



Developing Total
Market Strategies
for Family Planning
in Nicaragua

Enhancing public-private coordination
for equity and sustainability

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Acronyms

AFUN	Asociación de Farmacias Unidas de Nicaragua (Association of United Pharmacies of Nicaragua)
AISSR	Aseguramiento de Insumos de Salud Sexual y Reproductiva en Nicaragua (Sexual and Reproductive Health Commodity Security in Nicaragua)
AMNLAE	Asociación de Mujeres Nicaraguenses Luisa Amanda Espinoza (Luisa Amanda Espinoza Association of Nicaraguan Women)
ANDIPROFA	Asociación Nicaragüense de Distribuidores de Productos Farmaceuticos (Association of Nicaraguan Pharmaceutical Product Distributors)
CANSALUD	Asociación Cámara Nicaragüense de la Salud (Nicaraguan Chamber of Health)
CMP	clínicas médicas previsionales (private social security clinics)
DICEGSA	Distribuidora César Guerrero, S.A. (César Guerrero Distribution Company)
DAIA	Disponibilidad Asegurada de Insumos Anticonceptivos (Contraceptive Supply Security)
DHS	Demographic Health Surveys
INSS	Instituto Nicaragüense de Seguridad Social (Nicaraguan Social Security Institute)
IPSS	instituciones proveedoras de servicios de salud (health provider institutions)
IUD	intrauterine device
MINSAL	Ministerio de Salud (Ministry of Health)
NGO	nongovernmental organization
PAHO	Pan American Health Organization
PASMO	Pan American Social Marketing Organization
PATH	Program for Appropriate Technology in Health
PRONICASS	Project Nicaragua Social Sector Support
UNFPA	United Nations Population Fund
USAID	United States Agency for International Development
WHO	World Health Organization

Introduction

Since 2009, PATH helped to expand civil society engagement in the government-led contraceptive security group; secured a public commitment from the Ministry of Health in 2010 to increase coordination with all sectors; and assembled evidence to help promote changes and facilitate a collaborative planning process with the private sector to support family planning.

PATH had an overall agreement with the Ministry of Health in Nicaragua to improve coordination with the private sector on provision of family planning services and methods, and to support the private sector in developing an action plan to be harmonized with the government's plans. What follows is the story of how these new strategies evolved. This case study is intended to highlight lessons learned and recommendations for those considering similar initiatives in other settings.

Background

THE CURRENT FAMILY PLANNING CHALLENGE

The majority of women in Nicaragua are using modern family planning methods—70 percent of women of reproductive age in 2007. About two-thirds of these women receive their contraceptives from the public sector, free of charge. In fact, research conducted by the DELIVER project of the United States Agency for International Development (USAID) found that the government was reaching all income groups—good news in terms of lower-income women, but also an indication that there were wealthier women obtaining free contraceptives from the government who could otherwise afford to pay for them (see Figure 1). At the same time, reaching adolescents remains an important challenge in Nicaragua.

USAID, a dominant donor of contraceptive supplies in Nicaragua, ended its donations of contraceptive commodities. The Global Fund to Fight HIV/AIDS, Tuberculosis and Malaria also plans to end its condom

donations to Nicaragua. These donations have been critical to enabling the government to provide free contraceptives to anyone who wants them. A 2004 analysis by the USAID/DELIVER project predicted that, by 2015, the funding gap due to donor exits would be about 1.3 million USD per year. Although by 2012, the government share of funding for contraceptive supplies increased to help address the gap, Figure 2 shows that a large proportion of supplies still came from external sources in 2009. As USAID noted, given donor phaseout and increasing demand for family planning in Nicaragua, “a market-driven approach will fill the gaps in providing access to affordable contraceptives” over the long term. When PATH initiated its project in Nicaragua in 2009, the definitive donor phaseout was still three years away, and while the government was supportive and interested, it was not yet facing an urgent need. The government, supported by both the United Nations Population Fund (UNFPA) and USAID, had also already convened a committee of organizations to help ensure that all people would be able to choose, obtain, and use high-quality contraceptives and condoms whenever they wanted them throughout this period of transition—in other words, a contraceptive security committee (*Disponibilidad Asegurada de Insumos Anticonceptivos*, or DAIA). While this was a major step in the right direction, at the time the PATH project was initiated, the DAIA was focusing on work with the public sector.

When the PATH project started, only about 4 percent of women obtained their contraception from the provider network of the Nicaraguan Social Security Institute (*Instituto Nicaragüense de Seguridad Social*, or INSS). INSS includes 14 private providers, called *instituciones proveedoras de servicios de salud* (IPSS) and 22 public providers called *clínicas médicas previsionales* (CMPs). The government and the DAIA Committee had identified increasing INSS provision to 25 percent of women as a priority, but had no specific plans for how to accomplish this. A 2007 evaluation of the DAIA by USAID's Health Policy Initiative found that private sector, INSS, and civil society participation were components of the previous DAIA strategic plan that had not been accomplished.

