

Overview of USAID's N-MARC Project

June, 2008

N-MARC Overview

Building on a Strong Foundation

- An encouraging level of awareness and demand for FP/RH, MCH and HIV/AIDS products/services
- Commercial/private sector willing and ready to partner to fulfill unmet demand
- Extended history of successful implementation of social marketing programs
- Strong potential leadership among local social marketing organizations

Goal of N-MARC

- Expand the depth, reach, and impact of FP/RH, MCH, and HIV/AIDS prevention products and services among low socio-economic populations through sustainable social marketing and social franchising programs

N-MARC's Strategy

- Build on 30 years of USAID/Nepal's investment in social marketing in Nepal
- Conduct generic communication campaigns to build 'total market' demand for products
- Stimulate commercial sector investment through a matching funds programs
- Provide quality technical and management support to local partners to implement
 - Does **NOT** implement directly
- Enhance independence of social marketing organizations and local ownership of private sector activities



Key Product Areas

N-MARC will not introduce its own brands, but will build on existing socially marketed brands in Nepal and stimulate the introduction of new brands by Nepali/multi-national companies

HIV/AIDS
Prevention

- Male condoms
- Latex female condom

Family
Planning/
Reproductive
Health

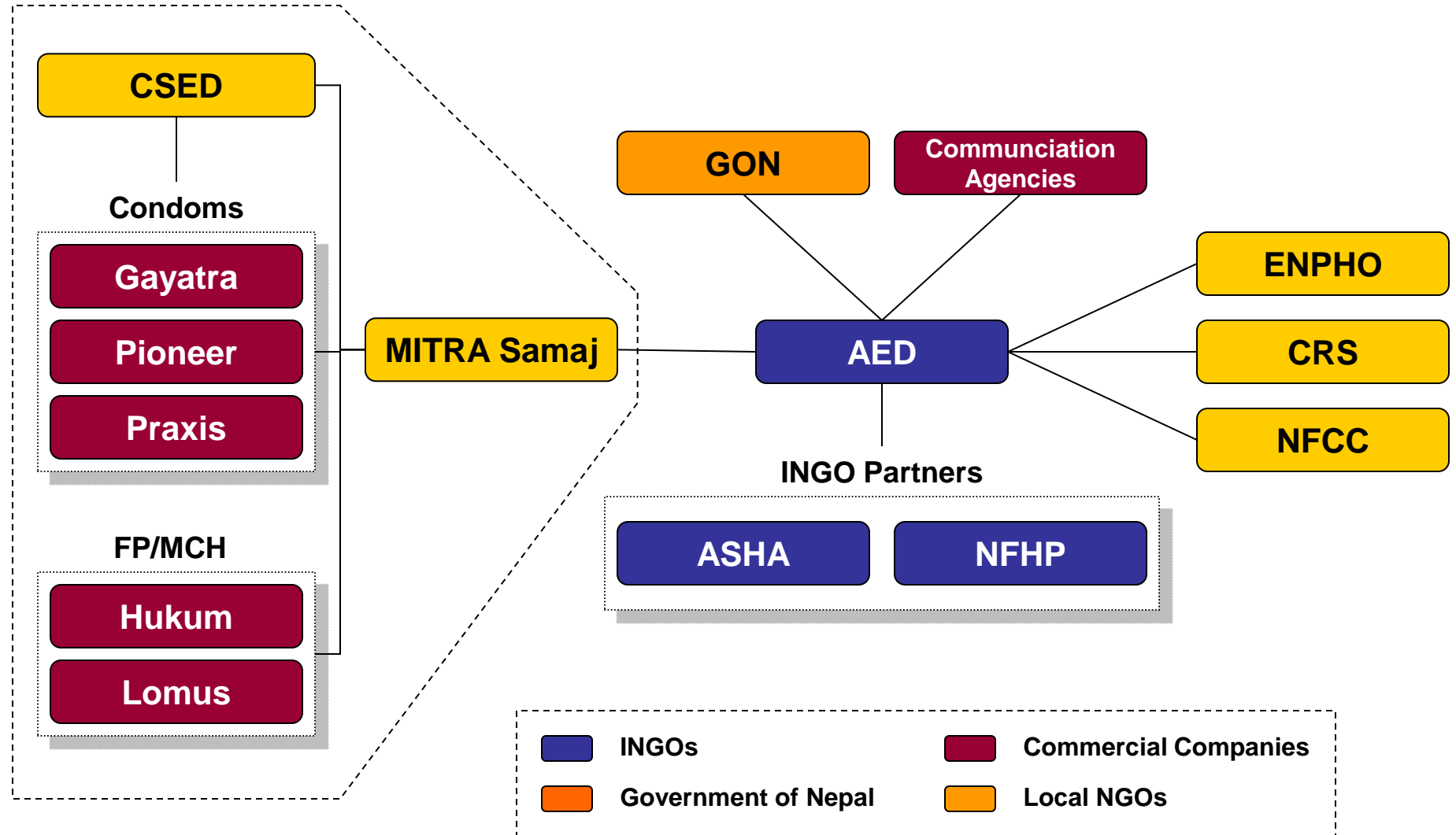
- Oral Contraceptives
- Injectable Contraceptives
- Long-term Methods (IUD and Norplant)
- Emergency Contraception

