

# CLINICAL SOCIAL FRANCHISING CASE STUDY SERIES

BlueStar Ghana

Marie Stopes International



The Global Health Group  
University of California, San Francisco  
September 2009



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# BlueStar

Healthcare Network



Pharmacist Akua Afi Ampofo greets clients in front of her BlueStar-branded pharmacy.

## INTRODUCTION

Marie Stopes International's BlueStar social franchise in Ghana is the subject of the first in a series of qualitative case studies that the Global Health Group (GHG) will undertake and catalyze in 2009 and 2010. This case study highlights lessons learned from BlueStar Ghana, and is a complement to the annual publication *Clinical Social Franchising: An Annual Compendium of Programs, 2009*. This case study was developed using *Clinical Social Franchising: Case Study Template* which is available electronically at [globalhealthsciences.ucsf.edu/ghg](http://globalhealthsciences.ucsf.edu/ghg).

### Definition of clinical social franchising

Social franchises create and support a network of existing private providers to offer needed health services. BlueStar Ghana is a social franchise characterized by the following definition:

- Outlets are operator-owned
- Payments to outlets are based on services provided, although the mechanism of payment may vary (client out-of-pocket, insurance)
- Services are standardized (although additional, non-franchised products and services may be offered)
- Clinical services are offered, with or without franchise-branded commodities



## 1. EXECUTIVE SUMMARY

### BlueStar social franchise

Founded in April 2008, Marie Stopes International Ghana's (MSIG) BlueStar health network delivers sexual and reproductive health (SRH) commodities and services to the greater Accra region. Consisting of 42 clinics, 26 pharmacies, and 32 chemical shops, the franchise follows a multi-tiered model designed to increase access to family planning (FP) commodities for underserved communities, and to encourage SRH referrals for clinical services for all who need them. BlueStar aims to engage women new to long-term FP methods and to make safe abortion services available to the underserved. All of BlueStar's clients pay out of pocket for services, and the majority are women.

Chemical shops are frequently the first stop for Ghanaians looking for basic health provisions. The shops' FP commodities generally include condoms, oral contraceptives, and emergency contraception (EC). BlueStar strategically selects shops located in underserved areas in an attempt to reach people who otherwise would not have access to FP counseling, commodities, and services. For most chemical sellers and pharmacists, FP commodities represent a very small portion of their business and income. BlueStar, however, makes this segment more compelling, with a goal of raising it from 3–7% of sales to 10–15%.

There are 964 registered pharmacies in Ghana, primarily in and around large cities. Pharmacies are required by law to be staffed by a supervising pharmacist with a B. Pharm degree and professional certification. Pharmacies have been identified as a common source for FP and SRH services in Ghana, typically selling all forms of FP commodities, as well as EC and pregnancy test kits. For this reason they are a key part of the BlueStar model, serving as an intermediary referral point for clinical services.

Private clinics are common in large cities, often operated by current or former employees of the government health system. Nurses, rather than doctors, usually run nursing homes. These are not always sources of FP services, but the link to pregnancy and birth is natural and MSI has been successful in introducing and strengthening the FP services offered, including commodities, as well as Intrauterine Device (IUD) insertions, injectables, implants, and a range of EC and abortion services. Most BlueStar clinics are run by midwives, operating what are known locally as "maternity homes" or "nursing homes." Because many of these clinics provide delivery services, they are often open 24 hours a day and offer in-patient beds.

All of the BlueStar franchisees are considered partial or “fractional” franchises. This means that BlueStar only regulates a franchisee’s FP and SRH services and commodities, and that the franchisee may offer additional services beyond the BlueStar focus, which all 100 franchises do.

*All franchisees interviewed cited training, particularly in FP counseling and business skills, as the main reason they joined BlueStar.*

BlueStar supports franchisees with branding, training, community demand creation events, and clinical and marketing technical assistance. It also provides free supplies for medical and clinical abortions and post-abortion care, including manual vacuum aspiration (MVA) equipment. In exchange for these benefits, franchisees agree to routine supervision, submission of monthly reports, adherence to specified quality standards, and an annual franchise fee of US\$70 for clinics, \$50 for pharmacies, and \$30 for chemical shops. All franchisees interviewed cited training, particularly in FP counseling and business skills, as the main reason they joined BlueStar.

Reacting to stockouts from government and wholesale suppliers, BlueStar launched a new initiative in early 2009 to stock and sell highly subsidized SRH commodities directly to franchisees. These include oral contraceptives, condoms, contraceptive implants, IUDs, and EC.

BlueStar has a referral system in which franchisees receive a small payment for referrals for more comprehensive services provided elsewhere within the BlueStar network or at one of the four centers directly operated by MSIG. To date, franchisees often use the system to refer to MSIG’s four centers, but not to one another within the BlueStar network. BlueStar is working to improve the referral process.

BlueStar has achieved its original target of 100 outlets within the greater Accra metropolitan region. It plans to focus on strengthening these existing outlets and increasing client load before expanding to new providers or geographic regions.

### Case study methodology

This case study encompasses qualitative research carried out in greater Accra, Ghana by the GHG in May 2009. Researchers conducted interviews with six BlueStar franchisees, five BlueStar staff members, two MSIG staff members, and two BlueStar clients. Researchers also visited five BlueStar outlets, including two clinics, two pharmacies, and one chemical shop, and visited two of MSIG’s stand-alone clinics. This document provides a qualitative, but not exhaustive overview of the design and implementation of MSIG’s BlueStar franchise at a given point in time.

## 2. CONTEXT

### A. National population and health status

As in many sub-Saharan African countries, child mortality, maternal death, HIV/AIDS, and malaria are the primary medical problems facing Ghana. Health problems are generally larger and more severe in rural areas where approximately 60% of the country's population resides.

Summary statistics <sup>1</sup>	
Population	23,008,000
Percent urban/rural	38%/62%
Gross national income per capita (PPP intl\$)	\$1,240
Life expectancy at birth m/f (years, 2003)	56/58
Probability of dying under five (per 1,000 live births)	120
Total expenditure on health per capita (intl\$, 2006)	100
Total expenditure on health as % of GDP (2006)	6.2%
% of total expenditure on health that is private (2005)	65.9%
% of private expenditure on health that is Out-of-pocket spending (2005)	79.10%
Maternal mortality rate (MMR) (adjusted, 2005, UNICEF and WHO)	560
Unmet need for family planning (2006, National Population Council)	34%
Contraceptive prevalence rate (CPR)	24%
Total fertility rate (TFR) (2008, GDHS)	4.0
Adult literacy (2000, WHO)	57.9

Ghana's TFR has markedly declined over the past 15 years. The country's CPR rose significantly starting in the late 1980s but has remained steady over the last five years. Compared to other sub-Saharan African countries, Ghana's TFR of 4.0 is

<sup>1</sup> Unless otherwise stated, data obtained from WHO and 2008 Ghana Demographic and Health Survey (GDHS)

<sup>2</sup> As of 2006, for example, Niger had a TFR of 7.1, Uganda of 6.7, and Mali of 6.6.

*85–90% of comprehensive abortion care (CAC) is provided by the private sector.*

relatively low.<sup>2</sup> Ghana’s overall CPR, however, has remained at approximately 24% of married women for the past five years. BlueStar staff report that in the greater Accra region specifically, the CPR has recently declined from approximately 19% to 13%, due likely to an increase in the utilization of EC and an increase in safe abortions, including medical abortion (MA). 17% of women use modern methods, of which the pill (5%) and injectables (6%) are most common. 7% of women use traditional methods. Additionally, according to the Guttmacher Institute, Ghana has the third highest unmet need for FP in sub-Saharan Africa at 34% including limiting and spacing births.<sup>3</sup>

BlueStar staff report that unsafe abortion represents 30% of Ghana’s MMR and that 85–90% of comprehensive abortion care (CAC) is provided by the private sector. The remaining 10–15% of cases seen by the Government usually represent post-abortion complications.

## **B. Healthcare system**

The private sector, including chemical shops, pharmacies, and maternity homes and other clinics, represents a significant portion of healthcare delivery for all socioeconomic groups in Ghana, including the poorest. Data show that approximately 52% of healthcare in Ghana is provided by the private sector as a result of convenience and pricing.<sup>4</sup> Government clinics generally charge for all commodities so people often choose to instead go to chemical shops or pharmacies that are closer to their home or work, and where prices are often equivalent or lower than government prices.

