

Creating a Sustainable Business Model

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In this topic you will learn about the Sustainable Business Model Canvas, as a way to develop your business strategy. While there are more ways in which you can develop your business model, the BMC is one of the most used and helps you create a visual representation of your business. It is important to keep in mind how a business plan is fluid and can change over time. So, keep your plan up to date. This module uses the sustainable variant, as your company is focusing on plastic revaluation. Considering you are focussing on this aspect, you will benefit from using the sustainable variant. As the sustainable variant will help you consider some extra additions, making your company even more sustainable besides recycling plastic.

The business Model Canvas is based on the ideas of Alexander Osterwalder. While the most used version is the basic one, in recent years the Sustainable version is also being used more often to think about the ecological impact of a business and how a business can use this to their benefit.

If you did [module "28"](#) about Research, this can help you develop your BMC quicker, otherwise you can do the research during the creation of the BMC.

Description

The sustainable BMC consists of eleven steps, two more than the basic BMC. In the end of this module you can also find online examples, which can help you fill in the BMC. Please keep in mind that a BMC is continuous and changeable. Over time you should update your business plan to reflect changing situations. This module will take you through the eleven steps of the Sustainable BMC.

Step 1: Value proposition: Value proposition is the value you bring to the customer, thus, what problem are you solving for the customer. This means that there are a few questions to consider filling in the value proposition of the business model:

- What core value do you deliver to the customer?
- Which needs of the customer are you satisfying?

Value proposition can be hard to visualise. That is why a detailed explanation is in the module about the Value of your product.

Step 2: Customer segments: It helps to establish which customer you want to reach with your company. You can consider the following questions to fill in customer segments:

- Which classes are you creating values for?
- What are the differences between the customer segments?
- Who is your most important customer?

If you did "Research the Plastic Revaluation Market" this sounds quite familiar and you will have thought about the specifics related to your company already. Keep in mind how your product might be aimed at different customer segments.

Step 3: Channels: Channels play a factor in the experience of your customer. Channels can improve the reach of your company, they can provide a service, or collect feedback. To fill in the channels in the BMC you can ask yourself the following questions:

- Through which channels that your customers want to be reached?
- Which channels work best?

- How much do they cost?
- How can they be integrated into your and your customers' routines?
- Do you want to receive feedback?
 - Is the customer willing to give feedback?
- Can I keep track of the channels myself?

When creating channels on social media, keep in mind that there are companies who can do the social media/marketing for you, if you do not have the time or experience to do so yourself. Effective social media presence takes time, so be aware of the time it can take. If you need feedback or contact forms there are templates and programs out there which are suited for companies, saving you the time to create something new.

Step 4: Customer relationship: This step helps you develop what you believe is important in the customer contact. The goal is to use the different channels available in an efficient way, so that it will create a lasting relationship. Thus, you can consider several questions to decide on the customer relationship in the BMC:

- What relationship is required by the target customer?
 - Are there differences between target customers?
- How can you integrate that into your business?
- Do you want to have online or offline contact?
- Are you doing the contact yourself?
 - Again keep in mind what the customers prefer in combination in your strong suits.

Step 5: Key resources: Key resources are the attributes you need to make your business work. What you need depends on the kind of company that you have. you can ask yourself about key resources:

- What key resources does your value proposition require?
- What resources are the most important in distribution channels, customer relationships, and revenue streams? What is the key aspect of your company?

Step 6: Key activities: There are different activities required to make your business work as effectively as possible. Thus, questions to ask yourself regarding the key activities in the BMC are:

- What key activities do you do yourself?
- What key activities do you outsource?
- What activities are important in distribution channels, customer relationships, revenue streams? What is the key aspect of your company?

Step 7: Key partners: To develop your business you need partners. These can help you grow faster or reach your goals faster. Certainly when you have a plastic revaluation company, it is important to consider the plastic impact of these partners. Things to consider when filling in key partners at the BMC are:

- Who are key partners/ key suppliers?
- What is the motivation for these partnerships?

