

SEED White Paper #1

## **Collaboration for Impact**

Building the Ecosystem for Replication Support Services





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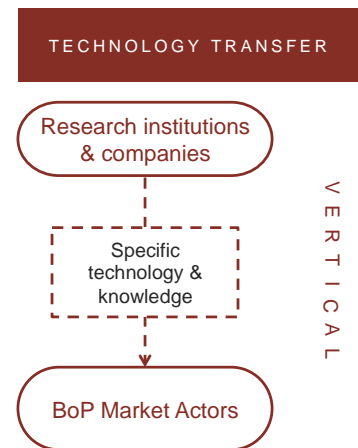
This White Paper shall offer inspiration as well as guidance towards initiating collaboration between different actors offering replication support services for eco-inclusive enterprises. The findings and conclusions expressed in this paper are based on research and expert discussions at the SEED Africa Symposium 2016. This is the first edition of our new SEED White Paper Series, more White Papers will be published soon.

## Replication Support – An Unseized Opportunity to Scale Impact

By developing and implementing sustainable solutions of production and consumption, eco-inclusive enterprises<sup>1</sup> have had a considerable impact on improving the livelihood of the people at the Base of the Pyramid (BoP) and tackling environmental challenges. However, these solutions are often confined to the specific geographical area or community for which they were designed. We believe that their potential for a larger-scale impact should be recognized and exploited.

There are many instances of failed attempts to replicate innovations in low-income communities, such as in the case of *PlayPump International* and their water pumps<sup>2</sup> that are activated by playing children spinning a wheel. Their model seemed ideal: it used the plentiful children playing as a resource and generated revenue through the sale of advertising, using the elevated water tanks as billboards. Through the replication of the successful technology in many villages it was expected to considerably increase access to fresh water for low-income populations. However, a few years later, many pumps were found being activated by women taking turns in spinning, children being paid to do it, or even simply abandoned.

These technology transfers mostly happen in a unilateral direction from the global North to the global South. Yet, the North-South transfers often don't meet the local market conditions because of issues of consumer needs, availability of resources or the local business context. Furthermore, these innovations often present a low degree of adaptation to the local environment and have a high financial requirement. However, favouring experience and knowledge sharing between eco-inclusive enterprises from the global South would allow the transfer of ideas that have already been tested in the context of low-income communities. Business and customer-oriented South-South transfers would follow the rationale of building on the ideas and processes from peers to increase impact.



North-South technology transfers often don't meet local needs and market conditions

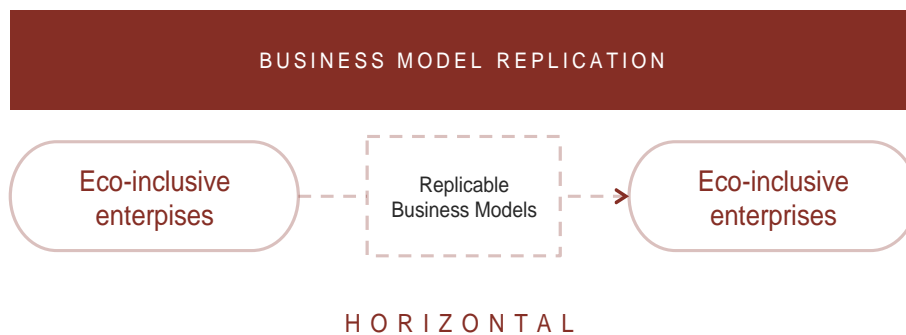
<sup>1</sup>There are a number of terms that characterise the concept of eco-inclusive enterprises. Some focus on beneficiaries as consumers or producers (BoP ventures), others on the business model (Green and Inclusive Business). Some focus on the entrepreneur (Social Entrepreneur), others make restrictions to profit-making (Social Business).

<sup>2</sup>Hobbes, Michael. "Stop Trying to Save the World." *New Republic*, 18 November 2014.

Many such failures of technology transfer can be attributed to the process of technology and knowledge transfer that doesn't adapt to local market conditions, available resources or consumer needs. Indeed, until the recent years, replication was mainly understood as a vertical process with a focus on a specific knowledge or technology to be transferred from firms or research institutions to specific actors in BoP markets. Hence, the potential of innovative solutions designed in the context of the local communities in which they would later be implemented, and that have proven to be efficient, has been widely ignored.

However, focusing on a horizontal process where two business-driven entities are involved shifts the emphasis from a pure technology-oriented approach to a business and customer-oriented approach. Indeed, by concentrating on the replication of the underlying business models that take into account the market opportunity and the operational implementation, the innovation potential of eco-inclusive enterprises can be more effectively exploited.

Entrepreneurs aiming to replicate a proven business model in their own



country often lack the information about successful eco-inclusive enterprises. Thus, international award schemes<sup>3</sup> or databases<sup>4</sup> can help to identify vetted models that might be replication-prone. Over the past 10 years, SEED has awarded more than 200 enterprises in over 40 countries for developing eco-inclusive business models. Even though not all of them are suitable for replication, many of them apply simple, adaptable and financially viable solutions which can be implemented elsewhere with a low upfront investment. Having analysed and worked with the vast repository of solutions to social and environmental problems developed by the SEED Award Winners, our experience suggests that the replication of these locally tested solutions is an effective and efficient way to extend the reach of the eco-inclusive businesses beyond the scope of their targeted communities by leveraging successful ideas, methods and processes.

*Adapting proven innovative solutions to new local contexts by focusing on the business model offers tremendous impact potential!*

<sup>3</sup> e.g. among others: SEED Awards, Ashden Awards, Skoll Awards or Schwab Social Entrepreneur of the Year Awards, GSBI Social Enterprise Programme, Sankalp Awards.

<sup>4</sup> e.g. Database on Inclusive Businesses hosted by the Inclusive Business Action Network and the Practitioner Hub.



