

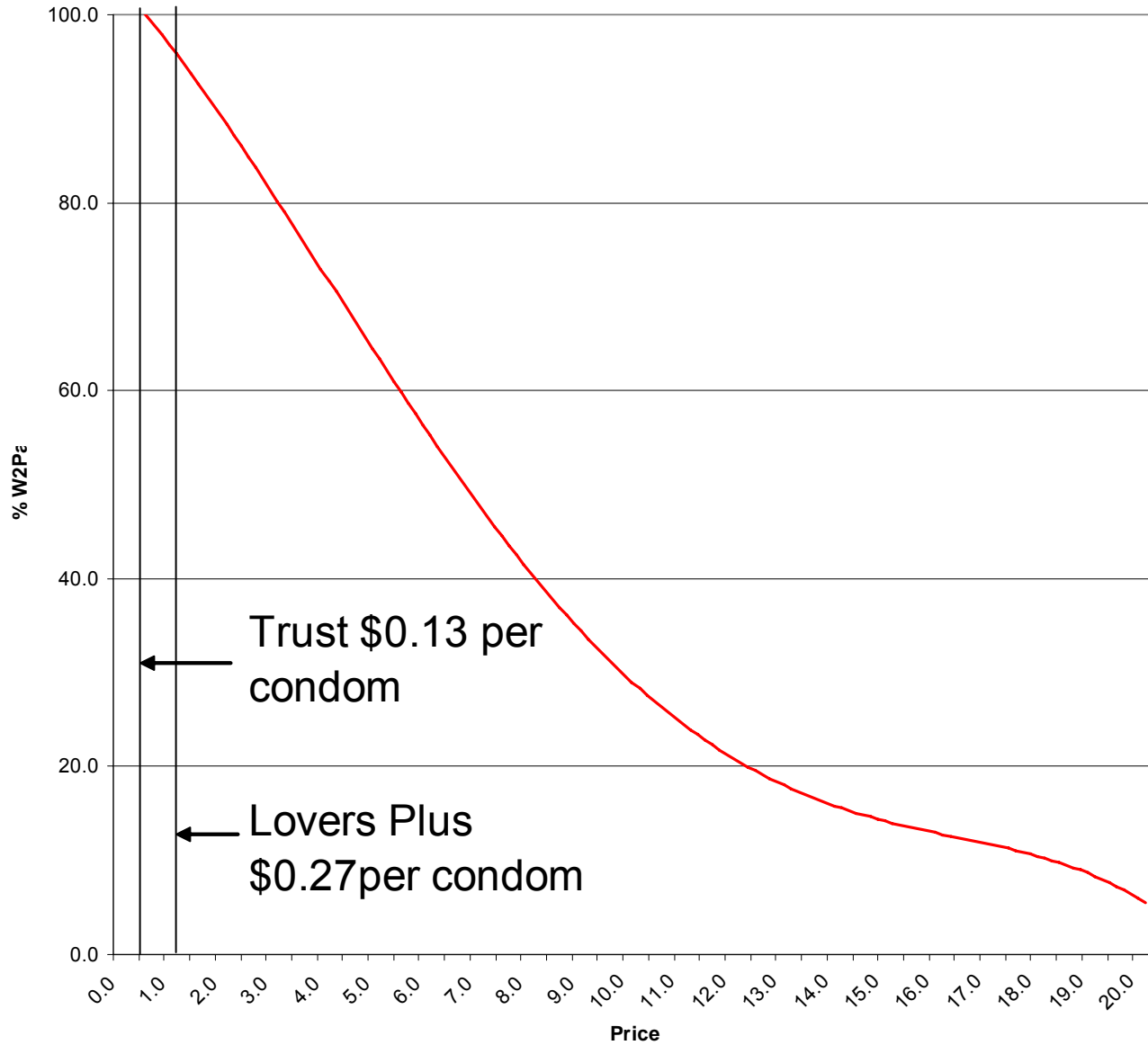
Increasing Prices Without Compromising Access



