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on

Availability of SMC Products - 2009

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EXECUTIVE SUMMARY

For more than past thirty years Social Marketing Company (SMC) has been marketing different reproductive health and child health products in order to improve the quality of health. SMC has been conducting Market Availability Studies at regular intervals since 1998 as part of its efforts to understand the market of its own products (OCP, Condom and ORS) more intensely and also to know more about its competitors, old and new ones.

The prime objective of this study was to assess the product availability and market availability status of SMC as well as competitors' products (OCP, Condom and ORS) all over the country, which will help SMC to strengthen their sales and marketing strategies for FY-2010. Total sample for the study was 6036 outlets, where 3010 were pharmacy and 3026 were non-pharmacy. Study also has taken equal proportion of urban and rural sample from both types of outlets. On the other hand, SMC has 12 sales offices all over the country. Finally, 500 samples have been covered from each SMC sales offices. Face-to-face interview has been conducted with pharmacy and non-pharmacy sales man/owners.

Availability of OCP: Femicon was the highest available oral pill brand (82%) in the pharmacies combined all areas followed by Nordette-28 (73%), Ovostat Gold (49%), Femipil (56%), Marvelon (40%), Desolon (6%) and Postinor 2 (2%). There is no significant difference among the proportion of availability of at least any brand of OCP and at least any SMC brand of OCP at outlets (pharma 90% vs. 89% & non-pharma 7% each). Availability of oral pills in the non-pharmacies was only 7 percent nationally with same proportion in rural and urban areas with mostly SMC brands of OCP. It was also observed that 8 percent of pharma and 6 percent of non-pharma did not have any brand of OCP during the survey, and less than 3 percent of pharma and 87 percent of non-pharma did not sell any brand of OCP at all.

Availability of condom: Panther was the highest available brand in the pharmacies (72%) followed by Sensation Classic (60%) and Hero (39%). The other available brands of condom were U&ME Long Love (26%), U&ME Anatomic (21%), Sensation Strawberry (20%), Sensation Chocolate (16%) and Sensation Mint (21%). Other available brands less than 10 percent were Green Love Dotted (8%), Freedom (4%), Carex Dotted (4%) and Care (3%). Availability of condom is quite lower in non-pharmacy outlet as compared to pharmacy. Nationally 16 percent of the non-pharmacies kept Hero, 14 percent kept Panther, 7 percent kept Raja and 8 percent kept Sensation Classic. Study findings indicated that only 28 percent of non-pharmacies kept any brand of condoms and 64 percent of non-pharmacies did not sell condom at all whereas this proportion was 86 and 5 percent respectively for pharma outlets. Remaining 8 percent of non-pharmacies and 9 percent of pharmacies reportedly had gone out of stock at the time of the survey.

Availability of ORS: It is observed that ORSaline-N brand of SMC was the single major brand available in 85 percent of the pharmacies followed by Tasty Saline Universal (56%), ORSaline Fruity (29%), Neo Saline (16%) and Oralsaline Universal (13%). In addition, Saline R and Rice-General Pharma are available around 7 and 5 percent of pharmacies respectively. In metro/urban areas availability of ORSaline-N was slightly better than that of rural (87% against 82%). On the contrary, availability of Tasty Saline Universal was almost equal in rural and metro/urban areas (56% against 54%). There is no significant difference among the proportion of availability of at least any brand of ORS and at least any SMC brand of ORS in metro, urban and rural pharmacies. Similarly, the availability of ORS at non-pharmacy outlets, it was observed that 23 percent of the outlets did not sell any ORS, 69 percent had at least any brand of ORS and rest (8%) stated shortage of supply during the survey. Among the available brand of ORS at non-pharma outlets, the prominent available brand was ORSaline N (49%) followed by Tasty Saline Universal

(49%) and Oralsaline-N Universal (6%). Among other brands ORSaline Fruity was available in about 2 percent of the non-pharmacies.

Availability of MoniMix: SMC has launched Micronutrient program in Bangladesh in 2008 to address malnutrition among under five children specifically Iron Deficiency Anemia (IDA) through in-home food fortification of complementary food with multiple micronutrient powder, MoniMix. Findings reveal that about three-fourth of the respondents are aware about MoniMix and awareness level was quite high in Mymensingh and Chittagong and lowest in Comilla. Nationally 42 percent of the pharma outlet owners/salesman ever sold MoniMix. Finally it was found that MoniMix was available at 32 percent of pharma outlets with highest availability in Khulna and lowest in Barisal. Findings reveal that 73 percent of the respondents did not sell MoniMix as it is less demanded product followed by 19 percent stated this is pharmacy item or there is pharmacy near by who sell MoniMix. Five percent reported they do not sell MoniMix due to irregular supply and 2 percent claimed shortage of capital. There is no significant variation among the urban and rural pharma outlets.

Availability of Zinc: SMC also has Zinc supplementary products and this product is sold from only pharma outlets. Findings reveal that 27 percent of pharma outlets had SMC Zinc tablet whereas this proportion was 59 for Baby Zinc. Highest availability of SMC Zinc was found in Chittagong and lowest in Comilla. It is also observed that urban pharma outlets had better availability of SMC Zinc than rural pharma outlets. Findings reveal that 83 percent of the respondents do not sell Zinc due to less demanded product (urban 85% vs. rural 79%) followed by 13 percent stated this is pharmacy item or there is pharmacy near by who sell Zinc tablet.

