2017

Uganda retail audit: Analysis and report

The Evidence Project

OCTOBER 2017

STUDY BRIEF

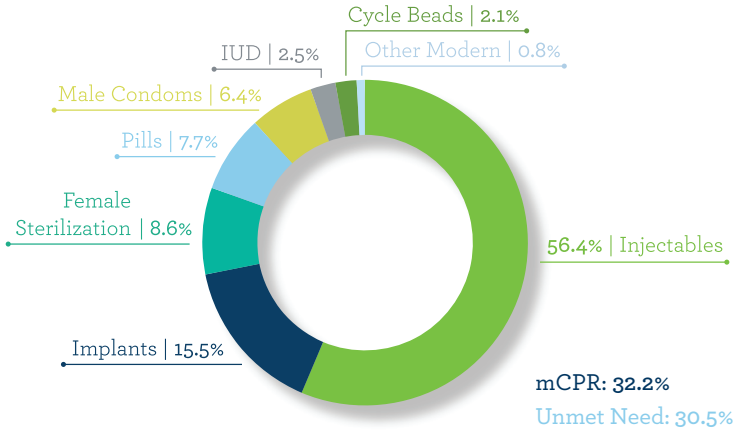
Uganda Retail Audit

Analysis and Report

The Total Market Approach (TMA) leverages the comparative advantages of all market sectors to enhance equitable and sustainable family planning (FP) across market segments, with government coordination and support. It is based on an understanding that equitably meeting the diverse needs of different population segments requires increased coordination across sectors, including the public, private for-profit, and not-for-profit sectors. This is particularly important in the context of global commitments to increase access to family planning, including the FP2020 goal of reaching 120 million additional women by 2020.

According to the 2016 Performance Monitoring and Accountability (PMA) 2020 Detailed Indicator Report, the modern contraceptive prevalence rate (mCPR) in Uganda is 27.5% for all sexually active women, ages 15 to 49, and 32.2% for married women. The PMA 2020 report found that injectables are the most popular method, used by more than half of married contraceptive users. See **Figure 1** for a breakdown of Uganda's method mix.

FIGURE 1. CURRENT MODERN METHOD MIX AMONG MARRIED CONTRACEPTIVE USERS



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Study Design

This brief is based on a retail audit, carried out in January 2016, that was commissioned as part of PATH's work under the USAID-funded Evidence Project to conduct a landscape assessment of the feasibility of a Total Market Approach in Uganda. This project also involved key informant interviews with stakeholders on their attitudes towards TMA principles and the collection of a Uganda Market Research Summary of existing FP knowledge. In the retail audit, stratified random sampling was used to select outlets for evaluation from a sampling frame of 187,580 outlets, consisting of health facilities, pharmacies, drug shops, and village health teams (VHTs). The sample was split across regions, based on the percentage of total outlets in each region. Kampala was treated as a separate region, since it has a disproportionately high number of outlets (27% of the total number of outlets in Uganda). Districts were randomly selected from within each region, and outlets were randomly selected to meet the quota per district and quota per region. A total representative sample of 664 outlets was identified, distributed across the regions as follows: Kampala (27%), Central (16%), Northern (15%), Eastern (20%), and Western (22%). Data was collected on:

- Percentage of outlets that report having stock of or selling contraceptive methods. *(Note: data was collected separately for contraceptive methods stocked and contraceptive methods sold, so these measures are reported separately here.)*
- Product demand, according to outlet managers.
- Most frequently cited factors affecting client's purchase of contraceptive products, according to outlet managers.
- Most common retail price points for contraceptive products.
- Percentage of outlet managers reporting a stock out (among outlets that responded to the question regarding stock outs).
- Distribution of stock out times.

Percent of facilities offering contraceptive products

The Ugandan public health system is divided into five different levels encompassing national and district levels (see **Box 1**). The retail audit collected and analyzed data from facilities at each level.

The methods stocked or sold by the highest number of facilities were male condoms, combined oral contraceptive pills, and progesterone-only injectables. Although this pattern was similar across nearly all facilities, the percent of facilities stocking or selling each method differed by facility type. Ninety percent of all facilities stocked or sold male condoms, though this ranged from 74% (Health Center II facilities) to 93% (drug shops). The percentage of all facilities that stocked or sold pills was 63%, with a range of 23% (VHTs / Health Centre I) to 87% (registered pharmacies). Nearly half (49%) of all facilities stocked or sold progesterone-only injectables, with a range of 27% (VHTs / Health Center I) to 74% (Health Centre II). Levonorgestrel IUDs were the least likely method to be stocked or sold by any facility, across all categories (stocked or sold by less than 1% of all facilities).

