The Rural Sales Program (RSP), or Jita, is a CARE Bangladesh initiative, started in 2004 as a pilot to generate income and employment opportunities for the rural poor. The programme has created a rural sales-force comprising destitute women, called ‘Aparajitas’, a Bengali word meaning ‘women who never accept defeat’.

### Project At a Glance

**Country**: Bangladesh  
**Sector**: Retail, manufacturing & consumer goods  
**Partners**: CARE Bangladesh; Grameen-Danone Foods Limited; Square Toiletries Limited; Lal-Teer Seeds; Grameen Phone; Unilever; BATA; Advanced Chemical Industries Limited  
**Low-income focus**: Distributors; Consumers & clients  
**Revenue model**: Local sales of fast moving consumer goods in rural areas  
**Further information**: [www.jitabangladesh.com](http://www.jitabangladesh.com)  
**Project status**: Complete  
**Key themes**: Last-mile distribution; Partnerships; Commercialising NGOs

### The Inclusive Business Initiative

Before transitioning to becoming an independent company, the programme engaged two thousand Aparajitas through sixty six small village enterprises or ‘hubs’, selling products of seven major companies including BATA, Unilever, Square, Lal-Teer seeds, Grameen Phone, Advanced Chemical Industries Ltd and Grameen-Danone Foods Limited. The programme has helped private companies to enter rural markets and expand their business operations as well as benefitted local producers to distribute their products.

Since setting up the pilot in 2004, the initiative has proven to be a financially self-sustainable project of CARE Bangladesh. The objective, therefore, became to transform the CARE Rural Sales Programme from an NGO managed programme to a for-profit company called Jita, with support from the Business Innovation Facility and Danone. Jita is now an independent company with CARE and Danone Communities as its shareholders.

### Commercial Drivers

The main commercial opportunity for private sector companies to sell their products through Jita is the potential to expand their market coverage into otherwise unchartered rural areas and thus to increase profitability through increasing sales. Further commercial drivers for other involved stakeholders can be explained by taking a closer look at the Jita business model.

Jita operates on a commission-based business model with brands paying commission at three levels according to the additional sales generated by the sales network.

Sales women, ‘Aparajitas’, are paid by commission on sale. Aparajitas finance their initial stock through their own means, family resources or third party credit schemes. As their basket of products grows they are able to reinvest in their trade and expand operation and earnings. Hubs, which are small enterprises trading at small town or large village level, get a commission to cover the saleswomen’s costs and make a profit. Hubs are already part of the...
distribution chain for the participating companies and sell the same branded products. As a wholesaler to the saleswomen, each hub employs two service agents to distribute products directly to the saleswomen’s homes in exchange for cash. Jita earns a commission from the private sector for managing the whole network—identifying the hubs, selecting and training the saleswomen, and then supervising the network, stock levels, financial flows and coordination.

Development Impacts
The CARE RSP program was designed to help overcome some of the challenging obstacles to economic development in rural Bangladesh, such as lack of market penetration, distorted informal markets that disadvantage the poor, and a lack of economic opportunities for those without land, many of whom are women. Rural producers often lack access to markets and information on market dynamics. The RSP, now called Jita, aims to enhance the income-generating capacity of rural women by creating opportunities for income at low risk. By year two of the programme, it is expected that saleswomen will be earning an average of US$21 (BDT 1500) per month for four hours of work per day (i.e. allowing further time for alternate income opportunities). Past experience suggests such opportunities can further improve living conditions or social positions, such as through improved respect in the household, reduced violence, increased mobility, greater social interaction, and opportunity to forge relationships in the business sector. By year three, it is estimated that the model will provide income opportunity for twelve thousand underprivileged women, four hundred youths as service people, and four hundred micro-entrepreneurs as hub managers.

“By the third year of the programme, it is estimated that the model would provide income opportunities for 12,000 underprivileged women, 400 youths as service people, and 400 micro-entrepreneurs as hub managers.”

Innovation and scale
The success of Jita to date stems, in part, from its unusual, mutually-beneficial combination of different ‘brands’ and its association with CARE. This multi-brand and multi-product model has the following benefits compared to other more traditional distribution models:
- more cost-effective to set up and run than single company options
- more attractive to customers who can get a wide variety of products form a single source
- more attractive to the sales force, who can make frequent, small FMCG sales to maintain a steady income and reduce stock value held, but also make larger, higher value sales of items like shoes to increase their income

Potential to scale up lies in the future expansion of the for-profit model that is being developed, plus RSP’s other commercial opportunities, such as in developing rural marketing to and from farmers, and providing consulting services in rural marketing for other companies.

Objectives of Facility engagement (February 2011)
In order to separate Jita from RSP and establish it as an independent company with a sustainable business model, the key investors, CARE Bangladesh and Danone, received support from the Business Innovation Facility in managing the transition from an NGO to a for-profit model. This included detailed business planning and support to manage the cultural organisational change required to launch Jita in a way that made the best use of RSP’s social legacy but that also had clear private sector foundations.

CARE’s Rural Sales Programme (RSP) has now become ‘Jita’, an independent company with CARE and Danone Communities as shareholders. Facility support has helped to manage its transition from an NGO-run programme into an independent social enterprise that will take forward and expand the RSP model in Bangladesh. While Facility support ended at the end of 2011, BIF Bangladesh brokered a new collaboration with Mitsubishi in 2012, in which Jita will pilot a new nutrient-rich food flavouring using the Jita network. The new start-up company aims to expand its current reach from 2,800 to 12,000 Aparajitas over the next three years.

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To find out more about projects supported by the Business Innovation Facility, visit the Practitioner Hub on Inclusive Business: www.businessinnovationfacility.org

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The views presented in this publication are those of the author(s) and do not necessarily represent the views of BIF, its managers, funders or project partners and does not constitute professional advice.

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