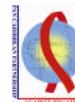


Building the Total Condom Market in the Caribbean

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I'm Elizabeth Gardiner and I'd like to talk about a social marketing program that we have in the Caribbean that focuses on building the total condom market.

Caribbean Region

- Second highest HIV prevalence after sub-Saharan Africa
 - Prevalence ranges from about 5% to below 1%
 - Over 5% among at-risk populations
- Still an opportunity to *prevent* large-scale HIV epidemic
- Diverse countries: includes one of the world's poorest (Haiti) and also middle income countries (such as Antigua and St. Maarten).
- Few donor resources



The project is based in the Caribbean where the epidemic is mostly generalised though there are some countries where at risk populations have a prevalence rate above 5%. The income levels in the Caribbean vary considerably, and because of the higher income countries, few donor resources are available.

Caribbean Social Marketing to Prevent HIV and AIDS project (CARISMA)

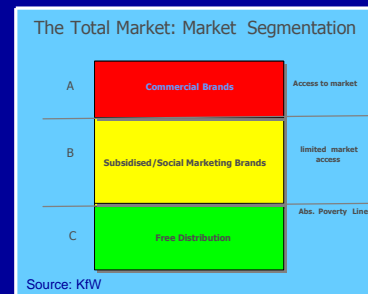
- Improve *access to* and *use of* condoms
 - increase sales of subsidized and commercially-priced condoms.
- Behavior change communications
 - Populations at-risk including migrants, MSM, sex workers and youth
- KfW, CIDA and PANCAP funded
 - three-year, €6 million program, ending September 2008



In response, KfW, CIDA and PANCAP initiated support for a regional prevention program in 2005. Two areas: 1) condom access and use and 2) BCC. This presentation focuses on the condom distribution aspects of the programme.

Building the Total Condom Market (TCM)

- TCM = commercial, free and subsidized
- Prevent destruction of the established commercial condom markets with wide-scale untargeted free distribution
- Work with, rather than displace, the commercial sector
- Promote the use of subsidized social marketing brands alongside commercial



Growing the total condom market is a key focus of this project. The total condom market includes commercial brands such as Durex and Lifestyle, free condoms which are often given away by the Government and subsidized social marketing brands.

The program was designed to look at all three segments. The commercial condom market is quite well established in the Caribbean, and we did not want to upset the relatively sustainable commercial market with wide-scale untargeted distribution of free or socially marketed subsidised condoms. The way to grow the whole market was to consider all three segments which are simply defined in the graphic here.

Funded Social Marketing Activities

- 3 countries with SM organizations marketing own brands and 13 countries with SM organizations supporting commercial brands
 - PSI implementing with own brands in Dominican Republic, Haiti, Belize
 - Constella Futures working with commercial brands in Jamaica
 - PSI working with commercial condoms in Belize and English-speaking small Caribbean island nations
- In partnership with IPPF affiliates with own brands in Dominica, St. Vincent and the Grenadines and Dominican Republic
- Five commercial condom distributors (Trojan, Durex, Slam, Female Health Company and Ansell)



The program funds several social marketing activities: some programs market commercial brands, others market subsidised social marketing brands and others support both. (The Pante brand pictured here is the subsidised social marketing brand in Dominican Republic and Haiti which is an example of a program that has its own subsidised social marketing brand).

Perhaps most importantly for the total condom market model, we have a very strong partnership with five commercial condom manufacturers/distributors: Durex, Trojan, Ansell, Slam and the Female Health Company.

How to Measure Total Condom Market

- Availability and Equity of Access
 - Measuring Access and Performance (MAP) surveys
 - Determine access to condom outlets by particular target groups (esp. poor, stigmatized or otherwise marginalized individuals) & general population
- Affordability
 - Pricing studies to determine if condoms considered affordable.
- Sales (proxy for use)
 - Commercial condom distributors (5) persuaded to provide condom sales data along with 6 SM organizations
 - Summarized into a regional report of 25 countries on a quarterly basis



An important issue when we started the program was how we were going to measure the results of the program. Traditionally, social marketing programs measure their success by counting up the number of condoms sold. But, for the total condom market, we have focused measurement on three primary areas: The first is *access* which includes condom availability and also the equity of access, meaning which populations have access to find and purchase condoms.

The second area we chose to look at is affordability. For this, studies were conducted to measure whether condoms were considered affordable by the populations that we are trying to reach.

