A WELL-FOUNDED BUSINESS CAN BE SMALL

- Thesis by Maria Budniak
A WELL-FOUNDED BUSINESS CAN BE SMALL

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Place : Amsterdam.

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1 INTRODUCTION

1.1. RATIONALE

The purpose of this paper is to look at the dilemma of growth, to look at the contradiction between our incapacity to live without it and the rising awareness of its imminent death. This paper is about our blind faith that despite our constant chase towards a scarcity of natural resources, the problem will get solved by the technological advancement and human ingenuity. Not by me but by others, and not today but tomorrow. In the introduction of her book This Changes Everything (2014), Noami Klein describes the phenomenon in simple but striking words: “I denied climate change for longer than I care to admit…. I told myself the science was too complicated and that the environmentalists were dealing with it. And I continued to behave as if there was nothing wrong with the shiny card in my wallet attesting to my “elite” frequent flyer status.”

I would like to use an example of a different kind. I would like to speak of fashion. For almost a year, I worked as a sales assistant at one of the largest multinational clothing corporation. I have seen the focus of the managerial team slowly moving from a very selective hiring process to filling the employee gaps in a continuously increasing sales company. Over time, the store had not only started loosing its core identity but had also developed an attitude of always more and not better. The racks were overflowing of the same style t-shirt in different shades of green, and the clothes were being pushed and thrown on the floor in neglecting gestures. The clothes had become valueless. Both customers and employees were looking at them as if they ought to be consumed and as if their production did not require any use of natural resources or human work. To the question what happens to the clothes, which are not being purchased, I never received any clear answer.
One cannot deny that along with growth has come social evolution. The quality of life of those born in countries where the economic growth has been the most consequent, has met a level of well-being, which has hardly been experienced before. But the constant pursuit of profit, gave place to a major problem of production, which no longer responds to the needs of the consumers but to meeting the demands of a quantitative growth. By developing cheaper products, we took away some of their value and compensated it with an increase in items sold. Renouncing to growth holds the risk of renouncing to a very solid ground we have been stepping on for many decades but we have grown our economy so far that we stand in real danger of harming the environment to a point of no return and to run out of natural resources.

Therefore we need to change our frenetic consuming patterns and we need to start producing less. As with every shift, a change needs to start from the bottom with every single one of us but the effort must be collective. It must involve the government, journalists, philosophers, educational entities but also business owners, who need to rethink their business models and start making profit with the use of alternative strategies rather than sales only.

1.2. AIM

The aim of this research is therefore to explore the existing alternatives to growth on the business level, to propose a set of business models to companies with a focus on the fashion field and to contribute to the academic discourse around the limits of growth. It will consist of a research and an article, to be published on the website of the academic association dedicated to research, training, awareness raising and events organization around degrowth (Research & Degrowth). The article will first meet an audience of academics, scientists and activists from various fields sharing a common interest in degrowth in the context of the R&D association, to be finally spread to a larger audience made of business owners and anyone interested in understanding the functioning of the current economic system, the challenges it holds and how to solve them.
1.3. RESEARCH QUESTIONS

Accordingly, the main research question resulting from the previously explained rationale and aim, reads as follow:

What are the alternative business models to growth for fashion companies?

In order to approach this extensive field within a precisely defined framework, the following questions have been defined, to guide and lead the reader to the answer of the main question.

Q1: What is growth?
Q2: What are the effects of growth?
Q3: What are the alternatives to an economy of growth?
Q4: Which alternative business models to growth can be proposed to fashion companies?

1.4. METHODOLOGY

To conceptualise the existence of alternative business models to growth, a qualitative research is taken with a case based approach. An interpretive research is used to understand both the context of growth and degrowth, and the meaning people give to the term. Furthermore this work is exploratory, as very little research has been done in the field. The data has been collected through the following methods: observation, word associations, semi-structured interviews with open questions (see Table 1), and data collection from literature, reports, talks, movies and books.

