



IGNITE LEARNINGS REPORT 2020-2023



Unlocking the Potential of Women-led Micro & Small Enterprises

Lessons from Pakistan, Peru, and Vietnam

Contents

Meet Kausar from Pakistan	3
Executive Summary	4
Section One: MSE Barriers to Success	6
Section Two: The Ignite Model	8
A Holistic Package for Growing MSEs	8
The Business Case for Supporting Women-led MSEs	8
Case Study: Meet Thảo from Vietnam	10
Ignite Results.....	11
Impact on Women	13
Section Three: The Importance of Women-centered Design	14
Designing Better Loans for Women	15
Improving & Adapting Training	17
Driving Digitalization.....	19
Case Study: Meet Elizabeth from Peru	21
Opening Access to Markets	22
The Power of Support Networks.....	24
Section Four: Designing Effective Outreach Campaigns	26
Campaigns Promoting Ignite Products, Services, and Events.....	26
Campaigns and Activities to Influence and Shift Norms	27
Case Study: Meet Thu from Vietnam.....	27
Section Five: Partnerships to Improve Access	29
Ignite Core Partners.....	30
The Importance of Diversifying Financial Partners.....	31
Designing for Sustainability.....	32
Building an Ecosystem to Support Women.....	32
Section Six: Demand from Women-Led MSEs remain unmet	34
Section Seven: Next Steps	35
Acknowledgements	36
Annex: Impact by Country	37



Meet Kausar

My name is Kausar Parveen, and I am from a suburb of Multan in Pakistan. I am a single mother with two children who now help me with my businesses. I employ seven women in total.

I had been running a school for women and girls for 23 years and I had earned a good reputation in my community, but when COVID-19 hit I had to close the school.

I was in financial crisis, and I had to find a new way to earn a living. I decided to start a clothing business from home. At first it was very challenging as I hadn't built up trust with wholesalers and shopkeepers. I also lacked good market links so I couldn't acquire raw materials at a low price, leaving me with minimal to no profit margins.

In Pakistan, it is hard for a woman to start a business on her own, as a male guarantor is usually needed to get a start-up loan. As soon as the man is involved then financial control falls to him and the woman is left to do the work, which steals hope from women. I was fortunate to get a loan from a local organization, followed by a second loan via CARE partner AGAHE.

AGAHE has also connected me to WhatsApp groups with other entrepreneurs from different parts of the country. This has helped with new business connections but has also helped me to grow creatively and develop new ideas. Through these networks I connected with a new vendor who I can buy fabric from in bulk, which has resulted in major savings for me.

The main thing that I have gained from the Ignite training has been confidence to grow as a woman. I also learned a great deal about business management and bookkeeping as before I didn't know how much I had earned or spent.

The digital training has also been hugely beneficial to my business. Previously I had been taking cash to buy raw materials, but now I use digital tools such as JazzCash and Easypaisa which makes transactions much easier. I also made a YouTube channel through which I market my products.

Delivering my products to my customers and moving around the city had been another challenge for my daughter and me. Usually in Pakistan, only men ride motorbikes, but we fought that stereotype. We get a few disapproving looks, but the bike has given us the freedom to go and meet with suppliers and customers.

Now that the pandemic is over, my school is back up and running and my garment business is doing well. My biggest achievement is seeing the women and girls from my school grow and go off to earn a living with their new skills. Next, I want to develop more technically advanced courses for my students so that we can help to build the capacity of women in our society. For the garment business, I want to open an outlet store. I also want to build a gym and spa for my daughter to run.

My message to other women thinking of setting up their own business is – be independent and confident, take the first step and the rest is easy, be consistent and the business will grow with time. Keep your morals high, be patient and fight for your rights. Do not be suppressed.

People who used to tell me that business is not something that a woman can do now respect me for who I am.

Kausar Parveen

Owner of MA Public School & Mashallah Bazar
Grass Mandi, Multan, Pakistan



“People who used to tell me that business is not something that a woman can do now respect me for who I am.”



Executive Summary

Micro and small enterprises (MSEs) are the economic backbone of most economies worldwide, increasing employment and reinvesting in local communities. In emerging markets, there are [365-445 million](#) micro, small, and medium enterprises. However, [80%](#) of women-owned small businesses with credit needs are either unserved or underserved, representing a [\\$1.7 trillion USD](#) financing gap.

CARE's Ignite program, launched in partnership with the Mastercard Center for Inclusive Growth, focused on supporting micro and small enterprises, especially those led by women, in Pakistan, Peru, and Vietnam between 2020 and 2023.

Ignite took a market-based approach to service delivery that was sustainable and scalable by working with over 35 local partners across the three countries, 11 of which were core service delivery partners. These partnerships opened up much-needed access

to financial and digital resources, while building entrepreneurs' business capacity and networks.

Ignite set out to reach 3.9 million entrepreneurs in three years with \$5.26 million USD in grant funding from Mastercard. The program exceeded initial goals, reaching more than nine million entrepreneurs, and unlocking access to \$154.9 million USD in loans. More than 150,000 entrepreneurs were deeply supported with loans, critical support services, and training.

The commercial value in supporting women-led MSEs is irrefutable. Global data continues to show this and, together with Ignite financial service provider partners, CARE has proved it. Despite this, gender bias continues to permeate throughout financial institutions the world over. CARE is calling on all financial service providers to read the proof in this report that women are better financial clients, to support the drive for 100% financial inclusion for women, and to invest in reaching this goal.

IGNITE IMPACT

Through Ignite, 51% of program participants received a business loan for the first time, with 10% going on to access a second loan. 81% of entrepreneurs increased their sales and 92% applied what they had learned through Ignite training. Repayment rates on loans were high, with 100% repayment on one loan product in Pakistan. 90% of participants said that their quality of life had improved since participating in the Ignite program.

68% of Ignite participants were women (95% in Vietnam, 99% in Peru). 79% of women reported that Ignite had supported them to achieve their business goals. CARE also saw an 81% reduction in stress levels amongst women who participated in Ignite. 83% of women are now using digital tools and services in their businesses, and 79% say digital tools and training had helped their businesses grow.



“Catering to the needs of women entrepreneurs is good business. Our partnership with CARE Ignite offers banks and other financial service providers tangible insights and best practices to scale access and usage of financial services to women-owned and women-led businesses everywhere.”



Payal Dalal
Senior Vice President
Social Impact, International Markets
Mastercard Center for Inclusive Growth

The Ignite model focused on:

Increasing access to tailored finance

Providing demand-driven support services

Shifting gender norms

Addressing the gender digital divide

Building an MSE ecosystem

Executive Summary cont.

FOUR KEY IGNITE LEARNINGS

1.

Women-centered design is critical to creating effective and demand-driven products for women-led enterprises.

2.

Strategic and targeted outreach campaigns are effective at: driving customer awareness and uptake, influencing the MSE ecosystem, and addressing restrictive norms.

3.

Strategic and diverse partnerships enable programming to reach more women and makes delivery of products & services more sustainable.

4.

Even after successful interventions, strong demand remains unmet, and women continue to face multiple barriers.

CARE'S NEXT STEPS

Codifying learnings to support replication: CARE will continue to follow the impactful Ignite model and share its learnings with others within the MSE ecosystem, so that these holistic interventions on intentionally serving women entrepreneurs can be replicated.

Supporting the financial health of women-led MSEs: CARE will continue to work with its partners to co-design and deepen the range of financial products and services for women-led MSEs, so that women can better manage the financial health of their businesses, and financial service providers can grow their portfolios of products and services.

Promoting green business in a time of climate crisis: CARE will explore how to support women to build climate resilient and sustainable businesses and work with local partners to increase female representation in the green business sector.

Building inclusive ecosystems: CARE will convene stakeholders in the MSE space to create strong and strategic public-private partnerships within the ecosystem, leading to better outcomes for entrepreneurs.

Shifting gender norms: CARE will explore locally-led solutions to gender norms barriers, continue to deliver campaigns challenging these norms, and deepen programming to overcome some of the bespoke barriers that women face.



“Markets continue to fail women, who still lack access to the capital and support they need to grow their small businesses. Through Ignite, and thanks to Mastercard’s innovative support, we were able to convene local partners to deliver a truly impactful set of services that women want and need. But the fight continues, and we call on everyone in the ecosystem to join us as we seek complete gender equality for business women around the world.”



Rathi Mani-Kandt
Director of Women’s Entrepreneurship and Financial Inclusion, CARE USA

Section One: MSE Barriers to Success

Limited Access to Finance

Almost [1 billion women](#) globally still do not have access to finance. [80%](#) of women-owned small businesses with credit needs are either unserved or underserved, representing a [\\$1.7 trillion](#) USD financing gap.

“One of the challenges I have faced as a female entrepreneur is access to finance. Women don’t get loans because the banks don’t believe in our ability to repay. They believe that men are more responsible than women, which is not true.”

Olenka Chapa Vásquez, who manufactures and sells early years development toys, Peru



“I have had a bank account for quite a while now, but the major issue we faced was that the clients in far off areas had no access to banks and they were unable to transfer online. This caused a big hurdle. After the Ignite training, I created accounts with JazzCash and EasyPaiza (microfinance applications) which made things very convenient for our clients as they are accessible in all the regions of the country. Because of these applications we were able to receive all the transactions from clients on time.”

Hina Sadaf Butt, who runs a girls’ hostel, Pakistan

Limited Digital Skills

Across low- and middle-income countries, women are 16% less likely than men to use mobile internet, which translates into [264 million fewer women than men](#). In 2020 alone, the Alliance for Affordable Internet estimated that the gender gap in internet use resulted in countries [missing out on \\$126 billion USD in GDP](#).

