



Illustrations - Strategic Impact Advisors

PROJECT KIRANA FOR WOMEN REPLICATION GUIDE

2023



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ABOUT THIS GUIDE

Replicating, or taking solutions that work and customizing them to the specific circumstances and market conditions, allows organizations to increase the impact of their investments. Replicating aims to package successful innovations in the development sector and take them from one location to the next, with appropriate contextualization. This Replication Guide provides an overview of a solution to a development challenge that works, and what an organization or team should consider if they were to replicate it.

THE ORIGINAL ACTIVITY

Activity Name: Project Kirana for Women

Implemented By: ACCESS Development Services, a grantee to DAI's Digital Frontiers

Date of award: October 2020

Timeframe to Achieve Milestones: 26 months

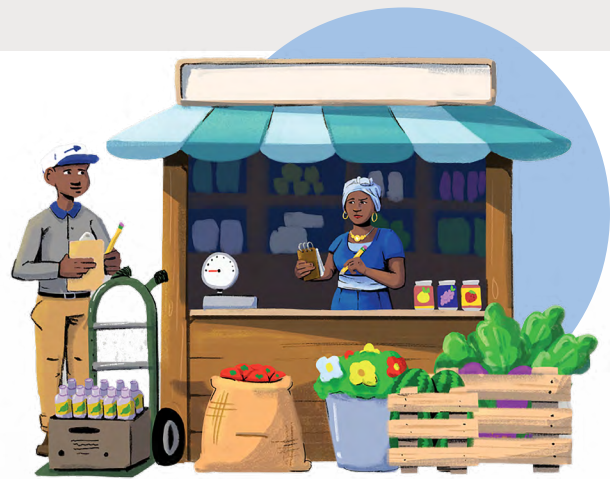
SUMMARY

Project Kirana

In 2021 and 2022, Project Kirana for Women (PK) aimed to expand Indian women microentrepreneurs' economic empowerment through business development and digital capability training in order to (1) enhance the level of business activity and revenue of women owned and/or run small retail shops (2) expand their financial inclusion and digital payment adoption and (3) elevate business skills and entrepreneurial drive. Developed through a partnership between USAID and Mastercard, and implemented by [DAI Digital Frontiers](#) and [ACCESS Development Services](#), PK focused on empowering women micro-entrepreneurs in two cities in the state of Uttar Pradesh: Lucknow and Kanpur. This document shares details about the approach, results, lessons learned, and links to resources and how other organizations can use these to achieve similar goals with other groups of women.

CONTEXT

Economic empowerment is the capacity of women and men to participate in, contribute to and benefit from growth processes in ways that recognise the value of their contributions, respect their dignity and make it possible to negotiate a fairer distribution of the benefits of growth. Economic empowerment increases women's access to economic resources and opportunities including jobs, financial services, property and other productive assets, skills development and market information.



Women's economic empowerment is a prerequisite for sustainable development and it is also a right. There is no quick fix: women's economic empowerment takes sound public policies, a holistic approach and long-term commitment from all development actors¹.

In India, although women run a large portion of small retail businesses, their decision making in the family is still limited and they oftentimes struggle to grow their businesses due to limited access to capital and business skills.

Small retail shops are one of India's largest and most dynamic industries and collectively account for over ten percent of the country's GDP. Many of these shops—known as kiranas in Hindi—are small family-owned businesses that sell everything from groceries to cosmetics and are primarily managed by women. However, due to local gender norms in many small business operations, most of these women are not legally recognized as business owners—with only nine percent of the nation's 16 million retail establishments currently owned by women, when in reality the number should be significantly higher.

