

# The Commercial Market Strategies Project

PARTNERING WITH THE COMMERCIAL SECTOR IN FAMILY PLANNING AND REPRODUCTIVE HEALTH



CMS IS FUNDED BY THE  
U.S. Agency for International Development



## USAID's Flagship Private Sector Project

Commercial Market Strategies (CMS) is the U.S. Agency for International Development's flagship project to increase the use of quality family planning and other health products and services through private-sector partners and commercial strategies.

To achieve this broad objective, CMS pursues three intermediate results:

1. Increased demand for quality family planning and other health products and services from the private sector
2. Increased supply of affordable family planning and other health products and services through commercial approaches
3. Improved environment for the sustainable delivery of family planning and other products and services through the private sector

CMS works in over 20 developing countries in partnership with pharmaceutical companies, health care providers (such as doctors, midwives, and pharmacists), insurance companies, multinational and local employers, health care non-governmental organizations (NGOs), USAID cooperating agencies, host-country government agencies, and multilateral donors.

In addition to designing and implementing programs, CMS conducts global and country-based research on key issues affecting the private health care sector and disseminates results and lessons learned through publications, conferences, and electronic media.

The project is implemented through a consortium of firms led by Deloitte Touche Tohmatsu in partnership with Abt Associates and Population Services International.

## The Private Sector: Filling the Resource Gap

According to UNFPA estimates, the number of people in the developing world who will need family planning and services by 2015 will increase dramatically – by an estimated 217 million people. Even today, however, donors and governments are having difficulty meeting developing countries' reproductive health needs. Given the estimated increase, there is clearly a resource gap that must be filled using additional sources, such as private households, employers, and insurers.

While the commercial sector now provides a dominant share of health care services for consumers in developing countries, including those with lower incomes, only an estimated 33 percent of family planning users outside

of China and India obtain contraceptives from commercial sources. By improving the quality and affordability of private reproductive health products and services, CMS works to shift clients away from free or subsidized services in the public sector – and thereby reduces the financial burden on governments and donors, allowing them to better address the needs of poor and underserved populations. To accomplish this goal, CMS partners with commercial and private organizations to identify and build markets for affordable, quality products and services.

## An Integrated Approach

In its work to expand and strengthen the role of the private sector in providing reproductive health services and products, CMS uses an integrated approach that combines a broad range of technical strategies.

### SOCIAL MARKETING

By implementing and supporting social marketing programs in over a dozen countries, CMS increases accessibility to health products and services and promotes healthy behaviors, including the use of contraceptives and other products. CMS's socially marketed products and services include condoms, oral and injectable contraceptives, IUDs, oral rehydration salts, insecticide-treated nets, clean delivery kits, reproductive health clinic networks, and voluntary counseling and testing services for HIV/AIDS.

In certain countries, such as Senegal, we have adopted a distribution approach that uses a local NGO to distribute and market complementary products. In other countries, where private-sector companies have an established presence or interest, CMS partners with pharmaceutical manufacturers and local distributors, and helps support demand-creation activities. Examples of CMS social marketing programs include:

- **Uganda** – CMS implemented a program to combat HIV/AIDS and other sexually transmitted infections (STIs); reduce unwanted pregnancies; and broaden access to key health products, including insecticide-treated nets to combat malaria. The program supports a large portfolio of social marketing products, including condoms, hormonal contraceptives, STI kits, and clean delivery kits. CMS is also involved in the promotion of voluntary counseling and testing for HIV/AIDS.
- **India** – CMS developed two successful communications campaigns – combining mass media advertising, public relations, and community outreach – to promote commercial oral contraceptives and oral rehydration salts. These campaigns involve partnerships with key pharmaceutical manufacturers, including Wyeth, Schering, and Merck.