The first and second sub-questions have been answered by collecting data, comparing it to the answers given during the interviews, and by analysing the results. Qualitative data has been used to describe the concept of growth and its impact on the development of a business, while quantitative data have been used to measure the impact of growth on the environment. Observation was done in two ways: by examining over a period of 11 months the way sales were generated in a large size company and their impact on the managerial team as well as by observing the reaction of business owners and managers to the question whether “growth is unavoidable to keep a company profitable”. The previously described method served three purposes:

• Reflect on the language and the meaning of the word growth
• To describe some of the environmental effects of growth
• To describe some of the effects of growth on the level of businesses

Similarly to the first and second questions, the third question has been answered through collection of qualitative data and interviews. The results have however been further interpreted with a certain level of subjectivity, in order to establish possible future scenarios likely to happen in a society of degrowth and the conditions, which need to be met
in order to avoid meeting some of the most damaging consequences. After noticing that the terminologies of “de-growth” and “sufficiency” triggered people to associate a personal and subjective meaning to it, a research about the language of degrowth and sufficiency has been added. The research has been conducted through word association during interviews and informal talks with people from various fields.

The fourth question is a result of observation, qualitative data collection, interviews, and case studies of sufficiency business models (business models aimed at reducing production levels) to develop a set of strategies suitable for the fashion industry. The cases selected are based on the suitability of the models to meet the goals of sufficiency, which broadly defined can be described as a reduction in production and consumption. The models, which only focused on developing more environmentally friendly products and did not consider production quantities, have thus not been selected.

Table 1 - Interviews

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<th>Name</th>
<th>Profession</th>
<th>Goal</th>
<th>Date and medium</th>
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<tr>
<td>Sven Carlin</td>
<td>Let it grow fund investment manager, global growth stocks newsletter editor, financial analyst, redactor at Investivdaily</td>
<td>Understand the growth economy, its context, opportunities and obstacles.</td>
<td>Email exchange 25/11/2017, 27/11/2017, 04/11/2017</td>
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<td>Jolle van der Mast</td>
<td>Co-owner of the sustainable clothing brand Unrecorded</td>
<td>Learn about the perspective of a business owner on growth</td>
<td>Face to face 27/11/2017</td>
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<tr>
<td>Klaudia Budniak</td>
<td>Project coordinator at Telus, a large size Canadian national telecommunications company</td>
<td>Learn about the perspective on growth of a employee working at a large size company and the perception on non-economic activities such as volunteering</td>
<td>Email 27/11/2017</td>
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<td>Irene Maldini</td>
<td>PhD researcher in the topic of clothing volumes and the possibility of diminishing them by enabling personalisation and production on demand.</td>
<td>Investigate the existence of sufficiency based models and the role of the customer in a degrowth context</td>
<td>Face to face 29/11/2017</td>
</tr>
<tr>
<td>Gwen Cunningham</td>
<td>Textile researcher and analyst at Circle Economy</td>
<td>Investigate the existence of sufficiency based models and the suitability of the circular economy in a context of degrowth</td>
<td>Face to face 04/12/2017</td>
</tr>
<tr>
<td>Inte Gloerich</td>
<td>Researcher and Project Leader at the Institute of Network Cultures – Involved in the research done about Universal Basic Income (UBI)</td>
<td>Investigate the suitability of the UBI in a context of degrowth</td>
<td>Face to face 06/12/2017</td>
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1.5. STRUCTURE

In the second and following the introduction chapter, I will speak of the concept of growth. I will start by defining business and economic growth, before speaking of the economic system and its flaws, which incorporates both terminologies. I will then expose the reasons underlying our need for growth and the fragility of our current economic system, which involves new measurements of life quality and a change in the language we speak.

The third chapter of this paper will uncover the impact of economic growth on the environment and the society by exposing some of the negative effects. The second part will be a description of the influence of business expansion on the overall company.

The following chapter will be an introduction to an alternative system to the economy of growth through a description of concepts of sufficiency business models and degrowth. It will also present the necessary distinction, which needs to be made between sustainable and sufficiency business models and will question the feasibility of a transition to a degrowth economic system and the changes it involves. The last part will speak of the influence of language to describe the terms sufficiency and degrowth.

