SELLIN: a case study on opportunity creation for sustainable growth

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Abstract

The purpose of this case study is to present Sellin as a socially innovative enterprise in Uruguay and to contribute to university education in the knowledge of a triple impact business model. Sellin is a platform that brings together micro and small producers from all over the country with the aim of disseminating and marketing their products nationally and internationally. Its purpose is focused on providing them with opportunities for sustainable growth, avoiding territorial uprooting and generating a triple impact. The methodology developed is the case study, with secondary research through field work with semi-directed interviews and analysis of secondary sources. The methodological development includes pedagogical notes and a work plan for the teacher. The case study allowed us to understand that Sellin is a successful social innovation venture that has managed to grow and scale in a sustainable way and that is considering the continuous professionalization of its business model, integrating the challenge of consolidating the sustainability chain by connecting key partners as partners for impact.

Keywords: Entrepreneurship, social innovation, triple impact.
SELLIN: un caso práctico de creación de oportunidades para un crecimiento sostenible

Resumen
Este estudio de caso tiene como objetivo presentar a la empresa Sellin como un emprendimiento con innovación social en Uruguay y contribuir a la formación universitaria en el conocimiento de un modelo de negocio de triple impacto. Sellin es una plataforma que nuclea a micro y pequeños productores de todo el país con el objetivo de difundir y comercializar sus productos a nivel nacional e internacional. Su propósito está centrado en brindarles oportunidades de crecimiento sostenible evitando el desarraigo territorial y generando un triple impacto. La metodología desarrollada es el estudio de caso, con investigación de carácter secundario a través del trabajo de campo con entrevistas semidirigidas y análisis de fuentes secundarias. El desarrollo metodológico incluye notas pedagógicas y el plan de trabajo para el docente. El estudio de caso permitió comprender que Sellin es un emprendimiento con innovación social exitoso, que ha logrado crecer y escalar en forma sostenible y que se plantea la profesionalización continua de su modelo de negocio, integrando el desafío de consolidar la cadena de sostenibilidad conectando a los socios claves como socios para el impacto.

Palabras clave: Emprendimiento, Innovación social, triple impacto.

Case introduction
One night, back in 2021, Mariana Chilibroste, CEO of Sellin, found herself unable to sleep. Memories of Sellin's origins echoed in her mind. The company was born from her strong convictions, which propelled her to leave her position at a multinational corporation and embark on an entrepreneurial journey. She struggled to come to terms with the changes in her company, her apprehension growing with each update on the company's evolution.

The Turning Point
At the beginning of 2021, the company's management agreed to a change in the company's constitution. Chilibroste realized that certain company activities had to be reorganized in order to continue. The management then asked critical questions for the development and growth of the company:

How to continue with the company while maintaining its purpose?

Which allies should be sought along the way?

How should this transition proceed with the different actors involved: employees, producers, suppliers, and intermediaries in the value chain?

What would be the strategies to achieve its global growth objectives?

How do we continue to develop the brand and maintain its identity?
We may need to incorporate a new brand, such as Querencia.

The Company

Sellin is an online platform in Uruguay, South America, supporting micro and small producers. The aim of the company is to help them grow their businesses sustainably and locally, avoid relocation, and expand their product sales both nationally and globally. Seriousness, professionalism and responsiveness are Sellin's hallmark, which has made it one of Uruguay's top five marketplaces. Its core mission revolves around social innovation with a focus on creating a triple impact.

Since its origins in 2016, Sellin has managed to consolidate and develop its business model and achieve global recognition. Its founding partners come from the field of private companies. They decided to run their own enterprise, so they joined the entrepreneurial ecosystem, which represented a major shift in their life and way of doing business.

This situation led them to understand that there was a different way of conducting business: a way in which the company obtains its economic benefit but also creates an impact on the community, the stakeholders and the environment.

Sellin's Founders and their Background

Mariana Chilibroste was born in Mercedes, the capital city of Soriano. She moved to Montevideo to finish high-school and then studied Psychology at Universidad de la República. Later, she obtained a graduate degree in Work and Organisational Psychology at Universidad Católica, also in Uruguay.

Director of Sellin, Chilibroste is also a consultant on Strategic Management of People. Her desire to find solutions was present for a long time, but it was not until the birth of her second child that the idea of an enterprise like Sellin came up. As a mother, she thought about the legacy she would leave to her children, an idea closely tied to the contribution one makes to the world (Empresarios de Acá, 2019).

Chilibroste has a vision directed towards sustainability. She is a strong supporter of equity and believes that the contribution of women leaders is critical to making a positive and sustainable impact (Malek, 2022).

Diego Fraga finished his studies as an Industrial Designer. He completed a graduate degree in Digital Marketing and Community Management at IEBS Business School. He is the founder of DVL, a company that provides innovation and product design services, and a specialist in Management and Leadership in innovation teams (Buchelli, 2019).

Before founding Sellin, Fraga was a professor at Universidad de la República and guided start-ups in different incubators. He wanted to develop a project like Sellin. Once Chilibroste got on with it, a mentor from the incubator Ithaka at Universidad Católica in Uruguay introduced Fraga to her so that he could collaborate (Larronda, 2019).
Beginnings, Challenges and Initial Business Model

Sellin was a solution for the country's great population concentration in Montevideo. The capital city and the metropolitan area account for more than 56% of the country's population. Sellin's initial motto was supposed to offer a commercial strategy so that producers could "export" their products to Montevideo (Malcuori, 2017).

Initially, the word "export" was used because, for microproducers, selling their products in Montevideo required a significant amount of effort and resources. In their situation, this effort was very similar to an export attempt, or even more challenging than a traditional export endeavour.