“When I started the business my husband told me I had to do both the business and the childcare. He doesn’t care much about my business. He grew up in a traditional family where his mother stayed at home to take care of the family, and this is the fixed mindset he has about the role of women. I want my two boys to see me as a female role model – a woman who can live a good life, run a good business, and not worry about financial burdens.”

Lê Hồng Vân, who produces and sells food products, Vietnam



Gender Norms

[CARE’s gender norms research](#), conducted in Pakistan, Peru, and Vietnam, revealed that expectations about women being the main childcare giver and men being the main breadwinner are as strong as ever. In Vietnam, 80% of men and 60% of women agreed that *business women* should be the main childcare giver, despite the pressure of running a business. Women being the main financial decision-maker in their household varies from 19% in Pakistan to 52% in Vietnam. When it came to financial decision-making about their business, only 55% of women entrepreneurs in Pakistan were the main decision-maker, rising to 69% in Peru and 75% in Vietnam.

Limited Business Skills

According to the [World Economic Forum](#), while gender gaps are relatively lower in the enrollment for courses that cover skills in the category of working with others, the gender parity for skills such as leadership and social influence is 75.8% (with 100% representing full parity). Respondents to CARE’s lean impact research showed that clients want more hard skills (44% of women and 41% of men) and soft skills (34% of women and 40% of men) to grow their business.



“Before, we did not understand the importance of separating the finances of the company with the household finances. I learned from the training application to separate them. Now we pay ourselves a salary and our finances are more organized.”

Elizabeth Vargas Vilca, who runs a shoe manufacturing business, Peru

Section Two: The Ignite Model

A Holistic Package for Growing MSEs

By 2030, CARE's Women's Entrepreneurship and Financial Inclusion Unit aims to: improve the financial security and economic empowerment for over three million entrepreneurs and employees, primarily women-led businesses; reach 30 million people; and mobilize more than \$500 million USD in private capital.

CARE's Ignite program focused on unleashing the power of growth-oriented entrepreneurs to contribute to resilient, inclusive economies, with a strong emphasis on women. The program ran from 2020-2023 in Pakistan, Peru, and Vietnam where there are large segments of unserved and underserved micro and small enterprises (MSEs) ready for investment. Ignite was part of Mastercard's commitment to providing 25 million women entrepreneurs with solutions that can help them grow their businesses by 2025, a milestone they have already reached, thanks in part to the Ignite program.

Ignite focused on growing MSEs, those with 2-10 employees, had been in business for more than two years, and were ready to grow. By working closely with local service providers, Ignite took a market-based approach to service delivery in efforts to achieve sustainability and scalability. These partnerships opened up much-needed access to financial and digital resources, while building entrepreneurs' business capacity and networks.



The Business Case for Supporting Women-led MSEs

- Micro and small enterprises (MSEs) are the economic backbone of most economies worldwide, increasing employment and reinvesting in local communities. According to the [International Labour Organization](#), MSEs account for more than two thirds of all jobs worldwide and for most new jobs created.
- A [McKinsey report](#) estimated that \$12 trillion USD more would be added to the global economy by 2025 by advancing women's participation in the economy.
- [The Global Entrepreneurship Monitor](#) shows that women are stronger entrepreneurs, tend to hire more women, and are more likely to create impact and social value than their male counterparts. During Ignite, which predominantly ran during a global pandemic, entrepreneurs increased their staff by 23-28%.
- Global data shows that women are better loan clients and more likely to repay. Non-performing loan ratios sit at 3% for women-centered portfolios, compared to 4.9% for total SME portfolios, according to an [IFC assessment](#) of 157 financial institutions.
- In addition to the global data supporting the business case, CARE Ignite's financial service provider partners across all three countries say that women are better customers. Ignite partner VPBank stated in 2021 that female clients on average will access 2.4 more products than male clients, women are better at repaying loans, and will bring above-average profits. In all countries, repayment rates sat at 95-100% for Ignite loans.
- Entrepreneurship is an essential pillar of women's economic justice and has the potential to not only lift women and their families out of poverty, but also act as an engine of economic growth. Through Ignite, 79% of women saw an increase in business sales and achieved their business goals.

Growing Women-Led Micro and Small Businesses: A Holistic Package of Services



CARE built a multi-pronged model that leans heavily on local partnerships. This model has been tested since 2020 and is based on existing evidence that micro and small enterprises (MSEs) need more than just access to capital or only support services to achieve sustained growth. It also recognizes that the barriers facing women-led MSEs are deep and structural. Core elements of the model include:

- 1. Increasing access to tailored finance:** Worked with banks and other financial services providers to provide technical assistance to design loans that work for MSEs and their realities, especially women. CARE did not provide funding for loans, but supported research, design, and launch costs for adapted loans for women-led MSEs.
- 2. Providing demand-driven support services:** Equipped women entrepreneurs with access to hard and soft skills to help them grow their businesses. Women continuously demand these services above and beyond access to finance, and even after Ignite, most support service participants were asking for more training.

- 3. Re-envisioning gender norms:** Designed campaigns and activities to address the gender norms that are holding women MSEs back, such as time poverty, mobility restrictions, and the burden of household duties and childcare. Also designed campaigns to promote loans, critical support services, and digital opportunities for MSEs in the market.
- 4. Addressing the gender digital divide:** Integrated throughout the model was the digitalization of MSEs and the need to close the gender digital divide, accelerated by the pandemic.
- 5. Strengthening the ecosystem that supports women-led MSEs:** Demand for this change at higher levels (policy, financial sector) is outpacing supply of services. And institutions are interested in replicating the Ignite model.



“The new-to-bank customers, specifically women and small business owners, have led to an increase in the gross loan portfolio, reinforced by increased customer loyalty and retention. Moreover, the responsible financial behavior of women has translated into lower default rates and thus reduced the credit risk exposure of MMBL.”



Usama Habib, Assistant Manager, Transformation & Partnerships, Mobilink Microfinance Bank, Pakistan

Meet Thảo

NAME: Phạm Phương Thảo

AGE: 26

BUSINESS: Flowers & Ornamental Plants

EMPLOYEES: 6+

LOCATION: Thanh Hoa Province, Vietnam

Barriers To Growth:

Access to capital, lack of childcare, and limited family support

How did Ignite and partners help Thao grow?

1. Tailored loans (\$1,100 USD), from Ignite partner Thanh Hoa MFI
2. Tizo Loan Management App, via Ignite partner Canal Circle
3. Intensive Training (financial planning, business management, digital marketing), via Ignite partner WISE
4. Coaching (work/life balance) + Networking, via WISE
5. HerVenture App (business management, access to markets, ecommerce, mobile money), via Cherie Blair Foundation

“The benefits [of the loan] that I get are installment payments, no collaterals required, and a fast and simple approval process.”



“I want to become the largest supplier of flowers and ornamental plants in this area.”



IGNITE RESULTS

Reached
9+
MILLION*
entrepreneurs

Mobilized
\$154.9
MILLION USD
in loans

Issued
106,000
loans


Provided deep
support to
150,000+
entrepreneurs

Trained
13,000+
MSEs




CAMPAIGN REACH

 Global gender norms campaign reached **27 million**

 Vietnam campaign promoting women-led MSEs reached over **1 million** on Facebook

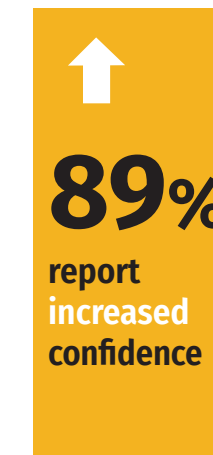
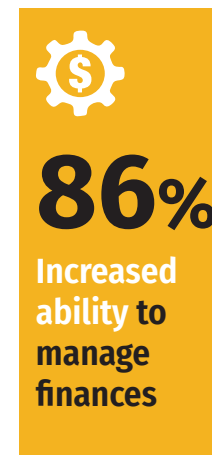
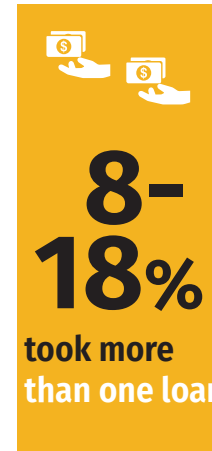
 Co-led event with State Bank of Pakistan with **200+** ecosystem attendees

 Peru campaign fighting gender stereotypes reached over **4 million** people

*Through campaigns in Pakistan, Peru & Vietnam

IMPACT ACHIEVED

-  First time loan access
-  Excellent loan performance
-  Business growth
-  Improved skills and financial resilience
-  Improved mental health and well-being
-  Increased confidence



Impact on Women



68% of customers are female

32% male



INCREASED ACCESS & RESILIENCE


 **55%** first-time loan access

 **54%** can easily raise emergency funds

BUSINESS GROWTH

 **79%** increase in business sales

 **79%** achieved their business goals

 “I had never taken social media seriously or thought that it was beneficial. Since taking the course, I realized how crucial it is, because viewing your online profile is the first thing that people do. My next target is to digitalize our sale point.”

Shadab Khan, fashion business owner, Pakistan

WOMEN'S ECONOMIC JUSTICE: IMPROVED CAPABILITIES & CONFIDENCE

 **83%** now use digital tools and services

 **79%** say digital tools and services helped their business grow

 **85%** increased ability to manage finances

 **91%** applied what they learned

 **89%** increased confidence in running the business

IMPROVED WELL-BEING

 **90%** report an improved quality of life

 **82%** reduced stress levels

Section Three: The Importance of Women-centered Design

Key Learning One: Women-centered design is critical to creating effective and demand-driven products for women-led enterprises

Impractical and inaccessible products or services are a regular burden for women because the world is very often designed for men, by men. Instead of being considered a 'niche' group, women should be seen as 50% of the market. The result of not designing products that put women at the center of the design process can have dramatic economic impacts, resulting in an endless cycle of inequality. At the current rate of progress, it will take [131 years](#) to close the gender gap.