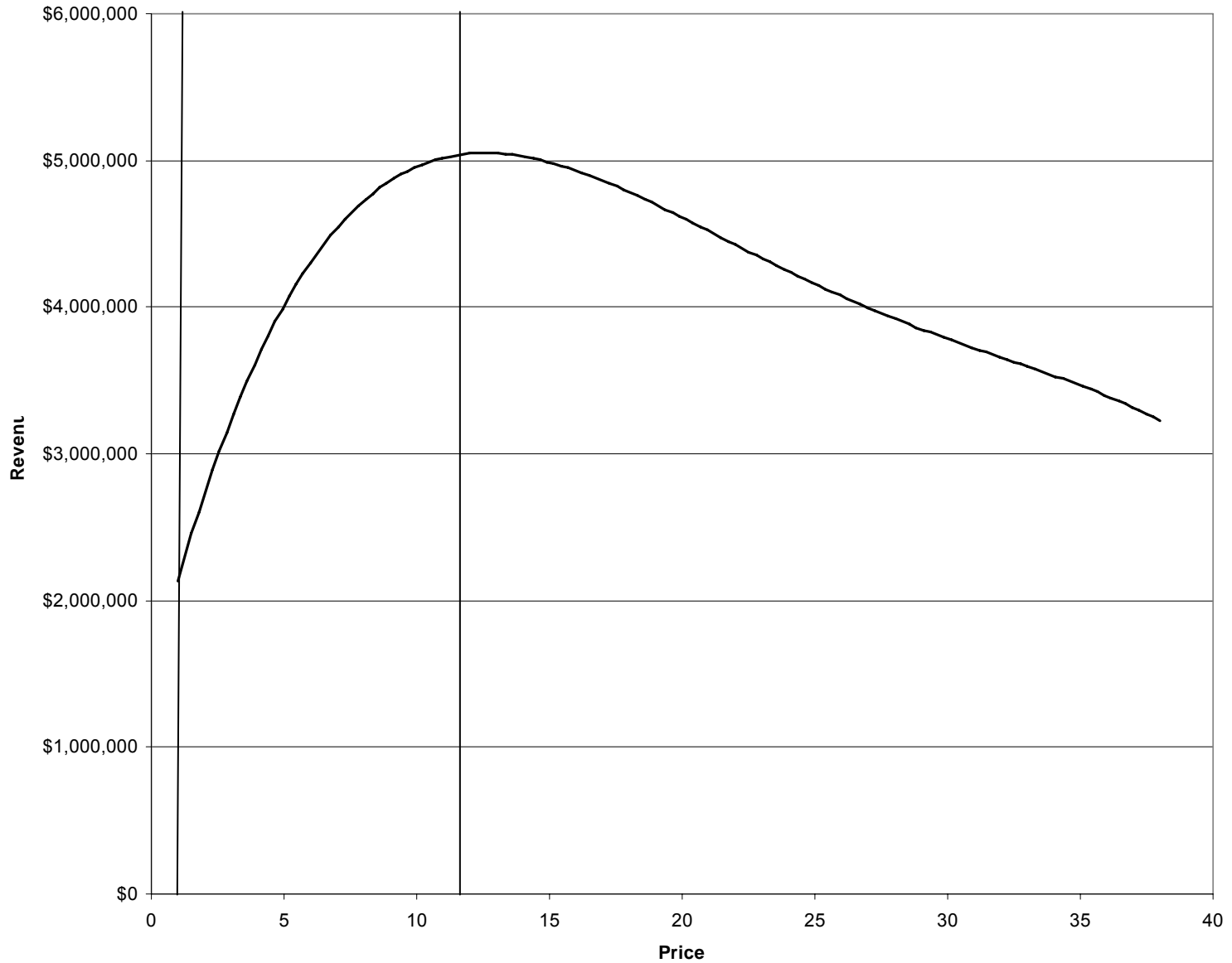
Research Division

Population Services International
Social Marketing and Communications for Health

