

What Is Social Marketing?

Social marketing has become an effective way of motivating low-income and high-risk people to adopt healthy behavior, including the use of needed health products and services. PSI has become the leading social marketing organization in the world, specializing in HIV/AIDS prevention, family planning, and maternal and child health. PSI has almost 6,500 employees in the 70 countries where it operates, of which 98% are citizens of the countries they serve.



A band performs in one of the PSI-organized "Melodia de Vida Consentido" concerts in four communities of the Altiplano area of Bolivia in 2001. Each participating band wrote a song with HIV/AIDS prevention messages. The winning group performed its song and received a prize on national television. Innovative communication is at the core of every PSI social marketing project.

Social marketing, as practiced by PSI, combines education to motivate healthy behavior with the provision of needed health products and services to lower-income persons. PSI motivates a wide variety of healthy behaviors, including use of products and services. PSI procures products, establishes an office and distribution system, and sells the products through the wholesale and retail network, primarily to lower-income persons. Products and services are branded, attractively packaged, widely marketed, effectively promoted to the poor and selected target groups, and sold at low prices affordable to the poor. Since this retail price is often even lower than the manufacturing cost (so the poor can afford the price), donor contributions are a vital element of the social marketing process.

A key ingredient of successful social marketing is effective communications to encourage the adoption of appropriate health practices (including proper use of the products and services). This is done by brand-specific advertising as well as by generic educational campaigns, using a mix of strategies and channels, including mass media and interpersonal communications, to reach the target audience(s). Following are answers to frequently asked questions about social marketing:



PROFILE
SOCIAL MARKETING AND COMMUNICATIONS FOR HEALTH

Population Services International
1120 19th Street, NW
Suite 600
Washington, DC 20036 USA
Phone: [202] 785-0072
Email: info@psi.org
www.psi.org

PSI Europe
Douglas House 1st Floor
16-18 Douglas Street
London SW1P 4PB, UK
Phone: +44 [0]20 7834 3400
Email: info@psieurope.org.uk
www.psi.org/psi-europe.htm

Why is social marketing needed?

Methods traditionally used to deliver health products and services in developing countries often do not reach a large portion of the population, especially those at the low end of the cash economy. Commercial entities sell products at high prices affordable only to a small portion of the population, usually with little or no promotion. Over-burdened public health systems generally do not have enough outlets, and provide a free, generic product or service that often is not valued by the consumer. Government ministries are limited in the type and nature of motivational campaigns they can undertake.

What products and services does PSI socially market, and how does it obtain them?

PSI markets condoms for AIDS prevention, a wide range of contraceptives for family planning, and a number of other health products aimed especially at women and children, such as oral rehydration solutions, mosquito nets, clean water kits, vitamins, antibiotics, and iodized salt. Many of these products are donated to PSI by foundations, multilateral international organizations, or the overseas development agencies of donor governments. In other instances, donors provide funds to PSI, which procures products at favorable rates on the international market. PSI has also started to socially market health services such as voluntary HIV counseling and testing and reproductive health services.

Why sell products rather than give them away?

When products are given away free, the recipient often does not value them or even use them. Equally important, by selling products PSI can tap the resources of the local commercial infrastructure, which is financially motivated to stock and sell the products. This means that the products become available, not just in a small number of public health clinics, but also at thousands of pharmacies and other retail and NGO outlets. Those outside the cash economy will continue to use the free products given away by public health clinics.

How does PSI motivate poor and other targeted consumers to engage in healthy behavior and to use its products and services?

In some instances, there is a latent demand for the



Pakistani women seek information about their contraceptive options in a PSI-affiliated Green Star clinic in Karachi, Pakistan. Green Star now provides modern contraception to one in five Pakistani couples practicing family planning at the cost of less than four dollars per couple.

products, and effective distribution of an attractively packaged product at affordable prices is mainly what is needed to motivate use by lower income groups. Whether or not this is so, PSI increases healthy behavior through generic information, education, and communications (IEC) programs that are not brand-specific and that educate individuals and motivate them to engage in healthy behavior, and stimulates increased product demand through the use of innovative and effective advertising and promotion. PSI has developed and refined innovative techniques to harness successfully the power of the mass media to reach the poor, at risk target groups, and illiterate and remote populations. PSI uses such diverse communications methods as mobile video units, television soap operas, point-of-sale advertising,

itinerant poets, billboards, and movie spots. PSI also targets at risk populations and motivates good health practices through interpersonal communications. PSI has won several national and international awards for these activities.

Why is it important to keep education/communication campaigns together with sales of products and services?

If an education/communications program stimulates healthy behavior, including use of health products and services, but the products are not available or affordable, then the value of the education can be lost. Furthermore, it is important to coordinate communication with sales, and to have responsibility and accountability for results rest in one place.

What happens to revenues from sales?

PSI is a nonprofit organization that puts all revenues back into its programs, thus reducing the financial burden on donors. Some other social marketing systems involve for-profit companies, which retain revenues from program sales.

Who funds PSI programs?

PSI programs are funded by foundations and other private donors and by governmental development assistance and multilateral agencies. Both private and public funding are critical; PSI often uses funds from private sources to start programs quickly and when funds are urgently needed. Government and multilateral agency contributions are vital because they enable PSI to turn pilot projects funded by private sources into longer-term national programs. Foundation funds are leveraged many-fold in this fashion.

How does PSI help develop the commercial infrastructure?