This situation arose from a combination of factors, including logistical barriers, financial limitations, lack of transport, the formalisation of enterprises and the offer of high-quality, value-added products delivered in the capital city on time, among other factors. Therefore, Sellin sought to integrate a marketing network to develop a different mindset of productivity, where micro and small producers could reach their customers (Malcuori, 2017).

In mid-2015, psychologist Mariana Chilibroste and industrial designer Diego Fraga began to flirt with the idea of an inclusive system. In 2016, they interviewed more than 300 producers in the country's inland and contacted potential shops to collaborate and sell.

In April 2016, Sellin started to sell and promote its products using an online tool. According to Chilibroste: "We went to their place to listen to their stories and needs. We understood what their problems were when they said things like ‘I have a great capacity for this and I want to improve, but I cannot grow. I have no way out’. This is true in the whole country and, the farther from the capital city, the worse it gets."

Fraga also mentions that "rural women are housekeepers; they work alongside their husbands, but they have nowhere else to get an 8-hour job". In those first six months, they travelled 17,400km and visited dozens of villages, where they learned from their stories. They contacted over 40 producers and artisans who finally joined the platform and began their journey (Malcuori, 2017).

Chilibroste defined Sellin as a solution for every opportunity gap. According to her, the company connects different worlds: the world of business, buying and consumption, and the world of microproduction (Chilibroste, 2020).

The initial model sought for producers to focus on product development. The platform was thus in charge of providing a commercial solution, achieving market positioning, developing marketing strategies, answering customer queries and managing product sales from the moment they were published. In this model, Sellin does not charge a fixed fee to use the platform but only gets a percentage for the actual sale. Currently, the producer keeps 65% of the profits, and 35% is divided between the commercial partner that makes the sale and Sellin.

The impact on microentrepreneurs was strong and so was the trust gained from the communities, by providing expertise through effective training. For instance, when it came to the use of digitalisation, as the entrepreneur of Lola Limón (baby clothing and accessories brand) said: "We were not very good with the internet, and Sellin filled some of the gaps just when we
wanted to expand.” Also, a group of rural women from Durazno (13 women dedicated to wool weaving) mentioned: "The main obstacle for rural artisans is marketing" (Malcuori, 2017).

The Uruguayan Ecosystem and Support for Entrepreneurs

Faced with the decision to develop their own business, entrepreneurs learnt about the support available in the country to do so.

Chilibroste has seen the Uruguayan entrepreneurial ecosystem evolve. As per the Global Entrepreneurship Index (2022), Uruguay currently ranks 51st in the global ranking for 2018 (holding the third place in Latin America, after Chile and Colombia) and its main assets are networking and entrepreneurial culture.

Chilibroste agreed about what she had just read in a report by Tedesco et al. (2020), which analyses the innovation-based entrepreneurship ecosystems in Ibero-America, the roles and values contributed by the different actors and how their interaction dynamics work. In Montevideo, it was possible to find the largest network of mapped collaborations in an ecosystem (751) using the Social Network Mapping methodology for the TE-SER model, as well as the highest collaboration index with a value of 6.9, compared to studies done in all ecosystems at the moment (Tedesco et al., 2020).

The city of Montevideo is recognised as a leading innovation-based entrepreneurship ecosystem in Latin America, where the reasons for collaboration are developing joint projects (31%) and exchanging knowledge and best practices (28%). In turn, 53.6% of collaborations are formal.

The beginnings were difficult, according to Chilibroste. Although she and her partner had a professional background, they had to get to know the entrepreneurial ecosystem, learn how to move inside it and find out which funds where available to promote their entrepreneurship.

In this sense, the support and guidance provided by Centro Ithaka de Emprendedurismo e Innovación, which acted as the venture sponsoring institution (Institución Patrocinadora de Emprendimientos, IPE), was crucial in the early stages of the venture.

The lack of resources became a pivotal moment that motivated the founders to seek funding, accompanied by Ithaka. In 2017, Sellin obtained its first seed capital from the National Development Agency (Agencia Nacional de Desarrollo, ANDE, 2020)

Then, in their second year of innovation, the founders received further support from the National Agency for Research and Innovation (Agencia Nacional de Investigación e Innovación, ANII, 2020). This resource allowed them to build a bridge between the first and second support obtained to strengthen the innovative profile of the venture (Chilibroste, 2020).

Sellin's growth was possible, among other factors within the entrepreneurial ecosystem, because of the support provided by the organisations. Thanks to these funds, ANDE and ANII, the company was able to accelerate growth, otherwise, it would have been very difficult; today, that growth is tangible in what the company has become (Chilibroste, 2020).
In 2018, the founders had already travelled 30,000 km across the country, identifying and making plans with more than 100 supporting organisations and people committed to sustainable development. In each community, they sought to promote exchange workshops to identify and understand the challenges locals face, detecting the needs for work and development opportunities, emphasising cross-cutting aspects but at the same time, respecting the particularities of each community (El Observador, 2018).

Chilibroste always supported and recommended to her microentrepreneurs the portal Uruguay Emprendedor, open to anyone who wants to start a business or already has a company. In this page, people can take a self-evaluation test of their business to find out the stage they are at and access trainings and tools. Through the portal, they can contact venture sponsoring institutions, which will support them in obtaining seed capital funds.

The Road towards a Business Model with Impact

Several newspapers contacted Chilibroste to know her opinion on the political, social and economic changes that have given rise to companies developing alternative financial and business approaches in search of an answer to the adverse effects of capitalism and market failures.

