



## MicroBusiness for Health: Health Products and Counseling at the Doorstep

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*"...One place for diseases to hide is among the poor, especially when the poor are socially and medically segregated from those whose deaths might be considered important."*

—Dr. Paul Farmer

### **The Problem . . .**

Forty percent of the world's population is at risk of contracting malaria through bites from infected mosquitoes. Worldwide, there are an estimated 500 million cases of malaria every year. The majority of malaria cases occur in Africa. Annually, more than 1 million people die of malaria, most of them children under the age of five.

Diarrheal disease is estimated to cause 2 million deaths in the developing world each year; the vast majority of these are among children younger than two years. Currently, 1 out of every 200 children who contract diarrhea will die of its consequences, particularly dehydration.

These are the diseases of poverty. They remain a major public health problem in far too many places where inadequate health care resources and facilities are exacerbated by lack of individual knowledge about how to prevent and manage basic health problems. Malaria and diarrhea alone account for the major portion of health care-seeking and expenditures by families in many developing countries.

Yet, these conditions are completely preventable and/or treatable! Malaria transmission may be prevented through the use of insecticide-treated nets (ITNs). Almost all of the deaths due to diarrhea could be prevented with the timely use of a simple and low-cost Oral Rehydration Solution (ORS) to prevent dehydration.

Janet's story is not unusual (see Box next page). In rural areas throughout the world, people living in poverty lack access to powerful, simple and inexpensive health-promoting products. Even when they have the money to buy products such as insecticide-treated nets, ORS, home water-treatment tablets, antibiotic ointments, contraceptives, or even soap, they are often difficult to find on a reliable basis.

### **. . . The Response**

For more than 15 years, Freedom from Hunger has led the microfinance industry in the innovation of financially sustainable service-delivery systems that integrate the provision of microfinance and non-financial services, especially dialogue-based training in health and small-scale business development. Freedom from Hunger has provided technical assistance to a variety of institutions in numerous countries in Africa, Asia and Latin America to develop and implement such services, typically for self-help groups of very poor, rural women. Freedom from Hunger is most widely known for developing and working through 50 partner institutions to offer the integrated service known as Credit with Education to nearly half a million women and families. But the massive

problem of health protection must be addressed with a strategy to go the final mile, right to the doorstep of the family.

The MicroBusiness for Health initiative responds to the call for greater access to life-saving health products and health information for the rural poor. MicroBusiness for Health builds on the entrepreneurial spirit of women and Freedom from Hunger's expertise in large-scale distribution of health training and service linkages in rural communities. It represents an alternative distribution strategy that seeks to involve local caregivers and housewives in a network of motivated entrepreneurial business women to distribute high-impact health protection products to their neighbors and to provide counseling and advice about the proper use of health products. In short, MicroBusiness for Health seeks to fill the gap between the supply and the demand . . . a demand and a need that in some instances caregivers do not even know exists.

### MicroBusiness for Health

As a region, Africa is characterized by the greatest infectious disease burden and, overall, the weakest public health infrastructure among all regions in the world. In recent years, there has been emphasis on the idea that improving knowledge about the causes of illness and disease in communities will lead to better use of interventions. However, it has been demonstrated that there are other reasons interventions such as ITNs might not be more widely used. While there is variation among households, most spend relatively significant amounts of money to protect themselves from malaria. The main barrier to net use is not people's unwillingness to use them; it is that treated nets are not always readily available or affordable. A recent impact study on the Freedom from Hunger malaria initiative supported by GlaxoSmithKline during 2003–2005 in Ghana documented significant gains in better knowledge about the cause of malaria and prevention options. It also pinpointed physical access to affordable ITNs as the primary reason for not having a net in the household.

Freedom from Hunger is addressing this challenge with its newest strategy, MicroBusiness for Health, which will launch women in rural villages in a microenterprise that promotes and protects health as well as provides an income for the woman herself. Not unlike the neighborhood Shaklee, Avon or Tupperware ladies who have become American institutions, MicroBusiness for Health will be operated by a "Mamasante," a woman who directly sells health-promoting products—often right from a bag she will carry to identify her in the community. Mamasante's products will include a mix of high-impact, reliably priced health-promoting products, especially for children and women.

