India: Population Programme Social Marketing

Ex-post evaluation

OECD sector	13030 / Family Planning	
BMZ project ID	1994 65 170	
Project-executing agency	Population Services International (PSI) Parivar Seva Sanstha (PSS)	
Consultant	./.	
Year of ex-post evaluation	**2004**	
	Project appraisal (planned)	**Ex-post evaluation (actual)**
Start of implementation	Q 3 1994	Q 4 1997
Period of implementation	4 years	4.5 years
Investment costs	EUR 12.68 million	EUR 18.55 million
Counterpart contribution (Indian government)	EUR 2.4 million	EUR 7.4 million
Financing, of which Financial Cooperation (FC) funds	EUR 7.67 million	EUR 7.67 million
Other institutions involved (sales proceeds)	EUR 2.65 million	EUR 3.48 million
Performance rating	4	
Significance / relevance	4	
Effectiveness	3	
Efficiency	3	

Brief Description, Overall Objective and Project Objectives with Indicators

The overall objective of the programme is to contribute to the reduction of the birth rate in India, whilst ensuring individual freedom of choice in the method of family planning. In the medium and long-term, the programme is to contribute to the reduction of infant, child and mother mortality. In addition, it contributes implicitly to the reduction of infections with HIV/AIDS and sexually transmitted diseases. The objective of the programme is to improve the target groups' access to contraceptives. The latent demand for contraceptives is to be stimulated and satisfied through education campaigns and publicity.

The programme comprised the consolidation, continuation and extension of the social marketing of condoms and oral contraceptives in the Indian states of Rajasthan, Madhya Pradesh, Maharashtra, Himachal Pradesh and West Bengal. Under a pilot measure implemented in Maharashtra, the programme also aimed at improving the supply of oral rehydration salts to treat diarrheal diseases. It was carried out by the following project-executing agencies: Population Services International (PSI) and Parivar Sewa Sanstha (PSS), both of them social marketing organisations.

Project Design / Major Deviations from the original Project Planning and their main Causes

Under the programme, PSS and PSI perpetuated, consolidated and extended the social marketing campaigns to extend the use of condoms and oral contraceptives in the states of Rajasthan, Madhya Pradesh, Maharashtra, Himachal Pradesh and West Bengal, as well as the commercialisation of oral rehydration salts (ORS) in Maharashtra.

Social marketing programmes make use of methods developed in the commercial sector, like for instance development of brand names, marketing campaigns, research and development, distribution, franchising, services networks, etc. in order to achieve social goals. Sensitisation and educational messages play a vital role in the context of family planning and HIV/AIDS. Social marketing products distributed along private distribution channels (kiosks, pharmacies, street vendors) are subsidised so that lower income groups can afford to buy them.

Compared to social marketing programmes in other countries, some particularities were noted. Firstly, the high financing share of the Indian state which was used to buy contraceptives from Indian companies and also handled through public institutions. Secondly, there is the extension of the programme over five Indian states with a total population of 300 million which could possibly limit the significance of the programme. Furthermore, the implementation of the programme by two project-executing agencies (PSI and PSS) is a particularity that did not necessarily contribute to efficiency due to the doubling of distribution channels in Rajasthan, where both agencies became competitors. This was changed already in phase II of the programme whose implementation has recently started.

The following measures were planned and, for the most part, carried out accordingly.

- Procurement and distribution of 292 million condoms, 8.3 million pill cycles and 1.4 million pouches of oral rehydration salts (revised numbers from 1999).

- Maintenance and extension of the distribution system, including the recruitment of new wholesalers and retailers as well as implementation of efficient marketing and sales strategies.

- Intensification of public relations work and fortification of the education campaigns, especially in the urban peripheries and the rural areas.

- Purchase of programme-related vehicles and communication materials, renting of office space.

The distribution network was extended considerably by both organisations. PSS extended the network of retailers from approx. 11,000 (1998) to almost 30,000 (2001). The number of wholesalers doubled in the same period from 36 to 70. In June 2004, PSI had established a network of 540 wholesalers and 111,000 retailers in the three project states. In Phase 1 sales were conducted mainly through so-called “traditional” outlets, through druggists. PSS sold 65% of their condoms and 75% of their contraceptive pills via these channels. The numbers displayed by PSI are supposed to be similar, even though efforts have been made in the last few years to diversify the type of the sales outlets, so that today only 40% of PSI’s sales are channelled through druggist, while 43% of the products are sold through the retail industry and the rest through other institutions like medical practices, health centers, kiosks, etc. Products were sold mostly in urban centres and urban peripheries where larger sales volumes

could be achieved more easily than in the rural areas. Only after the interim evaluation had been carried out, distribution was given a new orientation.