Chilibroste encountered articles that refer to these new paradigms and propose a more human and social approach oriented to generate a triple impact (i.e. an economic, social and environmental effect) (Chavez Ávila & Monzón Campos, 2018). Within these approaches is the Economy of the Common Good promoted by Felber (2008), who suggests that economic activity should be at the service of general interests and proposes to replace profit motive and competition in business with the common good and cooperation (Felber, 2012).

Along the same lines, hybrid business models driven by sustainability are emerging. These seek to create value for its owners and society, generating a synergy between both parties (Haigh & Hoffman, 2012). These models also build beneficial relationships with stakeholders and influence the market (Stubbs, 2017). Besides, they create social and commercial value, and promote sustainable solutions to the social problems they aim to address (Haigh, Kennedy & Walker, 2015).

In this sense, these organisations are a source of social innovation. They drive the creation of solutions, manage businesses, and develop legal, financial and human support to safeguard social and economic objectives (Battilana & Lee, 2014). The B Corps in Latin America, nucleated in Sistema B, are part of these organisations and have a common goal: to develop new economic “genetics” that allow values and ethics to inspire collective solutions without forgetting particular needs (Sistema B, 2021). B certification must comply with four areas of review: governance, workers, environment and community (Groppa & Sluga, 2015).

These articles showed Chilibroste that Sellin is a company with a purpose that drives social innovation. Although it has yet to achieve a certification, it meets the characteristics of such organisations.

When Sellin defined itself as a company that seeks a triple impact, it was structured within the framework of sustainable economies, aimed at developing business strategies with an economic,
social and environmental impact, and aligned with its purpose to contribute to different Sustainable Development Goals (SDGs).

Leveraging its business DNA, the company looks for real commercial opportunities. It collaborates with public and private organisations at a national level to foster the growth and sustainability of local producers while providing a solution to the social issue of territorial uprooting. In this way, the company breaks territorial barriers and achieves the decentralisation and advancement of its production or enterprise.

Sellin is a purpose-driven company. As such, it is a hybrid organisation: driven by sustainability, it seeks to achieve a triple impact (i.e. an economic, social and environmental effect) and creates value under a unified strategy for both its owners and society (the community in which it operates). It has indicators of economic profitability and social impact, which are used to assess what the company delivers to the community to which it is committed. It emerged as a venture aiming to develop a productive and commercial community that connects points in a different way, and connects market opportunities with existing capacities by developing ground-breaking management models (Chilibroste, 2019). It is a source of innovation, in particular, social innovation, which creates solutions aiming to reduce gaps in the micro and small producers' sector in Uruguay.

Along the way, the company received awards and nominations, both nationally and internationally:

In 2017, Sellin won the award EmprendO 2017 from the newspaper El Observador, which included a free advertising campaign in the print edition of the newspaper and on its website (El Observador, 2017).

In 2018, Chivas Regal, in its global entrepreneurship contest, awarded the initiative on the grounds that it sought to boost micro and small entrepreneurs' business through sustainable innovation processes.

In 2018, the company won the 3rd edition of the Startup Nation Experience in Uruguay and was present in the Israeli entrepreneurial ecosystem.

In 2018, Sellin was a finalist in the Nova award (ANII), created for the innovative capacity of companies and organisations in Uruguay that contribute to improving people's quality of life and to economic progress.

In 2019, the company was selected among the 500 best projects in the awards Latinoamérica Verde promoted by the 2030 agenda.

The company's Challenge: Linking Entrepreneurs to Commercial Opportunities

Sellin works on-site with more than 500 entrepreneurs; 82% of them are women and more than half of them are rural women. In this way, it was observed that entrepreneurship was the only alternative to generate income. Their challenges included accessing to raw materials, adding differential value to their products, technological management, and lack of commercial opportunities.
Sellin was linked to organisations such as ANDE, Socialab, Sistema B, and the International Festival of Social Innovation (Festival Internacional de Innovación Social, FIIS) (El Observador, 2018).

Through its platform, Sellin articulates and connects micro and small producers with individual and business clients seeking to develop new products with impact. It also creates a catalogue with the value offered by all the micro and small producers from the network, available to individual and business clients. Moreover, it publishes and spreads information, becoming a local and global showcase of Uruguayan producers.

From the beginning, Sellin's evolution has marked a continuous development in social innovation, and its projects reflect this aspect. The company maintains and strengthens the activities in the territory, getting close to where the enterprises operate, getting to know the reality in which they develop and identifying their competencies in situ as well as the necessary support for their empowerment.

The pillars on which Sellin is based include buying with value, promoting a fair trade, advocating for dignified work and helping the development of the people involved. Sellin thus became a hub that brings together many capacities and creates work opportunities that open new paths, as Chilibroste indicated (UCU, 2018).

Sellin Opens up to the World

A pivotal moment in Sellin's development was quickly achieving the company's internationalisation. Between 2018 and 2019, after reaching process professionalisation and forging alliances, the company managed to enter the foreign market. Since Uruguay is a small country, Sellin was able to validate, develop, implement and grow (Chilibroste, 2020). This support was fundamental to access the international market, which was an objective the directors had in mind since the beginning. They knew they had to (and wanted to) forge alliances internationally for developing the business model; bridges were built, now they had to put them to good use (Chilibroste, 2020). Sellin is currently in Argentina and is looking towards Colombia and Mexico.

Internationalisation was achieved through two strategies. On the one hand, Sellin's business model was internalised as a productive development model of decentralisation, transmitting know-how and creating alliances with local organisations and actors. On the other hand, the product was internalised, with a different conceptualisation of fair trade and sustainable development. Regarding the business model, it should be borne in mind that it involves providing a range of solutions within itself. For example, raw materials, design, financing, and training, among other solutions, with a view to an umbrella brand where each unit in itself operates and articulates (Chilibroste, 2020).