BOX 1

LEVELS OF UGANDAN HEALTH FACILITIES

The lowest rung is made up of Village Health Teams (VHTs, also referred to as Health Centre I). Health Centre II is the second-lowest level, comprising outpatient services provided by nurses. Health Centre IIIs offer additional services, including in-patient and maternal health treatment. Health Centre IVs are staffed by medical doctors and offer a variety of in- and out-patient services. Finally, public hospitals are considered the highest level and are divided into three groups: general hospitals, regional referral hospitals, and national referral hospitals. Regional and national referral hospitals have been combined into one group for the purposes of data analysis, while private hospitals are aggregated with general hospitals.

Referral hospitals showed a slightly different pattern: male condoms were the most commonly stocked or sold method among these facilities, but this was followed by implants and copper IUDs (both of which were stocked or sold by fewer outlets in other facility categories). Registered pharmacies also deviated from the overall trend, with emergency contraception being the third most commonly stocked or sold method at facilities in this category.

The proportion of facilities stocking and selling particular methods is often tied to characteristics of the method. For example, VHTs often provide health services to rural villages and areas that have limited storage or transportation capacity, and male condoms are the most frequently stocked or sold product at this level, with the next most common commodities (injectables and pills) stocked or sold by only around one quarter of VHTs. And a high percentage of registered pharmacies stocked or sold male condoms, combined pills, and emergency contraception, but very few of these facilities stocked or sold IUDs or implants, which require trained providers and additional medical supplies that pharmacies are less likely to have.

FIGURE 1 | PERCENT OF HEALTH CENTRE FACILITIES REPORTING STOCK OR SALES OF CONTRACEPTIVE PRODUCTS

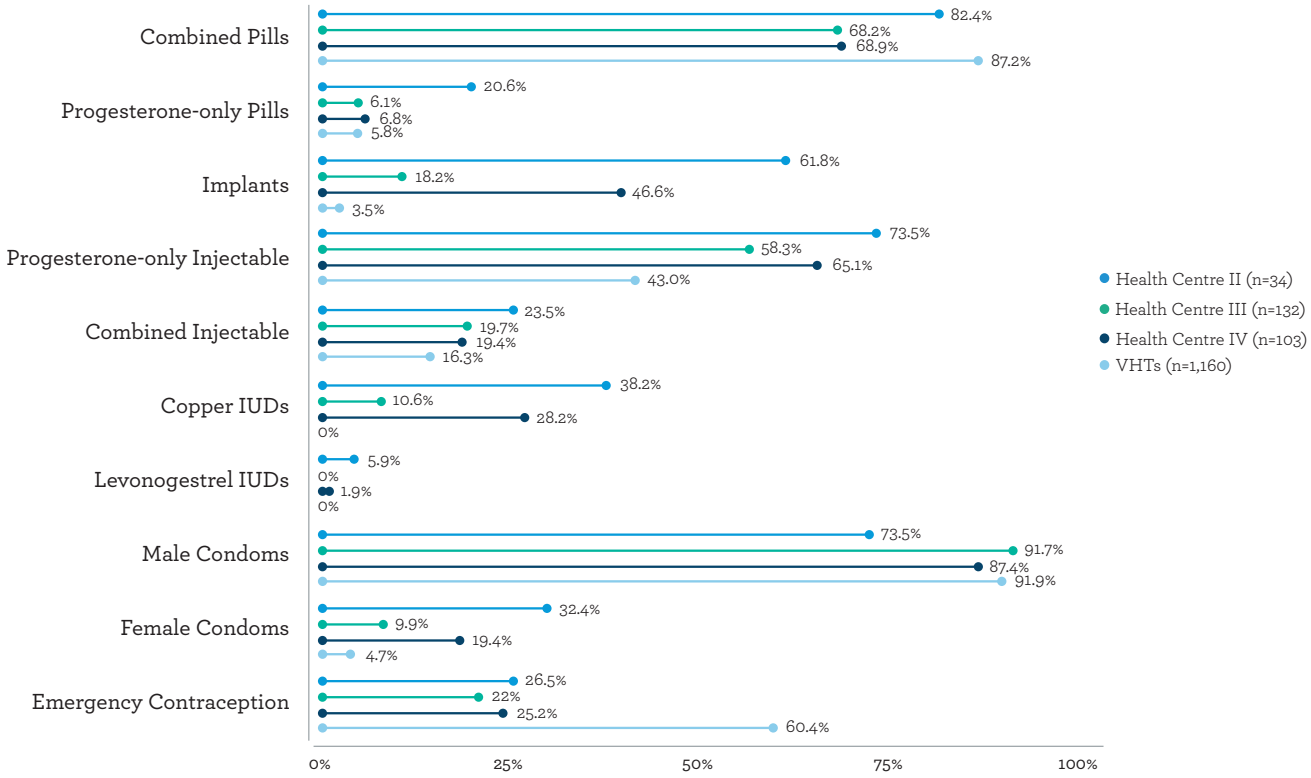
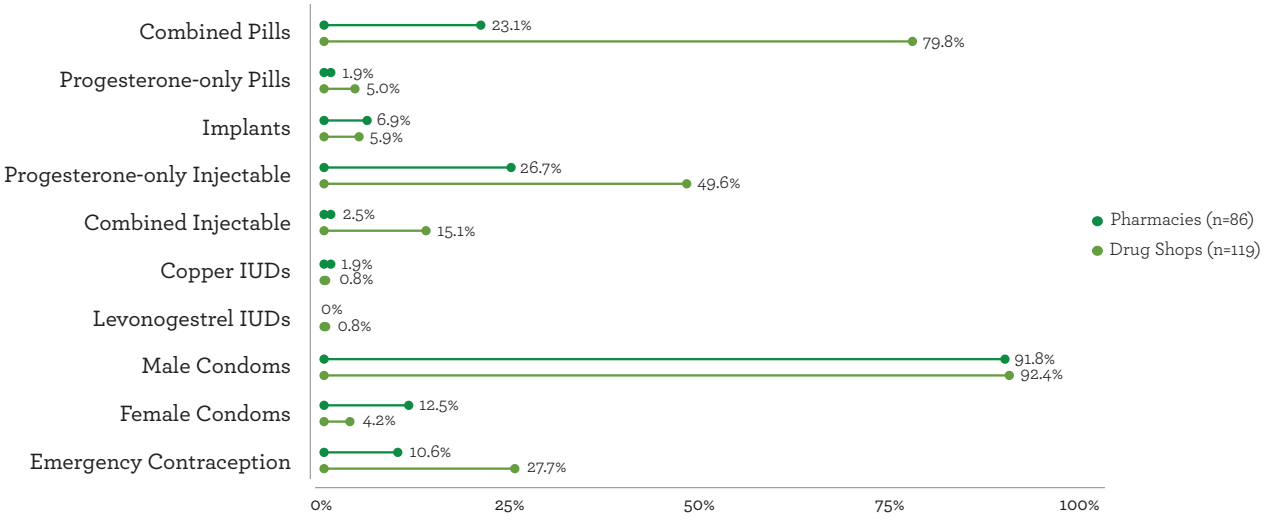