Availability of Safe delivery Kit and reasons for not selling safe delivery kit: Regarding availability of safe delivery kit only 4 percent of pharma outlets were found with safe delivery kit and 9 percent didn't had stock right that moment. Findings reveal that 44 percent of the respondents do not sell safe delivery kit due to less demanded product (Urban 47% vs. rural 41%) followed by this product is pharmacy item or there is near by pharmacy was reported by 49 percent of the respondents (Urban 47% vs. rural 52%). In addition, 4 percent claimed about irregular supply and 2 percent mentioned this is higher price product.

Average current stock level and sales of OCP, condom and ORS brands: The average stock level and sales per month (per cycle) of different major brands of OCP were almost double at pharm outlets as compared to non-pharma outlets. The average current stock level of Femicon, Femipil and Nordette-28 were 2-3 times higher both at pharma and non-pharma outlets as compared to other competitor brand of OCP. On the other hand, it is observed that the average monthly sales volume was almost double than the current stock level of OCP cycles irrespective of the type of brands of OCP. The average current stock level (in pieces) and average sales per months (in pieces) of Raja and Hero were quite high and almost similar both at pharma and non-pharma outlets as compared to other brands of condom. The second highest brand of condom in terms of stock level and sales per month was Nirapod and Panther. Stock level of other premium brands (Sensation and U&ME) ranges from 14 to 34 pieces and average sales per month ranges from 34 to 50 pieces at pharma outlets which is about two times higher than the non-pharma outlets. The average current stock level of ORSaline N was 137 and 49 sachets at pharma and non-pharma outlets respectively. Similarly, average current stock level of ORSaline Fruity was 75 and 31 sachet respectively at pharma and non-pharma outlets. For other brand of ORS, stock level was quite high. On the other hand, average sales per month was almost double than current stock level for all brands of ORS.

Average current stock level and sales of MoniMix, Zinc and safe delivery kit by outlets: Data showed that the average current stock level of MoniMix was 84 and 15 sachets at pharma and non-pharma outlets respectively. Similarly, average current stock level of SMC Zinc was 24 and 10 blister respectively at pharma and non-pharma outlets. The stock level of Baby Zinc was comparatively poor. On the other hand, only 3-9 delivery kit was at hand at pharma outlets.

Current purchasing and selling price: Findings revealed that most of the brands of OCP, ORS and condom were purchased during last 20-25 days of the survey. Purchase quantity of most major brand of OCP, condom and ORS was higher among the urban outlets as compared to rural outlets both for pharma and non-pharma outlets. On the other hand, it was also found that last average purchase quantity of major brand of OCP, condom and ORS was around two times higher among the pharma outlets as compared to non-pharma outlets. Findings revealed that current purchase and selling price does not vary for pharma and non-pharma outlets from the set price of company which is near to the current MRP of SMC for all brands of OCP, condom and ORS. Almost similar evidence was observed for MoniMix, SMC Zinc and safe delivery kit.

Average number of stock out events of SMC products during last six months: All of the respondents were asked whether they experienced shortage of SMC products during last six months and 44 percent provided positive response. Stock out event was higher in non-pharma outlets than the pharma outlets. Nationally, all SMC products were 4 times stock out during last six months except Minicon and ORSaline N which shows stock out event occurred eight and six times during last six months. Nationally, other brands were on average 9 to 19 days stock out during the survey for last six months. Average stock out duration was quite high for Minicon (105 days) and Raja (35 days).

Ways to replenish SMC brands when exhausted: Overall, more than half of the pharma (72%) and 62 percent of the non-pharma respondents reported that they bought the products from the market when exhausted. About one-fifth of the respondents of the pharma and non-pharma reported that they purchased SMC product from the near by shop/ market (pharma 17% vs. non-pharma 18%). On the other hand, 8 percent each pharma and non-pharma respondents reported that they purchase from bigger market when visit to purchase other things.

Ways proposed by the respondents to ensure better supply of SMC products: About 14 percent of outlets (pharma 15% vs. non-pharma 12%) are satisfied with the current distribution system of SMC and suggested to keep company's existing strategy. When asked about their suggestions with regard to improvement of supply situation, quite a good proportion of outlets (pharma 43% vs. non-pharma 47%) opined to increase the number of sales people in the current system. About 18 percent of the pharma and 14 percent of non-pharma respondents suggested distributing products through distributors. Nearly 4 percent of all outlets owner/salesman recommended adding third party distribution system to the existing one. Ensure regular supply was recommended by 22 percent of the pharma and 14 percent of non-pharma respondents. Supply product weekly and supply according to demand was another recommendation, which came out strongly by 7 percent of outlets. It is observed that the preferred frequency of SOs visit is once in a week is essential to ensure better supply of SMC products.

Reason for not selling SMC products ever: Overall, about five percent of the respondents reported that they do not sell SMC products (pharma <1% vs. non-pharma 4%). The respondents who did not sell any OCP/Condom/ORS of SMC were asked to know the reasons for not selling the OCP/Condom/ORS. The prime reason was that SMC sales representative never visited to offer their products (57%). About 18 percent of the respondents claimed that sales representative does not supply the products. In addition, 8