



# E-COMMERCE OF REPRODUCTIVE HEALTH SUPPLIES IN INDIA





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## Acknowledgements

This case study was carried out by Kaarak Enterprise Development Services Pvt. Ltd. in partnership with the Institute for Reproductive Health, Georgetown University (IRH). It provides a framework for the main components of the e-commerce market for reproductive health (RH) supplies, from manufacturer to consumer. The study included extensive desk and online research as well as stakeholder interviews. The 27 in-depth interviews included representatives of e-commerce companies, manufacturers, NGOs, social marketing organizations, the Government of India, frontline health workers at the village level, stockists, and pharmacists. The study also included an internet survey with 49 selected end-users.<sup>i</sup> The Kaarak team is grateful for the support and contributions without which the case study would not have been possible. Key insights, experiences, and opinions were generously shared by numerous stakeholders and research support was provided by Srishty Anand, Ramanand Sharma, and Nidhi Chaudhary.

## Organization Bio

**Kaarak** is an advisory and professional services organization operating in the social and economic development sectors. An entrepreneurial venture fueled by a passionate team of experienced and dynamic professionals, Kaarak is headquartered in New Delhi, India and strives to make a significant and sustainable impact on the lives of people and populations in collaboration with leading development actors across India and South Asia. Kaarak's diverse clientele includes United Nations (UN) agencies, small and medium enterprises, governments and non-governmental organizations (NGOs).

## Authors Bios

**Brajesh Pandey** is co-founder and executive director of Kaarak. He has more than a decade and a half of experience of providing consultancy and advisory support at the national and international levels. He has led research and evaluation assignments in the areas of poverty, health, sanitation, livelihood creation, labor, and education for wide range of clients like ILO, UNDP, Save the Children, CARE, Oxfam, UNFPA, and ADB amongst others. Brajesh holds a Post Graduate Diploma in Rural Development from Xavier Institute of Social Service and Bachelors in Statistics from University of Delhi.

**Mini Thakur** is an international development expert with over 16 years of experience including research, monitoring and evaluation, and advising for international development agencies including UN Women, ILO, UNICEF, Oxfam, and CARE. Mini's work has spanned a wide range of development issues from the ground level to international and regional levels. Recent engagements have focused on health, gender, women's empowerment, social protection, and decent work. Mini holds a Master in Migration Studies from University of Sussex and a Post Graduate Diploma in Rural Development from Xavier Institute of Social Service.

**Dustin Robertson** has been a development sector professional with Kaarak for over two years. He has participated and led numerous research studies on diverse development issues including public health, gender, education and bonded labor. Before joining Kaarak, Dustin co-authored the UN Programme document *Social Innovation in Public Health in the Latin America-Caribbean Region* in the Economic Commission for Latin America and the Caribbean. Dustin holds a Master of Public Health from Aix-Marseille University and a Bachelor Arts from Franklin College.

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<sup>i</sup> The voluntary survey was not intended to be representative, but rather to uncover relevant factors and perspectives. The online survey was sent (using Google Forms) to people within Kaarak's professional and/or personal networks. Participants were ages 22-45, with a statistical mean of age 31.1, 59% male and 41% female. Fewer than 10% reported any online FP purchases.



## E-COMMERCE CASE STUDIES SERIES:

This report is one of seven case studies, written to provide the reproductive health (RH) supplies community with a deeper understanding of the current landscape and future potential of obtaining RH supplies through e-commerce. Each case study focuses on either one specific country (India, Kenya, Mexico, and the United States) or one new and underused RH technologies (emergency contraception, female condoms, and the Standard Days Method®). These case studies are descriptive only, and do not advocate for or against e-commerce as a means to distribute RH supplies.



## EXECUTIVE SUMMARY

The objective of this case study is to examine the current landscape in India for e-commerce of reproductive health (RH) supplies and to consider the implications for the future. The traditional distribution of RH supplies (government, pharmacies, and other sources) is included, but the primary focus of this report is on e-commerce for spacing methods of family planning, including new and underused RH supplies where data is available. India's enormous potential market size for RH supplies suggests a proportionately large potential for obtaining these products through e-commerce. India's RH e-commerce market — dominated by male condoms — is vibrant but quite small (less than \$2 million)<sup>ii</sup> relative to the estimated \$100-\$130 million in conventional channels for RH sales. However, e-commerce appears to be growing, and sellers now offer five spacing methods online. Investment is expanding in both internet infrastructure and online markets.