FIGURE 1. Source of family planning by wealth quintile, Nicaragua, 2006–2007

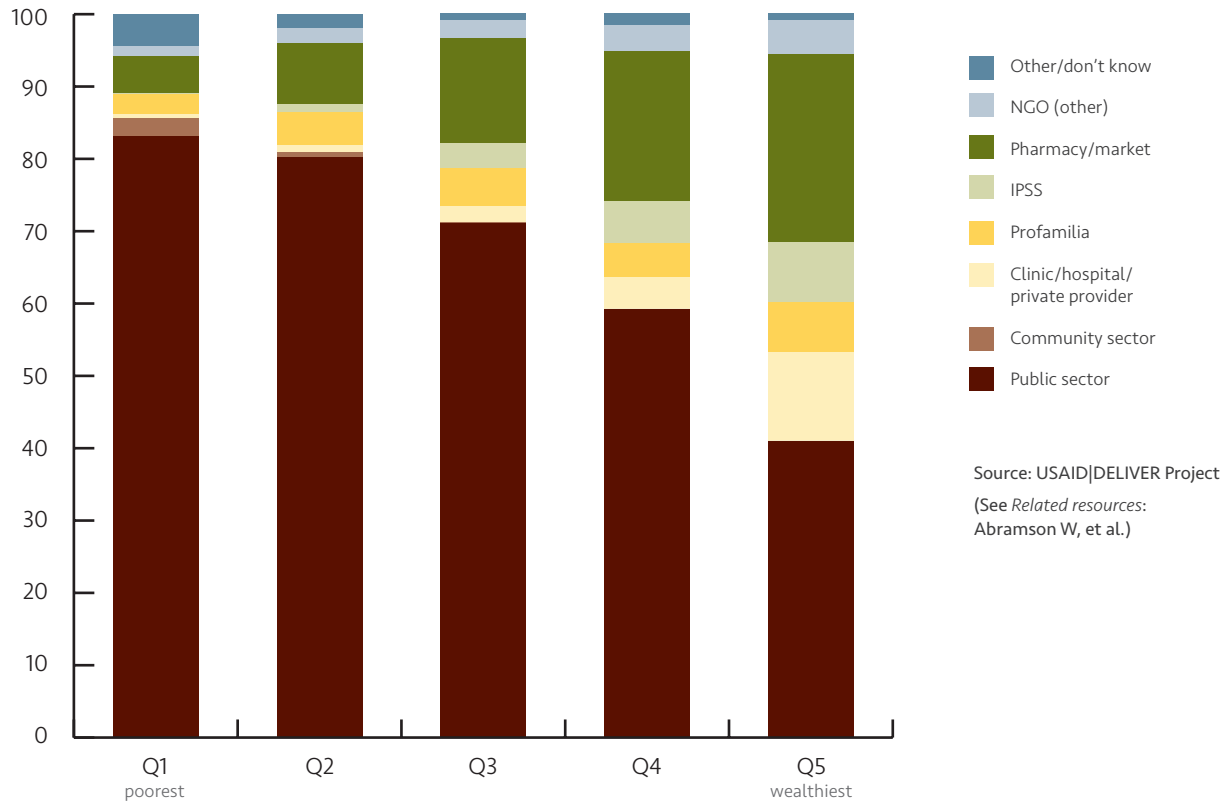
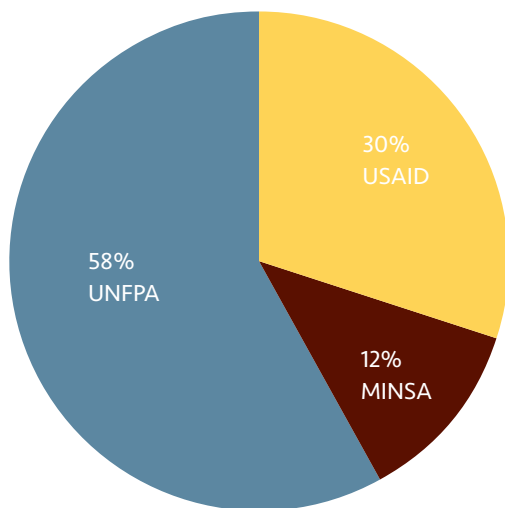


FIGURE 2. Contraceptive financing sources, public sector, 2009



Total budget (USD): 1,910,507

Source: UNFPA

THE CONTEXT FOR PATH-DAIA COLLABORATION

As noted, Nicaragua has had a DAIA Committee since 2003, which is chaired by the Ministry of Health (MINSa). The DAIA Committee is the only government mechanism specifically dedicated to this health area. The Ministry of Health in Nicaragua takes an integrated approach to family health, of which family planning is just one component. Members of the DAIA (see page 4) are invited by the MINSa secretariat, and new members are rarely added; in fact, at the outset of the project, the DAIA had not invited any new members since its inception.

Due to the existence of a DAIA, coordination between the dominant family planning stakeholders in the country has been fairly strong for some time, including the USAID implementing partners in reproductive health who are well represented on the DAIA and tend to be active members. At the outset of the project, PATH was therefore one of many players working in this area. Relevant activities were

Box 1. Total market background

How did PATH and our partners in Nicaragua define a total market approach?

Government coordination and support of public and private stakeholders to leverage their comparative advantages to enhance equitable, sustainable family planning.

Why did PATH implement this project in Nicaragua?

A total market approach made sense for Nicaragua due first to government interest in the approach, as well as:

- Decreasing donor support for family planning.
- Strong government commitment to family planning.
- Perceived ability and willingness to pay among some women.
- A growing private sector.

Additionally, key stakeholders in Nicaragua articulated a clear need for PATH support in engaging the private sector in total market planning.

How is the term “private sector” defined in this document?

The private sector comprises not-for-profit nongovernmental organizations (NGOs) (e.g., social marketing groups), social security providers, and for-profit manufacturers, distributors, and providers. The term “commercial sector” refers exclusively to for-profit groups.

already underway, including development of a new DAIA strategy for 2009–2011 which could serve as an overall plan for the total family planning market. In fact, according to participants at a USAID|DELIVER procurement meeting for Latin America and the Caribbean, the DAIA country action plan for Nicaragua was the only one in the region that included a Total Market Strategy as one of its objectives, aiming to expand private-sector participation. A market segmentation analysis focused on which population groups were using which methods and services was also being conducted by USAID|DELIVER (see Figure 1). Although private-sector engagement was an established priority, key stakeholders expressed early on that PATH could play a critical role in helping to make that happen.

PARTNERS

PATH established an office in Nicaragua in 2002, and has had a strong relationship with the Ministry of Health since then. PATH’s Nicaragua team has worked regularly with a broad range of collaborators, including universities, networks of national and international NGOs, the Pan American Health Organization (PAHO), World Health Organization (WHO), USAID, and UNFPA. Not surprisingly, most of PATH’s key partners for this family planning project were DAIA Committee members. In August 2010, following more than a year of informal participation, PATH formally joined the DAIA as an official member. On a practical level, working through the DAIA meant that it could function as an advisory body to the project; on a strategic level, it helped increase the likelihood that project outputs would be sustainable.

Key project partners included:

Health Services Delivery/Integrated Program of MINSA. In March 2010, PATH and MINSA co-signed a letter documenting intention to collaborate on this project, which noted the specific objectives of private-sector strengthening and development of private-sector operational plans.

USAID. Between 1991 and 2009, USAID contributed approximately 66.6 million USD to strengthening family planning in Nicaragua. USAID has a number of specific implementing organizations and projects represented on the DAIA. USAID leadership in Managua confirmed that important progress had been made in the area of contraceptive security, but also acknowledged early on that the government and DAIA needed particular support in private-sector engagement and hoped that PATH might specifically contribute in that area. USAID also shared its graduation plan, which gave a clear overview of their activities to prepare the country for phaseout and enabled PATH to avoid duplicative activities.

The USAID|DELIVER project. This project focused on strengthening supply systems for essential health commodities and helping to ensure sustainability. DELIVER played a key role in the DAIA and worked closely with the government; when the PATH project launched, they were in the process of conducting a

market segmentation study and also using geographic information systems to map the unmet needs of adolescents throughout Nicaragua.

Pan American Social Marketing Organization (PASMO). PASMO is an affiliate of Population Services International and is focused on social marketing of contraceptives. At the outset of the project, PASMO was working with MINSA to increase the use of socially marketed intrauterine devices (IUDs) in public and NGO health facilities. In general, PASMO has an interest in promoting more long-term method use in Nicaragua, where more women tend to use pills and injectables. PASMO conducted research and shared market data regarding behavioral determinants of family planning use, including exploring what women use, where they get it, and why they are choosing their current method.

Profamilia. An affiliate of the International Planned Parenthood Federation, Profamilia has traditionally been more focused on service delivery than issues of contraceptive security, and so provided a complementary perspective to many of the other key project partners. Profamilia operates 17 comprehensive health clinics that serve more than 300,000 Nicaraguans, including 6,000 subscribers to the INSS. Profamilia has an extensive community-based contraceptive distribution program, Red Comunitaria, which works through 900 community promoters and distributors to offer general and integrated reproductive health services, including education, contraceptive distribution, and referrals.

