REPLICATING REPLICATION OF INCLUSIVE BUSINESS

A review of the Meet & Multiply matchmaking process

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Inclusive businesses are alleviating poverty in a financially sustainable way. However, to really make a dent on the Sustainable Development Goals (SDGs), solutions need to be scaled up quickly. Some outstanding initiatives are reaching more than a million people with basic goods and services or economic opportunities. Yet, even these success stories are just a drop in the bucket, with 4.5 billion people living on less than US$8 a day. For Inclusive Business to make a tangible contribution to the Sustainable Development Goals, gears need to change.

One approach is to replicate proven business models in other regions. Replication can be led by the originator of the successful model, by expanding its geographical reach. It can also happen through others who adopt the model. However, this process of dissemination and adoption does not happen automatically or at the required pace. Inclusive businesses often do not have the capacity to actively disseminate their model. And adopters do not have access to all the information needed to identify and copy winning models.

Facilitation accelerates the process of replicating inclusive businesses. By sharing information and creating connections among originators and adopters as well as additional supporters, facilitation provides the necessary catalyst for replication.

The Inclusive Business Action Network (iBAN) has supported replication since 2014.

Both Endeva and iBAN have developed and supported various formats to facilitate replication. Amongst others, both parties worked on the SEED Replicator, the Ashoka Globalizer and Endeva’s own Meet & Multiply initiative. These three initiatives take different approaches. While Meet & Multiply bets on process and connecting people, the SEED Replicator documents models based on several cases and makes the information accessible to entrepreneurs through workshops. The Globalizer, finally, supports Ashoka Fellows to go global through a three-month long mentoring process and a summit to facilitate connections. These are, to our knowledge, also the main initiatives that focus on replicating Inclusive Business solutions. In this paper, we review the success factors and barriers to facilitating replication, with a focus on Endeva’s Meet & Multiply experience, and look ahead to what’s next.

### Mode of replication

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<th>Originators</th>
<th>Adopters</th>
<th>Most common forms of replication</th>
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Meet & Multiply was designed to leverage the presence of originators and adopters at Inclusive Business conferences. At the sidelines of these events, originators are brought together with a carefully selected group of entrepreneurs and companies interested in adopting their model. Adopters have to apply upfront, based on criteria developed with the originators. In addition, ecosystem partners including finance providers, consultancies and facilitators, are invited to present their services. The half-day event then takes participants through an interactive process where originators and adopters can find out whether they are a good match, and link up with the support they need. The event ends with commitments by all participants that are followed up afterwards through bilateral phone calls.

Meet & Multiply was first implemented at the BASE Forum supported by the Inter-American Investment Corporation in Mexico in July 2015. A smaller version, with only one local originator, was hosted in Delhi, India at the Base of the Pyramid (BoP) Global Network Summit in April 2018. Both Meet & Multiply events were hosted by iBAN. Further events are currently under preparation.

From these pilots we know: facilitating replication works. During Meet & Multiply at the BASE Forum in Mexico, four originator models were presented: eKutir, Ross Clinics, Narayana and Jain Irrigation. Out of these four models, two were partly or fully replicated, namely eKutir and Ross Clinics. Both originators say Meet and Multiply was directly linked to their replication.

Figure 1: Meet & Multiply approach

ORiGiNATORS
with a proven inclusive business model

ADOPTERS
that want and have the ability to replicate

ECOSYSTEM PARTNERS
with financial resources and technical expertise
The eKutir model was successfully replicated in several countries in Latin America and the Caribbean through joint ventures and franchise models as a direct result of a Meet & Multiply event.

eKutir has a successful and proven model in India, where it reaches around 70,000 marginalized farmers through its human-digital farming solution, with major impacts on income and nutrition. eKutir equips local entrepreneurs and farmer groups with the eKutir application, providing information on soil, crops, agricultural practices and inputs, sales markets and prices. These “hubs” then support farmers in making good choices and getting access to inputs and sales markets. Farmers working with eKutir earn at least USD 200 per month by increasing yields and reducing cultivation costs. With the help of Meet & Multiply, eKutir unlocked new markets and market segments. In the 2018, eKutir shared its model with investors and social enterprises in a focused version of Meet & Multiply in India. As a result, eKutir submitted a proposal to the government of Bihar with a partner to replicate its solution.