COVID-19 Pandemic Strategies

Chilibroste reflected on Sellin's business model, what the company did and how it did it, as well as the main strategies developed during its evolution, especially those implemented during the
COVID-19 pandemic. She was concerned about continuing with essential issues such as the company's internationalisation and Sellin's significant impacts and challenges (Chilibroste, 2020).

Chilibroste fervently wished to maintain the philosophy of a socially innovative company seeking a triple impact in the generation and development of a sustainable business. This philosophy should establish a business strategy to link and engage all stakeholders and understand the challenges of consolidating a network with strategic impact partners.

According to its director, the sector of micro and small producers was enormously affected, especially at the beginning, in March and April 2020, when home confinement was established in Uruguay. Although not compulsory, the order was widely respected and produced almost a total paralysis of the productive sectors. In this scenario, Sellin's purpose became more meaningful, considering the company sought to bring opportunities closer to the people who could not reach them. Short-term strategies were developed, and Sellin made it possible to keep the sector active. Sellin was agile in thinking of the solutions that could be offered both to companies, which are its main clients, and to end clients (Chilibroste, 2020).

The company demonstrated strategic agility and responded quickly to the COVID-19 crisis. Through the effective implementation of these strategies, it was able to strengthen its connection with clients and highlight customers' perception of Sellin as a strategic business partner. This approach was effectively aligned with its raison d'être. In this sense, the crisis was a great opportunity to grow and to sell, multiplying turnover and having an impact on many more realities (Chilibroste, 2020).

One of the strategies was aimed at business customers: encouraging them to leverage the investment they used to make in a New Year's Eve party or on special occasions to give gifts to their customers and employees. Thus, they generated campaigns and developed actions through Sellin, which brought the company's gift closer to its recipients and in that way became a partner for its client. The purpose of the company came more into play during the pandemic, and it became an articulator for companies and entrepreneurs (Chilibroste, 2020).

The actions that stood out the most in this period were:

- Entering the supply chains with the COVID protective masks, based on market demand. Meeting with companies and clients to think together about opportunities for consumption, and then launching the protective mask (Chilibroste, 2020).

- An e-commerce shop was launched, which was called Codo a Codo (it refers to the elbow bump in Spanish). Also, gourmet surprise boxes were marketed; the final customers bought them for family members with whom they could not have contact due to the pandemic (this was the hug that they could not give). Sellin Familia (Sellin Family) was also launched, an action aimed at end customers and company employees for the consumption of fast-moving products in family presentations that are not gourmet products.

- A training platform in production and marketing was launched for Sellin's microentrepreneurs, and there are plans to create a trade school to generate and share knowledge.
According to its Purpose

Sellin is a private company that aims to go beyond a commercial result driven by business profitability. As a social enterprise, it aims to positively impact the community in which it operates, focusing on micro and small producers in Uruguay, particularly emphasising the social dimension.

The significant impact on this community is the generation of decentralised work and product development in the territory, becoming a fundamental pillar of the economy and society. Sellin connects microproducers with clients that would otherwise be impossible to reach; it articulates management between different actors, solidifying existing networks in the territory so that they can sustain their enterprises in the long term.

Through Sellin, micro and small producers can develop their products in the territory, work in a collaborative business community, access customers they would not otherwise reach, train and develop skills, and even get to export, from their small, familiar environment, which is undoubtedly a very positive impact. Sellin also finances microdevelopment and has implemented measures such as eliminating the "microproduction tax", allowing producers to reach the market with competitive prices (Chilibroste, 2019).

On the other hand, Sellin's management impacts companies and consumers. Sellin has a territorial mapping that allows to identify producers, train them and manage them. In this way, the companies have access to the manufacturing of high-quality products at competitive prices and generate a positive impact on the economies of the communities in the network. In this way, Sellin guarantees a win-win situation for all parties by integrating and managing the social innovation network through production management, quality control and delivery time. Likewise, the end customer receives this impact through access to high-quality, handcrafted and nationally made products at competitive prices, thus encouraging responsible consumption.

The Business Breaking Point

At the beginning of 2021, Chilibroste was at a personal and business breaking point. Her family had always supported her, and in her role, she grew a company aligned with her values and social focus.

Faced with changes in the company's board of directors, Chilibroste had to reorient the company and strengthen the areas that were not her specialty, having to make crucial decisions.

There were many doubts:

- Could she run the company on her own and bring in her family?
- Could she keep the business with its innovative approach and the Sellin name?
- Was continued internationalisation feasible?

Pedagogical note “Sellin Creating Opportunities”
Subject area of the teaching case: Entrepreneurship and Management

Student level and proposed courses the teaching case can be used on: Bachelor and graduate University students. Courses: Design Thinking and Entrepreneurship; Strategy and Management; Social Innovation and Sustainability; Internationalisation.

Brief overview of the teaching case: Sellin is a successful enterprise with social innovation. It is a platform that brings together micro and small producers nationwide to disseminate and market their products nationally and internationally. Its purpose is to provide them with opportunities for sustainable growth, avoiding territorial uprooting and generating a triple impact, integrating the challenge of consolidating the sustainability chain by connecting key partners as partners for impact. It includes a breaking point when one of the partners left the company, which was overcome, allowing it to continue.

Expected learning outcomes: At the end of the case study, the learner will be able to assess the problems faced by the enterprise, propose innovative solutions within the sustainable enterprise framework and recommend how to modify the business model of the venture and assess its weaknesses and opportunities for improvement.