Ghana’s health sector is dominated by chemical shops. There are approximately 8,000 licensed chemical sellers in Ghana, and approximately 2,000 additional sellers that are unlicensed. Chemical shops are legally authorized to sell only non-prescription products, though they generally sell a range of medicinal products that often includes essential medicines obtained illegally. The “chemists” and shop attendants have minimal or no health or medical training. Chemical shops differ from pharmacies in terms of the reduced range of medications they are allowed to sell, and the minimal training required of sellers.

FP in Ghana is heavily supported by donors, with more than 90% of commodities in the country subsidized, primarily by United States Agency for International Development (USAID). Pills and condoms are the most common socially-marketed methods of contraception. “Secure” is the most popular brand of pill used in Ghana, and all BlueStar outlets supply it. This is largely due to the heavy market-

<sup>3</sup> <http://www.guttmacher.org/pubs/2007/07/09/or37.pdf>. Accessed July 2, 2009.

<sup>4</sup> 2003 GDHS

ing of the pill by the Ghana Social Marketing Foundation (GSMF) between 2000 and 2004. Manufactured by American pharmaceutical company Wyeth Laboratories Inc., Secure was approved by the Pharmacy Board of Ghana in 1992. Currently, 47% of pill users use Secure, and this percentage could be higher since 29% of pill users interviewed for the 2008 GDHS were not able to identify a brand name. Because it's highly subsidized, Secure sells for approximately US\$0.15, while all other commercial oral contraceptives (OCs) in Ghana sell for approximately US\$2.50.<sup>5</sup>

### **Public/Private disparities**

In Ghana, both the public and private medical sectors are important suppliers for users of modern FP methods providing 39% and 51%, respectively, of all supplies.<sup>6</sup> There are, however, differences by method among sectors. Pills and male condoms are commonly obtained from private sources (including clinics, pharmacies, and chemical shops).<sup>7</sup> While clinic-based methods such as injectables and implants are provided predominantly by public facilities (including government health hospitals, centers, and posts).

According to interviews conducted for this case study, Ghana manifests a high stigma for unmarried women using FP methods, and an even higher one for abortion services. Family planning is generally accepted for married women, but abortion is widely viewed as immoral and, incorrectly, often thought to be illegal in all cases.

### **Government bodies**

Since 2002, the Government of Ghana has dedicated two agencies to healthcare. The Ministry of Health (MOH) serves as the larger umbrella organization accountable for public healthcare, and is responsible for policy formulation, monitoring and evaluation, resource mobilization, and regulation of the health services industry. The Ghana Health Service (GHS) resides within the MOH, and is responsible for direct provision of public health service delivery, including promotive, preventive, curative, and rehabilitative care.

Neither the MOH nor the GHS actively works to regulate, train, or communicate with the private sector. The MOH oversees the professional associations that high-level public and private practitioners are required to join, but does not monitor providers to ensure adherence to standards, quality, or membership standing. The GHS has, however, begun to recognize the significant status of private healthcare provision in Ghana, and has recently formed a working group to address private healthcare provision and the role the government should play around it.

<sup>5</sup> PSP-One. 'Blue': Segmenting the OC market in Ghana. 2008. <http://www.psp-one.com/content/resource/detail/4982/>. Accessed July 2, 2009.

<sup>6</sup> 2008 GDHS

<sup>7</sup> According to the 2008 GDHS, 84% of pills and 71% of condoms are sourced from the private sector

### C. Regulatory framework for private providers

The MOH oversees several professional associations responsible for licensing and certifying health service providers. These include: Private Hospitals and Maternity Homes Board, Pharmacy Council, Ghana Registered Nurses & Midwives Association, Chemical Sellers Association of Ghana, and Community Pharmacists Association. While these associations meet on a regular basis, some annually and some more often, the MOH conducts very little, if any, supervision or monitoring of registrants in terms of quality, adherence to standards, or membership status.

Clinic owners, such as BlueStar midwives and doctors, are registered with the government under their facilities, not as individuals. This structure is beneficial to BlueStar because it avoids re-registration in case of franchisee employee turnover. All health service providers are also subject to income tax, but this is not policed.

Under Ghanaian law, anyone can open a clinic, but only a registered midwife may open a maternity home. While chemical sellers are not required to be trained, they must be interviewed by the MOH before they can open a shop. Pharmacists must be registered, but do not require an interview first.

Regulatory systems around drugs sold by all levels of private providers are not always tightly enforced. According to interviews, one chemical seller reported regularly obtaining supplies in “the marketplace” prior to joining BlueStar. Counterfeit MVA equipment and counterfeit drugs such as Postinor-2-brand emergency contraception and Cytotec-brand misoprostol from Nigeria were also reported to be readily available to providers. Counterfeiting is not a problem with the Jadelle-brand contraceptive implant because it is more difficult to produce, nor is it an issue with OCs because GSMF has saturated the market with Secure-brand pills.

Ghana’s abortion law is considered progressive compared to the laws of many of its neighboring countries. Ghana permits abortion in certain extenuating circumstances including rape, incest, and/or when there is a considerable threat to a woman’s physical or mental health.

### D. Franchisor relationship with government

The relationship between MSIG and GHS is particularly strong, and so, therefore, is the relationship between BlueStar and GHS. BlueStar staff meet monthly with the Director of Family Health for GHS, and the Director General of GHS also frequently attends these meetings. MSIG holds a seat on the GHS working group on maternal mortality reduction and is often called to represent the private provider point of view at governmental workshops, meetings, and conferences. The Government also has dedicated a portion of its Central Medical Stores storage for

MSIG's use at no cost, and on the occasion when the Government has been out of stocks for a certain commodity, GHS has borrowed from MSIG.

BlueStar and GHS also participate in a reciprocal agreement around trainings. Both agencies open their facilities to one another for trainings; for example, the Government uses MSI clinics for CAC training because of its high volume of procedures. When MSIG was first founded, however, the relationship with the MOH and GHS was not as strong. As a new NGO, the organization had to make a significant effort to gain the Government's respect and cultivate a working relationship.

### E. Market niche

The private sector provides a significant portion of FP and SRH care in Ghana, yet very little is known about these providers or the quality of services they offer. As in many sub-Saharan African countries, there is much room for improvement and optimization within Ghana's private health sector. BlueStar helps to address this gap by offering better quality products through a more consistent and stable supply chain to a portion of private providers in a highly organized fashion. BlueStar creates a needed mechanism for both regulating and supporting these private sector providers. At the same time, BlueStar strives to ensure that previously non-existent FP counseling and education reaches Ghanaians in their own communities. BlueStar seeks to introduce women to long-term FP methods, which they otherwise would not have known about or been able to easily obtain. BlueStar also increases the accessibility of safe abortion services. BlueStar currently focuses on the urban and peri-urban poor in the greater Accra region with long-term plans for extension to rural areas.

A chemical shop on a popular street in greater Accra



In early 2008, BlueStar conducted a baseline study of private providers which used a series of qualitative assessments to measure services provided, and created rankings for all potential franchisees to determine who would be recruited. BlueStar reports that many clinicians were using dilation and curettage (D&C) for abortions prior to becoming BlueStar franchisees. D&C procedures have an increased risk of bleeding and injury to the uterus compared with MA and suction methods such as MVA. The switch to MVA in particular represents a clear improvement in clinical quality due to BlueStar.

As described in the following section, MSIG is part of a small consortium formed to coordinate efforts for reducing maternal morbidity and mortality. While not a member of the consortium, another major player in the FP and SRH market in Ghana is Planned Parenthood. The Government also provides some free services to pregnant mothers.



*BlueStar is comprised of 42 clinics, 26 pharmacies, and 32 chemical shops. In greater Accra, approximately 11% of all MSIG clinical procedures come through BlueStar referrals, and approximately 30% of MSIG's national performance figures around FP and SRH are attributable to BlueStar.*

### 3. BUSINESS MODEL

#### A. The model

BlueStar Ghana provides franchisees with training, subsidized commodities and supplies, and technical assistance. In exchange, franchisees agree to routine supervision, submission of monthly reports, and an annual franchise fee (for more information on fees and contracts, please see Section 4). BlueStar only supports and sets standards for the provision of FP and SRH commodities and services. Each franchisee is free to offer additional commodities and services beyond those franchised by BlueStar. In fact, the bulk of services and commodities of all franchisees fall outside the purview of BlueStar. The formal term for this arrangement is a “fractional franchise.”