### Janet's Story

Janet stands in the shop she started with a loan from her local Credit with Education group. On the surface, Janet has every reason to be proud. Her business is successful and she has savings for emergencies. Her family no longer wonders if they will have enough to eat. But as Janet talks, the problem becomes clear. She says, "This is Ray," pointing to her 11-year-old son sitting quietly in the corner. She tightens the wrap that securely ties her one-year-old daughter, Jennifer, to her back and explains, "Ray is just getting over malaria. I took him to the doctor last week when I noticed that he was not playing with his friends and was feverish. He's normally very active."

Janet learned at her Credit with Education group meetings that inactivity could be a sign of malaria. "So I didn't wait," Janet said, "I went to the clinic right away." The nurse gave her anti-malaria medicine for Ray and instructed her on the use. Janet also asked for an insecticide-treated net. "When our group learned how to prevent malaria, we learned about nets. But the nurse told me only pregnant women and women with children under the age of five could get one." The supply of nets in this rural village was very limited. Janet continued, "I had left Jennifer at home and couldn't prove that I qualified. I went back the next day and they were out of nets."

Then Janet stated quietly that two of her children had died in her arms from malaria. She was scared for Ray and Jennifer.

There will also be selected personal-care items that are in demand and can contribute to the sustained profitability of the business. The strategy will employ a proven microfranchise system in which entrepreneurial women, supported by a sustainable distribution system, will bring quality products and consumer information to rural villages on a reliable basis. Each Mamasante will receive training on her health products so that she can counsel her customers on topics such as how to hang an insecticide-treated net; how to treat her home water supply to make it safe for drinking; how to use contraceptives; how to recognize that a child is dehydrated and how Oral Rehydration Solution with zinc can help; how to use feminine hygiene products especially for women's reproductive issues; how to coach children to wash their hands to protect from diarrhea; and even which shampoos are effective against head lice. Mamasante will be equipped with referral cards that her clients can take to the nearest clinic for preferred service. She will be enabled to register people for a national health insurance plan by collecting the annual premiums.

MicroBusiness for Health could clearly function well in urban and peri-urban areas. However, the initiative is being especially tailored to work in rural areas in order to reach a major portion of this underserved population. The multiple benefits of MicroBusiness for Health will affect families and communities in several sustainable ways; it will reduce disease and death by significantly improving access to proven disease prevention and health-promoting interventions at the same time as educating families in their use and will explore making health products affordable by offering layaway or installment purchase plans for higher-cost items. Finally, MicroBusiness for Health will also significantly improve livelihoods in the following ways:

- 1) Providing a reliable source of income as a Mamasante for thousands of women.
- 2) Keeping families healthy and enabling income-earners to work.
- 3) Reducing costs for medical treatments by reducing the incidence of illness.

The microfranchise model employs key characteristics of successful franchises:

- Products and marketing strategies that are tested and proven prior to roll-out.
- Consistent branding for Mamasante.
- A profitable product mix.
- Regular monitoring and follow-up training.
- Sales incentives (in this case only for high-impact, health-promoting products such as ITNs).
- Penalties, including loss of franchise, for violating the rules.

The direct-selling system has two other powerful benefits for potential entrepreneurs:

- 1) Low start-up costs. Unlike store-based franchise systems that can require significant capital, a Mamasante can get started with very little investment.
- 2) Flexible hours and lifestyle. Mamasante can work on her own schedule and in her own or nearby communities. This is particularly valuable because women must juggle the competing demands of family and household.


### Key Characteristics

- **Target Markets.** MicroBusiness for Health will primarily target rural and underserved communities where access to basic health services and products is inadequate or non-existent. Inadequate access means physical distance from the nearest source. Impediments to access can also result from poor quality or higher prices, which are common in many rural markets. Even where public dispensaries are near, limited supplies or “stock-outs” can effectively deny access

to critical health-protection products. Lack of consumer education on health products is another important impediment to access, as demand for products is often hampered by ignorance of their value or even of their existence.