UNFPA. UNFPA has provided assistance to Nicaragua since the 1970s. Through its country program, UNFPA provides technical and financial assistance to Nicaragua for activities involving population and development, reproductive health, and gender. The 2008–2012 country program includes the Global Programme to Enhance Reproductive Health Commodity Security, through which UNFPA has contributed nearly 11.5 million USD for technical assistance, contraceptive donations, and other supplies. Overall, UNFPA plans to provide 25 million USD in assistance in Nicaragua between 2008 and 2012, 15.7 million USD of which will be dedicated to reproductive health; a portion of these funds will be

Box 2. DAIA members as of 2009

MINSA

INSS

UNFPA

USAID

PASMO

Profamilia

University Research Corporation—Health Care Improvement project

Nicasalud

USAID|DELIVER

Management Sciences for Health—Project Nicaragua Social Sector Support (PRONICASS)

During the project, four new NGOs were invited to join the DAIA, including PATH, IXCHEN, Puntos de Encuentro, and Asociación de Mujeres Nicaraguenses Luisa Amanda Espinoza (AMNLAE) (see page 7).

channeled through sector-wide funding mechanisms. Historically, UNFPA has been the second-largest donor of contraceptive supplies after USAID and, since 2010, has been the only donor; UNFPA is also a procurement agent for contraceptives in Nicaragua.

Key steps and activities for total market planning

PATH's efforts to improve coordination between the DAIA and the private family planning sector were organized within three key steps: engaging stakeholders, assembling evidence, and total market planning. Work in each of these three key steps overlapped: for example, activities to assemble evidence began before all activities to engage stakeholders were completed. For more information on the chronology of different activities, see the timeline on pages 8-9.

STEP 1: ENGAGING STAKEHOLDERS

The DAIA Committee in Nicaragua provided a starting point for identifying key groups to involve in the project, and subsequent activities helped identify additional groups beyond the most active DAIA members. This step involved a combination of strategic

but informal outreach to individual groups and formal coordination and convening of many groups at once.

Activity 1.1: Orienting key groups to the project

An initial situation analysis conducted by the PATH team regarding contraceptive security in Nicaragua helped facilitate understanding of the DAIA, its members, and its existing strategic objectives and priorities (see Boxes 2 and 3). For example, the team learned that many members of the DAIA, including MINSA, considered the term “total market” to refer exclusively to private, commercial-sector activity. In Nicaragua, people often did not think about “markets” as relevant to health concerns. Early engagement helped identify alternative terminology to use initially in explaining project concepts (e.g., some MINSA officials preferred to talk about populations of responsibility and prioritization of different sectors rather than about segmentation of markets).

This led to the development of a context-appropriate description of the project to share with stakeholders



Representatives of private-sector groups in Nicaragua participate in an October 2011 workshop to identify opportunities for increasing the private-sector share in the family planning market (Activity 2.3).

that clearly articulated how the project aligned with the DAIA work but also helped to fill existing gaps. This outreach document provided talking points to use in initial outreach to key DAIA members, including MINSA, USAID (including DELIVER), UNFPA, PASMO, and Profamilia. Over time, once trust and credibility had been established, the team began to integrate the marketing and segmentation terminology again and found that sustained engagement on these issues helped to broaden key stakeholders' understanding of commercial-sector involvement in health.

These meetings also enabled the PATH team to learn more about relevant activities of different groups. For example, talking with Profamilia, the PATH team learned that broadening the DAIA to include more community-based groups and supporting the commercial sector (e.g., through relaxing customs regulations on what methods can be

imported) were key interests of that organization. Meetings with USAID focused on the importance of conveying information on WHO family planning recommendations and guidance to the private sector. These conversations enabled the project team to be very clear about where the interests of other organizations aligned with project priorities and what was outside the scope of work; in other words, these discussions helped to begin forming alliances and also to manage expectations.

Activity 1.2: Conducting a stakeholder analysis

The PATH team conducted a stakeholder analysis and perceptions survey to more formally identify key stakeholders for the planning process, address their interests, and document relevant opportunities and obstacles. Based on interviews with 24 nongovernment actors, PATH developed a list (see Figure 3) of the influential family planning stakeholders in Nicaragua. Not surprisingly, MINSA was identified most frequently by respondents as being in a position to “make decisions or bring about changes in family planning service provision.” The most frequently cited stakeholder overall was UNFPA, identified as a “financer of family planning” (56 percent of respondents); “directly influencing decision-makers on family planning” (46 percent of respondents); and “supporting, reinforcing, and strengthening recommendations on family planning” (42 percent of respondents). Most of the influential stakeholders were already DAIA members. Two NGO members of the DAIA were especially prominent in survey participants' responses: PASMO (identified as an organization with which they “coordinated and collaborated”) and Profamilia (identified as an organization from which they “sought technical support”). Three NGOs also emerged as decision-makers or influential actors who were not already DAIA members: IXCHEN, an NGO providing women with affordable education, health, and legal services; the AMNLAE, a participatory women's human rights group; and *Puntos de Encuentro* (“Meeting Points”), an NGO that uses communication for social change (see Box 2).

The interviews also gathered information about perceptions of a total market approach. All respondents

Box 3. Relevant excerpts from the DAIA Strategic Plan 2009–2011¹

General Strategic Objective: Guarantee that all Nicaraguans have access to contraceptives and other prioritized sexual and reproductive health products.

Specific Strategic Objective 2: Improve financial resources for the availability of contraceptives for the various subsectors.

Activity 2.3: Improve access of private-sector groups to cheaper contraceptives to improve the supply for urban users with purchasing capacity.

Specific Strategic Objective 4: Increase access to family planning and sexual and reproductive health services.

Activity 4.1: Promote and develop outreach activities for family planning coverage of all subsectors with emphasis on adolescents and young women.

