



# LESOTHO

A  
TOTAL  
MARKET  
APPROACH

FOR MALE CONDOMS



# Missions: UNFPA and PSI

**UNFPA, THE UNITED NATIONS POPULATION FUND**, delivers a world where every pregnancy is wanted, every birth is safe, and every young person's potential is fulfilled.

**PSI, POPULATION SERVICES INTERNATIONAL**, makes it easier for people in the developing world to lead healthier lives and plan the families they desire by marketing affordable products and services.

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# Greetings

## A MESSAGE FROM BRUCE CAMPBELL AND KIM LONGFIELD

**M**ale condoms offer dual protection against HIV and other sexually transmitted infections (STIs), as well as unplanned pregnancy. All of these factors are important to our two agencies—UNFPA, the United Nations Population Fund, and PSI, Population Services International — and are critical for delivering the health impact we both strive to achieve.

This case study is part of a series that UNFPA and PSI have produced over the course of a year. The series takes a critical look at the communities in which we operate and helps us understand how both agencies can improve our support in those communities and our engagement with other stakeholders, to grow and strengthen the total market for condoms.

We focused our efforts on six African countries — Botswana, Lesotho, Mali, South Africa, Swaziland, and Uganda — that have large condom social marketing programs, are affected by the HIV epidemic, and have high maternal morbidity and mortality relative to their economic development. This series of case studies is intended to inform appropriate evidence-based decisions that increase condom use equitably and sustainably through actions undertaken in all supply sectors. Employing such a total market approach (TMA) means that all three sectors — public, social marketing, and commercial — work together to deliver health choices for all population segments.

We will work together and with other partners to increase condom use and grow the market in a responsible way. Our long-term goal is to offer options to those most in need, people seeking to live their lives free from HIV and unplanned pregnancy. ●

Sincerely,  
**BRUCE CAMPBELL**  
Director, Technical Division, UNFPA

**KIM LONGFIELD**  
Director, Research and Metrics, PSI

**We will work together and with other partners to increase condom use and grow the market to serve those most in need.**



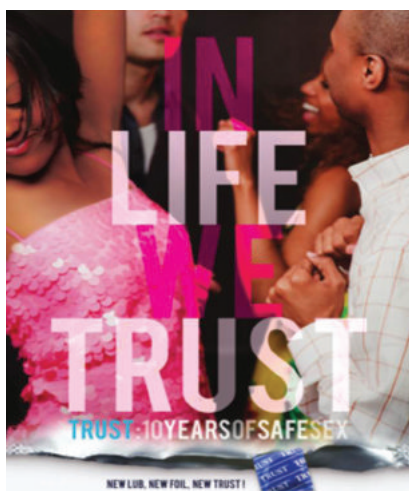
# Executive Summary

**T**he prevalence of HIV in Lesotho is among the highest in the world, with almost one-quarter of the adult population infected. Although large-scale HIV prevention efforts have resulted in a 16% decrease in new infections, risky sexual behavior and insufficient levels of condom use continue to drive the HIV epidemic. Male condoms are a vital part of Lesotho's HIV prevention strategy, and because condoms offer dual protection against both HIV and unplanned pregnancy, they also play an important role in meeting the need for family planning.

In Lesotho, the number of condoms needed to protect all sexual acts from HIV infection and unplanned pregnancy (universe of need) is much higher than the actual number of condoms on the market (volume). However, public health efforts encouraging condom use for HIV prevention and family planning have resulted in some very positive trends. Demand for condoms has increased over the years, including among those with higher risk behavior. In 2012, 61% of men and 46% of women reported using a condom the last time they had sex, more than double the percentage in 2004 and more than 25% higher than in 2009. Equity in condom use has also improved. According to recent data, approximately one-third of condom users fall into the bottom two wealth quintiles.