#### Franchisor

Marie Stopes International (MSI) is a UK-based nonprofit that applies modern business methods to prevent unintended pregnancies and unplanned births in 42 countries around the world. Founded in 1976, MSI delivers a range of services including family planning, safe abortion and post-abortion care (PAC), and HIV/AIDS and STI services. In most countries, MSI owns and operates clinics. In eight countries including Ghana, MSI operates social franchises under the BlueStar, Suraj, and AMUA brands. MSI began operations in Ghana because of a confluence of factors including market need, the in-house expertise MSI possessed, and donor interest.

In April 2007, MSI founded MSIG to provide high-quality SRH services and information to the underserved. MSIG has two areas of work: it owns and operates four stand-alone clinics referred to as “centers of excellence” by MSIG, and it implements a social franchise network of 100 private outlets called BlueStar. BlueStar is comprised of 42 clinics, 26 pharmacies, and 32 chemical shops, all in greater Accra. Unlike many social franchises that are created as an add-on program well into an organization’s existence, BlueStar began at the same time as MSIG’s other programs. In greater Accra, approximately 11% of all MSIG clinical procedures come through BlueStar referrals, and approximately 30% of MSIG’s national performance figures around FP and SRH are attributed to BlueStar.

The MSIG headquarters is located in the Kokomelemle region of northern Accra. MSIG has around 20 employees, including drivers, unaffiliated with BlueStar. MSIG’s four stand-alone centers provide FP and SRH services directly and are used as training centers for BlueStar franchisees and for government health workers.

These four directly operated centers are different from the BlueStar clinics and are referred to as the MSIG centers in this report. Three of the MSIG centers are in metropolitan Accra and one is in Kumasi, Ghana's second largest city, located 100 miles north of the capital. MSIG focuses on these two of Ghana's ten geographic regions for both their centers because they are the major population centers of the country. The MSIG center in Kumasi is housed in the middle of the commercial district. MSIG took over a previously well-established health clinic, so most citizens in the region know it well.

MSIG is part of the Reducing Maternal Morbidity and Mortality (R3M) consortium, comprised of five NGOs and agencies in Ghana focused on SRH services. Other members include Engenderhealth, Ipas, the Population Council, and the Willows Foundation. A single principal donor supports all five organizations and encouraged the consortium's founding to ensure efficient collaboration as these five organizations work to increase the capacity of the public and private sectors in Ghana.

The BlueStar team is staffed with six employees, including four based at the MSIG headquarters and two drivers. Two field officers manage all 100 franchisees. Each field officer's workload has been determined by geographic blocking, and by BlueStar's desire to keep the number of clinics for each even. One field officer serves 52 franchisees including 21 clinics, and the other serves 48 franchisees including 20 clinics. All BlueStar employees ultimately report to the MSIG Country Director, and are supervised and supported by MSI's Global Social Franchise Advisor and Global Social Franchise Manager who are based in Kenya. As part of MSIG, BlueStar leverages MSIG staff from the Finance, Administration, Clinical Staff, IT, and Marketing departments. Additionally, BlueStar has just hired a Quality Technical Assessment (QTA) Officer who is going through a three-month hands-on training with the MSIG clinical team. BlueStar also employs consultants to design and lead the trainings for franchisees.

#### **Franchisees**

BlueStar is comprised of a range of outlet types—42 clinics, 26 pharmacies, and 32 chemical shops. All 100 franchisees now feature the BlueStar name, often in addition to their own original name. BlueStar franchises the outlet itself, not the individuals who own, run or work at the outlet. None of the BlueStar outlets is owned or operated by BlueStar or MSIG, or features MSIG or BlueStar employees.

Nearly all BlueStar franchisees are stand-alone shops or clinics. Only one, a pharmacy, is not. It is co-located within a fitness center. BlueStar reports that such one-stop shops are starting to emerge in and around Accra.

### **Clinics**

BlueStar's 42 clinics are nearly all run by midwives and known locally as "maternity homes." A few BlueStar clinics also employ doctors, but BlueStar reports that generally in Ghana doctors are "too posh" for the BlueStar mission, and its target population (lower- and middle-income women) does not frequent doctors.

A typical small clinic consists of one room used for FP counseling and consultation, a one-bed delivery room, two hospital beds for post-delivery rest, and a bathroom. A typical larger clinic consists of one consultation room, two FP counseling rooms, a two-bed delivery room, five hospital beds for post-delivery rest, and a bathroom. 24-hour clinics have an attached sleeping quarter for midwives and other staff.

Staffing for a typical small clinic includes a midwife owner and one to three assistants. Staffing for a typical larger clinic includes three midwives and three to four assistants. Most midwives within the franchise are registered with the Ghana Registered Nurses & Midwives Association.

One of two clinic franchisees visited reported dual-employment: all three midwives that co-operate the clinic also work for the local government clinic and trade off shifts to ensure at least one midwife is always at the BlueStar clinic. BlueStar reported that most BlueStar midwives have previously worked for the public sector, however, they do not keep statistics on how many remain employed by the public sector contemporaneous with BlueStar work.

### **Pharmacies**

BlueStar includes 26 pharmacies, most of which are one-room, stand-alone buildings. Most pharmacies are owned and operated by a pharmacist, and have one pharmacy assistant who serves in shifts.

### **Chemical shops**

BlueStar includes 32 chemical shops, most of which average two employees working in shifts. All BlueStar chemical shops are licensed and registered with the Chemical Sellers Association of Ghana. Chemical shops typically sell condoms, OCs (usually Secure-brand pills which are socially marketed in Ghana), EC (usually Postinor-2, also socially marketed) and foaming tablets (also known as pessaries).

BlueStar has chosen to include chemical shops in the franchise because they are often the first stop for Ghanians searching for healthcare provision. Because many are strategically located in underserved areas, BlueStar also views the chemical shops as an ideal way to get FP counseling to people who need it and would otherwise not get it. Additionally, GHS holds that chemical sellers have a role to play in safe abortion care, and should counsel and refer.



Chemical seller poses in front of his health products

Most chemical sellers are men. One shop visited was owned by a woman, but usually operated by her assistant, her son. Another shop visited had three assistants filling in while the shopkeeper was away. Most chemical sellers are retired health workers or nurses.

### **Staffing and hours**

The number of staff per BlueStar outlet varies significantly, as does the sex of providers. Most clinics represent maternity homes staffed with only women. Most chemical shops are staffed with only men. Pharmacists and their assistants represent both genders. Chemical sellers and pharmacists rarely, if ever, interact with public service providers. Midwives and doctors seem to interact with public service providers more often, usually as a part of their affiliation with a national professional association, or because they are dual-employees, alternating between working at public and private facilities. All franchisees are open Monday through Saturday, a requirement of BlueStar membership. Many clinics are open 24 hours and feature in-patient beds.

*BlueStar can be defined simply as improving quality and access of healthcare by bringing badly needed services right to the doorsteps of the Ghanaian people.*  
 –Marie Stopes International Ghana

### **Target population**

BlueStar’s target population is “the underserved.” All Ghanaians experience limited access to quality FP and SRH services, so the term “underserved” does not always equate to the poorest quintile within greater Accra. Based on BlueStar’s original baseline study, the average BlueStar client earns below 50 Ghana cedis (GH¢) per month, or approximately US\$33.

Almost all BlueStar clients are women. In Ghana, women sometimes ask on behalf of men when they have STI symptoms. Chemical sellers and pharmacists reported that most of their business comes in the evenings, when people are returning home from work.

### **Services offered under franchise**

BlueStar emphasizes social responsibility in all trainings in order to link the work franchisees conduct with larger development issues such as Ghana’s high maternal mortality and poverty rates. During trainings, BlueStar explains to all franchisees that the work of the franchise is not only business and profit, but also has an aspect of social responsibility.

### **Counseling and referrals**

BlueStar requires chemical sellers and pharmacists to counsel all clients who purchase commodities as a way of empowering clients to take better care of themselves and make better health-related choices.

While the vast majority of the 100 franchisees offered FP commodities prior to joining BlueStar, approximately 95% of the chemical sellers and pharmacists offered only condoms and EC and did not provide clients with counseling. As part of BlueStar, chemical sellers and pharmacists are now trained to educate clients who purchase EC about long-term methods, and to refer them to BlueStar or MSIG centers that can provide those methods.

