



WOMEN'S
ENTREPRENEURSHIP



GROWING MICRO AND SMALL BUSINESSES

THE IGNITE PROGRAM: PAKISTAN RESULTS 2022

Impact Study Overview


CARE’s Women’s Entrepreneurship programming aims to reduce barriers that women entrepreneurs face by offering a combination of services – both financial and non-financial – that are essential to creating sustainable growth.


As a part of the Ignite Program, CARE partnered with 60 Decibels to perform a specialized lean impact study across Pakistan, Peru, and Vietnam to measure core business themes and capture the impact of the


Ignite program, supported by the Mastercard Center for Inclusive Growth.


In Pakistan, the balance between men and women in the program is biased towards men due to the mobility restrictions placed on women in the country and their ability to access this kind of programming. The target for the program is to reach at least 30% women and to date we have reached 31%. The respondents to this lean impact survey therefore reflect this gender ratio.


Methodology


**Survey mode:**
Mobile phone


**Languages:**
Urdu, Punjabi, Sindhi, English

**Dates:**
July-October 2022

**Sampling method:**
random sample from database of 13,550 (24% female, 76% male)

**Response rate:**
58%

**Average interview time:**
27 minutes

**Responses collected:**
316

Accuracy
Confidence level: ~90%
Margin of error: ~5%

This study has potential limitations. The perception survey included 45 questions and was conducted over the phone. The sample was restricted to those who have phones. We know there has been some progress, but there is likely to be a degree of self-selection and perception bias.


Performance Snapshot



Pakistan

90% 
report **improved quality of life**

90% 
report **increased sales**

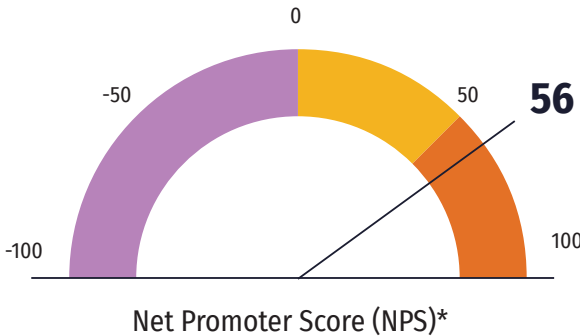
55% 
report **they could not easily find a good loan alternative prior**

60% 
accessed a loan for the first time

90% 
report **improved ability to manage finances**

92% 
report **increased use in digital tools and services in their business**

Net Promoter Score (NPS)*



Customer Effort Score (CES)*

4.33/5

*NPS is a gauge of client loyalty and a score of over 50 is considered excellent.

**CES is the ease of which customer issues are handled and is an important driver of uptake, adoption, and referrals, as well as of impact.

Pakistan Context

The Ignite program, supported by the Mastercard Center for Inclusive Growth, delivers access to tailored finance, a suite of critical support services, and outreach campaigns. Ignite has been implemented in Pakistan, Vietnam, and Peru since January of 2020. See below for a snapshot of the market context in Pakistan.

Click the Numbers below for More Info

Financial Literacy rate



Smartphone Ownership



Internet penetration



Adults with an account



Gender gap score*



Data points are for both men and women, unless specified.
*The gender gap score measures gender equality based on relative gaps between women and men across 4 key areas: health, education, economy and politics. The value ranges between 0 (complete inequality) and 1 (complete equality).

Products and services:



Adapted loans



Tailored training courses in-person and via new Digital platform



Micro and small enterprise district forums



Market exposure visits



Role model videos featuring supportive men (addressing gender norms)

Ignite Partnerships in Pakistan

Access to financial services:



Wraparound services:



Outreach campaign:



Digital financial services:



Key features of Ignite's adapted financial products:



No male guarantor requirement



Suite of loan options



Asset-based loans (eg. gold)



Flexible loan and repayment terms

Meet Amina

Amina is the typical female customer in Pakistan

About

She is 35 years old and lives in a male-headed household of 6 people in the city.