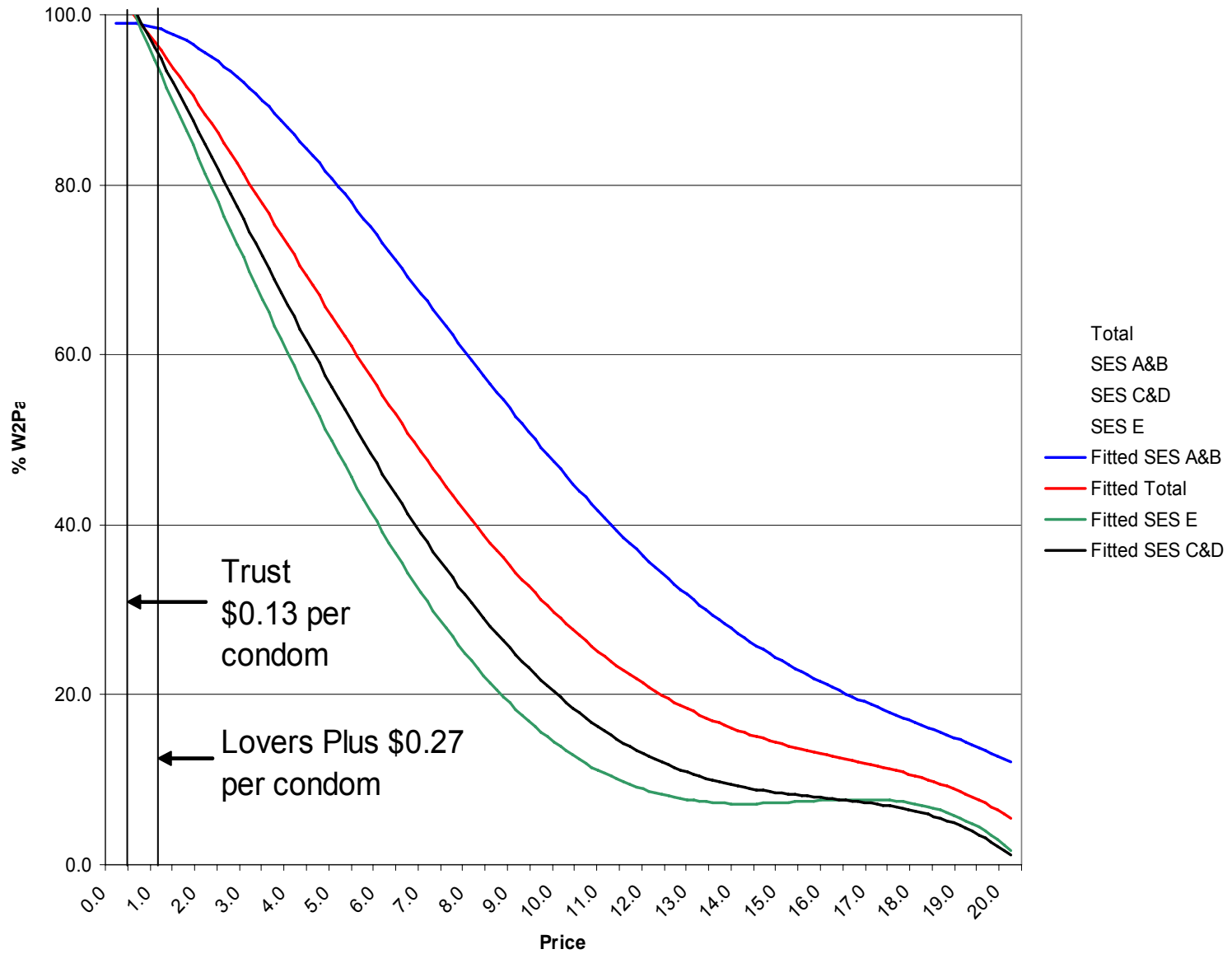
South Africa, Sexually Active Males 16-35, Willingness to Pay