FIGURE 2 | PERCENT OF PRIVATE RETAILERS REPORTING STOCK OR SALES OF CONTRACEPTIVE PRODUCTS



Most frequently cited factor affecting purchase

The factors that outlet managers think influence their clients' choice of contraceptive method may consequently influence what outlet managers then decide to stock. Facility managers were asked "what do you think is the most frequently cited factor that influences the purchase of a contraceptive method?" In general, avoidance of perceived side effects was the most commonly cited factor, with knowledge/familiarity with the brand and the low price of the product cited slightly less commonly. Duration of the method, brand visibility, and "promotion" of the brand (i.e. whether it is on sale) were the least frequently mentioned.

With managers responding that neither the low price of the brand nor its perceived quality have much influence on clients' purchase decisions, commercial sector managers could market their products more effectively by considering clients' concerns about side effects and levels of knowledge or familiarity with the product, the two most influential factors (e.g. emphasizing that a certain type of injectable is known to have fewer side effects). In addition, the relatively high percentage for access and availability for implants suggests that the need for administration by a trained provider is a barrier to use.

Analysis of retail price points

Mapping the range of price points for different contraceptive methods, including products that are available for free or at an artificially low cost, allows TMA planners to know which sectors are the primary providers of specific methods and to set appropriate price points. Identifying the most common price points for different contraceptive methods allows TMA planners to help outlet managers know where to set their prices to remain viable. Noting the presence of free or artificially low price points helps to identify which products come from the public or social marketing sectors.

219 facilities sold social marketing agency-branded condoms; these condoms (available in packs of three) were most commonly sold for 1,000, 2,000, and 3,000 UGX (US$0.30 to $1.00), although the fourth most common price point was 0 UGX. Since social marketing products are typically sold for a (often low) fee, the availability of these condoms for free suggests that retail outlets may have obtained these products from a third-party outlet, rather than directly from the social marketing agency. Fewer facilities sold non-subsidized, commercial condom brands (18 facilities sold Durex, 57 facilities sold Contempo), with greater price variation (1,000 to 82,500 UGX for a three-pack of Contempo condoms and 1,000 to 15,000 UGX for Durex condoms).

