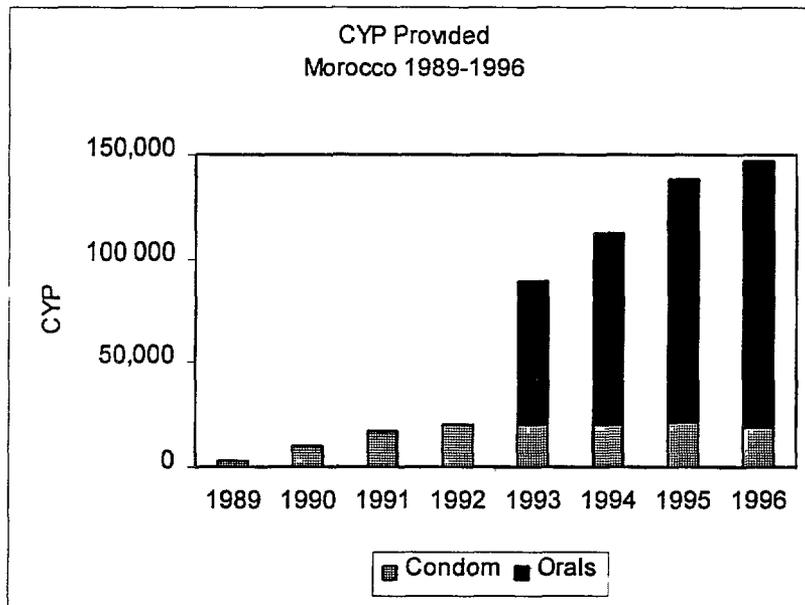
In a country where couples primarily rely on orals for their family planning needs, SOMARC is involved in activities to expand the availability of a range of modern contraceptives through private sector providers with the aim of attaining sustainability by 1998. Distribution systems are being strengthened, a variety of promotional programs have been instituted with NGOs and private physicians and pharmacists, and mass media is used to advertise the CSM program.

The Al Hilal CSM program started in 1989 and, since then, three products have been introduced in the private sector, "Protex" condoms (which graduated from SOMARC assistance in 1993) and the "Kinat Al Hilal" oral contraceptive. The injectable, "Hoqnat Al Hilal" and a fourth product, the IUD "Lawlab Al Hilal", were launched in 1997 but this report includes sales through 1996 only. All products are commercially-sourced.

SOMARC Morocco marketing strategies vary by product. The central strategy is based on a "Family of Products" approach. The program creates the conditions for having a range of products and services supported by the same label, Al Hilal. For example, Depo Provera is manufactured by Pharmacia&Upjohn and imported by Polymedic. The packaging includes the Al Hilal logo. Polymedic and Roussel Diamant are handling distribution and sales. Polymedic goes through traditional wholesalers to ensure distribution in pharmacies. Roussel Diamant implements a promotional program through visits to pharmacies and doctors. A specific long-term methods public relations campaign is also planned to get underway soon. Sales of products from 1989 through 1996 are shown in the table below. These sales figures are reflected in the number of CYP shown in this bar chart.

**Sales by CSM Product**

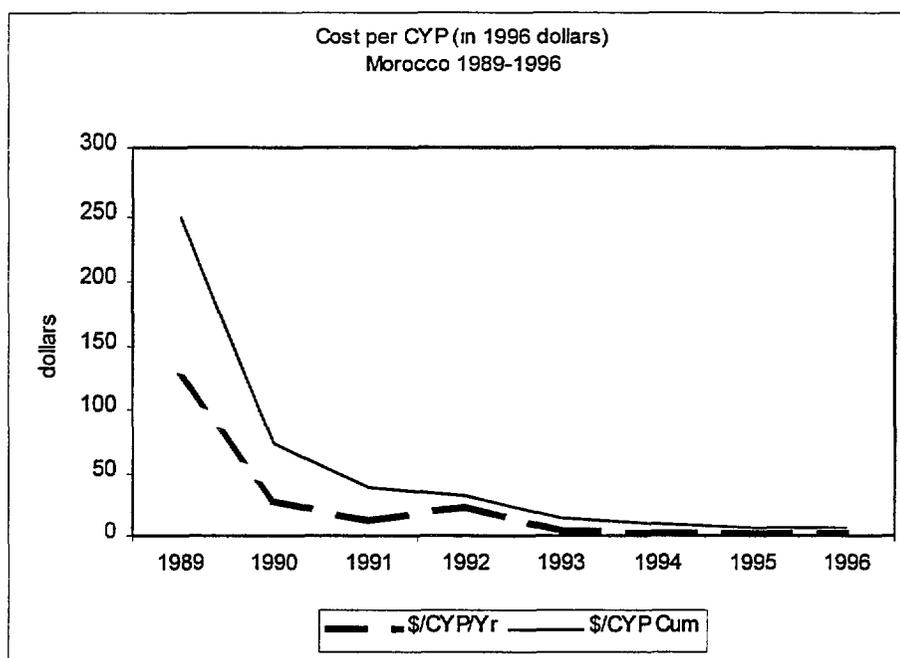
<b>Year</b>	<b>Condoms</b>	<b>Orals</b>
1989	280,239	
1990	1,053,668	
1991	1,774,809	
1992	2,106,925	
1993	2,144,653	950,870
1994	2,152,917	1,273,931
1995	2,180,939	1,637,856
1996	1,987,582	1,790,593



The following graph and table present both the annual and cumulative (life-of-project) cost per CYP for the project in Morocco. Cost per CYP is calculated both with and without SOMARC overhead, however, the graph shows the cost **without** overhead.

**Dollars Per CYP**

Year	\$/CYP/Year	\$/CYP Cumulative	\$/CYP/Year with OH	\$/CYP Cumulative with OH
1989	123 86	248 87	165 23	331 99
1990	29 20	73 26	35 22	88 35
1991	13 12	37 77	14 17	40 80
1992	23 90	31 56	30 71	40 56
1993	5 00	14 32	6 88	19 72
1994	3 51	9 23	4 47	11 74
1995	2 83	6 71	3 63	8 60
1996	3 34	5 94	4 00	7 12



## Nepal

Currently, 29 percent of married women are using a method while 31 percent have an unmet need<sup>7</sup>. There is heavy reliance on female sterilization, almost 50 percent of married users are sterilized. There is a strong demand for spacing methods, therefore, potential greatly exists for a vibrant market for temporary methods. Indeed, research has indicated that the recently introduced injectable is fast approaching sterilization as women's method of choice, though access continues to be a problem.

There is a fairly well developed commercial sector in Nepal and many Nepalese perceive quality of service provided by this sector as superior to public sector services. SOMARC is capitalizing on this through development of a distribution network of pharmacies, general shops and private physicians. SOMARC is working with its two local implementing partners, the Nepal CRS Company and the Pariwar Swatha Sewa Network (PSSN), the latter being a network of private physicians, to increase access to a full range of socially marketed products. SOMARC is working with these partners to develop their organizational capacities to develop and manage effective and cost efficient marketing and distribution strategies for their respective products. Collaboration with CRS began in late 1993 while work with PSSN started in 1995.