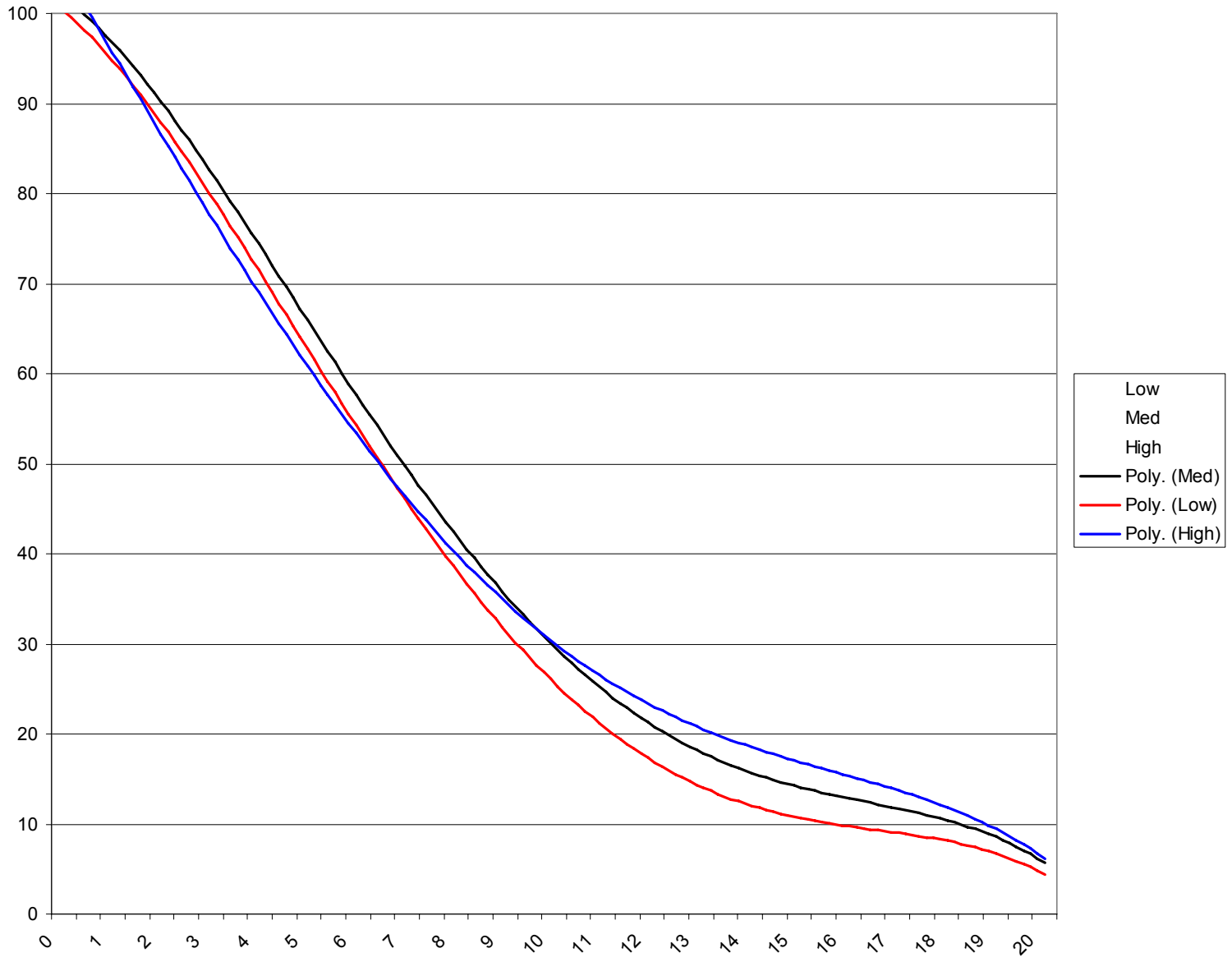
Expected Lovers Plus Revenue by Price (Condoms)