An intuitive analogy can be used at this point: few, very bright lighthouses shine only on selected pieces of land and make light available only to a few people at a time. On the contrary, numerous street lamps scattered around

illuminate vast pieces of land; although they are much smaller in size, light becomes available to more people in more areas than with the few big lighthouses. The replication of proven solutions can be considered as street lamps: the positive impact of small and growing eco-inclusive enterprises can be spread like the light through the scattered street lamps, and taken together this impact could be tremendous. A network of small but numerous street lamps will spread more light than a few big lighthouses.

However, to be able to replicate proven solutions, eco-inclusive enterprises need support services embedded in the business environment. It is crucial for eco-inclusive enterprises to be able to operate in a strengthened conducive support ecosystem, as well as benefit from support services tailored to their needs. According to sectors or countries, those needs differ widely, and require a context-specific and locally embedded support approach accompanying the different replication strategies. We believe there is a need for organisations in the eco-inclusive enterprise field to promote replication support and grasp this yet unseized opportunity to scale the impact of eco-inclusive enterprises.

This white paper aims at analysing the landscape of replication support services to show that there is a missing gap in an environment where the focus is shifting from technology transfer to business model replication. Our goal is to draw the features of a strong replication support ecosystem that can foster the dissemination and reproduction of inspiring and successful business models.

This white paper discusses the following topics:

- What is replication, what are the support needs, and who is involved?
- The four stages of replication support
- A landscape of existing support service providers
- The path towards a strong support ecosystem and recommendations

*A strong support ecosystem is needed to back enterprises in the replication process!*

# From Innovation to Imitation

In recent years, the debate about replication and innovation transfer has flourished in the eco-inclusive enterprise sector. The approaches taken and definitions used by the different actors discussing the matter vary greatly, and the key ideas generally associated with the concept spread out in various directions. We aim to lay the basis for a shared understanding of the concept in this white paper to improve the identification of measures that can be initiated to foster replication.

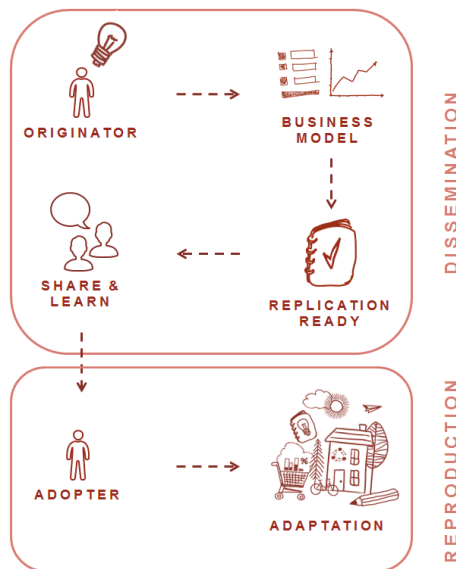
*A shared understanding of the replication process can help identify support measures*



As we have outlined in our recent study on replication, there are several modes of replication, each associated with a different level of control and openness of the originating business<sup>5</sup>. A successful eco-inclusive enterprise (originator) can expand its business model by setting up new branches, through franchising, by entering partnerships or creating a Joint Venture, which are each associated with a gradually decreasing level of control by the business model originator and an increasingly open replication strategy.

Using a completely open strategy, the originator strives to disseminate their business model for reproduction by the adopter, relying rather on new partnerships and processes instead of expensive technologies.

Indeed, highly mission-driven enterprises will see their model spread quickly by documenting their model, extracting best practices and providing recommendations to share this information with others.



<sup>5</sup> Tewes-Gradl, Christina; Tendai Pasipanodya, Akash Uba, and Mariska Van Gaalen. *Replicating Eco-inclusive Business Models. A Contribution to Sustainable Low-carbon Economies*. Edited by Amélie Heuër, Jona Liebl, Christine Meyer, Allison Robertshaw. Berlin, Germany: SEED, 2016.

### SEED Replicator programme

The SEED Replicator was launched in 2016 to foster replication of successful eco-inclusive business models as an effective way to increase positive environmental and social impacts globally. Within this program, replication is viewed as a means of increasing the scale of the impact achieved by the eco-inclusive enterprise, with the focus on an open strategy based on dissemination and reproduction of a business model. With an initial focus on five sectors (sustainable agriculture, manufacturing, energy, integrated waste management and tourism), research is thus conducted on the performance of high impact eco-inclusive businesses to identify promising replicable business models. However, it is not a means of copying and pasting exact replicates of the original model but rather a process of adapting the most relevant business components to the adopter's local context. Specific Replicator Workbooks are made available in Replicator Connect Workshops where selected applicants receive hands-on support for the first steps of building their own eco-inclusive enterprise.

*SEED launched the Replicator programme in 2016 to foster replication of successful eco-inclusive business models*

## The Long Term Perspective on Replication

As we have outlined, the mere transfer of technologies from the global North to the global South proved to be inappropriate. The exclusively unidirectional transfer approaches from North to South were hardly on eyelevel. Common critique points at the hierarchical and sometimes even paternalistic nature residing in such projects. Moreover, the success of such approaches is more and more at question. What starts with good intentions and hopes often fell short in meeting the expectations as technology alone does not provide for a sustainable and robust business case. Too many assumptions about adaptability in terms of cultural and geographical fit had to be abandoned. Technology tailored for "northern" needs and necessities cannot simply be applied in a "southern" context.

Nowadays, the development community seems to have learned from past attempts and follows a different approach. Instead of North-South, the focus now shifts towards South-South transfers. Hopes are that technologies developed within a similar context lay ground for long term success after all. This is an important step on the path towards a successful transfer, as the framing of the technology is already customized towards the specificities in place.

