



How to create digital platforms with socio-economic and environmental benefits

Do you have an idea for an app or digital platform that could help improve people's lives? The insights in this paper are for entrepreneurs in emerging markets, who are building digital solutions that bring positive economic, social and environmental returns.

How TRANSFORM helped 4R Digital create an app for Kenyan shopkeepers



4R Digital specialises in creating digital solutions to specific local challenges in sub-Saharan Africa. The tech start-up piloted a new mobile phone credit app in Kenya, thanks to a grant from TRANSFORM – an impact accelerator that supports visionary enterprises across Africa, Asia and beyond, led by Unilever, the UK's Foreign, Commonwealth and Development Office, and EY.

4RD created 'Duka Plus', an app for the—predominately female—owners of 'dukas' – the small, informal and cash-based shops from which people in low-income communities buy their everyday items. To date, dukas have been a constrained business model. No matter how long they've been in business and how well they know their customers' preferences, they can only buy new stock when they've sold enough existing stock and have the cash ready.

Using Duka Plus, shopkeepers can borrow money to buy goods upfront. They can also use it to purchase their best-selling products, log sales and track their business' overall performance. The more activities they perform in the app, the more credit becomes available to them.

Over a six-month test period among 15 duka owners, the pilot app processed over five thousand orders, worth just over 341,000 Kenyan Shillings, or around 2,500 US dollars, of revenue. In total, duka owners borrowed 300,000 Kenyan Shillings, or 2,200 US Dollars – paying back the money in an average of five days. This test phase proved the viability of the Duka Plus model.



Find out more

Collaboration is key to scaling social enterprises. Learn more about the successful programmes that other enterprises and funders have delivered together. [Read more stories here](#)

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We
TRANSFORM
Lives

1. Start with

RESEARCH

Market research is essential. You must understand the precise needs of your target audience. They're the only people who can tell you what they are.

It's also worth considering that some of the stakeholders involved in your project – like donors or partners – might have different goals from your target audience. To ensure everyone's in agreement on the project's objectives, establish clear lines of communication from the outset. Be specific about what you're doing and why.

2. Start

SMALL

Don't try and scale up until you know your solution works. You can learn a lot from a small test. If you start too big, it'll take time and funding that you won't get back. It pays to test at a micro level. That way you have the time and space to hone your solution without investing too much.

3. Keep it

SIMPLE

In the modern world, many problems need solving and it can be tempting to try and fix them all – but don't overcomplicate your project. Optimise your chances of success by focusing on solving one problem. The clarity will not only make external funding more likely and day-to-day project management less stressful, it will also maximise the chances of a strong, measurable outcome and success.

To work out which problem you want to solve, you need to identify early adopters among your target audience. Then learn from them. Let them tell you which problems they most want fixed.

4. Keep gathering

INSIGHTS

Regular insight gathering is essential. If you have a digital app, you may well be able to get useful insights and data from it. However, you should always keep talking to participants directly. When conducting pilots, have conversations with them about what does and doesn't work. Find out from them about the impacts of your project, how it's changed their behaviour and any unintended consequences that came up.

Then you can use these insights to refine your digital solution before you scale it. You may well set off to create a certain product and end up changing direction, because of participants' feedback. They are key to getting your product right.

5. Work with an established

PARTNER

As a small digital finance specialist, we have good disruptive ideas and the technical ability to build innovative tools, but we don't have access to the large networks of target audience members necessary for rolling out our solutions.

By partnering with TRANSFORM on Duka Plus, we were able to use Unilever's well-established retail network. As it is a brand trusted by duka owners, it made a big difference in terms of user adoption.

Through TRANSFORM, we also had advice from an EY consultant on our business model and support from a market research company. Both were an amazing help and resources that increased our impact.

“We all know what way the world is going. The future is digital. That's how to address socio-economic and environmental challenges across emerging markets. To create the right digital solutions, you must be willing to start small and be disruptive. Set out to meet people's needs. Put them at the centre of your thinking. And make sure to keep your innovative mindset. It's not just necessary to come up with the best idea in the first place, but also to solve new problems as they appear.”

Nora Bergin, Senior Project Manager at 4R Digital



TRANSFORM is an impact accelerator that unites corporates, donors, investors and academics to support visionary enterprises across Africa, Asia and beyond. Together, we test and scale new solutions that tackle environmental challenges, improve health and wellbeing, and build inclusive economies.

Combining grant funding, business insight and research, TRANSFORM is advancing the development of innovative business models to help solve global challenges. It was established in 2015 and is led by Unilever, the UK's Foreign, Commonwealth and Development Office, and EY.