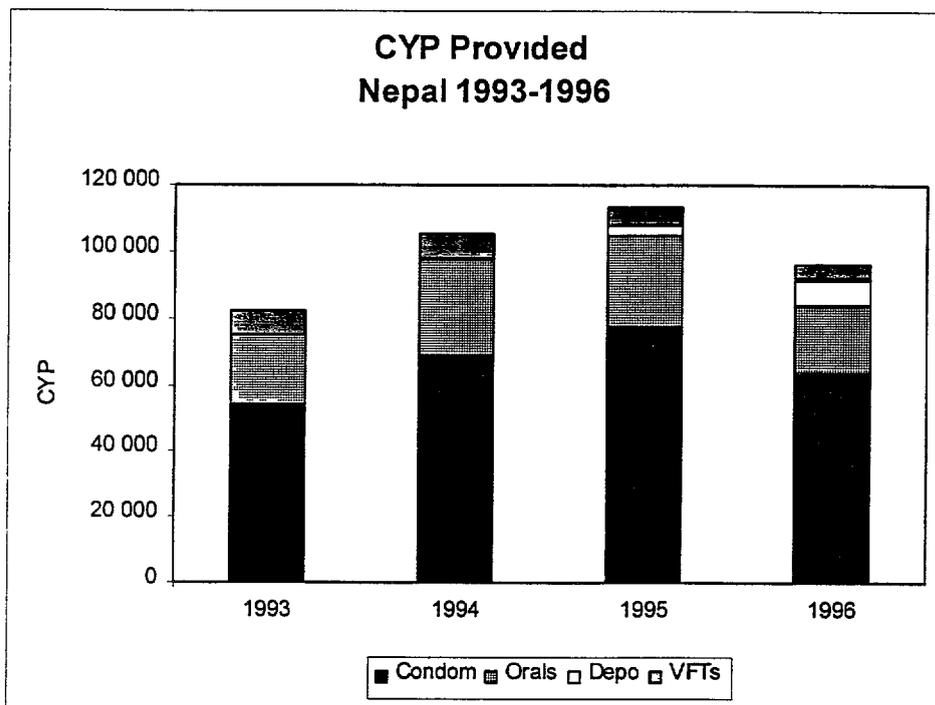
All products are donated by USAID. Products available include two brands of condom, "Dhaal" and "Panther", the injectable brand "Sangini", Norplant, the CUT380A IUD, three brands of oral, "Gulaf", "Kanchan" and "Nilocon", and one brand of VFT, "Kamal". Unit sales of each product since 1993 are shown in the table below.

<sup>7</sup> 1996 DHS

### Sales by CSM Product

Year	Condoms	Orals	Injectable	IUD	VFTs	Norplant
1993	5,665,392	294,837			765,936	
1994	7,203,108	404,684	1,248		819,432	
1995	8,146,218	381,249	11,221		575,136	
1996	6,710,376	279,690	30,075	120	478,944	34

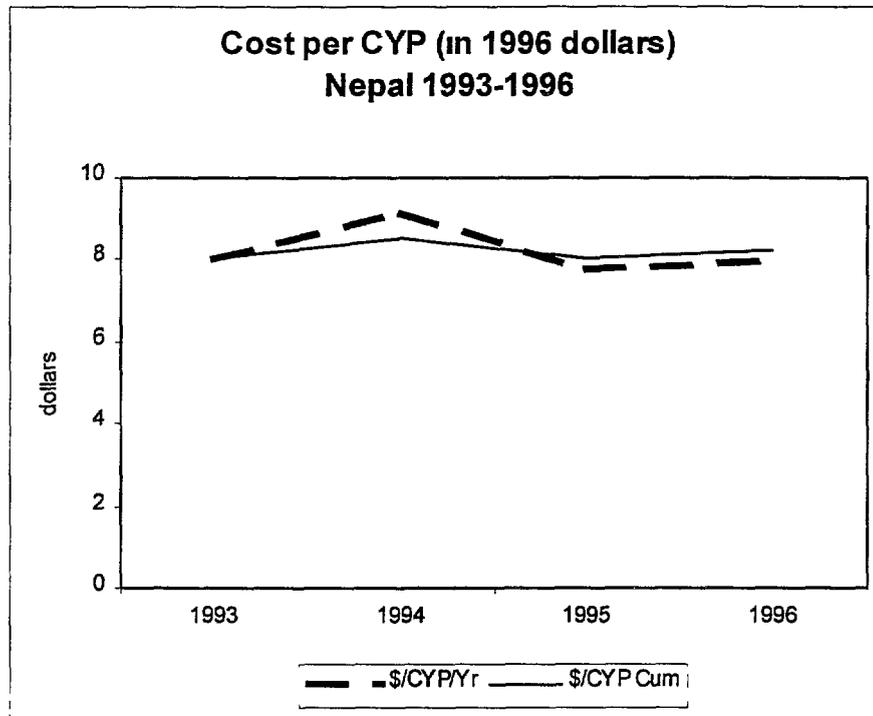
This bar chart presents information on the number of CYPs that have been provided through unit sales shown above. CYPs provided by the IUD and Norplant are not shown as they were minimal in 1996.



The following graph and table present both the annual and cumulative (life-of-project) cost per CYP for the project in Nepal. Cost per CYP is calculated both with and without SOMARC overhead, however, the graph shows the cost **without** overhead.

### Dollars per CYP

Year	\$/CYP/Year	\$/CYP Cumulative	\$/CYP/Year with OH	\$/CYP Cumulative with OH
1993	8 01	8 01	11 03	11 03
1994	9 14	8 53	11 63	10 85
1995	7 78	8 04	9 97	10 29
1996	7 97	8 21	9 56	9 85



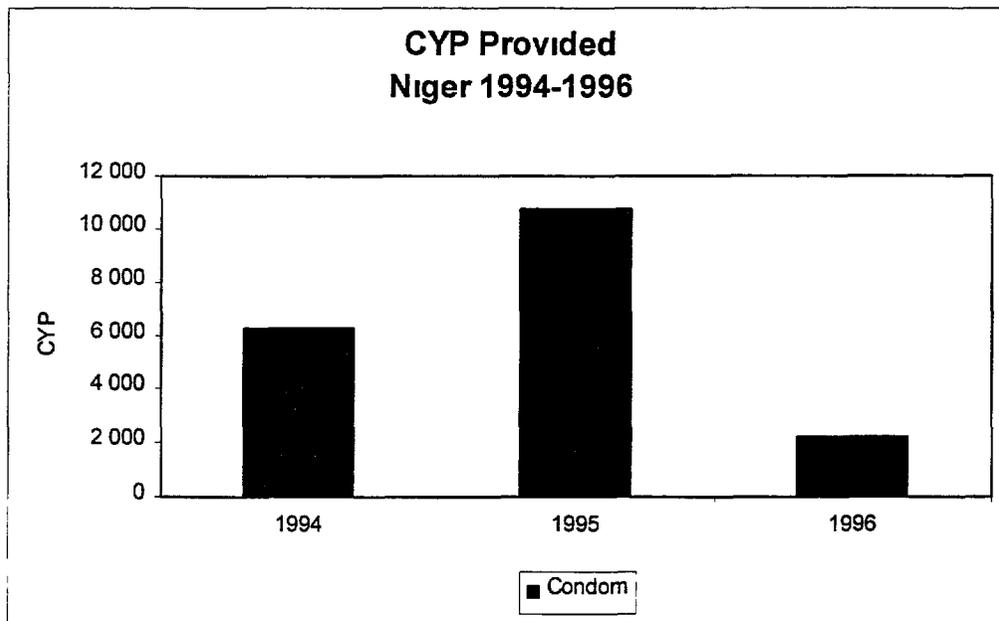
### Niger

The CSM program in Niger was a new one, having reported first sales in 1994. The implementing agency was Action Conseil pour l'Action (ACA) a local NGO. However, USAID has since closed its mission and activities continue under the direction of CARE. However, for purposes of this study, we include the sales figures for the three years SOMARC was active. These figures are shown in the table below.