The third area is using condom sales as a proxy for condom use. We are doing this through an interesting arrangement with the commercial condom distributors mentioned previously. We persuaded them to provide us with their sales figures on a confidential basis, which we then combine into a regional sales report together with the social marketing sales data. We now have that data on a quarterly basis from 25 countries over the life of the project.

Results: Availability and Access

- PSI's baseline studies highlighted condom distribution gaps so program activities could be reoriented to improve access
- Haiti: revealed that condoms and promotional materials not available in several geographic areas at start of project
- DR: showed that some CSWs did not have access to condoms at start of project
- Follow up now underway to measure whether focused distribution strategies had impact

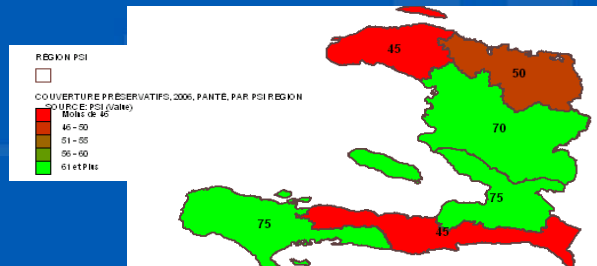


Using innovative research tools, the social marketing organisations and Options have already had several important findings. First, the distribution studies conducted as baseline research at the start of the project (not the end result of the program) looked at the geographic availability of condoms and the access to condoms by certain population groups. PSI was able to develop new distribution strategies using this baseline data. Follow up studies are now underway to measure whether the focused distribution strategies had an impact.

Baseline Condom Availability: Haiti

1) Coverage: Residential Zones

Région	Nb SdE	Pantè	Pantè habit.	Condoms - commercial	Condoms - générique	Reyalité	Reyalité hab.
Région III	19	75%	75%	45%	<20%	<20%	25%
Région III	19	65%	70%	30%	25%	25%	30%
Région IV	19	50%	50%	40%	20%	<20%	<20%
Région V	19	45%	45%	<20%	<20%	25%	25%
Région VI	19	40%	45%	30%	30%	25%	25%
Région VII	19	75%	75%	35%	<20%	20%	20%
Total Haiti	114	50.4%	52.1%	21.9%	4.7%	5.3%	9.7%



2) Coverage: Hot Zones

Produit	Actuel-lement	Habituel-lement
% avec Pantè:	85%	90%
% condom - commercial	-	70%
% condom - générique	-	75%
% condom - toutes marques	-	95%
% avec Reyalité:	30%	30%

Équipe de recherche PSI/Haiti

Population Services International

Here we have the overview of the results of the Haiti baseline studies. Apologies if this slide is confusing! First we can look at the map of Haiti which reflects the degree of condom availability in the various regions of the country. What they found at the beginning of the project was that condoms were not consistently available across the country. This study proved to be a useful tool, and it was the first time PSI/Haiti had access to this quick and easy data to help determine the sales and distribution studies.

Findings: Coverage (i.e. availability) of all social marketing products is low in most regions. Products are more commonly found in urban areas than in rural parts of the country.

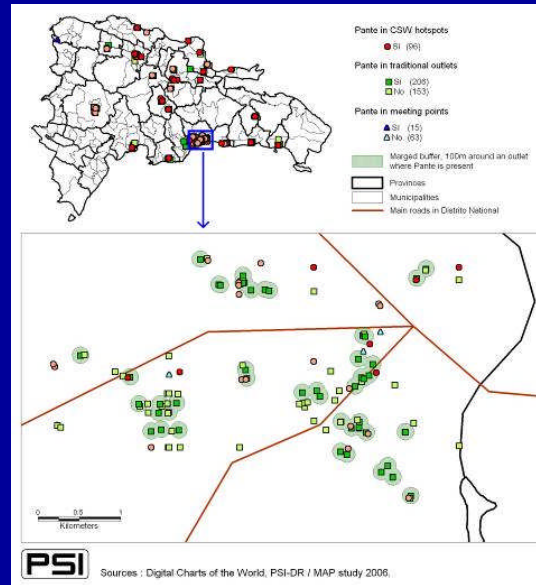
Some expired products are on the market. Commercial products had relatively high availability and free condoms were not distributed as much as expected. Point of sale promotional items are not consistently available. In hot zones there is more availability but it is still not at 100%.

