

Kidogo



The Care Economy
Knowledge Hub

the-care-economy-knowledge-hub.org

Profiling Businesses in the Care Economy

The care economy consists of paid and unpaid labor and services that support caregiving in all its forms. In Africa, Asia and Latin America, women spend between three to five times as many hours on unpaid care and domestic work as men. This represents 80 percent of a household's total hours devoted to unpaid care work.

Care economy businesses can help recognize, redistribute, reduce and reward – also known as the 4 Rs – unpaid and paid care and domestic work in the following ways:



Recognize: Initiatives that increase visibility and recognition of paid and unpaid care and domestic activity as "productive" work that creates real value and contributes to economies and societies.



Redistribute: Services and initiatives that redistribute care work from individuals to public and private sector entities, and redistribute care and domestic work within the household.



Reduce: Products and initiatives that reduce the time spent on and burden of unpaid care and domestic work.

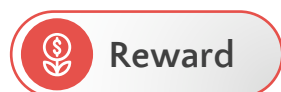


Reward: Products, services and initiatives that ensure that care and domestic workers are paid fairly and have professional growth potential. This provides them with financial reward and security.

The Care Economy Knowledge Hub aims to address the knowledge gap around care businesses by showcasing various business models and creating a resource base for relevant stakeholders. It also aims to raise awareness and increase knowledge of the state of impact-driven care economy business models and attract a broad range of funders to invest in care economy solutions by showcasing opportunities. These business profiles are intended to showcase said potential investment opportunities. They have been created from information and data provided by the business itself.

This project is supported by Canada's International Development Research Center, in partnership with the Soros Economic Development Fund at the Open Society Foundations. Building on their track record and commitment to transforming the care economy and mobilizing finance for gender equality, they have jointly launched this action research program to help transform the care economy through impact business and investment.

Executive Summary



Kidogo is a Kenyan non-profit enterprise that provides access to high-quality and affordable early childhood care and education in low-income communities. It utilizes a social franchising model to partner with entrepreneurial women, branded “Mamapreneurs.” The enterprise focuses on the improvement of community-based childcare micro-businesses. Kidogo, with its network of 784 Mamapreneurs, has become the largest childcare provider in Kenya and has reached 18,086 children in low-income communities daily. Kidogo has 83 full-time employees, 79% of whom are women.

Enterprise Stage:
Mass roll-out/expansion

Year Established:
2014



Enterprise Type:
Non-profit enterprise

Women Owned/Led:*

- Founded by at least 1 woman.
- Less than 30% of the board of directors are women
- At least 30% of women in senior leadership (executive level/c-suite positions)

Enterprise Contact: info@kidogo.co

Alex Dye, Business Development & Grants Manager

[LinkedIn Profile](#)

*According to 2X “women entrepreneurship” and “women leadership” criteria; [2X Challenge Criteria](#)

1. About The Enterprise

1.1 Problem

A lack of affordable care solutions for dependent family members often drives women to seek informal work and perpetuates poverty across generations.¹ In Kenya, the absence of affordable and reliable childcare impedes women from effectively participating in the formal labor market. Currently, 51% of Kenya's urban population lives in informal settlements² and has limited access to quality childcare services. Findings from a recent household survey conducted in urban and informal settlements indicated that, on average, women spent 9.1 hours on childcare in a 24-hour period. This is compared to an average of 2.4 hours spent by men.³ In addition, according to a study by the African Population and Health Research Center in 2017, Kenyan women in informal settlements with access to subsidized daycare services were 17% more likely to be employed than those without.⁴

In low-income settlements, childcare services are typically substandard and unregulated. They are most often provided by women who run informal daycares and have not had any formal training in childcare. It is estimated that there are currently 2,700 informal daycares in Nairobi, Kenya.⁵ Furthermore, there are no government agencies or private sector associations focused on the regulation or improvement of informal care centers.

