Report

Main Report 'Pharmacy and Non-Pharmacy' on Market Penetration Study- 2000

Volume-1: Main Report

Submitted to:
Social Marketing Company (SMC)

Submitted by:
Research and Computing Services (RCS) Private Limited

November 19, 2000

SMC

Social Marketing Company (SMC)
SMC Tower,
33 Banani Commercial Area,
Dhaka-1213

Table of Contents

EXECUTIVE SUMMARY

Foreword

Social Marketing Company (SMC) commissioned Research and Computing Services Private Limited to conduct a survey on "Market Penetration Study-2000". The study was conducted among pharmacy and non-pharmacy outlet. In addition, a respondent segment was selected from enlisted doctors of SMC. The study was conducted through the application of cluster sampling method. The cluster was defined as the markets both for pharmacies and non-pharmacies. In urban and semi-urban area separate markets were selected while in the rural area same markets were selected for pharmacies and non-pharmacies. The methodology was applied in order to obtain a reliable estimate sample dispersion and representation of findings.

Objective

The primary objective of the Market Penetration Study is to gauge annual performance of SMC Sales Areas as measured by availability and penetration of SMC brands within the jurisdiction of each area.

The objective of the study is also to collect information on quality of sales and promotional activities undertaken within the area and findings are used to identify and reward best performing area officer or correct weaknesses.

Methodology

Sampling for pharmacy and non-pharmacy outlets

We used the cluster sampling methodology for the survey. This methodology has a number of advantages over the other sampling techniques; most noteworthy is that it ensures required representation of samples given adherence to the minimum cluster selection criteria at minimum cost.

The cluster was defined as the markets both for pharmacies and non-pharmacies. In urban and semi-urban area separate markets were selected while in the rural area same markets were selected for pharmacies and non-pharmacies. The methodology was applied in order to obtain a reliable estimate sample dispersion and representation of findings.

To meet the requirement of estimates for urban, semi-urban and rural strata for each zone and SPO with equal precision, the sample size of 250 was then splitted into 3 sub-samples of 82-85 both in case of pharmacies and non-pharmacies.

But as a tartiary objective of the study sample selection was again splitted into Sales Officers (SO) area. At this level a minimum sample size of 40 pharmacies and 40 non-pharmacies was decided to be taken from the area of each SO. This small sample, though statistically not very precise (error level about 10-12%), would give a first hand idea about the performance of SOs along with a chance to understand their weaknesses and strengths.

We propose to take 6 clusters (2 urban + 2 semi-urban + 2 rural) for each domain of the study. Here the domain is defined as the area of an SO. Clusters are defined as the markets both for pharmacy and non-pharmacy. In the urban and semi-urban area separate markets were selected for pharmacies and non-pharmacies, while in the rural area it was the same.

Availability of Oral Pill

Pharmacy

Ninety percent of all pharmacy covered under the survey has at least one oral pill while 89 percent has at least one SMC pill. Availability of Femicon is highest i.e., 84.8% of the pharmacy have Femicon at stock at the time of interview. Next in the row is Nordette-28 which is available in 81.5% of all pharmacy. 51.5% of the pharmacies have Minicon at stock while only 2.7% of all pharmacy have Maya at stock. These figures are presented in Table 32.

Non-pharmacy

Seven percent of all non-pharmacy covered under the survey has at least one oral pill as well as at least one SMC pill. Availability of Femicon is highest i.e., 7% of the non-pharmacy have Femicon at stock at the time of interview. Next in the row is Nordette-28 which is available in 4.2% of all non-pharmacy. 0.4% of the non-pharmacies have Minicon at stock while only 0.1% of all non-pharmacy have Maya at stock. These figures are presented in Table 36.

Availability of Condom

Pharmacy

Almost Eighty percent (79.4%) of all pharmacy covered under the survey has at least one condom as well as at least one SMC condom. Availability of Panther is highest i.e., 77.6% of the pharmacy have Panther at stock at the time of interview. Next in the row is Sensation which is available in 53.4% of all pharmacy. Only 11.5% of all pharmacy have Raja at stock. These figures are presented in Table 40.

Non-pharmacy

Forty-three percent (43.3%) of all non-pharmacy covered under the survey has at least one condom while 43% have at least one SMC condom. Availability of Raja is highest i.e., 35.7% of the non-pharmacy have Raja at stock at the time of interview. Next in the row is Panther which is available in 21.3% of all non-pharmacy. Only 5.1% of all non-pharmacy have Sensation at stock. These figures are presented in Table 44.