Implications: 1) Distribute products more systematically through distributors 2) Provide more resources to field coordinators in order to improve follow-up and supervision activities, particularly to identify products and areas with regular stock-outs and to locate and replace expired stocks. 3) Find strategies to be more efficient in distributing promotional items to outlets. The quality of promotional items (e.g. posters) may need to be improved in order to increase their life span.

CSW Access to Condoms in DR

- Baseline study
 - Measured access by CSWs
 - In some places, traditional outlets have Pante but few CSW establishments have condoms
 - Using the GIS made situation more visual for program
 - Follow up study planned 2008

In hotspots	100 m. from outlets	In hotspots OR at 100 m from an outlet
54%	29%	72%



Canadian International Development Agency

Likewise, in the Dominican Republic PSI conducted a baseline study to measure availability of condoms to particular populations. This slide looks at one region where the information about condom availability was combined with information about where sex workers were active and presented in a very graphic manner using GIS data. In this way the study at the start of the project highlighted that condoms were not consistently available to sex workers, and the follow up study later this year will show us whether the distribution strategy changed the picture for sex workers.

Results: Affordability

- Survey questionnaires in DR, Haiti and Jamaica reveal that price is not a barrier
- PSI's innovative study (funded by Global Fund) in Trinidad & Tobago and St. Vincent & the Grenadines to measure affordability:
 - A reduced price could lead to a 7% increase in condom purchases to 91% purchasing annually, but...
 - No change in consistency of use
 - Introducing a subsidized condom would take market share from commercial brands. Therefore, no subsidized condom introduced.

Brand switching by commercial condom users:

Proportion who bought new brand at price of US\$0.15	Proportion who bought new brand at price of US\$0.20	Proportion who bought new brand at price of \$0.25
64.3%	49.4%	37.6%



Affordability of condoms was the second question. In some countries survey questionnaires revealed that price was not what was keeping people from using condoms. So they decided did not focus on price as an issue in those countries.

In the Eastern Caribbean, particularly in Trinidad and Tobago, where the social marketing program is focusing on working with *commercial* condoms and there is no subsidised condom brand, there was a real concern that perhaps the condoms were too expensive. PSI did a very innovative study there to look at whether people would be *more* likely to use a condom if it was less expensive.

What PSI found was that 7% of people who were not using condoms would actually start to use condoms and as a result 91% of the population would have purchased a condom during the year. *But* what they also found was that those condom purchases would not increase the consistency of use, so people might buy one more condom or two, but it wouldn't be that every time they would use a condom. And those that were using condoms inconsistently were not more likely to buy condoms.

It is a confusing and complex study, but it revealed very important data for looking at the total condom market because if you actually find out that a highly subsidised condom would increase the likelihood that people would stop buying the full priced commercial condoms, then you have a real threat to the commercial condom market. And that was in fact exactly what they found in the study, as you see in the table across the bottom of the slide. That those who had the lowest price condom available to them, 64% of them were likely to switch to the lower price and therefore not buy the commercial condom brand. Thus, a lower price would in fact jeopardize the sustainable commercial condom market.

Sales: Proxy for Use

- Regional condom sales increased from 2005 to 2006 by approximately 10%
- Competition commercial/social marketing condom distributors?
 - Commercial distributors encouraged to enter and build markets in all countries.
 - Even in poor countries, sales of commercial condoms increased
 - Not reluctant to enter markets alongside subsidized brands



We looked at sales as a proxy for use as many social marketing programs do, but with a slightly broader view of sales. We don't just look at the subsidised social marketing sales but we look at the commercial condom sales and the social marketing sales. What we found: condom sales increased significantly - 10% - from 2005 to 2006.

More importantly, the relationship between commercial condom distributors and social marketers has traditionally been perceived to be purely one of competition. What we found was that commercial condom distributors were actually encouraged to enter and build the markets. For example, we encouraged Trojan to enter the market in Haiti and they in fact started selling their products there over the life of this project. People think, "Commercial condoms are too expensive for poor countries," but in fact there is a market segment that can afford to purchase commercial condoms.