Women continue to be constrained by many socio-cultural barriers and disproportionate obstacles in their efforts to become part of the mainstream economic milieu. There are family restrictions, with expectations of them to devote themselves to household chores, restrictions on mobility, and general apathy when they explore business opportunities. Financial institutions including banks do not have relevant products for women microentrepreneurs and are skeptical in giving business loans to women, who invariably lack collateral. Only 10 percent of the gross loans portfolio of most financial service providers are given to women-led small businesses, for example.² While India has several policies and programs on women economic empowerment, these schemes show little traction and few outcomes on the ground.³

1 <https://www.oecd.org/social/gender-development/womenseconomicempowerment.htm>

2 <https://www.womensworldbanking.org/insights/unlocking-credit-for-women-led-micro-businesses/>

3 <https://idronline.org/the-problem-with-women-empowerment-schemes/>

Although only nine percent of the 16 million retail establishments in India are officially owned by women, they participate at varying levels of involvement in day-to-day management, particularly the small family-owned kirana businesses. In the kirana, women are seen mostly in a supportive role rather than a leading role.

These kirana businesses typically face some or all of the following barriers/challenges:

- Kirana owners or managers lack professional business management know-how which can limit their abilities to attract and expand their customer base and improve operational efficiencies, and increase profitability.
- Sufficient and reliable working capital is a critical component for business operations, especially because kirana shops provide credit to customers. Most of these small shop owners, however, do not have access to bank credit and rely on credit from distributors, or other informal sources.
- Despite demonetization, most (micro) kirana shops remain outside the digital economy. They are unaware of how the government's Digital India initiative might benefit them⁴.

In order to participate in economic activities particularly as entrepreneurs, women face these general business barriers, in addition to social and gender ones such as mobility, managing work and family responsibilities, and limited financial and digital literacy.⁵

APPROACH

PK attempted to break the barriers of economic exclusion for women in India's small retail sector. The project developed an integrated set of interventions to overcome obstacles and impediments that women face while they seek to set, run and grow their businesses. PK aimed to enhance social and economic empowerment of women by enhancing the level of business activity and revenue of women owned and/or run kirana shops, expanding their financial inclusion and digital payment adoption and elevating women's business skills, entrepreneurial drive and capacities through business development and digital literacy training.

The WKEs: The project enrolled 3,000 women kirana entrepreneurs of whom 2,800 were trained across the modules. Nearly 80 percent of the women kirana entrepreneurs (WKEs) were between 18 and 50 years old, most of them had completed middle school or higher and almost all possessed a government-recognized identity document with them. Few WKEs possessed documents needed to access financial schemes or services such as a [PAN card](#) or a bank debit card. Most of the shops were started jointly by the WKEs and their husbands. The majority of the shops were unregistered, but the few registered ones were usually under the husband's name. Although the WKEs spent a significant amount of time at the shop, they did this along with their household responsibilities. Their role in customer and supplier engagement and handling financial processes related to the shop was limited. 99 percent of the WKEs had not attended any capacity building around shop management. During the initial baseline surveys, the WKEs mentioned their desire to receive training and build skills to help them run their enterprise efficiently. However, almost 80 percent of the WKEs said that finding time for the training would be difficult and they preferred in-person options near their residences or shops.

The Intervention: PK provided a mix of inventive pedagogical tools on business and financial management, digital payments, accessing financial services and entitlements, and accessing and managing business credit, and sensitization modules for addressing cultural barriers and promoting motivation for entrepreneurship among women through multilayer engagement tools for reinforcement and technical support. Through a series of educational and community-building interventions, the initiative aimed to bridge the gap via knowledge and skill building, and a

⁴ Nalawade, P. Digitising Indian Retail: Analysing Challenges and Exploring Growth Models | ORF. ORF. Retrieved 7 September 2021, from <https://www.orfonline.org/research/digitising-indian-retail-analysing-challenges-and-exploring-growth-models/>.

⁵ Dixon, A. (2018). Women in India's Economic Growth [Blog]. Retrieved 7 September 2021, from <https://www.worldbank.org/en/news/speech/2018/03/17/women-indias-economic-growth>.

supportive community that instills confidence and a sense of unity that women need to thrive in their businesses. PK's multi-channel approach of engagement included educational videos, in-person training, peer-learning groups that met in person and communicated via whatsapp, and an app. ACCESS, the implementer, also looked to partner with financial institutions and government schemes to offer small business credit for business growth, however products available in the market that met the WKE's needs were limited.