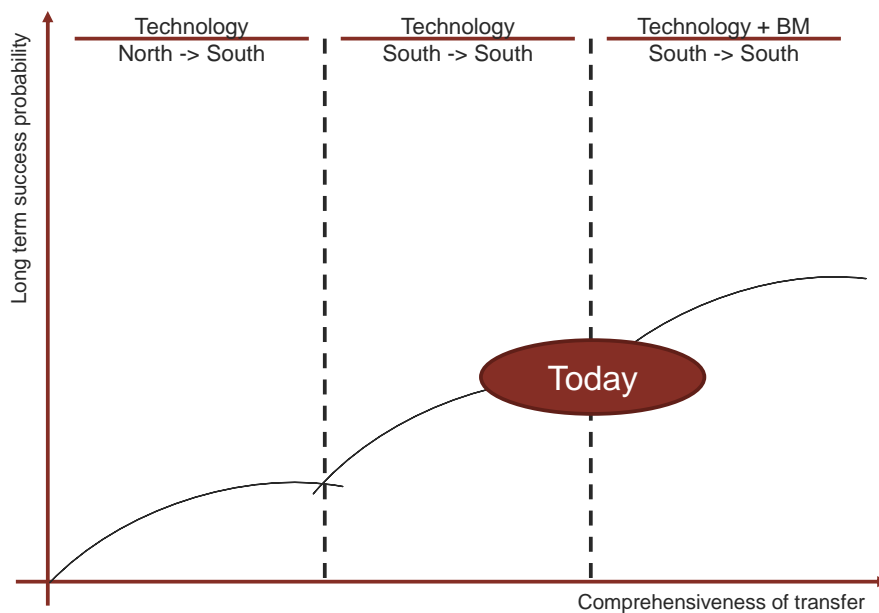
However, this kind of South-South replication is still unidimensionally focused on the technology to be transferred. What is still missing is the simultaneous replication of the business model (BM). Embedding the

*The shifted focus to South-South transfers is an important step towards effective replication!*

business model into the local environment can be a major lever for a successful replication. It is however still somewhat unstable: of course, the transferal of a business model demands for additional capabilities and capacities a business would have to make available for this. However, small businesses often lack the insight, expertise and time needed to elaborate and implement a business model on their own.

To ensure the transfer to be successful in the long run, the effort needs to be accompanied by support from the ecosystem. This not only demands for stakeholder involvement but also the professional expertise and deep understanding of business modelling. Hence, support from locally embedded service providers is a major success driver. While the business itself can focus on customers and operations, local business development service providers can step in and take care of the business model implementation.

*Long-term success of replication requires stakeholder involvement and deep understanding of the business model*



The comparison of the different transfer methods below shows that a South-South transfer, which includes the replication of the respective business model, is executed best when being accompanied by support services.

The South-South transfer of technology accompanied by business model components that are adapted to the local environment is thus likely to have a higher probability of long term success than the mere North-South or South-South technology transfer. Indeed, the complexity of the transfer is reduced, the adaptation to local specificities is higher, and the process is less resource-intensive.



Business Model Replication is thus a horizontal learning process with a business and customer-oriented approach based on South-South transfers. Rather than promoting few bigger enterprises in order to increase impact, replication strives to enhance the creation of many smaller eco-inclusive businesses by imitating existing business models. There are different replication strategies that are characterized by varying degrees of openness. A completely open approach is for instance taken by the SEED Replicator programme which aims to promote the dissemination and reproduction of proven eco-inclusive business models.

	TECHNOLOGY TRANSFER North-South	TECHNOLOGY TRANSFER South-South	TECHNOLOGY + BM TRANSFER South-South
<b>Complexity</b>	high	medium	medium
<b>Adaptation to local specificities</b>	none	<b>limited:</b> Technology customized to "southern countries needs"	<b>high:</b> <ul style="list-style-type: none"> <li>Technology customized to "southern countries needs"</li> <li>Respective BM included and adapted</li> </ul>
<b>Comprehensiveness of transfer</b>	none	none	<b>limited:</b> <ul style="list-style-type: none"> <li>BM and operations are modified according to local needs</li> <li>Only core business drivers are adapted</li> </ul>
<b>Resource intensity (financial, workforce, physical)</b>	<b>high:</b> <ul style="list-style-type: none"> <li>Specific skills for new technology</li> <li>Additional obstacle: technology customized for "northern logic" needs to be "translated"</li> </ul>	<b>high:</b> <ul style="list-style-type: none"> <li>Specific skills for new technology</li> <li>Skills in BM creation needed</li> </ul>	<b>medium:</b> <ul style="list-style-type: none"> <li>Specific skills for new technology</li> <li>Internal business skills needed to autonomously replicate BM</li> </ul>
<b>Support included</b>	technology support only	technology support only	technology and BM replication support

*The key to replication is South-South business model transfer with appropriate support!*

This business model transfer requires very specific support. In the next sections, we outline the support needs from replicating enterprises, the landscape of actors enabling replication and the different support service areas.

## Support Needs around Replication

Most eco-inclusive enterprises use business models targeted to the very specific local context in which they offer their solution. Consequently, they operate in isolation from each other<sup>6</sup>, which makes it very difficult to access information, potential partners and supportive infrastructure in the field of dissemination and reproduction of successful models. The originator of a replicable business model requires support in order to disseminate the model for replication. The adopter of the model needs support to successfully adapt and implement the model in the local context. Support needs originate from three different sources: the access, through the right channels, to information, resources and people.

<sup>6</sup> Sireau, Nicolas. Microfranchising. How Social Entrepreneurs are Building a New Road to Development. Great Britain: Greenleaf Publishing, 2011.

	ADOPTER	ORIGINATOR
<b>Information</b>	<ul style="list-style-type: none"> <li>Detailed information and case studies on vetted business models</li> <li>Best practices and recommendations</li> <li>Local market information and data</li> </ul>	<ul style="list-style-type: none"> <li>Clear value of sharing information and practises</li> <li>Updated local market intelligence data to identify business opportunities</li> </ul>
	<b>Channels</b> Databases for market information and vetted business models, showcase events for successful models, Network infrastructure for know-how diffusion, university courses on eco-inclusive businesses and replication...	
<b>Resources</b>	<ul style="list-style-type: none"> <li>Capacity-building and skills for implementation and adaption to local context</li> <li>Toolkits focused on replication</li> <li>Innovative early-stage &amp; replication-tailored financing for the adoption of proven solution</li> <li>Adapted coworking spaces</li> </ul>	<ul style="list-style-type: none"> <li>Toolkits focused on the documentation and dissemination of models</li> <li>Skilled personnel for the dissemination</li> <li>Innovative replication-tailored financing for the dissemination of proven models after the proof of concept</li> <li>Adapted coworking spaces</li> </ul>
	<b>Channels</b> Capacity-building training workshops, immersion programmes in successful eco-inclusive enterprises, intermediary bodies to connect with services and financing sources, financing facilities, replication funds...	
<b>People</b>	<ul style="list-style-type: none"> <li>Skilled staff trained for local context</li> <li>Business Development Services</li> <li>Expert advisors for the replicated model</li> <li>Facilitator that brings together adopters and originator</li> </ul>	<ul style="list-style-type: none"> <li>Appropriate replication partners</li> <li>Facilitator that brings together adopters and originator</li> </ul>
	<b>Channels</b> Network infrastructure to inform about and connect with actors of the ecosystem, networking events and fairs, social media to link people...	