Despite this investment, there are constraints to further growth, including lower delivery capacity in rural areas and competition from free government RH supplies and subsidized, socially marketed supplies. In addition, while electronic payment systems such as mobile wallets are increasing, cash-on-delivery payment is the most prevalent (45% of transactions), with implications for future expansion. Customers' concerns about privacy at clinics and pharmacies may drive them toward online sales, but they also have concerns about privacy at the delivery point. In response, many companies are taking measures to protect customer anonymity.

<sup>ii</sup> All monetary amounts are in United States dollars, unless specified otherwise.

ENABLING factors	HINDERING factors
<ul style="list-style-type: none"> <li>✓ The demand for spacing methods has increased due to a large youth population, increased education for women, and later age of marriage.</li> <li>✓ Customers have increased access to online payment and cash-on-delivery, enabling them to pay for products at their doorstep.</li> <li>✓ Massive investment in e-commerce companies has rapidly increased internet access and use, and access to credit card and mobile wallet payment systems is increasing.</li> <li>✓ Internet use across India has grown, driven by an increase in the number of users and of internet-enabled devices.</li> <li>✓ More information and a broad selection of methods are available online compared to those available in traditional shops and government clinics.</li> <li>✓ Trends point to a potential expansion to new market segments, such as urban women.</li> <li>✓ The privacy and anonymity associated with online shopping for RH supplies is appreciated by customers, which may drive more customers online.</li> </ul>	<ul style="list-style-type: none"> <li>✓ The ambiguous legal context for e-commerce – including potential restrictions of online sales for minors or of hormonal methods without a prescription – deters online sellers and makes e-commerce a confusing space for customers.</li> <li>✓ Controlled pricing and small profit margins may limit incentives for companies to pursue e-commerce.</li> <li>✓ Perceived lack of privacy during delivery may deter customers from ordering RH supplies online.</li> <li>✓ Cash-on-delivery, while a boon for customers, is a risk for sellers, as customer may reject the product or not pay.</li> <li>✓ Delivery capacity in rural areas is low due to problems with logistics and physical infrastructure, placing a strain on distribution of products purchased online.</li> <li>✓ Relatively low use of spacing methods of family planning (FP), which are most conducive to e-commerce, could limit sector growth.</li> </ul>

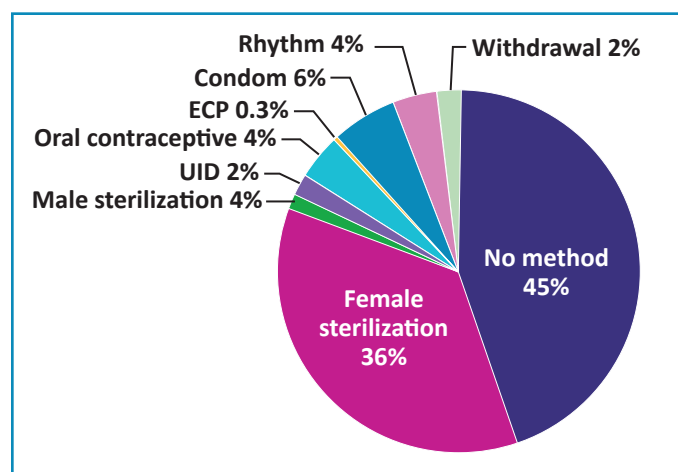
## CONTEXT

India has the world's second largest population at 1.3 billion.<sup>1</sup> Although poverty and inequality remain widespread in India, the country has an upwardly mobile middle class, rising standards of living, and a young population (the largest youth population in the world at more than 350 million people ages 10-24).<sup>2</sup> These factors mean that there are more Indians entering their reproductive years with the means to purchase RH supplies.

In the past, FP was largely provided by the government of India. Permanent methods (female sterilization in particular) dominate, accounting for two-thirds of FP use among India's 323 million married women of reproductive age.<sup>3</sup> While only one-third of contraceptive users in India choose a spacing method, this is a large potential commercial market for India. An estimated 59 million married women of reproductive age are currently

using spacing methods (See **Figure 1**). In the past, the commercial market for RH supplies was very limited; however, in recent years, the overall commercial market has grown as more Indians decide to adopt and pay for spacing methods of FP.<sup>4</sup>

**Figure 1.**  
FP method use among married women 15-49 years



Source: India DHS 2007-08.