Training Modules: The training modules include audiovisual presentations, quizzes, info-graphic posters and a BuddhiMoney [Training App](#). The modules were modified to be a public good and available [here](#) and can be customized for different markets. The modules focus on:

- Orientation
- Financial Management
- Going Digital
- Financial Literacy
- Inventory Management
- Business Promotion
- Credit for Business Growth
- Managing Credit Discipline
- Gender Sensitization



Videos: The BuddhiMoney YouTube series challenges gender norms in daily business life and covers a broad range of financial educational topics through accessible short videos, allowing women to quickly access information while juggling business and household responsibilities. They are short 3D animation films featuring an iconic character styled as BuddhiMoney (Buddhi in Hindi = Wisdom) who is a young woman and a dynamic, affable protagonist within the community helping on issues relating to financial and business matters. Each video features BuddhiMoney and covers 4-5 key messages that provide an overview of the theme and some guidance on 'how to.'. The videos served as a precursor training aid as part of the training modules in which each key message is covered in more detail along with some additional content. BuddhiMoney videos are a public good and available [here](#) for use by any organization working in the area of business and financial education for micro and small enterprises.

Peer Learning Groups: BuddhiMoney Clubs: Informal peer groups of 30 women each (called BuddhiMoney Clubs to instill recall for the iconic character) were formed as a platform for training, technical support, and follow-up by ACCESS teams and for serving as peer groups for support and troubleshooting. Each Club met twice in a month for thematic training sessions, experience sharing, and follow-up. A helpline was established for women for business related troubleshooting, support in adopting digital payment modes and assistance for usage of [Training App](#).

Partnerships with financial institutions: Opportunities were explored to access government schemes for microenterprise financing including the [MUDRA](#) scheme as well as potential partnerships with other (private) financial institutions such as Small Finance Banks (SFBs), Microfinance Institutions (MFIs), Non-banking Finance Companies (NBFCs) and fintechs. While financial services providers were interested in offering their services to the program participants, once they better understood the WKEs profiles, it became clear that the majority of women did not meet their risk criteria and thus were not eligible for individual loans due to the lack of relevant products for this segment.

RESULTS

By the end of the activity we expected to see:

- Enhanced level of business activity and revenue of women owned-and-operated kirana shops in order to maximize percentage of participants achieving business registration and revenue benchmarks to access available government schemes and third party credit programs
- Expanded financial inclusion and digital payment adoption among women kirana owners
- Enhanced women's business skills, entrepreneurial drive and capacities through business development and digital literacy training

The results showed that the curriculum is effective in achieving these goals.

1. Business activity and revenue

- a. **83 percent** of women reported an improvement in income and sales
- b. **49 percent** of women reported an increased average customer transaction size
- c. **19 percentage** point increase of women who manage cash in their shop

2. Financial inclusion and digital payment adoption

- a. **135 percent** increase in the number of women reported accepting more modes of digital payments
- b. **81 percent** of participants shared that the frequency of digital payments has increased
- c. **12 percentage** point increase in bank account ownership of participants
- d. **29 percentage** point increase in debit card ownership
- e. **42 percent** increase in business or private insurance ownership

3. Business skills, entrepreneurial drive and capacities

- a. **81 percent** increase in the frequency of digital payments at the kirana shops
- b. **6 percentage** point increase in participants who use WhatsApp to conduct business
- c. **166 percent** increase of women using a smartphone for their business
- d. **61 percent** of participants adopted new ways of doing business during the trainings
- e. **91 percent** of participants lead supplier/vendor negotiations, demonstrating a larger role in the business decisions.

