

# A franchise opportunity



[www.mobile4good.com](http://www.mobile4good.com)

## Mobile for Good (M4G™)

is a social franchise business designed to use mobile phone technology to help alleviate poverty and improve the lives of people in the developing world. It aims to deliver vital health, employment and community content via SMS to mobile phones, in order to inform and empower disadvantaged individuals and communities.

The Mobile for Good project has already been implemented in Kenya, and the success of this pilot has driven plans to replicate the franchise to countries across Africa and in the rest of the developing world.

### Meeting New Demands

Research carried out in Africa shows that this continent is the fastest-growing mobile phone market in the world, with an annual growth rate of 67 per cent. Further studies in Kenya show that, even in rural areas and urban informal settlements, a very large proportion of the population has access to mobile phones, usually due to sharing handsets with friends and family. These figures, combined with unemployment and health statistics, suggest a market need for the delivery of affordable and targeted information to marginalised communities.

### How does it work?

A social franchise model has been developed by OneWorld UK to provide entrepreneurs with a package of tools which will allow them to set up an M4G™ business in their country. 'Entrepreneurs' should be seen in its widest sense of the word and could be an individual, a company or an NGO.

The tools provided include:

- A technical platform
- A business model template
- Marketing advice
- Assistance in negotiating with local telecommunications companies
- Ongoing consultancy

## Corporate Partners

[Vodafone Group Plc](#) is the world's leading mobile telecommunications company, providing a wide range of services including voice and data communications.



Vodafone Group Foundation provided generous funding to allow implementation of the OKN Mobile pilot project in Kenya in 2004. Towards the end of 2005, the pilot became commercially viable.



[Accenture](#) is a global management consulting, technology services and outsourcing company, committed to delivering innovation.

Accenture Foundation has helped OneWorld UK create the franchise model and replicate successes in Kenya. In February 2006, the Kenyan operation became an independent Franchisee of Mobile4Good. It is now known as Mobile4Good-Kenya. Accenture has provided invaluable support and guidance throughout.

# Mission

In delivering mobile-based services, the M4G™ vision is:

*‘to become known and trusted for our excellence in the provision of affordable value-add services via mobile phones that help to alleviate poverty and improve livelihoods’.*

**Through the M4G™ social franchise, OneWorld UK aims to:**

- Improve livelihoods by alleviating poverty
- Extend the benefits of Information and Communication Technology (ICT) to those who are marginalised by creating customised SMS-based services according to local market needs
- Create a financially and institutionally sustainable organisation with credible content

- Positive attitude and strong interpersonal skills
- A person or company that is not only good at learning new approaches but also is able to motivate and train others
- An individual, NGO or company that has experience in or a good knowledge of relevant industries - this could be for instance media content, recruitment or value-adding mobile phone services.

**What is Mobile4Good looking for?**

- Passion to make a difference by helping people and the world around us
- An individual, NGO or company with strong motivation and drive to achieve success
- An individual, NGO or company with confidence and enthusiasm for the product and services M4G offers
- Excellent customer service and sales skills
- Management experience and ability to run your own independent business

**As a franchisee you get...**

- A technical platform, including documentation and training
- Training during the start-up phase – one week of one-to-one training
- A template business model with instructions for customisation for country-specific use
- An extensive guideline document with instructions on how to set up the franchise
- Marketing advice
- Evaluation tool
- Assistance in communication and negotiation with telecoms
- Access to ongoing consultancy
- Use of the Mobile for Good brand and logo
- Web pages on the Mobile for Good website
- Email addresses on the Mobile4good.com domain
- Reasonable assistance throughout the franchise period

# Choose Your Route to Success

The products we offer to franchise partners are already major cash generators. Best of all, these products have not yet been explored in conventional SMS business. On launch, you can benefit right away from major growth in turnover.

## **Profit Route 1 - Fast-Start**

If you already operate a value-added service based on mobile communications, this franchise opportunity could be the fast route to success. If you are fully managed and staffed, you would be an ideal investor-franchisee and owner-operator.

We can integrate our products with your existing fully operational business. You will be left with no doubts about how you could make money from day one.

If you want to be up and running very quickly (typically six to eight weeks), the Fast-Start route could be the right choice for you. Please note that this route is only available to potential partners that already operate as value-added service providers or similar.

## **Profit Route 2 – A New Business**

Many franchisees who join us will want to own a brand new business in a country of their choosing. If this is the route you would prefer then we will not only help you define the right market, we will assist you in negotiating with local mobile operators in your country.

The benefit to you is that the strength of our covenant will help you be in business much faster than anyone without the backing of an experienced franchiser.

With M4G™ you get the fantastic

advantage of a proven concept and you can start running your own social venture without the concerns of an independent start-up. You don't have to worry about defining the market, scoping out your product, choosing a technology platform, etc – you can go straight to the fun part: making things happen and getting started right away.