**Table 1.** Market size of RH products in India

	Estimated Volume (in pieces)			Estimated value of commercial market
	Non-commercial (free government distribution & social marketing)	Commercial	Total	
Male condoms	1.4 billion	1 billion	2.4 billion	\$100-130 million
OCs	81 million	32 million	113 million	\$30 million
ECs	7.5 million	18 million	25.5 million	\$29 million
Female condoms	Information not available	10,000		Insignificant

Source: 2014-2015 annual report of Ministry of Health and Family Welfare, Government of India; Industry experts, Kaarak analysis.

The sale of RH supplies from non-government sources has fallen within the domain of social marketing organizations; but more recently, commercial brands have recognized the huge potential of this market and now sell over one billion RH supplies – including male condoms, oral contraceptives (OCs) and emergency contraception (EC) – every year. Based on various sources of information, the estimated market size of the overall RH supplies for spacing methods, except those requiring clinical assistance, is shown in **Table 1**.

## E-commerce Market

E-commerce is a rapidly-expanding, multibillion-dollar segment of the Indian economy. While still relatively small on the global scale and in comparison to neighboring China, Indian e-commerce has picked up momentum and is likely to expand rapidly. Two recent industry reports

estimate the total e-commerce market size at \$13.6<sup>5</sup> to \$16.4 billion,<sup>6</sup> and it has approximately tripled over the last five years. India ranked fifth in business-to-consumer commerce within the Asia-Pacific region, with total sales worth \$10.7 billion in 2014 – impressive but well behind China, the regional leader with \$328.4 billion.<sup>7</sup> Geographic coverage of e-commerce varies within India. Large urban cities and more affluent regions dominate. However, orders can be sent to rural and peri-urban areas through private delivery companies such as FedEx, and through the Indian postal service. Deliveries can take 2-5 days in urban areas and 1-2 weeks in rural areas.

The exact size of the market for RH supplies sold online in India is not known, but based on current data it is estimated to account for only around 1% of the national retail market for all RH supplies (see **Table 2**).<sup>iii</sup>

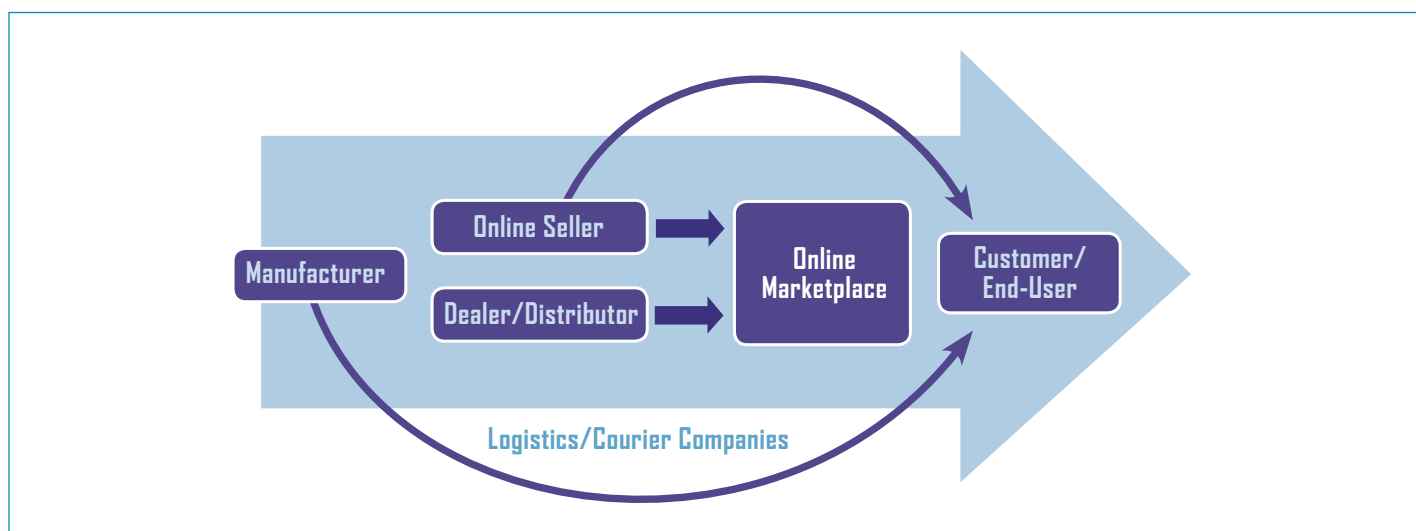
**Table 2.** Estimated E-commerce market size of RH products in India