The condom market in Lesotho has traditionally consisted of three sectors: the public sector, which distributes fully subsidized (free) condoms; the social marketing sector, which distributes partially subsidized condoms at low cost; and the commercial sector, which sells condoms for a profit. While the role of the public and commercial sectors has not changed, the social marketing sector no longer sells partially subsidized condoms. In 2012, PSI/Lesotho, the only social marketing organization in the country, transferred the management of its condom brands to PSI/South Africa, a PSI regional branch for Southern Africa. As a result of this change, socially marketed brands that were previously subsidized are now sold at full cost recovery. Despite these improvements, an estimated 60% of the condoms on the market will remain fully subsidized in 2013. Concerns about appropriate pricing strategies, "crowding out" the commercial sector, and inefficiencies in the use of public funds, have prompted UNFPA and PSI to adopt a total market approach (TMA) to help manage the condom supply in Lesotho. TMA requires that all three sectors work together to "grow the condom market" and meet the needs of different segments of the population.

**The Total Market Approach (TMA) seeks to maximize market efficiency, equity, and sustainability through the coordination of the public, social marketing, and commercial sectors.**



The results of our study yielded several important findings. To meet increasing demand, the three market sectors must address chronic shortages in supply, especially for free condoms. Currently, limited coordination between the sectors and inadequate reporting systems lead to stock-outs that sometimes last for weeks. The commercial sector continues to account for a negligible share of the market, which limits market sustainability. Pricing structures also have a role in building a sustainable market — prices for socially marketed condoms should remain high enough to encourage market participation by commercial brands. This study presents a picture of the current market, analyzes past market trends, and provides a series of recommendations intended to help policymakers, donors, and other stakeholders better manage Lesotho's condom market. ●

# Methods

This list of TMA metrics comes from the literature and a set of metrics PSI has committed to measuring across countries.<sup>1</sup>

METRIC	DEFINITION	CALCULATION
<b>UNIVERSE OF NEED</b>	The number of products or services needed to reach universal coverage in the market	<p><b>HIV:</b> Male population 15-64 multiplied by average number of risky sex acts per man per year</p> <p><b>FP:</b> Female population 15-49 multiplied by method mix multiplied by CYP conversion factor*</p>
<b>USE</b>	The percentage of the population at risk using a product or service, or adopting a behavior	Percentage of males and females reporting condom use at last sex
<b>MARKET VOLUME</b>	The number of products or services sold, distributed or provided in a given market	Total number of condoms distributed in the public, social marketing, and commercial sectors
<b>MARKET VALUE</b>	The dollar value of the total number of products or services in a given market	Average consumer price multiplied by market volume
<b>NUMBER OF BRANDS</b>	The number of distinct brands for a product in a given market	Total number of condom brands on the market
<b>MARKET SUBSIDY</b>	The value of total subsidies (excludes operating and support costs)	For fully subsidized (free) condoms: market volume multiplied by unit cost of goods sold (COGS)**
<b>EQUITY INDEX</b>	The degree to which products or services are used or adopted across socio-economic strata	Percentage of condom users that fall within the bottom two wealth quintiles

\* USAID CYP conversion factors provide the units of products needed per one couple year of protection<sup>2</sup>

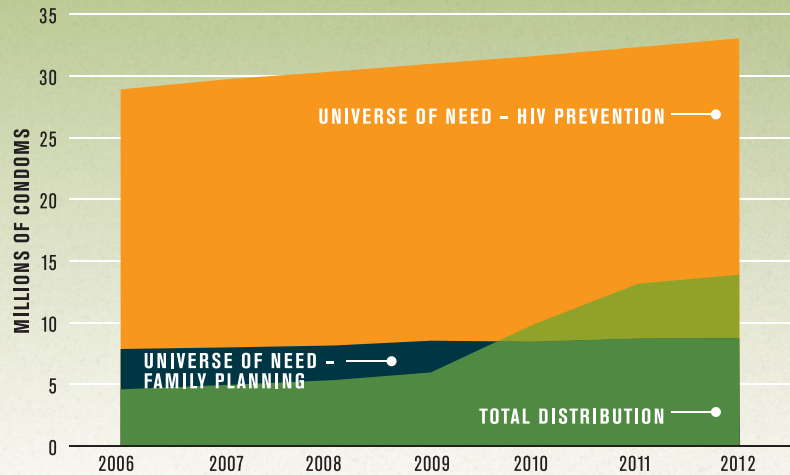
\*\*In cases where some condoms are partially subsidized (e.g., socially marketed), the calculation is "For each brand: the difference between market volume multiplied by COGS, and market volume multiplied by average consumer price."