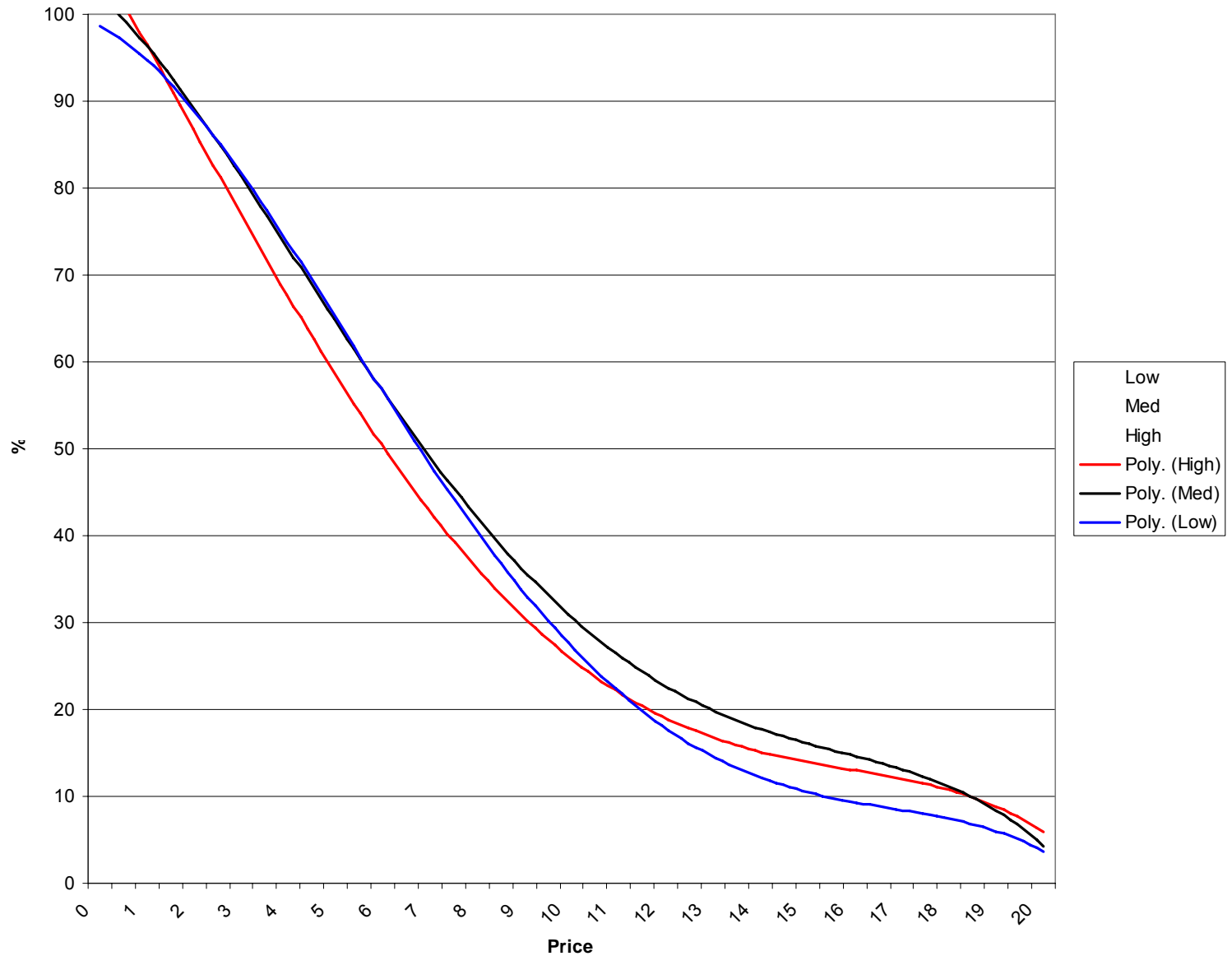
South Africa, Males 16-35, Willingness to Pay by Socio-economic Status



