



# Expanding Kidogo's Childcare Services with Home-Based Centers

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TKS \* kidogo

# Executive Summary

## Expanding Kidogo's Branding Options for Home-Based Centres

### Problem

There are thousands of home-based childcare centres in Kenya who lack the funds to improve their facilities. Many of the owners do not have the knowledge nor training to provide quality childcare services, and struggle to earn money reliably.

### Recommendation

Kidogo can partner up with informal home-based centres to provide a higher standard of ECD, while also extending their brand influence. This would involve creating a new level of Kidogo Branding known as “**Kidogo Home**” specifically for the home-based centres.

### Outcome

The implementation of Kidogo Branding can increase the revenue of home-based centres by up to **27%**. This method also spreads Kidogo's brand identity and provides more children access to high quality care, while keeping costs low.



As it stands, parents send their kids to childcare facilities to be able to work during the day, and education is an afterthought, which would only help to perpetuate the cycle of poverty.

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## Home-Based Centres

Limited Income and Lack of Facilities

Many of the informal daycares in Kenya are home-based, and only earn an average of **\$72 USD per month** (approx. half of minimum wage). A significant portion of revenue is lost due to missed payments, and the owners of these centres are typically untrained in management or childcare. Living conditions are often unfit for healthy ECD and children end up not receiving the optimal care that they need at this vital age.



# Kidogo Home

## A New Home-Based Branding Model

Kidogo Home is a new tier and branding of Kidogo's franchises. Rather than focusing on fully fledged centres or hubs, we propose the idea of partnering and branding home-based centres with Kidogo's brand. Doing so **increases Kidogo's market share and branding** while maintaining a **low financial risk**.

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### Affordable

Potential pre-existing home-based centres can become "Kidogo certified", and Kidogo will be providing up to **\$145 worth of renovations** to them. Over a set period, the \$145 would be paid back in the future with monthly loan-like payments.

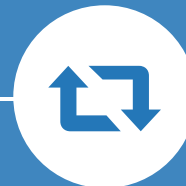
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### Improved Quality

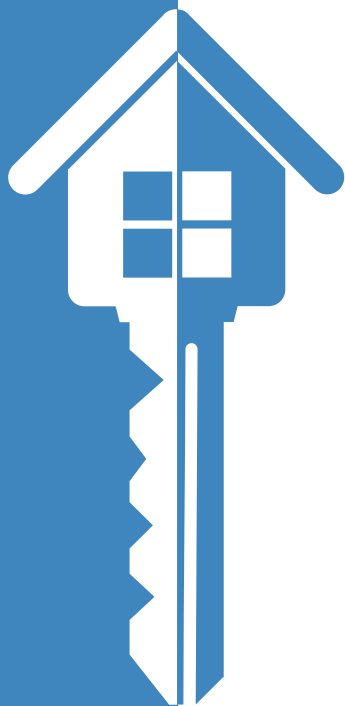
Kidogo Home has many similarities with the centre-based models, having interviews, quality checks, and a great learning experience. The Kidogo Home model differs in terms of support from Kidogo, the training process, franchise fees, and branding.

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### Sustainable

Kidogo Home improves the Mamapreneurs' standard of living as improvements made to the centres are also improvements to their home. Kidogo's guidance will help these owners **reduce revenue loss, charge higher fees, and obtain new customers** with ease.



# Kidogo Home Process

Outlining the Step-by-Step Process for a Potential Franchisee

- 01 Advertising the Kidogo Home Model to Potential Mamapreneurs
- 02 Examining Facilities of Applicants and Checking Daycare Conditions
- 03 Training Process and Value-checking the Mamapreneur
- 04 Home Renovation and Loan/Subsidization Details
- 05 Kidogo Home Branding Plan

