# CLIMATE-SMART TECHNOLOGY SOLUTIONS FOR HOUSEHOLDS

SEED Replicator Workbook

**Preview**

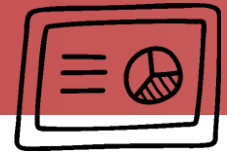### Eco-inclusive role models

When talking about **"eco-inclusive"** – or the "Triple Bottom Line" – we refer to the integration of social, environmental and economic goals into the business model. Various entrepreneurs have already developed innovative, eco-inclusive business models that turned out to be successful and create relevant social, economic and environmental impacts, while at the same time are simple and require relatively low upfront investments. Some of the SEED Award Winners have agreed to share their methods and experiences with you in this Workbook.

### Existing business models can guide the way

Replicating solutions that work can offer a fast and effective way to contribute to sustainable development and improve people's livelihoods. The idea of replication is that you can learn from existing eco-inclusive enterprises. Elements of successful business models can be replicated to your own idea and adapted to another geographic location. The workbook explains a set of business models and its replicable elements to you. It identifies best practices and sheds light on conditions under which eco-inclusive enterprises of a specific sector operate. At the end of the two days, you will have a clearer picture how a successful business model looks like and will have thought trough the details of your idea or business. After the workshop, you can connect with others in the SEED Community, including the presented SEED Award Winners, to team up for sustainable development.

### What to expect – and what not to expect

The SEED Replicator Workbook will inspire you with examples of business models that are proven to work. It provides you with information on replicable **elements** of these business models and a range of **success factors**. By asking the right questions, it guides you through the process of taking these elements and tailoring a business idea to your local market. What it does not do is offer ready-made solutions and comprehensive business models to simply copy and paste. With a bit of guidance you are about to modify the best solutions without having to re-invent the wheel!

## WELCOME TO OUR COMMUNITY OF SEED ENTERPRISES!

# How to use the Replicator Workbook

## This workbook includes two different components

**01 Readings** provide insights into the sector, proven business models and best practices.

**02 Tools** provide step-by-step guidance to adapt proven business models to your local and individual context.
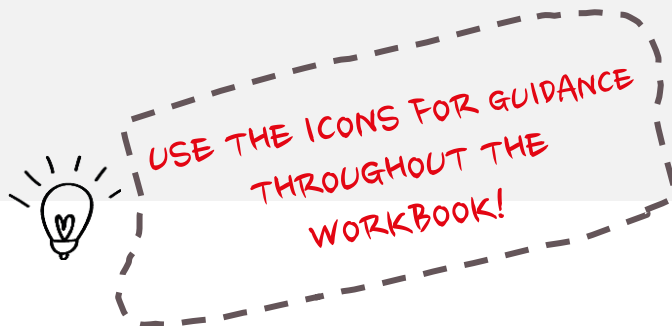
## 01 READINGS

