

Bringing Healthcare to Low-Income Women through Franchising

HIGHLIGHTS

- Franchisees operate under common franchise name and are required to meet the franchisor’s quality standards and follow its operating procedures when providing services. Franchisor provides trusted brand and builds demand through outreach to potential patients.
- Services include family planning, safe motherhood care, treatment for sexually transmitted infections, abortions and post-abortion care and sale of contraceptives.
- Fractional franchise models are common.



Franchised Tunza Family Health Network providers after a training

Development Challenge

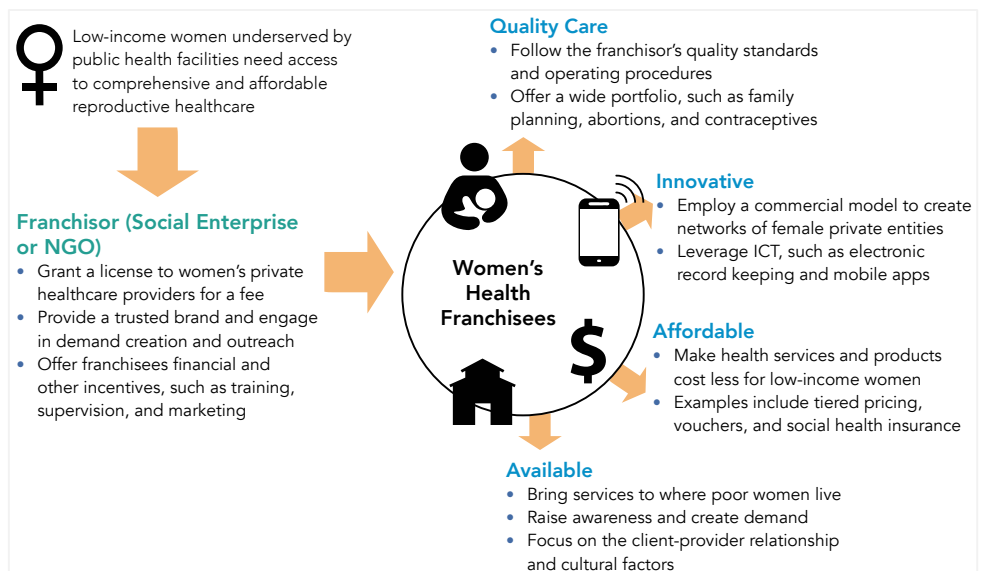
Every day more than 800 women die of pregnancy- and child birth–related complications—most of which are preventable (World Health Organization n.d.). Especially in Sub-Saharan Africa and South Asia, millions of women die unnecessarily because public health systems are weak and serving poor populations is not attractive to private providers. Where the private sector does serve the bottom of the pyramid, the quality of care is often low and services often unaffordable. The global incidence of neonatal death has fallen dramatically in the past 25 years, from 47 per 1,000 live births in 1990 to 19 in 2015 (UNICEF n.d.). But even at this rate, 2.7 million babies a year still die in the first month of life. One way to address these challenges is through women’s health franchises—social franchises based on conventional commercial franchising models. These models deliver good-quality reproductive health services to poor women, reducing both maternal and neonatal mortality. Services include family planning, safe motherhood care, treatment for sexually transmitted infections, abortion and post-abortion care, and the sale of contraceptives and other products.

Business Model

Women’s health franchises are based on conventional commercial franchising models. Typically, the franchisor grants a license to a network of private healthcare providers (the franchisees), usually in return for a fee. The franchisees operate under a common franchise name and are required to meet the franchisor’s quality standards and follow its operating procedures when providing services. The franchisor provides a trusted brand and builds demand through outreach to potential patients. It also provides a range of financial and other incentives, including training, supervision, marketing, and health products at below market rates. In Pakistan, Greenstar provides its franchisees with monthly visits from its doctors, who consult on difficult cases, share advances in clinical practices in reproductive health, and conduct one-on-one training in areas of need (Center for Health Market Innovations n.d.).

Fractional (or partial) franchise models are very common in women’s health. Under this model, franchisees are pre-existing private health care providers that remain free to offer services not supported or standardized by the franchisor. Fractional franchises are often associated with international NGOs, such as Marie Stopes International (MSI), which contract with private providers through their nationally registered affiliates. Some franchises, such as the Merrygold Health Network in India, use a mix of both fractional and full franchising. Its network includes fully franchised hospitals and fractionally franchised clinics in rural areas.