After the 2018 event, the eKutir model was replicated in another region: Latin America. In Haiti adopters worked with the IFC, in Peru and the Dominican Republic with Fairtrasa, and in several Latin America and Caribbean countries with the telecom company eCom-Lac. Together with Fairtrasa, eKutir has recently launched Bloom, its global digital farmer services. Jointly, these adopters have invested almost USD 500,000 into the replication of the model. Conversations are currently ongoing with two more participants on collaboration opportunities.

“Without Meet & Multiply we could not have scaled to Dominican Republic and Haiti.”

K.C. Mishra, Founder of eKutir Social Business

Originator eKutir
Multiplying impact for small farmers
Originator Ross Clinics
Partial replication and knowledge exchange

In the case of Ross Clinics, an innovative low-cost clinic model pioneered in India, two Mexican social enterprises replicated parts of business model in close collaboration with the originator.

Ross Clinics is a chain of four flagship and six satellite clinics that provide personalised, high quality, affordable health care. The clinics charge on a sliding scale and offer yearly health plans to ensure that care is affordable. Each clinic has a physician and a dentist, supported by a clinic manager who takes care of the day-to-day operations of the clinic, leaving the doctors free to focus on the well-being of the patients.

Quinta Bonita applied elements of the Ross Clinics model to its mental health services. Following the BASE Forum Meet & Multiply event held in Mexico in July 2015, Quinta Bonita and Ross Clinics managed to secure a grant from Results for Development (R4D)’s Center for Health Market Innovations (CHMI) Primary Care Adaptation Program to support the exchange. R4D was one of the intermediaries that participated in the event. Quinta Bonita now provides primary care through a teleconsulting model and last year opened a primary care clinic in Mexico City. While the partnership has not been formalized legally, the partners keep exchanging information and advice as part of CHMI’s peer learning process.

Diohema Anlleu, a social entrepreneur, started replicating parts of Ross Clinics business model after the Meet & Multiply event. After 5 months of intense collaboration with Ross Clinics to adopt elements of the model, she founded Vitalness, a platform to provide primary health services.

“First we adopted some parts of Ross’ model, namely the position of the ‘Clinic Manager’ and the idea of coupling the outpatient service with a pharmacy. This was a huge success! Then we tried to replicate their learning sessions—with limited success. Then a huge earthquake hit Mexico and we decided to help by launching our first primary care clinic. It was really difficult, but we managed to stay afloat. Finally, we adopted the idea of transferring our know-how to independent doctors, and now the clinic we opened last October is operated by an independent doctor. We’re looking to expand this model.”

– Sergio Guerrero Aguirre, Quinta Bonita

“Sergio and I have been in touch and following up. We were helped in this process by a grant and technical support from CHMI. They funded Sergio’s trip to India, and Naveen’s and my visit to Mexico City. We exchanged ideas and shared our processes, best practices and learnings during these visits. Since then we have been in touch informally, often brainstorming on the problems that crop up from time to time.”

– Devashish Saini, Ross Clinics

For more information see:
https://healthmarketinnovations.org/sites/default/files/AdaptingWhatWorks_CHMI.pdf
https://healthmarketinnovations.org/blog/secret-ingredients-rich-learning-culture-trust-and-transparency
SUCCESS FACTORS

Why does this rather small intervention produce good results? A few ingredients are key:

1. **Finding the right participants**
   Carefully selecting all participants ensures that they are really valuable to each other. Selection is the most time consuming part of the process. Endeva’s well-connected local partner in Mexico, Connova, was critical to the success of the event. All participants were screened and briefed about the process upfront and asked to prepare. Targeted participant selection was also critical for the Ashoka Globalizer Summit. Eighty-three percent of Fellows state that the Globalizer has facilitated important new connections to implement their scaling strategies.

