Business Models for the 'Good Society'

Rowntree's, York Founded 1862 Confectioner Now owned by Nestle

Cadbury, Birmingham Founded 1824 Confectioner Sold to Kraft January 2010



Joseph Rowntree

Fry's, Bristol Founded 1761 Confectioner Now owned by Cadbury

Clarks, Street Founded 1825 Cobbler Still owned by Clarks Huntley & Palmers, Reading Founded 1822 Biscuits Now owned by Freemans



George Cadbury



Cyrus Clark

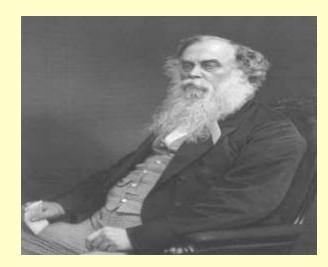


Elizabeth Fry



Thomas Huntley





Range of sustainable business models

		Technological			Social			Organisational	
	Maximise material and energy efficiency	Create value from waste	Substitute with renewables and natural processes	Deliver functionality rather than ownership	Adopt a stewardship role	Encourage sufficiency	Repurpose for society/ environment	Develop scale up solutions	
Ï	Low carbon manufacturing/	Circular economy,	Move from non- renewable to renewable energy sources	Product-oriented PSS - maintenance, extended warrantee	Biodiversity protection	Consumer Education	Not for profit Hybrid businesses, Social enterprise (for profit)	Collaborative approaches (sourcing, production, lobbying)	
	solutions	closed loop			Consumer care - promote consumer health	(models); communication and awareness			
I	Lean manufacturing	Cradle-2-Cradle							
ł	Additive	Industrial symbiosis	Solar and wind- power based energy innovations	Use oriented PSS- Rental, lease, shared	and well-being Ethical trade	Demand management (including cap &	Alternative ownership: cooperative, mutual, (farmers) collectives	Incubators and Entrepreneur support models	
ı	manufacturing	Reuse, recycle,							
	De- materialisation (of products/ packaging)	re-manufacture	Zero emissions initiative	Result-oriented PSS- Pay per use	(fair trade)	trade) Slow fashion		Licensing, Franchising	
1		Take back			Choice editing by retailers				
1		Use excess capacity	Blue Economy	Private Finance Initiative (PFI)	Radical transparency about environmental/ societal impacts Resource stewardship	Product longevity Premium branding/limited availability	Social and biodiversity regeneration initiatives ('net positive') Base of pyramid solutions	Open innovation (platforms)	
1	Increased functionality (to reduce total number of products required)		Biomimicry	Design, Build, Finance, Operate (DBFO)				Crowd sourcing/ funding	
1		Sharing assets (shared ownership and collaborative consumption)	The Natural Step						
1			Slow					"Patient / slow capital" collaborations	
l			Green chemistry	Chemical Management Services (CMS)		Frugal business			
		Extended				Responsible	Localisation		
		producer responsibility				product distribution/ promotion	Home based, flexible working		

N. Bocken, et al. 2014. A literature and practice review to develop sustainable business model archetypes. Journal of Cleaner Production

Video: Ben and Jerry's – a 'for benefit' corporation



The Business Model Canvas

KEY PARTNERS

Who are our key partners? Who are our key suppliers?

Which key resources are we acquiring from our partners?

Which key activities do partners perform?

COST STRUCTURE

Which key activities are most expensive?

KEY ACTIVITIES

What key activities do our value propositions require? Our distribution channels? Customer relationships? Revenue streams?

KEY RESOURCES

What key resources do our value propositions require? Our distribution channels? Customer relationships? Revenue streams?

VALUE PROPOSITIONS

What value do we deliver to the customer?

Which one of our customers' problems are we helping to solve?

What bundles of products and services are we offering to each segment?

Which customer needs are we satisfying?

What is the minimum viable product?

CUSTOMER RELATIONSHIPS

How do we get, keep, and grow customers?

Which customer relationships have we established?

How are they integrated with the rest of our business model? How costly are they?

CUSTOMER SEGMENTS

For whom are we creating value?

Who are our most important customers?

What are the customer archetypes?

CHANNELS

Through which channels do our customer segments want to be reached?

How do other companies reach them now?

Which ones work best?

Which ones are most cost-efficient?

How are we integrating them with customer routines?

What are the most important costs inherent to our business model? Which key resources are most expensive? For what value are our customers really willing to pay?

For what do they currently pay?

REVENUE STREAMS

What is the revenue model?

What are the pricing tactics?

Rethinking the 'Business Model Canvas': Principles of sustainable businesses

Develop a 'Sustainable Business Model Canvas' that guides businesses to consider key issues in sustainable management:

- Are the sections adequate to consider sustainability issues?
- Are new or adapted sections required?
- What principles should guide decision making and analysis in each section?



- (a) new or adapted sections (if required)
- (b) guidance on each section





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Sustainable model types

- B-Corps
- Fair Trade





Putting the SBMC to work: Developing a coffee or clothing business

Working within a SBMC framework, develop some key principles for a coffee or clothing business.

In particular, specify key steps and issues across the different sections considering a Triple Bottom Line perspective:

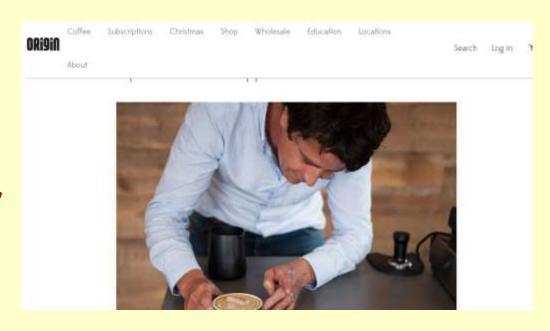
- Mission (Proposition)
- Costs and Revenues
- Breadth and depth of activities





Example business: Origin Coffee https://www.origincoffee.co.uk/

- How well does Origin Coffee meet the criteria for a sustainable business model?
- Is the information provided adequate?





The Triple Bottom Line (TBL)