Features of Business Model for Women’s Health Franchises



Implementation: Delivering Value to the Poor

Awareness

Women's health franchises use a range of communication mechanisms to create awareness and increase demand, including conventional advertising and community outreach and events. The Well Family Midwife Clinic in the Philippines organizes health events clinic anniversaries and the owner's birthday. MSI-affiliates hold demand-generation events, such as offering free services for a day (Marie Stopes International 2011). Tunza, in Kenya, has dedicated staff ("Tunza Mobilizers") whose job is to build demand. Efforts to build awareness are sometimes coupled with financial incentives to create demand. The Merrygold Health Network in Rajasthan, India hosts outreach camps and baby showers for expecting mothers to raise demand for its services. In Pakistan, community health workers hand out referral tokens to women in poor communities for use at Greenstar's franchised clinics.

Acceptance

Women's health franchises increase their appeal by providing good service, being sensitive to cultural factors, and leveraging information communication technology. Patients cite the client-provider relationship as their main motivation for using private franchised providers. All franchises use female outreach workers. Greenstar employs "lady health visitors" and ensures that women have separate sessions with female representatives to discuss their health problems. Given that men are a key determinant of women's health, Jacaranda Health in Kenya is examining ways to increase men's involvement, particularly regarding labor and delivery choices.

Accessibility

Women's health franchises increase accessibility by bringing reproductive health services closer to where poor women live, particularly in rural and peri-urban areas. They are particularly important in areas underserved by public facilities, which are often understaffed and experience frequent stock-outs. To tailor its services to women's needs, Jacaranda sends satisfaction surveys to clients. Jacaranda also uses mobile phones to send appointment reminders and input patient data.

Affordability

All women's health franchises aim to make services and products affordable to poor women, with some aiming to reach the bottom wealth quintile. Merrygold's cross-subsidy model enables it to charge 50–60 percent below market prices to its low-income patients, who make up more than 70 percent of its patients. Greenstar in Pakistan uses voucher schemes. Jacaranda, in Kenya, addresses affordability barriers through a mobile prepayment service it has developed. Task-shifting keeps costs down. At Jacaranda nurses provide all clinical care, nurse aides provide nonclinical care, and community health workers manage home visits and client education (CHMI n.d.).

Results and Effectiveness

Scale and Reach: Some women's health franchises have reached significant scale. Greenstar, the first major women's health franchise in the world, has more than 7,500 clinics. Since it was established, in 1991, it has served about 650,000 women, in more than 3.5 million visits. BlueStar has 304 clinics and maternity homes in Ghana and 299 in Vietnam. Tunza, in Kenya, has registered 710,000 visits since 2008. The Merrygold Health Network has performed more than 890,000 antenatal checkups, 170,000 deliveries, 42,000 intrauterine contraceptive device insertions, and 11,000 sterilizations. MSI's social franchise networks in the Philippines inserted 23,000 intrauterine devices in the first eight months of 2010, just two years after it was launched (Marie Stopes International 2011).

Models focus on both the bottom and middle quintiles, covering both rural and urban areas. The majority of Tunza's patients come from the bottom two quintiles; a quarter come from the middle quintile (Viswanathan, Schatzkin, and Sprockett 2014). Some franchises focus exclusively on urban or rural area; many serve both. Greenstar operates 4,822 outlets in urban and 2,832

outlets (37 percent) in rural areas. BlueStar Vietnam has 195 outlets in urban and 586 (75 percent) in rural areas.

Improving Outcomes: Patients are receiving services and products they might otherwise have been unable to access. As a result, maternal mortality has fallen significantly. Women also benefit from shorter waiting times and better-quality care.

Private franchises have increased patient satisfaction. In a study conducted in Ghana and Kenya, women cited the client-provider relationship as the main reason for choosing a franchise facility. They described providers as caring, respectful, and considerate and reported high levels of satisfaction, thanks to the high quality of medical care, short waiting times, facility cleanliness, and staff attitudes (Sieverding, Briegleb, and Montagu 2015).

Cost-Effectiveness: Taking care of women's health improves their ability to stay productive, both directly and indirectly, as their families' main caregivers. Healthier women increase the productivity of other household members and reduce the risk of catastrophic expenditure.