The final chapter will focus on the fashion industry. It will question how sufficiency models and degrowth are perceived in the fashion field and the conditions, which need to be changed in order to allow the development of degrowth system. The last chapter will present a set of sufficiency business models suitable for the fashion industry, as an alternative to growth.

The conclusion will be a summary of the challenges involved in the transition to a different system, the conditions, which need to changed in order to allow such transition and finally the presentation of several business model innovation, which aim at reducing production and the assessment of their viability.

1.6. LIMITATIONS

As every research, this paper also holds inevitable limitations, which need to be recognised and taken into account during the review process. The most prominent one is the time limitation, which allowed me less than four months of practical research. I therefore had to select relevant data and omit information, which certainly would have added extra depth to the research.

Is it also important to mention that the aim of this paper is to question the concept of growth and the existence of a growth imperative. Therefore the main focus of the research is to explore the possibilities of alternative business models rather to make an in-depth study of the companies adopting them. While some of the proposed models are thus based on strategies already adopted by companies, others are speculative and require further exploration.
Another limitation is my lack of economical and political background. I believe that the issue I am stressing through this paper should be of the relevance of everyone and therefore I aimed at translating economical subjects into simple words, which can be understood by everyone. By doing so, I may have omitted important models and terms, well known to those specialised in the field. For similar reasons and because of the limitation in terms of time and length, this paper does not investigate in depth the importance of the political role in solving the issues linked with growth.

This paper strongly relies on two concepts: degrowth (an equitable downscaling of production and consumption that increases human well-being) and sufficiency (moderate overall resource consumption on the business level). This research however does not define these two terminologies as the only theories capable of solving the problem of growth but instead use them to add clarity and strict terminologies to the research.

Finally, I came across very little strategic models being fully adopted by businesses and therefore their feasibility was hard to assess. This last element shows that my research is the opening of a question, which holds many opportunities but currently, also has limitations as to what can be done.
Before looking into alternative business structures, it is necessary to introduce the topic of growth, to give it a proper definition and place the term in its economic context. The concept of growth on a business level is deeply embodied in the context of economic growth however it is necessary to draw a clear distinction between the two terms before defining their correlation. In the later stage of this report, growth will be used to define business growth embodied in the economic growth, and thus the whole system.

“INCREASE IN CAPACITY: ACTIONS SUCH AS HIRING NEW STAFF, INVESTING IN MACHINERY AND SPATIAL EXPANSION”
2.1. DEFINING BUSINESS GROWTH AND ECONOMIC GROWTH

The growth of a business can be defined as an increase in capacity that aims at increasing turnover (Leonhardt, Juschten and Spash, 2017). Turnover represents sales revenue per period and capacity is synonym of actions such as hiring new staff, investing in machinery and spatial expansion. The research underlying this paper is thus focused on questioning the need for companies to grow according to the given definition, but it does not exclude profit, as without it, a company would fail and employment couldn’t be sustained (White, 2015).

As to the economic growth of a country, it can be defined as a long-rise in capacity to support increasingly diverse economic goods to its population, this growing capacity based on advancing technology and the institutional and ideological adjustments that it demands (Kuznets, 1973). It other terms an increasing demand for goods may motivate firms to increase their outputs, which may in turn give a population access to a higher diversity of products and improve their living standards. Higher output and income has also a high influence on governments, which are being given the opportunity to improve segments such as education or health care without having to raise taxes (Chand, 2017).

2.2. THE ECONOMIC SYSTEM

The link between firms and households serves as a base to the economic system and draws the correlation between businesses and economic growth. The firms receive from households labour and capital. As an exchange, they provide households with wages, which are being spent on goods and services produced by firms, closing this way the loop.

A system, which experiences a positive economic growth, can favour both the government and the population. Growth has always accompanied capitalism, which together with a liberal system, did not only give people the opportunity to own their own production means but provided them with the chance of becoming entrepreneurs and free of their choices. By letting competition stimulate innovation, countries with a positive economic growth experienced an expansion and development of firms, which contributed to a larger availability of goods, services and jobs. With increased tax revenues, the government received the means to improve public services such as health and education. An increasing economic growth can thus allow the population to get wealthier and for a whole country to rise above the level of poverty.