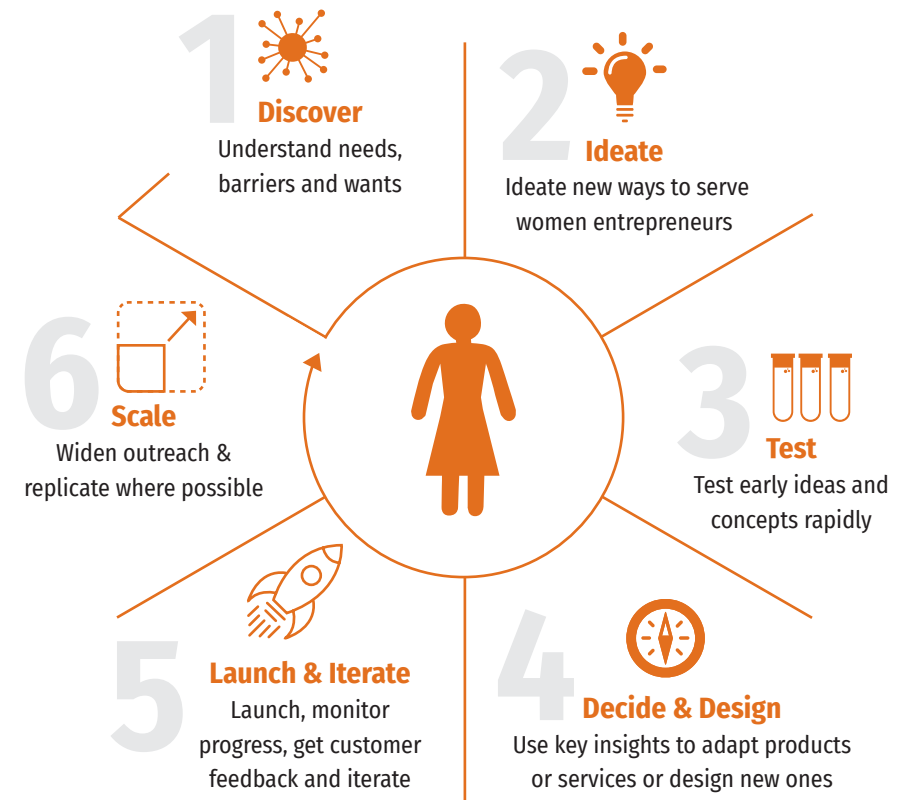
Women-centered design is not only an innovations process but also a mindset. It's a complete commitment to ensuring that

the product is built to solve a customer's problem or meet their needs. This means regularly seeking feedback, testing ideas to ensure there is demand from women, and that it fundamentally works for their everyday realities.

The Ignite program followed a women-centered design process, working with women entrepreneurs to develop products and services tailored to their specific needs. CARE worked with partners to disaggregate data by gender, conducted regular in-depth interview and focus groups, and tested concepts with women entrepreneurs to

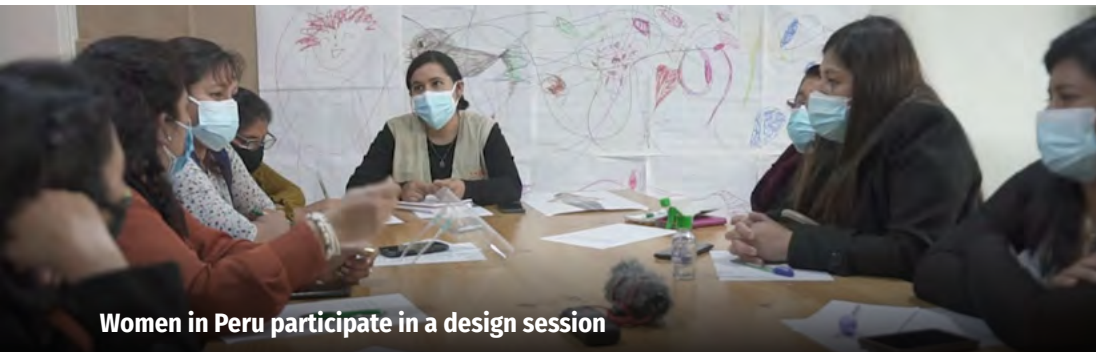
ensure that products and services remained relevant and demand-driven.

By intentionally designing for women, barriers to financial products and services like guarantor or credit history requirements were removed; flexible repayment terms were introduced; and demand-driven support services were provided to micro and small enterprises. Training was also adapted to meet women's specific needs, such as adapting to reflect time and mobility restrictions or skill levels.



“It seems important to me that it is precisely women entrepreneurs who are going to use this valuable tool that they are consulted about what else we expect from it.”

Delia Nizama, who runs a shelter for vulnerable children in Lima and participated in a CARE workshop on the product design of the EmpreSARA app.



Women in Peru participate in a design session

Designing Better Loans for Women

The business case for supporting women-led micro and small enterprises (MSEs) is indisputable [see Page 8]. Global data shows it, and CARE Ignite's financial partners confirm it. In Pakistan, Peru, and Vietnam the banks and microfinance institutions CARE worked with on Ignite all state the commercial benefits of working with this segment.

In Pakistan, CARE partner Mobilink Microfinance Bank said that, since working with women and small business owners, they had seen an increase in the gross loan portfolio, increased customer loyalty and retention, and lower default rates which reduced their credit risk exposure. In Vietnam,

VPBank said in 2021 that female clients on average will access 2.4 more products than male clients, women are better at repaying loans, and will bring above-average profits. In Peru, Financiera Confianza reaffirms this, saying that historically, women are better at repaying loans than men, and that taking a gendered approach with credit products will generate profit.

Through the Ignite program, CARE worked with its partners to co-design and adapt loan products that better met the bespoke needs of women-led MSEs.



“CARE and AGAHE guided me through the loan application process. At first, I was very worried about the process, but I received my loan from U Bank in three days. The interest rate is low, and I repay in monthly instalments. I am very happy that my profit has now increased.”

Muhammad Khalid, shop owner, Pakistan



A Peruvian loan including breast cancer screening

Women-centered design helped CARE identify that women could not get right-sized loans for busy sales periods and that they were not able to cover all their medical costs, especially preventive care. CARE worked with Financiera Confianza to develop [Emprendiendo Mujer](#), designed exclusively for women. The loan requires no credit history and includes an alternative credit assessment, based on references, and does not take into account their husband's debt, unlike other products in the market. Short-term loans are available for as little as 30, 60, and 90-day terms, as opposed to a traditional one-year loan term, to help manage seasonality of businesses. An innovative addition of breast cancer screening insurance made the package feel very valuable and tailored for women.

A total of 57,638 loans have been granted since the product launched in June 2021, totaling \$41.3 million USD. The Portfolio-at-Risk (PAR) average is 5.4%, performing better than the rest of the portfolio. An average of 2,500 loans continue to be disbursed each month. The loan has also been imitated by competitors. 86.4% of customers say they are satisfied with the loan amount.



Enabling Pakistani women to use their gold as loan collateral

CARE worked with U Bank, the leading microfinance bank in Pakistan, to ease guarantor requirements for women borrowers for all its loan products. Women can now provide any guarantor (female or male) instead of only a male family member.

To address the limited collateral issue that many women face, gold-backed loans were introduced across U Bank's portfolio so that women could use gold, often acquired by women for marriage, as collateral against a loan. These loans currently make up 40% of total borrowers, with repayment rates at 100%.

CARE International Pakistan also worked with Mobilink Microfinance Bank, Pakistan's largest digital bank, to promote and educate women on a digital loan as part of their Women's Entrepreneurship portfolio, and onboarded entrepreneurs onto their loan app, Dost.



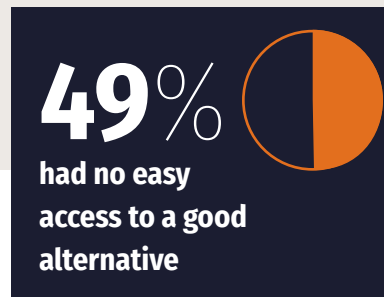
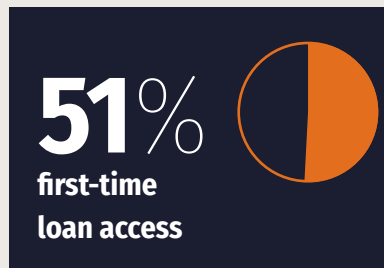
Low-interest and higher-credit loans in Vietnam

CARE Vietnam worked with VPBank, a large-scale commercial bank that serves mostly urban clients, to provide a preferential loan for women-led MSEs with an interest rate reduction of up to 2%. Repayment rates for these loans are excellent with PAR sitting at 0.1%.

CARE also worked with Thanh Hoa MFI to offer a higher-credit limit loan with flexible terms and tenors for women-led MSEs in peri-urban and rural areas. Previously, women entrepreneurs were only able to access a maximum of \$2,200 USD loan, but this was adapted to allow up to \$4,300 USD with the same requirements. According to Thanh Hoa MFI, the product has an excellent repayment rate with PAR at 0.48% and this adapted loan generates a higher return compared to any other product they offer.

In Vietnam, the number of participants actively using financial products rose from 20% at baseline to 64% at endline.

ADAPTED LOANS IMPACT



ADAPTED LOANS KEY LEARNINGS

Financial service providers (FSPs) need to address the key barriers that MSEs, especially women, face in accessing loans: These often include the requirement for specific types of guarantors (e.g. a male guarantor or co-signature), restrictive collateral or credit history requirements (e.g. including a husband's debt in the credit assessment), and inflexible loan repayment terms that don't match the short-term cycles of cash flow and seasonality of micro businesses.

FSPs must invest in listening to and designing with women: Understanding women through regular women-centered design research is essential, as is testing ideas and concepts to get their feedback on possible solutions. Putting women at the center of the design process and building products and services *with* them is critical to ensure profitable demand-driven products.

