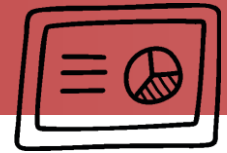# CLIMATE-SMART INNOVATION IN AGRICULTURAL PRODUCTION & DISTRIBUTION

SEED Replicator Workbook

Preview

SEED
promoting entrepreneurship
for sustainable development

Established by
UN environment programme
UNDP
IUCN

Funded by
Federal Ministry for the Environment, Nature Conservation and Nuclear Safety

Hosted by
adelphi

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!
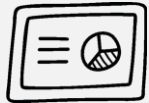
WELCOME TO OUR COMMUNITY OF SEED ENTERPRISES!

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.
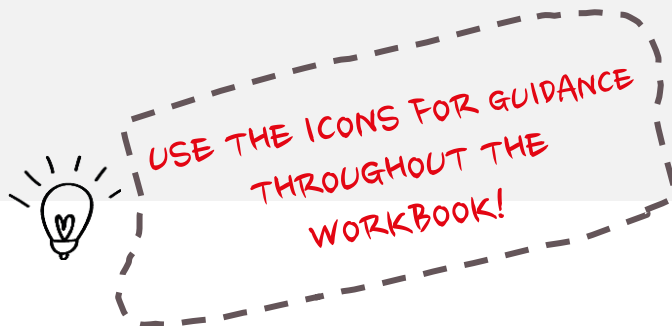
01 READINGS

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.
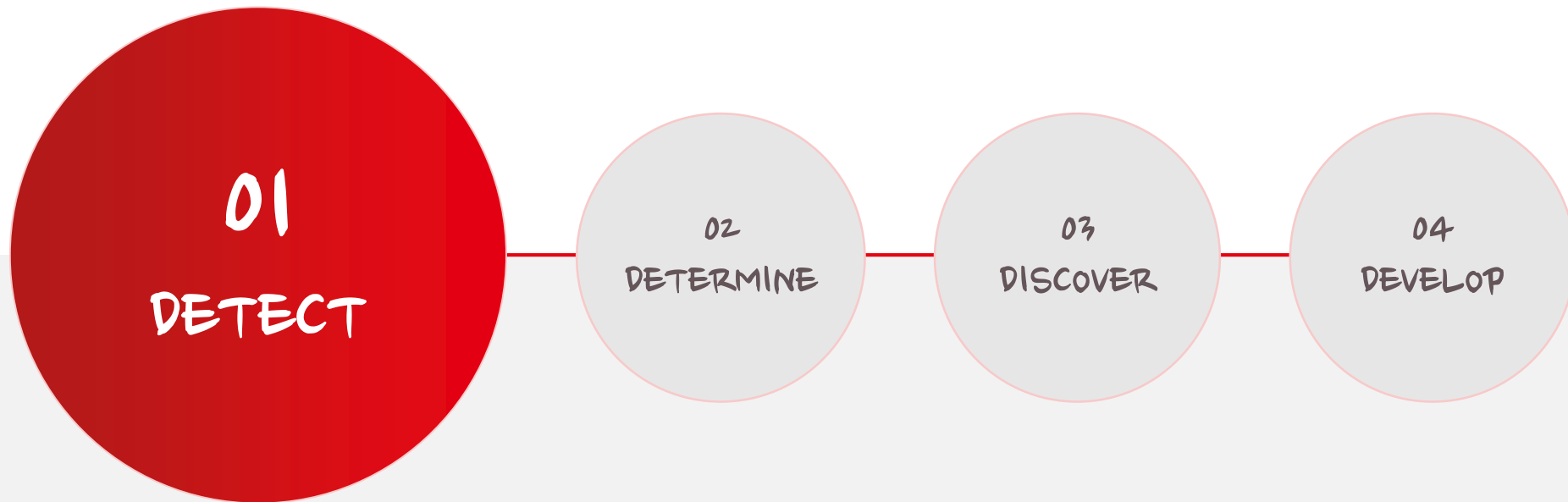
02 TOOLS

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

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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
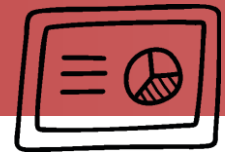
CLIMATE-INDUCED RISKS IN AGRICULTURAL PRODUCTION

→ Climate change as source of significant additional risks for agriculture and food systems[1]

→ Impacts include changing average growing conditions, increased climate and weather variability, and higher uncertainty in predicting climate and weather conditions

CHALLENGES IN VALUE CHAIN DEVELOPMENT [2]

→ Difficult for farmers to access inputs and customers in general because of inefficient market for crucial agricultural goods and salary services

→ Barriers such as limited infrastructure, irrigation systems, technical know-how, seeds & commercialisation of the agricultural space

