

DIGILOGIC Insights #5: Providing discreet access to stigmatised healthcare products

The DIGILOGIC team talks to Natacha Mugeni, Rwanda MD and Director of Health Operations.

Kasha is East Africa's leading platform for last-mile access to healthcare products. **NATACHA MUGENI**, Rwanda MD and Director of Health Operations talks to DIGILOGIC about finding the right investment, information and innovation.

The start-up solution

Kasha offers a broad array of healthcare products through different life stages, including newborn, child and maternal health, menstrual hygiene, family planning, sexual and reproductive health, non-communicable diseases such as hypertension and diabetes, as well as HIV/AIDS prevention and treatment, among others.

"We provide products across our two platforms in discrete and confidential ways," says Natacha Mugeni. Kasha has both an online and offline service, which enables the company to supply hard-to-reach, low-income women in rural communities. The mission from the outset was to democratise access to self-care products, including contraception which is often a social stigma issue for women, Mugeni explains.

As many of their customers do not have internet access or own smartphones, Kasha utilises a USSD (Unstructured Supplementary Service Data) platform. USSD helps with financial transactions such as transfers, payments, top-ups and balance checks. As Mugeni explains. "USSD means you can order our products just by clicking numbers. People are very familiar with the technology in Africa. It's free and you don't need the Internet or even credit on your phone to use it."

The development challenges

When Kasha was set up in 2016, Mugeni identified three main challenges. The first was how to build the customer base. The second was sourcing the right funding and the third was developing a smooth supply chain from supply, through ordering to delivery.

Kasha was one of the first ecommerce platforms targeted at women who were much more accustomed to going to shops where they could see, touch and smell the products they wanted to buy. Asking people to purchase on the strength of a single picture was not appealing. As Mugeni recalls: "At first people asked: 'What is this? Is it real? How does it get to my home?'" Kasha needed to understand why potential customers were reluctant to shift towards a new way of buying essential products. "However great your idea is, you have to talk to your users first and find out exactly what they want," Mugeni advises.

After carrying out a great deal of research, Kasha identified the agent model as being an innovative and sustainable solution to underpin the business.

Kasha agents are local women, paid on commission, who are already well known and trusted within their communities. Kasha now has more than 1,000 agents, supporting more than 50,000 customers. Through orders and feedback, the Kasha platform is also building a unique and in-depth knowledge base about their customers' current and future healthcare needs which offers valuable data and "new perspectives on women's health."



As with many start-ups, a challenge for Kasha was developing a strategic approach to finding the right investor. There was always interest in the overall project, but Mugeni and the Kasha team discovered that while investors obviously needed to “see the numbers”, investment is “also about understanding the people we are serving.” Mugeni admits that this was “sometimes a struggle at the start. But we are lucky to have the investment to support the work we do.”

Developing a fast-moving business also means “you have to be flexible while understanding that you cannot do it alone. You need someone with financial expertise and someone with good human resources experience to ensure you have the right people around you but that you don’t over-hire either.”

Although Kasha is able to stock many of its own products, the company works directly with external pharmacies to ensure that the much more regulated pharmaceutical stock is maintained. However, this can mean that Kasha is susceptible to unpredictable price fluctuations imposed at pharmacy level. “For example, if a contraceptive package goes up from \$6 to \$8 that’s a huge increase for our customers.”

Kasha tries to align with the pharmacies that can guarantee a continuing product supply and, as far as possible, price consistency. However, it might also be a product manufacturer who increases costs and there is little Kasha can do to alleviate that. The company works with manufacturers to lock in a consistent supply chain through sales projections, while in the longer-term Kasha is working towards obtaining the licences and permissions that are required to build its own retail and wholesale pharmacy business.

On a much broader supply chain level, Mugeni is also concerned about the impact of volatile global logistics on Kasha. Events such as Covid and the war in Ukraine can impact heavily on normal supply chains, including being able to access life-saving products. “If a European country has a shortage, imagine what might happen in developing countries,” Mugeni sums up.

Looking to the future

Mugeni believes there are many future opportunities to innovate in healthcare ecommerce. For example, better information sharing around the world is key so that everyone knows what products are available and where they can be sourced. She believes governments should play a more proactive role to build uninterrupted trade arrangements between countries to offer more security and benefit smaller businesses.

The private sector also has a vital role to play. For example in Rwanda, one of Kasha’s two centres, the other being Kenya, the health sector is changing extremely fast. Mugeni predicts that more investors will be interested in shifting their funding to private sector healthcare businesses because they are more sustainable in the long term. “Many health services may be subsidised but they won’t be free. We need to look at how we can service these services. This is a huge opportunity to disrupt the whole model of how the private sector can engage more.”

Although, as Mugeni is quick to point out, there continues to be “some amazing innovations” in the logistics sector, it is important to continue to tailor the supply chain to the needs of those low-income communities which cannot access the big online players. In Kasha’s case, this means “the need for human interaction is key. The agent model has revolutionised how we do last-mile deliveries and shows how cost-effective that can be.” Kasha packages can be delivered direct to their agents (as well as to Kasha pick-up points and direct to customers’ own locations).



Mugeni also points out that Rwanda is already starting to manufacture its own medicine: “which will change the way we access vital products and how affordable they are. It is a huge development.”