	Total Commercial Market Size (products sold)	E-commerce Market size, calculated at 1% (products sold)	Total Value of Commercial Market	Value of E-commerce Market calculated at 1%
Male condoms	1 billion	10,000,000	\$100 million - \$130 million	\$1-1.3 million
OCs	32 million	320,000	\$30 million	\$300,000
ECs	18 million	180,000	\$29 million	\$290,000
Female condoms	10,000	1,000	Insignificant	Insignificant
<b>Total</b>				<b>\$1.6 to 1.9 million</b>

Source: Kaarak analysis

<sup>iii</sup> By applying this crude benchmark proportion, which was corroborated within the industry and during stakeholder interviews, to the size of the total commercial market of RH supplies (Table 2), the value of the e-commerce market for RH supplies is a maximum of just \$1.9 million per year, with male condoms as the leading product. The market size for the new and underused methods considered in this study is still quite small. EC is selling in significant numbers, but others such as female condoms have very small numbers of customers. No data was available for Cycle Beads. <https://www.pwc.in/assets/pdfs/publications/2014/evolution-of-e-commerce-in-india.pdf>

**Figure 2.** Structure of online RH product marketing



## FINDINGS

As shown in **Figure 2**, manufacturers of RH supplies are connected to the customer via e-commerce sellers and logistics courier companies. Within the e-commerce market for RH supplies, sellers can be classified into three basic categories: 1) retailers or online sellers, 2) online marketplaces, and 3) the manufacturers themselves.

### Online Sellers

Online sellers operate much like traditional pharmacies or department stores, replacing conventional retailers in the value chain. Some traditional retailers sell products online in addition to their current offline sales. These sellers can be sub-classified into three groups depending on their product portfolio: 1) general health products, 2) sex/pleasure products, and 3) everyday items and grocery products. The names of their websites usually indicate the products they sell and have a huge impact on search engine optimization, a crucial factor in e-commerce.

➤ **Health product online sellers** sell mainly health products including a range of RH supplies. They generally have the widest selection of RH supplies and typically carry multiple brands of male and female condoms, OCs, ECs, and other products such as vaginal contraceptives and pregnancy tests, all without prescription. Websites include: easymedico.com, clickoncare.com, and themedicals.co.in.

➤ **Sex/pleasure product online sellers** sell products related to sexuality, highlighting excitement, pleasure, and passion. In addition to RH supplies, they often sell lubricants, lingerie, and sex toys. They generally offer fewer options but typically have a range of male, and sometimes female, condoms. Websites include [pleasureraja.com](http://pleasureraja.com), [naughtyat9.com](http://naughtyat9.com), and [purepassion.in](http://purepassion.in).

➤ **Everyday products and grocery online sellers** carry a limited range of RH supplies and sell them along with other fast-moving consumer goods and everyday items such as groceries. They generally carry only a few of the most popular brands and varieties of male condoms. Websites include [bigbasket.com](http://bigbasket.com), [peopleeasy.com](http://peopleeasy.com), and [needsthesupermarket.com](http://needsthesupermarket.com).

“One online seller said during an interview, “Whenever someone types ‘buy condom’ into Google, we want to be the first company that shows up.” Thus, the website is simply called [Buymecondom.com](http://Buymecondom.com).

## Online Marketplaces

Although they emerged somewhat later than U.S.-based Amazon and eBay and China-based Alibaba, online marketplaces are the most significant e-commerce actors in India. The three most prominent online marketplaces and their market shares are shown in **Table 3**. In return for a commission, these websites facilitate transactions between sellers and customers. The sellers may be manufacturers, wholesalers, distributors, retailers, and even other online sellers. In fact, some online sellers distribute simultaneously on their own websites and online marketplaces.