→ Challenge of accessing affordable finance

RETHINKING PRODUCTS

→ Innovate agricultural products by placing existing products in a new context or by developing entirely new products

→ Demands for animal protein and processed food products are rising but are resource- intense

→ For example, insect-farming as efficient and sustainable meat replacement

…TO AGRICULTURAL INNOVATION

CLIMATE RESILIENT FARMING

→ Enhance productivity and reduce risks and losses due to climate uncertainty

→ Support organic farming methods

→ Build an ecosystem that empowers farmers and connects stakeholders

→ Create value for other stakeholders such as government agencies that can use the aggregate data to better understand production and take action accordingly

ECO-INCLUSIVE AGRICULTURAL VALUE CHAINS

→ Improve the performance of agricultural value chains can benefit large numbers of people (producers, traders, processors & retailers)

→ Train farmers in low-cost input and natural farming techniques

→ Install seed & tool banks and solar-powered processing & packaging facilities

→ Increase affordability & availability of organic produce through short value chains

EXPLORING NEW SUSTAINABLE PRODUCTS & METHODS

→ Market potential of substitution of unsustainable products

→ Contribute to the circular economy, e.g. turn agricultural waste products into new products such as plant-based leather

→ Include local farmers in value chains

→ Create a larger ecological consciousness in different sectors

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

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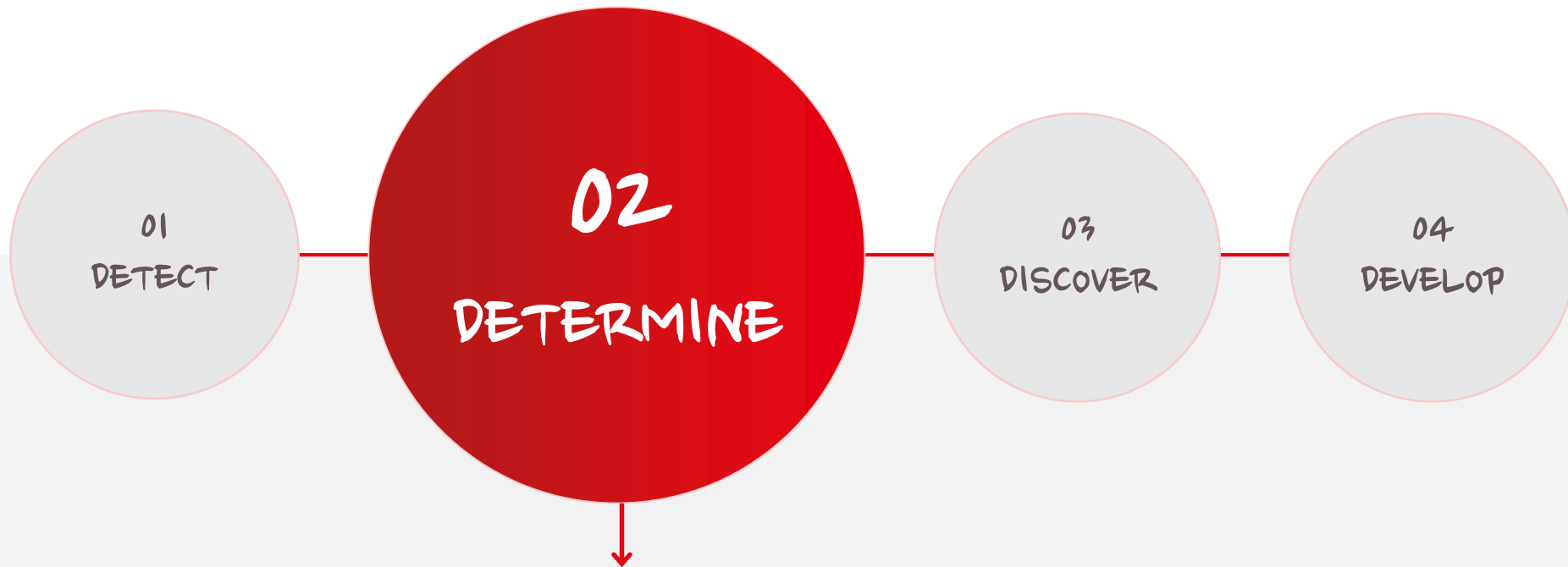
Determine your target customer and the benefits you want to create for your stakeholders. Map out why your solution is unique and why your customers will love it! Work on your key activities, processes and resources.

