

Profile: Pollinate Energy

Employing slum dwellers to sell solar-powered lights to poor urban residents in India



Challenge

Two of India's greatest challenges are lack of electricity in urban slums and youth unemployment, particularly in cities. Pollinate Energy seeks to address both challenges simultaneously.

Innovation

Founded in 2012, Pollinate Energy (www.pollinateenergy.com) equips low-income people in Indian cities with the business acumen and financing to set up microenterprises that provide residents in urban slum communities with solar lights. It hires and trains "Pollinators," equipping them with a "business in a bag" made up of solar lights, which they sell in their communities; a bank account set up in their name; and a smartphone set up with an app to track payments. Pollinators go door-to-door selling the lights, collect and follow up on payments, handle cash, and use the smartphone to track their sales.



Each light costs the company about USD 25. It sells the lights to customers for USD 39, financed over five weeks. Pollinators collect each weekly payment and deposit it into the bank account set up for them by the company. They receive half of the profit on each light they sell; the rest covers the company's operating costs. An incentive structure encourages the Pollinators to reach a monthly sales target of 40 lights.

Pollinators sell the lights in three or four urban slums near where they live. Every micro-entrepreneur is thus familiar with the area and is often selling to friends and family. Once the first few customers of each Pollinator are happy with the product, word spreads quickly, increasing sales.

Impact

Pollinators have sold 8,000 lights to 40,000 households in the slums of the three cities where the company operates (Bangalore, Hyderabad, and Kolkata). Each light saves customers USD 86 a year. The switch away from kerosene or firewood also improves health (through the reduction in indoor air pollution) and reduces the damage to the environment. The company estimates that more than 670,000 liters of kerosene have been saved, leading to a significant reduction in carbon emissions. Pollinators also typically earn more per month than they would in casual employment. The skills they acquire open avenues to grow their microenterprise or obtain higher-paying jobs outside the company.

Scaling Up

Distribution of the product by micro-entrepreneurs is integral to the model. Hiring Pollinators who speak the local language and are members of the community has helped build trust and increased reach among target communities. However, recruitment is challenging, as working in the slums is not considered respectable and it takes time for new Pollinators to make their first sales. The use of a smartphone application to track sales and payments has helped keep operating costs low and reduced the potential for theft.