Creativity and innovation, teamwork, entrepreneurial mindset, and community sensitivity are the competencies involved in understanding and solving this case.

List of supplementary materials: questions for students, notes for the teacher and teaching plan.

Keywords: Design Thinking, Social Innovation, Inclusive Business, Entrepreneurship, Social Entrepreneurship, Management, and Internationalisation Strategy.

Teaching plan

The teacher can work on the case in one or several classes, choosing the blocks of questions of interest for the development. Within the proposed dynamics, all teams can work on them simultaneously or divide them up to be presented and discussed in plenary.

At the end of the class, in ”General Notes for the teachers”, the teacher has an epilogue with the situation of the company after the moment of breakdown in order to be able to share it. If it is in Spanish, you can visit Sellin's current page.

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General Notes for the teachers - Epilogue

This case presents Sellin as a socially innovative enterprise in Uruguay, it is a platform that brings together micro and small producers nationwide to disseminate and market their products nationally and internationally. Its purpose is to provide them with opportunities for sustainable growth, avoiding territorial uprooting and generating a triple impact.

The methodology developed is the case study, secondary research through fieldwork with semi-directed interviews and analysis of secondary sources. The case study allowed us to understand that Sellin is a successful enterprise with social innovation, which has grown and scaled sustainably and is considering the continuous professionalisation of its business model, integrating the challenge of consolidating the sustainability chain by connecting key partners as partners for impact.

Today, the company has three business lines to strengthen micro and small producers: product sales to end customers, development and manufacturing for third-party brands, and consultancy and territorial interventions to develop capacities (Sellín, 2022).

The current situation of the company after Diego Fraga's retirement from the company

When Diego Fraga left the company, Mariana continues at the helm, and Virginia Suárez and Ignacio Del have joined the management team.

Virginia Suárez, a Public Accountant who graduated from Udelar (Republic of Uruguay University), with an MBA from the Centre of Macroeconomic Studies of Argentina, graduated in finance from ORT. Consultant for the United Nations, after a long career in private banking linked to analytical work and decision-making with a focus on finance and strategy, decided four years ago to start another path, putting "business in favour of other things"; she came into contact with System B and understood that she wanted to go down that path (Crónicas, 2022).
Ignacio Del, Public Accountant who graduated from Udelar with MBA from IEEM, is currently the general manager of WTC Free Zone and a member of the Business Council B has worked in the area of multinational companies; he is linked to organisations in the area of education and entrepreneurship, currently chairing DESEM Young Entrepreneurs and has a particular interest in the development of businesses with triple impact (Crónicas, 2022).

Sellin works on developing productive and commercial capacities, for example, in the case of the rural weavers of Zona Este, united by the sheep production chain and where economic and social development is promoted based on wool (Sellin, 2022). It also aims to encourage productive development by working in hand in hand with micro and small producers to develop sustainable design and production with a positive impact on their community. Finally, hand in hand with the previous projects, Sellin seeks commercial innovation, consolidating the hybridisation of the business, where processes are managed, and the profitability of the business is sought.

Today the company has travelled 80'000 km, visited all the departments of Uruguay (19), and has 400 micro and small producers and 110 enterprises on its platform.

In this line of work, Sellin has recently allied with the Municipality of Paysandú within the framework of the Alma del Pueblo Project, intending to promote the "Querencia" brand with the Tierra Heroica edition, where they link up with artisans from Paysandú with quality and design products, entrepreneurs who have so far failed to develop their commercialisation chain and who, through Sellin, seek to achieve territorial decentralisation, as well as better performance in the management of the enterprise (Municipality of Paysandú, 2022).

Finally, it generates economic impacts from the commercialisation that is put into play in the different lines of work, establishing the business's profitability for the different actors involved. This financial result sustains the business model and encourages the Sellin community to develop new challenges. According to M. Chilibroste, the triple impact is achieved, linked to a cycle of sustainability developed from a circular design (Crónicas, 2022).

In this sense, Sellin's business model is represented in a virtuous circle made up of:

1. development of capacities and differential products through alliances with micro and small producers in the territory, constituting the incubation of products and the development of brands (Querencia, Dinamo);
2. the link with companies and the development of the value chain with impact (B2B channels);
3. Sellin, who connects, links and develops the activity between the two.

According to Virginia Suárez (Crónicas, 2022), anchored in their purpose of generating opportunities, they operate with indicators and variables common to purely commercial companies (gross margin, sales prices, operational and logistical efficiency). However, in addition to these, they incorporate social impact indicators.

The professionalisation of the business model has made it possible to establish impact measurement through the determination of management indicators in the economic, social and environmental dimensions. This measurement makes it possible to optimise costs, closely monitor results and establish constant improvements to achieve the long-term sustainability of
the proposal. "Working in an integrated way, measuring, improving, has allowed us to consolidate and scale the venture" (Chilibroste, 2019).

Current and future challenges

As defined above, Sellin has established itself as a company that aims for sustainability. In this sense, it seeks to achieve economic, social and environmental impact in the social sphere. In order to achieve this, it has evolved in the professionalisation of management, as well as in the development of innovation in product design, organisational aspects and social aspects. In this perspective, it is essential to position itself as the articulator of a collaborative network of work between micro and small producers and allied companies. Constant challenges include improving management, optimising processes and products, validating international markets to enter them successfully, identifying where to generate value and where there are opportunities, and recognising the need for allies and connecting them.

