

## Stakeholder Interview Report January 18, 2019

---

### EXECUTIVE SUMMARY

Resonance has conducted interviews with 17 OpenLMIS community members and other stakeholders, prior to our market sounding visit to Malawi and Tanzania. These interviews were designed to gain an understanding of the history of OpenLMIS and capture insights on the possibilities for the future state of the product, with an eye toward sustainability. We have grouped our insights from the discussions around three categories: OpenLMIS community, customers, and technology. The report below shows our synthesis of these findings and insights.

The insights will have implications for Governance Committee decision-making around business models and future sustainability, and the Resonance team will use the insights as key points for discussion during the January Workshop, as described below. For this initial round of interviews, we spoke mostly with global governance and community members and therefore the report reflects the global perspective. Through market sounding and further discussions with stakeholders involved in country-level implementations, the Resonance team will also surface differences or nuances between the global and in-country perspectives.

Below, we have grouped our insights from these conversations around the three categories of findings: 1) Community, 2) Customer, and 3) Technology. During the workshop in late January, Resonance will leverage these findings to build an analytical framework that will move from findings to action.

---

### KEY FINDINGS

#### Key Findings – Community Perspective

OpenLMIS has a strong community with equally strong perspectives. However, as with any consortium of different organizations, these perspectives are not always perfectly aligned. Two areas where we saw consistent misalignment were the definitions of OpenLMIS sustainability and the OpenLMIS value proposition, both of which are imperative in how we collectively decide to move forward with the project.

- **It's important to clearly define what OpenLMIS sustainability means.** While there's no doubt that most stakeholders we interviewed have an interest in the long-term sustainability of OpenLMIS, there are varying interpretations of what that could mean. For instance, one definition of sustainability would be for OpenLMIS to continue in its current state but with a different funding stream for either core or implementation funding<sup>1</sup>. An alternative definition of OpenLMIS sustainability would be to support it through a new product model altogether, either in a related or adjacent market, which would likely require new funding streams from different sources. During the January workshop, Resonance will facilitate a discussion to help create a common definition for OpenLMIS sustainability for both current and future states.
- **There are many value propositions within OpenLMIS, and a singular definition will offer clarity to prospective customers.** We started phase one interviews by asking interviewees what OpenLMIS means to them. We received many different answers, demonstrating that the value

---

<sup>1</sup> We define core funding as supporting the upkeep, maintenance, and promotion of OpenLMIS at a global level and implementation funding as supporting specific in country implementations of OpenLMIS. Both funding streams are currently funded by donors through a mechanism or project.

proposition of OpenLMIS varies by who we were talking to, their interactions with the product, and their role. One Governance Committee member said that OpenLMIS is “an accessible platform that could help countries move from basic to more advanced supply chain management,” while another stated, “OpenLMIS fills the gap between national procurement and frontline health workers inventory.” Another Governance Committee member discussed the true benefit of OpenLMIS – especially v3 – as the ability to implement the same software for a different Ministry of Health in a different country with little need for customization. OpenLMIS clearly has many benefits but is also not the right solution for all LMIS needs in every country. To effectively target and persuade current and future customers, it will be necessary to have a clear and simple value proposition. As we collectively consider future-state business models, it will be important to consider the OpenLMIS brand and how its value is communicated across partners.

- **Implementers want to be solution-agnostic.** Many community members have shifted their perspectives from promoting OpenLMIS as the single solution in every country instance to promoting the best solution (e.g., OpenLMIS, Logistimo, or another tool) for the maturity of the market, the particular circumstances of a health ministry, or other reasons. Implementers want to promote the product that best fits the need of their customers. This shift, however, is harder in practice as some organizations have become intrinsically linked to the OpenLMIS platform, which makes it harder to promote different solutions. Rebranding OpenLMIS as either a suite of services or a solution-agnostic framework would give donors and implementers the flexibility and credibility to support the best solution for the context of a country or application.

## Key Findings – Customers

The OpenLMIS mission statement states that the initiative seeks “to improve health commodity distribution in low- and middle- income countries.” The current target customer base – Ministries of Health in those countries – are very happy with the positive impact that OpenLMIS has brought to the health sector but do not currently have the resources to pay for the cost of ownership of the technology. Furthermore, while the current implementations have been widely successful, one gap that several Governance Committee members discussed was the lack of a formal mechanism to capture consistent user-feedback and share it with the broader community. Currently community employs a reactive marketing strategy to engage with potential future customers. As the Governance Committee decides on the future state of OpenLMIS, one key variable that can enhance and streamline for future growth will be a more segmented and targeted marketing strategy.

