



## Director's Note

Greetings DKT Supporter -

It's been a year since I was privileged to take the helm of the largest social marketing program in Ethiopia, Africa, and now the 3rd largest in the world. What a year it's been!

In June 2015, we completed a four-year grant jointly funded by the Embassy of the Kingdom of the Netherlands (EKN) and DFID. During the grant, we delivered 9.36 million CYP, 113% of our target. Thanks to our GoE partners and donors who made this possible.

Since July 2014, it has been a time of fundamental change for DKT. We have implemented many new initiatives and organizational reforms, all intended to make us a more efficient, effective, and sustainable enterprise. These reforms are now bearing fruit, and 2015 looks set to become DKT Ethiopia's most successful year in our 25-year history.

We have successfully renewed funding with EKN and an anonymous donor. Our overall outlook is good even as we deal with the challenges of an evolving marketplace and achieving nationwide, high-quality product distribution in a socially and geographically heterogeneous country like Ethiopia. It's a challenge, but one we are up for!

- Rory

## DKT ETHIOPIA ENDS 2014 AS 3<sup>RD</sup> LARGEST SOCIAL MARKETING PROGRAM IN THE WORLD

DKT Ethiopia continued its record of success, completing 2014 as the 3rd largest contraceptive social marketing program in the world and the largest in Africa in terms of couple years protection (CYP).

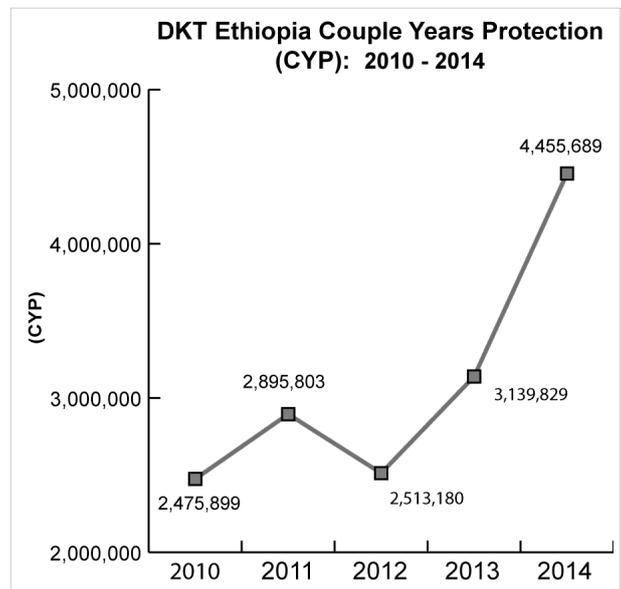
The organization distributed 4.46 million CYP in 2014, which placed DKT Ethiopia 3rd behind DKT International's program in Indonesia and the Social Marketing Company, a private sector social marketing organization in Bangladesh, in terms of programs reaching more than 9% of their target populations.

DKT Ethiopia's 2014 output included 58 million condoms, 4.0 million cycles of oral pills (OCP), and 2.92 million injectable contraceptives, among other products.

The organization also ranked first globally in terms of percentage of women 15 – 49 years old reached.

"The year 2014 was another excellent year for our organization," says Rory Harrington, DKT Ethiopia's Country Director.

"CYP output was the highest in our 25-year history as well as 42% higher than in the previous year."



In addition to the organization's longstanding products like condoms and OCPs, the organization generated 1.70 million CYP from the distribution of intrauterine contraceptive devices (IUCDs), a long-term method favoured by the Government of Ethiopia (GoE) in upcoming health sector development programs.

"Our IUCD output is important given that Ethiopia is moving concerted towards long-term methods," continues Harrington.

"We are well placed to assist the FMOH in the roll-out of this method."

IUCDs cost approximately US \$7.00 compared to US \$8.00 for implant

contraceptives, for example. They also last longer than most methods.

### VISIONARY DONORS AND COUNTERPARTS

DKT Ethiopia's success in 2014 and previous years is largely attributable to donors like the Department for International Development (DFID) and the Embassy of the Kingdom of the Netherlands (EKN) as well as a large anonymous donor. These donors have been instrumental in allowing DKT to build itself into the most influential private sector healthcare institution in the country. Their ongoing support has allowed DKT to make a significant contribution to the national CPR, as well as the remarkably low rate of HIV infection, and continued donor support will enable DKT to further assist the FMOH to achieve its health goals expressed in the 5 year HSTP.

