WFP Contracted Retailers

Price & Complaints Analysis

2021 December
WFP Price Monitoring – WFP Contracted Shops vs. Market

Overview
- During 2021, WFP had ~450-470 retailers across Lebanon at any given time
- WFP collects itemized sales data from WFP retailers in addition to third party price monitoring data
- On average from Jan-Sept, WFP contracted shops were 1.27 cheaper than the market
- Across all governorates, on average WFP contracted shops are selling within or below the market price

Updates for 2022
- The contract for the third-party price monitoring company expired in Oct 2021 and WFP is currently launching an RFP with new requirements
- In the upcoming year, the price index will be revised to reflect updated SKUs based on the new context

Price comparison - Jan to Sep 2021

<table>
<thead>
<tr>
<th>Governorate</th>
<th>January</th>
<th>February</th>
<th>March</th>
<th>April</th>
<th>May</th>
<th>June</th>
<th>July</th>
<th>August</th>
<th>September</th>
</tr>
</thead>
<tbody>
<tr>
<td>North + Akkar</td>
<td>-1.05%</td>
<td>1.49%</td>
<td>1.16%</td>
<td>4.87%</td>
<td>0.66%</td>
<td>-0.95%</td>
<td>-2.12%</td>
<td>-3.50%</td>
<td>0.69%</td>
</tr>
<tr>
<td>Mount Lebanon</td>
<td>2.56%</td>
<td>4.33%</td>
<td>-3.31%</td>
<td>-3.81%</td>
<td>-0.30%</td>
<td>-2.32%</td>
<td>-8.08%</td>
<td>0.92%</td>
<td>-0.48%</td>
</tr>
<tr>
<td>South + Nabatieh</td>
<td>-1.04%</td>
<td>0.14%</td>
<td>-0.37%</td>
<td>-3.12%</td>
<td>-1.41%</td>
<td>-4.13%</td>
<td>-2.44%</td>
<td>1.60%</td>
<td>3.10%</td>
</tr>
<tr>
<td>Bekaa + Baalbeck Hermel</td>
<td>-4.03%</td>
<td>-6.59%</td>
<td>-11.08%</td>
<td>-3.20%</td>
<td>-2.71%</td>
<td>-2.07%</td>
<td>-2.82%</td>
<td>-2.45%</td>
<td>2.43%</td>
</tr>
<tr>
<td>Beirut</td>
<td>3.18%</td>
<td>6.31%</td>
<td>-9.62%</td>
<td>-5.52%</td>
<td>-8.53%</td>
<td>-5.23%</td>
<td>-0.21%</td>
<td>5.55%</td>
<td>0.94%</td>
</tr>
</tbody>
</table>

The price comparison is based on:
1. A maximum of 250 highly purchased items, requested by WFP, derived based on the itemized sales data
2. The sum of basket of the 250 items, calculated based on the median by SKU (Stock Keeping Unit).

* WFP considers all retailers that are within +/-3% of the average to be selling at the market price
Retailer Complaints – Summary
UNHCR Call Centre

Overview

• From Jan-Oct 2021, a total of 3430 complaints were received from the UNHCR call centre that were flagged to the Retail team

• Of those complaints the majority (55%) were received from Feb-Apr when the bank had a withdrawal limit on cash for retailers
  • This caused a large spike in complaints as some retailers who had liquidity issues stopped redeeming during this time
  • Additionally, in Sept we saw a large increase in complaints as the exchange rate suddenly dropped but this did not reflect in prices at the retailers
    • Combining Sept and the Feb-Apr period represents 74% of all complaints received this year

• The majority of complaints (55%) were related to high prices; when further validation is made to the beneficiaries, 50% of those reached asked to switch to cash

55% of the complaints received were during Feb – Apr during when the bank had cash withdrawal limits for retailers

19% of year’s complaints were received in Sept immediately following a drop in the exchange rate

50% of beneficiaries that were called reported they wanted to switch to cash
Retailer Complaints – At Retailer Level
UNHCR Call Centre

Overview

• As of October 2021, **WFP had 473 contracted retailers in locations across Lebanon**
  - Of these retailers, **306 or 64% had a minimum of 1 complaint throughout the year**
  - The **majority of retailers (70%) have zero or under 5 total complaints**

• When WFP receives complaints, beneficiaries are called to validate the complaint and/or forwarded to M&E for further validation if required

• **As a result of our process this year:**
  - **55 shops** flagged by complaints were either **terminated or not extended by WFP**
  - Additionally, **88 sanctions were issued** and delivered to retailers as a result of complaints and follow up validation actions; these sanctions can result in termination if improvement is not observed

![Distribution of complaints at Retailer Level](image)

- **35%** of retailers have zero or under 5 complaints
- **35%** of retailers have zero or under 5 complaints
- **11%** of retailers have 6 to 10 complaints
- **10%** of retailers have 11 to 20 complaints
- **5%** of retailers have 21 to 30 complaints
- **4%** of retailers have above 31 complaints

10 individual retailers made up 20% of the total complaints
Retailer Complaints – Sugar CRM
WFP Call Centre

Overview

• This year, WFP launched SugarCRM, a hotline dedicated for beneficiary feedback and complaints

• Since the launch of SugarCRM, from August – October, we have received 125 total complaints
  • Of these complaints, 52% were attributable to a specific shop while the remainder did not provide any shop name

• Similar to the UNHCR call centre, the majority of complaints were related to price (37%)

• Of the shops that were flagged, 17 shops were sanctioned (these retailers were also flagged via the UNHCR call centre)
  • Written warning: 12 shops
  • Verbal warning: 4 shops
  • Termination: 1 shop

Plan for 2022:

WFP is consistently reviewing the complaints process to provide the best experience to beneficiaries and take their feedback seriously. We are currently providing additional training to call centre agents including providing them with the most up-to-date information to handle complaints at first resolution.
Thank you

Questions?