- **Long-term sustainability of OpenLMIS will not come directly from its current customers.** OpenLMIS is currently deployed among Ministries of Health in low-income countries, but these customers have little financial stake in either the procurement of the product or its implementation. One Governance Committee member described these customers as difficult to sustain OpenLMIS because their “willingness to pay for software is zero.” And because the current model does not include adequate funds for customization, the current customers will “come to dislike their OpenLMIS instance and want to find another donor to buy something else.” With the current customer base, donors are an essential part of the funding equation for OpenLMIS, while a different customer base would alleviate some of that pressure on finding donor funding.
- **User-driven enhancements have not been fully integrated into global product design.** Capturing the in-country user experience is extremely important so that learnings from implementations are understood and acted on by the Product and Technical Committees. Currently, user feedback is only collected formally and in a collective manner when events bring stakeholders together, such as the recent Global Health Supply Chain Summit in Zambia. There is no regular cadence of user-generated feedback, prompting one Governance Committee member to state that at a global level, “there is too much focus on functions and not enough on the users.” More

consistent sharing of feedback at a global level from customers and implementers in country will support product improvements and will increase customer engagement.

- **A word-of-mouth sales strategy leads to unrooted demand.** Currently, OpenLMIS uses a reactive marketing strategy, responding to inquiries that come through the website, responding to RFPs, and relying on word-of-mouth. In some instances, this can cause demand to be superficial; for instance, in a scenario where a need exists, but OpenLMIS may not be the best solution to meet that need. According to one stakeholder, OpenLMIS is “marketed off the backs of donors and implementers,” illustrating how their perspectives can influence the selection of a solution. While a strong network and good word-of-mouth marketing can enhance a product’s reputation, provide endorsement, and lead to new implementations, it will be important to pursue a more proactive marketing strategy aimed at a specific customer base.

## Key Findings – Technology

As a software product, initial and ongoing technology decisions have impacted the current state of OpenLMIS. We have captured the implications of the deep customization of OpenLMIS and the use of an open source model. As inherent to this model, the global community has not historically been able to fully capture nor utilize implementation data. Due to the fact that the data is owned by the customers of the country implementation, full utilization of data may not be possible, however. The OpenLMIS technology enables in-country users, but implementation in “data dark” markets still presents challenges.

- **Deep customization limits universal upgrades.** In each of its implementations, OpenLMIS replaces a paper-based system that has been relied upon by health workers for years, or even decades. To ease the transition to a new, electronic system, and to promote adoption, implementers have been customizing 10-20 percent of the source code in OpenLMIS v1 and v2. While these modifications allow the product to closely replicate the paper-based systems it is replacing, the creation of these “forks” prevents or delays upgrades and bug resolution from the OpenLMIS global support team. Over time, this has made the v2 version of OpenLMIS stale and unable to receive the benefits of enhancements. It is important that the community considers the feasibility of upgrades when evaluating any future governance model.
- **An open source model limits centralized influence.** While the open source model has enabled the adoptability and affordability of OpenLMIS’ current implementations to meet the needs of each country context, the independence of each implementation prevents global oversight and influence. There is a mindset that once an implementer moves forward with OpenLMIS, it belongs to them. While they may seek occasional support from the global team, they do not want to be told what to do or how to do it. “If we can’t have independence, we will go back to paper” said one of our interviewees, in reference to a Ministry of Health implementation. There is also a discrepancy between how the donors want the product to be used and how the Ministry of Health in each country wants to utilize the product. With both benefits and drawbacks to an open source model, the Governance Committee can decide whether open source also makes sense for new instances created in its future business model.
- **The global state of data and reporting is still somewhat limited.** While the v3.5 analytics dashboard is a substantial improvement from previous versions, all but one implementation operates using the source code from v2. Given the nature of the model, there are also no automatic (and/or mandated) analytics that are collected at the global level. While adoption rates and numbers of users can be surmised by OpenLMIS’ stewards or global partners, there is no steady feed of data that is readily available. In the same vein that the inability to have visibility into usage in real-time can be considered an inherent drawback of the open source model, it also provides in-country implementers with independence from their global counterparts. The Ministries of Health, the

ultimate owners of the data, may however be hesitant to share the data for the betterment of either the community or the future of OpenLMIS. Even though OpenLMIS captures a wealth of data, it may not be possible to commoditize this data for future sustainability.

- **The future of OpenLMIS will need to meet people where they are.** One Governance Committee member stated that “OpenLMIS exists in an ecosystem where there is not a history of successful software support.” In markets that are considered to be “data dark,” which have relatively low digital literacy or issues with connectivity, it is important that a future state strategy of OpenLMIS take into consideration a country’s digital landscape as well as its capacity for long-term technology sustainment and support. An understanding of these factors, aspirations, and limitations should be woven into the design for a digital solution to be adopted. Furthermore, if a country is further along in its journey toward implementing electronic information systems, the value proposition and ability to integrate OpenLMIS may be different. In addition to capturing information on a country’s technical capabilities, when implementing new or upgraded instances of OpenLMIS, it is also helpful to understand whether there is investment funds and resources for trainers, training materials, change managers, and project managers.