Market shaping for family planning

An analysis of current activities and future opportunities to improve the effectiveness of family planning markets
RHSC market shaping consultation
Activities in the development of common market language

Dalberg phone interviews and surveys with over 40 stakeholders
April to July 2013

Two-day consultative exercise with over 50 stakeholders
May 7 and 8 in Washington, DC

Final report due in December 2013

Creating an analysis of current activities and future opportunities to improve the effectiveness of family planning markets
Defining market shaping

Market shaping
Market shaping interventions are typically short-term in nature and are explicitly intended to catalyze change in the marketplace. Such activities can either be performed by institutional market participants (e.g., buyers, sellers, regulators, and funders) seeking to improve how their behaviors affect the health of the market at a strategic level, or by third parties aiming to either provide shared goods (e.g., information and research) or work directly with individual participants to improve their behavior. These interventions can either seek to create new markets, optimize existing ones, or fix failing ones.

Key differences between market shaping and programmatic interventions
“Market shaping” activities are classified here as those that address inefficiencies directly related to the buying and selling of products, while “programmatic” activities are those that often influence the market but relate more closely to clinical care model and service delivery design (through each of the public, private, and NGO-mediated sectors).

Additionally, market shaping activities are often in the form of time-limited interventions, while programmatic activities tend to consist of ongoing work.

Market development
A range of activities that encompass market shaping and programmatic interventions related to the sustainable development of a market as a whole at the national or sub-national level. Market development applies a tailored approach to affecting supply and demand in both the public and private sector at both global and country levels. While some activities may happen as pilots in time-limited settings, the intention is to scale and sustain these activities to improve market access, choice, equity, and quality. Market development approaches are closely linked to system strengthening and advocacy work at the country level.

Definitions of “market shaping” and “programmatic interventions” are taken from Market Shaping for Family Planning, a report by Dalberg Global Development Advisors to be published December 2013.
A framework for market shaping

1. Establish defined desired outcomes

Outcomes
- Choice
- Equity
- Health outcomes

2. Evaluate the current market

Characteristics of an effective market
- Appropriate product design
- Secure supply
- Quality products
- Affordable prices
- Availability to end users

3. Identify inefficiencies and the barriers their to resolution

Inefficiencies in the market
- Lack of insight into user needs/design requirements
- Lack of incentives to enter market
- Information and data gaps
- Sub-optimal global procurement practices
- Lack of demand predictability
- Lack of incentives to meet SRA/PQ regulatory requirements
- Challenges for companies in gaining regulatory approval
- High COGS
- Distribution & delivery issues
- Lack of user awareness
- Lack of coordination among actors
- Etc...

Barriers to resolution
- Volumes/revenues not expected to cover costs
- Alternative markets are more lucrative
- Risks of investment perceived to be too high
- Etc...

4. Assess options to address barriers

Potential interventions
- Demand generation
- Volume guarantee
- Demand forecasting improvements
- Subsidy for upfront costs of market entry
- Etc...

Etc...

Design, execute, monitor, refine

Figure 1, “A framework for market shaping,” is taken from Market Shaping for Family Planning, a report by Dalberg Global Development Advisors to be published in December 2013.
## Examples of market shaping activities

<table>
<thead>
<tr>
<th>Market shaping</th>
<th>Programmatic</th>
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<tbody>
<tr>
<td><strong>Global</strong></td>
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<tr>
<td>• Price negotiations</td>
<td>• Aggregation of local data such as unit cost and service delivery</td>
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<tr>
<td>• Pooled procurement and cooperation agreements</td>
<td>• Sharing of lessons learned from local service interventions</td>
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<tr>
<td>• Process and COGS optimization</td>
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<td>• Optimizing global regulatory framework</td>
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<td>• Global demand forecasts</td>
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<td>• Global price publication</td>
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<td><strong>Local</strong></td>
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<tr>
<td>• Streamlining national registration processes</td>
<td>• Optimization of service delivery model</td>
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<td>• Strengthening national procurement programs</td>
<td>• Development of quality standards for services</td>
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<td>• Market segmentation analysis</td>
<td>• Training and supervision of providers</td>
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<td>• Usability and design studies</td>
<td>• Awareness generation</td>
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<tr>
<td>• Local supply-chain management <em>(overlap with programmatic work)</em></td>
<td>• Health system strengthening</td>
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<tr>
<td>• Local demand forecasting <em>(overlap with programmatic work)</em></td>
<td>• Program M&amp;E</td>
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<td><strong>Cross-cutting:</strong></td>
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<td>Initiatives that serve to coordinate stakeholder efforts (at both the global level and on the ground) to drive up uptake of key products</td>
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Figure 2, “Examples of market shaping,” is taken from *Market Shaping for Family Planning*, a report by Dalberg Global Development Advisors to be published in December 2013.