### **Comprehensive abortion care (CAC)**

Ghanaian law states that abortion is legal under certain circumstances, including in cases of rape or incest, if the pregnancy threatens the woman’s physical or mental health, of if there is substantial risk that the child would suffer from a serious deformity. Many consider this to be one of the more progressive abortion laws in place in Africa. BlueStar reports that, unlike in many African countries, the law is not the problem; the problem lies in the perception of the law.

BlueStar provides all clinics with subsidized MVA equipment. BlueStar has also been promised a donation of autoclaves, but they have yet to be received or distributed. At training, franchisees are given two MVA kits for free (enough for

100 procedures), and thereafter they can purchase additional MVA kits for approximately US\$24 from BlueStar. Many clinic franchisees were not performing CAC prior to joining BlueStar. CAC services represent a significant way for clinics to earn greater income, as BlueStar ensures inputs are free or close to free, and patients are willing to pay significant amounts for CAC. In order to discourage price gouging and, to increase access, BlueStar recommends a range of prices between US\$25–40 be charged for abortions, depending on BlueStar’s assessment of a franchisee’s overhead costs. In reality, many midwives are only willing to provide PAC due to the stigma surrounding abortion itself. BlueStar reports that the number of abortions (which BlueStar staff informally refers to as CACs) performed by franchisees often rapidly increase after trainings, but then declines for many midwives as they experience pressure from the community to stop providing these services. BlueStar reports over 3,000 CACs to date (as of August 2009).

PRICE LIST			
<b>FAMILY PLANNING SERVICES</b>			
IUD	GH¢ 3		
Jadelle	GH¢ 3		
GHS Condoms	Free		
Other Condom Brands	GH¢ 50		
Pills	GH¢ 20		
Emergency Contraceptive	GH¢ 3		
Injectables	GH¢ 50		
MSL (Tubal Ligation)	GH¢ 30		
Vasectomy	GH¢ 20		
<b>PREGNANCY CRISES MANAGEMENT</b>			
PAC	GH¢ 35		
MSP	GH¢ 35		
MSMP	GH¢ 35		
<b>LABORATORY SERVICES</b>			
Pap Smear	GH¢ 60	Urine R/E	GH¢ 2
Semen Analysis	GH¢ 12	Stool R/E	GH¢ 2
Hva C/S	GH¢ 10	B/F	GH¢ 2
Urine C/S	GH¢ 10	Chlamydia	GH¢ 30
Fbc	GH¢ 8	Hormones	GH¢ 25
Hbsag	GH¢ 3.5	Hbsag Profile	GH¢ 25
Syphilis	GH¢ 3.5	Lfs	GH¢ 15
Widal	GH¢ 3	Lipids	GH¢ 15
Blood Grouping	GH¢ 3	Blue/Gr	GH¢ 12
Fbs	GH¢ 3	U A	GH¢ 8
Uva R/E	GH¢ 3	Electrophoresis	GH¢ 8
Hb	GH¢ 2	Esr	GH¢ 6
Sickling	GH¢ 2		

### **Long-term contraception**

Long-term FP is central to BlueStar and most BlueStar clinics have a designated FP room, many added since joining the franchise, where long-term methods are provided. BlueStar supports two long-term FP methods: IUDs and the Jadelle implant. Before joining BlueStar, most pharmacists and clinics had heard of Jadelle and its predecessor Norplant, but lacked access to the commodities and the skills to provide them appropriately.

Although many women are interested in having an IUD inserted, many are ineligible for the procedure due to underlying medical contraindications. During BlueStar community-based demand creation events, significant numbers of women request free IUDs, but are unable to have them inserted due to recent or recurring uterine infections. Providers report that the widespread use of douches and other vaginal chemical abrasions often leads to bacterial vaginosis and other infections.

### **Commodities offered under franchise**

BlueStar provides a range of FP commodities to the franchisees including: OC, condoms, Jadelle, IUDs, and EC. In addition, it provides the necessary supplies for medical and clinical abortions and post-abortion care. Other than OC and

*Since March 2009, BlueStar sources, stocks, and sells all FP commodities to its franchisees. BlueStar initiated this change both to ensure quality and access during the increasingly common government stockouts.*

condoms, private sector healthcare providers in Ghana cannot obtain FP commodities for free or at subsidized costs without membership in BlueStar. For most chemical sellers and pharmacists, FP commodities represent a small portion of their business and income. BlueStar, however, makes this segment more compelling, with a goal of raising profits from FP commodities from 3–7% of sales to 10–15%.

BlueStar's commodity strategy has changed over the life of the program. Originally, BlueStar did not directly supply franchisees. Instead, franchisees would obtain their own FP commodities (OC and condoms) from GSMF, a local social marketing company, or other sources such as local wholesale pharmacies. When the US Government began to more strictly enforce the Mexico City Policy, also known as the Global Gag Rule, subsidized supplies suffered stockouts and many franchisees went to the open market for commodities. Initially, BlueStar only assisted with more difficult to obtain commodities such as Jadelle and EC when/if there were countrywide stock outs.

Since March 2009, however, BlueStar sources, stocks, and sells all FP commodities to its franchisees. BlueStar initiated this change both to ensure quality and access during the increasingly common government stock outs. BlueStar purchases commodities in bulk, some from GHS, and has also received donations from UNFPA. BlueStar brands its commodity packages by applying after-market stickers and affixes recommended prices to the products. Many franchises reported, however, that they continue to obtain commodities from previous sources in addition to BlueStar despite the fact that BlueStar's prices are more competitive. The reason for this appears to be both established supplier relationships, and ease of access for wholesaler-supplied goods.

BlueStar has recently launched a system to track commodity flow from purchase to point of sale. This system is intended to monitor the frequency at which franchisees purchase products. BlueStar plans to increase monitoring and evaluation (M&E) around commodities in the future by comparing commodities purchased versus reported sold, in part to protect against reselling of subsidized products to non-franchisees.

Following is more information on the commodities offered by BlueStar.

### **OC**

BlueStar supplies its franchisees with Secure-brand OCs. While GSMF already offers Secure to providers, BlueStar's ability to group it with other FP commodities makes the procurement process easier for franchisees than it otherwise would be.

#### **Implants**

BlueStar provides its clinics with Jadelle-brand contraceptive implants. Both franchisees and female clients report liking implants as a contraceptive method, especially since Jadelle has replaced Norplant; the new product requires only two implanted rods, rather than the previous six.

Removal of Jadelle implants is complex, and has reportedly been challenging for some franchisees. BlueStar has had to initiate additional trainings around proper surgical insertion and removal to address this issue.

#### **Foaming tablets**

Locally known as “pessaries,” vaginal foaming spermicide tablets are popular as a contraceptive. GSMF has marketed pessaries, particularly in Accra and Kumasi, for years.

#### **EC**

BlueStar provides all outlets with Postinor-2 EC. One client interviewed reporting using EC multiple times before obtaining an IUD. She referred to it as “Postinor” and said it is commonly used amongst her friends and family.

#### **Condoms**

BlueStar provides all outlets with condoms and across franchises, BlueStar generally averages three condoms per client per sale.

#### **MA**

Cytotec-brand misoprostol is widely available and utilized for MA. In summer and fall 2009 BlueStar will pilot a program for a mifepristone/misoprostol mix which will be new to Ghana.



Chemical seller speaks with a client in his shop.



### Scalability

The original BlueStar target was 100 outlets in three districts within the greater Accra metropolitan region and Kumasi. BlueStar has achieved this number and plans to focus on strengthening these 100 outlets and increasing client load before it expands further. The current management, support, marketing, and distribution systems appear to have excess capacity for expansion. However, donors to the program, in agreement with local management, have pushed for more evaluations on the existing services, including better cost per couple-year protection (CYP) figures, and a better sense of how many new clients are being served and where, prior to expansion.

BlueStar is working with partners to possibly expand the range of products and services to include malaria treatment. Malaria was selected as a possible first non-SRH treatment area, both because of its significant effect on mortality and morbidity within Ghana, and because there is likely to be donor funding for such initiatives.

### B. Number and types of commodities and services provided

Please see the Appendix for numbers of commodities sold and services provided to date. Also, please see page 28 for more on BlueStar's CYP calculations.

### C. Service finances

#### Prices for commodities and services

BlueStar suggests firm prices for commodities and a range of prices for services, however, enforcement of prices charged to clients is difficult or impossible to undertake. BlueStar determined the prices through a quick and basic market survey during its start-up phase. Field officers agreed that there is probably significant variation in actual prices charged, though franchisees interviewed neither confirmed nor denied that this occurs. Whether this leads to lower prices (providers argue against posting prices because their poor patients will be too intimidated to ask for services if they know they cannot afford them), or higher prices (because the demand for abortions in particular is highly inelastic), is not known. There is some suspicion that providers overcharge, especially for abortion and post-abortion services. The "going rate" for these procedures can rise to ten times the recommended prices for franchisees, so temptations to overcharge are high.