Presented in such terms, the system seems simple and beneficial to all but there are major flaws, which need to be addressed. One major issue is the lack of environmental concern. As production can only happen if there is a use of natural resources, the environment should be strongly incorporated into the diagram of the economic system.
The diagram also does not include unpaid work such as the taking care of a child and a lot of value, which is being created, is not monetized. We can name collaborations or the exchange of basic services such as babysitting. Finally the above-illustrated system tend to accentuate the accumulation of wealth by a few, and thus increased power and control. (Raworth, 2017)

To solve the faults described above, Raworth introduced the idea of economics, which do not start with money but with human well-being. However to acknowledge such a new perception on economics, it is first necessary to develop new conditions, starting with the perception we have of growth. This topic will be further developed in the chapter 4.4, which exposes the necessary conditions to allow a shift to an alternative economical system.

2.3. REASONS UNDERLYING THE NEED FOR GROWTH

It is inevitable to speak of the reasons underlying the need for growth but it becomes even more imperative after having exposed so apparently the flaws of the current economic system.

Tim Jackson (2010) speaks of the role of investment in the circular flow of the economy, which has a major stimulating effect on the consumption growth. On one hand, it chases productivity, which drives prices down and makes us buy more, and on the other hand it seeks novelty and thus the development of new production goods. As Jackson mentions it, the human being does not only have a strong appetite for novelty but it also uses the materiality of objects to define its status, who he is, and where he belongs. Consumption is deeply embodied in our behaviour and it is enhanced by the low prices. We do not only want to have access to a large choice of products but we also expect a new input being regularly added to the market. Therefore, because companies are aware of our insatiable desires for materiality, they recognise the opportunity to generate high sales and to grow with the help of investment.

When it comes to small to medium businesses, there are different mechanisms motivating a desire for growth and synthetizing them in just a couple of points can happen to be a complex task. However the research held by a team from the Vienna University of Economics and Business (Leonhardt, Juschten and Spash, 2017) teaches us that there are three main explanations underlying a need for growth. They identify the wish for growth as a factor strengthening employee satisfaction in terms of motivation and possibilities for innovativeness, a mean to achieve financial stability and a way of fighting against competition. Nevertheless, they also stress the fact that these factors can highly vary depending on the structures, in which the businesses are embedded. The results will vary depending on whether the company is operating in a traditional, niche or quality markets. It will also strongly depend on the involvement of owner-managers within the company, and the goals and values they hold.
In terms of more established businesses, it is important to speak of the existence of a growth imperative to explain some of the mechanisms motivating a desire for growth. Not all companies are subject to it and not in the same manner as it depends on various different factors such the market in which the company is operating, its involvement with customers or technology and whether the company is publically or privately held. However due to the complexity of the subject, presenting a complete and thorough explanation of the imperative to growth would require and additional research just as omitting it would give a false impression of the context of growth. I am therefore obliged to only briefly synthesize it and attempt to propose the most accurate picture.

According to George S. Day (undated), there are four major forces exerting pressure on the Chief Executive Officers to place growth at the very top of their priorities. The first and most significant one is the focus on creating shareholder value, but also the worry of the shrinking opportunities in a highly competitive and saturated market, the growing demands and customer expectations, and finally the continuously accelerating technological change and need for novelty as mentioned by Tim Jackson. Mathias Binswanger (2009) further illustrates the concept by adding the roles of banks and credits to the picture. He explains that when a credit given by a bank to a firm expands, it increases the firm’s spending as the firm immediately spends it goods and services, which generates more income. However as production takes time, its process starts before the credit had been expanded and thus firms are able to make profit as long as production is financed by credit expansion. Nevertheless, it is important to note that the above-mentioned reasons represent only a few of the factors resulting in the existence of a growth imperative.