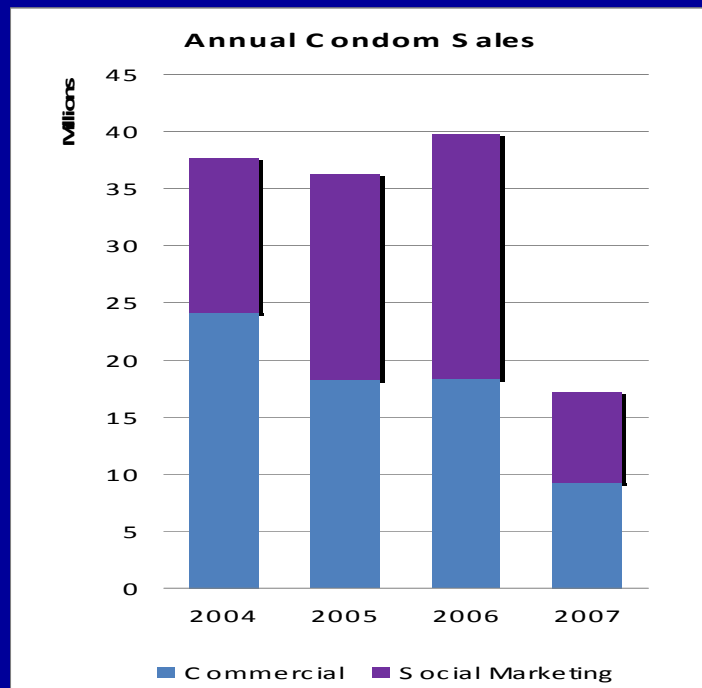
We found that commercial condom companies were perfectly happy to work in markets that also had subsidised brands. In the Dominican Republic for instance, Pante (the social marketing brand) is subsidised and has a large market share, but the commercial condom distributors were content to work alongside them and recognised that there was a niche for commercial brands as well.



Here are a few pictures of the collaboration we are talking about to build the total condom market: social marketers talking with commercial condom distributors, a mix of commercial and social marketing brands in the market, the purely commercial brands being promoted by the social marketing programs as well as the social marketing brands themselves.

Sales

2004-quarter 2 2007



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Here we have a slide that demonstrates which portion of the market is commercial and which portion are social marketing sales. As you can see, over the course of this project sales appear to be growing at least from 2005 to 2006. We have not yet finalised the 2007 sales, so the figures here are only through the second quarter. The overall message is that you have to measure both types of sales together; it doesn't tell you as much to look only at commercial sales or only at social marketing sales. Together it tells you what's happening in the market; one of them alone just tells you there's a change in the market.

Per Capita Sales

Countries with SM programs sold more than those without

Per capita condom sales	2004	2005	2006	2007 (at Q2)
Countries with SM programs (own brands and support to commercial)	2.1	1.9	2.3	1
Countries without SM programs	1.3	1.2	1.5	0.8



Another way to measure the impact of funding to support the social marketing programs was to try to look at whether countries that had social marketing programs actually sold more condoms than countries that did not have social marketing programs. What we see so far is that countries that have social marketing programs sell more condoms than countries that don't. That tells us that the social marketing programs may well be having some impact on increasing condom usage and condom sales.

Implications

- Social marketing organisations can work with the private sector
 - Not just displace them
 - Together can have a positive impact on condom access
- Monitoring of condom distribution and access is key to guiding program interventions
 - Among general and marginalized populations
 - Guides pricing and distribution
- Partnering with the commercial sector ensured access to proprietary data
 - Crucial to measure the growth of the total condom market
- Only combined social marketing and commercial sales data can demonstrate true market growth
 - Should be gathered whenever possible



In sum: The first observation is that social marketing organisations can indeed work with the private sector. It's not that subsidised brands displace commercial brands but rather that together they can work to grow the condom market and increase condom access.

Secondly, monitoring of commercial and social marketing sales and access to condoms is very important. With the innovative tools used in the CARISMA program, you can measure whether condoms are available to particular populations, and guide program innovation using pricing and distribution.

Partnering with the commercial sector was very beneficial because we were able to get access to the commercial condom data which is normally proprietary and would not be distributed. But because we partnered with them, we have a very rich data set so we can see the total condom market.

Lastly, we are confident that combination of social marketing and commercial data tells us about true market growth, and we would encourage other programs to gather this data to measure the impact of social marketing activities.

Thank you!

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Thanks and I hope you all will be in touch if you have any questions about our program in the Caribbean and/or the presentation.