Finally, children aged 0-5 in low-income settlements suffer from inadequate access to clean water, electricity, and health facilities, as well as poor nutrition, education, and sanitation services. Further, they are often subjected to detrimental and sub-standard care, which stunts their mental and physical growth. Current estimates show that there are 300,000 preschool age children in low-income settlements throughout Nairobi.⁶

¹ International Labour Organization. *Extension of Social Protection*. https://www.ilo.org/wcmsp5/groups/public/---ed_emp/---emp_policy/documents/publication/wcms_210469.pdf

² The World Bank. (n.d.). *Population living in slums (% of urban population) - Kenya*. <https://data.worldbank.org/indicator/EN.POP.SLUM.UR.ZS?locations=KE>

³ Oxfam. (2019). *Gendered patterns of unpaid care and domestic work in the urban, informal settlements of Nairobi, Kenya: Executive Summary for a Household Care Survey 2019*. https://cng-cdn.oxfam.org/kenya.oxfam.org/s3fs-public/file_attachments/Eng_Kenya_HCS_ES.pdf

⁴ Habib, J. (2022). *How 'Mamapreneurs' in Kenya Are Providing Quality, Affordable Child Care*. Global Citizen. <https://www.globalcitizen.org/en/content/kidogo-child-care-kenya/>

⁵ Nampijja M, Okelo K, Wekulo PK, et al. (2021). *Improving the quality of child-care centers through supportive assessment and 'communities of practice' in informal settlements in Nairobi: protocol of a feasibility study*. <https://bmjopen.bmj.com/content/bmjopen/11/3/e042544.full.pdf>

⁶ Kitsao-Wekulo, P., & Nampijja, M. (2019). *Providing Nairobi's mothers with subsidized day-care will benefit everyone*. The Conversation. <https://theconversation.com/providing-nairobis-mothers-with-subsidised-day-care-will-benefit-everyone-120994>

1.2 Solution

Studies show that access to high-quality care for children between 0–5 years of age has long-lasting benefits.⁷ Therefore, Kidogo addresses the lack of affordable and quality childcare services in low-income and informal communities in Kenya through its social franchising model. The enterprise identifies, trains, and supports female entrepreneurs (Mamapreneurs) to start their own childcare micro-businesses. These female entrepreneurs receive training and mentoring on early childhood care and education, entrepreneurship, health, and nutrition. Furthermore, franchisees also receive a starter kit to improve any existing daycare facilities, to provide a safe and stimulating environment for children in their local communities.

Kidogo partners with community health workers in order to identify existing informal daycare entrepreneurs (Mamapreneurs) in low-income communities. It then conducts a free training session, after which Mamapreneurs may enroll in Kidogo's Quality Improvement Program. To access this 3-month program, Mamapreneurs pay a one-time application fee of US\$ 2 and a monthly fee of US\$ 3. During this 3 month period, Mamapreneurs are provided with intensive training and coaching on topics in early childhood development and entrepreneurship. Finally, Kidogo evaluates Mamapreneurs and their daycare facilities at the end of this program. Mamapreneurs that meet Kidogo's quality standards are invited to become official franchisees and receive a starter kit⁸ that includes materials and resources, a center retrofit, branding, and access to the Mamapreneur app. They also receive ongoing training, mentorship, and coaching. As a franchisee, they must pay Kidogo a monthly fee (ranging from US\$ 5 – US\$ 15).

These services enable existing daycares to provide quality childcare services in low-income and informal settlements. As such, Kidogo contributes indirectly to reducing the burden of unpaid childcare work, which most often falls upon women (it does this by redistributing it to trained Mamapreneurs). In addition, it reduces the risks of poor mental and social development caused by sub-standard childcare.

Kidogo has also established 2 centers in Nairobi, Kenya. These centers provide space for training Mamapreneurs, as well as displaying best practices for childcare/early learning in low-resource environments. Kidogo leverages these centers to pilot new innovations, engage with the broader community, and host key stakeholders as a part of its advocacy efforts. In addition to its services for Mamapreneurs, Kidogo provides technical advisory services to international NGOs and governments who hope to provide affordable childcare as a part of their programs.

Finally, the enterprise advocates for policy reforms to address challenges in the childcare sector. It has engaged with stakeholders to highlight the societal repercussions of a lack of affordable childcare, as well as to showcase solutions for providing said childcare in low-income communities.

⁷ Nampijja M, Okelo K, Wekulo PK, et al. (2021). *Improving the quality of child-care centers through supportive assessment and 'communities of practice' in informal settlements in Nairobi: protocol of a feasibility study*. <https://bmjopen.bmj.com/content/bmjopen/11/3/e042544.full.pdf>

⁸ The starter kit provides the daycare with a full facility renovation, hand washing station, first aid kit, learning materials and resources. These ensure a safe and stimulating environment.