2. **Providing specific information**
   By asking questions, both originators and adopters can obtain exactly the information they need. For adopters of complex models such as a digital platform or clinic franchise, this is the most effective way to understand whether or not adoption makes sense. For simpler models, such as making biomass briquettes or cookstoves, key elements can be documented for replication. The SEED replicator takes this approach and does not include originators in their workshops; adopters can get in touch with originators afterwards.

3. **Linking to supporters**
   Funding is typically the key ingredient to get a replication initiative off the ground. It takes time to get the model right in the new context, so financial returns can only be expected after a while, making commercial funding difficult. Grant funding is the most viable kickstarter, especially when adopters are small. Results for Development, for example, funded adopter Sergio Guerrero’s visit to originator Ross Clinics in India, and its pilot program held six months afterwards which adapted the model in Mexico. Links to funders are an important part of the Ashoka Globalizer program, as well, and Fellows have been able to leverage over US$10 million in funding after participating in the program.

BARRiERS

Not all participants decide to replicate a model, and those who do can also get stuck. A few stumbling blocks slow down the adoption process:

1. **Fit**
   Adopters may find after further investigation that the model does not fit the local context after all. For example, limited internet coverage made the use of the eKutir model challenging in Mexico. A feasibility study on the region of Jalisco showed that clients would not be prepared to pay for preventive care as offered by the model of Ross Clinics. Achieving a perfect fit through pre-selection is probably unrealistic. But even if there is no complete fit, participants find inspiration in the model and take individual ideas, or just reflect on their own approach from another angle.

2. **Time**
   Both originators and adopters are absorbed by their daily tasks once they get back from the event. Commitments that are not urgent tend to get pushed back. A more intensive support process as in the Ashoka Globalizer, where participants receive tailored training by Ashoka and external advisors, could help keep the follow-up at the top of partners’ agendas.
Money
Funding was the most critical barrier. Finding funding sources for pilot testing is always difficult. In theory, it should be easier for a tested model, but to date, no special funding exists to support replication. Establishing commitments from investors to support first steps upfront would ease progress after the event.

WHAT’S NEXT

For the next iterations of Meet & Multiply, insights from the pilots and inspiration from the SEED Replicator and Ashoka Globalizer will be used to further increase effectiveness.

1 More structured follow up
To support partners in taking the first steps until a partnership agreement has been reached, a structured engagement process should follow the event. This process should commit partners to regular exchange and provide clear guidance on the typical steps of adoption, thus helping partners advance more quickly.

2 Include financing for next steps
Partners should be brought on board upfront to provide grant funding for visits to the originator and for feasibility studies. With these first steps covered, adopters should be better able to make a strong case to other potential funders for the pilot. More personalized match-making with impact investors can also ease next steps. Personal connections can be established during the convention Meet & Multiply is attached to.

3 Impact monitoring from the beginning
To be able to determine how successful and how cost efficient the format is, more attention should be given to impact monitoring from the start of the intervention, as well as measuring the impact after the business model has been changed.

Organizations that run prizes and awards for inclusive businesses, as well as impact investors, would be perfect partners to complement the process with existing structures and funding opportunities. By adding a systematic replication process to their activities, these players could significantly increase their impact and support the successful scale-up of their programs.
REFERENCES

World Bank global consumption database
Seed accelerator
Ashoka Globalizer

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ABOUT iBAN

The Inclusive Business Action Network (iBAN) is a global initiative supporting the scaling and replication of inclusive business models. Through its strategic pillars iBAN blue and iBAN weave, iBAN manages an innovative online knowledge platform on inclusive business and offers a focused Capacity Development Programme for selected companies and policymakers in developing and emerging countries. iBAN creates a space where evidence-based knowledge transforms into learning and new partnerships. With its focus on promoting the upscale of inclusive business models and consequently improving the lives of the poor, iBAN is actively contributing to the achievement of the United Nations Sustainable Development Goals. iBAN is funded by the Federal Ministry for Economic Cooperation and Development and the European Union. It is implemented by the Deutsche Gesellschaft für Internationale Zusammenarbeit (GIZ) GmbH.