*Opposite: A woman reads through the brochure for CMS's Securil campaign in Senegal. Promotional materials emphasize that the pill is a high-quality, safe, and affordable method for spacing births. Securil's tag line – safe and effective – appears on posters and brochures, emphasizing the product's safety and quality.*



*A poster promoting CMS's Clear Seven urethritis treatment kit. Designed to improve access to treatment and promote condom use, Clear Seven includes medicine, condoms, and partner-referral cards. (Photo: CMS/Susan Wood)*



*A poster from CMS's Goli Ke Hamjoli campaign, which has successfully dispelled myths about oral contraceptives in India.*



CMS's new PROFAMILIA clinics in Nicaragua have seen a dramatic increase in client flow.



In March 2001, CMS held a sustainability workshop for the senior management of 14 Arab World IPPF affiliates. Pictured here are representatives from the Sudan Family Planning Association. (Photo: CMS/Alvaro Monroy)



The back of a Uganda Health Cooperative insurance card features photos of the family members covered under the plan. (Photo: CMS/Susan Wood)



Emmanuel L., head peer educator at Unilever's Twifo palm plantation, attends a CMS training session. (Photo: CMS/Eben Aryee)

## PRIVATE-PROVIDER NETWORKS

Provider networks typically consist of such affiliated health providers as physicians, midwives, nurses, and pharmacists who operate under an umbrella brand name to offer a defined package of services at set prices. CMS supports the creation and strengthening of private-provider networks to increase the supply of affordable high-quality family planning and other services on a large scale, as well as to improve service delivery and expand access to underserved regions. In working toward these goals, CMS provides access to clinical training, business management skills, linkages to reliable sources of contraceptives, and the promotion of services through branding and marketing.

- **Nicaragua** – In collaboration with PROFAMILIA, a local NGO, CMS created a network of six new clinics in areas devastated by Hurricane Mitch. These clinics now provide access to integrated health services to nearly 250,000 people.
- **Nepal** – In the Rupandehi district of Nepal (population 650,000), CMS designed and implemented the *Sewa* franchise, a pilot network of private-sector nurses and paramedics. CMS research indicates that the *Sewa* pilot, which included 64 providers (approximately half of all nurses and paramedics in the district), improved the availability, quality, and use of reproductive health services.

## NGO SUSTAINABILITY: A HOLISTIC APPROACH

CMS provides technical assistance to health-sector NGOs in over a dozen countries, enhancing their financial, programmatic, and institutional sustainability. This support gives NGOs a greater degree of financial self-sufficiency and allows them to provide critical services to their communities. CMS's holistic approach includes conducting needs assessments, developing sustainability and business plans, and identifying new income-generating activities. In addition, CMS helps NGOs conduct feasibility plans for new products and services, train staff in business skills and financial management practices, and enhance institutional capacity (including internal management systems, policies, and governance structures). Examples of our work include:

- **Ghana** – CMS worked with GSMF International to improve its ability to generate revenue through the sale of new contraceptive products. As part of this effort, CMS recommended that GSMF apply for a Summa Foundation (see Summa sidebar, at right) loan to launch a fully commercial condom line. With financing and technical assistance from Summa, GSMF was able to launch the new line and is using the revenue it generates to subsidize other programs.
- **Dominican Republic** – CMS provides technical assistance to PROFAMILIA, Mujeres en Desarrollo Dominicana (MUDE), and Asociación Dominicana de Planificación Familiar (ADOPLAFAM)

to expand their products and services and improve their overall sustainability. In addition, CMS provides training for the boards of directors for MUDE and ADOPLAFAM. Training topics include board responsibility for accountability and diversity, along with other governance issues.

#### EXPANDING ACCESS THROUGH INNOVATIVE HEALTH FINANCING ALTERNATIVES

In collaboration with providers, insurers, communities, and governments, CMS identifies, develops, and implements innovative health financing schemes that expand the availability of private-sector services and reduce the financial burden to consumers at the time of service. Where commercial or community insurance plans are already in operation, CMS explores expansion by providing technical assistance to analyze the costs and benefits of adding reproductive health services to the benefit package.

- **Uganda** – In collaboration with Health Partners, a US-based HMO, CMS provides technical assistance to the Uganda Health Cooperative to improve and increase rural community-based insurance plans. As a result, enrollment doubled in the cooperative's seven existing plans, and with CMS's help, two new plans were created. Together they improve access to affordable quality health services for low-income groups in Uganda.