The originator and the adopter both need access to the right information, resources and people to disseminate and reproduce a model

**Information:** As they operate in isolation, eco-inclusive enterprises are often unaware of the existence of functioning models and innovations that they could adapt to their local context. Many solutions that have been tested and proven efficient in other parts of the world could be overtaken as an efficient way for enterprises to create impact in their communities. Best practices and recommendations, but also cases of failure need to be made available. Originators need information about which parts of the business model can be adapted to their local market context. Moreover, the access to relevant market data could help disseminators identify opportunities in other business environment.

**Resources:** When it comes to the actual implementation of the replicated model, adopters are confronted with the need of appropriate financial and technical support. Adopters need capacity-building and replication-focused toolkits to help them locally adapt the business model. Furthermore, originators necessitate toolkits as well as financial and personnel support for the documentation and dissemination of their proven business models. Both the originator and the adopters should be brought together in a coworking space where they can learn from each other and share experiences.

**People:** It is difficult for adopters to match with business partners and access advice and support from relevant actors in the ecosystem. This is the case despite the existence of organisations that could connect enterprises with the right people. Adopters need suitable Business Development Services and expert advisors to accompany through the implementation. Finally, adopters and the originator need to be brought together by an entity that would facilitate the peer-learning process.

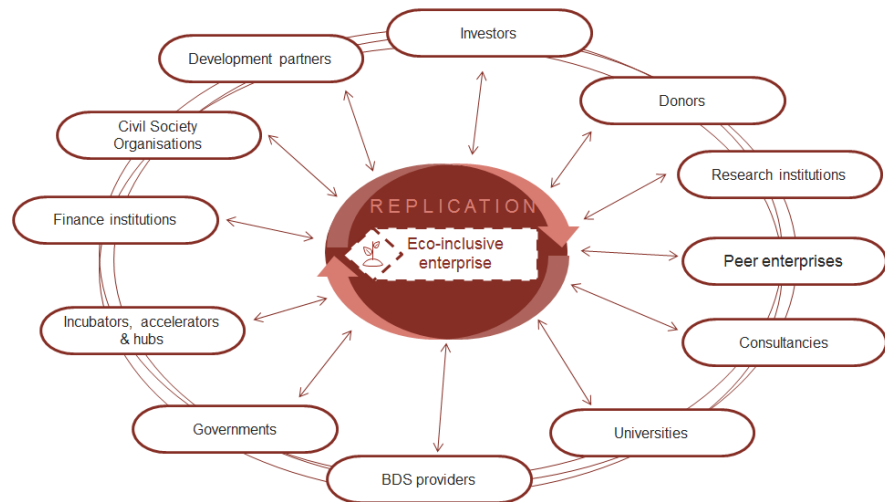
As it becomes clear, support providers can intervene in a variety of ways to help eco-inclusive enterprises in the replication process. They can act as a gateway to information and knowledge, match enterprises with the right actors and partners and facilitate the access to financial and technical resources.

Support providers can offer an array of services to help enterprises in the replication process!

## The Landscape of Actors Enabling Replication

Many actors are influential on the replication process in one way or another. They therefore need to be taken into consideration when aiming to build a strong replication support ecosystem. Every entity can play an

*A wide range of actors from the ecosystem can play a role in supporting replication*



important role and eco-inclusive enterprises interact with all these actors to meet the support needs they face in the replication of business models.

**Academics:** comprise mainly universities and research institutions. They can act as a gateway to relevant and accurate information about market conditions and successful eco-inclusive models; they can assess and monitor the impact and the development of replication; they can contribute to building a talent pool by offering courses and training programs; and finally they can analyse the financing needs of replication enterprises.

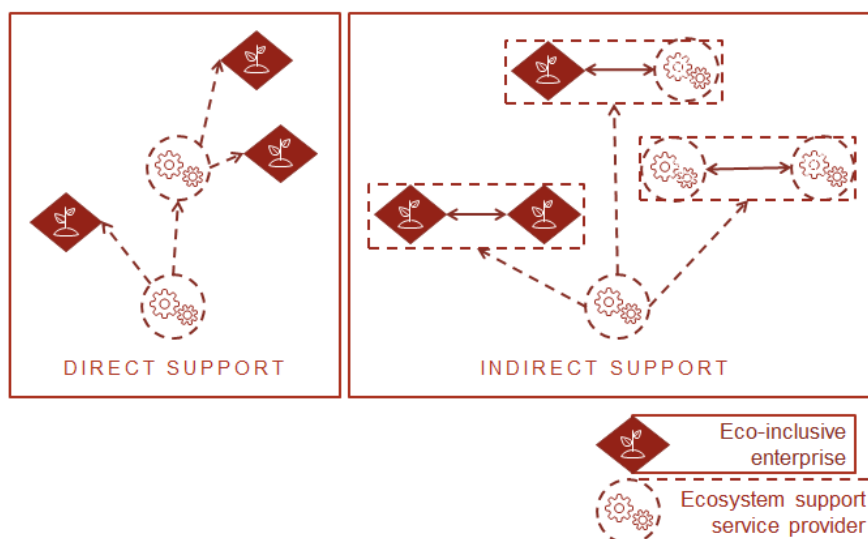
**Policymakers** can provide valuable information on market data and on legal and tax issues; encourage universities to offer courses on inclusive business and low-carbon economy; ensure policy support for replication; and they can play an active role in shaping the support environment.