## Manufacturers

Manufacturers make up the third important category of online sales of RH supplies. As a relatively contraceptive-secure country, India has multiple manufacturers of popular products, some of which export significant quantities abroad. Manufacturers of three top-selling male condom brands made in India allow customers to purchase directly from their websites. Moods, Skore, and KamaSutra are available from their respective company websites.<sup>8</sup> Some products are sold at significant discounts, as much as 20% below the Maximum Retail Price (MRP). Other manufacturers do not sell directly from their websites but provide links that take the customer straight to an online marketplace.<sup>iv</sup>

There are numerous factors influencing the success of online sales of RH supplies. Some factors are positive (enabling) and some are negative (hindering). Some are both positive and negative, depending on the perspective (customer or distributor/seller).

## Enabling Factors

### Favorable Demographics

India has a large youth population, which is likely to follow the trends toward increased age of marriage, women's education, and longer intervals between marriage and first birth.<sup>9</sup> It also has an upwardly mobile middle class and rising standards of living.<sup>10</sup> These

**Table 3.** RH products available on top-three online marketplaces.

Name	Founded	Market Share	Male condoms	Female condoms	Other methods
Flipkart	2007	44%	14 brands, many varieties	2 brands	None
Snapdeal	2010	32%	7 brands, many varieties	1 brand	None
Amazon.in	2013	15%	15 brands, many varieties	2 brands	None

Source: Economic Times

factors mean that an increasing number of young people entering their reproductive years both need spacing methods and have the means to purchase them. This younger age group is also the population most likely to use technology and the internet, a combination that bodes well for the future of e-commerce of RH supplies.<sup>11</sup>

### Growing Acceptability of Online Payments

The number of people using credit and debit cards has grown steadily in recent years. In 2011, 17.5 million people had credit cards. Today that number is 21.5 million.<sup>12</sup> In addition, customers have become more accustomed to and comfortable with online payments. Mobile money ("mobile wallets") is a relatively underused payment method in India, but there are signs that use will increase. Major mobile companies, including Vodafone and Airtel, have entered into this market.<sup>13</sup> Certain analysts predict that mobile wallets will be to India what credit cards are to the West.<sup>14</sup>

### Cash-on-delivery

Cash-on-delivery is a popular payment method in India wherein customers order products but only pay for them when products arrive at their doorstep. Cash-on-delivery in India means that e-commerce can be carried out much the same way as traditional types of delivery (e.g., pizza). Many customers in India prefer this method, as it addresses several obstacles to e-commerce including:

<sup>iv</sup> For example, Durexindia.com redirects the consumer to Amazon.in where their products can be purchased. Cupid Limited on the other hand, redirects shoppers to Flipkart.com. Other RH supplies such as ECs and OCs are not currently available online from manufacturers. However, Today Women's Contraceptive can be purchased from the company website <http://carencure.in/>.



1) privacy and security concerns with entering payment information into websites, 2) desire to see products before paying, 3) absence of alternate payment methods, and 4) lack of trust in online sellers. Approximately 45% of all e-commerce transactions in India involve cash-on-delivery.<sup>15</sup>



### Massive Influx of Investment in E-commerce

Investors have made increasingly large commitments in this sector. Estimates of investment in Indian e-commerce show a trend from \$55 million in 2010, \$305 million in 2011, and over \$4 billion in 2014. The primary recipients of this investment are the large online marketplaces, such as Snapdeal, Flipkart, and Amazon.<sup>16</sup>

### Rising Internet Use, Users, and Internet-Enabled Devices

Internet indicators have improved rapidly over the past decade. The number of internet users rose from 50 million in 2007 to over 300 million in 2015, and is predicted to reach 500 million by 2018-19.<sup>17</sup> India has one of the fastest internet protocol (IP) traffic growth rates in the world (33% compound annual growth rate).<sup>18</sup> Equally important is the growing number of people using internet-enabled devices other than laptop or desktop computers. The number of smartphones and tablets continues to increase: smartphones totaled 140 million in 2014 and are predicted to reach 651 million by 2019; tablets reached 2 million in 2014 and are likely to reach 18.7 million in the same 5-year period.<sup>19</sup>



## INFORMING THE CUSTOMER

In order to help customers make informed decisions about RH and RH supplies, e-commerce companies offer a variety of resources. Examples of these include:

- Informative sections, including content in Hindi<sup>20</sup>
- Help lines and/or question and answer (Q&A) platforms that go beyond customer support to offer guidance from health professionals<sup>21</sup>
- Blogs and articles related to RH and RH products<sup>22</sup>
- Interactive content, including games, to inform and entertain customers<sup>23</sup>

The information available from the sources can range from general to specific. Overall they help customers make more informed choices about RH products.