**Sales by CSM  
Product**

Year	Condoms
1994	660,164
1995	1,126,140
1996	236,460

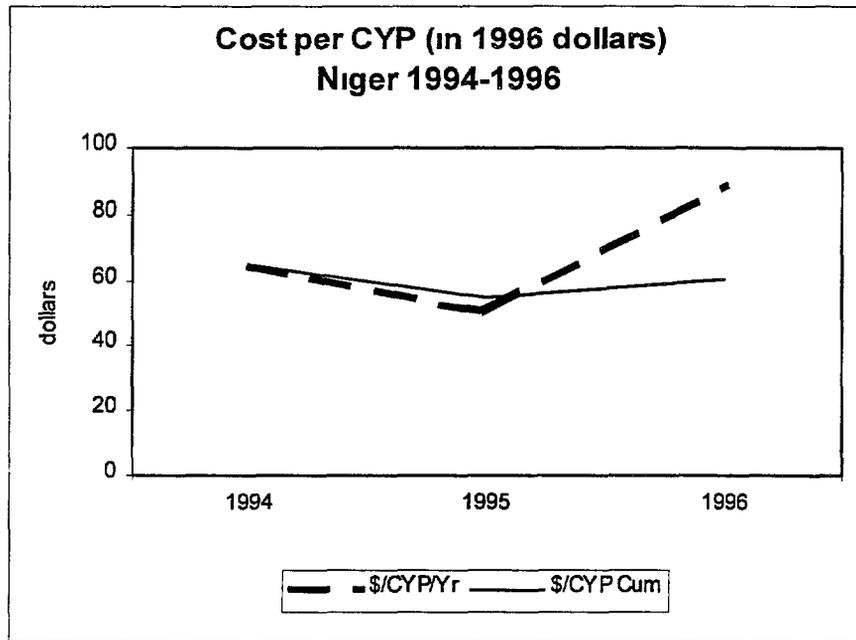
The number of CYPs provided through sales of "Protector" during the three-year period are shown here



The following graph and table present both the annual and cumulative (life-of-project) cost per CYP for the project in Niger. Cost per CYP is calculated both with and without SOMARC overhead, however, the graph shows the cost **without** overhead

**Dollars per CYP**

Year	\$/CYP/Year	\$/CYP Cumulative	\$/CYP/Year with OH	\$/CYP Cumulative with OH
1994	64 88	64 88	82 54	82 54
1995	50 12	54 62	64 20	69 97
1996	89 46	60 22	107 26	72 21



### Papua New Guinea

In 1990, a social marketing project was started with technical assistance from SOMARC. Sales were first realized in 1991. However, USAID phased-out all assistance to the South Pacific region starting in 1994. Some sales were realized in 1995 of products still remaining in the distribution pipeline.

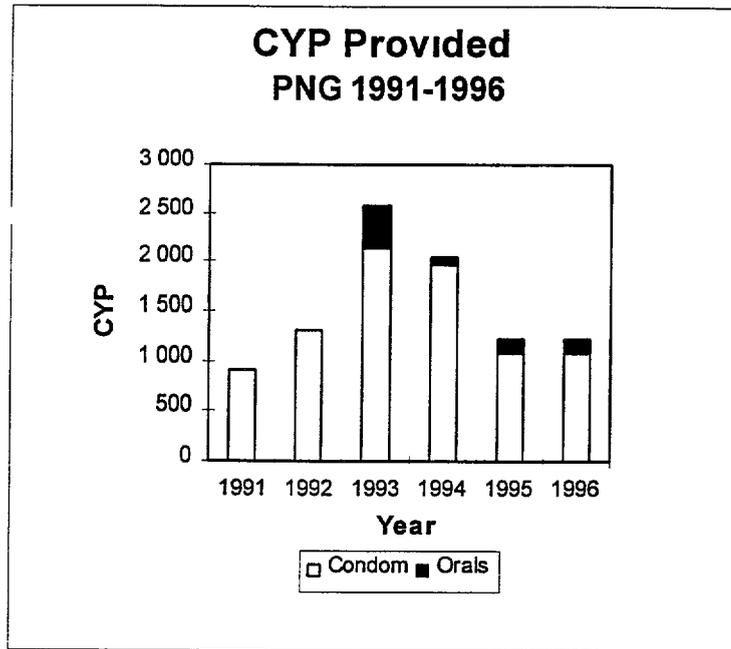
Two products were available, one brand of oral, "Secure" and one brand of condom, "Protector". Sales of these products for the years 1991 through 1996 are shown in the table below<sup>8</sup>.

**Sales by CSM Product**

Year	Condoms	Orals
1991	94,317	
1992	137,721	
1993	224,436	6,150
1994	205,923	1,275
1995	113,847	1,995
1996	113,847	1,995

This bar chart presents information on the amount of CYP provided by the sales of product.

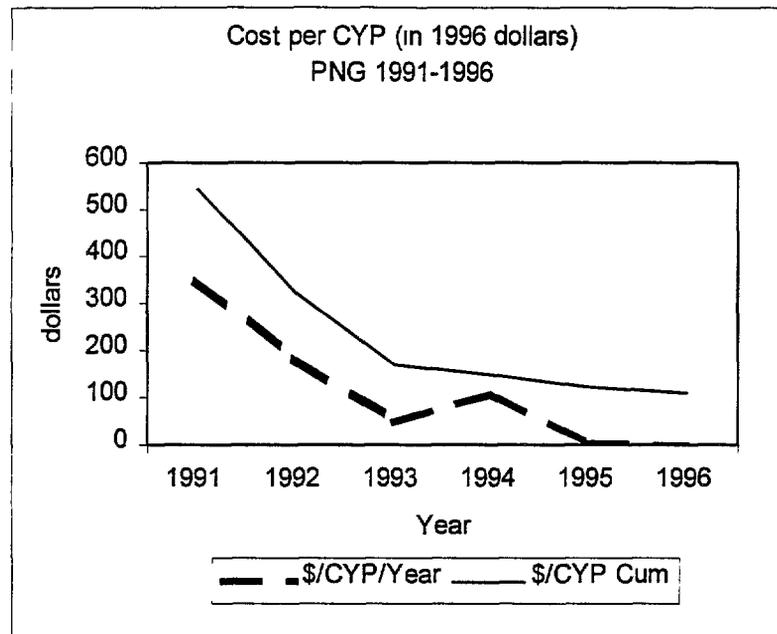
<sup>8</sup> Sales figures after 1995 not available to SOMARC, assuming 1996 sales were at 1995 level.



The following graph and table present both the annual and cumulative (life-of-project) cost per CYP for the project in PNG. Cost per CYP is calculated both with and without SOMARC overhead, however, the graph shows the cost **without** overhead.

#### Dollars Per CYP

Year	\$/CYP/Year	\$/CYP Cumulative	\$/CYP/Year with OH	\$/CYP Cumulative with OH
1991	348.89	544.67	376.80	588.24
1992	181.92	323.35	233.80	415.57
1993	46.44	171.13	63.98	235.77
1994	108.91	148.49	138.53	188.89
1995	5.35	121.77	6.86	155.98
1996	0.00	109.07	0.00	130.77



## Peru

The social marketing program in Peru has been active for many years. However, in 1993, USAID/Peru requested SOMARC technical assistance in helping the implementing agency, APROPO, to renew contracts with four suppliers of contraceptive products. SOMARC worked with APROPO in developing a marketing plan for a socially marketed condom, "Piel", launched in conjunction with the start of the World Cup soccer tournament in 1994. By 1995, USAID informed APROPO that financial assistance to the organization would be phased out by the beginning of 1998. Therefore, APROPO is now looking to their social marketing activities to ensure organizational sustainability.

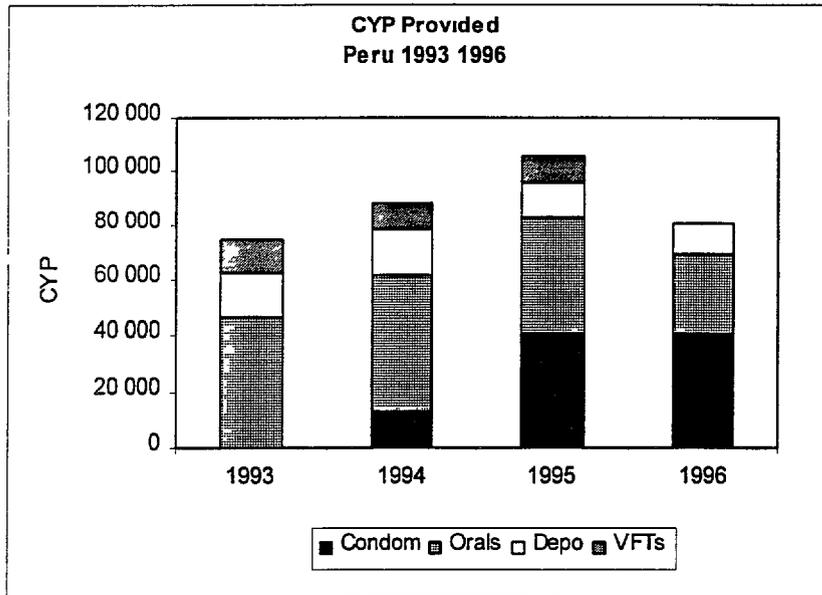
Currently, all products are commercially sourced. Products available through the CSM program include the "Piel" brand of condom, Depo-Provera, "Microgynon" and "Nordette" (the latter brand through 1994 only) orals, and "Lorophyn", a brand of VFT. "Piel" appears to be a sustainable product. Based on this success, APROPO is considering launch of a second condom brand.