Maternal &
Child Health

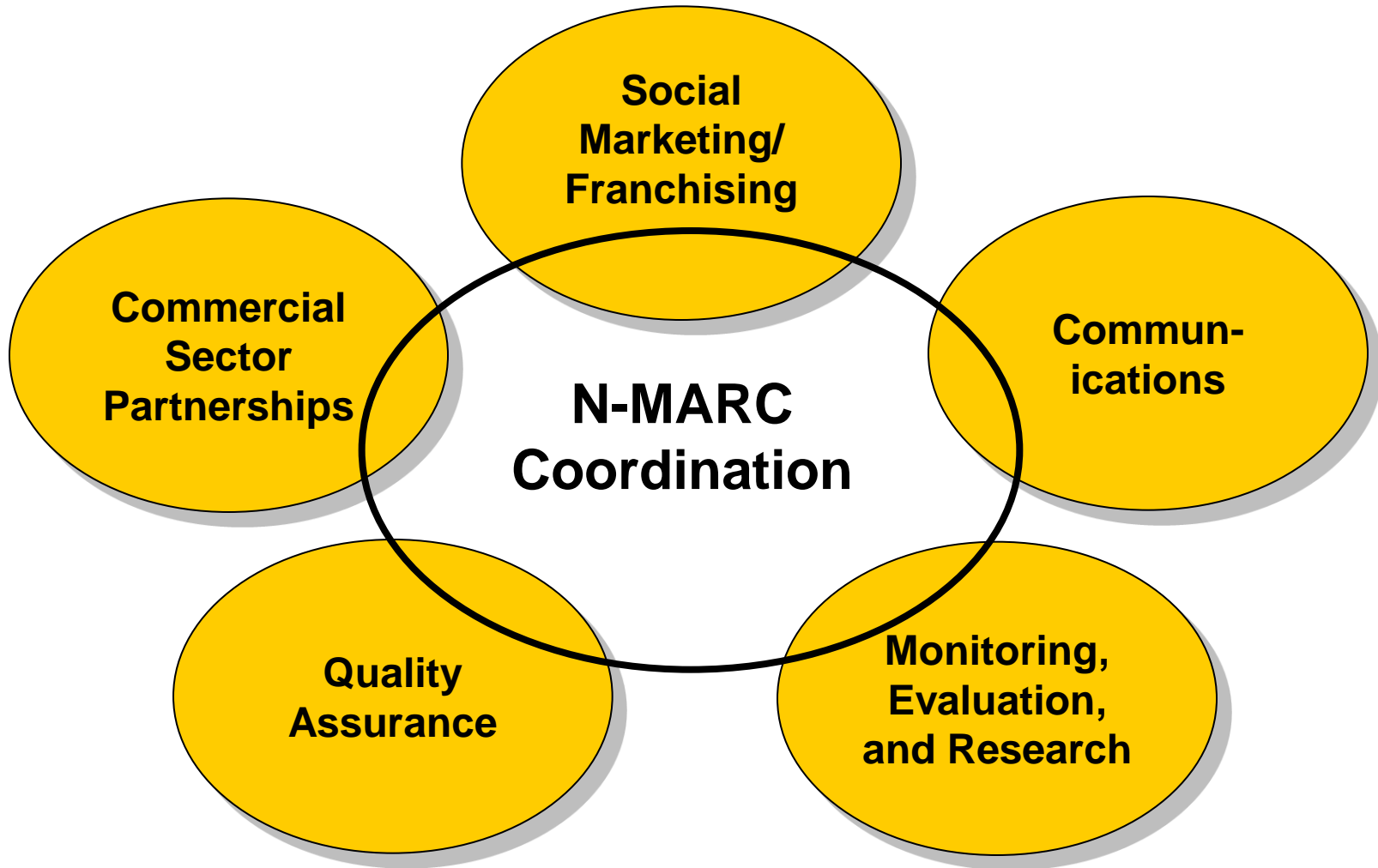
- Clean Delivery Kits
- Oral Rehydration Therapy
- POU chlorine solution