### Access to Product Information and Privacy

One major difference between online shopping and traditional retail purchases of RH supplies is that face-to-face interaction is not required. Studies show that purchasing RH supplies in pharmacies is often embarrassing for both male and female clients, especially unmarried youth. But e-commerce of RH supplies has its pluses and minuses with regard to information and privacy. On one hand, the online shopper feels less pressured and more relaxed, as embarrassment and fear are reduced. However, unlike obtaining RH supplies through pharmacies or government services, customers cannot directly consult a health professional about their questions or concerns. To compensate for this, some online companies take measures to reassure customers and help guide them in decision-making. The amount

<sup>v</sup> Common examples include: details and specifications of each product, pictures of the product packaging, customer reviews and feedback, helpline numbers and/or online chat allowing customers to ask questions and connect with health professionals. In addition, customers who are shopping online can easily search for other information on the web.

of information and support available varies significantly. Some companies provide very little while others have comprehensive websites.<sup>v</sup>

### Greater Range of Choices

E-commerce has an advantage over traditional retail outlets in product range. Typical pharmacies carry 3-6 brands of male condoms. They also usually carry 1-2 types of OCs and ECs, but female condoms are very rare. E-commerce expands options because customers can buy from any company, regardless of location. The range of products currently available online in India includes 14 brands of domestic and foreign condoms (including latex-free condoms), four brands of female condoms (two domestic, two foreign), and vaginal contraception. In addition, two brands of EC and one brand of OCs are sold online without a prescription.

### Expanded Reach to New Market Segments

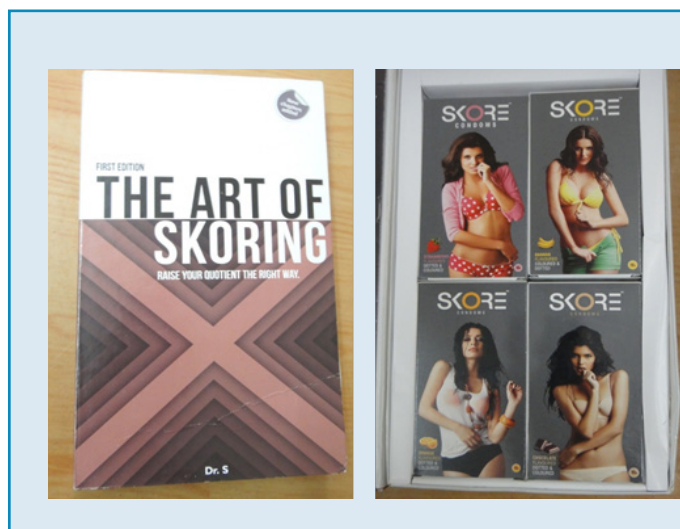
Gender barriers may be reduced via e-commerce—up to 40% of customers for some online sellers are women. E-commerce may also be able to provide greater access to RH supplies for unmarried youth.

## Hindering Factors

### Laws and Regulations

Because e-commerce is relatively new, there is significant legal uncertainty among key stakeholders. For instance, several companies and pharmacists interviewed were uncertain about which RH supplies could be sold legally online and the legality of selling to customers under age 18. While RH supplies are relatively normalized in India, some companies have had difficulty because these products are often sold along with sexual products that are seen as obscene. The legality of selling prescription drugs online is also contentious. In October 2015, hundreds of thousands of pharmacies across India observed a one-day strike to protest the issue.<sup>24</sup> In January 2015, a suit was filed against a major online market, Snapdeal, for selling prescription drugs online. Among the list of drugs named were I-Pill and Unwanted-72, two of India's most popular ECs.<sup>25</sup> The company no longer sells these products, but they are available from other websites.