Education

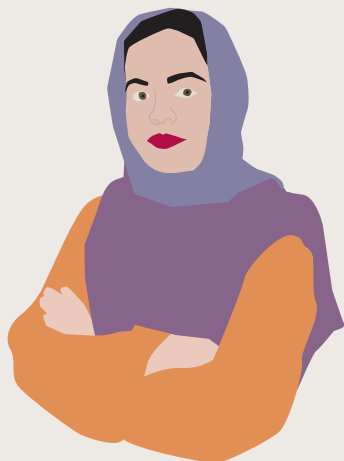
She has an upper secondary education.

Technology

She has a smartphone.

Needs and Wants

- Needs a loan between 25k-50k PKR (115-230 USD).
- Wants to have more input in business decisions.



Type of Business

She works in the service sector. She has a physical store and has been in business for 2.7 years.

Financial Background

Amina is accessing a loan for the first time and makes a monthly revenue of 42k PKR (\$145USD).

Decision-Making

She is not the main decision maker in her household, but she is the main financial decision-maker in her business.

To learn more about people like Amina, meet Hina who is [achieving goals and paying it forward in Pakistan](#).

Meet Abdul

Abdul is the typical customer in Pakistan

About

He is 36 years old and lives in a male-headed household of 6 people in the city.

Education

He has an upper secondary education.

Technology

He has a smartphone.

Needs and Wants

- Needs a loan between 50k-100k PKR (230-460 USD).
- Wants training on getting more customers through virtual marketplaces.



Type of Business

He works in the retail sector in a physical store and has been in business for over 5 years.

Financial Background

Abdul is accessing a loan for the first time. And makes a monthly revenue of 64k PKR (\$221USD).

Decision-Making

He is the main decision maker in his household and business.

To learn more about people like Abdul, meet Adnan [who is looking ahead after the pandemic](#).

How our female customers differ from our male customers:

92% live in male-headed households
(27% of female customers live in female-headed households)

37% are in the retail sector
(47% of female customers are in the service sector)

56% are the main financial decision-makers in their household (19% of female customers)

77% are the main financial decision-makers in their business (55% of female customers)



*Male
n=240,



Female
n=76

Impact

The Ignite Program looks at capabilities, confidence, business growth, and financial resilience for micro and small enterprises (MSEs) to grow. Through our programming, we've made progress in the following:

Quality of Life

90% report improved quality of life
(1/3 reporting *significant* improvement)

Top 3 reasons for improved quality of life:

57% of all clients mention higher sales/
revenue (49% of women)

58% of all clients talk about business
growth/expansion (44% of women)

35% of female clients report
financial independence

“After investing this loan in my business, I was able to purchase more products. I am now able to provide faster and better services to my clients which have increased my earnings.”

- Female, 33

Data points are for both men and women, unless specified.

“I took a loan to open my own clinic. I now have an opportunity to earn more to fulfill my family's needs and wants. I have also shifted to a new house.”

- Male, 43

Business Growth and Employment

90% tell us that the program has contributed to an increase in their business sales (89% of women)

More than **3 in 10** clients report a significant increase in sales

On average, clients report a **19%** increase in sales (17% for women)

28% experienced an increase in paid employees (15% of women)



“The training really helped me understand business planning, intensive coaching, mentoring, and how to deal with other issues. Now I am good at generating income and living independently.”

- Female, 29

Business Skills

92% tell us that the program has contributed to 'all' or 'most' of their ability to use digital tools and services in their business (75% of women)

90% report increased ability to manage finances (91% of women)

Financial Resilience

60% said this was their first opportunity to access loans (70% of women)

68% said it would be easy to raise emergency funds (64% of women)

Women's Economic Justice

93% of women-led MSEs said their confidence in running the business has increased since working with CARE

91% of women-led MSEs say they have applied what they have learned from Ignite training and skills building

Needs Improvement

We have made progress, but there is still work to be done.