Another vital challenge at present is to improve the generation of the sustainability chain by connecting these two key partners, the national entrepreneurs (micro and small producers, suppliers and manufacturers) and the partner companies, in such a way that their relationship generates a social impact. According to Ignacio Del (Crónicas, 2022), Sellin's main project for this year is to have partners for impact, "there are already more than twenty companies with which we have had the first instance to be strategic partners for impact" the objective is to detect opportunities and define concrete actions to optimise the logistics chain for the purchase of products, as well as the business model with impact.

How to achieve this objective? All actors in the value chain must be aligned in their purpose with a defined orientation towards sustainability to generate synergy in achieving objectives. It takes work to achieve; the competitiveness of companies, both in their value proposition and in costs and prices, is a relevant factor that often conditions the selection of strategic partners in the chain. There must be an affinity in the organisational culture of the partner companies, all of which must be oriented towards the search for a triple impact.

This challenge positions Sellin as a social innovation company and a forerunner in developing open innovation as value creation through R&D is transformed into knowledge inputs and outputs as part of the company's strategy. Shared value creation exists between the parties involved, and the processes developed seek and transfer external knowledge to their innovation activities. For this reason, the alignment of the organisational culture of the network actors and the existence of more permeable organisational boundaries that allow for combinations of resources beyond the resources of an individual actor and where there is no monopoly of knowledge is crucial (Chesbrough, Lettl and Ritter, 2018). Bonds of trust strengthen value transfer within the value network (Ruoslahti, 2018). M. Chilibroste (2019) states, "a virtuous and feedback loop is created".

Finally, it is considered pertinent to close with Sellin's claim 2022, shared by M. Chilibroste (Crónicas, 2022):

"Our claim for this year is "we are because you are", it sums up our concept of development, as each of us reaches our maximum development, the rest of us develop, and this spirit that starts at home is made possible by a good team, understanding that each of us has a role, but that we are all there for each other".
Conclusions

The Sellin case study concludes that it is a successful Uruguayan venture with social innovation. It seeks a triple impact by generating opportunities for micro and small producers in Uruguay to grow their businesses sustainably place of origin without the need to be uprooted from the territory. In its evolution since 2016, it has developed different lines of work that have allowed itself as an umbrella brand, consolidating itself at a national level and developing the path of internationalisation. Within the framework of a purpose-driven company oriented towards sustainable business development, the professionalisation of its management model has driven the implementation of pandemic strategies that have led Sellin to achieve significant growth in sales and strengthen its link with its community of stakeholders.

Its current challenges are aimed at improving management, optimising processes and products, validating international markets to successfully enter them, identifying where to generate value and where there are opportunities, and recognising the need for allies, identifying and connecting them. Its current principal project is to generate and sustain a value chain of strategic partners with impact aligned in the search for sustainable business.

Finally, pedagogical notes are presented in Annex I, organised by thematic areas (design thinking, strategy and management, social innovation, sustainability and internationalisation), which aim to guide the teacher in formulating critical questions for students, establishing a suggested guide of answers and supporting references.

Teaching notes

In this case, four blocks of questions are posed on entrepreneurship-related topics. This section presents the questions and bibliography for the teacher's use.

1. Design Thinking and Entrepreneurship

Expected learning outcomes: At the end of the case study, the learner will be able to assess the problems faced by the enterprise, propose innovative solutions within the sustainable enterprise framework and recommend how to modify the business model of the venture and assess its weaknesses and opportunities for improvement.

Creativity and innovation, teamwork, entrepreneurial mindset are the competencies involved in understanding and solving this case.

1.1. In what aspects is the Design Thinking methodology used in the different stages of the company?

Note to the teacher: Given the importance of Design Thinking (DT) in the development of social innovation, the student can identify the application by the company in the iterative process of design thinking and how it enhanced Sellin's approach to small producers, what tools he used
to reach them (workshops, training, interviews, in the search to empathise and develop his business model).

“Design thinking is a human-centered approach to innovation—anchored in understanding customer’s needs, rapid prototyping, and generating creative ideas—that will transform the way you develop products, services, processes, and organizations. By using design thinking, you make decisions based on what customers really want instead of relying only on historical data or making risky bets based on instinct instead of evidence” IDEO (2023).

Jon Kolko (2014) points out that Design Thinking has gone from being a methodology restricted to the development of products and physical objects in general to being essential today for global strategies and organisational culture change.

The teacher can discuss with students how “Design thinking brings together what is desirable from a human point of view with what is technologically feasible and economically viable”, through a Venn diagram including the following questions:

- “Desirability: What makes sense to people and for people?”
- “Feasibility: What is technically possible within the foreseeable future?”
- “Viability: What is likely to become part of a sustainable business model?” IDEO (2023).

To consider the situation in the evolution of the business and to recommend how the DT concepts would be applied in the initial stage of the company as well as in the growth and development of the sustainable corporate business. Following the five steps design thinking model proposed by Hasso Platner is recommended.

- Empathise: Students should explain in Sellin's first stage how they empathised with the micro-entrepreneurs (i.e. by travelling around the country, conducting interviews, trying to discover and uncover emotions, and seeking stories, talking to the members of the different communities to detect their needs).

- Define: In this second stage, students should infer how to Sellin, reframe and create a human-centric problem statement, and identify meaningful surprises and tensions.

- Ideate: Engage students as if they were part of Sellin's team; what techniques or tools they would propose for the ideation stage (i.e. brainstorm radical ideas, build on others' ideas, suspend judgement).

- Prototype: Students with elements provided by the teacher can create a prototype of the business by showing experiences, role-playing to understand the context and key features, and looking to build to think and learn quickly.

- Test: Suggest how to measure and perform, i.e. Test with customers or refine the solution and gather data, gain more profound empathy, and embrace failure.