DFID and EKN support goes back nearly 10 years when the donors created a combined donation framework. Called the *Joint Grant*, a shared funding mechanism streamlined planning and reporting and enabled DKT to focus on what it does best: importing, distributing, and promoting high-quality family planning products.

"Our success would not have been possible without the visionary leadership of GoE counterparts and donors like DFID and EKN," says Harrington.

"They've embraced social marketing as a key tool in reaching the total Ethiopian population."

### CONSIDERABLE IMPACT

DKT Ethiopia's impact is not restricted to 2014. Since starting in Ethiopia in 1990 with a single product – *Hiwot Trust* condoms – the organization has distributed 30.5 million CYP and currently boasts a product line consisting of 13 product categories, 18

## LARGEST SOCIAL MARKETING PROJECTS IN THE WORLD (2014)\*

Project	CYP
Indonesia	6,966,671
Bangladesh	4,754,979
<b>Ethiopia</b>	<b>4,455,689</b>
Nigeria	3,709,445
Philippines	2,690,051

\* Among programs reaching at least 9% of their target markets

Source: DKT International. "2014 Contraceptive Social Marketing Statistics", October 2015

brands, and 27 variants.

DKT's *best-in-class* logistics system and salesforce is able to reach Ethiopia's 13,000 clinical and pharmaceutical outlets with routine product distribution as well as tens of thousands of non-traditional outlets (NTOs) – kiosks, hotels, brothels, and supermarkets – through reselling networks like Young Marketers.

All of this adds up to significant impact. According to the Federal Ministry of Health's Health and Health-Related Indicators (HHRI), DKT regularly accounts for 25 – 33% of all CYP distributed in the country, making it the second largest provider of CYP behind the GoE.

This distribution has had a considerable impact in the lives of individual women and families.

"At the end of the day, we are about improving the lives of Ethiopian women and their children and families," says Harrington.

### SOCIAL MARKETING 101

DKT Ethiopia operates as a social marketing enterprise meaning that it is neither a purely commercial or non-profit entity, but rather a hybrid of these models. While legally registered as a non-profit, DKT generates considerable revenue from the sale of products – nearly 25% of all expenditures in

recent years – which is reinvested into the project.

"Social marketing came about when leaders like Phil Harvey saw a gap in public sector distribution in developing countries," says Negussie GebreTsadik, DKT's National Operations Director.

"They realized the private sector could respond more efficiently to market signals, provided products could be subsidized."

"That's where donors came in."

### A ROADMAP FOR GROWTH

While DKT Ethiopia has continued to increase the ratio of revenue as a percentage of project expenditures, the organization is at least 5 – 10 years away from a full-cost recovery model.

"Our vision is to be fully self-sustaining and donor-independent by 2025," says Harrington.

"There are a lot of steps between now and then, but we believe we have the conditions and tools in place to make this happen."

**Access** is the quarterly publication of DKT Ethiopia. All *Access* publications are available on DKT Ethiopia's website ([www.dktethiopia.org](http://www.dktethiopia.org)). For media and other inquiries, please contact Fitihi Tola at +251 11 6 632222 or [fitih.t@dktethiopia.org](mailto:fitih.t@dktethiopia.org).

# DKT PILOTS CLINIC PARTNERSHIP IN ADDIS ABABA



*DKT Partner Clinic, Addis Ababa*

DKT commenced a pilot clinic partnership model with five (5) private clinics in Addis Ababa in April 2015.

The pilot, which entails preferential pricing, technical assistance, and monitoring from DKT's side and product exclusivity and adherence to rigorous FMOH quality standards on clinics' side, has proven fruitful in generating awareness of and demand for IUCDs and medication abortion (MA) products.

DKT hopes to expand the activity in the coming six (6) months with the goal of reaching 35 clinics, primarily in Addis Ababa, by 2017.

Unlike classic franchise or owner-operator models, DKT's partnership model ensures DKT and clinics each remain focused on the tasks for which they are best suited – product distribution and promotion in the case of DKT and service delivery for clinics.

"We're very pleased with the clinic pilot so far," says Dagnachew Alemayehu, National Key Accounts Manager for DKT Ethiopia.

"In four (4) months, partner clinics delivered 1,861 CYP and 629 individuals adopted FP for the first time."

"Our pilot was also substantially over-subscribed, which is a good indicator of the value of the pilot to clinics."

The need for a concentrated LARC and abortion-services activity in Ethiopia is evident: IUCDs currently comprise less than 2% of the modern contraceptive meth-

od mix and an estimated 10 – 15% of Ethiopian women of reproductive age are aware of MA<sup>1</sup>. As a

result, Ethiopia's maternal mortality ratio (MMR), though declining, remains high at 420 per 100,000 live births. An estimated 10,000 women die every year from maternal causes.