When it comes to financial products and services, clients want:

- Lower interest rates
- Flexible repayment terms
- Improved customer support

“The interest rate was 25%, it should be 15% so that more people can access it.”

- Male, 51

When it comes to training, they want:

- Improved training content & structure
- Better trainers
- Better communication

“The program needs to be more organized with relevant information regarding business models.”

- Female, 27



Recommendations

Flexible Loan Approval Requirements

FSPs should consider factors such as credit score, repayment history, and collateral. FSPs can lower interest rates by offering secured loans, where borrowers offer a valuable asset as collateral to secure the loan, such as gold.

Flexible Repayment Terms

FSPs can offer longer loan terms, allowing borrowers to repay in smaller instalments over an extended period. Loan restructuring programs can also be offered, where the terms of the loan can be adjusted to fit the borrower's financial situation.

Improved Customer Support

Provide multiple channels of communication using local languages, including phone, email, chat, and social media. 24/7 support ensures customers can receive help whenever they need it.

Reflect Government Schemes

Ensure programming reflects favorable Government schemes, such as the new Prime Minister's Youth and Agricultural Loan scheme, offering loans as low as 3% interest rate.

Improved Training Content & Structure

Conduct a needs analysis to identify the training needs of entrepreneurs and ensure training content is aligned. Different type of modules according to the trainees' needs can be introduced. A variety of training methods such as classroom training, e-learning, and mentoring makes the training engaging and effective. Proper time management and planning is required before the start of any training program.

Better Trainers

Hire trainers who have experience and expertise in areas where entrepreneurs need improvement. Trainers should use a variety of training techniques and methods to keep entrepreneurs engaged and interested. Feedback from trainees should be shared with the trainers to help them improve their performance.

Better Communication

Trainers need to communicate with entrepreneurs before, during, and after the training to ensure they understand what they will learn, how the training will be delivered, and what is expected of them. Provide entrepreneurs with access to training materials and resources, to help them reinforce their learning. Use technology, such as email, messaging apps, and social media, to communicate with trainees about the training and keep them engaged.

Growing women-led micro and small enterprises

CARE Women’s Entrepreneurship focuses on the following:



Investing in Women
Women entrepreneurs drive economic growth, are better credit customers, fast adopters of ecommerce, and reinvest in their households and local communities.



Women Centered-Design
Our WE programs aim to reduce the unique barriers women entrepreneurs face by putting women at the center of the design process.



Micro and Small Businesses
We typically focus on businesses that are growth-oriented, generally with two to ten employees and have been in operation for more than two years.

We work with and listen to women entrepreneurs to ensure that the tailored products and services we develop are fit for purpose. By listening to women, we help to remove the barriers that hold them back.



“When it comes to digital and social networks it has been very complicated for me, with the training I am learning and my son helps me a lot.”

Elizabeth Vargas Vilca
Ignite participant and business owner, Peru



“Women entrepreneurs drive loan portfolio growth. We expect this partnership will support VPBank to increase our women SME customer base from 5 to 10%.”

Dao Gia Hung
Deputy Head of the SME Division at VPBank, Vietnam



“After the Ignite training, I created accounts with JazzCash and EasyPaisha (mobile money accounts) which made things very convenient for our clients as they are accessible in all the regions of the country.”

Hina Butt
Ignite participant and business owner, Pakistan

THE OPPORTUNITY

The business rationale for investing in women’s entrepreneurship is indisputable. Enabling women to gain better access to finance could unlock \$330bn USD in annual global revenue. It’s not just enormous social impact, it’s also good business.



Research shows that not only are women starting businesses at higher rates than men, on average their enterprises are also more profitable.



Women also tend to be better clients for financial institutions and tend to employ more women.



Bringing women-led enterprises into the digital economy allows them to reinvest in their own communities and households and contribute to their countries’ economies.

PARTNER WITH US

Now is the time to scale these activities and their global reach. Please contact us to hear about more opportunities.

FOR MORE INFORMATION

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