

Social Marketing: A Success Story in Bangladesh

Mahbubur Rahman, MA, MBA¹ and

Toslim Uddin Khan, MA, MSS, MBA²

Social Marketing Company (SMC) is the largest privately managed social marketing organization in the world for a single country. It is a significant contributor to the reproductive and child health services in Bangladesh. The on-going social marketing programs of SMC include family planning, child health, disease prevention and maternal and neonatal health. SMC's mission is to improve the quality of lives of vulnerable and less privileged population primarily in public health issues through sustainable social marketing efforts in collaboration with national and international governments and donors.

Social marketing is the application of commercial management techniques for popularizing and selling products and services that offer clear benefits to the people at prices they can buy. Thus, easy accessibility through wide availability and high affordability forms the key element of social marketing. The model of social marketing SMC adopted and continues to practice has two components - multi-strategy communications for initiating desired behavior change, and suitable, affordable, readily accessible product and service for sustaining the changed behavior using the techniques of commercial marketing.

Because of its remarkable success and its sheer size, social marketing in Bangladesh has become a model of best practices and attracted international attention. Two premier USA based graduate schools of business included the case study on social marketing program in Bangladesh in their curricula, which is an entire chapter of the renowned book titled "*Let Every Child Be Wanted: How Social Marketing Is Revolutionizing Contraceptive Use Around the World*" written by Philip D. Harvey. The case on SMC is also included in the "*Asian Marketing Casebook*" written by Noel Capon and Wilferied R. Vanhonacker. SMC is ISO 9001-2000 certified company. The company is awarded International Star Award for Leadership in Quality (ISLQ) in 2008 by the Business Initiative Directions (BID) a Madrid-based business organization committed to build better business reputation worldwide.

Contribution of SMC to the National Program

Social marketing of contraceptives and ORS has proven to be a major contributor to achievement of the health and population objectives of the Government of Bangladesh.

Population science experts used three critical measures of contraceptive effectiveness - Total Fertility Rate (TFR)³, Couple Year of Protection (CYP)⁴ and Contraceptive Prevalence Rate (CPR)⁵. Between 1975 and 2007, the total fertility rate of the country dropped from 6.3 to 2.7, and the overall contraceptive prevalence rate among currently married women rose from 8 percent to 56 percent, with modern contraceptive use at 48 percent (BDHS, 2007). SMC is significantly contributing in the modern contraceptive methods to achieve national contraceptive goals. BDHS shows that 35 percent of the modern contraceptive users use SMC brand contraceptives (four out of ten pill users, six out of

¹ Head of Marketing, Social Marketing Company

² Head or Research and MIS, Social Marketing Company

³ The average number of children that would be born alive to a woman (group of women) during her lifetime

⁴ It is estimated that one CYP is provided by 150 condoms or 15 oral pill cycles or 4 vials of injectables.

⁵ Contraceptive prevalence rate is defined as the percent of Married Women of Reproductive Age using family planning method.

ten condom users and two out of ten injectables users use SMC brand). According to the Consumers Retail Audit, SMC brand condoms have 81 percent share of the retail market while SMC brand OCP have 90 percent of retail market share (ACNielsen, 2008). SMC distributes approximately 100 million pieces of condoms, 40 million cycles of oral pills and one million vials of injectables annually throughout the country.

ORSaline was launched in late 1985 to enhance the availability of ORS to address mortality and morbidity due to diarrhea among under 5 children in Bangladesh. The usage of packaged ORS in diarrhoeal cases among the under five children has increased from 61 percent in 2000 to 77 percent in 2007 (BDHS, 2007). According to the Consumers Retail Audit, ORSaline-N brand of SMC is the market leader of ORS retail market with more than 59 percent share (ACNielsen, 2008). SMC distributes approximately 180 million sachets of ORS yearly throughout the country.

Evolution of Social Marketing Company

The concept of social marketing came to Bangladesh in 1974 when the social marketing project was initiated to challenge rapid population growth by making contraceptive products widely accessible at a price affordable to the general people. The project was initiated by a US-based non-profit organization Population Services International (PSI) in agreement with the Government of Bangladesh (GOB), and with funding from United States Agency for International Development (USAID).