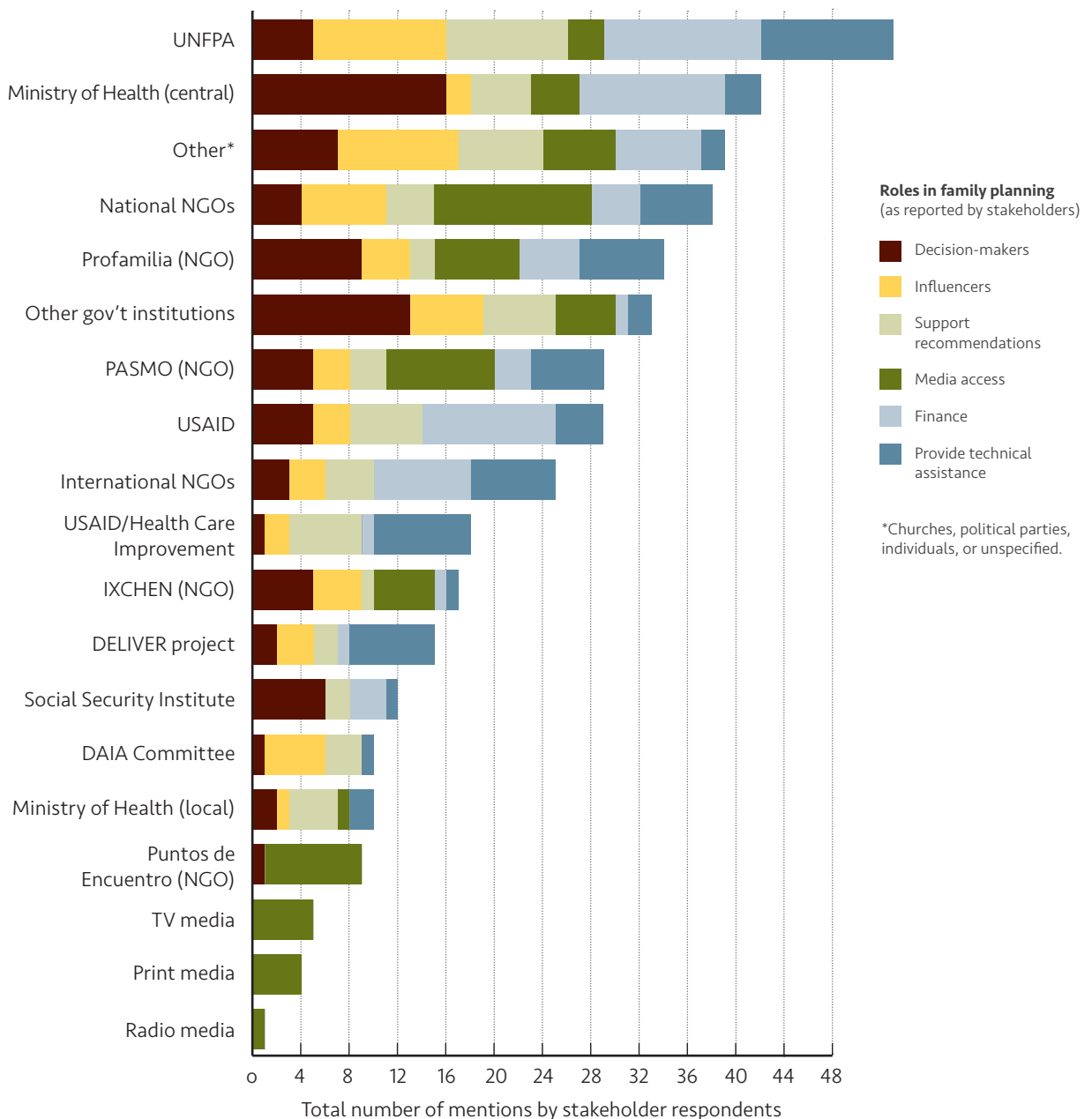
Results Indicator: Construction of scenarios for each health subsector and their populations of responsibility, taking into account the coverage goals for 2009–2011.

1. The full name of this plan was *Aseguramiento de Insumos de Salud Sexual y Reproductiva en Nicaragua* (AISSR), or Sexual and Reproductive Health Commodity Security in Nicaragua. This new plan was developed based on lessons learned from implementation and evaluation of the 2005–2008 DAIA plan.

agreed that a total market approach would improve access to and the quality and sustainability of family planning programs among low-income populations in Nicaragua. While stakeholders agreed on the importance of the DAIA, many felt that there was a need to expand the scope of the committee to include perspectives from other sectors. Several participants also mentioned the

need for all sectors to identify their targeted market segments or populations of responsibility and coordinate more effectively; overall, all types of stakeholders identified a need for more diversity in family planning products, service provision, and family planning financing. On the other hand, obstacles included the lack of engagement between the government and the

FIGURE 3. Influential family planning stakeholders in Nicaragua



commercial sector and the perception that engagement with the commercial sector was not consistent with the national health policy.

These findings helped shape the next phase of the project, including further stakeholder engagement activities and information gathering. For example, given the clearly articulated need for coordination with the private sector, especially the commercial sector, a focus was to create a coalition or working group of private, for-profit groups to link with government, particularly the DAIA Committee. Additionally, these private-sector stakeholders clearly needed more information on commercial markets, client populations, and obstacles. Finally, shortly after the stakeholder analysis results were shared with the DAIA Committee, IXCHEN, AMNLAE, and Puntos de Encuentro were invited to join the group.

Activity 1.3: Convening stakeholders to discuss coordination with the DAIA

In early September 2010, PATH convened a meeting of family planning stakeholders from the public and NGO sectors in Nicaragua to present the results of the stakeholder analysis, the DAIA work plan for 2010, and a market segmentation analysis conducted by the DELIVER project, and to discuss collectively how diverse groups could contribute to DAIA plan objectives. Nearly 30 participants attended, including representatives of MINSa, INSS, and several NGOs (PASMO, Profamilia, AMNLAE, Promujer, and IXCHEN, among others). The MINSa representative at the meeting suggested the possibility of a national campaign to increase population awareness of family

planning methods available in Nicaragua that would “involve designing a communications plan with DAIA and all of the organizations represented here today”—a signal of government commitment to coordination. A representative of INSS noted that while it was clear that the INSS role in family planning was expanding, many of their clients needed more information regarding family planning methods and accurate information regarding any health effects. An IPSS provider noted that they were grateful to be included in the conversation for the first time, and that they were interested in providing methods at a lower cost but didn’t have enough access to resources and information to do so.

All participants were asked to complete a survey at the end of the meeting on their ability to access sufficient, good-quality family planning methods, any relevant obstacles, and their interest in engaging with MINSa on a total market approach. All but one participant indicated that they would be interested in more actively participating in national planning and coordination for delivery of equitable and sustainable methods and services for family planning. Many groups indicated that they would like to increase their coordination with MINSa at the central or local level, as well as with DAIA, with INSS, and with contraceptive distributors. About one-third of respondents said that better understanding of user preferences would improve delivery of family planning services, while about one-third prioritized greater availability of supplies. Not surprisingly, a number of respondents also noted that lack of sufficient options for affordable, high-quality products for their clients was a major barrier.

Activities timeline

Q 3-4 2009

- PATH joins DAIA as “informal” member.
- Initial meetings with key stakeholders.

Q 1-2 2010

- PATH and MINSa sign agreement to collaborate.
- Stakeholder research.

Q 3-4 2010

- PATH and three additional NGOs formally join DAIA.
- Commercial market analysis.
- Dissemination meeting for stakeholders.

STEP 2: ASSEMBLING EVIDENCE TO DEVELOP TOTAL MARKET STRATEGIES

A traditional approach to total market work is to begin with a market segmentation analysis based on DHS or some other nationally representative data. As noted, the USAID|DELIVER project completed a segmentation analysis of Demographic and Health Surveys (DHS) data in 2009, and PASMO was looking at user preferences regarding family planning methods. These analyses helped to clarify what family planning users were purchasing and where, but not how they were choosing their source of supply (e.g., public- or private-sector sources).