Other programme measures consisted in intensifying public relations campaigns and educational measures, especially in the urban peripheries and in the rural areas. Both institutions prepared and implemented the public relations campaigns professionally. In these campaigns, a huge range of advertising material was used, ranging from television spots to adverts and billboards up to advertising material distributed by sales people to the sales outlets (posters, illuminated advertising, etc.). Up to now, however, advertising campaigns have concentrated on product advertisements, while generic advertising campaigns to influence attitudes and behaviour as well as interpersonal communication (e.g. information events for small groups, personal consultations with the doctor) have hardly been used. Although the programme focusses first and foremost on family planning, HIV/AIDS prevention activities have also been carried out, though to a lesser extent. PSI started carrying out measures aiming at behavioural change of prostititutes and their clients in Mumbai/Bombay and of lorry drivers on highways in Rajasthan. Furthermore, it published a newsletter on the HIV/AIDS problem, financed from German FC funds. PSS also implemented some smaller measures in Calcutta's red light district.

Key Results of the Impact Analysis and Performance Rating

There are no recent figures available on the use of contraceptives and their impact on the demographic development. Reference data date from the last national population and a health survey which had been carried out in 1998/99. Between 1998 and 2002, surveys carried out on a regular basis among retail businesses showed that in three of five states in which the programme had been implemented, sales of commercially marketed condoms decreased in the same proportion as sales of socially marketed condoms increased. Thus, on the whole, no significant expansion of the market and/or the demand could be achieved, but rather there was a crowding out effect. In Rajasthan, the development of the entire market was even slightly negative between 1998 and 2002.

Theoretically, the crowding out of the commercial brands may have been caused by the distribution of free condoms. Nevertheless, it is generally acknowledged that a considerable part of condoms (officially recognised are at least 30%) is not used for the proper purpose. There is no month without new scandals on the use of freely distributed condoms in weaving machines or in the road construction business. The range of use of the free products varies between 20 and 70% so that it is difficult to take them into serious consideration. In addition, the sales outlets are different: on the retail market, socially marketed condoms are sold through the same distribution channels as commercial products, whereas free condoms sponsored with public funds are distributed through public health care institutions. This means that now, instead of bying the cheaper socially marketed condoms whilst doing the normal shopping in the drugstore, customers have to go to the health care centres, wait there and enter their name in a list in order to get contraceptives. Last but not least, the socially marketed programme aimed at the crowding out at the retail level, so that it is reasonable to assume that social marketing condoms have replaced primarily commercial condoms and not the freely distributed ones.

The programme reached the rural population in the years 2001/2002 with a proportion of total sales of 24% (PSI) and 30% (PSS). The rest of the contraceptives were sold in the urban peripheries and rural areas. The products are affordable also for the poorer

beneficiaries. As this holds true also for condoms sold by the private sector, it is not easy to identify the customer segment which the programme actually covered. It is clear that the HIV component, which aimed at sensitising the different risk groups, reached the poorer parts of the population due to its communication campaigns. Overall, the programme has direct poverty relevance.

In total, the provision of reversible contraceptives and the contribution to the modernisation of the gender roles helped to improve women's status in society.

In general, according to our developmental assessment, the programme has a slightly insufficient degree of developmental effectiveness (rating 4). The summarised assessment of the developmental effectiveness is based on the following key criteria:

We rate the effectiveness of the programme as sufficient (rating 3), because the contraception effect (couple years of protection/CYP) of the programme was, on the whole, higher than targeted, even though the targets concerning condoms and oral rehydration salts were not met by a narrow margin.