In 1990, the project transformed into Social Marketing Company – a not-for-profit private limited company, and since being operated under a voluntary Board of Directors consisting of eminent personalities with private and public sector expertise in different fields. From 1997, SMC had been the social marketing partner in the USAID funded National Integrated Population and Health Program (NIPHP) under a Cooperative Agreement. After end of NIPHP, SMC signed a new Cooperative Agreement with USAID as a partner of USAID Bangladesh Health and Population Program (UBHPP) effective from January 2008.

Sales and Distribution Network

SMC has one of the most established, extensive and efficient distribution networks in Bangladesh. Nationwide coverage is carried out through twelve offices located in major division and district towns of the country. This enables SMC's a little over 100 men-strong sales force to distribute products to the far-flung outlet promptly and regularly. On an average, about 223,000 outlets are served by SMC sales force each year of which approximately 35 percent are pharmacies and the rest are non-pharmacies including grocery stores and kiosks. Stocks at the sales offices are replenished through large delivery trucks at scheduled intervals. The sales force cover the territory by SMC's fleet of delivery vans, motorbikes and boats whenever necessary.

In order to ensure efficient and secured storage of all SMC products, SMC has constructed a central warehouse (CWH) and a packaging unit located at Bhaluka, Mymensingh in 2008. The CWH is constructed with necessary warehousing needs like adequate passageway for transporting goods, ventilation, natural light or scope for increasing artificial lighting, optimum space areas for stacking goods as per standard storing guidelines.

The widespread sales and distribution efforts of SMC contributed to make its products widely available in the retail outlets across the country. The product availability study showed that 84 percent of the retail pharmacy outlets have at least one SMC brand of Oral Contraceptive Pill (OCP) while 82 percent pharmacy outlets have at least one SMC brand of condom and 91 percent pharmacy outlets have at least one SMC brand of ORS. In addition to pharmacy outlets, SMC sales condom and ORS in

the non-pharmacy outlets as a strategy to increase accessibility and availability of the products. One in every five non-pharmacy retail outlets of the country has SMC brand condom and more than two in every five non-pharmacy retail outlets have SMC brand ORS countrywide (Pathway, 2007). The Table 1 shows the availability of SMC products in the retail outlets.

| Table 1: Availability of SMC Brand OCP, Condom and ORS by Pharmacy and Non-pharmacy Retail Outlets (in percentage) | | |
|---|-----------------|---------------------|
| Brand | Pharmacy | Non-pharmacy |
| At least one SMC brand OCP | 84 | na |
| At least one SMC brand Condom | 82 | 21 |
| At least one SMC brand ORS | 91 | 44 |
| <i>Number of Outlets</i> | 2400 | 4800 |

Use of Innovative Communication Channel for Strategic Behavior Change

When social marketing began in Bangladesh, many were skeptical about the feasibility of large-scale information dissemination and advertising of contraceptive products. They were skeptical mostly for three reasons. First, Bangladesh is predominantly Muslim society in which reproductive health was not openly discussed. Second, much of the population was illiterate at that time with limited access to media. Third, the majority of the population was very poor and there were doubts that people could be persuaded to purchase contraceptives when these supplies were available free from other sources.

To address the prevailing formidable situation in the mid seventies, SMC launched a strong and innovative communication program to facilitate and sustain behavior changes towards family planning and contraceptive use. The program is now recognized worldwide for its creative use of innovative channels to communicate generic family planning and health messages and to promote sales of branded products. All modern mass media communication channels including regional and national radio, television, and print media were being utilized from the very beginning. The products have been advertised on billboards, signs, buildings, water tanks, shop boards and banners, rickshaws, shopping bags, at sporting events, and through free promotional distribution. Riverboats carried Raja Condom logos on their sails.

