

## A Delicate Balance for Ruby Cup: Profitability and Sustainability at the Base of the Pyramid

In 1998, at 14 years old, Maxie Matthiessen first began to consider the impact menstruation had on disadvantaged populations when her neighbors came knocking on her door collecting donations for refugees from the war-torn country of Sri Lanka. They told her that girls and women were without feminine hygiene products and urgently needed pads and tampons. Matthiessen was both surprised and intrigued. When she thought about wars, natural disasters, or developing economies, food, toilets, and shelter had come to mind. But she had given little thought to the importance of menstrual hygiene.

Fast forward 10 years. Matthiessen was about to finish her master's degree at the University of Copenhagen Business School when she learned of a product that was gaining popularity among female students — the menstrual cup, an eco-friendly alternative menstrual hygiene product. She asked two of her fellow students — Julie Weigaard Kjaer and Veronica D'Souza — to join her in her quest to bring the menstrual cup to disadvantaged populations. They asked: Is it possible to create a flourishing business model in a developing country? How will the product be accepted by different cultures? What are the right sales and distribution models?

### The Problem

Girls and women in disadvantaged populations faced challenges with their monthly cycle. They could not afford menstrual hygiene products and had little else to manage their menstruation. Disposable solutions were expensive and out of reach for most of these girls and women. In 2009, the news agency Inter Press Service wrote that in Uganda, "Despite tax waivers introduced to reduce the cost of sanitary pads, finding money to buy them each month is a challenge for many grown women, never mind pre-teen girls."<sup>1</sup> Furthermore, disposable menstrual hygiene products caused environmental problems.<sup>i</sup> This was especially true in settings with inadequate waste collection. Alternative menstrual hygiene solutions often included unhygienic items, such as rags, cloth, socks, and even bark and dried mud.

i The Ocean Conservancy collected and cataloged debris along U.S. coastlines between 2001 and 2006, finding that tampon applicators made up 2.2% of the total debris field, more than syringes, condoms, and plastic six-pack rings combined.

*Published by WDI Publishing, a division of the William Davidson Institute (WDI) at the University of Michigan.*

© 2015 Maxie Matthiessen. This case was written under the supervision of Aneel Karnani, professor of strategy at the Ross School of Business at the University of Michigan, by Maxie Matthiessen, co-founder and chief operating officer, Ruby Cup by Makit ApS. This case was prepared to be the basis for class discussion, rather than to illustrate either the effective or ineffective handling of a situation.