

Interview with Reed Ramlow, Private Sector Program Director, Academy for Educational Development (AED)
Conducted by Neha Suchak, Director of Communications, PSP-One Project/
Abt Associates

Neha: I would like to welcome Reed Ramlow. Reed is the Project Director for AED's Private Sector Program. Reed, thank you for taking part in this discussion.

Reed: Thank you Neha for inviting me to participate in this distinguished panel of social marketers.

Neha Question #1: *We are glad to have you. My first question is what important lessons have you learned during your time in the field of social marketing?*

Reed: I have been involved in the field of social marketing for about 14 years now after coming in from the private sector where I was in the advertising and public relations field internationally prior to coming into the business. I will say that initially I got involved in what we would now characterize as traditional social marketing, albeit with a commercial partner. I was the regional manager for eastern and southern Africa for the SOMARC project, and I think that what I learned during from then is that the traditional social marketing approach wherein you use highly subsidized brands that in many cases are owned brand products coupled with aggressive push campaigns, having large sales, promotion teams, getting out there and pushing the product and extending distribution for these products coupled with extensive marketing, a big pull effort, if you like. These types of approaches of traditional social marketing, which pre-date my involvement in the field, they have been going on for about thirty years and have been tremendously successful over the years, and have really demonstrated positive public health impact. That is the upside.

I think though that what we learnt over the years, and in more recent years we have discussing this on an increasing basis, is that there is also a down side. With the traditional social market approach we have seen that there is a cost to sustainable market development particularly in the participation of local business, and that these types of approaches can be unsustainable and really heavily donor reliant over the years. It is sort of a relief model, is the way I would call it, as opposed to a sustainable market development model.

I would like to quote a great philanthropist John D. Rockefeller who said "Charity is injurious unless it helps the recipient to become independent of it." I think that is something that we have to think about, and a real key issue here is what happens when donors shift interest to another public health area. What happens when there is a global health emergency, a pandemic like avian influenza for example, which may drain donor resources from areas that we have been working in over the years, malaria, or family planning, or HIV and the like, and they may be diverted to another area, and if you have not really been doing anything to build a sustainable market with commercial players participating in the market development effort, that when you had an effort through traditional social marketing to address market failure, you may have market failure all over again if you have not diversified your participation.

Neha Question #2: *Given your past experience what do you consider to be the most difficult challenges for social marketing programs in the developing world today?*

Reed: I think that among the challenges that we have is that there is sort of an inherent tension between the urgent need of public health agencies to create immediate and high impact, and on the other hand you have commercial companies who are trying to bring in to our public health programs who are trying to follow a measured pace of experimentation. They have investors, they have owners and proprietors and they have to invest cautiously if you like to build a sustainable commercial market. So, they may not be willing to move quite as fast as say public health groups or the donors would like the commercial sector to move and that is one challenge.

I think that there is still a high level of misunderstanding about the commercial sector, there is a lot of distrust among public sector officials and even some donors about how the commercial sector works, and I think that these misperceptions can cause a lack of support. On the other hand, we are hearing the term public private partnership or PPP, having increasing currency if you like. It is being liberally used and yet the challenge may be that it could be just lip service as opposed to a genuine buy in to the public private partnership concept.

Another challenge that we have often talked about is market segmentation. It is a regular feature in discussions on how to do enact public private partnership. Yet we have really seen very few genuine market segmentation efforts. At some levels I think it is necessary, I think we need find a way to have the large public sector programs and commercial private sector health programs to co-exist. They need space. The commercial sector will need some space to effectively enter the market and invest in a public health effort.

The other challenge I see is that the total market approach, which is really an approach which in contrast – I meant to talk about earlier with respect to the first question as to a trend line that we are seeing in social market – an evolution to this total market approach where you have multiple players, the commercial sector, NGOs, public sector all working together to develop the market for public health products and services. This is an approach that is very exciting, it's a new direction for social marketing, yet a challenge may be that managers of these efforts are to going to have be disinterested players. They can not have products and services in the mix, otherwise you are setting up an inherent conflict of interest that could not viably lead to a total market approach that would facilitate the participation of multiple players.

Neha Question #3: *My final question to you is, in your opinion, what is the new wave of social marketing? What should practitioners and donors be prepared for in the years to come?*

Reed: I think the way forward is this total market approach, what we call at AED “full market impact.” It really is the way forward, where you have business getting involved, with a trisect of interests, business, corporate social responsibility, public relations and the like. There is an interest of business to get involved in public health programs. We think that using a joint-risk joint-investment approach, using project resources coupled with the investments of commercial companies is ultimately going to provide more funding and more participation that would lead to more sustainable and impacting public health programs.

Another trend that we are seeing is the use of targeted subsidies as opposed to a blanket subsidy for the entire market. Innovations such as vouchers, that we have effectively been using in programs such as NetMark, are really going to be a better way to serve the poor while

leveraging appropriate roles for the public sector as a financier and the private sector in marketing and distributing products and exhibiting their willingness to pursue the vouchers through a retail service delivery system. With this enactment of a total market approach we are going to see more commercial participation, more partners, more products, they are going to meet the very needs and interests of consumers and ask an elite to increase demand, use and public health impact. As these programs come to fruition we are going to see an increased demand for full priced-products as opposed to highly priced subsidized products that is going to reduce dependence on donors and enhance prospects for sustainability.

I think that we are also going to see the commercial sector making a greater effort to reaching low-income groups at the base of the pyramid because they understand that that is where the market potential lies, particularly in developing countries. I think that that is the way forward. I think that we in the community who are advocates of the total market approach are going to have to do advocacy for this approach, publish and publicize these efforts through forums, such as this online social marketing conference and so I really am looking forward to the discussion that is going to come through on this forum.

Neha: Reed on behalf of the PSP-One project we would like to thank you for sharing your thoughts and perspectives with us today.

Reed: Well thank you Neha, and I certainly look forward to hearing what my colleagues have to say.