1.3 Customer Segment

Customer Segment	Product / Service Provided	Paid / Unpaid
Mamapreneurs (female entrepreneurs that operate informal daycares in low-income communities)	<ul style="list-style-type: none"> • Workshop: Offered to Mamapreneurs interested in learning more about Kidogo's Quality Improvement Program and franchisee model. • Quality Improvement Program: The Mamapreneurs receive intensive training and coaching on topics in early childhood development and entrepreneurship. • Franchisee Starter Kit: Onboarded Mamapreneurs receive materials and resources for center retrofit, branding, and access to the Mamapreneur App. • Franchisee support: Mamapreneurs receive mentorship, coaching, and quality assurance support. 	<p>Paid/Unpaid</p> <ul style="list-style-type: none"> • Workshop: This is a free service. • Quality Improvement Program: The Mamapreneurs pay an application fee of US\$ 2 and a US\$ 3 monthly fee. This service is provided at a subsidized rate through the grants that Kidogo receives. • Franchisee Starter Kit: The starter kit is valued at US\$ 350. This is provided for free to Mamapreneurs that are selected as franchisees. As part of the franchisee program, this service is provided at a subsidized rate through grants that Kidogo receives. • Franchisee support: Mamapreneurs pay a monthly fee ranging from US\$ 5 – US\$ 15 for ongoing support. This service is provided at a subsidized rate through grants that Kidogo receives.
Parents of children that attend daycares run by Mamapreneurs	<ul style="list-style-type: none"> • Access to information on ECD and parenting: The enterprise disseminates parenting tips through Whatsapp and SMS. Parents can also send questions, which are answered by Kidogo's ECD experts. • Nutrition workshops: Kidogo conducts workshops on nutrition and breastfeeding. 	<p>Unpaid</p> <p>Kidogo does not receive any payment for these services. It is subsidized through grants received by Kidogo. However, parents pay Mamapreneurs a small fee for this service. The fee ranges from US\$ 0.5 – US\$ 1 per day.</p>

1.4 Team And Governance Structure

Kidogo has 83 full-time employees, 65 of whom are women. Of the 83 full-time employees, 80 are Kenyan. The senior management team consists of the CEO, Country Director (COO), Development Director, Monitoring and Evaluation Manager, Franchising Manager, Partnerships and Government Manager, and the HR/Finance/Admin Manager. Currently, 86% of the senior management team are women. The enterprise does not have any part-time employees. One of the 4 board members is a woman.

1.5 Enterprise Policies

Policy	Yes / No
Overall HR Policy	Yes
Equal pay for equivalent work policy	Yes
Non-discrimination / Equal employment opportunity / Diversity and inclusion policy (gender, LGBTQ, PWD, etc.)	Yes
Anti bullying and sexual harassment policy / Respectful workplaces	Yes
Whistleblower policy / Employee grievance mechanism	Yes
Maternity / Paternity leave policy	Yes
Safeguarding policies for vulnerable groups (children, elderly, PWDs)	Yes
Safeguarding policies for the environment or to reduce detrimental impact on the environment (covers reducing carbon footprint, reduced water consumption etc.)	Yes

2. Impact

2.1 Mission Statement

Kidogo exists to provide access to quality, affordable, early childhood care and education in East Africa's low-income communities.

2.2 Intended Impact

Kidogo's work is aligned to all 4 Rs. It directly contributes to reward and recognition, while it indirectly contributes to reducing and redistributing.

- Kidogo's franchisee model **rewards** childcare workers (Mamapreneurs) through upskilling and by providing them with access to mentor support and resources. It results in increased incomes for the Mamapreneurs.
- The enterprise **recognizes** the challenges faced by childcare workers and providers through its advocacy efforts.
- By strengthening affordable and quality childcare services, Kidogo also indirectly contributes to **reducing** the time spent by low-income women on childcare, via supporting **redistribution** to external providers within its network.

2.3 Monitoring And Measurement

Kidogo measures its reach and the quality of its services quarterly. To measure the reach of its services, it tracks the following indicators:

- Number of franchised Mamapreneurs
- Retention rate of Kidogo franchisees
- Conversion rate of franchisees
- Hours of training and mentorship visits to Mamapreneurs
- Number of children reached
- Annual child cost for Kidogo to provide improved services (for children that attend the franchisees' daycares)
- Change in annual revenue of Mamapreneurs
- Percentage market share in communities where Kidogo franchised Mamapreneurs are based
- Number of communities (low-income settlements) where Mamapreneurs operate
- Number of counties of operation (in Kenya)

Kidogo tracks the development of children using Caregiver Reported Early Development Instruments (CREDI).⁹ CREDI is a global evaluation framework that is used to measure early child development. The enterprise also conducts focus group discussions with the Mamapreneurs quarterly.