MicroBusiness for Health and its Mamasante entrepreneurs will be initially piloted in Ghana. Freedom from Hunger will work through its connections to the Ministry of Health and the Ghana Health Service, with local training institutions and with a growing network of rural banks and credit unions providing Credit with Education services and with a wide variety of community-based organizations. Upon successful completion of pilot-tests with a small group of Mamasantes, MicroBusiness for Health will roll out in a phased approach to the entire country with a goal of reaching 80 percent of the rural communities within five years.

- ***Mamasante Profile and Recruitment.*** A Mamasante is likely to be an energetic woman, well-respected in her community, between the ages of 30 and 55, and able to read and write. She must be able to move around the community and travel on a regular basis to gather with other Mamasantes to receive special training on the health products she represents. Women already participating in Credit with Education programs and who are known to be successful entrepreneurs are likely to be among the first recruits considered.

| <b>Profile of a Mamasante</b>  |   |
|--|---|
|  | Patience is the 42-year-old mother of two girls, ages 10 and 15. She currently runs a “tabletop” business, selling provisions such as milk and soap from a table outside her house. Two years ago she joined a Credit Association and started her current business, buying small amounts and carrying the goods on her head. Over time she learned how to save money, and grew her business to its current state. Patience is eager to start her Mamasante business, which she plans to do in addition to her tabletop business. “My husband is happy for |

- ***Microfranchise Model.*** The microfranchise model will draw from the proven relationship sales model used by Shaklee, Avon, Tupperware, etc. This system will keep fixed costs low, support expansion and facilitate rapid scale-up. Through an incentive system, more entrepreneurial women can earn more income.
- ***Products.*** The majority of products will support improved health and better nutrition: e.g., insecticide-treated mosquito nets, water treatment methods, contraceptives, vitamins, acceptable pain killers, topical disinfectants and bandages, etc. An exciting opportunity in Ghana is to help more families in rural communities get linked with the national health insurance plan that covers hospitalization costs with one annual premium. Mamasante entrepreneurs will also offer other products that are locally popular, such as moisturizing crème, shampoos and sanitary napkins. These personal-care products are meant to increase profits and attract customers to other health products. Good selection and availability can increase conversion and average purchase.

- ***Integrated Lifeskills Training.*** Much in the way Freedom from Hunger's Credit with Education strategy is distinguished as a village-based banking model integrated with lifeskills training, a Mamasante is distinguished from community health workers or traditional itinerant sellers in rural areas by the critical inclusion of counseling and other home-health management services in her sales and customer relations. Each Mamasante will receive training with regard to product importance and benefits, as well as how to provide counseling and advice for product use. The relationship with her customers will be built upon the provision of information and use of the health products, demonstrating knowledge and care for her customers and their families and community.

- ***Promotions and Incentives.*** Sales incentives will be focused on high-impact health product promotions. Mamasante entrepreneurs can earn recognition (badges, ribbons or buttons) that tell their clients they have received special training on various products. They will be supplied with incentives to offer their clients in order to boost sales, product popularity and use for enhanced healthy outcomes. Successful sellers may also earn points towards rewards—e.g., free product, watches, bicycles, etc.

- ***Start-Up Costs.*** Various start-up strategies are being considered to eliminate barriers to becoming a Mamasante entrepreneur and to assist in the business start-up, including special loans and savings plans provided by Rural Banks, subsidized sponsorship from donors and other financing strategies. Mamasante entrepreneurs will be given a bag ("basket") for their products, signage, and an identification card to signal their role in the community. Training is free to each entrepreneur.