INSIGHTS

- When recruiting participants, ensure there are clear participation incentives and communicate the practical, tangible benefits upfront, such as access to financial products and/or resources to improve business growth, which are critical to sustain participation and retention.
- Work with local financial intermediaries to design products that meet eligibility criteria beneficiaries. Whenever possible offer solutions to financial institutions to minimize risk, such as credit guaranties, in order to encourage greater engagement
- Identify where digitization would occur first (customer or supplier), and set up partnerships to incentivize uptake. For example, if women are more likely to work in the back of the store and pay suppliers, work with suppliers to encourage payment digitization in the back-end.
- Adapt training materials to include in-person engagement in order to supplement learnings for those without smartphone access.
- Consider cross-mixing learning groups or develop peer champions, as women benefit from cross-learning and peer engagement
- Balance time efficiency with in-person interaction: Participants are extremely time poor but greatly benefit from peer connections and in-person engagement which can be coupled with the digital-based trainings and online resources.

REPLICATION

Conditions: This activity can be adapted to address women's entrepreneurship and digital tool adoption amongst microentrepreneurs. Factors that could contribute to favorable conditions for activity:

- Mobile phone access
- National Identification or Formal ID, and/or formal business registrations
- Ability to participate in in-person trainings for more effective retention and engagement
- WhatsApp or other digital platform to support peer learning groups for networking and support
- Market research on major challenges to business operations and revenue growth, or barriers to digitization for women-led microentrepreneurs
- Partnership opportunities with financial service providers with appropriate eligibility criteria and relevant products for micro-sized enterprises
- Potential USG backing of financial products to minimize risk, as appropriate

Problems/Opportunities this Activity can Address:

- Dense labor markets with low digital adoption by women entrepreneurs
- High levels of female employment in family businesses with limited ownership due to local laws and social norms, and thus limited decision-making power within micro-sized enterprises.
- High levels of interest in developing skills and increasing understanding of digital payments, driven by suppliers or consumer demand.

Potential Intervention Elements:

- Partner with relevant commercial, government, and community actors interested in expanding access to financial products and upskilling microentrepreneurs to participate in the digital ecosystem.
- Provide training and technical assistance to address the root causes through capacity building, tools, and incentives to microentrepreneurs to strengthen digital literacy and business management skills.

Summary of Elements that Might be Suitable for Replication:

- Overall curriculum to share with financial service providers, NGOs, government agencies or other organizations looking to upskill women microentrepreneurs
 - Train-the-Trainer content BuddhiMoney videos to share with industry associations for broader audiences
 - Technical assistance via digital applications and in-person support to apply for financial products or bank accounts

RESOURCES

- 📖 [White Label Training of Trainers \(Global\)](#)
- 📖 [White Label Training of Trainers \(India\)](#)
- 📖 [BuddhiMoney Videos](#)
- 📖 [BuddhiMoney Training App](#)
- 📖 [Project Overview and Results](#)

REPLICATION CANVAS

(illustrative list of what to think about when setting up a replication)

<p>Key Partners</p> <ul style="list-style-type: none"> Financial Services Provider USAID Mission Local trainers Small Finance Banks 	<p>Key Components</p> <p>Inventive, engaging training content able to delivered in short, easy to access methods</p>	<p>Problem:</p> <p>Limited access and understanding of market resources, financial products, and business management and digital tool usage.</p> <p>Solution:</p> <p>Provide training with tangible incentives and opportunities to access finance.</p>	<p>Target Segment</p> <p>Women micro-entrepreneurs</p>	<p>Resources</p> <ul style="list-style-type: none"> IP cost USAID LoE Partner LoE
<p>Market Conditions</p> <ul style="list-style-type: none"> Mobile phone access Market research on major challenges to business operations and revenue growth, or barriers to digitization Partnering with financial service products available that meet eligibility criteria for micro-sized enterprises 		<p>MEL - Illustrative indicators</p> <ul style="list-style-type: none"> Total number of trainings or events conducted Total number of people attending trainings or events conducted Increase in monthly sales Increase in proportion of revenue receipts through digital acceptance mode Increase in number of modes of digital payments acceptance Increase in number of women with active bank account Increase in number of women using digital payments Increase in number of women owning a smartphone Increase in number of women using smartphone Number of women adopting new ways of doing business Increase in number of women with access to formal credit 		

For definitions, please refer to the glossaries [here](#) and [here](#).



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