Work with FSPs at a portfolio level when possible: Working to integrate women-centered adaptations across a portfolio of products has led to deeper success with banks and financial service providers. For example, applying more flexible collateral requirements (e.g. gold backed loans) across multiple products within a portfolio.



“With Emprendiendo Mujer, we didn’t just deliver a traditional credit product, we listened to what women wanted and incorporated this into the final product. What has pleasantly surprised me is the commercial success of this product. We had a very positive response, we mapped out our goals over three years and met those within just one year.”



Luis Pastor, Head of Individual Banking, Financiera Confianza, Peru



NEXT STEPS TO DEEPEN CARE'S WORK IN TAILORED FINANCIAL SERVICES

Innovate on addressing key barriers to accessing credit for women, including alternative credit scoring mechanisms, Know Your Customer (KYC), collateral and guarantor requirements, and shorter-term loans.

Further understand the needs of women-led micro and small enterprises (MSEs) in order to better serve them with a wider range of financial products and services - such as savings and insurance - that are needed to address a wider view of financial health for the MSE.

Partner with more and different types of financial institutions that are committed to serving women-led MSEs intentionally, including more financial institutions that are women-owned or led.

Improving & Adapting Training

Designing the most efficient package of support services can be challenging, expensive and therefore difficult to sustain in the long term. However, [evidence shows](#) that training combined with finance is more effective than training or finance alone for growing micro and small enterprises (MSEs). Evidence from the [International Finance Corporation](#) also shows that providing non-financial services to women-led businesses is good business for financial service providers as it reduces their risk, increases repayment rates, and increases loyalty.

By using the women-centered design process [See page 14], CARE and local service providers tailored support services to ensure they addressed the realities that women face, including overwhelming household responsibilities, time poverty and restricted mobility - all of which inhibit their ability to access training and receive ongoing support.

Ignite provided access to demand-driven and tailored critical support services including capacity building, skills building, mentoring, support networks, and digital tools.



“I learned how to manage my emotions, share my feelings with others and to feel more deeply about my experience, I also had opportunities to connect with other female business owners in the locality, update my knowledge and expand my business environment.”

Phạm Phương Thảo,
horticultural business owner, Vietnam



Adapting to women's mobility restrictions in Pakistan

CARE learned that many women faced time and mobility restrictions that made in-person trainings challenging to attend. Ignite offered hybrid training by combining in-person digital training with online modules. In-person trainings were adapted to weekends when women were more likely and able to attend.



Developing a bespoke app for MSEs in Peru

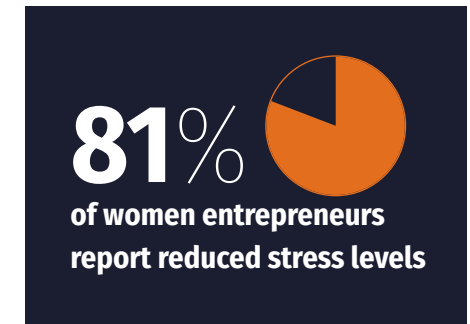
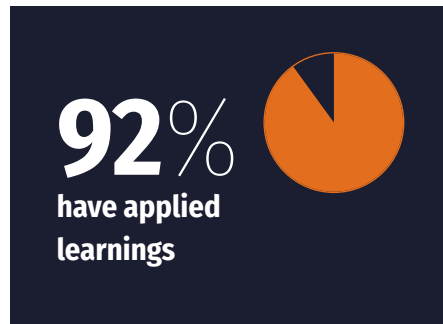
Until Ignite, existing digital training in the market had focused on small 'necessity entrepreneurs,' rather than the needs of MSEs that are ready to grow. CARE therefore worked with a fintech to design EmpreSARA, a bespoke app for this segment with tailored digital training and tools. Through the app, CARE Perú found that most women completed the training in small, bite size chunks between 9pm and 2am. As a result, the training modules were adapted to ensure that training could be completed in short timeframes. A downloadable, offline version was developed so that women did not have to rely on a strong connection to train. The piloted app had 491 participants, of which 78% were women. 60% of program participants completed their training. Participants found the business model training and the opportunity to network with other women entrepreneurs of most value.



Work-life balance workshops to manage stress in Vietnam

CARE learned through a needs assessment that women entrepreneurs were stressed by a lack of work-life balance. Women entrepreneurs said they needed time to talk, share their experiences and take a break from their stressful lives, including household responsibilities. CARE Vietnam developed a series of in-person work-life balance workshops including art therapy and learning circles. Feedback showed these were hugely impactful, and women shared that they benefitted from sharing problems and solutions.

ADAPTED TRAINING IMPACT



ADAPTED TRAINING KEY LEARNINGS

Build a flexible and modular training curriculum:

Having a skeleton of a fixed curriculum with adaptable elements can allow designers to respond to need as it comes and allows for innovation in testing out new modules and content.

Tailor training content to growth-oriented MSEs:

Key to supporting micro and small enterprises (MSEs) in the long-run is tailoring training and tools specifically to their business growth needs which includes ensuring there are options for both basic and complex business concepts.

Integrate non-financial services into the loan journey where possible:

Encouraging financial service providers to promote non-financial services during the loan customer journey is a powerful way to provide the right mix of services at the right moment.

Consider online/offline functionality for women:

When possible, ensure digital training is downloadable and not reliant on a strong internet connection or regular data purchase.

Limited mobility and time are recurring issues for women:

Training needs to cater to women's mobility and time constraints e.g. the most accessible timing, duration, and location of training.

Mental health issues are real:

Training not only needs to focus on hard business skills, but also address barriers women face that prevent their ability to solely focus on the growth of their business, such as the mental load of household chores and childcare duties. These can be supported through work-life balance and stress relief workshops.



Art therapy workshop in Vietnam

NEXT STEPS TO DEEPEN CARE'S WORK IN SKILLS BUILDING

Expand the range of tailored training opportunities available to women-led MSEs to better support their diversity of needs and business opportunities, including adapting training to address the barriers that women disproportionately face, such as restricted time and mobility.

Design training content for women-led MSEs to ensure it covers basic business content, as well as more complex topics for further advanced businesses.

Explore with partners mechanisms to embed 'high-touch' digital experiences in the customer journey through digital coaches, chatbots, virtual reality, and artificial intelligence.

Driving Digitalization

Digital tools and access to the internet are essential to growing small businesses, yet the [gender gap in smartphone ownership](#) in low- and middle-income countries is 18%. Despite the rapid digital acceleration that happened during the pandemic, women continue to face digital challenges. But women are resilient and in 2020, the [Mastercard Index of Women Entrepreneurs](#) showed that 42% of women entrepreneurs shifted to a digital business model and 34% identified new business opportunities.

Through Ignite, CARE placed a strong emphasis on building the digital capabilities, digital literacy, and access to digital products for micro and small enterprises (MSEs). CARE learned that there are multiple influencing factors to successful digital

uptake, such as infrastructure and access challenges, as well as barriers unique to women, including access to education, skills, and digital hardware. Digital capabilities also vary from market to market, as well as from urban to rural areas, requiring a tailored response. Often, pairing a human with digital technology allowed CARE to invest in building digital capability for those who are most excluded, especially women.



Digital training in Peru



Combining social media with digital wallets in Pakistan

There are lower levels of digital capability and financial literacy in Pakistan, especially for women. While many women are already using Facebook and WhatsApp to freely promote their products and services, they are often unable to make sales due to the requirement for a bank account or credit card. The solution was to combine these free social media tools with widely used mobile money wallets. CARE International Pakistan also created WhatsApp groups through which women can buy and sell, as well as network and access new markets. This approach supported women entrepreneurs to slowly build their digital capabilities in a familiar environment.



A bespoke online portal in Vietnam

Female clients of VPBank were more digitally capable. CARE Vietnam therefore supported the bank to build its SMEConnect Portal - a comprehensive online hub for customers, including a health assessment tool and the ability to apply online for an overdraft loan facility, reducing time spent visiting the bank.

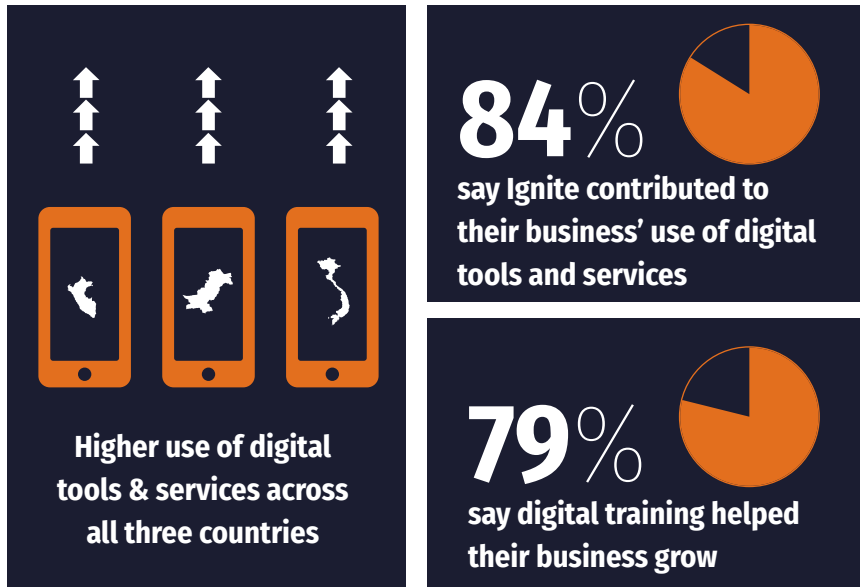
For Thanh Hoa MFI clients, who are less digitally capable, the loan management app, which gave them regular repayment reminders, needed to be sufficiently supported by a loan officer who onboarded them and gave them regular support. This mixed approach led to higher usage and success.