Ethiopia also continues to expend scarce resources on cost-intensive contraceptives like implants that cost as much as 10 times the cost of IUCDs..

Contact Dagnachew Alemayehu at [dagnachew.a@dktethiopia.org](mailto:dagnachew.a@dktethiopia.org) for more information.

1. DKT Internal Research

## E-SALES SET FOR 2016

Being seven (7) years behind isn't always a bad thing, particularly when trying to keep pace with the speed of technological innovation.

DKT, the largest supplier of family planning products to the private sector, is finding this particularly true as the organization establishes an electronic recordkeeping platform for sales (e-sales).

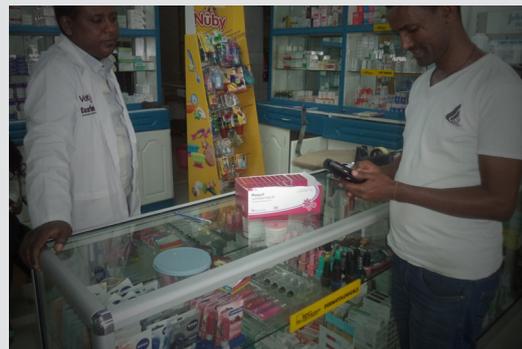
"Mobile computers were sidelined in many ways by smartphones," says Ken Divelbess, an IT Consultant assisting with the activity.

"Given Ethiopia's developing IT infrastructure combined with longer development cycles for handhelds means that earlier generations of handhelds may actually work for our case."

It's not yet clear whether DKT will proceed with handhelds or more widely available consumer tablets, which can be easily replaced from the local market.

Whatever the case, DKT expects to begin wide-scale rollout in 2016.

When fully implemented, sales staff will be able to stream sales and customer records to a remote server while receiving realtime price and product information.



*Testing E-sales at Private Pharmacy*

# SAFE VACATION! SAFE TRIP!



## AN INNOVATIVE CAMPAIGN TO REACH UNIVERSITY STUDENTS

DKT completed an innovative campaign to help university students stay safe during summer months.

The campaign was developed in response to input from university health officials that many students return from break with sexually transmitted infections (STIs) or pregnant.

Called "Safe Vacation! Safe Trip!" the campaign was held at eight (8) universities: Adama, Wollo, Wachemo, Arba Minch, Dilla, Addis Ababa Science and Technology, Dire Dawa, and Hawassa Universities, and included large and small-group sessions.

Students were also asked to sign pledge cards stating their commitment to remaining safe and productive during the summer months. More than 5,000 students participated..

DKT also used the occasion to train 2,000 graduating seniors on the sexual health challenges they might encounter after leaving university.

"University life is complex and fast," said Shemelis Gebeyehu, Program Manager for DKT's Higher Education Institutes (HEI) Initiative.

"By equipping students at key points

during their education, we can influence long-term behaviour and health outcomes."

The Higher Education Institutes (HEI) Initiative is one of DKT's signature projects. Started in 2009, HEI has trained 83,000 students and campus members and reached 750,000 more through large-group events. HEI is also known for its social media website, [www.tamarinet.com](http://www.tamarinet.com), which is one of the largest indigenous social media sites in Ethiopia with more than 65,000 registered users.

# DKT SECURES \$17.0 M. GRANT

## EMBASSY OF THE KINGDOM OF THE NETHERLANDS RENEWS SUPPORT

DKT successfully secured \$17.0 million over four (4) years in a grant from the Embassy of the Kingdom of the Netherlands (EKN) in the third quarter of 2015.

The funding will be used to support DKT's nationwide social marketing activity, which currently reaches more than 13,000 private pharmaceutical and clinical outlets across the country with routine distribution of DKT's nationally recognized family planning and reproductive health products.

the organization's targeted projects, which reach *high-value* audiences with HIV-prevention and family planning messaging and product delivery.

The renewed grant follows nearly ten (10) years of support from EKN for DKT's social marketing work.

"We are extremely grateful to The Netherlands Embassy and the Dutch people for their support of this work," says Rory Harrington, DKT Ethiopia's Country Director.

a pioneer and contributor to some of the tremendous public health impacts we've observed in Ethiopia in recent years."

### Mission

DKT Ethiopia (DKT) provides couples and individuals with an affordable, safe and wide range of options for family planning, maternal and child health and HIV/AIDS prevention through dynamic social marketing.

Funding will also be used to sustain

"EKN should be acknowledged as



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