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.

**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**

- **Low-income women underserved by public health facilities need access to comprehensive and affordable reproductive healthcare**
- **Franchisor (Social Enterprise or NGO)**
  - Grant a license to women’s private healthcare providers for a fee
  - Provide a trusted brand and engage in demand creation and outreach
  - Offer franchisees financial and other incentives, such as training, supervision, and marketing
- **Quality Care**
  - Follow the franchisor’s quality standards and operating procedures
  - Offer a wide portfolio, such as family planning, abortions, and contraceptives
- **Innovative**
  - Employ a commercial model to create networks of female private entities
  - Leverage ICT, such as electronic record keeping and mobile apps
- **Affordable**
  - Make health services and products cost less for low-income women
  - Examples include tiered pricing, vouchers, and social health insurance
- **Available**
  - Bring services to where poor women live
  - Raise awareness and create demand
  - Focus on the client-provider relationship and cultural factors
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.