Facial recognition to replace ID in Peru

CARE identified that many women entrepreneurs in Peru did not have the identity documents required to open a bank account and take out a loan. CARE Perú therefore worked with financial partner Financiera Confianza to fast-track facial recognition as a solution. The co-designed tailored loan product, [Emprendiendo Mujer](#), incorporates this biometric technology. This enabled women to apply for loans and for loan officers to easily issue them, overcoming a major barrier to access. It also gave loan officers the opportunity to train women on how to use the loan app.

DIGITALIZATION IMPACT



“I learned how to make email IDs, run WhatsApp groups and sell through Facebook. The business, which had been limited to Karachi, grew exponentially after I had done the CARE course. It reached far-flung areas of the country, places like Multan and Rajanpur, and places that I had never even heard of. This is how you become reachable to people.”

Lubna Shahnawaz, fashion business owner, Pakistan



DIGITALIZATION KEY LEARNINGS

For digital training, provide easy access to in-person or digital support to reinforce learning: To help micro and small enterprises (MSEs) troubleshoot, and nudge continued learning, ongoing in-person or digital support is critical. Having a facilitator in live training or on digital support networks provides the necessary support to reinforce the training.

For digital financial products, strong customer service and intensive on-boarding is often required: CARE found that financial service provider (FSP) customer service and support is often a problem for entrepreneurs, especially where support is offered only online. FSPs need to offer meaningful support through loans officers or other vehicles to get customers truly onboarded onto digital platforms.

Build new digital products only when there is a gap in the market: Given the intense nature of building and maintaining digital products, leverage existing content or tech partners where possible. However, in certain contexts, there was a need to build a digital product as nothing existed that was tailored for this growth-oriented segment.

Encourage or formalize help from digitally capable people around women entrepreneurs: This could either be early adopter women entrepreneurs in their local area or within their sector, or those already in customer networks, such as digitally capable young people. This can be an efficient way to transfer knowledge and capability.

NEXT STEPS TO DEEPEN CARE'S WORK IN DIGITALIZATION

More systematically assess levels of digital capability to further segment business women's needs based on capability and business technology.

Leverage multiple digital channels and target vibrant existing digital communities, to better reach and engage women.

Work with market actors to test innovations around digital training content, artificial intelligence, and digital coaches to create efficiencies and increase scale.

Meet Elizabeth

NAME: Elizabeth Vargas Vilca

BUSINESS: Shoe manufacturing

EMPLOYEES: 20

LOCATION: Arequipa, Peru

Barriers To Growth:

Male dominated sector, initial refusal by her husband for her to participate in the business, her husband's debt, and lack of digital skills.

How did Ignite and partners help Elizabeth grow?

1. Digital training
2. LISTA Express financial education app, via Ignite partner Fundación Capital
3. Support to participate in CARE's Virtual Fair for the leather and shoe industry
4. Participant in the Ignite WhatsApp community, connecting her with other entrepreneurs

“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.”



“Thanks to the LISTA Express app I no longer fear accessing loans. Now I’m looking at what I can invest in.”

Opening Access to Markets

Micro and small enterprises (MSEs) demand and need more access to markets to find customers and increase sales, so they can stay resilient, especially during crises, such as COVID-19. Some of the biggest barriers are knowing where new markets are, how to access them, how to negotiate with typically male market actors, and how to get more market information. This is all harder for women who face mobility, time and gender norms restrictions. Intentionally building opportunities to access markets, both digital or in-person, allows women entrepreneurs to grow market share, connect to suppliers and customers, gather market information, diversify product offerings, and, ultimately, sell more.



“All of us on the exposure tour were home-based businesses. So, learning how buyers and sellers could differ from city to city was really valuable. We met manufacturers and learned about bulk orders and how factories operate. We also had the opportunity to buy products at a cheaper price, meaning we could sell our products with good profits. The best thing about the tour was that it was specially organized for women.”

Jabeen Yaqoob, clothing brand owner, Pakistan



Market exposure visits & Culture Fest in Pakistan

Women in Pakistan are disproportionately excluded from markets. To expose them to similar businesses and pricing models, CARE International Pakistan took them on in-person exposure visits. They met with suppliers, bought cheaper inputs, resulting in sales at a lower cost to the business. Many women were not given permission to travel to other cities, so CARE met them where they were and found new and different ways to expose them to market information.

CARE also facilitated 150 entrepreneurs being given the opportunity to showcase their products at a renowned shopping mall in Islamabad for three months, resulting in a great response and increased sales.

CARE also ran the Culture Fest event in September 2022 with almost 3,000 attendees with 130 Ignite entrepreneurs exhibiting from seven districts with products ranging from fashion to food.



Virtual Fairs in Peru

CARE Perú facilitated basic access to new markets through WhatsApp but also realized the need for a more structured setting for connecting with suppliers and distributors. The first Virtual Fair, where entrepreneurs could sell their products and make new market connections, was [Expo Cueros y Calzados](#) for women working in the leather and shoe sector. The second, [EXPO Mujer Emprende](#) was an opportunity for buyers interested in supporting women-led MSEs and for prospective new start-ups looking for a supplier.

A total of 9,000 people attended both virtual fairs. Forty-four entrepreneurs participated in the two fairs and 47,000 interactions were logged. Beyond virtual fairs, CARE Perú also connected MSEs with women's and small business associations, as well as chambers of commerce, which can open up new access to markets, and when relevant, export markets, which are harder to access.



Accessing networks through partners in Vietnam

CARE Vietnam co-organized five access to market events with different women's unions and networks in the capital and in the provinces through which women entrepreneurs could attend training, sell their products, or connect and agree business partnerships with other business owners. This included an online networking event which CARE co-hosted with the MEVI organic farming network, with 62 attendees. Eight selected entrepreneurs showcased their products to customers and suppliers. Within a week of the event, the eight business-owners had collectively earned \$6,000 USD and all were successfully connected to new sales agents.

ACCESS TO MARKETS IMPACT

81%
increased sales
because of Ignite



28%
combine a physical
store with online sales



Average
increase in
sales was
15%



ACCESS TO MARKETS KEY LEARNINGS

Intentionally build opportunities to access markets: Connect micro and small enterprises (MSEs) to important market actors, customers, and market information to ultimately sell more. Offering both digital and in-person opportunities acknowledges gender norms, such as restricted mobility.

Leverage e-commerce channels that MSEs already use: Instead of teaching all new behaviors, promote widely used and free channels like Facebook Marketplace or WhatsApp Business to create more market access.

MSEs need more tools and training to better understand their own customers: Many MSEs are not clear on how to get information on what their own customers want, need, and will buy at what price point. Market research and marketing modules are often what MSEs demand most.

Virtual marketplaces are effective but require intensive onboarding: The level of digital capabilities needed to participate in virtual marketplaces is high. A one-time, in-person intensive onboarding for MSEs onto these platforms was critical.

NEXT STEPS TO DEEPEN CARE'S WORK IN ACCESS TO MARKETS

Provide women entrepreneurs with access to market information, trends, and intelligence. This can include training on market research, consumer behavior analysis, and leveraging digital platforms for market insights.

Identify key value chains to leverage for women, including the players, processes, and market dynamics, as well as value-addition stages, potential bottlenecks, and opportunities for women entrepreneurs to engage.

Enhance domestic and international market access for relevant businesses, using both digital and in-person channels through business associations and networks, trade fairs, and exposure visits, while more carefully considering location, time, and digital capability levels that work for different segments of women-led MSEs.

Formalize partnerships with existing e-commerce platforms that women already use like Facebook Marketplace and WhatsApp Business, or other more local providers.

The Power of Support Networks

Through formal and informal support networks, entrepreneurs found that sector-specific connections or networks based in their local communities were critical to troubleshooting business challenges, building confidence, and reducing stress. Across the three economies, more than 6,875 entrepreneurs participated in digital groups formed by Ignite. Women told CARE that having the opportunity to network with other women entrepreneurs in their locality or sector helped reduce fear and boosted their confidence. These networks thrived both digitally and in-person.



“For us it was a very beautiful but also difficult experience because learning through LISTA Express [financial education app] was hard. We learned a lot and with the help of my children, my husband, the whole family, we completed the training.”

Mery Neli Salazar Pedro,
artisanal business owner, Peru



Zalo groups & coaching in Vietnam

CARE Vietnam established 18 Zalo groups (a messaging service like WhatsApp) to support networking, with over 300 participants. CARE found the groups needed moderators from within the local community to ensure content was motivational and useful.

Another type of support network Ignite provided was mentorship. While women initially expressed interest in mentoring, few signed up due to time constraints, resulting in a pivot to more intensive coaching for the remaining few, through a demand-driven competitive selection process.



Sector and district WhatsApp groups in Pakistan

Through Ignite WhatsApp support networks, 2,150 people engaged in 11 district-wide and 15 sector-groups. Women have limited time availability, so peak engagement was seen during weekends and evenings, as well as during exhibitions. CARE saw women troubleshooting with their peers and sharing tips and tricks, events, trainings, and arranging their own visits and sales with each other. WhatsApp groups also served as a platform that addressed literacy barriers as women actively sold, promoted, and communicated over voice notes and imagery.




WhatsApp groups, family support & mentoring in Peru

A total of 4,425 entrepreneurs participated in 144 WhatsApp groups for additional support on training. Professional mentors were also hired to manage WhatsApp groups and support cohorts of women who were trained on CARE's EmpreSARA app or Financiera Confianza's adapted LISTA training app.

In addition to professional support networks, women also sought support from family and friends. CARE found that women often turned to their children for support with digital tools.