Step 8: Costs: to obtain a clear view of your business you need to understand the cost you are incurring. The questions you can ask yourself to understand the cost of your business are:

- What are the main costs in your business? Examples are:
 - Development Funding

- Prototyping
- Raw material
- Marketing & Promotion (General Marketing, Trade Fairs & Exhibitions, Website, Brochure & Communication Materials)
- Legal & Intellectual Property
- Distribution
- Office Supplies / Stationery
- Motor, Travel, Accommodation & Subsistence
- Communications (Phone, Internet, Broadband, Cloud Services, Hosting)
- Insurance (Product, General, Office, Etc.)
- Rent
- Utilities (Electricity, Water, Other)
- Accounting, Bank & Finance Cost
- Staff Costs
- Commissions
- Which key resources/ activities are most expensive?

Step 9: Revenue streams: when starting your company, you should consider the revenues you will receive. Thus, to have a view of the revenue streams you can ask yourself the following questions:

- For what value are your customers willing to pay?
- What is the amount of revenue you need to pay all of your costs?

Step 10: Eco-social costs (also named Negative externalities): You should consider the negative effects on the environment, when starting your business. Questions to ask are:

- What are the costs of my business on the environment?
 - Is production streamlined as best as possible?
- How do my partners influence the environment?
- Which key-resources are non-renewable?

Take in mind that you do not only think about the effects on the environment, but also the effects on the community, such nuisance through sound or rush.

If you have done earlier modules this might sound familiar to you, if not you can find an extensive explanation of the costs on the environment in earlier modules.

Step 11: Eco-social benefits (Also named Positive externalities): Your company can also have some positive effects on the environment. Question you can ask yourself are:

- Who will benefit from my company?
- What are the effects on the environment?

Take in mind that you do not only think about the effects on the environment, but also the effects on the community, such as providing jobs.

If you have done earlier modules this might sound familiar to you, if not you can find an extensive explanation of the costs on the environment in earlier modules.

Following all these steps will help you create a business plan. In the extra links, you can find a template to fill in. [Here](#) you can also find an example of a filled in Sustainable BMC.

Case studies & Examples

To help you think about how you can do your research, you can have a look at different examples and best practices. This can help you think about what you would like to do/offer/produce. Take in mind that there are quite some different business models to be used, you can have a look at which one you prefer. The BMC explained above, is just the most used model to structure your company. Not only the examples in this part can help you with creating a business model, doing much research on how you want to shape your company will help you as well.

MIND THE PLASTIC

MIND THE PLASTIC is an example focussing on consulting and manufacturing for food packaging. You can find more information [here](#).

- MIND THE PLASTIC has two components to consider in the business model. The consultancy side and the producing side. Thus, they do not only have to consider practical issues, but also service issues.

TAKATAKA PLASTICS

TAKATAKA PLASTICS is an example which wants to create construction materials. Additional information can be found [here](#).

- TAKATAKA PLASTICS adapted their business model to the changes from COVID. This shows how a business model can help you adapt your company when the situations are changing.

CONCEPTOS PLÁSTICOS

CONCEPTOS PLÁSTICOS is a best practice which focuses on a different set of construction elements. You can find some extra information [here](#).

- CONCEPTOS PLÁSTICOS uses a business model in which the considered ecological, social, and economic well-being are addressed. Taking in mind the social and ecological considerations of society is worth taking into account when making a business model.

Resources

Links:

- <https://canvanizer.com/new/business-model-canvas>
- https://www.case-ka.eu/wp/wp-content/uploads/2017/05/SustainableBusinessModelCanvas_highresolution.jpg
- <https://vizologi.com/business-strategy-canvas/plastic-omnium-business-model-canvas/>
- <https://www.sustainablebusinesscanvas.org/>
- <https://www.sustainablebusinesscanvas.org/cases/opinum>
- <https://vizologi.com/1>
- <https://fourweekmba-com.translate.goog/sustainable-business-model/? x tr sl=en& x tr tl=nl& x tr hl=nl& x tr pto=sc>

Videos:

- <https://www.youtube.com/watch?v=QoAOzMTLP5s>