Relatedly, three key information priorities emerged from the stakeholder analysis and the 2010 stakeholder meeting: more information on the private commercial market in Nicaragua, more information on clients’ choice of providers, and more information on the obstacles that the private sector faced to growing their market and serving their populations of responsibility. Through PATH’s engagement in the DAIA, the project received endorsement for research activities designed to address these gaps.

Activity 2.1: Characterizing the commercial contraceptive market

Initially, the PATH team worked with PASMO to identify which products are available in Nicaragua at a national level and the price ranges for the different products, and to begin developing a better understanding of how women are utilizing commercial-sector sources. The project team also mapped the supply chain for

the private sector and the public sector—an important step for identifying potential bottlenecks and points of intervention, given that several stakeholders had noted that supply of products was an obstacle to service delivery. The results demonstrated that emergency contraceptive pills and injectables were the most popular products in the commercial sector in Nicaragua. Clearly, however, much more information was needed on which women were choosing to seek those methods in the private sector and why.

To move beyond the national level, at a meeting of private family planning providers (NGO and commercial), PATH also asked providers to post their contraceptive offerings by region and price range as part of a participatory exercise (see Table 1). This helped to demonstrate, for example, that the Atlantic coast region of Nicaragua has the fewest offerings across price ranges, and that they have no lower-priced IUDs or injectables. (For more information on the analysis of this information and the meeting, see pages 13-14).

Activity 2.2: Conducting client-centered segmentation

The USAID|DELIVER market segmentation analysis contained very helpful information about which women, by economic quintiles, were using which contraceptive methods and different supply sources (see Figure 1). For example, while women in the higher economic quintiles were more likely to obtain their family planning methods from the non-public sector (especially pharmacies), about 40 percent still obtained their family planning for free from government programs. Analysis of this information at the September

Q 1-2 2011	Q 3-4 2011	Q 1-2 2012	Q 3-4 2012
<ul style="list-style-type: none"> • Data collected for client-centered segmentation. 	<ul style="list-style-type: none"> • Private-sector planning meeting. • Meetings with private-sector groups/networks to discuss obstacles/challenges. 	<ul style="list-style-type: none"> • Coordination with the DAIA and Association of Nicaraguan Pharmaceutical Product Distributors (ANDIPROFA) regarding priorities for total market planning. 	<ul style="list-style-type: none"> • Results of client-centered segmentation finalized. • Action plan developed for presentation to DAIA in early 2013.

TABLE 1. Private-sector contraceptive offerings by region and price range (self-reported)

	0-20 cordobas	21 to 50 cordobas	51-80 cordobas	81-120 cordobas	More than 120 cordobas
Pacífico	Condoms •	Monthly injectable • Oral contraceptive (OC) • Emergency contraceptive (EC) + IUD •	IUD • Monthly injectable •	Tri-monthly injectable + OC +	Monthly injectable + OC + IUD + Implant •
Centro	Condoms •	Monthly injectable • OC • EC + IUD •	IUD • Monthly injectable •	Tri-monthly injectable +	Monthly injectable + OC + Implant •
Norte	Condoms •	Monthly injectable • OC • EC + IUD	IUD • Monthly injectable •	Tri-monthly injectable +	Monthly injectable + OC + Implant •
Atlántico	Condoms •	OC • EC +	Monthly injectable •	Tri-monthly injectable +	OC + Monthly injectable +

Exchange rate: 1 US dollar = 23.91 Nicaraguan cordobas (January 2013)

• Social marketing/NGO

+ Commercial

2010 meeting (Activity 1.3) and subsequent discussion with stakeholders helped crystallize the need for more information on what motivated these women to continue to choose the public sector for their family planning despite ability to pay, in the hopes that this could lead to development of marketing strategies for private-sector family planning providers (NGO and commercial). As Dr. Yann Lacayo, head of the PATH project in Nicaragua, described, “We know what’s

happening, where, and among whom, but not why. Why, for example, are 8 percent of the poorest people buying directly from pharmacies, and not using the public sector? And why is a good part of the population with a capacity to pay getting their contraceptives free from the public sector?...Only by understanding user motives and dynamics can the private sector fill in the gaps and access the public that can pay.”

To answer this question, PATH planned a client-centered segmentation study. The purpose of the study was to identify what factors about methods and providers were important to current users, and to learn what might motivate users in the public sector to switch to private providers. The study involved more than 2,400 interviews with women throughout the country currently using contraception.

The PATH segmentation analysis results were consistent with findings from the DELIVER analysis: a significant proportion of wealthier women reported obtaining their family planning methods from the public sector for free. In particular, the PATH study identified a few interesting patterns, including:

- More than 45 percent of women who paid for their method initially in a pharmacy sought resupply from the public sector for free.
- Women were likely to obtain the three-month injectable in the public sector, but the one-month injectable in the private sector.
- There was not a large difference in use of the private sector between Managua and the three other regions of the study (Caribe, Centro, Pacífico), in spite of overall wealth differences between

Managua and the other locations.

- Factors associated with private-sector services that may influence the potential to switch include shorter waiting times, quality of family planning information, privacy, and a woman’s own feeling of autonomy regarding family planning use.

The data were also used to develop savings projections for the government on family planning commodities under three scenarios: no efforts were made to shift women with an ability to pay to the private sector; a moderately aggressive strategy was focused on shifting women to the private sector; and an aggressive strategy was pursued to achieve this same objective. A successful aggressive strategy could mean more than 1 million USD saved by the government (see Table 2). In particular, shifting users of the one-month injectable to the private sector and/or encouraging them to use the three-month injectable would achieve a significant proportion of the savings. Another approach that could result in considerable savings would be to ensure that all women who either are directly or indirectly (i.e., through their husbands) covered by social security can obtain their family planning methods from INSS outlets rather than the public sector (see Table 3).

TABLE 2. Potential savings in commodity procurement costs (USD) based on shifting some women to the private sector

	Do nothing	Moderately aggressive strategy		Aggressive strategy	
	Total amount	Total amount	Amount saved	Total amount	Amount saved
Pills	407,519	341,645	65,874	240,807	166,712
IUD	791	673	118	503	288
Injection (one-month)	1,294,755	1,054,411	240,344	709,821	584,934
Injection (three-month)	587,997	516,576	71,421	389,160	198,836
Condom	115,561	92,857	22,704	61,462	54,098
Total	2,406,622	2,006,161	400,461	1,401,754	1,004,868

TABLE 3. Potential savings in commodity procurement costs (USD) based on increasing social security coverage

	Do nothing	All eligible women directly covered by social security		All eligible women directly and indirectly (i.e., through their husbands) covered by social security	
	Total amount	Total amount	Amount saved	Total amount	Amount saved
Pills	407,519	352,928	54,591	224,374	183,145
IUD	791	644	147	503	288
Injection (one-month)	1,294,755	1,113,613	181,141	709,821	584,934
Injection (three-month)	587,997	535,392	52,605	389,160	198,836
Condom	115,561	86,662	28,899	61,462	54,098
Total	2,406,622	2,089,239	317,384	1,385,321	1,021,301

Based on these results, recommendations for different family planning sectors are listed on the following pages.

