

# ➤ Rural off-grid solar lighting distribution in India

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# While the partnership model is the dominant distribution model now, the wholesale/retail model will have a substantial role going forward

## “Push” Market

### Partnership models (MFIs / NGOs)

Partner uses either own employees or manages network of VLEs to sell products, for a commission

- + Access to community
- + Ability to “push” product
- + Especially useful in nascent stages of operations
- Partner skills may not be aligned to product selling
- Partner networks not strong everywhere

## “Pull Market”

### Traditional distribution model (wholesale / retail)

Traditional wholesale – retail distribution model

- + Potentially wide reach
- + Skills aligned
- + Lower distribution costs
- Competing with other product categories for retailer’s attention / shelf-space
- May require hefty initial working capital financing to establish category

# Solar lighting companies and other niche players are innovating to enable this transition

## Solar lighting companies

### Challenge in partnership model: Partners not set up to sell products

- Own VLE / agent model (e.g. Greenlight Planet)

### Challenge in wholesale-retail model: competing with other product categories

- Own retail network (e.g. Orb Energy)

## Niche distribution companies

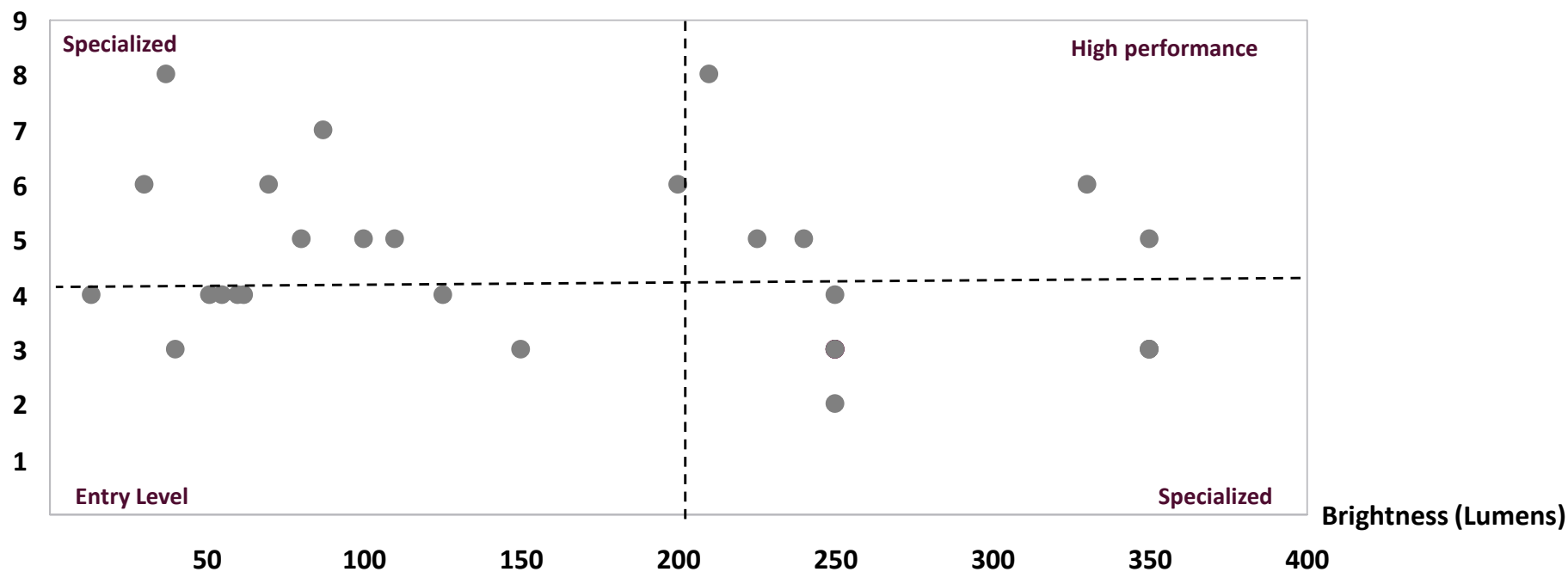
- VLE model dedicated to rural product distribution (e.g. Dharma Life, Onergy)
- Intermediary / management and training of partner VLE networks (e.g. Frontier Markets)

- Specialized distribution to retail networks (e.g. Essmart, Frontier Markets, Onergy)

# There is a wide array of solar lighting products, but is there choice locally?

## Landscape of solar lanterns by reported brightness and battery life

Battery Life (Hours)



### Choice is key in establishing a product category

- Increases legitimacy of category
- Consumer is empowered, and more willing to purchase



Market players currently focus on exclusive distribution relationships

# Can market players find ways to pool resources and collaborate, while competing on product features and price?

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**Local awareness building  
and market activation  
activities**



**Common after sales  
service / information  
outlets**



**Bundled offerings (other  
product categories) to  
leverage distribution  
channels**