**Civil Society Organisations**, including development partners can support the dissemination of eco-inclusive models and catalyse their implementation; they can offer replication-focused training programs; advocate the importance of supporting replication; gather and provide market data; support research on replication and successful eco-inclusive models; actively support dissemination through immersion programs and on-site trainings; support and facilitate the organisation of career fairs and networking events; match replicating businesses with business partners in the local markets; and they can facilitate the creation of financing instruments and services specifically targeted to replication.

**Financiers** comprise finance institutions, investors and donors. They can offer replication tailored financial products to enterprises; actively support the dissemination of information about successful eco-inclusive models; and act as matchmakers and link entrepreneurs with peers, experts and partners.

**Support Providers** including BDS providers, incubators, accelerators and hubs can offer recruitment services, legal support and training programs; they can mentor enterprises through the replication process with dedicated support; offer coworking spaces and organise networking events to encourage knowledge and experience sharing among peers; facilitate and provide eco-inclusive businesses with access to financial and technical resources; and they can make available and provide access to relevant information concerning replication and eco-inclusive models.

**Enterprises** can share knowledge and experience about successful eco-inclusive models and best practices; successful replicators can act as mentors and role model for other businesses.



*Actors from the ecosystem include Academics, Policymakers, CSOs, Financiers, Support providers and Enterprises*

As a matter of distinction, eco-inclusive enterprises can benefit from two different types of support, which are not mutually exclusive: direct support through services directly aimed at eco-inclusive enterprises or through the training of other service providers who will then in turn offer their support to enterprises. An example is the training programs offered by a BDS provider to businesses that engage in replication.

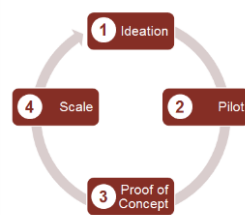
An alternative is indirect support offered through a 'platform approach': service providers act as 'gatekeepers' by linking enterprises with each other, enterprises to other service providers or service providers to each other. An example is a networking platform linking eco-inclusive entrepreneurs to each other or to impact investors.



Thus, for business model replication, a comprehensive set of actors from the support ecosystem can offer a variety of resources and services either directly or indirectly to meet the support needs of replicating enterprises. These actors are academics, policymakers, Civil Society Organisations, financiers, support providers and eco-inclusive enterprises.

## Connecting the Dots between Support Services

In the replication process, an enterprise goes through 4 main stages: ideation – pilot – proof of concept – scale.



The first stage is the exploration of inspiring examples of the potential proven business models and the development of an own business idea. This idea will be shaped into a business solution and a potential pilot that is adapted to the local context, and then tested and implemented in the proof-of-concept stage where the product-market fit is explored. Finally, scaling and further refinement will be considered.

To encourage replication as an effective path towards increasing the impact of eco-inclusive enterprises, support is needed across the 4 stages of the replication process. Support providers can accompany eco-inclusive enterprises engaging in replication through a variety of actions described in the table below. These support actions are very diverse and require a broad array of competencies and resources. Consequently, it seems very challenging for a single support provider to act as a ‘one-stop shop’ and provide these services in an autonomous and isolated fashion. This suggests more collaboration between the actors of the support ecosystem to offer a comprehensive replication support system and be able to cover all the support needs through every stage.









**Identify & Inspire:** Replicable models have to be identified, and showcased with some facts and numbers as well as best practices. They will inspire potential adopters to take the first step on the replication path. Support providers should also provide information on business opportunities and access to market data in low-income markets as well as valuable insights on successes and failures.

**Connect & Cowork** The opportunity to meet peers and experts and share real-life experience as well as building valuable connections with crucial partners and actors of the ecosystem is essential. This can be done through networking sessions, business fairs or online platforms. Another crucial ingredient at this stage is making available spaces, communities and platforms to facilitate replication and provide room for experiments.

*Replication support actions require a broad array of competencies and resources, which makes it difficult for an organisation to act as a one-stop-shop*

**Capacitate & Finance** Further, enterprises should acquire the capacity to build up their new business through workshops, trainings and the use of replication-focused toolkits. During the actual implementation, enterprises should be assisted by the integration of the business model into the local environment of the adopter and with business development services. Of course the access to financial resources is often a main hurdle in the process of developing a new business, and replicating enterprises should be able to access services that are tailored to their specific needs.

**Learn & Advocate** To feed strategic thinking, lessons should be learned through monitoring the development and impact of the replicated models, and special care should be given to the documentation of failures. Finally, support providers have an active role to play in shaping the environment to facilitate the access to resources and support services for businesses engaging in replication.