## **Profit Route 3 – Regional roll out**

For a limited number of special individuals there is a third way. We are seeking franchisees to operate over an entire region of Africa. You will need to have access to substantial funds and wide-ranging business experience.

You will have the opportunity to recruit franchisees and develop several new M4G™ countries in your operational area such as East Africa, West Africa, etc. You may want to operate your own franchise or simply develop and manage the region with our help and guidance.

This route could very well be next steps for an exciting and successful franchisee.

Typically, you will need to be able to invest around GBP £300,000, of which £150,000 will need to be in liquid funds.

## **Joining a network**

As a franchisee, you are joining an innovative and competent team with great achievements in ICT for Development, all the right connections within the corporate world, government agencies, NGOs and operators, and extensive technology expertise. You will also benefit from being part of an expanding network of outstanding social entrepreneurs.

The M4G brand will, through an increased number of franchisees, international press and other PR, become a well-established brand.

# Is this You?

The franchise system we have developed allows anyone with the right positive attitude and relevant experience to join us as a franchisee. We do, on the other hand, take great care in franchisee selection.

You will not only have to be able to make the financial investment; you will also have to want to be the owner of a service-oriented mobile phone business. Here are a few questions to test if this is for you:

1. Do you truly want to run your own service-oriented business?
2. Do you have sufficient liquid capital, a good reputation and a clean credit record?
3. Are you willing to undergo training in all aspects of running a business the M4G™ way?
4. Are you willing to operate a business under a set of laid down rules and systems?
5. Do you enjoy working with a team of people, as their leader?

If you can answer 'Yes' to the first two but not 3, 4 and 5 then you have the option of appointing a manager to operate the business on a day-to-day basis.

If you can honestly say you want the level of involvement we describe above, then M4G™ is an opportunity not to be missed, and this is the way forward:

## Moving Forward

### Stage 1

Meet our franchise team, for example at an Open Day in your area, and we will give you a presentation of the opportunities of M4G.

### Stage 2

If you want to move forward, you will register your interest with us. We will also be happy to discuss your personal objectives and give you a deeper insight into our entire operation and offering. Together we will look at suitable business plans and discuss the earning potential.

### Stage 3

You will then consider our offer and seek any advice you feel you need from others. When you are ready, we will ask you to fill in the franchise application form that gives us an idea of your background, financial situation and plans for M4G.

We proceed in this way because we believe that joining us will be one of the most important decisions of your life. It should not be rushed.

### Stage 4

If your application is acceptable, our Directors will invite you to meet them, they will give your application full consideration and they will agree on the final terms. If OneWorld feels able to proceed with you, both parties will sign the franchise agreement and we will invite you to pay a deposit of 50% of the franchise fee.

### Stage 5

Once the licence agreement is signed, it is time for planning and training. The training programme involves developing a business plan. You will pay the final part of the franchise fee and any outstanding costs at the end of the training.

### Stage 6

Next, in the case of a new business, comes the period for dovetailing the work, staffing and equipment purchase; interconnecting the mobile operators and content partners; and testing the services.

### Stage 7: The Launch

Together we will launch the services and you will start counting your subscribers.

# Finding the Money

Many of our franchisees will need to borrow part of the cost of starting up.

We will be happy to introduce you to a number of banks that know and understand our business, and that will, subject to status, be willing to provide the funds you need.

We also have access to venture capital and would be happy to discuss your requirements and introduce you to some of the funding agencies with which we work.

## FAQs

Below are the answers to our most frequently asked questions. If you have questions of your own, do email us and perhaps arrange to come and meet us at an Open Day.

### Why isn't everyone doing it?

This is perhaps the most important question of all and there are three parts to the answer:

1. It isn't very difficult to make good money with M4G™ but we won't take just anyone. You must be the right kind of "people person" - Someone who can work with almost anyone and bring the best out of them. You must also be willing to undergo training in the use of all of our methods, systems and techniques. Most importantly, you must be willing to go on using them in the operation of your business.
2. With M4G™, you will be working under the guidance of a professional and experienced

team. You will, however, be working for yourself, and that's the sticking point for many people.

The step to running your own business - to taking charge of your own life and your own future - is a step that few people are willing to take when it comes down to it.

3. With M4G™ there is an organisational, accounting and management control system to back you. These include the systems needed to ensure that the products you offer your customers are exactly right for your local market.

### Is there plenty of demand?

Yes, there is. As we all know, the demand for mobile content is growing each year. Content with social value allows M4G™ to stand out from the crowd. We have proved that there is a massive demand for useful content and people are willing to pay for it because it provides value for money.

### Will I be fully trained?

Yes. Our training teaches you all of the M4G™ techniques. We also cover customer care, work planning, time management, preparing for the future, employing staff and record-keeping.

We take training seriously but we do it in a relaxed, easy to follow way. We will have you and your key team members happy with all aspects of the business in a few short weeks.

Training is tailored to your particular needs. The start up training will usually consist of one week of one-to-one training, taking place in your office.