Non-subsidized contraceptives, especially long-term methods, are expensive in Ghana when compared to the average Ghanaian income. For example, when GHS ran out of implants in early 2009, BlueStar was forced to procure 5,000 Jadelles on its own, costing the organization over \$100,000. BlueStar adjusts its

price points through sector-wide research, by visiting non-franchised outlets to determine the most competitive rates. Franchisees have at times complained about prices when there are fluctuations in the market, and BlueStar has reduced prices accordingly. This occurred with the price of Postinor-2, which BlueStar recently reduced considerably.

In the future, BlueStar plans to offer volume discounts on commodities for franchisees; this has yet to transpire.

#### **Payment sources**

All patients pay out of pocket for goods and services. Prices for services are largely affordable for target populations, and there were no reports of “lay-away” payment schemes being necessary. In recent years Ghana has implemented the National Health Insurance Scheme (NHIS), a national social health insurance program that generally covers inpatient care and does not cover abortion. Many BlueStar clinics are registered as preferred providers, allowing them to be reimbursed under the social health insurance scheme. FP is currently excluded from the NHIS coverage package, although there are discussions of adding it in the future. MSIG consistently advocates for a more comprehensive FP package as part of the national insurance policy.

#### **Subsidies—explicit or implicit**

Commodities are sold to franchisees at prices that are significantly less than those in the market and, when applicable, that match other social marketing sources for the same products. Subsidies for MVA procedures are significant as one MVA aspirator with cannulae costs approximately \$100 in Ghana. BlueStar offers up to two free MVA kits at its initial CAC training, and thereafter franchisees can purchase MVA kits from BlueStar at subsidized prices. BlueStar purchases MVA syringes and cannulae at market rates from Ipas Ghana.

#### **Pricing enforcement systems**

Ranges of retail prices for commodities and services are recommended by BlueStar, but not enforced. Prices are included as part of BlueStar’s application of its own after-market stickers and prices to products. BlueStar has also recently begun to provide franchisees with documentation, including posters, of the recommended prices. Providers are not contractually obliged to post prices, and none of the six sites visited had posted prices visible.

BlueStar has not yet surveyed patients to verify prices, nor has it penalized franchisees for charging above the recommended rates.

#### **Vouchers and insurance**

Ghana's NHIS includes some mental health and very little, if any, FP and SRH coverage. As noted above, private clinics are eligible for NHIS registration and subsequent reimbursement and this is happening, though long payment delays and low rates have deterred providers from encouraging clients to pay through NHIS. Private insurance is rare in Ghana and was not mentioned as a payment source, and no voucher programs exist.

### **D. Franchise finances**

#### **Country operation costs—overall and breakdowns**

The annual BlueStar budget is approximately \$250,000, however the true operating cost is higher than this. The MSIG accounting systems do not allow for fully accurate allocation of support activities or capital investments to the BlueStar franchise. For example, rent and vehicle purchases are not allocated to BlueStar, although salaries of all BlueStar staff and vehicle operations, including drivers and other support, are allocated. Marketing expenses are, however, included in BlueStar budgeting.

Salaries represent approximately 30% of program expenses, and supplies provided to members are an additional 5% to 18%, varying by month. The remaining costs are allocated to "other overhead" and are largely related to ongoing start-up expenses. These have declined continually since the program initiation, both in real terms and as a percentage of monthly expense reports.

#### **Cost-sharing with other activities/programs**

The BlueStar franchise was started contemporaneously with the initiation of MSIG operations, and many cost-centers for the two organizations are co-mingled. Among both clients and member providers, there is little differentiation between the two brands. However, this may change as BlueStar's proprietary marketing, including a ubiquitous radio jingle, has only recently begun.

#### **Donors**

BlueStar operates primarily with support from a single large anonymous donor. MSIG's initial two-year start-up grant, which includes BlueStar, sunsets in August 2010. Further commitments to maintain BlueStar have been pledged and likely include at least a two-year extension at the same level. In the future, BlueStar may consider diversifying its funding.

BlueStar receives many FP commodities for free or near-free from the Ghana National Family Planning program, but this source has suffered from stock outs. When the Global Gag Rule was in effect, UNFPA donated a number of FP commodities to BlueStar. An NGO with a mission to provide developing countries with free, secondhand medical equipment has also donated small autoclaves.

*Costs/CYP rose throughout the first year of operation, reaching \$40/CYP in December 2008. Since then, costs have declined significantly, averaging \$15.61 over the first three months of 2009.*

#### **Cost subsidy per unit**

CYP<sup>8</sup> calculations in BlueStar are made using MSI's standard rate calculator. The BlueStar program cost per CYP has declined since the program reached full pilot scale of 100 members in March 2008. As of April 2009, BlueStar had served 360,000 clients, resulting in 30,000 CYPs.

BlueStar's initial cost/CYP was low as a result of large numbers of procedures done for free via demand creation campaigns at each newly opened franchisee clinic or nursing home. Costs/CYP rose throughout the first year of operation, reaching \$40/CYP in December 2008. Since then, costs have declined significantly, averaging \$15.61 over the first three months of 2009. As a benchmark, this is a lower cost/CYP than was achieved by the GreenStar or GreenKey franchises in Pakistan in their first 12 months of operation. However, as the BlueStar costs do not include Marie Stopes International's capital outlays and overhead for rent and automobile purchases, true cost per CYP must be higher than the reported figures.

Overall, cost/CYP is relatively high compared to other FP and SRH programs worldwide, but it is declining, and appears to be in keeping with start-up costs of other franchises.

<sup>8</sup> A couple year of protection (CYP) is the estimated protection provided by contraceptive methods during a one-year period, based upon the volume of all contraceptives sold or distributed free of charge to clients during that period. The definition of CYP differs across institutions, but one CYP is approximately 120 condoms, 15 OC cycles, 1/5 of an IUD, etc.

## 4. FRANCHISE OPERATIONS

### A. Franchisee relations

#### Franchisee selection

Franchisees have been recruited only in greater Accra, with all three levels of providers distributed across the city. Selection of initial franchisees was done after a baseline study of 324 providers, in which they were assessed according to a wide range of criteria, including years worked and current provision of FP and SRH services. All providers were ranked according to a range of issues such as opening hours, and knowledge of FP and SRH. Selection was then made according to the willingness of providers to join the franchise, their ranking, and the geographic proximity between franchised clinics and other franchise outlets (as it was hoped that chemical sellers and pharmacists would refer clients to nearby BlueStar clinics as needed).

BlueStar technically franchises an outlet in its entirety, rather than franchising individual providers, and all providers within those outlets are encouraged to be trained by BlueStar in order to practice. Thus a clinic might be listed, branded, and marketed as a BlueStar franchise and have a total of three trained providers able and authorized to provide the full range of BlueStar services. All clinics, pharmacists, and chemical shops are required to be registered with the government as a condition of membership, and to be staffed by licensed providers. In practice, legal registration is long and highly complicated for chemical sellers and the franchise has recruited unregistered shops and then assisted them with completing the registration process. Pharmacists and chemical sellers are supposed to be relicensed annually.



The exterior of  
a BlueStar-branded  
chemical shop  
in Accra

### **Recruitment**

Initial recruitment was challenging due to provider concerns about public association with abortion and PAC services, lack of awareness of MSIG, and general lack of understanding about what a franchise was and what it meant to become a franchisee. BlueStar met many providers who did not believe the BlueStar message was genuine and thought it was a conspiracy to arrest them for illegal acts. McDonald's, The Body Shop, and other internationally well-known chains and franchises do not yet operate in Ghana, making understanding of the franchise model difficult for many providers.

Knowledge of the franchise has now grown and field officers report that they are regularly approached by non-franchised midwives, chemists, and pharmacists, asking to join.

BlueStar's future recruitment strategies will specifically focus on growing the market by franchising in areas where BlueStar services are reported as desperately needed rather than claiming existing services currently provided by government facilities. However, one BlueStar employee acknowledged that not claiming existing services is a challenge and suggested it would be easier to prioritize recruitment of providers known for selling significant quantities of Cytotec and providing CAC services. This kind of recruitment might be merited through arguments to improve quality and service numbers of those already sharing BlueStar's values toward FP and SRH services.