- ***Branding and Communications.*** Mamasante entrepreneurs will be required to carry a branded bag. They will be given signage and logo to display on their homes. Because MicroBusiness for Health will launch within the Credit with Education, CHPS (Community-Based Health Planning and Services) initiative and/or NGO networks, Mamasante will first be introduced and endorsed by these agents in the community. Activities will be organized to coordinate with the Ghana Sustainable Change Project, NetMark and others to build on and

### Product Offerings

#### Health

- Insecticide-treated mosquito nets\*
- Net re-treatment tablets\*
- Point-of-use water treatment methods\*
- ORS with zinc\*
- Contraceptives (condoms)\*
- Iodized salt\*
- Vitamins and minerals
- Analgesics for normal pain relief and fever reduction
- Wound care: bandages, band-aids, mercurochrome
- Eye drops for "itchy" eyes
- Safe-birth kit

#### Personal Care

- Feminine hygiene
- Toothpaste/toothbrush
- Lice-fighting and dandruff shampoo
- Moisturizing crème
- Talcum powder
- Hand soap

#### Service and Advice

- ITN re-treatment
- Reading glasses
- Measure blood pressure
- Referrals to health clinics/hospitals
- Subscriptions to the National Health Insurance Plan

\* *Mandatory products*

complement the social marketing strategies being implemented around health promotion issues and products.

- ***Distribution and Monitoring.*** Field coordinators will visit Mamasantes to monitor their progress, collect sales and inventory data, and learn about the image and impact of saleswomen in the community. A regional distribution network will be established so that Mamasantes can restock their supplies. Chemist shops, CHPS compounds and community-based organizations are under consideration as the preferred suppliers of products, providing them with a small income for their efforts and increasing the likelihood that the local chemist will see the Mamasante as an ally instead of a competitor.

**Overall Goals**

The overall goal of the initiative is to make large-scale distribution of life-saving health protection products, advice and service linkages available and affordable for underserved rural communities through a network of local caregivers and housewives. This will be achieved by the attainment of milestones throughout the project phases, including at full implementation the following:

- Recruiting, training and deploying 3,000+ entrepreneurs throughout Ghana.
- Offering services in 80 percent of rural communities in Ghana.
- Mamasantes earning US\$1,500 per year or more.
- Demonstrating, through carefully conducted progress monitoring, that the initiative can meaningfully enhance product use and health knowledge and practices in target communities.

The implementation plan involves three phases. A sample of key activities is listed for each phase.

| <b>Mamasante Project Rollout</b> |                              |  |
|----------------------------------|------------------------------|--|
| <b>Phase</b>                     | <b>Duration</b>              | <b>Activities</b>  |
| Trial                            | Current–August 2007          | <ul style="list-style-type: none"> <li>• Hire Project Manager</li> <li>• Design initial training program</li> <li>• Recruit and train 12 Mamasantes operating in 3 districts of Ghana</li> <li>• Begin product selection process</li> <li>• Develop franchise operation systems</li> </ul>   |
| Phase One                        | September 2007–<br>June 2008 | <ul style="list-style-type: none"> <li>• Refine training design and incentive system</li> <li>• Recruit and train 60 Mamasantes operating in 6 districts of Ghana</li> <li>• Develop and implement systems to manage product inventory and distribution</li> <li>• Implement Operations Plan for social franchise business management</li> </ul> |
| Phase Two                        | July 2008–June 2011          | <ul style="list-style-type: none"> <li>• Deploy countrywide</li> <li>• Recruit and train 3,000 Mamasantes operating throughout the country, reaching 80% of rural Ghana</li> <li>• Launch MBH replication in at least one other country</li> </ul>   |

### **About Freedom from Hunger**

Founded in 1946, Freedom from Hunger's mission is to bring innovative and sustainable solutions to the fight against chronic hunger and poverty. Together with local partners, we equip families with resources they need to build futures of health, hope and dignity.

Freedom from Hunger is a recognized expert in microfinance; adult education for improved health, nutrition and personal finance; and for partnerships with organizations that build local capacity for sustainable implementation of quality programs. In addition to creating and distributing programs and services that are proven effective, we are also known for innovation, finding new ways to bring effective self-help programs to families living on the margin of survival. Freedom from Hunger has worked in Ghana since 1985.

Freedom from Hunger has major initiatives supported by the Bill and Melinda Gates Foundation, GlaxoSmithKline, the Citigroup Foundation and the Nike Foundation. A significant portion of our funds come from private individual donors.

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