Sales for the years 1993 to through 1996 are shown in this table.

### Sales by CSM Product

Year	Condoms	Orals	Injectable	VFTs
1993		647,740	64,729	1,286,304
1994	1,367,586	680,066	67,875	976,080
1995	4,294,455	584,915	53,143	1,045,745
1996	4,336,056	393,219	44,035	39,876

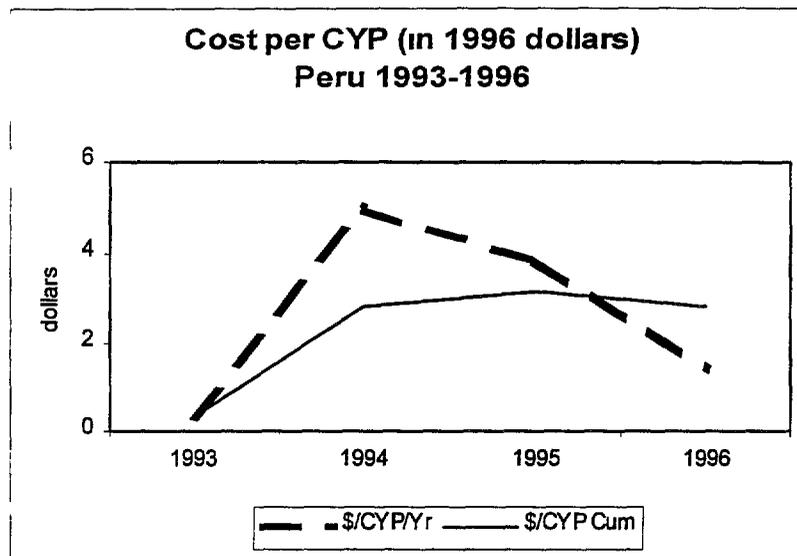
The number of CYPs provided by product line is shown in this bar chart.



The following graph and table present both the annual and cumulative (life-of-project) cost per CYP for the project in Peru. Cost per CYP is calculated both with and without SOMARC overhead, however, the graph shows the cost **without** overhead.

**Dollars Per CYP**

Year	\$/CYP/Year	\$/CYP Cumulative	\$/CYP/Year with OH	\$/CYP Cumulative with OH
1993	0.31	0.31	0.43	0.43
1994	4.97	2.82	6.32	3.59
1995	3.87	3.17	4.96	4.06
1996	1.38	2.83	1.66	3.40



### Philippines

USAID/Philippines has, as one of its objectives, an increase in private sector involvement of family planning service delivery in order to reduce the population growth rate. In line with that objective, SOMARC is working in the Philippines to 1) increase the private sector role in provision of services and supplies, 2) expand the existing line of CSM products to include a lower priced pill and the IUD, 3) intensify use of mass media and grass roots communications to generate further demand, and 4) improve quality and extent of distribution and detailing efforts by manufacturers and their agents.

The social marketing program, Couple's Choice, was launched in 1993 with three brands of low-dose orals. A condom brand, "Sensation", was also sold as a social marketing product. All products were commercially sourced. At that time, marketing and ad campaigns were aimed at providing brand awareness among the public. In 1994, the injectable was added to the product line and supported by advertising and marketing efforts. That year also saw the first time that a national TV commercial for orals aired. The following year saw a similar commercial for condoms. This multifaceted marketing and promotion effort continues.

The Philippine strategy consists of promoting the pills and injection under the Couple's Choice logo to consumers and providers, influentials and retailers through mass-media, a variety of public relation tools and medical detailers. In 1996 the condom was removed from the CSM program at the request of USAID/Philippines. In 1997 a new Gedeon-Riechter pill was added to the Couple's Choice family, and Organon left the program. In addition, Couple's Choice is working with manufacturers to maximize distribution through pharmacies and dispensing providers at the lowest possible price. The primary targets for Couple's Choice products are midwives and couples who are predisposed to child spacing.

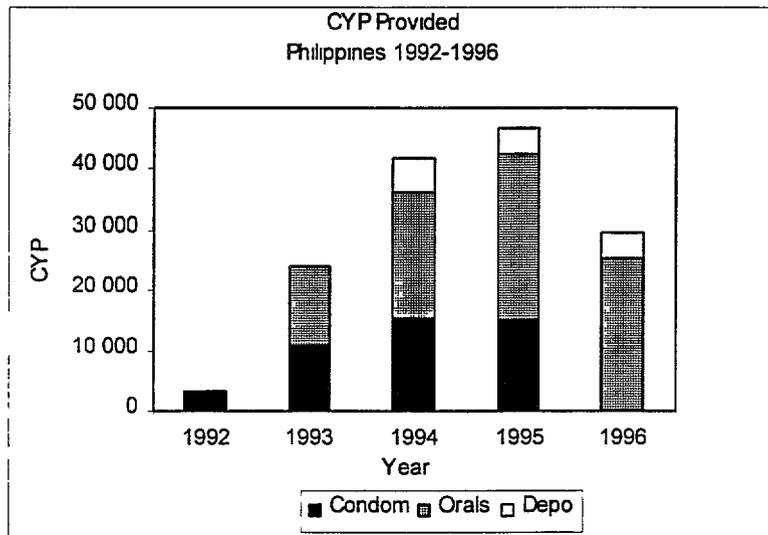
Sales for the years 1993 to 1996 are shown in the table below

**Sales by CSM Product**

Year	Condoms	Orals	Injectable
1992	353,121		
1993	1,135,186	184,262	
1994	1,610,900	291,696	22,711
1995	1,583,899	381,742	17,557
1996	0	354,966	16,516

Condom sales were not realized in 1996 as distribution was discontinued due to heavy competition from the DKT brand, "Trust", and the decision to invest limited resources into further distribution of pills and injectables

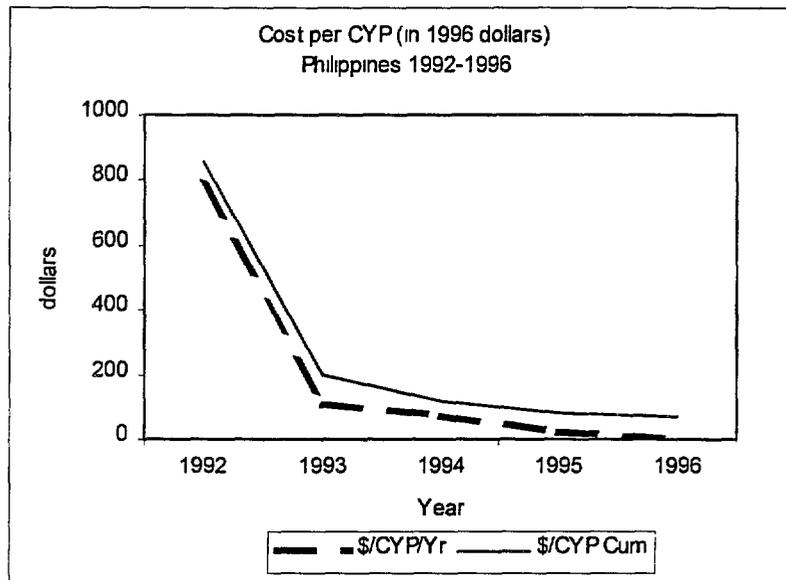
This bar chart presents the number of CYPs provided by the CSM program