### **Contracts**

Formal contracts between BlueStar and the franchisees are signed annually, and are taken seriously by providers. The primary outcome of disagreements or disputes set out in the contract is dissolution of the agreement: an option available equally to both franchisor and franchisee with one month's notice. As of May 2009, no BlueStar contracts have ever been dissolved.

In May 2009, BlueStar began to renew franchisee contracts and collect the annual fees for year two. BlueStar has redesigned the contract to be clearer and more detailed than the original form used for year one. BlueStar reports that franchisees are very careful about reading and understanding their contracts before signing. In the new contract, BlueStar has emphasized the criteria for expulsion from the franchise: 1) three continuous months of failure to report commodities sold or services rendered, 2) criminal record/time spend in jail, 3) mental issues, 4) expulsion from a professional association, and 5) failure to provide agreed-upon services. Not attending trainings may also be considered grounds for expulsion in certain cases.

### **Requirements and advantages of enrollment**

Becoming and remaining a member of the BlueStar network has several requirements which are offset by significant benefits. All of these are outlined in detail in the 25-page “welcome and training packet” provided to each franchisee.

#### **Requirements**

Joining the franchise requires an up-front annual membership payment of US\$70 for clinics, \$50 for pharmacies, and \$30 for chemical shops. When asked about “costs” of franchise membership, all providers interviewed cited the annual fee. Most followed this up by saying what they receive in return is worth this price. Additional requirements include adhering to a higher quality of service and completing monthly reports.

In addition to the direct costs, franchisees become publicly associated with FP and SRH services as the BlueStar brand and its programs become known. While this brand recognition can be viewed as an advantage of membership, providers note this as a particular challenge to them due to discomfort in the general population related to FP and abortion. Providers who join BlueStar have reported being called out for criticism in mosques or churches.

#### **Benefits**

Balancing these costs to membership are significant benefits. While BlueStar field officers highlight reduced-price commodities and marketing/demand creation as two major benefits to providers, all six providers interviewed stated that training is the main reason they joined BlueStar. According to franchisees, they appreciate the health-related trainings and the business-oriented ones that focus on management, stock control, and positioning yourself favorably within the community. Additional benefits noted included the network between franchisees, support services exemplified by monthly visits, and free equipment.

Marketing is an important franchise benefit as health providers are not supposed to advertise in any way. However, under the umbrella of MSIG as a non-governmental organization, BlueStar can market franchisees as a network. Soon after a franchisee joins the network, BlueStar paints and brands his/her outlet and often equips it with desks, consulting chairs, and display cabinets for commodities (primarily an issue for chemical sellers and pharmacists). All providers are also given signage upon joining. All providers receive highly subsidized medicines and equipment according to their level. In the future, clinics that are doing well in terms of quality and services rendered will be provided with free autoclaves for equipment sterilization. Clinics can benefit from referrals from lower-level providers, and all members are able to refer patients out. For clinics providing abortion

services, the potential to refer any cases with complications to MSIG centers removes an important area of potential risk, both clinical and legal.

Beyond all of these immediate benefits, franchises receive support through community publicity campaigns. Franchisees also receive publicity from BlueStar's radio campaign. BlueStar has chosen not to offer start-up loans for expansion given the cultural tendency in Ghana to avoid of debt whenever possible.

### **Support services**

BlueStar field officers visit franchisees monthly to collect reports, update franchisees on relevant news, and provide members with a range of materials such as new SRH information brochures and brochure holders. Field officers also assist franchisees with preparation for legal registration as well. All franchisees have their field officer's mobile phone number.

### **Trainings**

Most trainings, and all of those for pharmacists and chemical sellers, last a maximum of two days. Trainings must be completed within the first year of membership by at least one representative from each franchisee, and multiple representatives are encouraged to attend. Franchisees are given certificates at the end of all trainings, and in BlueStar's new branding campaign, such certificates will have a specific place on a shop or clinic's wall. Refresher courses are also offered. Trainings for pharmacists and chemical sellers include:

- Initial BlueStar Training
- STI Management
- Customer Relations
- Business / Finance
- FP Counseling

*The Director of Family Health for Ghana often provides the welcome and opening for trainings, especially the CAC trainings, to convey the government's support of BlueStar.*

Additional trainings for clinics usually take one week. All of these trainings are restricted by Ghanaian law to midwives and doctors, except for Jadelle trainings that can also be attended by nurses. They include the following:

- CAC (including MVA practical procedure)
- Long-term FP (including IUDs and implants)
- Medical abortion
- Refresher courses for all of the above for all three categories of franchisee

For the CAC trainings, BlueStar hires a well-known Ghanaian OB/GYN who practices at an MSIG center to serve as the lead facilitator. The Director of Family Health for Ghana often provides the welcome and opening for trainings, especially the CAC trainings, to convey the government's support of BlueStar.



A BlueStar field officer reported that at least one franchisee has expressed that her profits have increased as a direct result of management training from BlueStar.

### **Franchisee retention/attrition**

In the first year of operation, two franchisees left the franchise of their own volition. (One retired and one moved to a district where BlueStar does not operate, though the franchisee has asked BlueStar to expand there.) No franchisees have been expelled during the first year, but re-registration and payment of membership fees was taking place at the time this case study was conducted. Thus far, only a few franchisees have been asked to re-register and pay the annual fee, and all have signed contracts and submitted payments on time.

BlueStar has established a number of criteria that can lead to “de-franchising,” including the low provision of services, not attending trainings, and a lack of clinical quality. All of these are outlined in the contract, and are carefully monitored. BlueStar is considering other penalties, short of “de-franchising,” to impose according to variants. However, this has not yet been formalized as a policy or implemented with providers.

BlueStar managers are very concerned with supporting any franchisees that tarnish the network’s brand and reputation, for example through denying procedures or supplying counterfeit commodities. However, they have yet to formalize a process or criterion around this issue.

Penalties remain a conceptual challenge as well as a practical challenge. BlueStar staff reported that they “cannot fire” franchisees because encouraging improvement is a cornerstone of the model, so firing would send the wrong message. Also, BlueStar has invested significant resources into obtaining, training, and maintaining franchisees, so expelling members is difficult to justify. BlueStar reported similar tensions, highlighted below, around disincentivizing as a means of quality control. Ultimately, BlueStar remains a relatively new enterprise, so retention and attrition issues are likely to vary in the future.

### **Loyalty/Level of commitment**

Franchise loyalty among members is not yet strong, likely due to the newness of the franchise. Franchisees self-identify as providers first, and members of the franchise second. Strong branding and very visible facility-wide painting and signage make it difficult for providers to avoid association with the brand. Despite this, it seems evident that at least some chemical sellers and pharmacists have low levels of commitment to the brand. For example, they sell competing products by preference, do not pay much attention to referrals or the use of referral coupons,

and do not fully complete the required monthly reports. BlueStar expects this to change significantly as the franchise grows older.

### **Communication**

Frequent communication with members is a central part of BlueStar. Franchisees are visited monthly by support staff from BlueStar who carry out supervision, suggest supportive activities to improve quality and sales, collect summary reports on treatment and consultations, and provide resupply of consumables and commodities. Trainings for providers are given on average every two months and providers are strongly encouraged to attend (missing three consecutive trainings is grounds for expulsion). The entire complement of franchise members is gathered twice a year for semi-annual meetings that include the BlueStar Advisory Board, comprised of local SRH experts, which advises BlueStar periodically. In these meetings the BlueStar field officers provide feedback and updates to providers and members have an opportunity to ask questions, to meet one another, and to socialize. These meetings also feature promotions such as learning excursions to other countries' franchises for those who represent the "best" franchisee.

Beginning in January 2009, BlueStar began circulating a newsletter to franchisees. BlueStar plans to produce newsletters quarterly, with updates on commodity supplies, service targets, training and refresher course schedules, and celebrating accomplishments of the franchise and individual members during the past months.

### **Promotions/Marketing**

Promotion and marketing of the BlueStar brand and BlueStar outlets are central to the BlueStar social franchise model, especially since in Ghana, individual private outlets are not allowed to advertise beyond one large sign. The three main ways BlueStar markets the network are through branding the stores, demand creation events, and a radio campaign. BlueStar plans to improve and expand its marketing and promotions strategies going forward. The newly hired MSIG Marketing Manager includes BlueStar in his scope of work and has begun to organize talks around FP at churches. He finds that Jadelle is a particularly effective method to focus on at such venues.

