



# Moving Toward Sustainability: Transition Strategies for Social Marketing Programs

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# A New Set of Tools

- Technical Report – background, definitions, analysis, with emphasis on:
  - Sustainability Continuum
  - Sustainability Strategies
  - Case Studies – Honduras, Peru, Ivory Coast, Romania, Nigeria
- Self-Assessment Tool

# Why the Need for this Paper?



- Sustainability is key to USAID
- Donors (especially Missions) need practical tools to guide decisions
- Program managers need to strengthen operations

# Methodology

- Literature Review
- Key Informant Interviews – broad range of experts
- Country Case Studies

# Key Definition

- **Sustainability:** “The ability of a social marketing program over time to manage its technical, financial, institutional and market-related activities to maximize efficiency, self-financing and self-governance without reliance on external support.”

Source: PSP-One Project

# The Sustainability Continuum for Social Marketing



- Technical Sustainability (Product, Price, Promotion and Place)
- Financial Sustainability
- Institutional Sustainability
- Market Sustainability
- Three stages of progress
- Illustrative indicators

# Technical Sustainability

- Mastering the four P's
  - Product: Financial and technical capacity to procure quality products
  - Price: Effective and efficient pricing that maximizes cost recovery while adhering to the willingness to pay of its target consumer segment
  - Promotion: Communication that is sustained by sales revenues or by local partners
  - Place: Maximum use of efficient structures to distribute product (commercial and other).

# Financial Sustainability

- Sales revenues > total costs
- Diversified sources of revenues
- Ability to control costs by product line
- Knowing what requires subsidy and what doesn't
- Adequate liquidity and cashflow management
- Strong links with management capacity

# Institutional Sustainability

- Management Capacity: Strong systems (Finance, HR, procurement) and local managers.
- Governance: Legal status, systems to ensure legal compliance, Board oversight
- Leadership: Mission, vision and commitment by a core group of local leaders

# Market Sustainability

- Market size– Number of consumers demanding products and number of brands satisfying demand
- Market efficiency: Each sector (social, public and commercial) serves appropriate consumer segments, multiple price points in among commercial brands

# Rethinking the social marketing “bundle”

- The old bundle:
  - Donor financed product supply
  - Branded and generic communication
  - Low cost recovery
  - General market research
- A new bundle?
  - Product supply with commercial partnerships
  - Branded and generic communication
  - High cost recovery
  - Research for market segments
  - Targeting of subsidies (vouchers, free distribution, etc.)
  - Improved policy to increase access

# Uses of the Sustainability Continuum

- New framework to analyze sustainability components over time with indicators
- Stimulus for rethinking the different components of a social marketing “bundle”
- Fosters dialogue between stakeholders and SM managers about what can/should be sustainable
- Prioritizes needs of the SMO
- Identifies needs for market analysis or research

# Thank You



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