	Indicator 1994	Indicator 1999	Total number of sales	Achievement of goals (%)
Condoms (pieces)	164 million	292 million	272 million	93%
Pills (cycles)	6.7 million	8.3 million	11.2 million	134 %
Oral Rehydration Salts (pouches)	10.7 million	1.37 million	1.12 million	82%
Couple Year of Protection (CYP)	1.88 million	2.50 million	3.13 million	125 %

We classify the programme's significance/relevance as slightly insufficient (rating 4), because the desired effect of a higher demand for contraceptives was not produced, at least concerning the sales of condoms in the project states, and therefore, no positive contribution to the lowering of the fertility rate can be expected. There was an increase in sales of socially marketed contraceptives. But according to surveys carried out among retailers, the sales of commercial brands decreased approximately in the same proportion as the market share of socially marketed condoms increased during the implementation of the programme. Due to the substitution effect we assume that the overall impact of the social marketing of condoms has been rather ineffective. In addition, the crowding out of the private sector due to social marketing activities has had a negative impact on the sustainability of the sector. As far as pills are concerned, there has been a positive impact in the sense of a market expansion.

We classify the programme's efficiency as sufficient (rating 3). In terms of production efficiency, with 5.93 EUR/CYP the programme shows a good result compared by international comparison. We judge the overall cost coverage ratio to be satisfactory. The programme's wide distribution over five states (with two competing social marketing organisations in Rajasthan) tended to have a negative effect on cost efficiency. Microeconomic efficiency, however, is being lowered by the negative impact on macroeconomic efficiency (crowding out of a sustainable private sector through subsidised products), which cannot be quantified, so that overall efficiency can be classified only as sufficient.

Note: The negative rating of the significance cannot be compensated by other key criteria.

Lessons learnt

To improve the significance/relevance, project areas are to be limited geographically, especially if broader parts of the population are to be reached with rather reduced volumes of financing. In the case of social marketing in India, it would be sensible for FC to concentrate on one single state. A broader distribution does not only imply higher costs but also less effectiveness, because it must be assumed that a message must be heard and assimilated several times by the members of the target group before it produces changes in behaviour and attitude. A more intensive impact is not possible if the scarce funds are distributed in too broad a region.

If, due to administrative obstacles, projects only start four or five years after the completion of the original project design, the sector situation and the adequacy of the implementation concept should be revised before the start of implementation, in order to adapt the latter accordingly.

Due to the fact that the Indian government has not yet adopted the new social marketing sector strategy and complains about the growing, hardly financeable volume of subsidies for contraceptives, it would be sensible to review the general orientation of the social marketing approach (and the free distribution of contraceptives) critically in the light of the actual market development.

This holds true especially for the subsidisation and promotion of many brands of condoms, that compete with each other and with the private sector, which has obviously not yielded the expected results so far. Instead, stronger cooperation with the private sector is to be reached.

Legend

Developmentally successful: Ratings 1 to 3	
Rating 1	Very high or high degree of developmental effectiveness
Rating 2	Satisfactory developmental effectiveness
Rating 3	Overall sufficient degree of developmental effectiveness
Developmental failures: Ratings 4 to 6	
Rating 4	Overall slightly insufficient degree of developmental effectiveness
Rating 5	Clearly insufficient degree of developmental effectiveness
Rating 6	The project is a total failure

Criteria for the Evaluation of Project Success

The evaluation of a project's "developmental effectiveness" and its classification during the ex-post evaluation into one of the performance categories described in more detail above concentrate on the following fundamental questions:

- Are the **project objectives** reached to a sufficient degree (aspect of project **effectiveness**)?

- Does the project generate sufficient **significant developmental effects** (project **relevance** and **significance** measured by the achievement of the overall development-policy objective defined beforehand and its effects in political, institutional, socio-economic and socio-cultural as well as ecological terms)?
- Are the **funds/expenses** that were and are being employed/incurred to reach the objectives **appropriate** and how can the project's microeconomic and macroeconomic impact be measured (aspect of **efficiency** of the project conception)?
- To the extent that undesired **(side) effects** occur, are these tolerable?

We do not treat **sustainability**, a key aspect to consider for project evaluation, as a separate category of evaluation but instead as a cross-cutting element of all four fundamental questions on project success. A project is sustainable if the project-executing agency and/or the target group are able to continue to use the project facilities that have been built for a period of time that is, overall, adequate in economic terms, or to carry on with the project activities on their own and generate positive results after the financial, organisational and/or technical support has come to an end.