Of 401 facilities that carry combined oral contraceptives (COC), 31% provide them for free, which indicates the significant influence in the Ugandan market of the free provision of contraceptives by the public sector and the government. Among consumers who pay for COCs, 1,000 UGX ($0.30) is the most common price. Progesterone-only pills (sold by 44 facilities) follow a similar trend with free, presumably public sector-provided product being most common and 1,000 UGX and 3,000 UGX being the top two most frequently charged prices.

Of the 59 facilities that carry implants, 371 facilities that carry injectables, and 89 facilities that carry IUDs, the majority offer these commodities for free (66%, 50%, and 55% respectively). When not free, prices charged for these methods vary greatly: implants range from 1,000 to 100,000 UGX (with no price most common); injectables were most often priced at 2,000 (8%), 3,000 (5%), and 1,000 (5%) UGX; and IUDs - typically the most expensive of the three – most often cost 20,000 UGX (US$5.90) and 10,000 UGX (US$3.00). That a majority of these facilities offer these commodities for free suggests that the public sector is the primary source for implants, IUDs, and injectable products and services.

Emergency contraception is available at a wide range of prices, but the most common price is overwhelmingly 10,000 UGX (approximately US$3.00). Emergency contraception is also widely available for free; the fact that free was not the most common price (as it is for implants, pills, injectables, and IUDS) may be due to the fact that it is a more expensive product and is thus not purchased at as high a rate by the public sector as other products. In addition, many users do not plan in advance to use emergency contraception and may therefore be more willing to pay to obtain it quickly, feeling that the extra time required to get it for free isn't worth it.

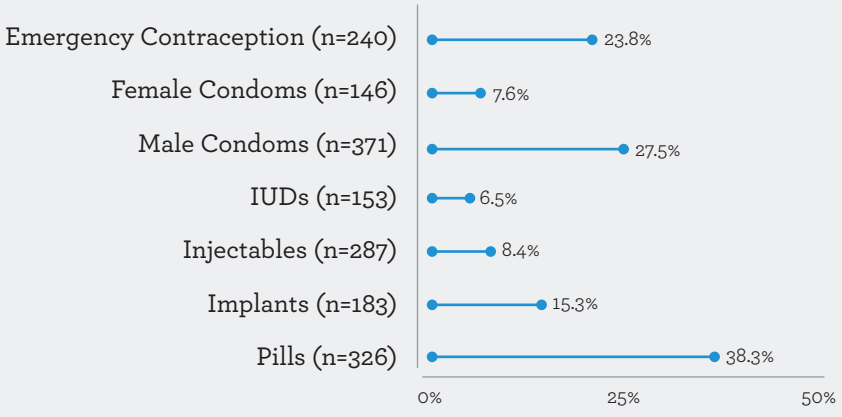
The preponderance of contraceptive products being distributed for free, especially pills and injectables, indicates the extent to which public sector-provided commodities dominate the market in Uganda. A next step would be to conduct market segmentation and willingness/ability to pay studies to more accurately determine the characteristics of clients accessing these products. However, the sheer amount of free product being distributed means that some users will inevitably use these free methods, even if they have the means to purchase the product. This points to the need to encourage eligible users to move up the value chain to products they are willing and able to pay for and leave the free product to users without the means to pay for contraception.

Stockouts

Outlet managers were asked about each brand of each type of contraceptive method and whether they were experiencing a stockout at their facility. Among facilities that responded, one or more brands of pills, male condoms, and emergency contraception were out of stock. Stockouts seem to be most prevalent for products for which there are multiple brands, such as pills and condoms. There are not typically many brands of emergency contraception, and the high percentage of stockouts for that method may be because facilities carry small amounts due to low demand (emergency contraception is used by only 0.3% of contraceptive users in Uganda). Of the facilities reporting stockouts, the majority of stockouts of injectables, emergency contraception, pills, and male condom brands lasted less than 30 days.

The fact that there is a high rate of stockouts among the most popular methods, and that those stockouts can sometimes continue for months at a time, is a concerning sign regarding the strength of the contraceptive supply chain. Reducing the amount of stockouts that occur, as well as speeding up the rate of re-delivery, are two central areas where increased government stewardship could play a role.

FIGURE 3 | PRODUCTS THAT WERE OUT OF STOCK IN FACILITIES THAT HAD REPORTED A STOCKOUT[1]



[1] Stockout is defined here as having a quantity of zero of the brand of product on the day the survey was conducted

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Evidence

The Evidence Project uses implementation science—the strategic generation, translation, and use of evidence—to strengthen and scale up family planning and reproductive health programs to reduce unintended pregnancies worldwide. The Evidence Project is led by the Population Council in partnership with INDEPTH Network, International Planned Parenthood Federation, Management Sciences for Health, PATH, Population Reference Bureau, and a University Research Network.