- Assess: Students should suggest guidelines for evaluating project work critically, openly giving and receiving feedback, and integrating feedback into the proposed solution.
It is essential to emphasise using Design Thinking to focus on humans for the students. That is, putting humans at the centre (IDEO, 2023).

"General Notes for the Teacher" discusses what happened after the breaking point.

Suggested reading:


2. Strategy and Management

Expected learning outcomes: At the end of the case study, the learner will be able to assess the problems faced by the enterprise, propose innovative solutions within the sustainable enterprise framework and recommend how to modify the business model of the venture and assess its weaknesses and opportunities for improvement.

Teamwork, decision making, entrepreneurial mindset are the competencies involved in understanding and solving this case.

2.1. Explain Sellin's strengths and weaknesses that enabled him to scale and achieve current development.

Note to teacher: Ask students to evaluate the internal factors influencing Sellin's decision-making and the importance of management team building.

It is recommended that the concept of strategy and the SWOT analysis tool be considered when working on this question.

According to De Kluyver (2002), strategy refers to positioning the company to achieve a sustainable competitive advantage. Its definition implies deciding on aspects of the market in which it participates, its products and services and its resources. This author states that the strategy's main objective is to create value for the shareholder and other stakeholders, offering value to the customer.
However, at present and with relevance to the case in question (Sellin), the concept of sustainable strategy should be considered as one that develops innovative solutions that respond to social and environmental challenges while generating economic value (Hart, 1995).

The SWOT (strengths, weaknesses, opportunities, threats) analysis is one of the classic tools used by companies in the construction of successful strategic planning. It is designed to explore new initiatives or solutions to problems, to have diagnostic information for decision-making, to identify opportunities and priorities, and to be more accurate in the definition of short, medium and long-term plans. Its application allows developing, on the one hand, an evaluation of the internal situation of an organization through the analysis of its strengths and weaknesses. On the other hand, an external assessment is carried out by analyzing the opportunities and threats perceived by the organization. These four dimensions provide an overview of the company's strategic situation. Strengths and weaknesses are internal to the organization and controllable by management. Strengths are the functions the company performs correctly, skills and capabilities developed by its personnel and resources.

These strengths account for its competitive capacity in the market. Weaknesses are the factors or activities that make the organization vulnerable or simply an action that the company performs poorly and places it at a disadvantage compared to its competitors. Opportunities and threats are external factors that the organization cannot control. Still, while opportunities favour its potential growth, threats represent negative aspects or harm or hinder the organization's development (Ramírez Rojas, 2017).

Students can analyse how the Sellin platform enabled micro-entrepreneurs to innovate their business model and develop their digitalisation by adopting Sellin's digital platform for their e-commerce. In the discussion, several strengths and weaknesses may emerge, and it is recommended to emphasise the following.

One of the strengths that should be highlighted was the ability to empathise and understand the culture in each of the territories where they worked. Another is the composition of the management team at the beginning and after Fraga left, the expertise and social capital of the new managers. Also, the international awards they have received recognise it as one of the social platforms that have achieved their objectives.

One important constraint is the time needed to build relationships of trust with chain participants; another was access to finance for micro-entrepreneurs.

In the cases of products marketed by Sellin for Business to Business (B2B) with partner companies, the management effort was to instil organisational culture change and integration into their value chain so that they value products with impact.

Recommend: Given the composition of the original management team, suggest what other management profile would be needed for the company's development.

"General Notes for the Teacher" discusses what happened after the breaking point.
2.2. Assess the strategies that Sellin implemented during the Covid 19 pandemic

Note to the teacher: Because of the Covid-19 crisis; the sectors have been affected differently; students should identify for Sellin and micro-producers how they have been affected.

The quarantine could have affected the economy according to the sector to which they belong (Good Rebels, 2020).

In the case of consumer packaged goods (CPGs), which are products that customers use up and replace frequently, i.e. food, beverages, cosmetics, and cleaning products, digital shopping has soared from day one.

The sector that benefited most from the crisis was the homebound economy (i.e. entertainment, telecommunications, software and app, media and digital), for which they could meet the increased demand.

One recommended tool for assessing crisis damage for the teacher is to use Leiva and Guillen's (2020) strategic quadrant for Sellin and its clients (Figure 1). Students should assess and select the most appropriate quadrant for Sellin's situation during Covid-19.

"General Notes for the Teacher" discusses what happened after the breaking point.
2) Seek new resources and capacities. Make alliances

4) Suspend or temporarily close operations

1) Operate "normally"

3) Search for new clients. Offer new products or services

- Damage suffered by my clients  
+ 

Source: Strategic Quadrant (2020, p. 1).

Suggested reading:


3. Social innovation

Expected learning outcomes: At the end of the case study, the learner will be able to assess the problems faced by the enterprise, propose innovative solutions within the sustainable enterprise framework and recommend how to modify the business model of the venture and assess its weaknesses and opportunities for improvement.

Creativity and innovation, teamwork, entrepreneurial mindset, and community sensitivity are the competencies involved in understanding and solving this case.

3.1. Analyse how Sellin's main sustainable development challenges

Note to the teacher: Sellin defines itself as a change agent. Students should analyse how they incorporated the Sustainable Development Goals (SDGs) into their business strategy and its impact on competitiveness. They are: 1. end poverty; 8. decent work and economic growth; 10. reducing inequalities; 11. sustainable cities and communities, and 12. responsible production and consumption (UN, 2017).

Students working in teams can see the impact of sustainability in their countries. In the Competitiveness Index Report (WEFORUM,2020), Uruguay appears as a virtuous country and can analyse the ranking situation in their country. Students can also be asked to do an interactive
activity by downloading the "SDGs in Action" app determining which SDGs Sellin is working on in a whiteboard exercise, and identifying actions they could incorporate into Sellin.

