

Monetizing Sommalife's Social and Environmental Impact

Problem

Sommalife operates in Ghana, a country that can be considered to be part of the Global South. Sommalife works with farmers who live under the poverty line. Ghana is a country that faces many challenges and wants to truly become a developing country. It faces geographical inequalities caused by industrialization. In these industries, such as the shea butte industry it faces unequal value distribution among these industries. The country is also challenged with inflation and high corruption. Additionally climate change is negatively affecting the agricultural sector, which can be considered the backbone of Africa.

This situation manifests itself in more problems for farmers and in turn Ghana; extreme poverty and deforestation. The main problem is lack of sustainable income. As a result farmers are forced to cut down the very tree they live off in order to sell it as charcoal to generate a short-term income. This leads to further degradation of nature and loss of potential long-term income.

Sommalife focuses on helping these farmers by providing opportunities to promote sustainable agriculture. Sommalife is focussing on the shea industry which is becoming increasingly in demand by the food and cosmetics industry. Sommalife cuts out middlemen, increases quality and quantity through training and increases the wages of the farmers. Sommalife also aims to improve the environment the women are living in through demarcation projects and tree planting. All Sommalifes activities are monitored through an in-house developed software, 'treesyt', which gathers data for efficient and effective operations.

Sommalife is a social startup who strives to sustainably improve the lives of rural farmers in West Africa. Sommalife has been successful at this to a small extent and has set the stage for an impactful act in West Africa. Sommalife does this with their own profits as the shea supply chain does not pay for impact at the moment. Even though the stakeholders in the chain find impact important they say they can not pay for the impact as the price is decided by the end consumer. Without this support Sommalife will struggle to scale and improve its impact.

Aim

The assignment focuses on discovering interesting revenue streams for Sommalife to support their scaling ambitions. At the moment, Sommalife has already made use of selling commodities (shea nuts) B2B, investments and donations on a small scale. The main question: How can Sommalife monetize their social and environmental impact?

Solution

Fortunately, the world is changing and a demand from consumers for sustainable products is affecting industries. Industries with similarities to the shea industry like the cacao industry. Sommalife has an opportunity to monetize their impact by advancing the industry and attempting to address the consumers. This can be supported by opportunities to monetize their social and environmental impact through carbon credits and a form of storytelling driven by impact data. The climate projects are supported by partnerships and will provide additional social and financial benefits to communities, while also generating carbon credits. On the social side, Sommalife can monetize its impact through data-driven storytelling. This involves turning data into tangible narratives that build consumer trust and brand loyalty for Sommalife and its partners. In return Sommalife will expect these companies to pay an impact fee.

These services are by a brand strategy and roadmap to effectively execute and communicate Sommalife's mission to drive change in the shea industry.

Willem Oomens
Monetizing Sommalife's Social and Environmental Impact
20-04-2022
Msc Strategic Product design

Committee
Dr. ir. Diehl, J.C. (chair)
Msc. Coelen, J. (mentor)

Company
Johncarl Dunyo