We included various READINGS. This includes **proven models of eco-inclusive enterprises** around the globe, complemented by sets of best practices and explanations of conditions under which eco-inclusive enterprises operate. These readings are based on experiences of SEED entrepreneurs.
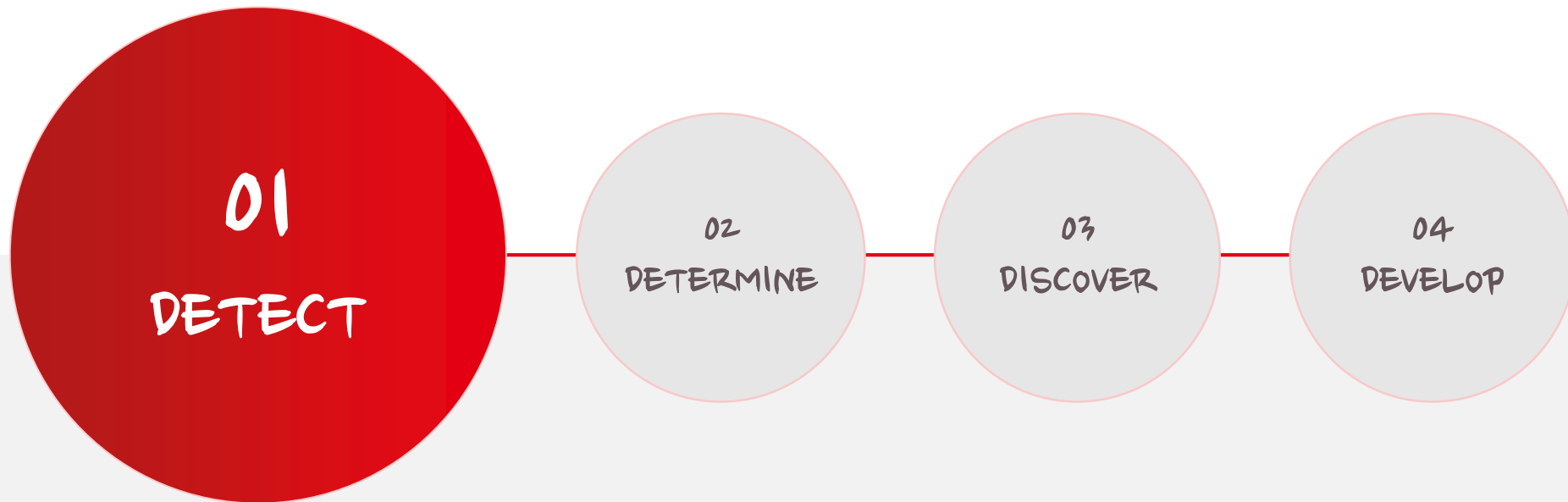
## 02 TOOLS

Each of the tools provides step-by-step guidance to arrive at key outcomes. The first page of each tool offers a short overview of when to use the tool, what you do in the tool, how the tool is best used and which key outcomes are expected. The following pages explain in detail what to do and which questions to ask yourself at each step.

At the end of each tool, you can find worksheets to document the outputs you create during the process of working your way through each tool.

USE THE ICONS FOR GUIDANCE THROUGHOUT THE WORKBOOK!

**01**
DETECT

**02**
DETERMINE

**03**
DISCOVER

**04**
DEVELOP

Detect sustainability challenges in your country and brainstorm solutions to tackle them. Learn about the potential of eco-inclusive enterprises and which social, environmental and economic impacts you could achieve.

# Market-Based Perspectives
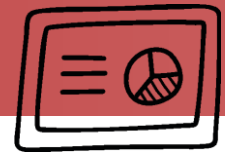
## CONVERTING CHALLENGES....

### ENERGY ACCESS

→ Higher energy access is essential for countries to improve living standards, but in past and current energy systems $CO_2$ emissions have been an unavoidable consequence of development.[1]

→ As of 2018, about 860 million people lack access to electricity.[2]

### MARKET CHALLENGES

→ 2.6 billion people still use inefficient biomass cookstoves.[2] Also, the lack of price on fuelwood in many markets challenges the replacement of traditional appliances with cleaner and more efficient models.[3]

→ One size does not fit all. Failing to provide options that meet the specific needs of households according to cultural, economic and geographical contexts, limits adoption and use of climate-smart solutions.

### LIMITED KNOWLEDGE

→ Communities in poorer and more remote regions often possess limited knowledge and awareness of both poor standards of existing products available as well as alternative climate-smart solutions.

→ Lack of trained workers with the skills required to install, operate and maintain the diverse climate-smart projects.

## ...TO OPPORTUNITY:

### INNOVATIVE ENERGY PRODUCTS INCLUDING

→ Biogas systems convert organic material into gas used for cooking, lighting and powering electric generators. This improves sanitation and hygiene as well.

→ Clean cookstoves cater to households' needs and preferences such as a two-pot cookstove, that allows several dishes to be prepared at the same time.

→ Energy efficient products that conserve, reuse and improve water heating and cooling technologies, to decrease electricity costs of the technology.

### IMPROVE ACCESSIBILITY TO CLIMATE-SMART TECHNOLOGY

→ Allow consumers unable to afford upfront costs of household products to overcome this barrier by paying in instalments through pay-as-you-go platforms / mobile technology.

→ Provide on-site after sales services at fixed points to reduce travel time, costs, and burden on customers for equipment repair and maintenance.

→ Increase consumer education on equipment use and maintenance via local, trained salespersons.