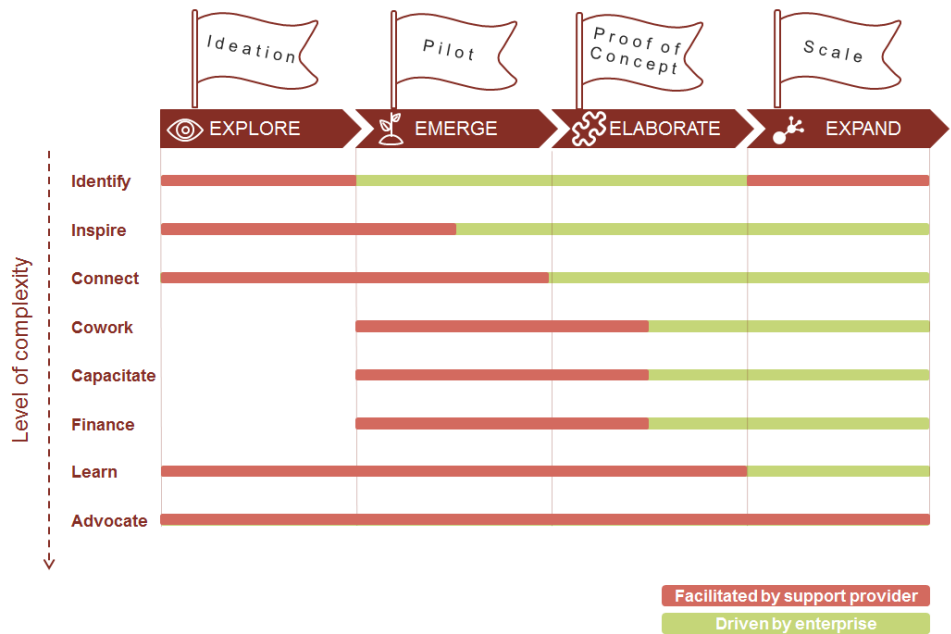
 IDENTIFY	<ul style="list-style-type: none"> <li>▪ Scan for replicable business models</li> <li>▪ Identify motivated adopters</li> <li>▪ Determine business opportunities in low-income markets</li> <li>▪ Define characteristics of successful replication</li> </ul>
 INSPIRE	<ul style="list-style-type: none"> <li>▪ Provide case studies of successful models &amp; failures</li> <li>▪ Research &amp; make available market intelligence data</li> <li>▪ Foster knowledge &amp; experience sharing</li> <li>▪ Share best practices and recommendations</li> </ul>
 CONNECT	<ul style="list-style-type: none"> <li>▪ Link adopters with replicable models</li> <li>▪ Match entrepreneurs with business partners &amp; investors</li> <li>▪ Connect entrepreneurs with support ecosystem actors</li> </ul>
 COWORK	<ul style="list-style-type: none"> <li>▪ Provide access to physical coworking space</li> <li>▪ Enable knowledge and experience sharing among peers</li> <li>▪ Create a community for entrepreneurs and practitioners</li> </ul>
 CAPACITATE	<ul style="list-style-type: none"> <li>▪ Provide capacity-building training for adopters</li> <li>▪ Assist by replication-readiness for originators</li> <li>▪ Support localising of business model to local market conditions</li> </ul>
 FINANCE	<ul style="list-style-type: none"> <li>▪ Support the investment readiness and financial resilience</li> <li>▪ Provide/Facilitate access to finance and external resources</li> <li>▪ Assist in the preparation or management of deal processes</li> </ul>
 LEARN	<ul style="list-style-type: none"> <li>▪ Monitor development &amp; impact of the models</li> <li>▪ Learn from failure and evaluate knowledge questions</li> <li>▪ Address strategic questions concerning scaling</li> </ul>
 ADVOCATE	<ul style="list-style-type: none"> <li>▪ Foster policies shaping an enabling ecosystem</li> <li>▪ Promote coordination &amp; communication within the ecosystem</li> <li>▪ Support the creation of intermediary bodies and networks</li> </ul>

*Replication support actions range over a broad array of service areas!*

This framework for support actions can be used to identify in which stage of the replication process the specific service should be embedded. Indeed, the actions follow a certain chronological order and can be initiated at different moments throughout the replication process to successfully drive eco-inclusive enterprises forward. During the ideation stage, enterprises explore the replication mechanism and identify the opportunities to frame the direction they want to take. The pilot crystallizes the ideas into the development of the solution and the business emerges.

Subsequently, this pilot has to actually find its product-market fit in the local business environment during the elaboration phase. Once the model has been proven, it can strive to expand and achieve scale.

Specific support services are needed at the different replication stages!



Furthermore, we believe that it is essential to empower the eco-inclusive enterprises in order for them to take responsibility in the replication process. This is why, throughout the four main conceptual support stages, after the support providers' initiation, the enterprise should take over the specific actions at some point to drive forward their business and the replication process as a whole. Pushing the enterprises to autonomy will contribute to foster the dynamism of the replication ecosystem.

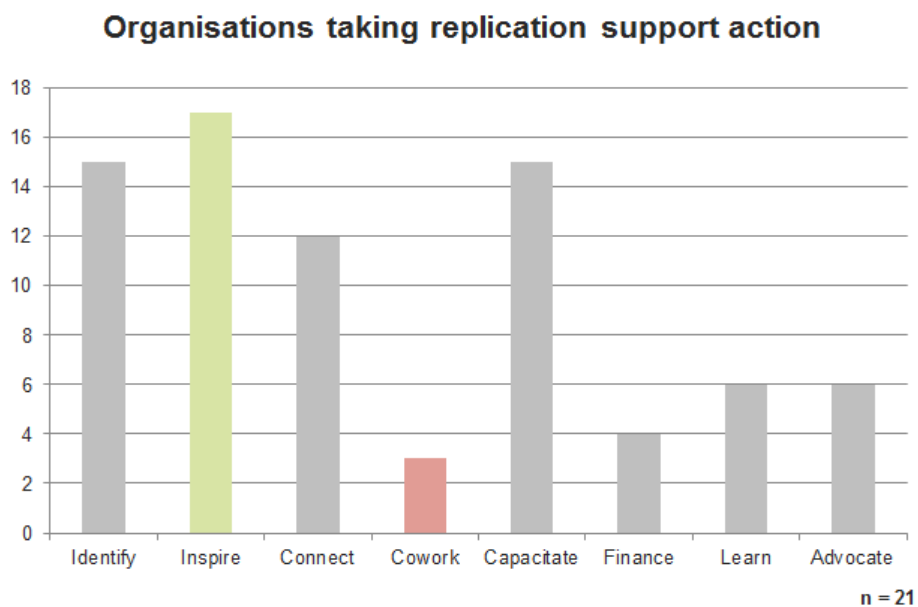
Support providers should back enterprises in exploring the opportunities, emerging the concept, elaborating the business and expanding towards more possibilities

As we have shown with this framework, eco-inclusive enterprises engaging in replication need a wide array of support services embedded in the different stages of the replication cycle. It is crucial for support providers to accompany the enterprise at every stage of the process to strive to enhance the probability of success and to foster replication as a way of significantly increasing the social and environmental impact of proven solutions.

## The Gap in Replication Support Services

Eco-inclusive enterprises face the need for support in the replication process, yet there are very few institutions with proven track records in business model replication. One of the main reasons is that the field of replication support is quite new, and the sector of eco-inclusive enterprises a niche. The majority of support is directed at enterprises that offer highly innovative solutions, and on scaling, expanding and growing these champions. Only very little support is dedicated to the adopters – those that want to take inspiration from a successful model and transpose it to their local context. Many eco-inclusive enterprises have achieved success in their local context but are left with no support when it comes to standardise and document their models for replication.