⁹ The Caregiver Reported Early Development Instruments (CREDI) was designed to serve as a population-level measure of early childhood development (ECD) for children from birth to age 3. It exclusively relies on caregiver reports, and thus primarily focuses on milestones and behaviors that are easy for caregivers to understand, observe, and describe.

To measure the quality of its services, the enterprise tracks the following indicators:

- Percentage of children that met development milestones¹⁰

So far, 4 external impact studies have also been completed to assess the impact of Kidogo's services.

2.4 Results To Date

This section provides an overview of the enterprise's results. In addition, this section also provides information from 4 research studies, assessing enterprise impact:

- Number of franchised Mamapreneurs reached: 784
- Retention rate of Kidogo franchisees: 90%
- Conversion rate of franchisees: Increased from 50% in 2020, to 85% in 2022
- Hours of training and mentorship visits to Mamapreneurs: Over 5,000
- Number of children reached: 18,086
- Annual cost per child: US\$ 100
- Change in yearly revenue of Mamapreneurs: Increased 2.5x after joining Kidogo as a franchisee
- On average, Kidogo has reported 33% market share in communities where Kidogo franchised Mamapreneurs are based
- Number of communities (low-income settlements) where Mamapreneurs operate: 33
- Number of counties of operation (in Kenya): 8
- 83% of the children are meeting or exceeding age-appropriate developmental milestones

As of December 2022, the enterprise observed that 18 months after joining Kidogo, Mamapreneur revenue increased by 53-197% depending on centre-type, with home-based daycares seeing the biggest increase. This was a result of better financial tracking, improved collections and increasing enrolment.

In 2021, the Kidogo's Egg Program¹¹ was introduced to combat malnutrition and improve the health of children (0-3 years of age) that attend franchisee daycares. Through this program, 7,803 children have been reached. The biggest impact was seen amongst children aged 0-2, as the enterprise found a 56% reduction in stunting and a 51% reduction in wasting over a 9-month period as a direct result of Kidogo's egg nutrition intervention. Through this program, children aged 0-3 are provided 2 eggs per week in Kidogo franchised centres.

¹⁰ Kidogo uses the Ages and Stages Tool (ASQ) which is a developmental screening tool designed for use by early educators and healthcare professionals around the world.

¹¹ In 2019, Kidogo piloted an Egg Program to further combat malnutrition in children 0-3 years. Consumption of eggs can increase protein intake and contribute to reversing stunting in children. In urban areas of Kenya, eggs are a simple, easily accessible, and cost-effective way to increase protein intake. The enterprise partnered with entrepreneurs in each community to source and distribute hard-boiled eggs Kidogo centers.

Through teacher and parent interviews, external impact research revealed:

- Learners from Kidogo had a better overall score in language competency compared to counterparts from other ECD centers. Children who had gone through Kidogo's programs were rated better in expressive language competencies at home and at school.
- Learners from Kidogo outperformed peers in the ability to recognize numbers and tell the position of an object in a sequence.
- Learners who joined Grade 1 from Kidogo demonstrated better social-emotional competence, compared to their peers from other ECD centers. Of particular importance was the demonstration of good hygiene practices (handwashing techniques/ knowing the importance of hand washing).
- Parent engagement improved greatly, with more parents becoming involved in their child's school activities. Further, more parents expressed opinions on school policies.
- Parents reported prioritizing quality when choosing a childcare center.

Kidogo's work is aligned with the following Sustainable Development Goals (SDGs):



3. Financials

3.1 Financial Status

Kidogo is a non-profit enterprise that currently leverages grants to scale its operations. Please contact the enterprise directly for further information on its financials.

3.1.1 Revenue Streams

The key revenue streams for Kidogo are grants and earned revenue from franchising fees. In 2022, 96% of the enterprise's revenue was obtained through grants and the remaining 4% was obtained from franchising fees. Please contact the enterprise directly for further information on its revenue.

3.1.2 Expenses

The company should be contacted directly for further information on past expenses.

3.2 External Funding Sources (Past and Current)

Kidogo has received funding (ranging from US\$ 50,000 – US\$ 1,000,000) from philanthropic investors.

- In 2015, Kidogo received undisclosed funding from SPRING Accelerator.
- In 2017, Kidogo became a part of Jasmine Social Investments. The funding amount and support provided are undisclosed.