### CAPACITY BUILDING IN RURAL AREAS

→ Extend opportunities to local communities, especially women & youth, to participate & spread knowledge among fellow community members.

→ Offer sales, technical services and business operations training that strengthens the value chain of climate-smart technologies in rural areas.

→ A technology-focused business model generates meaningful data around customer usage and pricing. This allows the product/service offered to be improved.
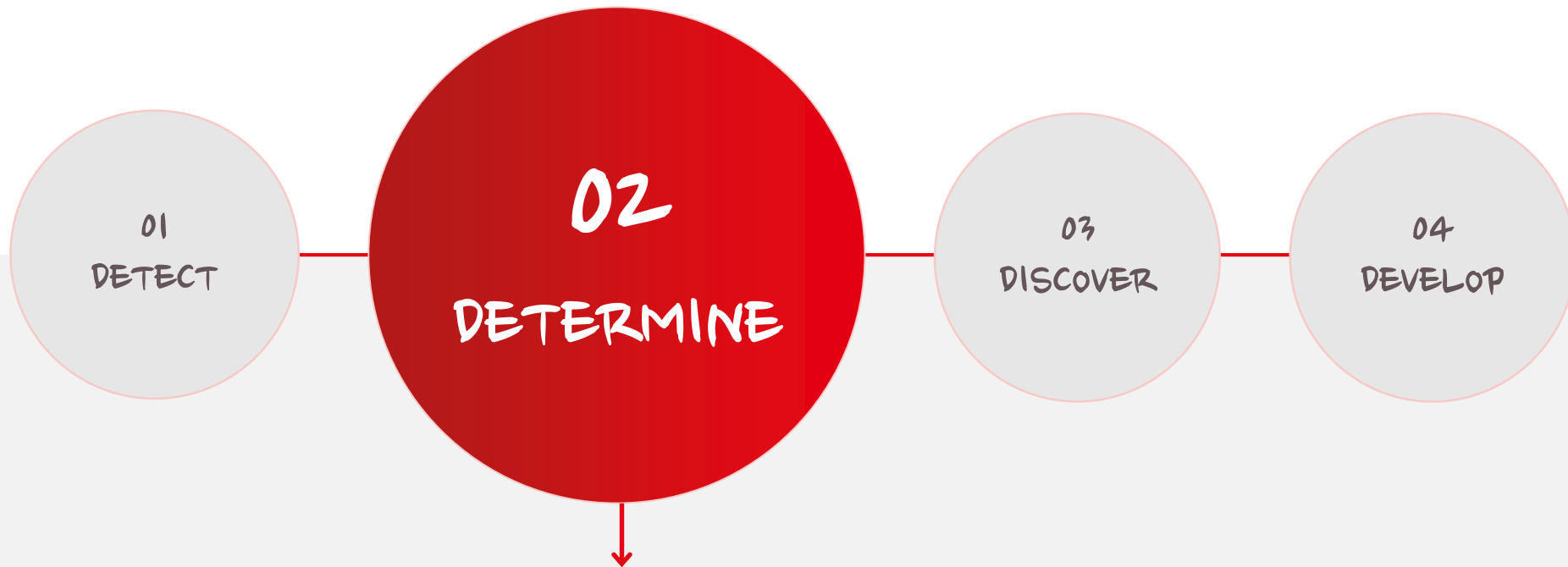
[1] Roser & Ritchie, 2020
[2] IEA, 2019
[3] CCA, 2019

Participate in an upcoming Replicator Workshop to discover more about climate-smart innovation in agricultural distribution and production!

01
DETECT

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Determine your target customer and the benefits you want to create for your stakeholders. Map out why your solution is unique and why your customers will love it! Work on your key activities, processes and resources.

# Your Customer Tool

## When

To refine your business idea, you need to identify your potential customers.

## What

The customer is the focus of every business. Even the best idea is worthless if no one buys the product. Most enterprises serve different groups of customers (customer segments) that share certain characteristics. Identifying the different segments in the first step helps you to learn more about each of them. Once you have stepped into your customers' shoes, you can target your product and marketing activities better.