The following graph and table present both the annual and cumulative (life-of-project) cost per CYP for the project in the Philippines. Cost per CYP is calculated both with and without SOMARC overhead, however, the graph shows the cost **without** overhead

### Dollars Per CYP

Year	\$/CYP/Year	\$/CYP Cumulative	\$/CYP/Year with OH	\$/CYP Cumulative with OH
1992	786 32	858 00	1,010 59	1,102 71
1993	109 12	199 02	150 33	274 19
1994	72 21	119 71	91 85	152 27
1995	27 10	79 53	34 71	101 88
1996	7 56	66 94	9 07	80 26



### Senegal

SOMARC's objectives in Senegal are 1) increase usage of condoms for both family planning and HIV/AIDS prevention, 2) expand the role of the private sector and 3) train pharmacists in proper use of condoms and provision of quality service

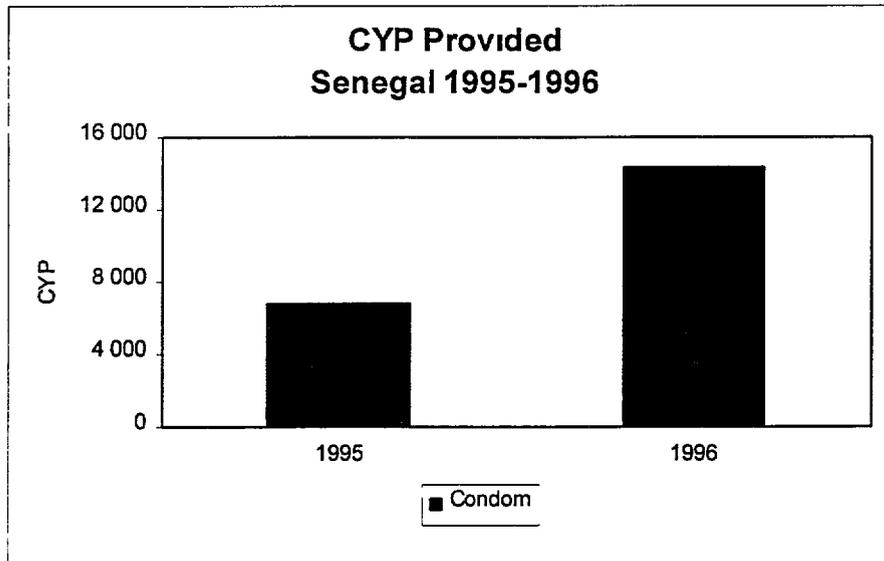
Startup activities commenced in 1994 with preparation of an implementation plan for a nationwide pilot condom program. A logo for the "Protec" condom, the socially marketed brand, was pre-tested and identified and packaging as well as radio and TV advertising were undertaken in 1995. The project was launched in June of 1995.

Currently, "Protec", donated by USAID, is the sole product in the program. Advertising and promotional activities continue. Sales of "Protec" are shown below.

**Sales by CSM  
Product**

Year	Condoms
1995	712,500
1996	1,510,500

This chart presents CYPs provided through sales of condoms in both years

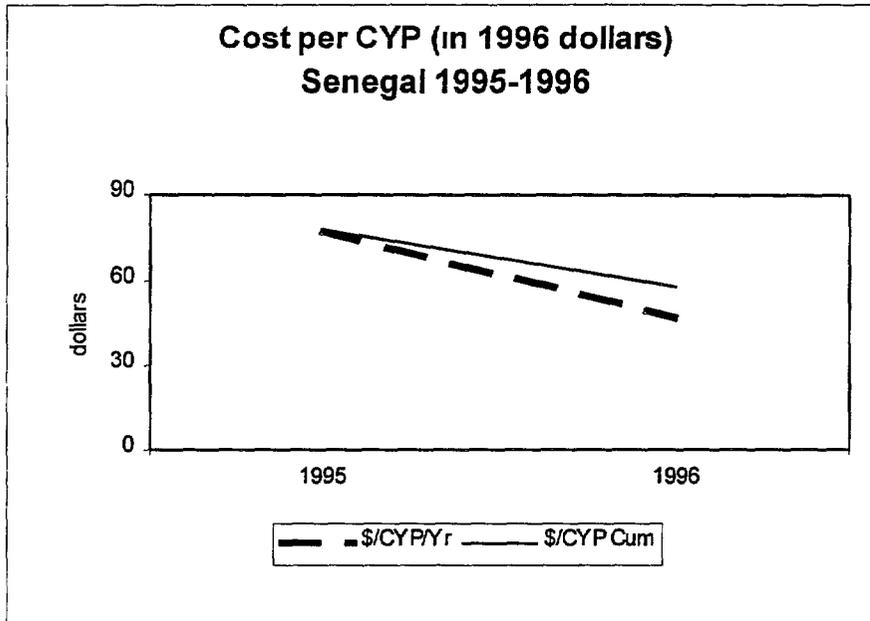


The following graph and table present both the annual and cumulative (life-of-project) cost per CYP for the project in Senegal. Cost per CYP is calculated both with and without SOMARC overhead, however, the graph shows the cost **without** overhead

**Dollars Per CYP**

Year	S/CYP/Year	\$/CYP Cumulative	\$/CYP/Year with OH	\$/CYP Cumulative with OH
1995	77 97	77 97	99 88	99 88
1996	47 07	57 76	56 43	69 26

**Cost per CYP (in 1996 dollars)  
Senegal 1995-1996**



## Togo

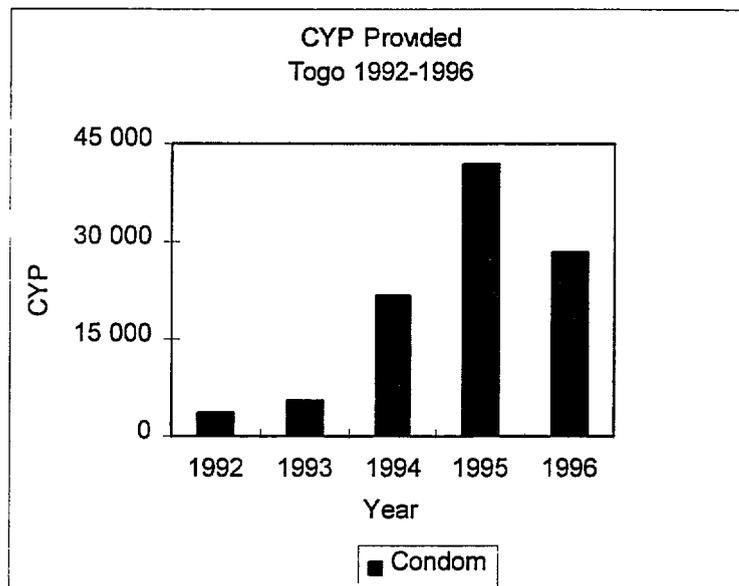
The CSM program was launched in 1992 through Inter-Medical Equipex with the launch of "Protector" condoms. Due to the product's limited presence outside the capital area, SOMARC redesigned Equipex's distribution system to extend its reach into the interior of the country via motorized up-country teams of distribution staff.