Willingness to Pay by Motivation



Willingness to Pay by Availability



TOTAL MARKET APPROACH

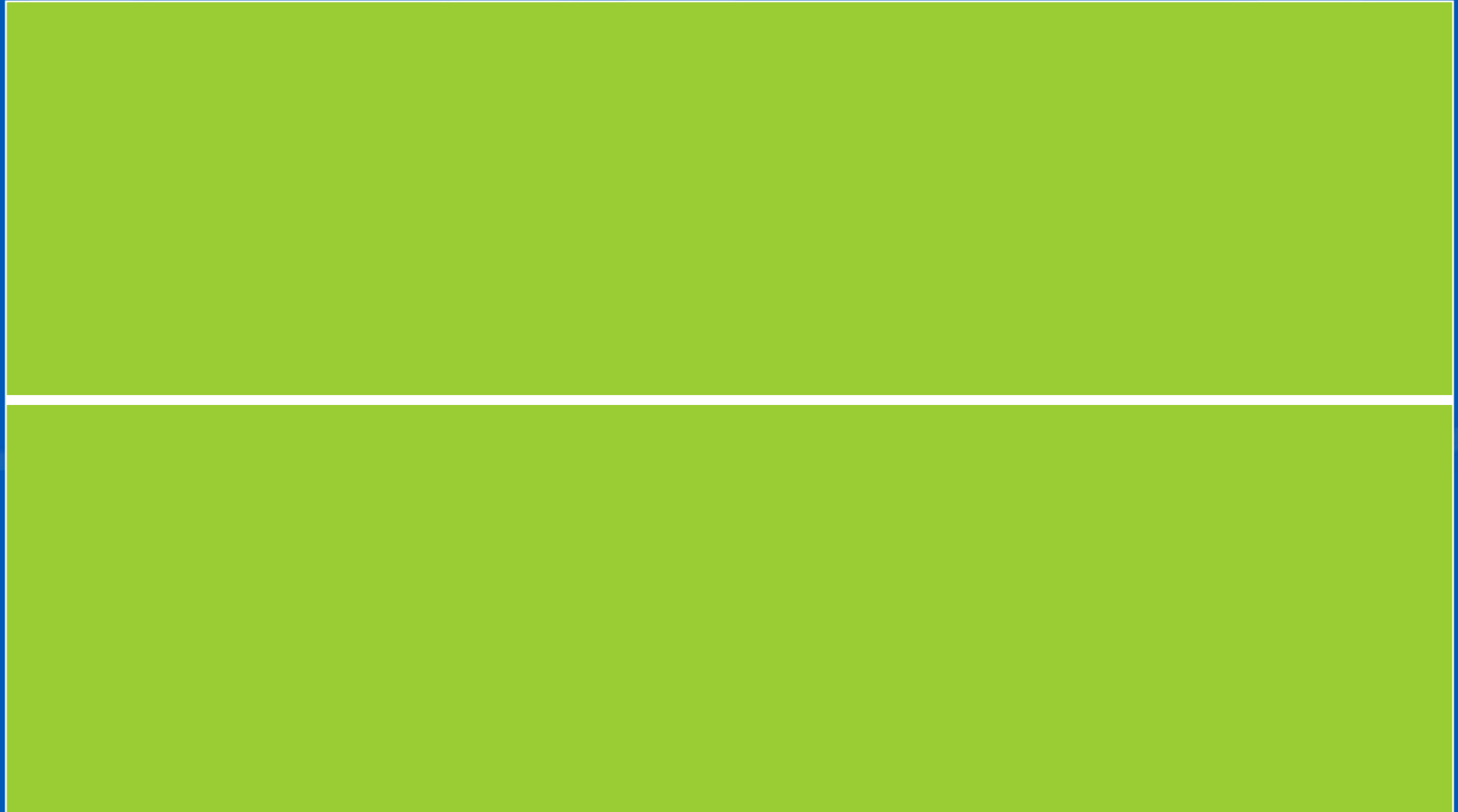
Decision-Making

- *Perspective:* Program
- *Scope:* Public, Social Marketing and Commercial Sector
- *Objective:* Effectiveness and Efficiency (Increasing Prices without Compromising Access)
- *Tool:* Segmentation