## FAQs (continued)

### **How successful has the business been in Kenya?**

Results from the Kenyan business ([www.kazi560.co.ke](http://www.kazi560.co.ke)) illustrate that it has been a great success there, with latest subscriber figures totalling more than 68,000. The revenue generated during the last 8 months is the equivalent to US\$ 70,000 on an annual basis. In addition, feedback received shows that subscribers are benefiting enormously with some reporting that Mobile for Good is the only service they are using to fulfil their requirements. OneWorld has also gained recognition for its innovative work in Kenya by receiving an award at the Kenya Private Sector Alliance (KEPSA) Convention held in Nairobi.

### **Will my background help?**

We welcome people from all walks of life and backgrounds. M4G™ people need to have five things in common:

1. A desire to earn a good income
2. An interest in ICT & Mobile technology
3. A love of working with people
4. A deep desire to be the boss
5. Commitment to the social goals of M4G

### **Do I have to help recruit new franchisees?**

No, you will not be asked to sell franchises to others. The job of finding new franchisees is ours alone. You can get on with running your business without interruption.

### **Do I need any kind of experience or qualifications?**

Yes and No. The M4G training provides the knowledge you need to run a successful and effective business, but we still prefer you to have some proven experience in at least some of the aspects of running a business.

Your personality is, however, most important. You must be able to relate to people, their needs and problems. You must be able to listen, act quickly when necessary and you must enjoy working in a people-oriented environment.

### **How long will my franchise last?**

The period of the agreement is 5 years, with a right of renewal for a further five years. The renewal is absolutely guaranteed providing you meet the conditions in the franchise agreement.

The agreement ends after 10 years but can be replaced with a new franchise, subject to certain conditions.

A copy of the franchise agreement is available as soon as your application for a franchise is approved. It is a fair document written in clear English. It is, however, a legal document and you will want to show it to your legal adviser.

### **Can I have a partner?**

Yes. We are delighted to welcome partners of all kinds as franchisees.

### **Can I set my own prices on the services?**

Yes. There is flexibility in pricing depending on the country, but all promotions have to be agreed with us and are subject to being affordable for the

target group.

### Can I sell my business?

Yes. You can sell your business at any time. We must approve the buyer's suitability, in the same way as we do with all new franchisees.

There will be our legal costs to pay and a fee for the right to transfer. There may also be other costs. We do reserve the right to match any offer you are made.

### Who are the customers?

Many sections of society can become your customers. There are basically two types of customers for this business: Mobile phone users and organisations that want to reach users via M4G™.

1. All mobile users in the country in which you operate are potential customers. The primary target for the M4G™ services are, however, the huge number of individuals at the Bottom of the Pyramid.
2. Other content providers who wish to reach your subscribers are a second set of customers for your business.
3. Government entities, ministries and local bodies all constitute customers for customised products.
4. NGOs and development agencies are the customers of M4G™ socially-driven products.
5. All types of small, medium and large businesses constitute your corporate clientele.

## Making Money

### Average Turnover\* - example forecast for Tanzania

<b>Turnover</b>	<b>USD 211,400</b>
Costs of Service	USD 105,700 50%
<b>Gross Profit</b>	<b>USD 105,700 50%</b>
Labour & Misc.	USD 21,140 10%
Utilities & admin	USD 10,570 5%
Rent etc	USD 10,570 5%
MSF (Royalty)	USD 15,855 7.5%
<b>Earnings</b>	<b>USD 47,565 22.5%</b>

The numbers shown here are to help you identify how much money you could make, by working in the business and developing and motivating your own team, controlling your costs and managing the margin.

### \*Important Notes

- All values shown are estimates based on typical operation. We will be happy to produce customised figures for your investment
- The earnings shown are before balance sheet items and franchisee-controllable costs
- A loan should be available from a major bank subject to status
- The earnings shown are before balance sheet items and, sadly of course, your tax!
- We want all the information to be as accurate and as up to date as possible. This means from time to time the numbers shown will be updated. However, before we do any business the numbers will be confirmed in each individual case

## Entry Costs

M4G™ has **multiple entry routes** based on different combinations of entry costs and revenue share. These include **low-cost entry options** for entrepreneurs operating in smaller countries. The costs outlined below are part of the **standard entry route** as used by the successful Kenyan venture:

**Franchise Fee: GBP £15,000 plus VAT**

This is the total franchise fee for 5 years

**Operating System Cost: GBP £ 35,000**

This is a one-off fee for the technology platform for the entire period in which you are a M4G™ franchisee

**Revenue Share**

The Management Service Fee or royalty is 7.5% of the total revenue.

Additionally, there may or may not be costs associated with the start-up depending on your individual circumstances.

## The Next Step

Email us at [m4g@oneworld.net](mailto:m4g@oneworld.net) to explore the options available and to arrange a meeting with the M4G™ Team.

Visit our website [www.mobile4good.com](http://www.mobile4good.com) and to see a short video about our project click on <http://www.youtube.com/watch?v=MeYpDizJdJw>