## How

Sit down to think about what customer groups you would like to serve. Once you have identified the customer segments, it's time to go out and speak with your potential customers to gain a better understanding of their needs.
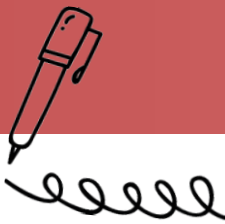
## Steps

**01** Identify Customer Segments

**02** Understand your Customers

### KEY OUTCOMES

- Get to know potential customer segments for your product

- Set the basis to build a customer-centric business model

*This tool is an example for one of many SEED business tools which you can find in the regular Replicator Workbook!*

# Your Customer

## Step 01 — Identify Customer Segments

The first step is to divide the large pool of potential customers into customer segments. Customer segments are groups of customers who share certain characteristics or behave in a similar way.

→ **What will influence the preferences of potential customers towards your product or service?**

→ **Will individual buyers have different expectations and needs from small stores?** What about government institutions, NGOs or businesses?

→ **Will grandchildren have different expectations and needs than their grandparents for example?** What about men and women, people with different religions, incomes, education levels or professions?

→ **Will people in rural areas have different expectations and needs from urban citizens?** What about people in City X and City Y?

→ **Will people who have different knowledge about your product or service have different purchasing and usage patterns?** Buy it more or less often, use it more or less often or use it in different ways?

Complete the information you gathered in the worksheet page. We have left space for up to five customer segments; you should identify at least two.

## Step 02 — Understand Your Customers

Out of the customer segments you identified in Step 1, select the ones that appear most important for you, for example because of their size, because they are most likely to buy your product or because they are the easiest ones for you to reach.

For each of your <u>key</u> customer segments complete the *Empathy Maps* on the pages after the first worksheet.

The *Empathy Maps* ask you to step into your customers' shoes: What does he/she think, say, see, do, feel, and hear? You can answer the questions in discussions with your team, through internet research, interviewing or observing potential customers etc.

It's easier to answer the questions if you imagine one representative person of each segment, and add their name and age in the middle of the *Empathy Map*, in addition to the title of the customer segment.

YOU WILL FIND KEY QUESTIONS FOR YOUR EMPATHY MAP ON THE NEXT PAGE

# Your Customer
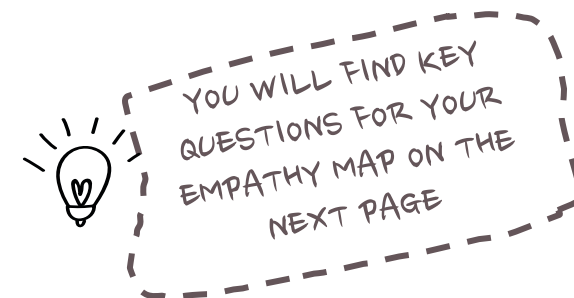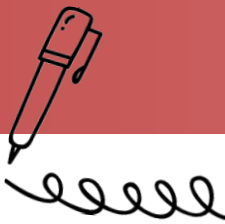
→ **What does she/he think?**

What matters most to her/him? What moves her/him? What are her/his dreams? Which may be her/his worries?

→ **What does she/he say?**

What does she/he tell others? What is his/her attitude? Does she/he influence others?

→ **What does she/he see?**

What kind of products/services does your customer see in the market? What attempt is being made to influence her/him?

→ **What does she/he do?**

What is she/he constantly trying to improve? What activities does she/he cherish doing? How does she/he spend their time?

→ **How does she/he feel?**

What does she/he experience in relation to your product or service domain? This experience can be negative or positive.

→ **What does she/he hear?**

What do friends say? What do her/his influencers say? What media channels influence her/his opinions on products and services?

Based on the results from Step 2, you are now all set to go to the next tool, to work on your solution. Keeping the following questions in mind will prove useful:

→ **How can you fulfil the needs of your customers, and provide them with more benefits?**

→ **Should the product or service be targeted towards different market segments?**

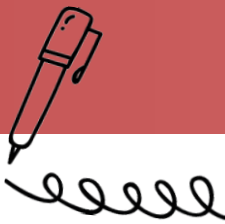→ **Is there anything else you still want to learn about your customers?**

# Your Customer

| Customer Segments | | | | |
|---|---|---|---|---|
| **Title** | | | | Step 01 |
| **Description** | PLEASE WRITE DOWN... | | | |

# Your Customer: Empathy Map

### What does she/he **say**?

### What does she/he **think**?

PLEASE WRITE DOWN...