# State of the Market

## UNIVERSE OF NEED

**CALCULATION:**  
 HIV: Male population 15-64 multiplied by average number of risky sex acts per man per year

FP: Female population 15-49 multiplied by method mix multiplied by CYP conversion factor

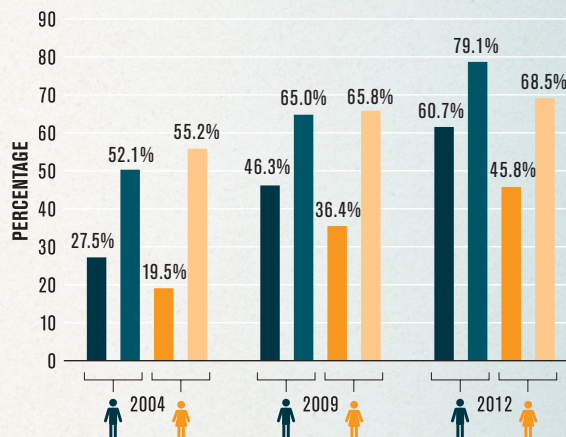


Sources: UNAIDS Investment Framework Study Group<sup>3</sup>; UN Population Division, 2010 revision<sup>4</sup>; Lesotho DHS 2009<sup>5</sup>; USAID conversion factors<sup>6</sup>; Guttmacher Institute. Adding it up: The costs and benefits of investing in family planning and maternal and newborn health (estimation methodology), 2011.<sup>6</sup>

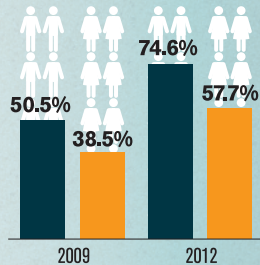
## USE

**CALCULATION:**  
 Percentage of males and females reporting condom use at last sex

- MALES AGED 15-49
- UNMARRIED MALES AGED 15-24
- FEMALES AGED 15-49
- UNMARRIED FEMALES AGED 15-24



Percentage of males and females with 2 or more sexual partners in the last year who reported condom use at last sex



Sources: DHS 2004<sup>7</sup>, DHS 2009<sup>5</sup>, Soul City Regional Programme Evaluation 2012<sup>8,9,10</sup>

Sources: DHS 2009<sup>5</sup>; Soul City Regional Programme Evaluation 2012<sup>8,9,10</sup>

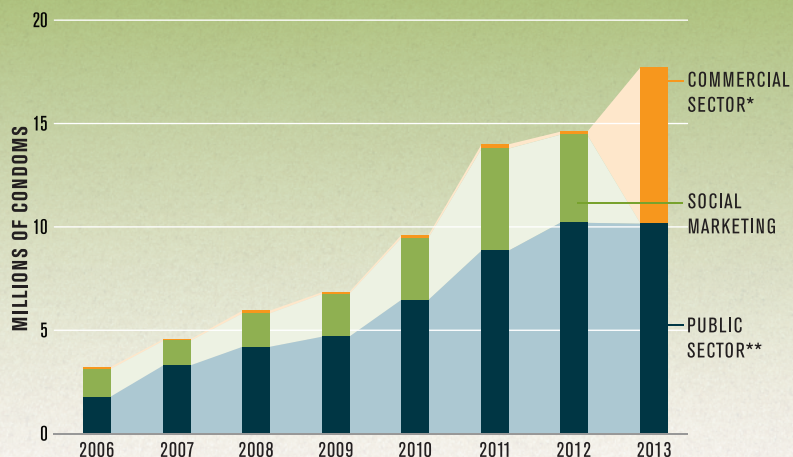
## MARKET VOLUME

**CALCULATION:** Total number of condoms distributed in the public, social marketing, and commercial sectors

Sources: PSI<sup>11</sup>, Lesotho Ministry of Health<sup>12</sup>

\*For 2013, the social marketing sector is considered "commercial sector" because its condoms are profitable. Where official data were unavailable, figures used are best estimates.