**Figure 4.** Discrete packaging of RH supplies purchased online: outside packaging and inside contents.



### Controlled Pricing

All companies in India (online or otherwise) must respect the MRP for their products. Companies can sell below MRP, but e-commerce RH supplies are sold either at MRP or sometimes at a discount (1-20%). These price restrictions and the overall low value of products mean that e-commerce companies may have difficulty making profits on these products alone. From the consumer side, e-commerce of RH supplies does not usually offer a major price advantage over buying from traditional outlets. Moreover, in spite of the limited selection, the availability of free RH supplies from government sources may undermine use of e-commerce.

### Lack of Privacy at Time of Delivery

While e-commerce offers an important advantage over traditional sales in terms of privacy during purchase, it cannot guarantee privacy at delivery. E-commerce companies recognize that RH supplies are more sensitive than grocery products and use discreet packaging and other measures to ensure the privacy of their customers, as seen in **Figure 4**. Nonetheless, many customers may still see delivery as risky and may not opt for home delivery.

### Cash-on-delivery From the Company Perspective

While customers want to pay cash-on-delivery, e-commerce companies frequently complain of high rates of returned goods after a customer refuses to purchase the item when it arrives at their doorstep. The rate of

**Table 4.** Comparison of three main sources of FP methods, offline and online

Key Factors	Government of India FP and Social Marketing	Traditional pharmacies	E-commerce
Price	Free or small fee	At or slightly below MRP*	At or slightly below MRP
Ease of access	Distributed in communities	Omnipresent shops	Anywhere in India with courier, but easier in urban areas
Ease of purchase	Free or nominal one rupee fee	Purchased with cash or by card	Requires internet access, fixed address, a card/bank account and/or mobile phone
Selection/availability	Limited range of products	Products vary by location	Widest range of methods
Information at point of sale	Mostly competent health care staff	Information provided by pharmacist	Information varies by website
Social barriers	Fear or embarrassment at point of service; issues for minors and unmarried persons obtaining services	Fear or embarrassment at purchase; issues selling to minors and unmarried persons; customer has to ask for the method	Fear of and sometimes actual lack of privacy at time of delivery
Quality	Perceptions of inferior quality	Trust in quality is high; customer can see the product at the shop	Quality of products a concern, but relieved by COD

\*MRP as required by the Government of India

returned goods varies. One company reported a return rate of 30-40% on these orders, but others claimed lower rates such as 2-4%. In any case, cash-on-delivery is viewed as a nuisance and hindrance by e-commerce companies and industry experts alike.<sup>26</sup>

### Logistics and Physical Infrastructure

Delivery of products, a crucial element of e-commerce, is fairly reliable in India, especially in urban areas, and is provided through private companies as well as the government-run India Post. However, the reach of e-commerce companies is much lower in rural areas, where the majority of Indians reside. Thus, improvements in physical infrastructure such as roads and transport systems will be required if e-commerce of RH supplies is to reach all of India at an affordable price.

### Low Use of Spacing Methods

One obstacle for e-commerce of RH supplies online is the low use of spacing methods, especially new and underused methods. Although currently used by only 18% of married women of reproductive age, there is likely

to be a greater demand for spacing methods in the future given India's demographic structure.

For the purpose of e-commerce, non-clinical spacing methods are the most pertinent. These methods include male and female condoms, OCs, EC and vaginal spermicides. The three main channels in India for distribution of these spacing methods are the government FP program and social marketing, traditional pharmacies, and the emerging e-commerce market. As shown in the **Table 4**, a comparison of these three channels reveals some of the strengths and weaknesses of e-commerce.

## CONCLUSIONS

This case study sheds light on opportunities and obstacles to e-commerce as a way of expanding access to RH supplies. Although it is relatively young and quite small in comparison to the conventional channels, the e-commerce market for RH supplies in India is expanding with an estimated current annual volume of more than 10.4 million condoms and other methods with an annual \$1.9 million value.