From a set of organisations that are active in the general inclusive business sector, we tried to empirically estimate how many directed their activities at the different replication support stages we defined above.



It seems that the identification and **inspirational** component is put forward by a majority of organisations, despite the fact that it is oftentimes not directly aimed at supporting replication, but in a more general form of providing business and market information. Furthermore, many organisations seem to offer capacitating services, which can be delivered in the form of workshops or training sessions. This potential can and should be leveraged to foster replication, particularly by showcasing vetted models and tailoring the capacitating activities to replication.

However, only very few of the scanned organisations undertake anything in the fields of providing **coworking** opportunities, and less than half of them

*There is a lack of support for dissemination of proven models and for those who want to adapt these models to their local context!*

*Few organisations offer support in providing coworking opportunities and access to replication-tailored financing!*

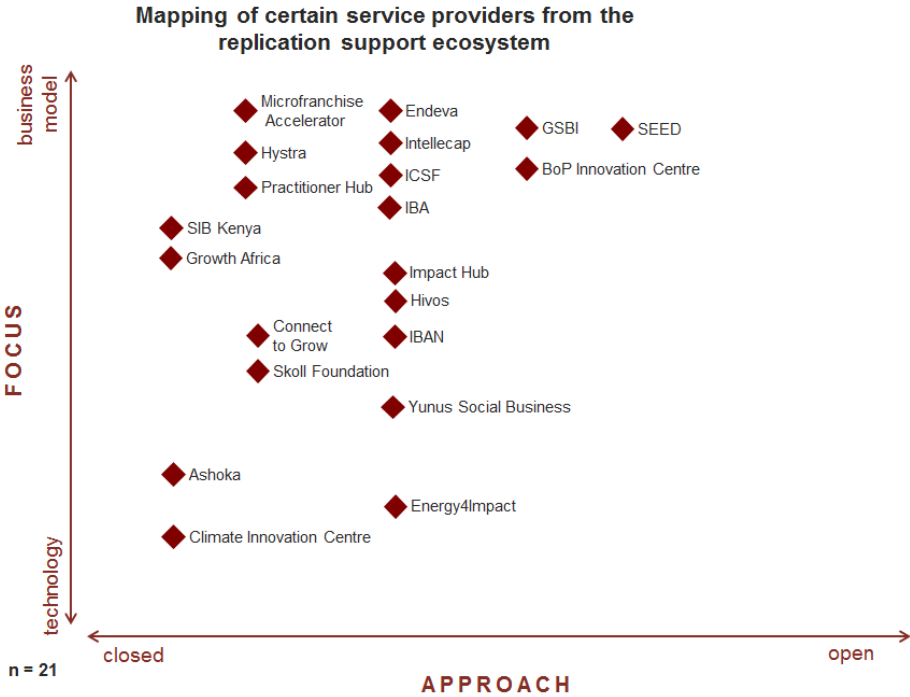


works towards providing access to finance, learning from the development or shaping the ecosystem in favour of replication support. This can already give an indication of which actions service providers should focus on to promote replication.

There are many organisations that support eco-inclusive enterprises to grow their businesses and achieve scale, at a regional and an international level. They mainly focus on expansion and organic growth of the already established business, through the opening up of new branches, franchising, partnerships or Joint Ventures (the ‘closed strategy’ in the replication strategy continuum above). But very few organisations focus on supporting the dissemination of business models that have proven to be successful, and subsequently the adoption in a new context (the ‘open strategy’ in the replication strategy continuum above).

A similar set of organisations was empirically analysed, and based on information provided on their online website or provided by the organisation, roughly mapped out according to 2 criteria:

- Where lies the emphasis or focus of the support provider?
- Which approach does the organisation favour for replication?



This rough mapping shows a diverse landscape of support providers. Although there are many support providers that offer some kind of support for eco-inclusive businesses engaging in replication, there are only very few that focus on the dissemination and reproduction of business models.

*Note: the bar chart above and the mapping were both realised using empirical data and information on organisations active in the eco-inclusive enterprise sector, gathered through a facilitated mapping in a co-creation workshop and website data. It is possible that the organisations have other activities or are shifted towards another direction that we are not aware of. The table with the gathered data can be found in the annex.*

Support is mostly focused on scaling, but not on an open model replication!

In light of the empirical analysis above, it seems that there is a huge replication support potential to be exploited in order to strengthen the support ecosystem. Considering that eco-inclusive enterprises need very targeted and specific support services throughout every stage of the replication process, it is crucial to provide such services in a coordinated way. Indeed, there are many support providers in the field of eco-inclusive business that offer some kind of support for replication, and this is done in a variety of ways. Moreover, it seems difficult to be able to provide all the services needed to accompany a business engaging in replication as a 'one-stop shop'. The different providers should therefore work together and use their strengths and specificities to contribute to a dynamic and strong ecosystem. We believe that this collaborative approach on replication is an effective way of promoting eco-inclusive enterprises that will significantly increase their social and environmental impact and contribute to sustainable development.

*There is a need for collaboration between the various support providers in the ecosystem to be able to address the needs of replicating enterprises through every stage!*

## Unlock the Potential of Collaboration for Replication

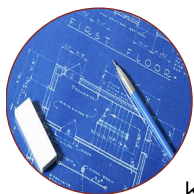
As it has become clear throughout our white paper, the comprehensive support needs of eco-inclusive enterprises engaging in replication ask for enhanced collaboration and cooperation between different actors from the support ecosystem. As multiple actors are involved and integrated, an open, dynamic and inclusive roadmap can lay the basis for a strong replication support ecosystem. In light of this, the following recommendations and the action agenda on the next page can be seen as steps to unlock the potential of collaboration for replication.