3.3 Challenges Faced In Accessing Capital

- **Awareness:** The enterprise has observed a small set of funders working at the intersection of early childhood development and gender. Consequently, the enterprise has faced challenges in accessing capital to upscale its model.

4. Path To Scalability

4.1 Potential Avenues For Growth

Kidogo has identified the following avenues for growth:

- **Expanding the social franchisee model:** Over the next 5 years, the enterprise aims to engage 5,000 Mamapreneurs and impact 100,000 children in East Africa.
- **Expanding technical advisory services:** Kidogo aims to provide advisory services to government agencies, companies supporting employer-driven childcare, and international NGOs.
 - Kidogo has partnered with EDD RWANDA to set up an Early Childhood Centre of Excellence.
 - The enterprise commenced working on employee-supported childcare partnerships with The Women's Bakery (TWB). TWB is building on-site daycares ("baby houses") at 2 of its corporate-owned locations in Rwanda.
 - Kidogo is providing its services to World Vision in Ethiopia, by assisting in the establishment of affordable and quality daycare facilities (as a part of its women's economic empowerment project).

4.2 Risks And Challenges

- **Financing (awareness):** As stated in section 3.3, there are minimal grant funders working at the intersection of early childhood development and gender.
- **Operations (marketing):** The enterprise seeks to enhance its marketing strategy, to increase its visibility amongst key stakeholders and funders.
- **Operational (low-income parents):** The enterprise has observed that rising inflation in Kenya adversely impacts the consumption patterns of parents living in low-income settlements. Parents prioritize spending on fuel and food, rather than childcare services.
- **Operational (training):** The enterprise seeks to further enhance its processes and lower the cost of delivering training content for Mamapreneurs across various regions in Kenya. The enterprise has already shortened its Quality Improvement Program from 9 months to 3 months. Kidogo has also revamped its franchisee model, to reduce costs and enhance the delivery of training. It has likewise revised marketing material and conducted training for the team on engagement with Mamapreneurs.
- **Technology (adoption):** The enterprise faces challenges in integrating courses and training into its Mamapreneur app.

- **Regulatory framework:** In Kenya, no social protection schemes cover childcare and childcare workers, creating a risk for businesses that operate in the sector.
- **Social norms (gender and caregiving responsibilities):** The enterprise has observed that childcare is perceived as being natural and therefore not requiring any formal training. This impedes women who run informal daycares from upskilling. Furthermore, through interactions with parents, the enterprise has observed that a majority of the population believes children are incapable of learning before the age of 3. Hence, they do not prioritize engaging children in play-based learning at daycare centers until they reach 3 years of age. This hampers the growth of Mamapreneurs who run informal daycares for younger children.

4.3 COVID-19 Impact On The Enterprise

As a result of COVID-19 restrictions, schools and Kidogo centers were closed. Mamapreneurs also had to close down daycare operations. To support Mamapreneurs, parents, and children in its network, Kidogo started conditional cash transfers. These transfers were given to Mamapreneurs, to support playful learning at home and to ensure that the Mamapreneur businesses could survive the pandemic. The franchisee Mamapreneurs' received US\$ 45 per month, for a period of 8 months. This was contingent upon their distribution of Play Packs and nutritional supplements to parents and kids. The enterprise checked in on mothers and facilitated conversations via WhatsApp groups.

4.4 Support Received To Date

Kidogo has received the following support:

- In 2022, Kidogo was selected as one of the winners of the MIT Solve.
- In 2022, Kidogo was selected by the Qatar Foundation as a WISE Award winner. As a winner, the enterprise received US\$ 20,000.

4.5 Inputs Required For Growth

Financial

- In the next 3 years, the enterprise is seeking US\$ 10 million in grant funding to upscale its franchise model in East Africa. This will allow it to reach 100,000 children, through 50,000 Mamapreneurs.

Non-Financial

- **M&E:** The enterprise seeks support to further enhance its monitoring and evaluation strategy and processes, as well as to effectively measure relevant indicators.
- **Mentor support:** The enterprise seeks mentor support to enhance its business model.

- **Marketing:** The enterprise seeks support to build its brand and marketing strategy. This will increase Kidogo's visibility and support its fundraising efforts.
- **Technology:** The enterprise seeks support in leveraging technology to increase its efficiency for activities, such as training daycare entrepreneurs and managing its franchises.
- **HR:** The enterprise seeks support in hiring experienced personnel across various departments, to support its efforts to upscale operations.