N-MARC Partnership Dynamics



Key Program Functional Areas



Anticipated Impact of N-MARC

- N-MARC will work with the commercial sector, NGO/CBO sector, and public sector to achieve the following

1

Equity

Increase the supply of FP, MCH, and HIV products among at-risk, poor, hard-to-reach and vulnerable populations

2

Commercial Viability

Develop sustainable 'total market' of products through innovative cost-recovery and cost sharing mechanisms

3

Sustainable Public Health Impact

Expand commercial market to meet needs of more of Nepal's at-risk population, reducing burden on public sector, and allow more targeted donor investment

Snapshot of Progress

1

Equity

- CYP generation on track to exceed forecast this year
- Targeted condom promotion & distribution in 'hot zones'
- Current push uphill (direct marketing, women's groups)

2

Commercial Viability

- Matching funds program established; 5 companies enrolled
- Price increases (25-125%) for SM products

3

Sustainable Public Health Impact

- CRS pioneering approaches to reach BOP
- Partnership with the commercial sector
- Ongoing corporate sector involvement (BofK)



Commercial Sector Strategy

Social marketing through business alliance with commercial sector

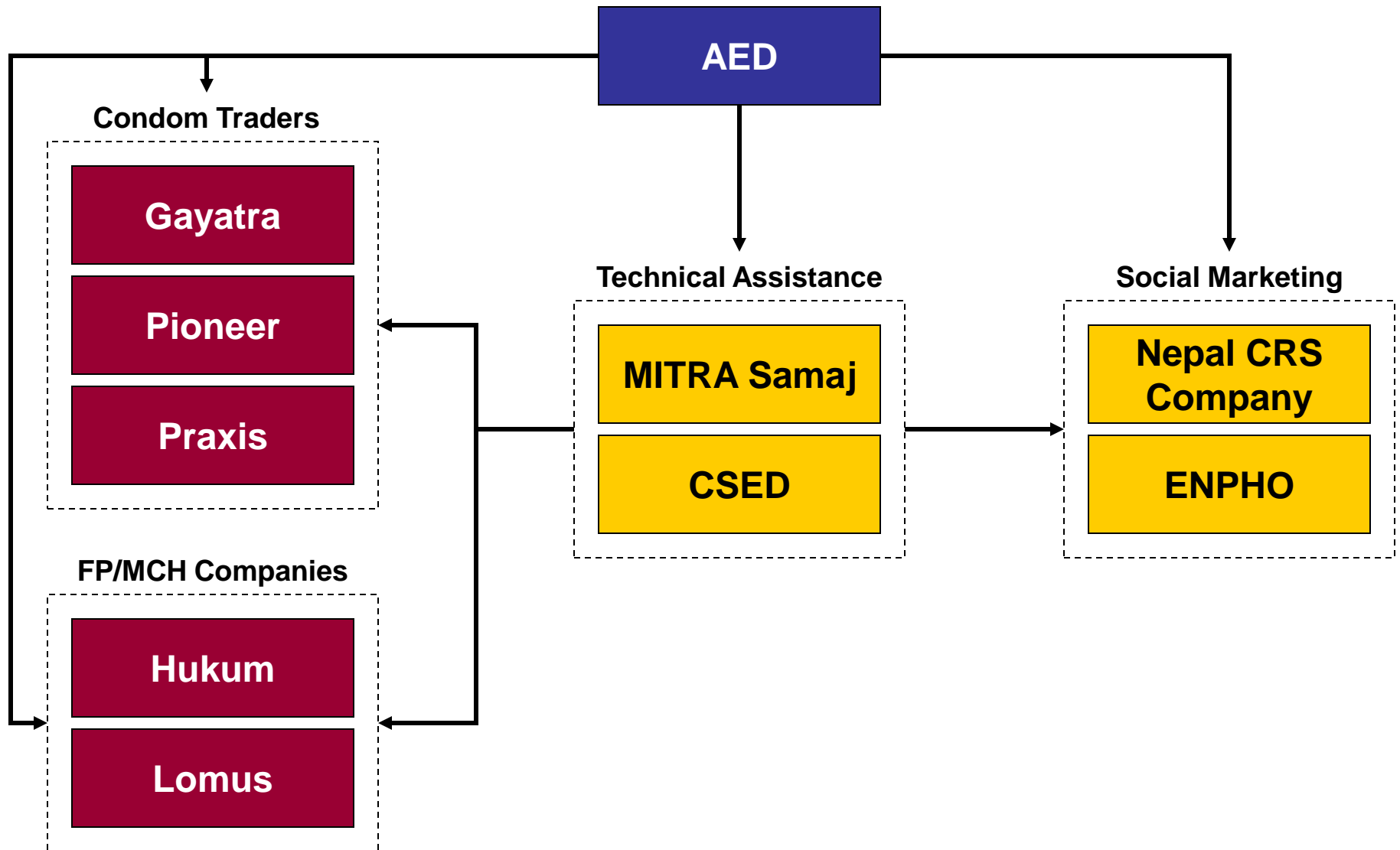
Goal

Enhance the role of commercial sector to complement and supplement **national** effort in meeting overall country demand for **condoms, with a particular focus on expanding commercial sector presence in high-risk areas**

Strong Rationale and Premise

- Existing efforts to confront HIV/AIDS focused on consumer choices, correct and consistent condom usage
- Need to move towards self sufficiency
- Build cross-sector partnership through leadership, technical assistance and strategic investments