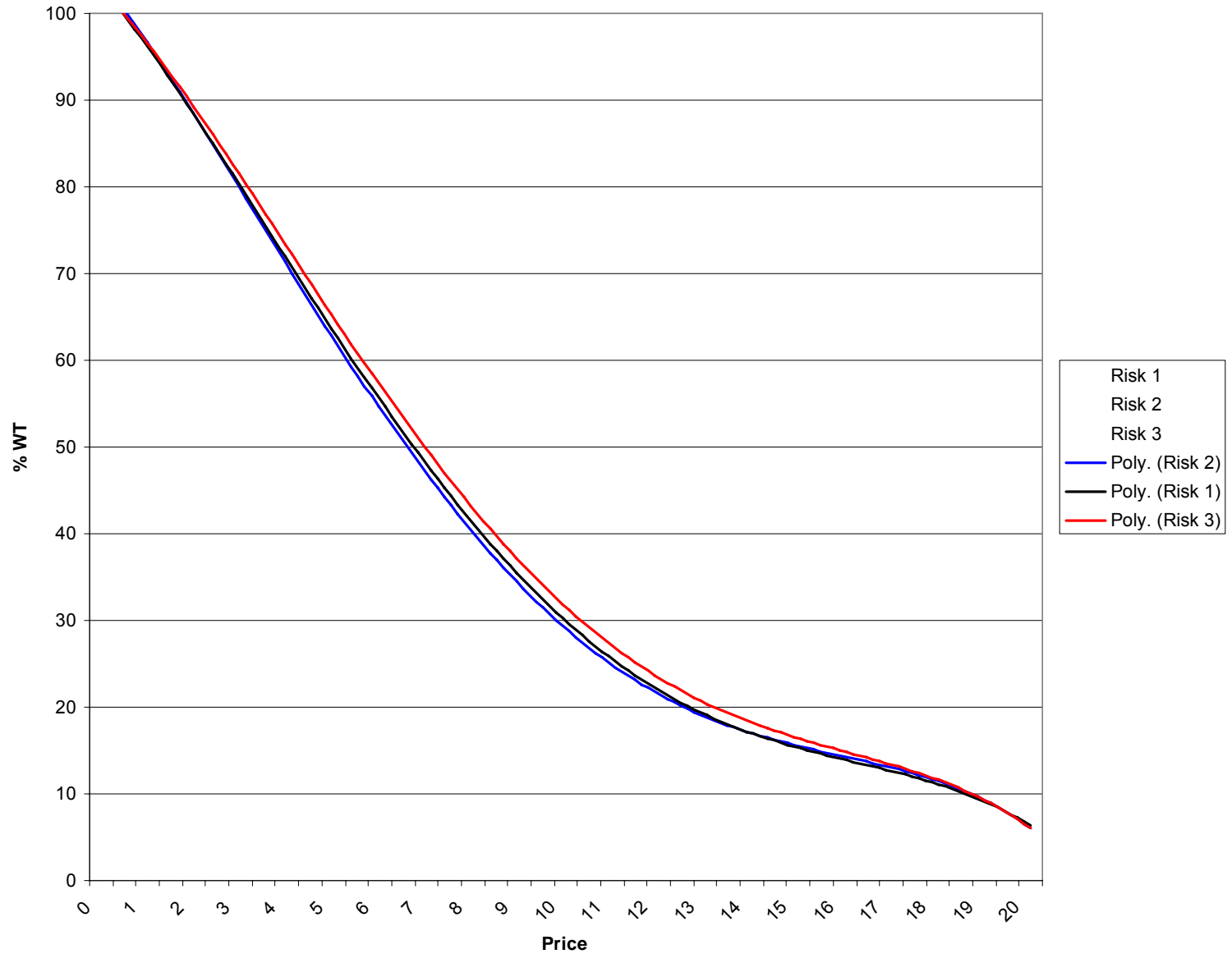
PSI Segmentation Process: Step 1

Population of South Africa

No/Low Risk Risk/High Risk



Willingness to Pay by Risk



PSI Segmentation Process: Step 2

Population of South Africa

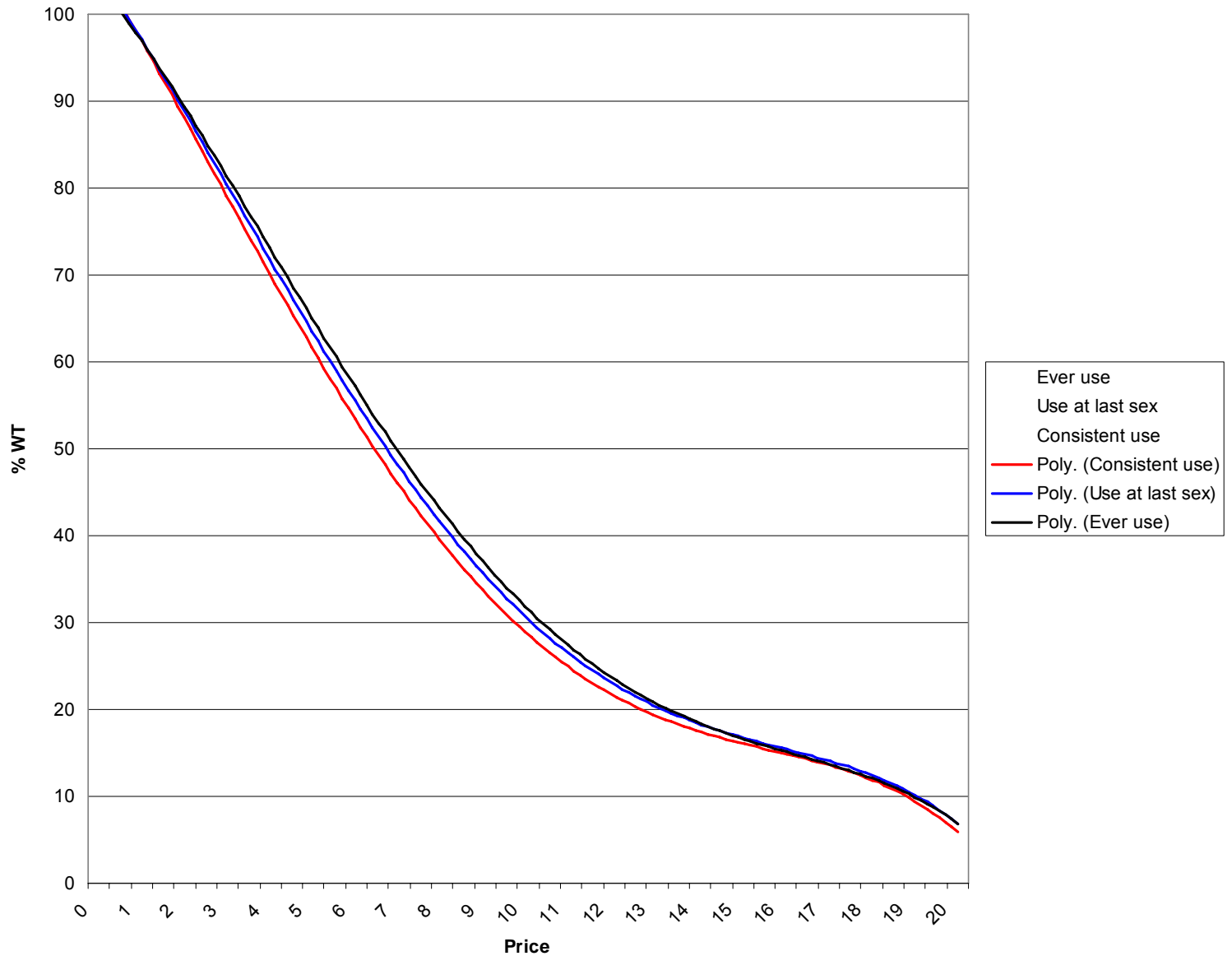
Practice Desired Behavior

Do Not Practice

Risk/High Risk

No/Low Risk

Willingness to pay by behavior



PSI Segmentation Process: Step 3

Population of South Africa

Practice Desired Behavior

Do Not Practice

Risk/High Risk
No/Low Risk

Comparison Based on Behavior Change Theory

PSI Segmentation Process: Step 3

Population of South Africa

Practice Desired Behavior

Do Not Practice

Risk/High Risk

- Higher perceived availability
- Branding is more important
- Higher self-efficacy
- Higher risk perception
- More motivated to practice all preventive behaviors
- Higher Willingness to Pay*
- Wealthier

No/Low Risk

PSI Segmentation Process: Step 4

Population of South Africa
Practice Desired Behavior

Risk/High Risk

Commercial vs Social Marketing

- Lower perceived availability
- Brand attributes less important
- More modern social norms
- Lower levels of motivation
- *Higher Willingness to Pay*
- Older (but not wealthier)



Public Sector vs Social Marketing

- Brand attributes less important
- More modern social norms
- *Lower Willingness to Pay*
- Younger and poorer

No/Low Risk

•Behaver vs Non-Behaver

- Higher perceived availability
- Branding is more important
- Higher self-efficacy
- Higher risk perception
- More motivated to practice all preventive behaviors
- Higher Willingness to Pay*
