Pelletizer Production Franchising

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Client Background

Awamu: Kampala, Uganda

Franchising model for pelletizer production

Scale of Operation: Nationally throughout Uganda

Competitors: Producers for charcoal stoves, rocket stoves, biogas stoves TLUD (top-lift undraft) stoves
Problem Statement

When we first read the material, we thought the major problem should be air pollution, as lots of people in Uganda have suffered fatal diseases caused by burning firewood for cooking. After we realized our client, Awamu, has developed improved cookstoves to reduce air pollution. However, there are more than 90% of population is still burning firewood for cooking instead of clean cooking gasifier. The problem Awamu faces is lack of customers compared to increasing demand for green energy.
Problem tree
Prior Art

Awamu has performed extensive market research for their own gasifier stoves about the potential challenges and possible solutions. Also, Awamu collected data among different products in different situation and used data to illustrate why their products is better than others.
Stakeholders

- Village Health teams
- Bioburn
- Awamu
- Pelletizers
- Sales agents
Policy ID

1. Does policy have relevance?
   a. Air pollution
   b. Franchising
   c. Foreign Direct Investment

2. Does relevant policy exist?
   a. Air pollution - No policies currently exist in Uganda, Policy makers can look towards the example of South Africa.(dept. Of environmental affairs)
   b. Franchising “inadequate policy and legal frameworks for franchising.”
   c. Foreign Direct Investment - Policies favor foreign investment
SWOT analysis

Strength: easy for advertising
Weakness: require training
Opportunity: Good reputation
Compared to other company
Threat: cheaper alternative
Summary & Recommendations

Further Questions:

- Why the low adoption rates?
- To what degree is lack of access to internet or information inhibiting Awamu’s franchising model?
- What role do the language barriers play?

Insights:
People are not aware of the potential dangers of traditional cooking methods