When a clinic joins the network, BlueStar holds individual and group-level large-scale demand creation events for the community surrounding the clinic. (Demand creation is not conducted for pharmacies and chemical shops.) These usually involve publicized highly discounted or free services for a day, during which time other franchisees and MSIG staff join the new franchisee to help meet demand. BlueStar often conducts them by piggybacking onto a pre-existing community health event, such as an immunization campaign or baby-weighing day. BlueStar brings other member providers and MSIG staff to provide free or very low-cost

*BlueStar plans to initiate a marketing campaign with barbers, hair dressers, and seamstresses. Experience from other MSI countries has found that the level of intimacy between these professions and their clients is conducive to discussing FP. BlueStar plans to frame their role as “foot soldiers of reducing Ghana’s maternal mortality rate” and may include an incentive scheme for referrals.*

sterilizations, IUD insertions, implants, and other FP services. It also gives away t-shirts and condoms with BlueStar stickers and fliers.

BlueStar reports that at one one-day event, over 70 Jadelles were inserted.

Generally, the demand creation events do not feature contraceptive injections because the goal is to promote longer-term methods. The local providers who attend the events, and provide the free services, do not receive compensation for their time because it is seen as free advertisement and a benefit of the network.

Beginning in April 2009, BlueStar began running a musical radio advertisement that promotes BlueStar as a program of affiliated pharmacies, chemical sellers, and clinicians providing high quality, affordable FP services and products. Several franchisees interviewed said that clients have heard the recent radio advertising jingle. However, this was only reported after franchisees were prompted.

In late 2009, BlueStar will conduct surveys around brand awareness by interviewing clients coming and going to franchisees to obtain more information about uptake and branding. It also intends to undertake willingness-to-pay assessments. BlueStar staff reported that if they could start the marketing and promotions campaigns over again, they would commence signage, demand creation events, and the radio campaign all at once instead of staggering the three.

### **Branding**

As part of joining the network, BlueStar paints the entrance way and exterior walls of all outlets a standard BlueStar blue, and refurbishes their exteriors. All franchisees are also provided with modern signs, some electrically lit for pharmacies and clinics/maternity homes. Most outlets, and chemical shops in particular, do little if any branding, marketing, or advertising on their own. The majority had simple white signs prior to BlueStar. The after-market stickers BlueStar places on its commodities are also part of its branding strategy.



BlueStar sign posted outside a pharmacy

## B. Logistics

### Procurement and delivery processes

MSIG purchases MVA equipment, multi-use aspirator syringes, and disposable cannulae from Ipas and BlueStar supplies them to franchisees at a subsidized rate. For most FP commodities, franchisees are asked to come to the BlueStar storage facility for resupply every two to four weeks. If a franchisee orders supplies in advance using a written form, then BlueStar field officers can deliver the supplies at the end of the month during support visits. Otherwise, franchisees must come to BlueStar's headquarters to pay for and pick up commodities themselves.

Now that BlueStar provides commodities to franchisees, leakage of subsidized goods out of the BlueStar network represents a potential weakness. It will, however, be addressed as part of a comprehensive change in tracking (see page 37). Within this new system, MSIG managers intend to monitor a number of fields, including the frequency and quantity of purchases made by each franchisee.

### Sales and inventory management

BlueStar provides franchisees with sales binders in which they are required to note all sales and counseling consultations, however, record keeping quality is varied. Both clinics and one pharmacy visited, showed fully filled out records. A second pharmacy and a chemical seller were not using the record books for most transactions or recording counseling sessions.

BlueStar tracks supplies sold to each franchisee from the BlueStar warehouse. Although these numbers can theoretically be used to verify reported sales in outlets, this does not currently happen. Because BlueStar does not mandate that franchisees sell only its products, non-franchised commodities (e.g., condoms, pills, and EC) are still being sold in pharmacies and chemical shops. This product mix may contribute to challenges in record keeping.

## C. Quality assurance

### Quality

MSIG conducted a baseline survey prior to founding the BlueStar network. The study found that quality (measured indirectly using several proxies, including opening hours, current provision of FP services, and the availability of onsite of providers trained in FP services) was roughly equivalent among both franchised and non-franchised providers at baseline. BlueStar ranked all providers surveyed according to a series of qualitative assessments, such as knowledge of FP and SRH. Selection was then made according to the willingness of providers to join the franchise, their ranking, and the geographic proximity between franchised

clinics and other franchise outlets as it was hoped that chemical sellers and pharmacists would refer clients to nearby BlueStar clinics.

The baseline survey showed that 80% of franchisees had at least one person trained and certified in FP methods, compared to 53% of non-franchised providers. All 100 sites franchised should now have a provider meeting this criterion (though this has not been verified through a follow-up survey).

BlueStar does not impose penalties for inadequate quality, arguing that financial disincentives are counterproductive to maintaining a relationship of mutual respect that underlies the franchise. No positive financial incentives for high quality (e.g., discounted membership fees) are currently offered. At the beginning of 2009, however, a competition was launched to award the two best franchisees (in terms of service numbers, quality, and general conformity) with a free trip to visit a BlueStar program and its franchisees in another country.

### **Monitoring and evaluation**

Although a new tracking system is planned for the near future, M&E programs have not yet been formally implemented as of May 2009. The primary monitoring tool is the manual collection of self-reported forms. Members are to record commodities sold, services provided, consultations given, and, ideally, the demographic information for all clients except EC clients. BlueStar staff monitor the sheets informally to ensure there are no significant changes in numbers from month to month, and report that 90% of franchisees submit the reports in a timely manner. BlueStar staff report that they occasionally crosscheck the forms with the data franchisees are required to give their professional associations and councils. BlueStar has needed to produce several iterations of the forms because franchisees had difficulties understanding them and felt they were too time-consuming. Of the six site visits conducted only half of the franchisees were using the forms for all transactions, implying that they fill them out at the end of the month and may therefore reflect inaccuracies.

To assess clinical quality throughout the franchise, BlueStar uses an internal clinical Quality Technical Assistance (QTA) evaluation once a year to evaluate clinics, but not pharmacies or chemical shops. The QTA focuses on infection prevention issues and cleanliness and preventability of the outlet, plus branding. The process has been developed to be a dynamic and participatory evaluation process, rewarding immediate change or high-quality implementation and encouraging dialogue. During the internal QTA, the franchisee must be observed delivering a service, such as inserting an IUD. BlueStar Ghana plans to complete the internal QTA in late 2009. Preliminary mock QTAs were conducted to ensure that franchi-

sees were comfortable with the process. The internal QTA is complemented by an external QTA, which is conducted with a selection of franchisees by the Medical Development Team from MSI. Those conducting the QTAs use a form that corresponds to a “rapid clinical assessment,” and evaluators award scores from 0 to 4 for: outlet exterior, outlet interior, counseling quality, mix of contraceptive services offered, and price variation.

The M&E component for chemical sellers and pharmacists remains focused on the monthly forms and interactions between outlets and BlueStar field officers. As part of the formal QTA, BlueStar plans to conduct exit interview surveys semi-annually, beginning in late 2009. Mystery clients (sometimes called mystery shoppers) and/or exit interviews will be introduced in the second half of 2009 as a means of checking quality across franchisees, though they usually cannot be pre-selected, so they will be intercepted for feedback after receiving clinical procedures.

#### D. Network linkages

##### **Client referrals IN to franchisees**

Formal referrals to franchisees are rare. Generally, clients come to BlueStar members through word of mouth and reputation rather than via formal referrals. BlueStar has not conducted surveys on client referrals yet or on the impact of the radio campaign, but plans to do this in late 2009.

##### **Client referrals OUT from franchisees**

BlueStar encourages franchisees to refer “up the chain” from chemical shops to pharmacists to clinics, and sometimes to one of the four MSIG centers. BlueStar is currently working to strengthen this referral process and has recently implemented a new referral card system. The card system rewards chemical sellers and pharmacists who refer to clinics, and MSIG centers. Franchisees write their shop name on the cards and fill them in accordingly. They are reimbursed at the end of the month once BlueStar field officers have collected the cards in person during routine visits.

Franchisees get more money to refer to BlueStar clinics than to the MSIG centers so as to promote new intra-network referrals.

