Establishing a Sustainable Supply Chain for Young People in Haiti
Successes, Challenges, and Learnings

THE MARKET

The market landscape analysis conducted during the inception phase of Ignite revealed that the Haitian contraceptive market was very much supply-driven, since it was dominated by injectables, condoms and pills, the products with the most predictable availability, and the only ones that had been promoted at all. High dependence on social marketing for contraceptive availability as well as high levels of subsidy (around 70%) made the market particularly unsustainable, and very vulnerable to changes in donor policies. When USAID pulled out of social marketing and contraceptives in 2015, it left a huge gap in the market. The private sector, which had not been involved in distributing contraceptives at all, was unaware of the potential of the Haitian contraception market, despite the numbers.

With this context and vision, OHMaSS decided to select a commercial partner, with a greater scope than what most social marketing projects have. OHMaSS was looking for a partner willing to engage in an active collaboration, and willing to operate with high levels of transparency (there would be audits). Since the market in Haiti is too small to be split, OHMaSS was also looking for a partner willing to become a leader in the contraceptives category. This partnership included giving the distributor partner a portfolio of new products* that could be launched at an appropriate time on the Haitian market, requiring that the distribution partner be financially involved in demand creation, and ensuring that sufficient volume and value growth would ensure market sustainability and health impact.

THE POTENTIAL

By launching cost-recovering products distributed mostly through the private sector, OHMaSS seeks to demonstrate that there is indeed potential for the private sector, even in a challenging context like Haiti’s. With Project Ignite, OHMaSS expects to see more investment in the private sector. Donor funding will still be present, but can be shifted in reaching the last mile and hard to reach areas. There is a risk to this approach, being that if the sales are too low, the distributor may pull out.

61% unmet need for contraception among women ages 15-24
Market growth rates:
20% for OCs
11% for condoms
10% for injectables

THE DISTRIBUTOR

Locating the right distribution partner involves finding mutual benefits, obtaining clear financial commitments from their part and holding them accountable. Selection qualifications for the distributor rested on three criteria:

- **Willingness to invest:** ability to co-invest in developing categories
- **Commercial appetite:** interest in developing the categories
- **Marketing investment and marketing experience:** for promotion of their product portfolio

* Implanon NXT (implant), Pronta1 (Emergency Contraception), Meuri (OC, 3rd generation), Sayana Press, MVA Kits, PPIUDs

Disprophar, market leader in ophthalmic products with over 30 years of existence, was selected.
OHMaSS negotiated prices that allowed every actor in the supply chain to cover their costs:

- PSI Procurement markup 2%
- OHMaSS 7% to 15%
- Distributor 25% to 35%
- Retailer/provider 40% to 50%

During a first phase, which will end when all products are registered for importation under Disprophar’s name, Disprophar will purchase commodities from PSI through OHMaSS. Even when Disprophar will import commodities in its own name and work with PSI’s procurement department, OHMaSS will retain some oversight over quantities imported, as it will approve purchase orders sent by Disprophar. This will ensure that volumes imported are consistent with market trends observed, and avoid any market distortions such as cross-border sales with the Dominican Republic, for example.

Products distributed through Disprophar will probably reach the mid to high tier market. To ensure equity as part of Project Ignite, and in addition to the public sector’s offerings of free contraceptive methods, the mobile clinic will offer all methods for free. The ‘youth card’ will provide targeted subsidies for those that really need it - young girls.

Volume and value growth projections helped forecast PSI’s and Disprophar’s contributions to general expenditures (in addition to commodity costs, which Disprophar pays fully as they buy the product from PSI with the 2% procurement margin). While OHMaSS will support Disprophar with the total level of effort of two junior medical retailers in 2017 and 2018, Disprophar will commit 100% LOE of one senior medical detailer over the same time period. Disprophar will support all three of these positions starting in 2019. As far as marketing investments are concerned, OHMaSS’ contribution decreases gradually over years 1 to 3, and disappears in year 4 (2019). At that date, Disprophar will entirely pay for these costs. This arrangement reduces risks associated with market entry for Disprophar and facilitates sustainability, providing Disprophar with a launching pad to ensure profitability and creating conditions for market growth.

*The youth card is distributed to young women <24 years, in the community and provides its members an FP method for 3 months (or longer, depending on the method chosen), a free consultation and discounts on products such as sanitary pad

For more information on Project ignite, visit:

psi.org/special-projects/ignite
As part of Project Ignite, OHMaSS has procured BaseCase, a closed-loop marketing (CLM) software. This type of software is used by the pharmaceutical industry to ensure that sales calls are highly efficient in targeting messages to the audience. BaseCase Apps are best used to support medical detailers managing providers’ objections. They are structured in a way to easily access specific content that are often related to objections from providers. For example - side effects, return to fertility, time required to insert a method, lack of demand, etc - are often objections for which we need to go beyond the simple counter-argument. With BaseCase, we can show graphs and videos, or send technical information to the provider from within the app.

Medical detailers have been trained to manage the steps of a medical visit in which the management of objections is critical to move providers up the adoption ladder. Each visit is split between “activation visits” or “follow-up” visits. Each Medical Detailer Monthly Plan has an allocation of activation visits and an allocation of follow-up visits. Activation visits aim at growing the number of providers in the network portfolio, while follow-up visits are aimed at maintaining the relationship active and increasing the volume of prescriptions per provider.

During each of their visits, new objections arise and it is important that the information is looped back to OHMaSS so that they can adapt the content of each app to better respond to these new objections. Unfortunately, BaseCase is not a CRM (Customer Relationship Management) system but rather a CLM. The functionalities of the app are not necessarily to manage the clients and the information shared with the clients during the various calls. However, the app does allow to create simple forms. In response, the Medical Detailer App was developed as a simple reporting tool through which OHMaSS can track visits (activations vs. follow-up), the objections they face, and sales they have completed during each visit.

This software is highly adaptable. Contents communicated during a BaseCase sales call (using an iPad) can be changed anytime, based on data received from previous sales calls. App analytics show data on where is the most clicked and time spent on each slide, for example. This helps deliver context-relevant information at every visit. The purpose of the software is to decrease the adoption cycle of contraceptives. OHMaSS is testing the efficiency of the software by working with two cohorts of medical detailers: one that receive BaseCase sales calls and another one that does not. OHMaSS expects that Disprophar will see value in this tool and will want to get a license after the project ends in 2020.