"General Notes for the Teacher" discusses what happened after the breaking point.

The teacher should consider the concept of social innovation to work on this question.

Social innovation is integrated into developing a sustainable strategy, in the understanding that it implies the generation of businesses that address social and environmental problems. Its objective is to generate a positive social impact while being financially sustainable. Referring to innovation implies a change process involving multiple actors, such as governments, companies, non-profit organizations and local communities. It is also social in that it addresses social and environmental challenges by creating solutions that generate economic opportunities (Baumann, Antikainen, Hietanen, 2017).

Suggested reading:


3.2. Identify the significant sustainability impacts of Sellin's management and recommend how to achieve B certification.

Note to the teacher: Sellin defines itself as a purpose-driven business and, as such, seeks triple impact (economic, social and environmental). Since its foundation, it has sought social innovation by working creatively with small producers in the country's interior. It is even more relevant because of the impact of Covid-19 due to the physical, emotional and financial effects they had to face.
Students should identify and analyse the B Corp Model and the impacts for each stakeholder with the dimensions of impact implemented through System B (System B, 2022).

Comments: Sellin is not a B company but is involved in all processes supporting System B.

B Corporations emerged in the first decade of the 21st century under the imprint of social innovation as part of developing hybrid business models driven by sustainability. They aim to create value for society through environmental and social benefits and are not limited to reducing the adverse effects of business activity (Haigh & Hoffman, 2012). They are also characterized by building beneficial relationships with stakeholders and influencing the market, competition and institutions (Stubbs, 2017). These companies seek to achieve a triple impact: solve social and environmental problems, are certified for their high standards of transparency and accountability, and incorporate legal amendments to their bylaws, expanding the fiduciary duty of shareholders and managers to include non-financial interests. It is new genetics of doing business that combines purpose with profit motive. It allows profit sharing while committing to positive impact as a core element of their identity and business (Correa, 2019). To be a B Corporation, it is necessary to obtain the B certification provided by B Lab, which comprises five dimensions: governance, workers, community, environment and customers.

Suggested reading:


4. Business model evolution

Expected learning outcomes: At the end of the case study, the learner will be able to assess the problems faced by the enterprise, propose innovative solutions within the sustainable enterprise framework and recommend how to modify the business model of the venture and assess its weaknesses and opportunities for improvement.

Creativity and innovation, teamwork, entrepreneurial mindset, and community sensitivity are the competencies involved in understanding and solving this case.

4.1. Explain the evolution of Sellin's Business Model Canvas from its origins to the present day.

Note to the teacher: The development of a venture goes through several stages, which may vary from country to country. Students should analyse it at some or all stages through:

- Inferring the initial Sellin business model.
- Designing the sustainable business model
- Strategising your link with corporate clients for Business to Business (B2B).
- Convincing corporate clients to do business with impact.

Initially, Sellin's business model is a response to the traditional Business Model Canvas de Osterwalder y Pigneur (2010) ”a business model can best be described through nine basic building blocks that show the logic of how a company intends to make money. The nine blocks cover the four main areas of a business: customers, offer, infrastructure, and financial viability. The business model is like a blueprint for a strategy to be implemented through organizational structures, processes, and systems” (p. 15).

The teacher can use the canvas model as suggested by Osterwalder: “This tool resembles a painter’s canvas—preformatted with the nine blocks—which allows you to paint pictures of new or existing business models. The Business Model Canvas works best when printed out on a large surface so groups of people can jointly start sketching and discussing business model elements with Post-it® notes or board markers. It is a hands-on tool that fosters understanding, discussion, creativity, and analysis” (p.45)
For this purpose, it is suggested to use the resources of Strategyzer (2023) https://www.strategyzer.com/library/the-business-model-canVAS, with Post-it dynamics in teams and integration in class to achieve visual thinking.

According to Chilibroste's values as CEO, the business model, from the very beginning, sought to become a Sustainable Business Model: “With a focus on integrating sustainability into business systems, Charter and Clark (2007, p. 9) offer a definition of sustainable innovation embracing all of these three elements: “Sustainable innovation is a process where sustainability considerations (environmental, social and financial) are integrated into company systems—business systems—from idea generation and development (R&D) and commercialization. This applies to products, services and technologies, as well as to new business and organizational models.” This definition is closely aligned with business strategies, where social and environmental issues are seen as commercially profitable options and as sources to increase future competitiveness” (Aagaard, 2019, p.29 citando a Charter and Clark (2007, p. 9 ).

In a third stage, transforming Sellin's business culture, it sought to implement a strategy of engaging with corporate customers for Business to Business (B2B).

The student must analyse how the company constantly reinvents itself, compete on superior business model, transcend industry boundaries and create more value for society, for customers, for the team, for owners ( Osterwalder et al., 2020).

The teacher should emphasise the importance of corporate customers buying products with impact, such as inputs or business gifts.

"General Notes for the Teacher" discusses what happened after the breaking point.

Suggested reading:


4.2. What are the strategic lines developed by Sellin in its internationalisation process?

Note to the teacher: Going international presents challenges to the business model of companies; students can try to identify for Sellin, as modelled by Reim et al. (2020), the relationship between the challenges and digitalisation and how the business model achieves the creation, capture and delivery of value for SMEs.

Classify the company's challenges and infer how digitalisation affects the Business Model for:
- Value creation
- Value delivery
- Value capture

"General Notes for the Teacher" discusses what happened after the breaking point.

Suggested reading:


Sellin Instagram

References – case introduction


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