\*\*2012 public sector distribution figures were used for 2013



## MARKET VALUE

**CALCULATION:** Average consumer price multiplied by market volume

$$\left( \text{AVERAGE CONSUMER PRICE} \right) \times \left( \text{MARKET VOLUME} \right) = \text{MARKET VALUE}$$



Sources: PSI<sup>11</sup>, Lesotho Ministry of Health<sup>12</sup>, PSI/Lesotho and PSI/South Africa<sup>13</sup>, PSI/Lesotho Competitive Review<sup>14</sup>

## NUMBER OF BRANDS

**CALCULATION:** Total number of condom brands on the market

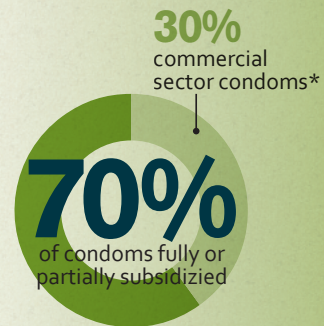


at least  
**13**  
different brands of condoms on the market

Source: PSI/Lesotho Competitive Review<sup>14</sup>

## SUBSIDY

**CALCULATION:** For fully subsidized (free) condoms: market volume multiplied by unit COGS

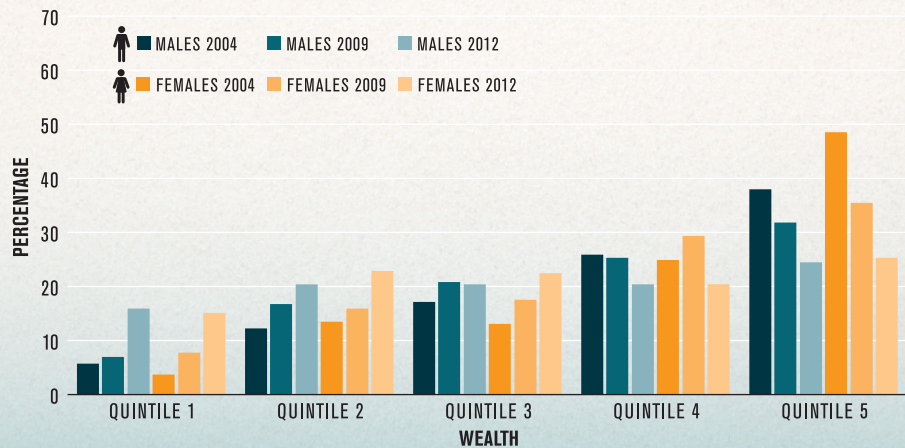


**\$406,927**  
**M3.3 million**  
Estimated subsidy for public sector condoms

Sources: PSI<sup>11</sup>, Lesotho Ministry of Health<sup>12</sup>, PSI/South Africa<sup>15</sup>  
\* Includes Trust and Lovers + brands

## EQUITY

**CALCULATION:** Percentage of condom users that fall within the bottom two wealth quintiles



Sources: DHS 2004<sup>7</sup>, DHS 2009<sup>8</sup>, Soul City Regional Programme Evaluation 2012<sup>8,9,10</sup>

# Introduction



**Male condoms are an important part of Lesotho's national strategy for HIV prevention.**

## HEALTH CONTEXT

The prevalence of HIV in Lesotho is among the highest in the world, with an estimated 23% of adults aged 15-49 infected.<sup>16</sup> Risky sexual behavior and insufficient levels of condom use continue to drive the HIV epidemic. Multiple and concurrent partnerships are common: in 2009, almost half of all men and more than one-quarter of all women reported having two or more sexual partners in the last year.<sup>16</sup> Transactional sex and intergenerational sex are also common in Lesotho.<sup>17</sup>

Major HIV prevention efforts have succeeded in decreasing new infections by 16% since 2008, and male condoms remain a critical component of Lesotho's HIV prevention strategy.<sup>18</sup> Condom use is essential for those who engage in casual or multiple partnerships, or when one partner in a relationship is HIV positive. In addition to providing protection against HIV infection, condoms play a role in preventing STIs and unplanned pregnancy. Although the frequency with which condoms are used for dual protection is unknown, approximately one-quarter of Basotho women had an unmet need for family planning in 2009.<sup>16</sup> A consistent supply of high-quality condoms is required to fill the need for both HIV prevention and family planning. It is clear from our research, however, that the current market falls short of meeting those needs. In order to increase condom use and ensure long-term, equitable access to condoms, we are recommending several improvements that should be made to strengthen and stabilize the condom market.



**预览已结束，完整报告链接和二维码如下：**

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