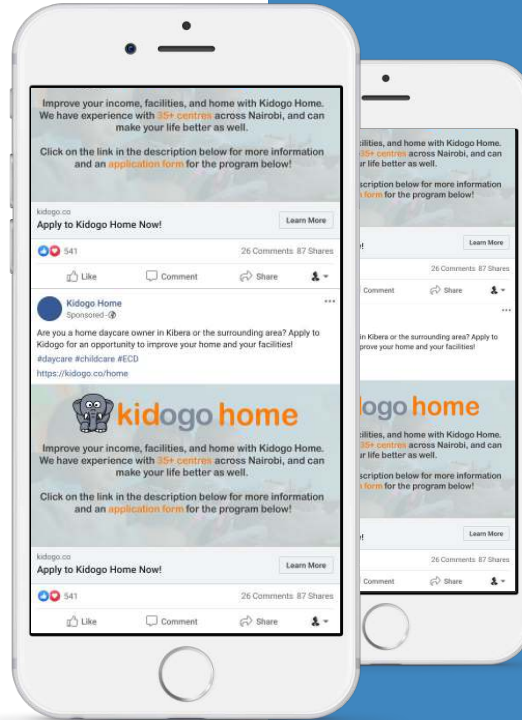
# Advertising Plan

To increase Kidogo's network and market share, an advertising campaign is proposed.

The purpose is to increase awareness of Kidogo to informal day care centers, as well as highlight the benefits of joining Kidogo.

A series of ads will be run through digital advertising. These ads cost around **\$0.40 USD** (Pay-per-Click). A total of **\$200 USD** will be spent on **digital advertising** using Google Adwords and Facebook ads.

**Physical ads like flyers** also will be given out and posted around areas with less internet access like Kibera.



## Increase Income

A focus to increase their income will be present within the ad to quickly provide an incentive.



## Receive Training

Training will be centered as a clear part of the Kidogo model.



## Improve Living Conditions

An opportunity to improve one's living conditions will be mentioned in the ads.

# Scouting and Application



## Application Process

There will also be a list of requirements and an interview for Mamapreneurs who apply for a Kidogo-branded home. The Home Coordinator will be in charge of the “Scouting” process.



## Scouting Overview

Kidogo Home coordinators will be used to survey and check home eligibility for the Mamapreneurs that apply to the program.



## Home Coordinators

They would have a similar role to franchising coordinators, but would oversee **20 houses**. They would be paid approximately **\$150 per month**.

Criteria	Scores
Free of obvious hazards	/1
Sufficient lighting and ventilation	/1
Suitable space for the # of children	/3
7 or more children per caregiver	/2
Handwashing facility with soap available and in use	/1
Clean and sufficient potties	/2
Centre is cleaned daily	/1
Access to clean drinking water	/2

The requirements for the home to become eligible for the Kidogo Home program is a score of **10/13**.

# Application Process

## Inspection

Before proceeding to an interview, Mamapreneurs applying for a Kidogo-branded home must undergo an inspection of the building they plan to use for taking care of Kidogo kids.

If a Mamapreneur fails to pass the inspection, they will not progress to the interview stage.

## Interview Question

What was the reason for you applying to Kidogo Home?

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We are looking for caring individuals with an affinity for children to be selected.

## Interview Question

What would be the ideal child you would like to raise and how would you help them get there?

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We want our Mamapreneurs to have a vision for each kid and to know what it takes to get there.

## Sample Interview Scenario

A kid suddenly gets a high fever but you have 13 other kids to take care of. What do you do?

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Eligible Mamapreneurs should be able to balance multiple unpredictable tasks at the same time.

## Sample Interview Scenario

Your Kidogo home suddenly catches fire while all the kids are inside. How do you rescue the kids and save your house?

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Mamapreneurs should be prepared for literally anything including the worst possible scenarios.



# Training and Mentorship Model

We propose that the training scheme for the Kidogo Home revolves around a **guidebook similar to the Mamapreneur manual**. All in-person sessions would revolve around personality/confidence or practical training for subjects like first aid. There would also be a written test based on the contents in the handbook.