### What does she/he **see**?

### Who **is** he/she?

### What does she/he **hear**?

### What does she/he **feel**?

### What does she/he **do**?

### **How** did you learn about your customer?

Participate in an upcoming Replicator Workshop to discover more business planning tools!

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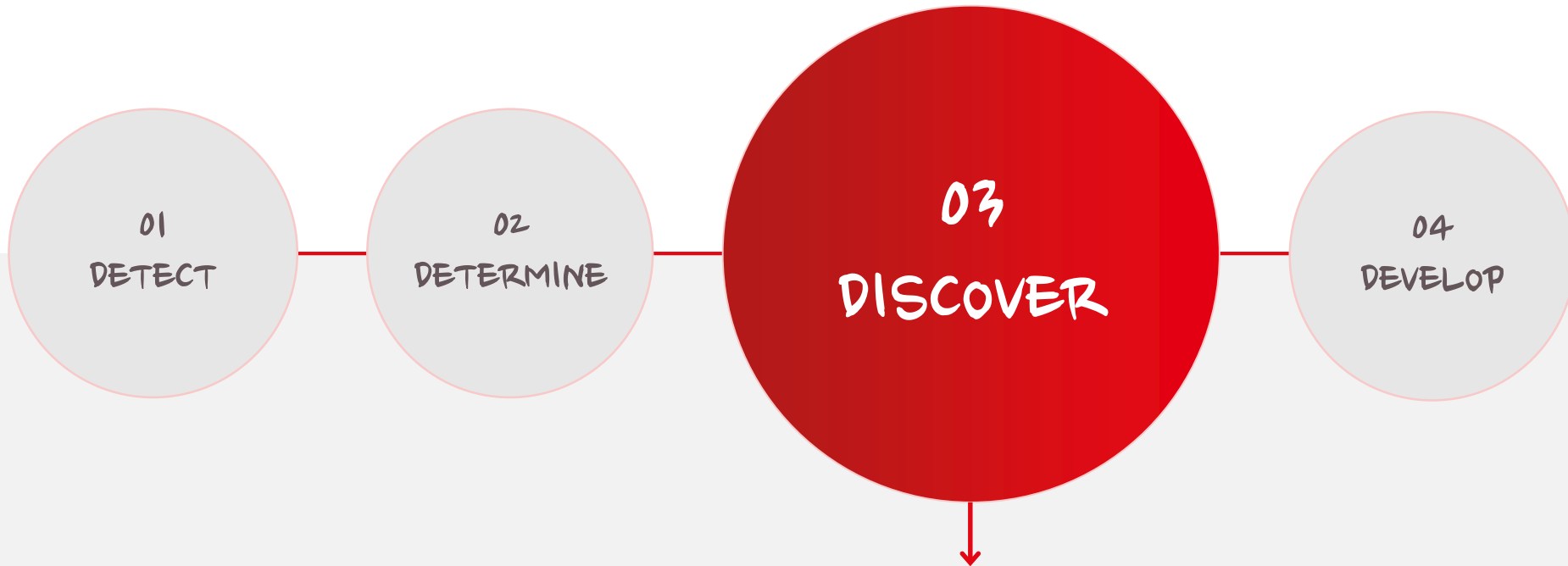
Discover proven business models and identify key business elements. Try to replicate existing features and adapt them to your own business idea and local market.
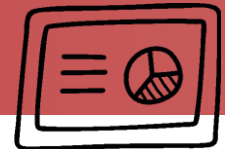
## Greenway

**Greenway** develops, produces and sells biomass cookstoves across India. The cookstoves are created in an iterative process in close cooperation with the end customers. Greenway does not sell pellets or other fuel types. While, like with other companies in the field, consumer finance plays a big role, one of the outstanding elements of Greenway's model is its incorporation of companies and NGOs into the finance structure.