Availability of ORSaline

Pharmacy

Ninety-six percent (96.4%) of all pharmacy covered under the survey has at least one oral saline while 93.4% have SMC ORSaline. These figures are presented in Table 48. Availability of at least one oral saline as well as availability of SMC ORSaline is highest in urban areas. 97.4% of all pharmacy in urban areas have at least one oral saline while 95.3% of the pharmacies in urban area have SMC ORSaline [Table 49 to Table 51].

Non-pharmacy

About Forty-seven percent (46.7%) of all non-pharmacy covered under the survey has at least one oral saline while 45.8% have SMC ORSaline. These figures are presented in Table 52. Availability of at least one oral saline as well as availability of SMC ORSaline is highest in urban areas. 54.2% of all non-pharmacy in urban areas have at least one oral saline while 53.6% of the non-pharmacies in urban area have SMC ORSaline [Table 53 to Table 55].

Reasons for not selling any SMC Brand

Pharmacy

Only 1 percent of sample pharmacies did not have any SMC brand [Table 380]. They were asked to mention why they were not interested. Reported reasons are summarized in Table 381 by type of outlets. Major reasons mentioned by the pharmacies were 1) Inadequate capital 2) Low profit 3) Higher price 4) New/small shop etc.

Non-Pharmacy

Thirty-three percent of sample non-pharmacies did not have any SMC brand [Table 380]. They were asked to mention why they were not interested. Reported reasons are summarized in Table 381 by type of outlets. Major reasons mentioned by the pharmacies were 1) Slow item/less demand 2) SMC product is sold at nearby pharmacy 3) Government supply similar products 4) Inadequate capital etc.

Reasons for not selling SMC Oral Pill

Pharmacy

Major reason for not selling Femicon brand mentioned by respondent is "Slow sales/less demand". Major reason for not selling both Nordettte-28 and Minicon brands as mentioned by respondents is "Never sells".

Reasons for not selling particular brands of SMC oral pill (while any other brand of oral pill is available) are presented in separate Tables for selected SMC oral pill brands by division. [Tables 104 through 107 for Femicon, Tables 136 through 139 for Nordette-28, Tables 168 through 171 for Minicon]

Non-Pharmacy

Major reasons for not selling Femicon, Nordette-28 and Minicon are 1) Never sells 2) Slow sales/less demand and 3) Available in nearby pharmacy.

Reasons of non-pharmacies for not selling particular brands of SMC oral pill (while any other brand of oral pill is available) are presented in separate tables for selected SMC oral pill brands by division. [Tables 108 through 111 for Femicon, Tables 140 through 143 for Nordette-28, Tables 172 through 175 for Minicon]

Reasons for not selling SMC Condom

Pharmacy

Major reason for not selling Raja brand mentioned by respondent is "Slow sales/less demand". Major reason for not selling both Panther brand and Sensation brands as mentioned by respondents is "Never sells".

Reasons for not selling particular brands of SMC condom (while any other brand of condom is available) are presented in separate Tables for selected SMC condom brands by division. [Tables 200 through 203 for Raja, Tables 232 through 235 for Panther, Tables 263 through 266 for Sensation]

Non-Pharmacy

"Low demand" has been identified as the major reason for not selling Raja at all zones [Table 204B]. "Low demand" has also been identified as the major reason for not selling Panther [Table 235B] and Sensation [Table 267B].

Reasons for not selling particular brands of SMC condom (while any other brand of condom is available) are presented in separate Tables for selected SMC condom brands by division [Tables 204 through 207 for Raja, Tables 236 through 239 for Panther, Tables 267 through 280 for Sensation].

Reasons for not selling SMC ORSaline

Pharmacy

Major reason for not selling SMC ORSaline mentioned by the respondents is "SMC SO does not visit" (regardless of whether any other brand of oral saline is available or not). Reasons for not selling SMC ORSaline are presented in separate Tables by division [Tables 295 through Table 298]. Other reasons for not selling SMC ORSaline are 1) Never sells 2) New/small shop 3) Low profit and 4) Small capital/no capital.

Non-Pharmacy

Major reason for not selling SMC ORSaline mentioned by the respondents is "Available in nearby shop" (regardless of whether any other brand of oral saline is available or not). Reasons for not selling SMC ORSaline are presented in separate Tables by division [Tables 299 through Table 302]. Other reasons for not selling SMC ORSaline are 1) Never sells and 2) Slow sales/less demand.