2.4. FRAGILITY OF THE CURRENT ECONOMIC SYSTEM

Before speaking of alternatives to growth, it is important to understand the fragility of our current economic system and how any change in one of the fundamental macroeconomic variable could affect the stability of it leading to a period of recession. As mentioned by Sven Carlin (2017), the current economic system is based on growth and debt. In fact, lending and borrowing is an elemental part of our economy. If a property could only be purchased through savings, it would be an unachievable objective for many ordinary earners. (Tim Jackson, 2017) Under favourable circumstances the system works well, but the recession of 2008 has also shown the frailty of the same model when a collapse of the housing stock destabilized an entire financial system. Debt is also essential to firms. Before a business can make sales and profit, essential facilities need to be purchased and few individuals have the financial resources to avoid taking a loan, making of debt a basis for production. (Tim Jackson, 2017) Credit is thus very essential, but the system works only if we keep on borrowing from banks, making profit to pay back the debt, and grow our businesses in order to continuously sell more and sustain employment. Furthermore, Mark Burton (Demain, 2015) adds to the complexity of the system by explaining that money is created by banks through interests when they make loans and that it can only exist as long as we keep on borrowing. Henry Ford (1863-1947) once said that “It is well enough that people of the nation do not understand our banking and monetary system, for if they did, I believe there would be a revolution before tomorrow morning” Therefore if we aim at speaking of change and alternatives to growth, we first need to understand the premises of the current economic system and the challenges it holds.
“IT IS WELL ENOUGH THAT PEOPLE OF THE NATION DO NOT UNDERSTAND OUR BANKING AND MONETARY SYSTEM, FOR IF THEY DID, I BELIEVE THERE WOULD BE A REVOLUTION BEFORE TOMORROW MORNING”

Henry Ford, 1863-1947
2.5. HOW CAN LANGUAGE HELP AT SOLVING THE ISSUE OF GROWTH?

Besides questioning the economic foundations of a growth based economy, it is also interesting to question the foundations of our own language. During my research I came across the terms innovation, progress and success, being used when speaking of the context of growth, either to support its definition or to speak of a closely related topic. Nevertheless, the more I was progressing in my research the more frequently I came across these terms being used in a fully unrelated topic, often in contradictory contexts to growth. To begin with the word innovation, its interconnection with the word growth has been clearly identified in the previous paragraph as one of the major causes of growth. But can we imagine innovation being used for other purposes than growth? I believe that we can and why don’t we start by innovating our business models? What about progress then? Kate Raworth (2017) is teaching us that progress does not necessarily need to be measured by economic growth, but should look like a balance between using resources to meet our rights and protecting the planet’s life support systems. Finally, success does not necessarily mean endless growth. There is a certain evolution and growth, which is necessary for a start-up company to reach a point of stability and profitability. However once a company has reached this stage, does it need to keep on growing to stay successful? I believe that there are different ways of measuring success and for instance quantifying the good a company gives back to the society or the environment could be one alternative.

It proves us that all these concepts can be achieved in a different context than growth, but for that we need to change our vocabulary and we need to change the language in which we speak about economics. In her paper, Schima Labitsch (2016) suggests that we are not necessarily lacking of ideas about alternatives but that we first need to learn how to speak of growth in qualitative rather than quantitative terms by using terms such as unsustainable. She bases her theory on Foucault’s (1969) understanding of language, who stresses how important is the language used by figures in authority towards a subordinate audience. She argues that politicians, stakeholders and business officers have the power to break through the current assumptions on growth. She concludes by saying that: “any alternative to economic growth must have at its foundation an alternative discourse” and that concepts such as “work, performance, value creation and consumption” continuously need to be added when speaking of the context of growth.

For years, we have and still are living in a system of growth because we are capable of recognising the living comfort it has brought to us. It is therefore understandable why we want to persist in the same kind of economy but forgetting to recognise the irrationalities of growth and the negatives effects it has brought along is a highly perilous venture. Gay Altorn (2015), a Canadian author and social activist, expressed it by saying that “you can have perpetual economic growth, with all that goes with it, or you can have an approach to climate change that treats it as the most serious issue the planet faces, but you can’t have both”. Growth can therefore be recognised as a very powerful instrument, but it also has its limitations and the consequences of it will be expressed in the next chapter.
This chapter will look at some of the negative consequences of growth. One of the results of a continuously growing economy is an increased production of goods. The first part of this chapter will thus be used to explain some of the negative consequences an excessive production can have on the environment and the society. The second part will focus on the effects of growth on a business level. While some of the reasons motivating growth have been expressed in the previous chapter, this section will look at some of the negative effects of business growth.