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

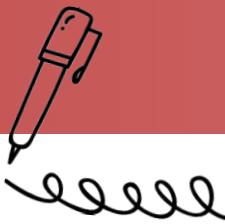**01** Identify Customer Segments

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 key 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
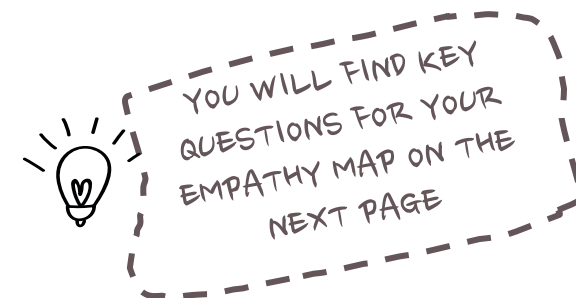
→ **What does she/he think?**

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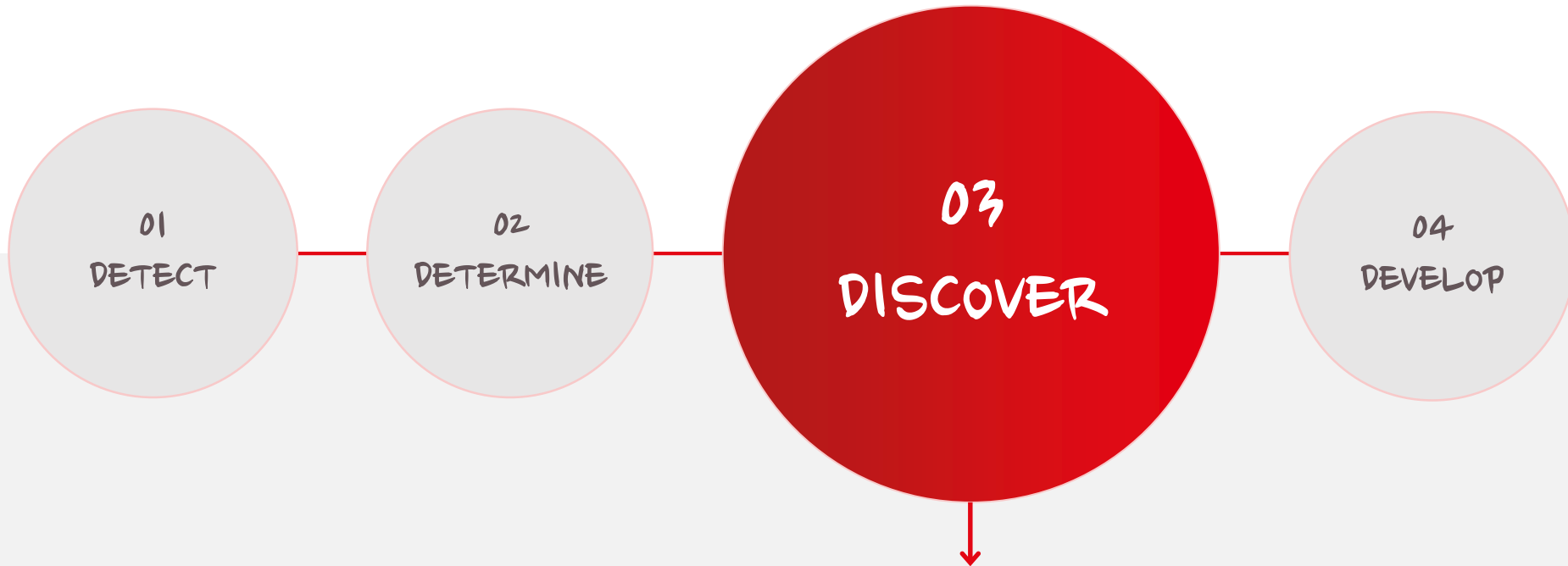
Discover proven business models and identify key business elements. Try to replicate existing features and adapt them to your own business idea and local market.
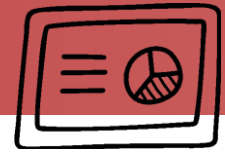
eKutir

eKutir has led the way in developing data-driven, networked technologies to solve complex societal challenges. They are known for co-designing solutions with isolated and marginalized communities. Their technological solutions have made them effective in addressing issues that others before them were unable to solve. The new brand **Blooom** is a fully integrated, soil to shelf tech platform for sustainable food supply chains. On the surface, Blooom is an elegantly simple, lightweight smartphone app — at its core, it is a series of algorithms on the cutting edge of agricultural technology, powered by the cloud.

Value Proposition: The innovation of eKutir is in designing a decentralized, risk-mitigating and transparent infrastructure for entrepreneurs and farmers, utlilising ICT as a tool. Blooom connects farmers & micro-entrepreneurs to different stakeholders, streamlining the work of cooperatives, companies and suppliers. Blooom's smart farming app provides dynamic crop, weather and market information and inputs to the farmers. Designed as a last mile delivery network, Blooom makes reaching out to small, rural and disadvantaged communities more systematic. By aggregating demand & supply, it also creates volumes worth trading.