Reasons for Stock-out of SMC Oral Pill

Pharmacy

Major reason for stock-out of Femicon is "SMC Sales Officer does not visit". Major reason for stock-out of both Nordette-28 and Minicon is "Can not go to market".

Reasons for not having particular brands of SMC oral pill at stock (while they usually carry SMC oral pill) are presented in separate tables for selected SMC oral pill brands by division. [Tables 88 through 91 for Femicon, Tables 120 through 123 for Nordette-28, Tables 152 through 155 for Minicon]

Non-Pharmacy

Major reason for stock-out of both Femicon and Nordette-28 brand as mentioned by respondents is "SMC Sales Officer does not visit". Major reason for stock-out of Minicon brand is "Can not go to market".

Reasons for not having particular brands of SMC oral pill at stock (while they usually carry SMC oral pill) are presented in separate Tables for selected SMC oral pill brands by division. [Tables 92 through 95 for Femicon, Tables 124 through 127 for Nordette-28, Tables 156 through 159 for Minicon]

Reasons for Stock-out of SMC Condom

Pharmacy

Major reason for stock-out Raja is "Slow sales/less demand". Major reasons for stock-out of Panther and Sensation brands is "Can not go to market"
Reasons for not having particular brands of SMC condom at stock (while they usually carry SMC condom) are presented in separate Tables for selected SMC condom brands by division. [Tables 184 through 187 for Raja, Tables 216 through 219 for Panther, Tables 247 through 250 for Sensation]

Non-Pharmacy

Major reason for stock-out of both Raja and Sensation brands is "SMC Sales Officer does not visit". Major reason for stock-out of Panther brand as mentioned by respondents is "Can not go to market".

Reasons for not having particular brands of SMC condom at stock (while they usually carry SMC condom) are presented in separate Tables for selected SMC condom brands by division. [Tables 188 through 191 for Raja, Tables 220 through 223 for Panther, Tables 251 through 254 for Sensation]

Reasons for Stock-out of SMC ORSaline

Pharmacy

Reasons for not having SMC ORSaline at stock (while they usually carry SMC ORSaline) are presented in separate Tables by division [Tables 279 through Table 282]. Major reasons for stock-out of ORSaline are 1) Can not go to market (31.5%) 2) SMC Sales Officer does not visit (29.7%) 3) Lack of money/capital (11.7%) and 4) Broker does not come (81%).

Non-Pharmacy

Reasons for not having SMC ORSaline at stock (while they usually carry SMC ORSaline) are presented in separate Tables by division [Tables 283 through 286]. Major reasons for stock-out of ORSaline are 1) SMC Sales Officer does not visit (44.7%) 2) Can not go to market (24.4%) 3) Lack of money/capital (7.9%) 4) Broker does not come (4.5%) and 5) Slow sales/less demand (9.6%).

Outlets under SMC's ORSaline Bonus Scheme

Pharmacy

From the table it is seen that only 7.1% of the sample pharmacy were under ORSaline bonus scheme. Majority of the outlets that were under bonus scheme were located in urban areas. Of those who came under the scheme 40.7% filled out one bonus card and 25.5% filled out two bonus cards. Distribution of pharmacies under SMC's ORSaline Bonus Scheme is presented in Tables 303. Tables 305 through 308 present figures on number of cards filled out by outlets under bonus scheme.

Non-Pharmacy

From the table it is seen that only 1.2% of the sample non-pharmacy were under ORSaline bonus scheme. Majority of the outlets that were under bonus scheme were located in urban areas. Of those who came under the scheme 71.4% filled out one bonus card and 14.3% filled out two bonus cards. Distribution of non-pharmacies under SMC's ORSaline Bonus Scheme is presented in Tables 304. Tables 309 through 312 present figures on number of cards filled out by outlets under bonus scheme.

Awareness of Rice Based ORS

Pharmacy

According to the table 50.9% are aware of Rice based ORS. Among those who are aware 66.1% consider demand of Rice based ORS as low. 13.9% consider demand as good and 19.1% consider demand as fair. Table 312 through 315 present figure on number of pharmacies carrying ORSaline that are aware of Rice based ORS.

Non-Pharmacy

According to the table 10.7% are aware of Rice based ORS. Among those who are aware 79.9% consider demand of Rice based ORS as low. 8.2% consider demand as good and 10.9% consider demand as fair. Table 316 through 319 present figure on number of non-pharmacies carrying ORSaline that are aware of Rice based ORS.