Overall Commercial Sector Partnerships Framework



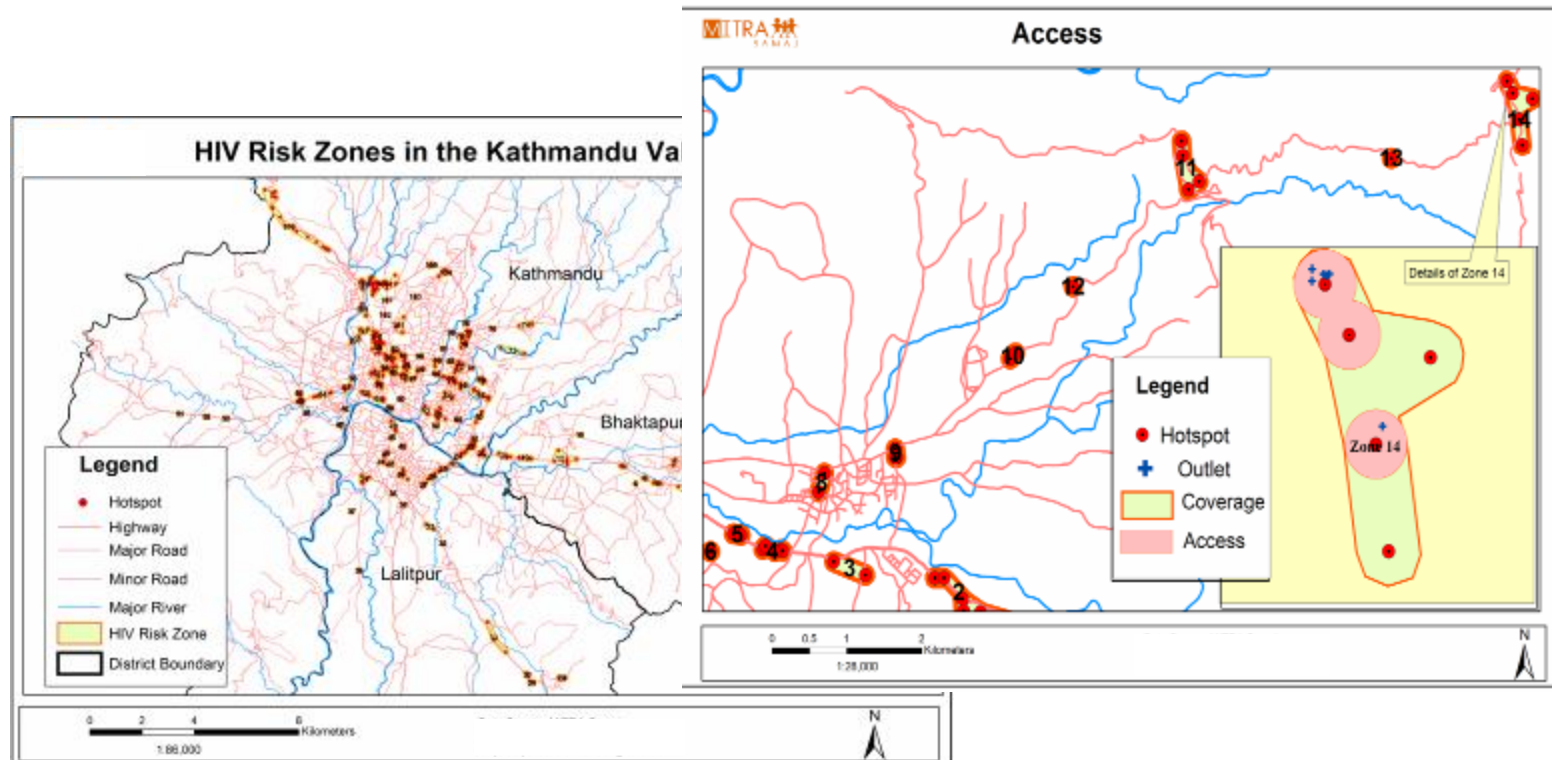
Strategic Approach

- **Matching funds**
 - Stimulate condom traders to increase investment and resources
 - 1 to 1 matching ratio on marketing & distribution investment
 - Traders responsible for own product procurement
 - Stimulation of new product introduction
- **Besides financial resources, N-MARC provides technical assistance:**
 - Sensitization to public health in Nepal
 - Refining and developing marketing strategies
 - Brand rationalization/new products
- **Market research support**
 - Quarterly reviews of retail market survey data
 - GIS mapping for targeted activities
 - Sales tracking



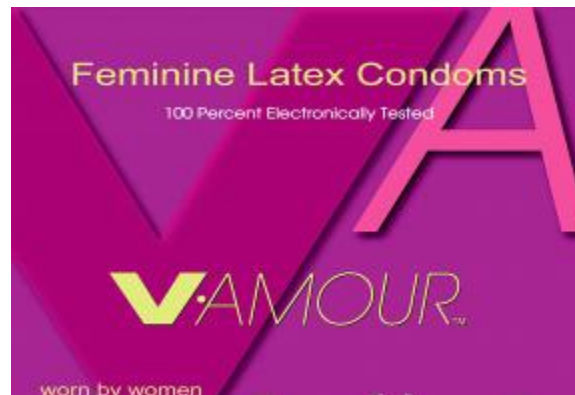
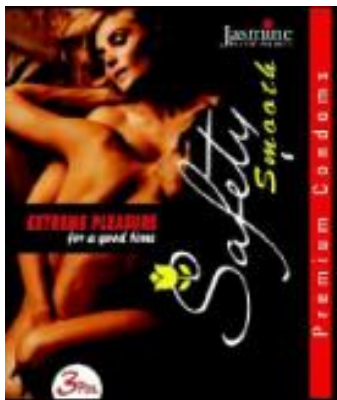
Using GIS Mapping for Targeting Marketing & Distribution

- GIS mapping can help us to target marketing and distribution efforts within high-risk areas
 - Designed to be audience-centered (e.g. all outlets, all brands)
 - To be conducted nationally on an annual basis, and shared broadly



Results for Condom Partnership

- Traders enrolled
 - Three partnerships established for condoms, resulting in addition of brands
- New brands launched
 - Four new brands launched since partnership initiated, including one targeting women
 - One company launched latex female condom





Results for Condom Partnership (cont.)

- Increased promotional & distribution activities from commercial sector, particularly among high-risk groups
- Enhanced product choice to consumers