The Mobile Film Program (MFP) is a hallmark of social marketing in Bangladesh, and a major factor in making SMC the largest social marketing program in the world. The mobile van fleet presents audio-visual shows that reach hundreds of thousands in rural areas with education on health issues and advertisements of SMC's products. A recently conducted study on MFP showed that 63 percent of the MFP viewers have learned new information on family planning, 53 percent learned new information on STD/AIDS and 32 percent learned new information on women trafficking watching mobile film program (MRC-MODE, 2007).

The pharmacists and non-graduate medical practitioners are one of the major sources of health information and prescriber of medicine, particularly in rural and semi-urban areas. As a part of the comprehensive communication strategy, SMC provides training to approximately 17,000 health providers annually to strengthen their knowledge and skill in order to offer better over-the-counter services including counseling.

Brands as Demand Drivers

Market segmentation, effective positioning and brand development efforts continue to be a major part of SMC's strategies, and the company now provides a diverse range of pills and condoms targeted at

specific market segments and supported with brand-specific advertising and promotion. The efforts have significantly contributed to increase brand awareness and brand loyalty among the target population. For example, Raja condom was introduced in 1976 and ultimately became synonymous with the word “condom” in Bangladesh with huge advertising and promotional efforts over the last 32 years. A study on Use of Contraceptive Among the Poor Couples in Bangladesh conducted by ACNielsen explored the reasons for using SMC OCP among the current SMC brand OCP users. About 61 percent SMC brand OCP contraceptive users mentioned the reason as it suits with body while 13 percent mentioned it is widely available, 8 percent mentioned that it is a good quality brand, 9 percent mentioned husband purchases it and 2 percent mentioned that they purchase it due to its lower price (ACNielsen, 2008).

SMC sells its contraceptive product brands by positioning them at appropriate market segments. Target market for Raja and Hero condoms and Femicon and Femipil OCP are the lower income population. SOMA-JECT injectable and Panther condom are for the lower-mid level of the market, while Sensation and U&ME condoms, Minicon (progesterone only pill) and Nordette-28 oral pills are positioned at the slightly upper mid segment of the market. ORSaline-N, Monimix and safe delivery kit are positioned for all segments of the market. Table 2 shows different SMC brands with year of launching:

Table 2: SMC brands, year of launching, and its positioning in the market.

| Products | Brand | Year of Launch | Positioning |
|-------------------------|---------------------|----------------|--------------------------|
| Oral Contraceptive Pill | Nordette-28 | 1995 | Upper and middle segment |
| | Femicon | 1996 | Lower segment |
| | Femipill | 2008 | Lower segment |
| | Minicon | 2000 | All segments |
| | SOMA-JECT | 1999 | Lower and middle segment |
| Injectable | Raja | 1976 | Lower segment |
| | Panther | 1983 | Middle segment |
| | Sensation | 1992 | Upper segment |
| | U&ME | 2005 | Upper segment |
| | HERO | 2006 | Lower segment |
| ORS | ORSaline/ORSaline-N | 1983 | All segments |
| | ORSaline Fruity | 2003 | Upper segments |
| Micro nutrition | Monimix | 2008 | All segments |
| Safe Delivery Kit | Safety Kit | 2008 | All segments |

Knowledge Attitude Practice and Perception (KAPP) Study on OCP shows that the Married Women of Reproductive Age (MWRA) have a wider level of awareness of SMC brand OCP. Eight out of ten MWRA know Femicon brand while about half of the MWRAs know Nordette-28 brand. Those couples who know the brand have a very high level of quality perception regarding brand. Eighty-five percent of the MWRA who know Femicon brand mentioned that the brand is either very good or good while 92 percent of the MWRA who know Nordette-28 brand told that it is either very good or good quality OCP (RCS, 2007). Table 3 shows the quality perception on SMC brand OCP among the MWRA who know the brand:

Table 3: Quality Perception on SMC Brand OCP among MWRA who know the brand

| Response | OCP brand of SMC | | |
|------------------------|-------------------------|--------------------|----------------|
| | Femicon | Nordette-28 | Minicon |
| Very good | 14.8 | 10.6 | 30.3 |
| Good | 71.3 | 81.3 | 36.9 |
| Not so good not so bad | 5.4 | 3.3 | 12.9 |
| Not good | 1.9 | 0.8 | 1.0 |
| Don't Know | 6.4 | 4.1 | 18.8 |
| Number of MWRA | 2045 | 1597 | 287 |

Blue Star Social Franchising Program: Involvement of the Private Practitioners in the Public Health Priority Areas

The Blue Star Program is an all out effort to bring the private sector health service providers (both graduate and non-graduate medical practitioners) into the public health program. The program works through a network of 3600 private medical practitioners. The purpose of this program is to address the unmet need of the target population by improving quality, awareness, accessibility, and affordability of priority public health services through the private health providers. SMC provide comprehensive training, commodity supply, promotional support and supervision & monitoring to these Blue Star Providers. A Program Evaluation Study interviewed 1379 private sector health service providers – half of them were Blue Star Providers and the rest half was not affiliated with the Blue Star Franchising. The study reveals that knowledge level on contraception of Blue Star Providers is significantly higher than the non Blue Star Providers. For example, around 41% of non Blue Star providers have no knowledge on the side effect of injectable while the rate is less than one percent for Blue Star Providers (RCS, 2006).

Currently injectable contraceptive is given along with other health services through this network. Next to the OCP, injectable is the most popular temporary contraceptive method in Bangladesh. According to Bangladesh Demographic and Health Survey (BDHS) 2007, 7% of the eligible couples are using Injectable contraceptive compared to 2.6% in 1991. As BDHS 2007 shows, one out of five injectable users collect their supplies from private medical sector - graduate and non-graduate medical practitioners and pharmacies, which are considered as the outlets of Blue Star Franchising Program.

Social Marketing of Micronutrient Product: A New Avenue in Child Health Program

SMC has launched its Micronutrition program in Bangladesh through introduction of "MoniMix" - a branded micronutrient powder for simple and convenient in-home food fortification of complementary food to address childhood Iron Deficiency Anemia (IDA) in May 2008. Objective of the micronutrient program is to help improve nutritional status of under-five children, particularly of those with childhood IDA, to increase knowledge and awareness among parents and health service providers about the importance of micronutrient containing food and adequate dietary intake, and to promote exclusive breastfeeding and proper complementary feeding of nutrition rich foods.

A KAPP study on Home Fortification of Complementary Food among the parents and caregivers of the children under 5 years found that nearly half of the respondents (47 percent) mentioned that they are aware about IDA while the rest (53 percent) admitted their complete ignorance on the issue

(ACNielsen, 2008). The findings of the study strongly justify the comprehensive awareness creation campaign on Micronutrition in general and IDA in particular which SMC has started.

SMC Factory: Manufacturing ORS to Ensure Product Security

In order to ensure the security of ever increasing demand of pre-packaged ORS, SMC has established its own very modern ORS manufacturing facility in 2004. This facility has certainly released SMC from complete dependency on contract manufacturers. The annual ORS production capacity of the factory is around 200 million sachets, and the factory produced 176 million sachets of ORSaline-N in FY 2007. The SMC factory complex is situated on 5.9 acres of land at Bhaluka on the Dhaka-Mymensingh highway. The factory complex includes raw materials and finished goods store, production unit, quality control labs, services and administration units. Machinery and equipments of the SMC factory are of latest technology and in particular, the sachet machine is state-of-art.

The Future: Journey Towards Sustainability

SMC is seeking to increase its contribution to the achievement of national health objectives through significant expansion in the services it provides and the products it sells, while enhancing its organizational sustainability through increased revenues and improved management. Over the past years, SMC has steadily improved its cost recovery, which was 74 percent in 2007. Eventually, SMC endeavors to become a self-reliant social marketing company with minimum level of donor assistance. However, the products that are positioned for the lower segment - one condom, one pill and one injectable - would continue as a part of SMC's social commitment to serve the less privileged and vulnerable groups.

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