Last Purchased SMC Product and Source

Pharmacy

ORSaline is the highest purchased SMC product (65.4%) in the last purchase made by the sample pharmacy [Table 328]. Second highest purchased product is Femicon (43%). The other pill brand, Nordette-28 is the third highest purchased product (38.2%). Next highest purchased products are Panther (35%) and Sensation (16.1%). In 55.6% cases, market is the source of last purchase while in 44% cases, SMC staff is the source of last purchase.

Non-Pharmacy

ORSaline is the highest purchased SMC product (66.6%) in the last purchase made by the sample non-pharmacy [Table 329]. Second highest purchased product is Raja (32.7%). Next highest purchased product is Panther (20.5%). In 54% cases, market is the source of last purchase while in 45.5% cases, SMC staff is the source of last purchase.

Purchase Price of SMC Product in Last Purchase

Pharmacy and Non-pharmacy

Distribution of Pharmacies by zone executives and price slabs approved by SMC are presented in Table 334 through 335. Hope it would be useful for SMC management.

SMC Products Purchased on Credit

Pharmacy

ORSaline is the highest ranked SMC product (23.7%) purchased on credit [Tables 352 through Table 355]. Next highest purchased product on credit is Femicon (21.6%) and Nordette-28 (21.6%). In 83 percent cases, market is the source of credit purchase while in 17% cases SMC staff is the source of credit purchase [Tables 360 through Table 363].

Non-Pharmacy

ORSaline is the highest ranked SMC product (50.0%) purchased on credit [Tables 356 through Table 359]. Next highest purchased products on credit are Raja (26.5%) and Panther (20.6%). In 92 percent cases, market is the source of credit purchase while in 8% cases SMC staff is the source of credit purchase [Tables 364 through Table 367].

Steps taken when Stock-out Occurs

Pharmacy

In 56.1% cases, the respondents buy from nearby market and in 21.7 percent cases they buy from nearby shops. In only 14.5 percent cases the respondent wait for SMC Sales Officer when stock-out occurs.

Distribution of pharmacy by steps taken by them when stock-out of SMC product occurs is presented in Tables 368 through 371.

Non-Pharmacy

Distribution of non-pharmacy by steps taken by them when stock-out of SMC product occurs is presented in Tables 372 through 375. In 46.0% cases, the respondents buy from nearby market and in 22.4 percent cases they buy from nearby shops. In 28.9 percent cases the respondent wait for SMC Sales Officer when stock-out occurs. It can be observed here that the percentage of non-pharmacy is higher than that of pharmacy who wait for SMC Sales Officer when stock-out occurs.

Display/Visibility of POP Materials

Pharmacy

It can be observed that visibility of POP materials in the sample pharmacy is low as only in 26.3 percent cases POP materials are found visible. ORSaline sticker is the highest visible POP material (8.7%) while Minicon sticker is the second highest visible POP material (7.4%).

Non-Pharmacy

Distribution of non-pharmacy by visibility of POP materials is presented in Table 379. It can be observed that visibility of POP materials in the sample non-pharmacy is low as only in 14.8 percent cases POP materials are found visible. It is observed that in case of non-pharmacy, 12 page calendar is the highest visible POP material (1.2%) while 1 page calendar is the second highest visible POP material (0.5%).

Intensity of Visit of SMC Sales Office to Outlets

Pharmacy

Distribution of pharmacy by intensity of visits of Sales Officer is presented in Tables 390 through 393 while distribution by desired intensity of visit is presented in Table 449. It is observed that in 25.1 percent cases visit is made within last 7 days while 66.9 percent cases visit is made within last one month. Among those who are not satisfied with this prevailing intensity of visit, 31.4 percent respondents want that the SMC Sales Officer visit their outlet after every 7 days whereas 97% respondents want the Sales Officer to visit once a month.

Non-Pharmacy

Distribution of non-pharmacy by intensity of visits of Sales Officer is presented in Tables 394 through 397 while distribution by desired intensity of visit is presented in Table 450. It is observed that in 15.1 percent cases visit is made within last 7 days while 62.1 percent cases visit is made within last one month. Among those who are not satisfied over the present intensity of visit, 15.1 percent respondents want that the SMC Sales Officer visit their outlet after every 7 days whereas 94.4% respondents want the Sales Officer to visit once a month.