POWER OF SUPPORT NETWORKS IMPACT

188 digital networking groups with more than
**6,785** participants

89%

of women-led MSEs increased confidence through Ignite



POWER OF SUPPORT NETWORKS KEY LEARNINGS

Test and iterate on mentoring models to reflect demand: Consider professional, volunteer, and peer mentoring and match the appropriate type of mentoring model based on demand.

Establish sector- or location-specific digital networks for entrepreneurs: These provide relevant engagement and business opportunities.

Capitalize on digital features to help overcome illiteracy: Features such as voice notes and easily shareable images can help lower literacy segments.

Engage moderators to manage digital groups: Moderators help to sustain interest and provide added value in messaging groups (e.g. WhatsApp and Zalo).

Leverage existing women's and business networks: Work with women's and small business associations to identify market access opportunities, help spread targeted messaging, and to bring women together.

Not all support needs to be formal: Service providers do not always need to provide all the human support if people around entrepreneurs can be activated, for example their families and communities.



NEXT STEPS TO DEEPEN CARE'S WORK WITH SUPPORT NETWORKS

Facilitate deeper connections and collaborations digitally and in-person between women entrepreneurs, allowing them to share experiences, receive training, seek advice, and build relationships, while transferring ownership of these networks to "Network Champions" who are women entrepreneurs themselves.

Find opportunities to bring women entrepreneur networks together with formalized networks of supply-side ecosystem players to deepen understanding of how the market can fill gaps in user needs.

Section Four: Designing Effective Outreach Campaigns

Key Learning Two: Strategic and targeted outreach campaigns are effective at: driving customer awareness and uptake, influencing the MSE ecosystem, and addressing restrictive norms.

Outreach campaigns come in various shapes and sizes with multiple objectives, for example building the ecosystem, promoting a product, creating networks, shifting attitudes, and more. Being clear about the target audience, the call to action, and the outcome is essential to running an effective campaign.

CARE ran multiple campaigns which can be categorized into two distinct groups: those promoting financial and non-financial services, and events; and those focused on influencing and shifting attitudes towards women-led enterprises.

In Pakistan, awareness of financial products increased significantly from the baseline to the endline.



Campaigns Promoting Ignite Products, Services, and Events



58% increase in loans disbursed via campaign in Peru

CARE Perú and Financiera Confianza’s campaign to promote Emprendiendo Mujer, tailored loans to women-led MSEs, led to a 58% increase in number of loans disbursed in the quarter after the campaign in 2022. This campaign was supplemented with tools and training for loan officers on how to pitch to and serve women, as well as promote non-financial services. The campaign generated a reach of over one million via radio spots and social media, as well as 25,000 interactions on social media.



\$62m in loans disbursed via VPBank campaign

VPBank’s campaign promoting loans for MSEs converted into 1,465 loans valued at \$62.2 million USD and Thanh Hoa MFI’s campaign converted into 460 loans to a value of \$1.6 million USD. Thanh Hoa MFI customers have shown real demand for the adapted loan product and the microfinance institution will continue to deliver the product to the market after the end of the Ignite program.



3,000 attendees at Culture Fest via social media campaign in Pakistan

Using Facebook and Instagram to promote a Culture Fest in Islamabad showcasing the businesses of 130 entrepreneurs, resulted in a social media reach of over 200,000 and a footfall of almost 3,000 people at the event.

Campaigns and Activities to Influence and Shift Norms



Promoting women as strong economic actors and supportive fathers

CARE Vietnam's 'Umbrellas of Pride' campaign celebrated women MSEs as strong economic actors. This campaign featured videos and stories of program participants, as well as influencers, with a total reach on Facebook of one million and total video views reaching 500,000.

Other campaigns challenging gender norms in Vietnam promoted fathers who were supporting at home, as well as an in-person Family Day which promoted shared responsibility and more engagement in women's business success by husbands and children.



Partnering with the State Bank of Pakistan to promote women-led MSEs

CARE International Pakistan celebrated International Women's Day 2023 with an in-person event in partnership with the State Bank of Pakistan. With over 200 ecosystem stakeholders in attendance, the event focused on actions all players can take to drive financial inclusion and digitalization for women-led entrepreneurs.



Fighting gender stereotypes and gender-based violence in Peru

CARE Perú's 'Women of Change' Campaign in Peru in 2021 aimed to inspire more people to join the fight against traditional gender stereotypes and violence against women through stories of inspiring women. CARE partnered with Peruvian media conglomerate RPP media, resulting in widespread TV and radio coverage. The campaign reached over four million people, with 72,000 interactions on social networks.



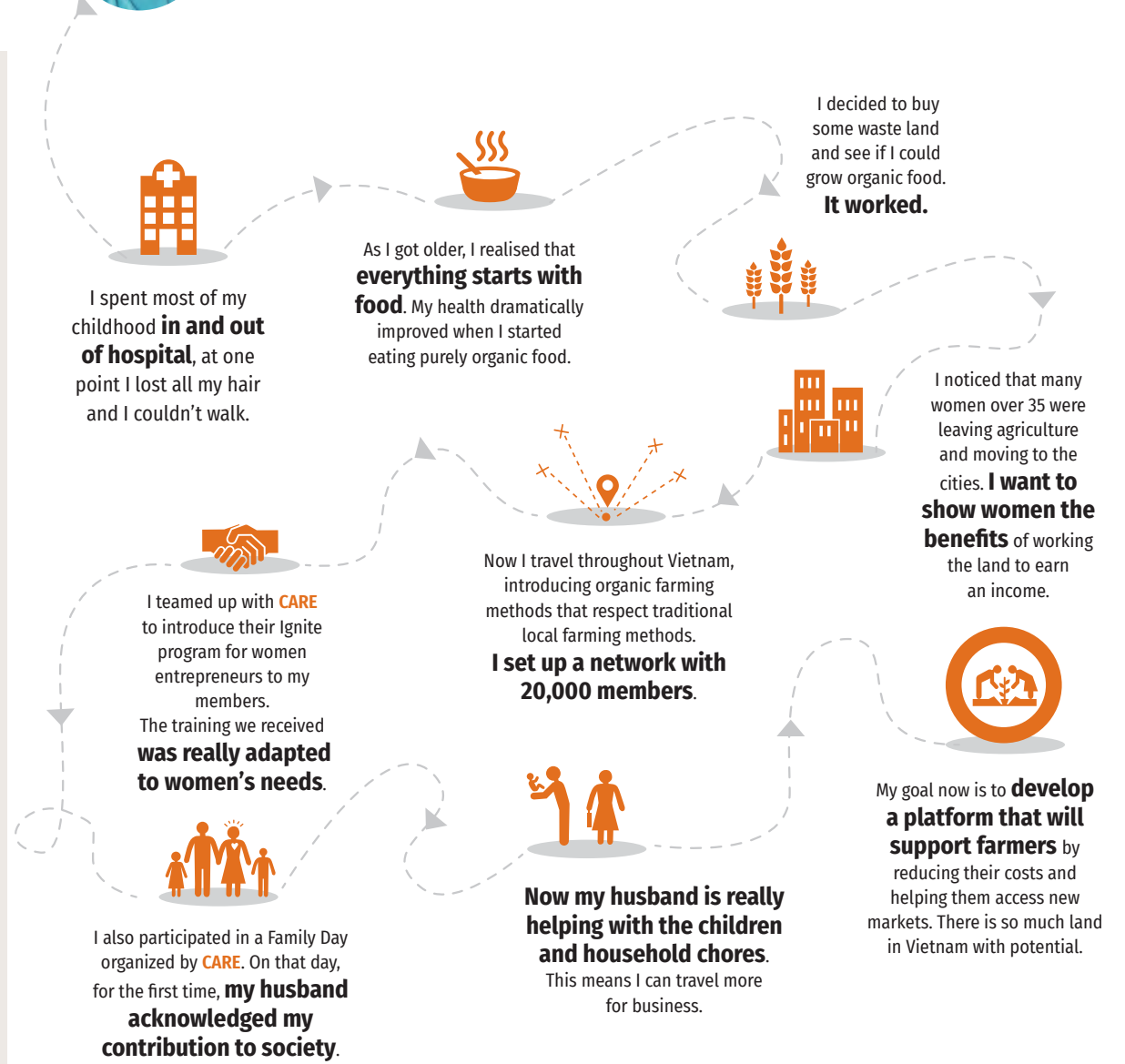
Reaching 27 million globally with gender norms research

For CARE's global gender norms campaign, which focused on influencing industry leaders and practitioners, CARE USA shared new research from the three countries on the key 'norms' holding women back, such as 'Women should be the main childcare giver'. This campaign titled '[Why the burden on business women to do it all must stop](#)' reached 27 million through thought leadership articles in major outlets such as [World Economic Forum](#), [Business Fights Poverty](#), and [Modern Diplomacy](#).



Shifting Norms for Thu

Nguyễn Thị Thu Farming Network Founder



CAMPAIGN KEY LEARNINGS

CAMPAIGNS TO PROMOTE PRODUCTS & SERVICES

Encourage financial service providers (FSPs) to promote loans and non-financial services together: Ignite's most successful marketing for loans and non-financial services has been through using FSP MSE-targeted channels (as opposed to broader CARE channels).

Combine digital promotion with in-person: Campaigns to promote financial products & services should combine digital promotion with in-person promotion by local FSP sales staff. Likewise, campaigns to shift attitudes work best when combining digital campaigns with in-person events and activities to achieve deeper engagement and behavior change.

Establish data access agreements with partners: Ensuring data access means you can measure the impact and effectiveness of marketing campaigns run by partners.

COMMUNICATING WITH WOMEN

Let women tell their stories: Putting women-led entrepreneurs at the center of storytelling generates more engagement.

Know your audience and their preferred channels: Investigate the motivations and current behavior, as well as preferred content and channels, of women-led MSEs to increase campaign success. Content and channels can then be customized to their bespoke needs.