KEY FACTS

- **Full enterprise name:** eKutir
- **Country of headquarters:** India
- **Scaling strategy:** Blooom International AG has been established in Switzerland to scale to new markets
- **Founded in:** 2009
- **Employee size**: 86 (2020)
- **Reach:** 120 micro-entrepreneurs are working with 41,560 smallholder farmers
- **Website:** www.ekutirsb.com, https://blooom.farm/

Preview

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

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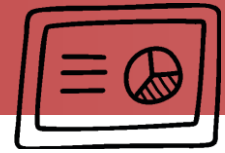
MYCL

MYCL, originally known as Mycotech Lab, is a biotechnology start-up focusing on developing sustainable material using Fungi as its main technology. This company aims to offer alternatives in the material industry that are better for the environment. Mylea, mycelium leather, aims to serve as an alternative in the fashion industry, especially for leather. MYCL's second product is Biobo, a bio binderless board that serves as an alternative for furniture such as particle boards which use formaldehyde in amounts that are not safe for human health.

Value Proposition: MYCL is an innovative platform to explore and produce innovative solutions in the form of products from mushroom technology. As a responsible company, MYCL offers markets an eco-friendlier alternative in the material industry. Products are made from agro-forestry waste, yet, MYCL also puts serious attention in material performance in order to create the material as strong as conventional products.

KEY FACTS

- **Full enterprise name:** MYCL
- **Country of headquarters:** Indonesia
- **Founded in:** 2015
- **Sector:** Manufacturing
- **Employee size:** 31 (2020)
- **Operating in:** Bandung, Indonesia
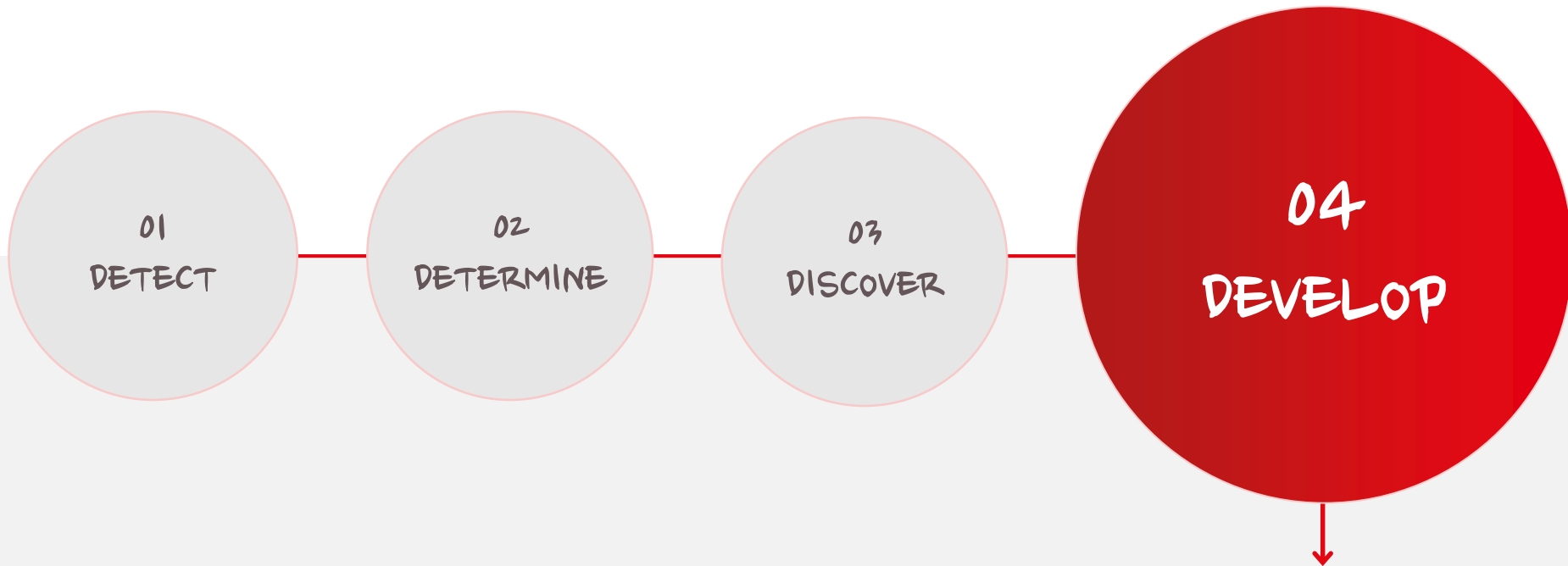- **Website:** MYCL.bio

Preview

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

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

16

Chapter 04

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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**

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