Private commercial sector:

- Differentiate the amenity-based quality of services provided by the private sector, such as shorter waiting times, privacy, and proximity of services to women.
- Develop a strategy to avoid migration by pharmacy users to other providers (e.g., cumulative discounts and lower prices for regular customers).
- Develop strategies and alliances with the public sector to achieve common objectives.
- Focus on increasing market share in Managua and Caribe.
- Pharmaceutical suppliers and distributors could launch information campaigns in support of INSS-affiliated clinics by providing information concerning the availability of products offered at these clinics.

Public sector:

- Improve access to contraceptive methods for vulnerable and low-income populations, including adolescents and rural groups.
- Encourage social security-eligible users of public health services to use social security clinics.
- Encourage use of the three-month contraceptive injectable in the public system.
- Coordinate efforts with the private sector to remove obstacles and barriers, and create joint strategies aimed at promoting the use of contraceptive methods. At the same time, use industrial and commercial networks to achieve joint objectives, such as the coverage of adolescents and at-risk populations.

NGO and social marketing sector (in recent years, this sector has positioned itself as a provider of condoms and IUDs, in strong contrast with other providers):

- Continue to promote the use of IUDs and support the public sector with training aimed at providing these products.

- Establish a joint strategy at the national level to distribute condoms, taking into account vulnerable and priority groups.
- Develop alliances and strategies with clinics affiliated with the social security system in order to promote the adoption of IUDs and condoms by members and spouses.

Nicaraguan Social Security Institute (INSS):

- Include spouses of members as beneficiaries of family planning services.
- Develop strategies to recruit users and offer follow-up after the first visit to maintain continuation among female beneficiaries (76 percent of female users who initially received family planning from an INSS clinic obtained future supplies from private pharmacies).
- Increase and improve the information given to members concerning the availability of contraceptives at their clinics.
- Increase member coverage.
- Differentiate amenity-based quality of services as a reason to seek services through INSS.
- Promote IUD service availability.

Box 4. Identifying key private-sector family planning stakeholders

In addition to the private-sector NGOs that were part of the DAIA Committee and were engaged early on in the project (e.g., PASMO and Profamilia), a number of other private-sector groups became the focus of PATH's coordination efforts throughout the project. IPSS providers—the private providers under the INSS program—and their umbrella organization, Nicaraguan Chamber of Health (CANSALUD), had already been prioritized by the DAIA Committee for outreach, and PATH made efforts to engage them throughout the project as well. PATH's efforts focused on broadening the DAIA Committee's perspective to also include:

- ANDIPROFA: The Association of Nicaraguan Pharmaceutical Product Distributors.
- DICEGSA: César Guerrero Distribution Company (the largest pharmaceutical distributor in the country).

- Offer appointment times convenient for working women (e.g., in evenings or in conjunction with child care appointments).

Activity 2.3: Learning about obstacles faced by the private family planning sector

Originally, the team planned to reach out to diverse private-sector groups in Nicaragua following the client-centered segmentation analysis in late 2011. Due to the delays in the market segmentation results, the team instead used preliminary data from the study to start a dialogue about the role of the private sector in Nicaragua and how they could coordinate with the government to contribute to an equitable and sustainable total market for family planning.

In October 2011, PATH held a meeting with 15 NGO and commercial manufacturing representatives who identified gaps in family planning products by prices and regions of availability (see pages 9-10). The participants identified opportunities to increase their market, barriers, and possible solutions. The meeting was designed to be highly participatory and the result was a very dynamic session (see Box 5). The secretary of the DAIA closed the meeting by welcoming the group's inputs and confirming that the DAIA was a channel of participation to communicate with the government.

Several key groups were not able to attend this meeting, however, and individual follow-up with these groups was necessary. In December 2011, PATH presented preliminary findings from the client-centered segmentation study to ANDIPROFA and sought their inputs about barriers and opportunities for private family planning markets. The 29 attendees from more than 20 companies were very interested in the early findings and in knowing more as the analysis progressed; they also noted that more specific information using “commercial language,” such as market sizes, would enable them to make the best evidence-based decisions as managers. The president of the Pharmaceutical College was also in attendance and was interested in sharing the final results of the analysis with his students when available. The team also conducted one-on-one interviews with the Association of United Pharmacies of Nicaragua

Box 5. Planning a participatory total market meeting

In October 2011, the PATH team convened a workshop to analyze opportunities for increasing private-sector share in the contraceptive market in Nicaragua. In general, engaging the private—and especially the commercial—sectors in organized family planning meetings was unprecedented and perceived to be challenging in Nicaragua, making it especially important to plan a participatory meeting that attendees would feel was worth their time and that would set a precedent for active coordination moving forward. Additionally, the PATH team needed concrete inputs from the attendees to inform development of total market strategies for each subsector (e.g., NGOs, pharmacies, distributors, importers, and pharmaceutical companies). Below is an overview of the methodology for planning the meeting agenda.

- **Objective:** Analyze the gaps and opportunities in the contraceptive market for each participating sector.
- **Activities:** Group exercise to map out gaps in coverage and identify market opportunities. Each participant was asked to identify their products offered at different prices in each geographic region of Nicaragua. Working groups, broken down by subsectors (e.g., NGO, commercial, manufacturer/distributor) then answered the following questions:
 - Which of the identified coverage gaps are attractive to your sector?
 - What types of adjustments do you need to make to your current strategy to fill these gaps?
 - Does your entity offer contraceptive methods for adolescents?
- **Objective:** Obtain inputs from each participating sector to total market strategies development.
- **Activities:** Each subsector working group then used the previous results and an overview on the family planning market in Nicaragua to answer the following questions:
 - What obstacles or barriers do you have in reaching these segments of the population?
 - What actions do you think are a priority in overcoming these obstacles?

(AFUN), César Guerrero Distribution Company DICEGSA, and four of the IPSS providers within the Nicaraguan Social Security Institute to similarly seek their inputs about barriers and opportunities for private family planning networks.