## PROTECTING PRIVACY:

### Good Practice, Innovation, and Adaptation for Survival

RH supplies pose extra challenges for companies in India, largely due to taboos and sensitivities about sex. All Indians, but especially unmarried Indians, need privacy and secrecy when it comes to buying or receiving RH supplies. Companies recognize this and emphasize that customers' privacy will be protected. Examples include:


- Shipping products in discreet (sometimes double) packaging that gives no indication of the contents. Pictures of RH supplies purchased online can be seen in **Figure 4**.
- If the company's name is too revealing, an alternative name will be printed on the return address.
- Similar precautions may also be taken with credit card statements where non-descriptive language may to describe the product such as 'medical supplies' or 'healthcare items.'

Company/brand	Shipping name
BuyMeCondom.com	BMC (abbreviation)
CondomPoint.com	Unified Prints (parent company name)
SKORE Condoms	TTK Protective Devices Limited (parent company name)
Kama Sutra Condoms	J.K. Ansell Limited (parent company name)
Sexpiration.com	No name—only address is given on package

RH supplies are sold online by three major market actors—online retailers, online marketplaces, and manufacturers—all of which have potential for expansion. Through these three categories, customers can purchase a wide range of RH supplies online: male condoms (estimated market value of \$1-1.3 million), OCs (estimated market size up to \$300,000), and some new and underused

methods including ECs (estimate market size up to \$290,000), and female condoms (insignificant sales at present). Vaginal contraceptives are also sold online, but CycleBeads® are not. HLL, the manufacturer and distributor, sold CycleBeads online initially, but they are no longer available.

As shown below, several enabling factors are holding

ENABLING factors		HINDERING factors
<ul style="list-style-type: none"><li>✓ Favorable demographics</li><li>✓ Increased acceptance of online payments</li><li>✓ Cash-on-delivery - customers can see the product before purchase</li><li>✓ Rapid investment in e-commerce</li><li>✓ Increased internet use, users, enabled devices</li><li>✓ Access to product information</li><li>✓ Increased selection of products</li><li>✓ Expansion to new market segments, e.g., women and unmarried youth</li><li>✓ Privacy (shopping experience online)</li></ul>	<p>Higher Impact</p>  <p>Lower Impact</p>	<ul style="list-style-type: none"><li>✓ Laws and regulations</li><li>✓ Controlled pricing</li><li>✓ Sometimes lack of privacy at delivery</li><li>✓ Cash-on-delivery - refusals cost company revenue</li><li>✓ Poor logistics and physical infrastructure in rural areas</li><li>✓ Relatively low use of spacing methods</li></ul>

constant or trending positively toward an expansion of e-commerce for RH supplies. In contrast, while some hindrances may diminish, others are likely to persist.

India's potentially enormous retail market for RH supplies suggests a proportionately large potential for obtaining these products through e-commerce.

## FUTURE RESEARCH

The findings from this case study suggest a large opportunity for the sale of RH supplies through e-commerce. However, results showed that e-commerce is still a small proportion of the overall market, with several important factors hindering growth. To better understand how the potential for growth will interact with these factors, critical follow-up areas recommended for future research include:

➤ **Assessment of the end-user experience of online buying:** Further research with end-users to identify factors that limit demand for RH supplies over e-commerce, particularly for new and underused methods. How do customers find out about methods and sites, and how do they decide to purchase?

➤ **Further understanding of the regulatory implications on e-commerce:** Research to clarify India's legal context for RH supplies within the e-commerce sector, especially concerning access to hormonal methods currently available without prescription.

➤ **Assessment of the potential for electronic cash transfers:** What impact, if any, do mobile wallets have on expanding e-commerce for RH supplies? This research could examine the growth of these alternative payment methods and highlight both infrastructure requirements and potential changes in customer behavior.




# Endnotes

1. 2015 Revision of World Population Prospects, UN Population Division from <http://esa.un.org/unpd/wpp/>. See [http://www.nytimes.com/2015/07/30/world/asia/india-will-be-most-populous-country-sooner-than-thought-un-says.html?\\_r=0](http://www.nytimes.com/2015/07/30/world/asia/india-will-be-most-populous-country-sooner-than-thought-un-says.html?_r=0)
2. Number of people age 10-24 years in 2014. According to UNFPA—The Power of 1.8 Billion: [http://www.unfpa.org/sites/default/files/pub-pdf/EN-SWOP14-Report\\_FINAL-web.pdf](http://www.unfpa.org/sites/default/files/pub-pdf/EN-SWOP14-Report_FINAL-web.pdf)
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