WORKING WITH THE MEDIA

Mix paid media with PR placement: Combining paid advertising with organic social media and PR placement worked well. Paid advertising enabled CARE to target specific demographics, such as geographic location, gender, and interests. Where there was a strong news angle, pitching content to the media also had good impact.

Partner with large-scale media groups: Media partnerships for campaigns facilitate country-wide reach, content on multiple channels (e.g TV and radio), and ongoing media opportunities, all of which is efficiently measured.



“We need to demolish the social bias against women entrepreneurs. If your woman is looking for a business opportunity, you should always support her and believe in her. The good results will come. It is not fair if a woman has to shoulder everything, when their family could share the responsibilities. My wife is the manager of our family business, I support and respect her. I am so proud of my wife and her decision to open this workshop.”

Quách Văn Phong, whose wife Hoàng Thị Bích runs a garment factory in northern Vietnam.



NEXT STEPS TO DEEPEN CARE'S WORK ON CAMPAIGNS

Invest more in campaign measurement. Negotiate with partners on access to data in order to understand which channels lead to the highest levels of impact.

In areas where digital capability and access are low, identify digital champions who help spread online messages through word-of-mouth to increase outreach and meet the needs of those who are not as digitally capable.

Continue to work with financial service providers to simply embed and adapt promotions with more gender equitable messaging in their marketing and communications, which would limit the need for major new investments from their side.

Section Five: Partnerships to Improve Access

Key Learning Three: Strategic and diverse partnerships enable programming to reach more women and makes delivery of products & services more sustainable

Through Ignite, CARE worked in close partnership with the Mastercard Center for Inclusive Growth to identify and build multiple core partnerships with both financial and non-financial service providers who are committed to serving micro and small enterprises, especially women. A strong ecosystem of tailored products, services, and access to them is essential for women entrepreneurs to receive a wide variety of supply-side services that work for them.

The following page shows Ignite's core partners, with each CARE office building additional local and regional partnerships with a variety of stakeholders to bring visibility to the work and recruit service delivery partners to increase outreach and scale.



“By working with Ignite, we have been able to open a product line for women-led micro enterprises. First, we provide face-to-face and online training courses to increase knowledge and skills. Secondly, we provide access to capital, which generates multi-dimensional impact on the target group. This project has been very effective for both our customers and our business.”

Nguyễn Hải Đường, General Director, Thanh Hoa MFI, Vietnam



“Accessing the loans from Financiera Confianza, along with training, really helped me improve my business and even open a new store. The LISTA Express app taught me how to save, grow, and make a profit. Generating a little more income is good for my family and is helping us to continue building our home.”

Lizbeth Norma Alejandro Gómez, owner of two grocery stores in Lima, Peru



Ignite Core Partners

Ignite partnered with over 35 local organizations to deliver the right mix of products and services to micro and small enterprises. Featured here are Ignite's core eleven partners.

PERU



Financiera Confianza S.A.A, a financial provider focusing on vulnerable women-led microentrepreneurs with a presence throughout Peru.



Fundación Capital, a social enterprise improving the economic and financial lives of people living in social vulnerability around the world.

PAKISTAN



Mera Maan, a social enterprise focused on capacity building for people and organizations.



AGAHE Pakistan, a microfinance institution serving marginalized communities.



Mobilink Microfinance Bank (MMBL), Pakistan's largest digital bank with over 14 million active digital wallets, specializing in lending to small and medium-sized enterprises.



JazzCash, a mobile wallet, mobile payments, and branchless banking service operating the largest digital mobile wallet in Pakistan.



U Bank, a microfinance bank with a network of more than 200 branches across urban and rural Pakistan.

VIETNAM



VPBank, one of the first joint-stock commercial banks in Vietnam, serving over 4 million clients across 215 branches.



WISE, the leading organization supporting women entrepreneurs in Vietnam and the Mekong Region with 10,000+ members.



Thanh Hoa MFI, one of only four microfinance institutions licensed by the State Bank of Vietnam, serving 90% women customers in central Vietnam.



Canal Circle, a fintech designing bespoke technology solutions for low-income and rural communities.

The Importance of Diversifying Financial Partners

Working with a range of financial partners – from large commercial banks to small fintechs – was important to accelerate progress and reduce risk. It allowed for variety in consumer choice and ensured product sustainability, as each type of provider had its trade-offs. For example, a small fintech might be digitally agile, but might not have the cashflow to get to scale, limiting reach. Whereas a large commercial bank has scale, as well as loan officers and branches to create a human experience, but is often limited in its ability

to make product changes quickly. A large Mobile Network Operator (MNO) might be able to reach the mass market, including those in rural areas, through digital wallets and distribution networks, but tailoring products and services is often challenging and slow. Diversifying types of providers allowed for a range of consumer choice, reduced the risk of working only with one partner, and increased outreach for MSEs, especially women.



Diverse financial partners in Vietnam

In Vietnam, Ignite financial partners included: leading commercial bank VPBank; microfinance institution Thanh Hoa MFI; and fintech Canal Circle. This balance of partners enabled CARE to serve more advanced urban entrepreneurs with larger loans through VPBank, while serving peri-urban and rural women entrepreneurs whose loan needs were lower, but who needed more intense in-person support, through Thanh Hoa MFI.

CARE worked with fintech Canal Circle to adapt their existing Tizo loan management app and digitize the back end of Thanh Hoa MFI's loans system, so that women-led MSEs could be better served. However, during Ignite, Canal Circle needed to pivot away from focusing on Tizo because of their new business strategy, an important lesson in diversification of partners.



“Banks will not work solely on social benefits; it must be profitable and practical. Programs like Ignite prove that gender equality strategies are financially viable, which in turn will provide more opportunities for women. However, gender equality will depend a lot on social awareness and the removal of social barriers.”

Đào Gia Hưng, Vice President of Small and Medium Enterprises, VPBank, Vietnam



What makes a good financial services partner to serve women-led MSEs?

Key to Ignite's success was ensuring that CARE's strategic objectives were aligned with partners', where they could see the business case and social impact of working with micro and small enterprises (MSEs), especially women. Key criteria include:



Commitment to social impact and women

- Women are a central/growing part of their business strategy, with a commitment to increase their portfolio that serves women, including lower income and vulnerable populations
- Women are hired as staff throughout the organization
- Data is already disaggregated by gender
- Prior experience tailoring products and services for women



Aligned product and business strategy

- Prior experience with financial products that targets entrepreneurs, especially MSEs
- Willing to dedicate a product team and have a product champion
- Commitment from upper management and key decision-makers
- Willingness to share data to measure impact of products and services



Scale & reach

- Strong brand presence in the market
- Relatively large existing customer base
- Broad geographical reach
- Multiple distribution channels to leverage such as agents, mobile money, digital lending and payments channels, branches, and kiosks

Designing for Sustainability

Sustainable partnerships require time to test products, monitor performance and build an aligned vision that matches the partner's business strategy. As philanthropic funding is often time-bound, as with Ignite, CARE tried interventions that could be sustained beyond the project period. However, holistic programming requires a

range of services, not all market-based, such as skill-building or gender norms campaigns - mandates that are often beyond what the financial service provider alone can offer. These needed add-on services are often harder to sustain in the long-run, and impact can be harder to measure.



A sustainable loan in Peru

In Peru, the Emprendiendo Mujer loan was co-designed with Financiera Confianza to be tailored for women-led MSEs, and the provider continues to disburse the loan even without continued support from CARE. However, the MFI recognizes that women need much more beyond

simply a loan product if they are to succeed with their business and continue to work with CARE for add-on services. This loan has been so successful it has been imitated by market competitors, showing demand and success of the product.



“The best way to create sustainable products and services for women-led enterprises is to really understand their dreams, their fears, and all aspects of their financial and business needs. Flexibility is also important, whether that’s for loan repayments or financial education training. The loan product that we have co-designed with Financiera Confianza has been a great success. With over 50,000 clients across 24 months, other financial organizations are now seeing the commercial benefits of working with this segment and are copying the model. Moving forward, we need to explore a portfolio of products that support the overall financial health of women-led MSEs.”

Jack Burga, Ignite Program Lead, CARE Perú



Building an Ecosystem to Support Women

Not all support or interventions needed by women entrepreneurs will be market-driven and therefore cannot be addressed through market-based partnerships alone. In many cases, the barriers women face are either structural, regulatory, or based on social norms within specific contexts. A broader approach is therefore required, including working with governments to reduce regulatory

barriers or policies that are preventing women from growing their businesses. The outreach campaigns and norms shifting activities that CARE delivered to challenge deeply entrenched norms [see Section 4] are beginning to change mindsets, but a greater investment is needed from key stakeholders within the ecosystem.



“We need to build alliances with the public sector and find out how we can add to the plans of local or regional governments to help strengthen these micro-entrepreneurs with more analysis and more coverage in the supply of products. There are still women living with violence, who may have mental health problems. If we want to help her become empowered, we need to look at the whole picture.”

Claudia Sánchez, Sustainable Development Manager, Financiera Confianza



Driving policy reform through ecosystems in Pakistan

In Pakistan, CARE held a two-day conference in collaboration with the Islamabad Women Chamber of Commerce & Industry (IWCCI). Women leaders and representatives from all over Pakistan came together to find solutions

to the challenges women entrepreneurs face. The conference yielded a set of actionable policy recommendations to increase female staff in banks and to support the growth of women entrepreneurs.



“When they heard about our impactful work with women-led MSEs, the State Bank of Pakistan invited us to contribute to a new policy on reducing the gender gap in financial inclusion, which includes ensuring all commercial banks increase their female staff from an existing rate of 4% to 10% by 2024. Social norms in Pakistan mean that women are reluctant to talk to male banking staff, so this new policy will generate new business growth opportunities for women entrepreneurs, as well as more customers for the banks. It’s a win-win outcome.”