Challenges identified by the private-sector actors included:

- The process for registering new products with MINSA can be time consuming and complicated. A limited number of affordable contraceptive products are manufactured in Nicaragua, and imports are necessary to ensure a diverse method mix of affordable and good-quality products. One stakeholder noted a number of problems in the previous year renewing registrations, which can lead to delayed importation and distribution. This group was looking to “set up a system to set off an alarm when the registration of a certain product is about to expire.” It is possible that systemic solutions could be identified through the DAIA. Another issue related to importation that was mentioned by an INSS provider was that distributors have to obtain permission from MINSA to import specific amounts of contraceptives based on projected needs. If the distributor needs more than was anticipated, permission must be obtained again, and this can lead to delays in supply.
- A 15 percent sales tax applied to condoms increases their price in the market, “as they are classified as an ‘input’ rather than a medicine,” and therefore are not exempt from taxes. This is expected to become more of a problem as donations of condoms end from major contraceptive donors. One private-sector group noted that this could be resolved through “the country’s Fiscal Equity Law, which stipulates that products of national necessity should not be taxed.”
- Marketing restrictions on commercial entities can lead to a lack of objective information about contraceptive methods. At the October 2011 meeting, commercial-sector representatives expressed a clear interest in providing appropriate information to users on the methods available and their proper use by, for example, distributing free brochures (*not* on branded products). There is a perception that consumers are not fully informed

Box 6. Strengthening public and private procurement capacity

In the course of the project, the PATH team learned that procurement and the need to strengthen capacity for procurement in both the public and private sectors was a priority for both the DAIA and for key private-sector groups. Building on PATH's strong global expertise in this area, the team facilitated translation of PATH's procurement toolkit (see *Related resources* on page 19) into Spanish by the NGO PRISMA based in Peru. PATH's involvement in this project helped to make key stakeholders aware of this resource and led to plans for future workshops in Nicaragua, coordinated by PRISMA.

about temporary side effects or the long-term safety of most methods, and this leads to contraceptive discontinuation and switching. Another approach could be to increase promotion and education around family planning by the government, especially for adolescents and young people; as one commercial stakeholder suggested, “the subject of sexual education should be as important as math, history, geography, or Spanish when you're 13 to 16 years old.”

STEP 3: TOTAL MARKET PLANNING

In June 2011, the PATH project team and the government of Vietnam collaboratively finalized a total market operational plan for family planning. The structure of the document and the process that followed helped to guide the planning work in Nicaragua. For example, individual outreach to private-sector groups in order to solicit their input proved critical to their participation in both countries.

That said, the final output in Nicaragua was, in comparison, more focused action plan for integration of the private sector into government family planning strategies, as there was already a broad sector-wide plan in place through the DAIA.

Activity 3.1: Coordinating with the DAIA Committee and ANDIPROFA to build an action plan

As a first step, PATH prepared an update for the DAIA Committee in March 2012 that included an overview of some of the primary challenges faced by the private sector (see page 14) and a proposed process to engage these groups and to develop a set of actions and tasks to address the identified challenges. A key collaborator for PATH throughout this process was ANDIPROFA.

From April through June 2012, the PATH team lead in Nicaragua met several times with ANDIPROFA staff to work on development of the action plan and requests for the DAIA Committee. The Executive Director of ANDIPROFA was very receptive to playing a specific role in the project and having the opportunity to expand the organization's focus and develop proposals and new ideas for key family planning players in Nicaragua.

In July 2012, PATH and ANDIPROFA proposed collaborative activities between the DAIA Committee and ANDIPROFA. These included improving family planning access for adolescents, including through pharmacies; creating a high-level joint commission to identify bottlenecks for contraceptive registration and standardizing the process; training and disseminating information to ANDIPROFA members to promote shared



A PATH consultant facilitates the group exercise for mapping out gaps in contraceptive coverage and identifying market opportunities at the October 2011 meeting (see Table 1).



PATH/Jolene Beitz

A pharmacy worker in Nicaragua; a previous PATH project in Nicaragua, RxGen, helped to make family planning and other health products and information available to adolescents through pharmacies.

understanding of the new national procurement law; strengthening procurement capacity in both sectors; and improving information on market segmentation and sharing it with providers. These activities were well received by the DAIA Committee.

Activity 3.2: Integrating the action plan within DAIA Committee activities

In late 2012, PATH and ANDIPROFA proceeded to work on a written action plan with clear roles for these activities and integrating the results of and recommendations from PATH's segmentation study. PATH and ANDIPROFA planned to present this action plan and discuss it with the DAIA in early 2013, in the context of the development of DAIA's new strategic plan. At the end of the project, ANDIPROFA was also working closely with MINSa to address existing barriers for the private family planning sector across a range of areas.

Lessons learned

WHAT WORKED?

Playing the role of catalyst. As noted, there were a number of actors involved in contraceptive security at the outset of the project. Rather than serving as a central actor, the team often found it more helpful to facilitate key contributions from stakeholders who were already DAIA members. In addition, gathering information on related activities and plans at the outset of the project helped to identify gaps and develop a stepwise approach to action based on information-gathering and evolving opportunities. For example, DELIVER presented the results of a market segmentation analysis early in the project, and PASMO had plans underway for market research; PATH was able to design its segmentation analysis to be complementary and help fill the information gaps that remained. As another example, DELIVER had conducted a mapping of NGO family planning offerings in 2010; PATH built on that approach to conduct a broader mapping including commercial offerings in 2011 (see Table 1 and Box 5).

Applying the stakeholder analysis to visualize opportunities. The stakeholder analysis helped to organize thinking around the key players in Nicaragua; gather information about their perspectives toward the idea of a total market approach, including their associated level of influence and the extent of their support; and develop specific strategies and actions for each player. For example, many private commercial groups were very interested in and supportive of a total market approach, but had relatively low influence and minimal interaction with MINSa. Visual representations of family planning stakeholders (see Figure 3) also helped to give the DAIA Committee a broader view of potential networks and alliances, and helped facilitate the inclusion of three new organizations in the group.

Integrating with an existing coordination mechanism. A written agreement with the government and, more importantly, membership in the DAIA Committee were critical in terms of establishing the project as a consistent contributor

to the family planning goals of the government. Early engagement made it clear that instituting a separate project advisory group would duplicate and dilute DAIA's efforts, strength, and leadership, and distract from MINSA resources. Instead, the project was positioned as contributing to strengthening government leadership by, for example, integrating project activities in the DAIA work plan. This also helped ensure stakeholder buy-in for project activities.

Clearly defining “private-sector” engagement. It became clear early on, due to the significant need for private-sector coordination and engagement in Nicaragua, that managing expectations and being clear about the scope and capacity of the project would be critical. As a project team member expressed at a DAIA meeting in the first months of the project, “Every time the private sector came up in the DAIA, everyone looked at me.” PATH made it clear to the other stakeholders as the project evolved that

coordinating with the private sector would focus on supporting IPSS and CMPs to increase their family planning services, and increasing coordination with groups like ANDIPROFA. PATH spent a good amount of time in 2011 and 2012 engaging with these groups to learn more about their perspectives on barriers and opportunities to apply in total market planning.

WHAT HAVE BEEN SOME KEY CHALLENGES?

Narrow scope of the stakeholder analysis. MINSA requested that the stakeholder analysis focus exclusively on the private sector—specifically NGOs, medium-size distributors of family planning products, social marketing groups, and small pharmacies—due to particularly limited knowledge about these types of stakeholders. While this enabled a more focused exploration of the perspectives and positioning of these groups, it also led to a more limited picture of the policy environment in



PATH/Mike Wang

Family planning priorities in Nicaragua in the coming years will include increasing access for adolescents; the private sector can play a key role in that effort.