SOMARC had also successfully test "Pilplan", a brand of oral but political unrest interrupted eventual launch of the product. In 1995, USAID phased-out all assistance due to the unrest. Sales of "Protector" condoms are shown the following table<sup>9</sup>

**Sales by CSM  
Product**

Year	Condoms
1992	377,508
1993	589,704
1994	2,271,768
1995	4,403,367
1996	2,978,968

This bar chart provides information on the number of CYPs provided by these sales

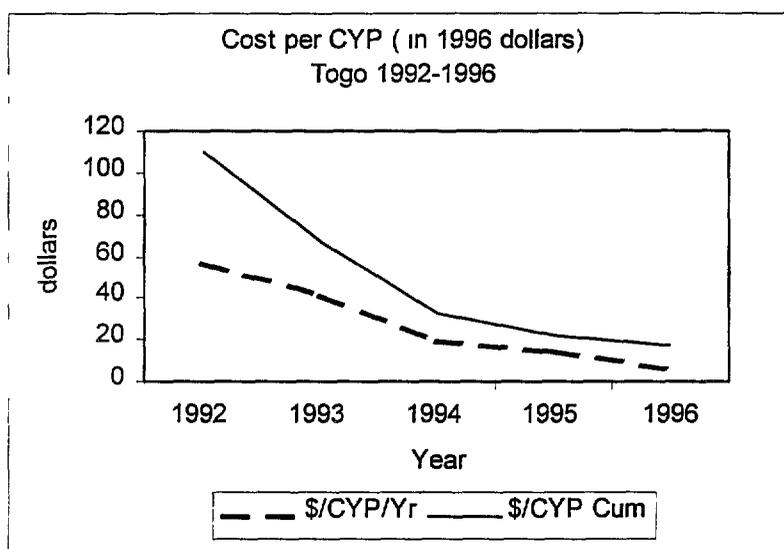


The following graph and table present both the annual and cumulative (life-of-project) cost per CYP for the project in Togo. Cost per CYP is calculated both with and without SOMARC overhead, however, the graph shows the cost **without** overhead.

<sup>9</sup> 1996 sales per implementing agency

### Dollars per CYP

Year	\$/CYP/Year	\$/CYP Cumulative	\$/CYP/Year with OH	\$/CYP Cumulative with OH
1992	56 88	110 56	73 10	142 10
1993	41 21	67 37	56 77	92 81
1994	18 89	32 70	24 03	41 59
1995	14 72	21 79	18 86	27 91
1996	5 57	17 74	6 67	21 27



### Turkey

Turkey is a country with a large, highly developed commercial sector and consumers who are willing to pay some amount for family planning services and supplies. It is also a country where 26 percent of users are using withdrawal<sup>10</sup>. SOMARC is harnessing the potential of the private sector and consumer willingness to pay by focusing on expanding the commercial sector provision of modern family planning services and supplies. Activities are directed to achieving three main objectives: (1) expanding the size, coverage, and service quality of the network of private facilities launched by SOMARC in 1995 as a pilot program, (2) establishing an affordable IUD in the private sector, and (3) launching two new injectables on the commercial market.

SOMARC launched the "Okey" condom in June 1991, introducing it as the first nationally-advertised condom brand in Turkey. Just two and a half years later, SOMARC

<sup>10</sup> 1993 DHS

graduated “Okey” from USAID assistance. Today “Okey” maintains a 25 percent share of the commercial market. In December 1991, SOMARC launched an oral contraceptive campaign promoting a range of commercially-sourced low-dose products. The campaign resulted in a dramatic shift in the market previously predominated by standard dose orals to over 75 percent usage of low dose brands. SOMARC graduated the low dose pills from USAID assistance in 1994.

Following extensive formative research conducted in 1994, SOMARC launched a pilot Services Marketing Network within Istanbul in October of 1995. The network, known as “KAPS,” was created to stimulate existing private clinics to increase their provision of reproductive health services, especially family planning. The network includes a range of private facilities, including hospitals, polyclinics, physicians, and pharmacies. All of the participating facilities were trained in contraceptive technology, counseling, and total quality management. To participate in the network, these private facilities agreed to lower their prices for family planning services.

Since IUDs are a relatively well accepted method in Turkey SOMARC has focused its efforts on technical assistance. It has for example, facilitated the registration process and assisted in the design of consumer and provider materials. In order to make physicians aware that this IUD is now available commercially, SOMARC will support a national direct mailing.

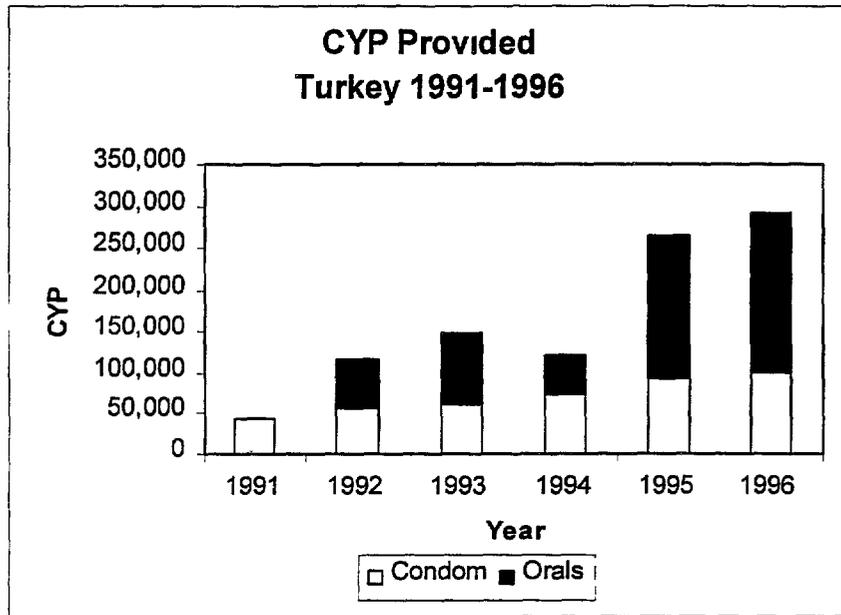
Two new contraceptive options have entered Turkey’s commercial market -- Mesigyna and Depo-Provera. Mesigyna, a one month combined estrogen-progestin injectable, and Depo-Provera were introduced in late 1997/early 1998. Both injectables are being sold at an affordable price nationally through pharmacies. To better educate consumers and providers the injectables, SOMARC has expanded its KAPS information telephone line to answer questions, provide referrals and provide counseling on the two new methods. With two high-involvement products the telephone line can be confidentially accessed by clients and providers all over Turkey. To encourage clients to access the hotline, SOMARC implemented a mass media campaign, public service announcements and other public relations activities. The hotline also has the added advantage of being able to refer interested clients to KAPS trained providers. In Istanbul, SOMARC piloted a smaller scale version of this hotline to promote the KAPS network of hospitals and clinics.

Below are shown unit sales of product from 1991 to 1996

**Sales by CSM Product**

<b>Year</b>	<b>Condoms</b>	<b>Orals</b>
1991	4,469,430	
1992	5,877,036	864,317
1993	6,325,514	1,227,501
1994	7,743,115	676,598
1995	9,694,490	2,408,692
1996	10,500,000	2,667,597

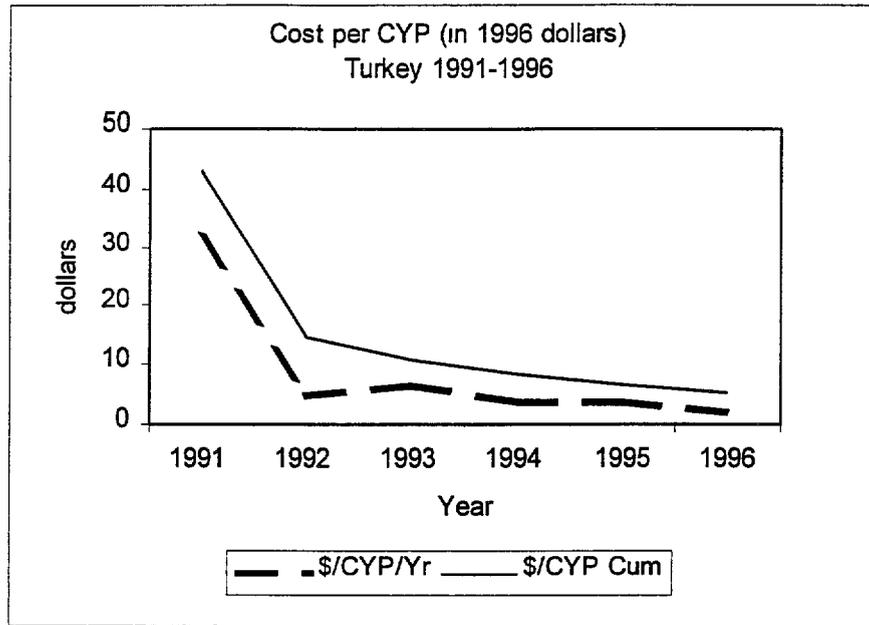
The bar chart shows the number of CYP provided by the units sold through the CSM program