**Value Proposition:** Greenway's stoves save users time and money. Furthermore, they help reduce negative health effects from conventional cookstoves. In respect to companies, Greenway helps them to a) fulfil their legal requirements for CSR programmes, b) create benefits for their employees.

### KEY FACTS

- **Full enterprise name: Greenway Grameen Infra**
- **Country of headquarters:** India
- **Founded in:** 2011
- **Employee size**: 132 (2020)
- **Operating in**: India (active in 15 states); some sales in Kenya, Zambia, Bangladesh, Nepal, Myanmar
- **Website**: https://www.greenwayappliances.com

**Preview**

Participate in an upcoming Replicator Workshop to discover more about Greenway and other eco-inclusive enterprises!

Get inspired from their business elements and learn about the enterprises' local conditions and success factors.

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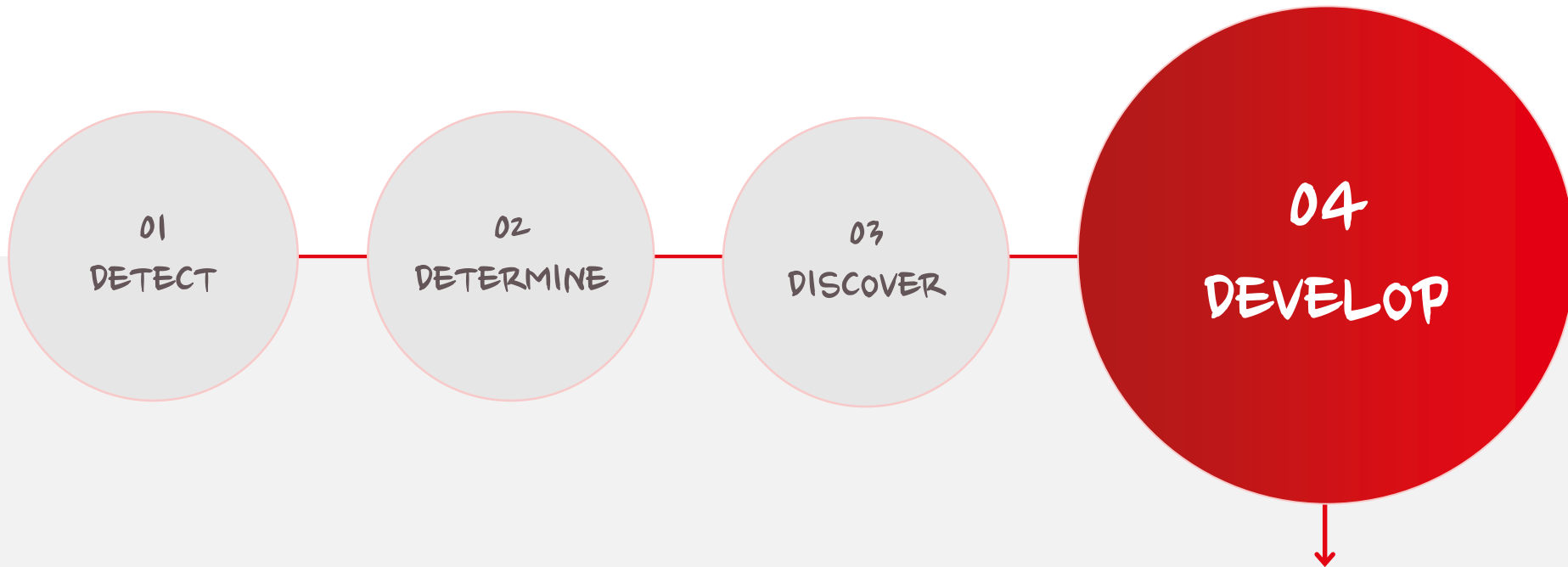
Develop an idea for replication and how you can adapt existing elements to your local context. Learn about forms of replication, practice pitching and prepare for reaching out to potential partners.

Participate in an upcoming Replicator Workshop to develop your own Replication idea!

# Let's replicate the success of eco-inclusive enterprises together!

## Learn more about the SEED Replicator and how to apply for an upcoming workshop near you:

✉ **replicator@seed.uno**          f **Facebook.com/seed.uno**

🌐 **www.seed.uno**          🐦 **@seed_sustdev**

**SEED**
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