Khurram Shahzad, Ignite Program Lead, CARE International Pakistan

PARTNERSHIP KEY LEARNINGS

At the outset, assess partner commitment to serving women and consider using a competitive selection process: Meet multiple partners, or use a competitive selection process, and use a simple scorecard to rate them against criteria. Ensure your strategic objectives are aligned and you have partners who see value for their organization in serving women in the long run. Be prepared to pivot away if alignment and commitment are lacking.

Diversify financial and non-financial partners: Engage a variety of partners to accelerate progress, reduce risk, and increase outreach to a variety of sub-segments. Once you see success in serving women with one or two partners, others are more likely to follow.

Get buy-in at multiple levels within financial service provider partners: Ensure the commitment and willingness to serve this segment is aligned at all levels - from loan officer to branch manager to the CEO - to ensure complete commitment to the target segment, and work closely with them on program and product design.

Monitor product performance: Work with your partner to continuously evaluate data from the product or services and integrate customer feedback sessions throughout the life of the product to ensure the product is meeting the needs of the customer.

Gender bias training for partners is key to effectively serving women: Loan officers, who are often men, can carry a bias against women, or are not aware of the unique barriers that women face.

NEXT STEPS TO DEEPEN CARE’S WORK THROUGH PARTNERSHIPS

Work with local, regional, and national governments to remove barriers, optimize public support, and influence policies that promote improved access to products, services, and support for women led MSEs.

Think beyond just the design of financial products and support services for re-envisioning impact on gender norms. Leverage governments, civil society, the private sector, and other non-governmental organizations (NGOs) to re-envision gender norms that hold women back, such as childcare pressures, gender-based violence, and distribution of household chores.

Develop Learning Networks for those in the ecosystem that support women entrepreneurs, including NGOs, civil society, businesses, and government, to deepen learning around how to better support MSEs.

Section Six: Demand from Women-Led MSEs remain unmet

Key Learning Four: Even after successful interventions, strong demand remains unmet, and women continue to face multiple barriers

Despite effective engagement and high satisfaction rates with Ignite, women-led businesses report persistent constraints when it comes to gender barriers. CARE knows there are healthy levels of demand in the three countries for both loan and critical support services, and ultimately, for deeper support for overall financial health.

Serving women requires a collective effort beyond the scope of markets and market-based approaches alone. Certain barriers, such as gender norms dictating women's roles, continue to hinder progress. Although a single private sector institution may not want to invest in addressing these types of barriers due to limited return on investment, the combined effort of all stakeholders, such as governments, civil society, non-governmental organizations, the financial sector, and other private sector entities, can contribute to creating a future where all customers have the opportunity to pursue their full potential.

Ignite data shows unmet demand

- 39% of loan clients say they need more loans
- There is either already uptake of second loans (8-18% in Pakistan and Peru) or high demand for them (75% in Vietnam)
- 54% of support services clients say they need more hard skills
- Clients ask for training in hard and soft skills (for loan clients, 38% want more hard skills and 35% want more soft skills; for support services clients, 54% and 39% respectively)
- Clients also want more access to markets (36% for loan clients and 47% for support services clients).



“From our needs assessment at the outset of the program we knew that women-led MSEs needed improved access to loans and better support services. Despite our impactful work through Ignite, there continues to be huge unmet demand. This includes women in parts of Vietnam that we need to reach through new partnerships, as well as existing Ignite customers who need more working capital and investment to keep growing their businesses.”

Trần Thị Minh Nguyệt, Ignite Program Lead, CARE Vietnam



WHAT WOMEN WANT AND NEED

Women across the three countries indicate a wish for greater integration of gender issues as a core design element, despite Ignite having a high satisfaction score.

Women-led MSEs in Vietnam report that more intensive and integrative campaigns would generate more impactful and lasting change.

In Pakistan, overall awareness of bank products nearly doubled (to 80%), but ‘mobility’, ‘societal restrictions’ and ‘market access’ all continue to be listed as top barriers for women-led MSEs.

Section Seven: Next Steps

Codifying learning to support replication

Evidence shows that women-led micro and small enterprises (MSEs) need a holistic set of services and, through Ignite, CARE has been testing the best way to provide sustainable support. In the short-term, CARE will continue to refine and deepen the mix of services from the Ignite model, building on the learnings reflected in this report on how to better serve MSEs, especially women. In the medium-term, CARE will package and share its learnings with other ecosystem stakeholders - including funders and international NGOs, so that these lessons can be shared and this model for serving women entrepreneurs can be replicated.

Supporting the financial health of women-led MSEs

CARE also learned that MSEs need a range of financial services that go beyond loans to truly achieve financial resilience. CARE will work with its partners to co-design a range of financial products and services for women-led MSEs, such as savings, digital wallets & payment services, financial education, and insurance. In this way, women will be able to better manage the financial health of their businesses, and financial service providers will be able to grow their portfolios of products and services. And as personal and business finances are inevitably connected among this segment, CARE will look at a broader picture of women's financial health in order to truly create stability today, growth for the future, and security for life.

Promoting green business in a time of climate crisis

Now, more than ever, as climate resilience becomes the most pressing global issue, CARE will explore how to support women to build climate resilient and sustainable businesses, as women are often well positioned to address local environmental challenges, promote environmentally friendly practices, and create sustainable models with the community in mind. CARE will look to experiment and innovate with local partners to increase female representation in the green business sector.

Building inclusive ecosystems

Ignite has shown that by connecting local partners and stakeholders that work with MSEs, women entrepreneurs can receive more sustainable support. Some stakeholders can intentionally design or deliver products and services for women, while other can influence and change policies that currently restrict women-led MSEs from accessing and using the right products or support. CARE will seek to formally convene a range of stakeholders in this MSE space to create strong and strategic public-private partnerships within the ecosystem, leading to better outcomes for entrepreneurs.

Re-envisioning gender norms

Women participating in the Ignite program faced time poverty and mobility restrictions due to re-envisioned gender norms connected to childcare and household duties, restricting their ability to grow their businesses and reach their full potential. Shifting norms are hard - they take time to implement, are hard to measure, but are the root cause of many of the barriers that women-led MSEs face in unleashing their potential and achieving transformative impact for women. CARE will explore locally-led solutions to these barriers, continue to design and deliver campaigns challenging these gender norms, and deepen programming to overcome some of the bespoke barriers that women face.

“We women realized that we were carrying the men. But after the training, we realized the importance of a fair distribution of the workload. Now I can tell you that I am stronger. I was a leader, but I didn't realize it.”

Nancy Córdor Capcha,
maca producer, Peru



Acknowledgements

CARE extends its deep gratitude to Mastercard and Ignite partners for making this program possible.

The Global CARE Ignite Team

Zeeshan Azam
Naureen Bakhsh Chaudhry
Jack Burga (Peru Ignite Lead)
Karen Diaz
Rebecca Feinberg
Hà Thị Quỳnh Nga
Arleth Huilcamasco
Ashfaq Hussain
Maryam Imtiaz
Josselyn Jauregui
Emma Langbridge
Lê Kim Dung
Koheun Lee
Rathi Mani-Kandt (Global Ignite Lead)
Lourdes Manrique
Marilú Martens Cortés
Pranati Mohanraj
Mark Muckerheide
Leah Nathan
Nguyễn Thị Thu Hà
Michelle Nunn
Nguyễn Thị Linh Chi
Nguyễn Thị Kiều Trang
Fozia Noreen
Nick Noronha Rosenbaum
Christian Pennotti
Khurram Shahzad (Pakistan Ignite Lead)
Adil Sheraz
Trần Thị Minh Nguyệt (Vietnam Ignite Lead)
Beja Turner

The Mastercard Team

Payal Dalal
Stacy Day
Amy Duong
Luz Gomez
Natasha Jamal
Leslie Meek-Wohl
Avni Patel
Lisa Richman
Alex Schulman
Shamina Singh

Ignite Partners

AGAHE Pakistan
Canal Circle
Financiera Confianza S.A.A
Fundación Capital
JazzCash
Mera Maan
Mobilink Microfinance Bank
Thanh Hoa MFI
VPBank
WISE
U Bank

Report Authors: Rathi Mani-Kandt,
Emma Langbridge, Koheun Lee
Report Layout: Luz Design



Join CARE in supporting women-led micro and small enterprises.
Contact the team at: Entrepreneurship@care.org



Annex: Impact by Country

Entrepreneurs deeply supported

 50,932  52,200  47,142

Women participants

 35%  99%  95%

MSEs trained

 4,543  7,029  2,149

Reached through large-scale campaigns

 1.38m  5.75m  2.44m

Loans issued

 46,389  57,638  2,078

Value of loans mobilized

 \$49.6m USD  \$41.3m USD  \$64.1m USD

Average loan size

 \$1,069 USD  \$716 USD  \$30,847 USD

To effectively track and measure impact on the entrepreneurs CARE served, the Ignite team undertook a robust research agenda throughout the duration of the program. CARE's mixed-methods approach combined in-depth quantitative surveys; qualitative interviews and focus groups with clients, implementing partners, and financial service partners; and lean data research undertaken in partnership with 60 Decibels. Insights from all aspects of research, especially those focusing on gender norms, were used to improve programming and to better understand the challenges and hopes of the entrepreneurs CARE worked with.

Business Growth and Employment

Increased income



Increased sales



Agree Ignite contributed to their business goals



Expanded or diversified their business



Increased Staff



Business Skills

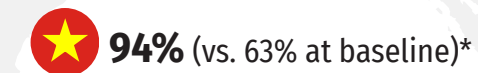
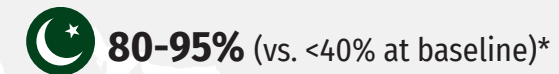
Applied what they learned



Use digital tools & services



Satisfied with financial products



*Data from Ignite baseline / endline study

**Data from Financiera Confianza