Although PSI may establish its own distributorship, it invariably uses existing wholesalers and retailers. In addition, PSI works with local advertising and research agencies and other such local businesses. In countries that do not have these resources, PSI helps train individuals and businesses and makes them part of the social marketing network. PSI has contributed to the creation of a commercial infrastructure by training retailers and other private sector entrepreneurs. PSI's promotional activities often stimulate sales of similar products by commercial vendors. Finally, when PSI expands a local market, such as mosquito nets, new or enhanced commercial activities (such as local net manufacturing) are fostered.

How does PSI collaborate with the local government

and develop local capacity?

PSI operates mainly in the private sector, but its projects are also part of, and complementary to, the host governments' public health programs. PSI often has a formal agreement with the host government, or obtains government approval to operate within the country. In some instances, PSI also trains government officials in marketing and communications techniques, so that these individuals are able to manage public sector programs more effectively. PSI uses non-governmental organizations to distribute products in remote and difficult-to-reach areas. PSI typically trains these organizations in marketing and motivational techniques. Staffs of local affiliates are trained in the PSI network constantly, among other reasons, because determined, skilled staff produces results.

Can social marketing programs become financially sustainable?

Yes, social marketing programs in more advanced developing countries can become, in part or in whole, financially sustainable. Theoretically, any program can become financially sustainable if the product price is simply increased to cover all costs. The problem with doing this in most developing countries, particularly the poorest ones, is that the price would become too high for most people in the country. PSI is dedicated to serving lower-income persons. Even where a social marketing program cannot be made fully financially sustainable, PSI is able to recover a meaningful percentage of operating costs through sales revenues, and maximize sustainability through efficient management of program resources, sale of multiple products to spread overhead and high sales volume to reduce per unit cost. This cost recovery then is used to provide more health impact. PSI programs are institutionally sustainable.

What are the different models of social marketing programs?

The typical and traditional product social marketing program involves developing a brand; establishing an in-country management unit; and selling and promoting through the local infrastructure. Some social marketing entities try to use standardized, continent-wide brands and try to manage programs through regional offices, but such systems have been less effective. The so-called "manufacturer's model" of social marketing involves giving grants to commercial manufacturers and their distribution agents, in return for which the product is advertised more than would otherwise be the case and/or the retail price is reduced. But when the subsidies end, promotion declines, retail prices are usually raised, and sales decline, particularly to lower-income consumers.

What is the social marketing of health services?

The social marketing principles applied by PSI to health products can also be applied successfully to health services. PSI's first effort to do so was the *Green Star Network* in Pakistan. *Green Star*, one of the largest developing country, private reproductive health networks in the world, provides comprehensive, accessible and affordable reproductive health products and services to millions of low-income Pakistani women every year. PSI affiliates in Haiti, Madagascar, Myanmar and Zimbabwe have also launched franchised clinic networks. In 1999, PSI/Zimbabwe launched the *New Start* network of 12 voluntary HIV counseling and testing centers. Numbers of clients visiting the centers monthly has increased to more than 4,000 in 2002. In Togo, *Mivado* mobile clinics have proven to be a useful tool for reaching the poor in under-served rural areas of the country.

Has social marketing been successful and cost-efficient?

PSI's programs have been highly successful in terms of efficiency, sales, and reduction of disease and mortality. In 2001, PSI sales prevented an estimated 400,000 primary cases of HIV infection, provided more than 8.2 million couple years of protection (which translates into averting about 4.7 million unwanted pregnancies), and prevented 11,000 child deaths due to malaria. In Pakistan alone, PSI created 35 million new users of iodized salt in less than two years (thus allowing millions of babies, who otherwise would have suffered from iodine deficiency disorder, to lead healthy lives) and prevented other mortality and morbidity among lower-income families. PSI delivers products at very low per-unit costs and at costs lower than those of alternative delivery systems.

How can PSI ensure that its products and services are properly used to improve health?

Project impact is always carefully evaluated, by PSI, as well as by independent research organizations, through retailer surveys, consumer intercept studies, focus groups, and general population research such as knowledge, attitude and practices studies. This research helps ensure that PSI education successfully motivates healthy behavior and that PSI products are not only

used, but used properly and by targeted groups. PSI provides carefully designed instructions with its products and trains vendors and medical practitioners in product use. PSI assures retailers charge prices affordable to the poor by several marketing techniques, including putting price on the packages and advertising price, and by using a large number of retailers.

In what ways is PSI different from other social marketing organizations?

PSI operates social marketing projects with resident managers (either local or expatriate) and local staffs who receive expert and constant training. PSI is fortunate to have talented, highly motivated individuals who have the skills in marketing, communications, financial management, and administration. It is also the only organization that manages social marketing programs in HIV/AIDS prevention, maternal and child health, and family planning. PSI's product sales levels are higher and per-unit costs are very low compared to other social marketing organizations. PSI is a non-profit organization and uses sales revenues to defray the costs of its projects; many other social marketing entities are for-profit and retain revenues. Finally, when donor funds are not available, PSI endeavors to assist the local activity to continue through financial contributions and other means.



The president of Tanzania, Benjamin William Mkapa, treats a PSI mosquito net with Ngao insecticide, also a PSI/Tanzania brand.

How does social marketing contribute to a sector-wide approach (SWAPS)?

Social marketing can work well both with and without the "sector-wide approach," in which donors implement their aid

programs primarily through local governmental institutions. In fact, social marketing is essential where donors are implementing SWAPS. Social marketing (as part of HIV/AIDS prevention, family planning, and maternal and child health) is generally written into governments' health sector approach. In such instances, the government contracts with PSI to implement the social marketing element, as that part of the SWAPS can best be done by an organization outside government, especially when the government is burdened with other responsibilities.

PSI's Core Values:

- Bottom Line Health Impact • Private Sector Speed and Efficiency • Decentralization, Innovation, and Entrepreneurship • Long-term Commitment to the People We Serve