### Engage in a dialogue



Replication support is a very complex system which demands for deep expertise in different key business areas. The current support infrastructure is not set up for solving the challenges faced by eco-inclusive enterprises engaged in replication. Support providers are often rather specialized in the services they offer, and when it comes to business model replication, they often would need to act as a one-stop shop, which is a role support providers can hardly fulfil. A space for dialogue would bring together all relevant support providers beyond their boundaries. This can help creating a common understanding around replication and the support approach, as well as mapping the different capabilities of the actors in the ecosystem. The engagement in continuous dialogue might be a first step towards a stronger ecosystem and can help to connect the efforts of different organisations and initiatives with an overall shared goal in mind.

### Create and sustain a modus operandi



Collaboration only works when the engaged ecosystem actors create and sustain a modus operandi. Bringing the right people together is one thing, but making sure people make the most of it is something completely different.

Keeping the key ecosystem actors engaged within a structured, constructive dialogue is what we need. As a group of ecosystem actors we should focus on listening, take each other seriously and allow for criticism. The key aim of this modus operandi is to establish common ground, set some shared rules and build a sense of equal participation. This modus operandi can create a supportive environment to create, share and improve new ideas and actions. It will allow the ecosystem actors to learn from each other and to share information, experiences, strategies, successes or failures. Establishing a setting for collaboration shall help to drop the 'Us vs. Them' approach, allowing participants to speak freely.

### Driving market acceleration with a long term perspective



Enabling sustainable growth of eco-inclusive enterprises by creating a platform to provide support to replication-prone business models while creating a strong environment for systemic change is key to drive market acceleration.

Taking a collaborative approach requires long-term thinking and an overarching commitment, since tackling bold challenges needs longer time horizons where goals are often fuzzy and tend to shift. However, relying on the modus operandi and the use of continuous learning and technology will help to adjust to new developments and to adapt the shared understanding of all engaged ecosystem actors.

### Make collaboration the new mainstream



Multi-actor collaboration to strengthen the ecosystem for business model replication is still in its infancy and thus far from being the mainstream. However, it combines multiple advantages worth striving for. Thus, when becoming a shared practice, the approach could really make a difference accelerating the replication of business models and creating impact at a massive scale. Collaboration in this sphere could set an example for other sectors and fields and showcase how a new mainstream could look like. A collaborative support infrastructure could then not only set an example if the respective field, but catalyse a movement of subsequent collaborative initiatives to create a shift in how support for eco-inclusive enterprises can be implemented jointly in the future.

## An action agenda for collaboration around replication support

In order to map out a potential pathway for collaboration between diverse actors from the ecosystem the action agenda below gives an overview of potential collaboration actions, which can push the eco-inclusive business sector to unlock its full potential through replication.

The action agenda gives a non-exhaustive overview of potential actions that services providers and actors from the ecosystem can undertake in order to support replication. These agenda items were mainly collected through practitioner and expert workshops at the SEED 2016 Africa Symposium in Nairobi where different sector organisations discussed the potential way ahead.

Through these actions, the three angles of support needs from both the originator and the adopter to successfully replicate a proven model are addressed: the access to information, resources and people. The collaboration actions originate from the different support areas: Identify, Inspire, Connect, Cowork, Capacitate, Finance, Learn and Advocate. The action agenda connects the support needs from the enterprises with the support areas from the organisations in the ecosystem and provides a first example to work towards an integrative collaborative support approach to spur replication.

		COLLABORATION ACTIONS	SERVICE AREAS			
			Identify & Inspire	Connect & Cowork	Capacitate & Finance	Learn & Advocate
Information	Information	Common taxonomy and principles for replicable business models	•			•
		Continuously updated field-gathered and market-specific needs analysis	•			•
		Knowledge exchange and visibility forums	•	•		•
		Pay-for-service membership platforms as replicator agents	•	•		
		Link platforms with existing structures	•			
		Highlight incentive for sharing information - among entrepreneurs: business models - among service providers: support offering	•			
		Serve niche audience and identify entrepreneurs not connected to the ecosystem	•	•		
		Promote case studies and use storytellers of successful replication	•			
Resources	Resources	Provide resources in the format and form required by the enterprise	•		•	
		Reduce funding bias towards new ideas and increase attractiveness of financing replication for financial institutions			•	
		Encourage the missing middle funding of \$100-500k			•	
		Build investment pipeline for investors into incubators & accelerators		•	•	
People	People	Collaboration with conventional and social media to share information (Tv, radio, Youtube, facebook, LinkedIn...)	•			•
		Sector and market thought-leaders to use as replication ambassadors	•			
		Trusted market data and information broker	•			
		Bring in unusual players such as Chambers of Commerce, Industry Associations, Government Agencies, Rotary Clubs...		•	•	
		Service providers define their strongest capabilities and their support value proposition				•
		Collaboration between early-stage capacitors and donors/investors			•	
		Neutral bodies for facilitation	•		•	•
		Collaboration with universities: competitions, replication-focused programmes	•		•	
Internship exchange programmes between support organisations		•		•		



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## Annex

Overview of the analysis of support providers according to the mentioned support service areas, based on desk research and original information from some organisations.

Name of Organisation	Support Areas							
	Identify	Inspire	Connect	Cowork	Capacitate	Finance	Learn	Advocate
Ashoka	X	X	X		X		X	
BoP Innovation Centre	X	X			X		X	
Climate Innovation Center	X		X	X	X	X		X
Connect to Grow	X	X	X			X		
Endeva	X	X	X				X	X
Energy4Impact	X	X			X			
Global Social Benefit Institute	X	X	X		X			
Growth Africa	X	X			X			
Hivos		X	X	X	X	X		X
Hystra	X	X			X			
Impact Hub		X		X	X			
Inclusive Business Accelerator (IBA)		X	X		X			
Inclusive Business Action Network (IBAN)	X	X	X					X
Intellectap	X	X			X		X	X
International Centre for Social Franchising	X		X		X		X	
Microfranchise Accelerator	X	X	X		X	X		
Practitioners Hub for Inclusive Business	X	X					X	
SEED	X	X	X		X			X
SIB Kenya		X	X		X			
Skoll Foundation	X	X	X			X		X
Yunus Social Business	X		X			X	X	X
21	15	17	12	3	15	4	6	6



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