

## FONKOZE DEFINES TARGET CLIENTS

Since its inception in 1994, Fonkoze (Haiti) has worked to reach Haiti's poor. As the FSP expanded from a small operation to the largest microfinance provider in the country, management realized that though all clients were "poor," they were not all the same. For example, Fonkoze recognized clear differences between the rural and urban poor, and those with business knowledge and those without. These differences translated into important operational considerations, including how target clients were defined and placed into programs.

To help both internal and external stakeholders understand their different target clients, Fonkoze developed a *Staircase Out of Poverty* approach. Fonkoze uses the graphic shown here to discuss the characteristics of their four different client segments and the products they offer for each. Fonkoze explains to staff and external stakeholders the needs of each target segment and how targeting those clients serves Fonkoze's broader mission.

For example, women in the Chemen Lavi Miyò Program (see graphic) are too poor to even qualify for credit. Yet through the program, Fonkoze case managers introduce them to savings strategies, and many of them do graduate to taking out loans with Fonkoze's microfinance institution. Women in the Ti Kredi program have an existing business, but it is usually in the early stages or very informal. They require very small loans (US \$25) over short periods and need intensive business and life skills training. Solidarity Group clients access larger loans and support one another to move up to Business Development loans, which are Fonkoze's largest individual loans. By more accurately placing clients into programs that fit their needs, Fonkoze has been able to serve clients better.

