



The Chemical Sellers' Franchise Model: CAREshops in Ghana

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Medicine accessibility in Ghana is characterized by major deficiencies, particularly in relation to affordability and quality of services. In 6 out of 10 cases, licensed chemical sellers (LCSs) are the first-line providers of medicines and therefore provide a main mechanism for addressing medicine access gaps. Unfortunately, however, irrational and inappropriate drug dispensing is reported as being prevalent in most of these retail outlets, partly due to the motivation of increasing profits and partly due to inadequate technical knowledge of the dispensers.

GSMF Enterprises Limited (GSMFEL) and Management Sciences for Health (MSH), with the conviction that the private sector provider potential has not been fully tapped, have established a franchise network with existing privately owned chemical sellers' shops located mainly in underserved, rural, and periurban communities. Thus, GSMFEL (the franchiser) is operating a Conversion Franchise model—adding a package of services—by building on the capacity of existing LCSs so as to enhance access to essential medicines.

There are currently more 220 franchised licensed chemical sellers' shops in underserved areas in Ghana. Within this network, the franchisees—the chemical sellers—continue to own, manage, and direct their businesses but operate under the single brand name of CAREshop. To produce a uniform operating mode and to achieve a predictable high quality of services, they undergo intensive initial and continuous training, and also receive regular supervision and monitoring.

The CAREshop franchise, which is exploiting economies of scale for procurement, has made a significant improvement on the availability of good-quality medicines at affordable prices, and also improved on the quality of pharmaceutical care and services provided by franchisees to their customers.

This has been made possible partly due to the following enabling factors, which supported the choice of the CAREshop franchise model:

1. There is high demand for good-quality pharmaceutical services.
2. Consumers are willing to pay for quality pharmaceutical services.
3. Public health facilities have limited capacity to meet the drugs needs of the people.
4. There is a number of chemical sellers with established businesses and underutilized capacity to form a pool of franchisees.
5. There has been a low level of knowledge among chemical sellers and limited opportunities for professional training and continuing education.



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6. A conversion franchise does not require a great deal of seed capital to implement and is inexpensive to replicate.
 7. It can be replicated easily and efficiently using existing resources and infrastructure.

The CAREshop franchise, which is the first of its kind in the health care delivery system of Ghana, has proven to be an effective strategy to increasing access to primary health care services in a resource-challenged environment like Ghana.