- Wealthier

Commercial vs Social Marketing

- Lower perceived availability
- Brand attributes less important
- More modern social norms
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Public Sector vs Social Marketing

- Brand attributes less important
- More modern social norms
- Lower Willingness to Pay*
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	Analysis						Social Marketing Action	Impact on Stakeholders				
	Effectiveness		Efficiency									
	Willingness to Pay	Other Barriers	Willingness to Pay	Other Barriers	Willingness to Pay	Other Barriers		Price	3Ps	Users	SM Efficiency	Program Efficiency
1	---		***	---/***	***	---/***	increase				↑	↑
2	---		***	---/***	---	---/***	increase				↑	↑
3	---		---	***	---	***	increase					
4	---		---	***	***	***	increase	required	switch to CS		↑	↑
5	---		---	---	***	---			switch to CS		wind up -- crowding out	↑
6	---		---	---	---	---			switch to CS		wind up -- crowding out	↑
7	***		***	---/***	---	---	increase?		switch to PS		↑	↔
8	***		***	---/***	***	---/***	no change					
9	***		***	---/***	---	***	no change	required	switch to PS		↑	↔
10	***		---		***		decrease		switch to SM		↔	↔
11	***		---		---		conditional					
A		***		***		***		no change				
B		***		***		--	decrease	target NU	switch to SM		↓	↔
C		***		---		***		target NU & PS	switch to SM		↓	↓
D		***		---		--					wind up -- crowding out	↑
E		---		***		***		no change	no change			
F		---		***		--		target PS	switch to SM			
G		---		---		***	decrease		switch to SM			

For More Information

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