

## Gcwalisa dispensers help reduce single-use plastic at spaza shops

Retail solutions company Smollan and product and service design practice DYDX paired up to create a more sustainable solution for the sale of FMCG products in the informal retail market in South Africa.



The Gcwalisa dispensers allow customers to purchase food and homecare products in values from as little as R1.

Spaza owners can quickly provide the amount requested by customers because of onboard computers with IoT sensors measuring volume while dispensing. Goods are dispensed into reusable containers, allowing brands to deliver bulk into the informal channel and for the shop-owners to distribute in micro-sizes without single-use plastics.

This takes significant costs out of the channel, and creates new opportunities for consumers to purchase their preferred brands – even at very low volumes. The dispensers are connected IoT devices, providing brands with detailed sales data from each shop, giving data granularity and insight that could revolutionise distribution, understanding of buying patterns and price points.

Using structured design thinking and innovation process, the joint team – headed by Rudi Nienaber, innovation executive at Smollan, and supported by DYDX – created a new way to sell products through the informal channels.

“Innovation requires asking different questions and lots of on-the-ground research and prototyping,” said Nienaber. “Our starting point was to turn products into services – which led to a series of new ideas, of which Gcwalisa was the best one.”

## **Positive social impact**

“We know that people have real affordability challenges, and price is often linked to distribution constraints of minimum-sized packaging. We wanted to change how pricing worked, allowing people to purchase FMCG products like they do airline. Another key factor is a positive social impact.

“By eradicating single-use plastic and packaging, we not only save brands and consumers money but also benefit the environment, which is critical. With major brands looking to reduce plastic usage but not impact sales – this approach makes perfect sense,” says Mike Smollan, chief growth and innovation officer at Smollan.

“Distribution into informal markets is not a “one-size-fits-all” approach. While we can re-use the technology and approach, we are working with brands to understand both the unique dynamics of their market and the technical properties of their products to optimise the solution for them,” says Nevo Hadas, managing partner at DYDX.

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