#### CORPORATE SOCIAL RESPONSIBILITY

Corporate social responsibility (CSR) activities are an important part of corporate business, with more companies recognizing that giving back to their employees and the communities where they operate is critical to long-term success. Developing CSR programs benefits both the private sector and local stakeholders. For the private sector, programs that improve the health status of local communities and their employees can enhance a company's corporate image and improve productivity. For stakeholders, leveraging access to resources and private-sector capabilities helps them achieve public health goals.

CMS designs and implements CSR activities for corporations and private organizations. All have a focus on expanding family planning and reproductive health services.

- **Ghana** – CMS helped Unilever to combat HIV/AIDS by improving its workplace awareness and prevention programs. With CMS's help, Unilever was able to reach out to 2,100 employees and approximately 100,000 people in surrounding communities. Activities included advocacy training for management; sensitization workshops for workers and community members; training for peer educators; condom distribution; and information, education, and communication sessions.

### The Summa Foundation: Expanding Access to Financing

Expanding access to financing for private health care providers and NGOs is an integral part of the CMS project. The Summa Foundation (an independent non-profit organization that operates under CMS) provides loans and technical assistance to expand maternal and child health care, including reproductive health and family planning. In working toward these goals, Summa supports commercial and private providers throughout the developing world.

- **Peru** – Summa provided a loan to the San Pablo Hospital Complex, the largest commercial health care provider in Lima. San Pablo used the loan to build a specialized maternal and child health clinic in an underserved neighborhood.
- **Ghana** – Summa assisted a social-marketing NGO to launch a commercially viable condom line; profits will be used to cross-subsidize less sustainable programs.



*The Summa Foundation provided a loan to Clinica Materno Infantil Sanangel, a pediatric clinic in Nicaragua. Summa, with assistance from the CMS project, helped the clinic to expand its range of services to include reproductive health and family planning.*

## POLICY CHANGE: IMPROVING THE ENVIRONMENT FOR THE PRIVATE SECTOR

CMS is charged with improving the environment for the sustainable delivery of family planning products and services through the private sector. This means that CMS must address policy barriers and constraints that reduce consumer demand and the commercial supply of goods and services. In addition, CMS works to foster a greater recognition of the potential role that the private sector can play in family planning – for example, through public-and private-sector dialogue and by advocating for increased private-sector participation.

- **Jordan** – CMS secured Ministry of Health approval for IUD insertions by trained midwives. CMS also persuaded the government to approve IUD-insertion training for private-sector midwives and female general practitioners. This is a significant accomplishment because IUDs are a popular method in Jordan and women have a strong preference for female providers.
- **Philippines** – Because of the lack of government support for family planning, CMS works closely with key Filipino business associations. For example, CMS supports the advocacy efforts of the Philippine Chamber of Commerce and Industry and the Employers' Confederation of the Philippines, helping them educate their members about issues related to rapid population growth and encourage employers to provide family planning information and services to their employees and communities.



**COMMERCIAL MARKET STRATEGIES**  
NEW DIRECTIONS IN REPRODUCTIVE HEALTH

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*Cover photo: Provider in Pakistan, courtesy of  
Population Services International*

## The CMS Consortium

The CMS project is implemented by a consortium of leading-edge organizations in the areas of reproductive health and family planning, social marketing, and research:

**Deloitte Touche Tohmatsu** is the lead contractor for CMS. Deloitte's Emerging Markets Group is an internationally recognized commercial-sector consulting firm that services donor organizations and emerging economies. With particularly strong health care and private-sector development practices, Deloitte calls on its extensive network of worldwide offices to provide resources and overall management for the CMS project.

**Abt Associates, Inc.**, one of the largest for-profit consulting and research firms in the U.S., provides expertise in the areas of social and economic policy, international development, business research and consulting, clinical trials and measurement services, health care finance, and health care reform.

**Population Services International (PSI)**, a nonprofit organization, provides CMS with three decades of innovative social marketing experience in more than 50 countries. PSI develops programs that encourage healthy behavior and promote access to affordable health products.