The following graph and table present both the annual and cumulative (life-of-project) cost per CYP for the project in Turkey. Cost per CYP is calculated both with and without SOMARC overhead, however, the graph shows the cost **without** overhead

#### Dollars Per CYP

Year	\$/CYP/Year	\$/CYP Cumulative	\$/CYP/Year with OH	\$/CYP Cumulative with OH
1991	31.69	42.94	34.23	46.38
1992	4.95	14.73	6.36	18.93
1993	6.73	10.73	9.28	14.78
1994	3.75	8.49	4.76	10.81
1995	3.66	6.45	4.69	8.26
1996	2.05	5.29	2.46	6.35



## Uganda

Although awareness and ever use of contraceptives is high in Uganda, actual use is low. Only 15 percent of married women reported using a method<sup>11</sup>. Orals and injectables are the preferred methods. With a severe HIV/AIDS epidemic in Uganda, the potential for a substantial increase in condom use exists. Consonant with USAID objectives, the SOMARC project has as its objectives: 1) expand the availability of "Protector" condoms and, 2) increase correct usage of orals through consistent distribution to well-trained providers. SOMARC is placing special emphasis on USAID's thirteen Delivery of Improved Services for Health (DISH) priority districts.

SOMARC launched "Protector" condoms in 1991 and "New Pilplan" orals in 1993. Both products were donated by USAID. The current estimated share of the total condom market for Protector condoms is 60 percent. Depo-Provera was recently launched in 1996 under the brand name "Injectaplan".

SOMARC's marketing strategies in Uganda vary by product. However, the central strategy is to assure product distribution to a wide variety of points of sale (POS) in urban and rural areas. Distribution is undertaken through Uganda private-sector commercial distribution partners and a complementary SOMARC-managed distribution and sales team funded by the DISH project. This combined distribution system maximizes coverage of major urban POS and distribution to small shops and clinics in trading centers, urban slums, and rural villages, which are costly and difficult to reach through private sector channels. Each product is supported by advertising, promotion and public relations activities which use mass media (radio), billboards, point of purchase materials,

<sup>11</sup> 1995 DHS

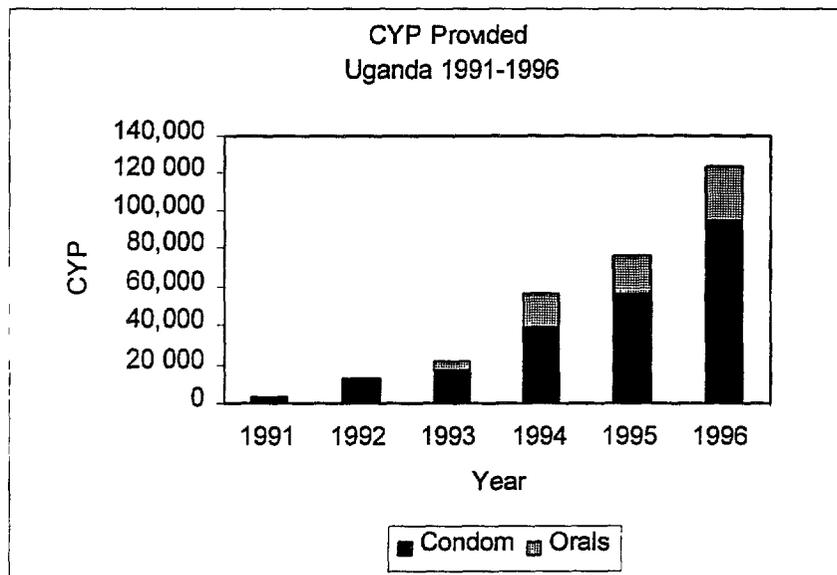
trade and consumer incentives, and community-based promotions. Products are priced to provide attractive margins to the trade while maintaining low consumer prices.

Sales for 1991 to 1996 are shown for the Ugandan CSM program below. All products are donated by USAID.

### Sales by CSM Product

Year	Condoms	Orals	Injectable
1991	302,106		
1992	1,318,410		
1993	1,812,488	66,026	
1994	4,081,941	247,491	
1995	5,980,285	271,943	
1996	9,950,760	399,480	4,140

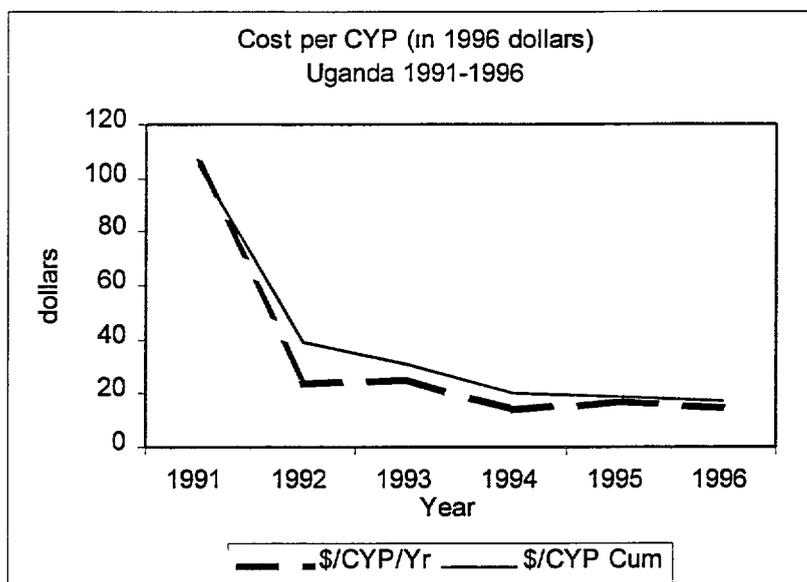
The number of CYPs that have been provided by the SOMARC CSM program since 1991 are shown in this bar chart. CYPs provided by condoms and orals are shown only. CYPs provided by Depo-Provera in 1996 were only 1,035.



The following graph and table present both the annual and cumulative (life-of-project) cost per CYP for the project in Uganda. Cost per CYP is calculated both with and without SOMARC overhead, however, the graph shows the cost **without** overhead.

### Dollars Per CYP

Year	\$/CYP/Year	\$/CYP Cumulative	\$/CYP/Year with OH	\$/CYP Cumulative with OH
1991	105 15	105 15	113 56	113 56
1992	24 25	38 80	31 16	49 86
1993	25 50	30 65	35 13	42 22
1994	14 28	20 39	18 16	25 94
1995	17 42	18 61	22 31	23 84
1996	14 86	17 37	17 82	20 83



### Uzbekistan

SOMARC contributes to increasing the prevalence of modern contraceptive methods within the context of the country's transition to a market-based economy. Accordingly, SOMARC's extensive social marketing program, called Red Apple, was designed to stimulate demand, cover market entry costs and reduce risks on behalf of pharmaceutical manufacturers, as well as to foster a sustainable commercial environment for the marketing of contraceptives through the private sector.

The extent of contraceptive use and reliance on induced abortion are similar to Kazakhstan, the other Central Asian Republic included in this report. The total abortion rate is 0.7 abortions per woman while the TFR is 3.3. Almost 56 percent of women are

using some kind of method of contraception, with 92 percent relying on modern methods. Almost 90 percent of modern use is from the IUD<sup>12</sup>

The government has initiated several programs, through the MOH and independent groups, whose mandate is to improve maternal and child health in the country. Family planning has been incorporated into these programs and increasing modern contraceptive methods prevalence is one of the major goals.