**4 months** would be the new training time, with **8 total training sessions**.

There would be less focus on managerial tasks.



The book would contain all theoretical knowledge, including information on the **Kidogo Way**, tested on before graduation from the program.



Mamapreneurs would continue to receive **mentorship** from Kidogo support staff, and would have a network of local Mamapreneurs to reach out to.

# Book-Aided Learning Model

The new training program will be 8 sessions over 4 months.

This would be accomplished through a book-based training system with all the required technical and knowledge-based resources that the Mamapreneur may require.

The **content would eventually be tested**, and become a requirement for Mamapreneur certification. The manual would also contain some content on practical applications, which she will be evaluated on by an instructor.



## Key Points

- 1** After this point, the Mamapreneur becomes eligible for a renovation/conversion contract of their home. Most of **the renovation is non-obtrusive**, so landlords would not need to be involved if the home is rented.
- 2** This training system would achieve results similar to the base Kidogo training model, and could therefore **reduce loss from no shows to around 25%**, as compared to 35%.

# Home Renovation & Loan/Subsidization

Based on the report submitted by the franchising coordinator, Kidogo will determine the extent of renovation required for the home in order for it to be suitable for their minimum quality standards. The most common required renovations are theorized are access to **clean drinking water and sufficient toilets** for the children.

Kidogo will be providing these Mamapreneurs with a loan to help with their home renovation, with each loan being personalized with **flexible payment schedules**. These loans will be paid off within **12-18 months** should improve mamapreneur retention rates.





Home centers must either have direct access to clean water or be located close to some possible source. **Solar water disinfection (SODIS) stations** are also recommended, as they are a cheap way to obtain clean water.

If there are not any toilets available nearby, the renovation would include the creation of a simple dry toilet. We will also include a seat to make it kid-friendly.

Conversion may also involve other purchasable items from the Kidogo Quality Assurance Checklist.

**The maximum conversion cost would be \$145**, though it's unlikely that the complete renovations would be required.



### Clean Water Access

Projected cost is \$49 USD for a high quality system that will last for many years. A lower quality model can be obtained for approximately \$24 USD.



### Toilet Usage

Total projected cost is \$35 USD but if the only requirement is a kid-friendly seat, the projected cost is \$10 USD.



### Kidogo Items

- Toys and games for children (~\$20 USD)
- Mats (~\$8 USD)
- First Aid Kit (~\$8 USD)
- Kidogo Home Branding Materials including learning cards (~\$8 USD)

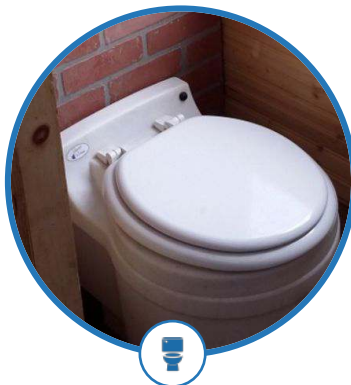


## Renovation/Conversion Details



### SODIS

Systems similar to the **Solvatten** have a **capacity of 5L**, and only require a few hours in sunlight to clean the water. It is a cheap way to obtain water **free of most pathogens** such as **E. coli**.



### Dry Toilets

The standard solution for places with limited plumbing infrastructure, and their **installation would cost no more than \$35 USD**. These would be unnecessary around most facilities, as shared toilets are common.



### Toys

Essential to a Play-Based Learning model, it is important for Kidogo Home centres to have them. Toys would be in the form of **dolls**, **alphabet blocks**, **pattern rings**, and other items promoting ECD.



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# Loan/Subsidization for Mamapreneurs

Kidogo will be supporting new Mamapreneurs with a loan for required renovations. Monthly repayments may change based on unprecedented circumstances.

