

KickStart

www.KickStart.org



Irrigation pumps, Kenya/Tanzania

History of organization: KickStart is an African-focused non-profit organization created by Martin Fisher and Nick Moon which designs and delivers affordable and effective tools that poor families can use to increase their incomes. Disappointed by the short-term and unsustainable nature of development projects they had encountered in their previous work in Africa, they founded ApproTEC in 1991 that would become KickStart in 2005. With a mission to lift millions of people out of poverty KickStart sells poor families locally-suited tools and equipment that the families can use to start productive enterprises and greatly increase their incomes. After six years of creating products (e.g. oil-seed press, building block-maker) which led to profitable businesses, Fisher and Moon realized that the greatest opportunity for impact could be found in irrigation mechanisms, since the vast majority of families in the region are small-holder farmers who depend on low-productivity rain-fed agriculture. In 1997, KickStart designed and began selling its first human powered irrigation pump. They branded the pumps MoneyMaker, and these simple pumps have become KickStart's best selling products.

KickStart's major programs are in Kenya and Tanzania. It has a small program in Mali and Burkina Faso and is establishing a new program in Zambia. In addition it sells pumps through wholesale shops in 14 other African countries and to NGO buyers across Africa and in Asia. It fundraises from small offices in New York and San Francisco.

Product/service offering and value proposition: As of today, KickStart's value proposition is focused on selling high quality irrigation pumps and accessories, generally for cash. KickStart has also been testing a "lay away" program using mobile payments.

KickStart's foot-powered pump, called the Super-MoneyMaker can irrigate nearly one hectare (2 acres) and costs around \$110, plus \$35 for accessories (hosepipes, nozzle and spares). The cheaper HipPump (a hip-powered version) irrigates a half hectare (1.25 acres) and costs around \$70 with all the attachments. These are the lowest cost irrigation systems on the market, and they enable farmers to grow and sell high value produce throughout the year and especially in the dry seasons when the prices are highest.

KickStart is currently exploring how to broaden its offering to include agronomy advice, farmer friendly financing and other inputs.

In Kenya, KickStart offers an incremental micro-savings payment system that bypasses the risks involved in expensive and sometimes unavailable microcredit loans. This unique "layaway" program provides a secure saving environment free from theft, unexpected impulses or relatives. Customers save money for a pump by texting small amounts into an electronic bank account, a service managed by Vodafone's mobile banking service M-PESA. Once they have saved the full amount they collect their pump.

Value chain: KickStart designs its products in-house, outsources manufacture in China and imports pumps to Africa where it sells them to local dealers, wholesalers and NGOs.

KickStart has established a network of dealers/stockists that are supported by a team of sales agents (51 in Kenya) who visit potential customers and organize demonstration events on farms and during market days to raise awareness and understanding.

Since 2006, a "B2B" channel (i.e. Global Institutional Partnerships) focusing on institutional sales to wholesalers, NGOs and governments operating outside of Kenya and Tanzania, has generated significant additional sales; 37% of total sales in 2011.

Results: To date, KickStart has sold over 215,000 pumps (Kenya: 75k, Tanzania: 52k, Malawi: 32K Mali: 9k, etc) to small-holder farmers, sometimes through NGOs and government agencies. Additional growth is projected as KickStart expands its countries of operation and pursues B2B channels and institutional sales. In regions where it has carried out intensive sales activities it has achieved up to 13% penetration. Customers who use the pumps successfully (over 80% of buyers) have seen their average annual net farm incomes increase by on average \$750/year after the first 18 months using the pump to grow and sell vegetables in the dry seasons. If used correctly the pump can easily repay its full price in the first 3-4 month growing season. KickStart relies on donor funds to pay for the market development activities needed to reach critical scale.

Exchange rate: 1 USD= 84.4KSH

Sources:

Field visits to KickStart Kenya operations, June 2011. Interviews with Martin Fisher, CEO; Alexandre de Carvalho, COO; Oscar Ochieng, Budgets & Grants Finance Officer, June to November 2011

KickStart website: www.kickstart.org

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