SOMARC, through the Red Apple program introduced in September 1995 in the pilot areas of Tashkent and Samarkand, has been supporting three modern contraceptive methods – orals, injectables, and condoms. Condoms have only recently joined the program yet they are already gaining market success. As SOMARC continued to work closely with its partner manufacturers and distributors, sales of Red Apple supported brands have gradually been increasing. Consequent to the privatization process of the pharmaceutical retail/and wholesale industry, large international pharmaceutical manufacturers began to enter the market. From the very beginning, SOMARC has been an active participant in the process of forming and helping to develop business relationships between the major international pharmaceutical manufacturers and locally owned, completely private, pharmaceutical distributors. Marketing and advertising and public relations efforts continue under Red Apple. Dori-Darmon is the implementing agency. Dori-Darmon's ties with the government and subsidized prices, however, have brought it an advantageous position within the market, a problem that needs to be addressed in the future. Nevertheless, a solid team of private distributors of Red Apple products has been established.

The table immediately below contains information on sales of CSM products for the years 1995 and 1996. All products are commercially-sourced.

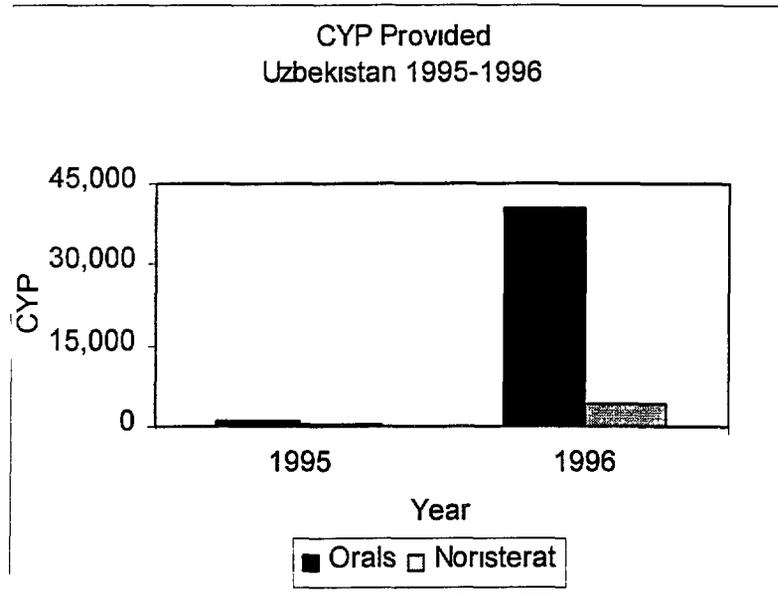
**Sales by CSM Product**

Year	Condoms	Orals	Depo-Provera	Noristerat
1995	0	15,053	475	2,900
1996	8,780	562,729	0	26,239

The bar chart shows the number of CYPs provided through sales of the above products.

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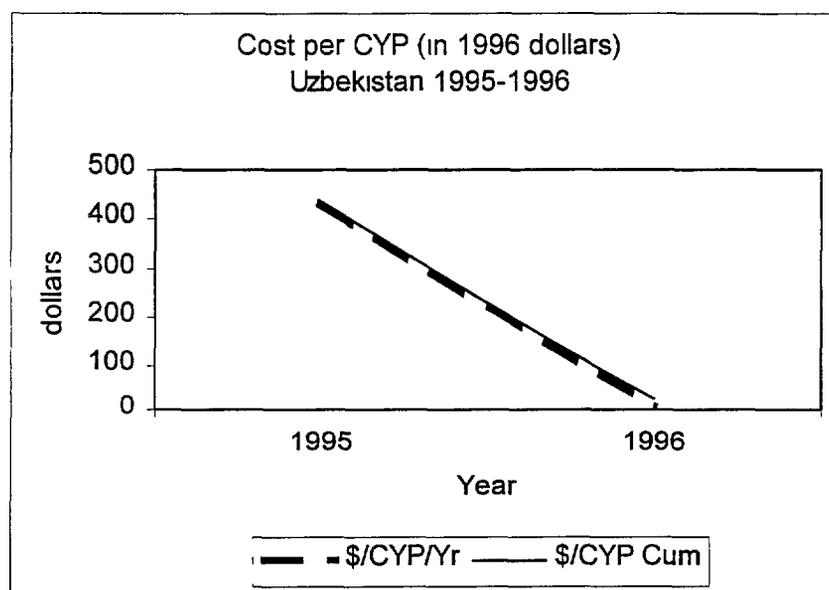
<sup>12</sup> 1996 DHS



The following table and accompanying graph present both the annual and cumulative (life-of-project) cost per CYP for the project in Uzbekistan. Cost per CYP is calculated both with and without overhead, however, the graph shows only cost per CYP **without** overhead.

**Dollars Per CYP**

Year	\$/CYP/Year	\$/CYP Cumulative	\$/CYP/Year with OH	\$/CYP Cumulative with OH
1995	433.90	433.90	555.83	555.83
1996	9.51	25.37	11.40	30.42



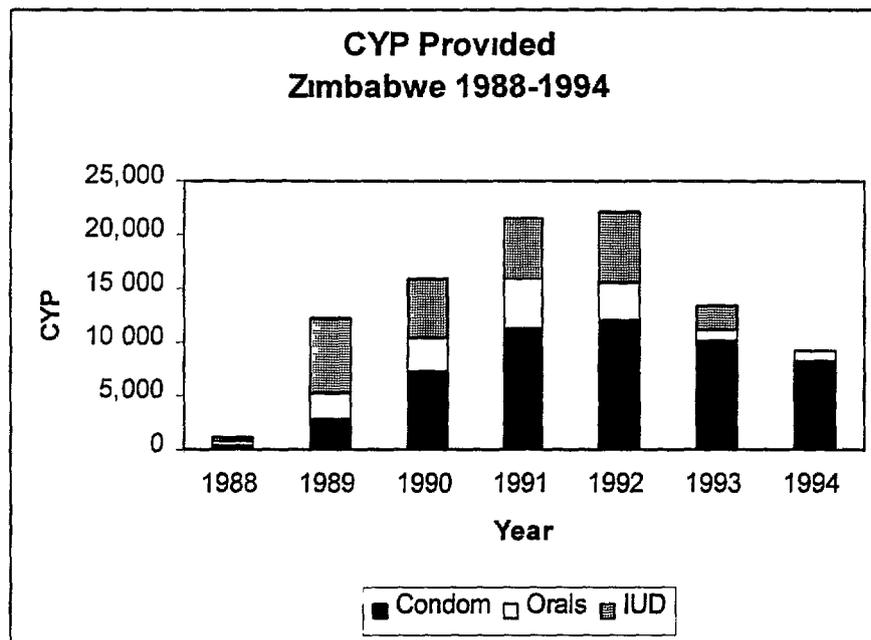
## Zimbabwe

In 1995, Population Services International took over technical assistance of the social marketing program in Zimbabwe after seven years of assistance from SOMARC. During those seven years, "Protector" condoms, the CUT380A IUD and "Norquest" orals were marketed and sold through the CSM program. All commodities were donated by USAID. Sales of these products from 1988 to 1994 are shown in the table below. There were no sales of IUDs for 1994 because the IUD management and marketing agency, Geddes, ceased sales on all USAID-donated products.

**Sales by CSM Product**

Year	Condoms	Orals	IUD
1988	50,080	4,607	122
1989	300,620	31,929	2,026
1990	769,420	43,793	1,557
1991	1,182,083	67,033	1,542
1992	1,271,612	48,072	1,883
1993	1,062,240	15,752	612
1994	873,280	13,014	0

The number of CYP provided by these sales is shown in this bar chart.



The following graph and table present both the annual and cumulative (life-of-project) cost per CYP for the project in Zimbabwe. Cost per CYP is calculated both with and without SOMARC overhead, however, the graph shows the cost **without** overhead.

### Dollars Per CYP

Year	\$/CYP/Year	\$/CYP Cumulative	\$/CYP/Year with OH	\$/CYP Cumulative with OH
1988	177 20	333 62	212 28	399 67
1989	22 10	49 51	29 48	66 04
1990	15 77	30 33	19 01	36 58
1991	17 96	24 47	19 40	26 42
1992	20 28	22 73	26 06	29 22
1993	19 58	21 84	26 97	30 09
1994	15 74	20 60	20 03	26 20