Service	Referral Payment	
	BlueStar to MSIG centers (GH¢)	BlueStar to BlueStar (GH¢)
CAC + FP	2.5	4.5
CAC	2.5	3.5
IUD	0.2	0.5
Implant	0.2	0.5
TL+Vasectomy	4.5	

### Outreach workers

BlueStar has engaged “community-based volunteers” in the past, but found this marketing method too costly to continue. BlueStar currently relies on viral marketing, and on outreach from the Willows Foundation, an affiliated NGO.

### Links to other organizations

BlueStar is part of a consortium, but generally interacts with few other NGOs, except around obtaining MVA equipment from Ipas, and except, as noted above, the Willows Foundation for community-based distributor referrals.

## 5. CHALLENGES AND OPPORTUNITIES

After 14 months of operation, BlueStar has many accomplishments to look back upon with satisfaction, and many ongoing challenges that it must face in the future in order to have a measurable impact on reproductive health in Ghana. The opportunities for the future of the BlueStar model are evident in increasing volumes of services, increasing visibility and public awareness, and increasingly strong systems for supply, management, and monitoring of franchisees.

### A. Challenges

BlueStar operates within the boundaries of a number of contemporaneous constraints. Because the franchise is largely dependent upon a single donor, making decisions about diversification, expansion, and targeting of particular geographic and socio-economic groups is inherently subject to negotiations with this donor. An institutional focus on ensuring access to safe abortion and post-abortion services has and continues to create challenges due to the conservative attitudes of Ghanaian society towards these issues. Starting and expanding a franchise in a country without any shared understanding of how franchises operate, or examples of franchises from other sectors, will remain a challenge.

While BlueStar has had rapid expansion of members, and has continued to increase overall service numbers, site specific volumes are growing less quickly than hoped so BlueStar will now work on demand creation. Securing more than one donor might be important for the future growth of the enterprise.

### B. Opportunities

Provider satisfaction with membership has remained consistently high. Judging from a number of conversations with Ghanaians who are not affiliated with MSIG, public awareness of the franchise brand is increasing rapidly in greater Accra due to the newly launched radio ad. New opportunities for collaboration and overlap with other health and medical interventions being launched in Ghana appear likely to provide new avenues for BlueStar growth.

### C. Lessons learned

#### **Public relations**

MSIG and BlueStar have never faced a large-scale public backlash that some skeptics predicted. MSIG has consistently positioned itself carefully, using terms like “pregnancy crisis management” to avoid unnecessary hostility and opposition. MSIG routinely communicates with the press to maintain a strong, favorable



*MSIG routinely communicates with the press to maintain a strong, favorable relationship, and has also worked closely with the media, including the top editors of Ghana's lead newspapers, to sensitize the press around FP and SRH.*

relationship, and has also worked closely with the media, including the top editors of Ghana's lead newspapers, to sensitize the press around FP and SRH.

BlueStar staff members reported that if they could start the marketing and promotions campaigns over again, they would commence signage, demand creation events, and the radio campaign all at once, instead of staggering the three.

#### **Franchise operation**

MSI reports that BlueStar Ghana has been the leader in social franchising for the organization. Several lessons learned reported by MSI and BlueStar Ghana include:

- The importance of an accurate baseline and mapping process
- The importance of starting coordinated demand generation and aggressive marketing efforts at the time of launch
- Training is the highest value contribution that a franchisor can make to the franchisees initially
- The need to balance the resources invested in individual franchisees and the volume of services they will deliver
- The importance of access to a regular and secure source of commodities

Additional lessons learned include the fact that, with more funding for the pilot and/or better financial management, BlueStar could have benefitted from a quicker roll-out in order to achieve economies of scale from the outset, even as the model for operations was being perfected.

As noted above, the standardized measure of outlet efficiency of FP programs is the numbers of CYPs achieved each month. The case study authors believe it was important to determine the CYP per outlet type, given that BlueStar Ghana's model reflects three different levels of providers. The authors used monthly numbers provided by BlueStar for 2008 and the first three months of 2009, and find it significant that clinics in the BlueStar program are delivering on average 24 CYPs each month, while the pharmacies and chemical sellers are delivering fewer than 6 CYPs each month. There are multiple possible reasons for this, the most important of which is that clinics are able to provide longer-term methods of FP, each of which counts more towards an overall CYP calculation. However, the difference in average CYP rates between clinics and pharmacies/chemical shops is important for BlueStar's operational planning because each outlet, regardless of CYP, currently receives a significant amount of resources and supervisory support from the BlueStar program. This relative efficiency between outlet types should be considered when BlueStar plans for future expansion.

## APPENDIX

<b>Total services and commodities provided by BlueStar Ghana</b>			
	<b>YTD 2008</b>	<b>YTD 2009*</b>	<b>Totals</b>
MVA	1,790	1,098	2,888
MA	58	36	94
IUD (Gynefix) insertion	299	254	553
Other IUD insertion	7	-	7
Injectables 1 month	122	134	256
Injectables 2 month	13	98	111
Injectables 3 month	7,868	4,418	12,286
Pills (client pays)	18,956	8,394	27,350
Pills (free supplies)	1,409	59	1,468
Male condoms (client pays)	161,240	55,652	216,892
Male condoms (free supplies)	3,703	1,549	5,252
Female condoms (client pays)	1,788	472	2,260
Female condoms (free supplies)	137	294	431
Foam tablets (client pays)	14,805	6,254	21,059
Foam tablets (free supplies)	933	34	967
Emergency contraception (client pays)	17,389	5,981	23,370
Emergency contraception (free supplies)	26	13	39
3-year implant insertion	13	13	26
5-year implant insertion	283	681	964
Pregnancy tests	28,779	17,474	46,253
STI management	3,071	1,994	5,065
SRH consultation/counselling	16,945	7,040	23,985
General medical care	787,615	156,408	944,023
IUD removal	72	69	141
Implant removal	34	42	76
New FP clients	4,405	4,918	9,323
Existing FP clients	21,659	14,842	36,501
Non-FP clients	181,245	160,003	341,248
Total clients	207,309	179,763	387,072

\*through July 2009

## GLOSSARY OF TERMS

CAC	Comprehensive abortion care
CHW	Community health worker
CPR	Contraceptive prevalence rate
CYP	Couple years of protection, the estimated protection provided by contraceptive methods over a one-year period, based upon the volume of all contraceptives sold or distributed
Cytotec	Brand name for misoprostol, a drug used to induce abortion and to stop post-partum hemorrhage
GDHS	Ghana Demographic and Health Survey
Ghana cedis or GH¢	Ghanaian currency
GHS	Ghana Health Service, located within the Ministry of Health
GSMF	Ghana Social Marketing Foundation, a non-profit organization that receives USAID funding and is a leader in the marketing of contraceptives and other health products
Jadelle	A five-year, hormone-releasing, two-rod, reversible contraceptive implant, designed to be easier than its predecessors both to insert and to remove
MA	Medical abortion, the term used for abortion brought about by taking medications; an alternative to surgical abortion
MOH	Ministry of Health
MSI	Marie Stopes International
MSIG	Marie Stopes International Ghana
MVA	Manual vacuum aspiration, used for abortions and post-abortion care
M&E	Monitoring and evaluation
NGO	Non-governmental organization
OC	Oral contraceptives
PAC	Post-abortion care
SRH	Sexual and reproductive health
TL	Tubal ligation
TFR	Total fertility rate
QTA	Quality Technical Assistance
USAID	United States Agency for International Development
WHO	World Health Organization

## **ABOUT THE GLOBAL HEALTH GROUP**

The Global Health Group (GHG) at the University of California, San Francisco, Global Health Sciences, is an “action tank,” dedicated to translating major new paradigms and approaches into large-scale action to impact positively the lives of millions of people. Led by Sir Richard Feachem, formerly the founding Executive Director of the Global Fund to Fight AIDS, Tuberculosis and Malaria, the GHG works across the spectrum from analysis, through policy formulation and consensus building, to comprehensive implementation of programs in collaborating low- and middle-income countries.

The GHG’s Health Systems Initiative provides leadership on applied strategies to improve the effectiveness of the for-profit private sector in supporting public health priorities in low- and middle-income countries. Social franchising is one such strategy: a promising delivery platform which organizes private practitioners into branded, contractual arrangements to deliver goods and services of social benefit. The GHG is working to evaluate social franchises against four goals: access, cost-effectiveness, quality, and equity, and to expand available evidence on social franchises worldwide.

For more information please visit [globalhealthsciences.ucsf.edu/ghg](http://globalhealthsciences.ucsf.edu/ghg).