- 1 8% of the total renovation costs will be paid monthly (as a sample option)
  - 2 The new franchising fee of \$6 may not be charged immediately, until the Mamapreneur settles into the renovations
  - 3 The renovation fee may be paid back in full or in large chunks at any time
  - 4 Once all renovation fees, Mamapreneurs will then pay the \$6 franchising fee
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## Sample Renovation Packages

<u>Package</u>	<u>Estimated Cost</u>	<u>Estimated Payback Time</u>	<u>Estimated Monthly Repayment</u>
Full High-Quality Renovation	\$145	12 Working Months	~ \$12.01
Full Mid-Quality Renovation	\$122	12 Working Months	~ \$10.20
Without Water Disinfection	\$96	12 Working Months	~ \$8.00
Without Water Disinfection and Toilet Implementation	\$71	12 Working Months	~ \$5.92

# Branding



New Childcare Fee  
**85KShs**<sub>/child/day</sub>



New Franchising Fee  
**\$6 USD**<sub>/month</sub>

For this program, a new tier of branding needs to be developed. Kidogo Home's branding would provide home-based centres the opportunity to be actively supported. This would help us attract more Mamapreneurs into Kidogo's network. Additionally, it would increase the quality of childcare services at informal centres, with **less direct involvement** from Kidogo.

## Increased Revenue



With the improved facilities and have the brand backing of the Kidogo network, potential Mamapreneurs could increase fees on childcare. Kidogo Home could potentially also prevent loss in no-shows payments through training sessions.

## Inclusive Community



Kidogo Home-branded Mamapreneurs will still receive invitations to yearly events such as the Kidogo Gala. They will also have the opportunity to apply for the base Kidogo program as a Kidogo Home provider.

## Similar to Kidogo's Base Model



Kidogo Home will provide many of the same resources as the base Kidogo model, but will have no CBO License/Registration, no ongoing training, no grand opening event, limited center renovation, lower franchise fee, but will still have the Kidogo branding surrounding it.

# Key Figures behind Kidogo Home



\*Revenue calculation assumed 85KShs/day/child with 10 children for 6 days a week, with a revised 25% loss on no-shows.

# Key Goals Achieved with Kidogo Home



## Quality

Kidogo Home will make major strides in improving the quality of care at home centers. Not only will we make the environment better for the kids, but the living situation for Mamapreneurs will be improved as well.



## Incentive

Kidogo Home creates a clear incentive for new Mamapreneurs to join the Kidogo network and stay for longer periods of time. This makes a big impact in expanding Kidogo and helps achieve a larger market share.

# Our Unanswered Questions

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## **How are home-based centers currently branded?**

One part of the proposed plan revolves around improving home centers so they that can be added to the Kidogo franchises. Depending on the level of branding that currently exists for centers that don't meet the Kidogo standard of quality in the Kidogo network, the plan would need to change slightly. However, the core goals of the plan remain the same.

2

## **What are the best methods of advertising in Kenya?**

While we propose flyers and digital advertising, we struggled to find research on the most common methods of advertising in Kenya and in poorer communities like Kibera. We strongly suggest altering the medium of advertisements depending on what the Kidogo teams will be most effective to reach Mamapreneurs.

3

## **How much does the income of a Mamapreneur vary?**

While average income was provided, we were unsure how much the income varied by center. Additionally we struggled to approximate the amount income would be affected by no shows. As such our proposal does not take a great amount of considerations to those factors. Additionally, we assumed that a five shilling increase to daycare fee would be reasonable in certain areas, but the figures used to calculate it were approximates.



## On a More Personal Note...

We'd like to personally thank Kidogo for giving us this amazing opportunity to help improve Education and Early Childhood Development in Kenyan slums. Throughout this experience, we learned a lot about the quality of living, the educational system, and the culture in Kenya.

We hope our recommendation greatly impacts Kidogo's decision in regards to expanding and improve Education and Early Childhood Development. We hope to see Kidogo succeed in providing education to children and improve the quality of life for many Mamapreneurs.

Thank you so much for the incredible opportunity. Feel free to contact us any time via email or LinkedIn if you have any questions or comments in regards to our recommendation. We would love to hear from you!

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