- Increased accessibility in high-risk areas
- Capacity building of commercial partners
- Increased investment in new brands



Results for Condom Partnership (cont.)

Increased investment from commercial sector

	AED support (\$)	Partner Investment (\$)	Ratio
Praxis	42,873	216,694	1:5
Gayatra	41,132	138,787	1:3
Pioneer	11,784	23,841	1:2
TOTAL	94,788	379,321	1:4

Results for Condom Partnership (cont.)

Sales, in Units

	Jul 06-Mar 07	Jul 07-Mar 08	% Growth
Praxis	1,080,000	1,577,697	46%
Gayatra	1,875,000	3,590,706	92%
Pioneer	-	347,880	N/A

Number of Outlets

	Jul 06-Mar 07	Jul 07-Mar 08	% Growth
Praxis	2,400	2,900	21%
Gayatra	2,500	3,000	20%
Pioneer	N/A	N/A	N/A

Insight gained from condom partnership

- Maintain flexibility & ability to adapt to various commercial business cultures
- Ensure strong operational processes and marketing plans
- Lobbying for political support to include private sectors in development
- Capturing impact on private sector, above and beyond sales
- Balancing increasing sales and expanding coverage into hard-to-reach areas

The Road Ahead

- Continue to invest (on matching funds basis) in commercial sector condom partners
- Phase II of commercial sector partnership strategy initiated
 - Broad focus of all FP/RH and MCH products under N-MARC mandate
 - Two pharmaceutical companies identified and contract negotiation complete
 - Key results anticipated
 - Expansion of ORS marketing and distribution; introduction of I-Pill
 - First locally-manufactured oral contraceptives (COC, POP, ECP)