Nicaragua. There was no opportunity to formally assess government perspectives on the total market work and identify strategic opportunities for engagement on the issue (which was exacerbated by frequent turnover at MINSA during the project as well). It was also not possible to construct a formal network map of stakeholders in the absence of such key players. Similarly, large distributors and wholesalers were excluded from the analysis because they were difficult to reach separately and were instead approached later through ANDIPROFA. Excluding government and these large commercial groups from the initial analysis also meant that developing specific strategies—such as shared financial resource plans between sectors, mapping different sectors of providers to their perceived populations of responsibility, and/or shifting users with an ability to pay to the private sector—was more challenging early on.

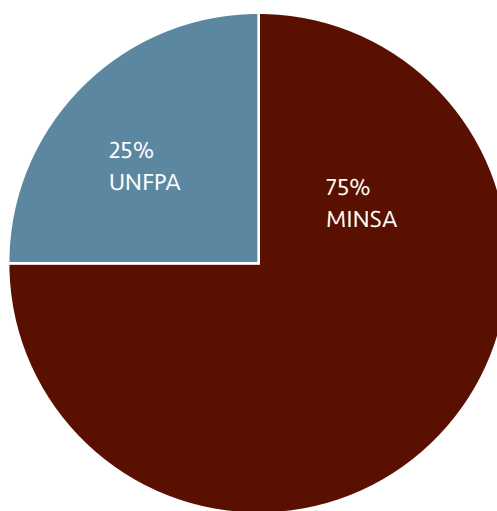
Applying market segmentation data to developing marketing plans. There was an early expectation that the PATH segmentation study would result in new, clearly defined market segments for the private sector to target. While the recommendations from the segmentation study were quite useful, no clear segments emerged. Even when clear segments are identified, private-sector groups can not always use them to actually make marketing plans. Especially for large distributors, for example, local representatives do not necessarily have much input into marketing strategies. Again, it was critical for the project team to be flexible and use the emerging data as an advocacy tool to help demonstrate market opportunities for engaging the commercial sector.

Forming commercial private-sector stakeholder groups. Although the project team held meetings with commercial groups on a more individualized basis, participation in a collective group meeting would have enabled them to begin coordinating to engage with the DAIA on an ongoing basis. Unfortunately, attendance of these groups at such meetings was fairly lackluster. In addition, working through umbrella organizations such as Asociación Cámara Nicaragüense de la Salud (CANSALUD) was challenging and effective only to a limited extent; although the 12 IPSS are represented by CANSALUD, they each have their own procedures and mechanisms, and it is difficult to address details at the CANSALUD level.

CONCLUSION: MOVING FORWARD

In late 2012, the DELIVER project confirmed its plan to end its work in Nicaragua by the close of the year. Fortunately, the government has already managed to close the financing gap for contraceptive commodities brought about by USAID withdrawal (see Figure 5), and political commitment to family planning in the country is strong. The DAIA Committee remains a robust mechanism in Nicaragua for focusing on contraceptive security and, increasingly, for public-private collaboration, and is poised to develop a new strategic plan for the next period of its work. It is likely that this plan will focus on increasing access to family planning for adolescents and strengthening procurement capacity across sectors, among other areas. The project's action plan for private-sector collaboration and recommendations from the PATH segmentation study can help to shape specific objectives and activities in the next phase of total market family planning in Nicaragua.

FIGURE 5. Contraceptive financing sources, public sector, 2012



Total budget (USD): 2,237,159

Source: UNFPA

Related resources

- For more information about family planning and contraceptive security in Nicaragua, see:
Reproductive Health Supplies Coalition Country Profiles: Nicaragua. Available at: <http://www.rhsupplies.org/resources-tools/country-profiles/nicaragua/nicaragua.html>
Abramson W, Sanchez A, Olson N, Quesada N. A Participatory Approach: Using Market Analysis to Improve Access to Family Planning Services. Arlington, VA: USAID|DELIVER project; 2011. Available at: http://deliver.jsi.com/dlvr_content/resources/allpubs/guidelines/MarkAnalyFPServ.pdf
Indacochea CM, Leahy E. A case study of reproductive health supplies in Nicaragua. Population Action International, 2009. Available at: <http://populationaction.org/wp-content/uploads/2012/01/Synthesis.pdf>
Taylor PA, Arauz C, Subiria G, Cisek C, Medrano JA, Fuentes D, et al. Contraceptive security in Nicaragua: assessing strengths and weaknesses. Arlington, VA: John Snow Inc./DELIVER; 2004. Available at: <http://www.rhsupplies.org/ossupload/DOC34.pdf>
USAID|DELIVER project. Increasing Families' Access to Improved and Expanded Family Planning Services through Political Commitment: State of the Practice Brief. USAID, 2006. Available at: http://transition.usaid.gov/our_work/global_health/pop/news/success_story_pdf/nicaragua_sop.pdf
- For more information on the stakeholder analysis (Activity 1.2, page 6), see:
Drake JK, Espinoza H, Suraratdecha C, Lacayo Y, Keith BM, Vail JG. Stakeholder perceptions of a total market approach to family planning in Nicaragua. *Revista Panamericana de Salud Pública*. 2011 May; 29(5):329-336. Available at: http://www.scielosp.org/scielo.php?script=sci_arttext&pid=S1020-49892011000500005&lng=en&nrm=iso&tlng=en
- For more information about the procurement toolkit (Box 6, page 15), see:
PATH. Procurement Capacity Toolkit: Tools and Resources for Procurement of Reproductive Health Supplies, Version 2. Seattle, Washington: PATH; 2009. Available in English at: <http://www.path.org/publications/detail.php?i=1652>
or visit the PRISMA website: <http://www.prisma.org.pe/>
- For more information on total market approaches in reproductive health, see:
Barnes J, Vail J, Crosby D. Total Market Initiatives for Reproductive Health. Bethesda, MD: Strengthening Health Outcomes through the Private Sector Project, Abt Associates; 2012. Available at: <http://www.shopsproject.org/resource-center/total-market-initiatives-for-reproductive-health>
- For more information on PATH's total market work in family planning, including the segmentation analysis from Nicaragua (Activity 2.2, page 9), see:
<http://sites.path.org/rh/recent-reproductive-health-projects/tma/>.

Enhancing Equity and Sustainability of Public-Sector Family Planning: A PATH Project

From 2009–2013, PATH worked with the governments of Nicaragua and Vietnam to develop plans and strategies for public-sector contraceptive distribution to target market segments and public-private dialogue around family planning service delivery—including for the most vulnerable populations. Lessons learned are being disseminated to promote widespread readiness for country-led decision-making that draws on the total family planning market.



PATH is an international nonprofit organization that creates sustainable, culturally relevant solutions, enabling communities worldwide to break longstanding cycles of poor health. By collaborating with diverse public- and private-sector partners, PATH helps provide appropriate health technologies and vital strategies that change the way people think and act. PATH's work improves global health and well-being.

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