3.1. IMPACT ON THE ENVIRONMENT & SOCIETY

Almost half a decade ago, Schumacher was starting his book Small is Beautiful (1973) by pointing out the problem of production. He described the fact that in terms of natural and irreplaceable resources, people tend to treat them as income rather than capital. He said that “if we treated them as capital items, we should be concerned with conservation”. (Schumacher and McKibben, 2010, p.15). He criticized the fact that we do not take nature into account during the cost calculation and that we lack of adequate methods of measurements. Despite his revolutionary view on economics, his book has been strongly criticized for being a general description rather than a scientific essay.
Nevertheless, in 2009, Johan Rockström of the Stockholm Resilience Centre, brought together a group of leading Earth-system scientists to quantify the problems expressed by Schumacher. Together with his team, he identified nine planetary boundaries, which once crossed past their safe margins through human activity, could put the environment at high risk. By 2015, four of these levels had been crossed. According to their measures, we are currently exceeding the levels of atmospheric concentration of carbon dioxide allowed, there is a loss in biodiversity, with the growth of fertilizer used in modern agriculture, we transgressed the boundaries of human interference with the global cycle, and finally we are down to 62% of the planet’s original forests.

Reichel and Seeberg (2010) add to the worrying results with their research on the rightsizing of production. According to their measure, today’s economic activity is exceeding the carrying capacity of the Planet by 30%, which they define as “the ability of planetary sources (material and energy resources, land area, biomass) and sinks (atmosphere, water, soil) to regenerate themselves in a given time period”. In other terms, we are using resources faster than nature can recreate them.

When it comes to fashion, do we all know what is hidden behind the glamorous curtain and do we know who is paying the price of our cheap clothing? The documentary “The True Cost” (2015) reveals how our consumption of cheap clothing affects the lives of millions of workers in developing countries. The initial concept was simple: globalisation was supposed to be a mean to achieve a win-win situation between the rich and the developing countries. Consumers in the richer countries were meant to get access to cheap clothing. In return, it would provide jobs to workers in poorer parts of the world and give them an opportunity to work their way out of poverty. However this was an idealistic idea, which did not encompass the notion of competition. Factories in developing countries quickly recognised the arising opportunity of the outsourcing of western production, but because of their need for any job proposition, it placed the western companies at the top of the supply chain. They were the ones deciding where the products were going to be made, pressuring factories to produce at a cheaper price, which were being left with no choice but to cut corners. The outcome was a dramatic human catastrophe where over 70 workers lost their lives in the collapse of the Rana Plaza in Bangladesh. The increased production and consumption of continuously cheaper clothing does not only impact the life of many workers in developing countries, but also made of fashion one of the most polluting industries in the world, often noted as number 2 in terms of water pollution. (Circle Economy, 2015)

3.2. IMPACT ON A BUSINESS

On the level of businesses, the consequences of ever expanding companies can be numerous. The research conducted by a team from the Vienna University of Economics and Business (Leonhardt, Juschten and Spash, 2017) shows a loss of control, a decrease in employee wellbeing and an increased financial dependency as some of the consequences of growth.

Klaudia Budniak (2017), project coordinator at a large size Canadian telecommunications company, adds to the same results by saying that while a growing company offers new positions and additional opportunities for employees to develop themselves, the challenges in terms of communication grow together with the company.
She explains that compared to a smaller company where a lot of issues are discussed and solved in person, larger companies strongly rely on virtual communication, involving sometimes delays caused by the fact that problems are less easily solved when the whole team is located in different places and time zones. The multiple levels of hierarchy also play a role in the way communication is achieved by making the approval, problem solving and communication process longer, more bureaucratic and less efficient.

My personal experience in retail has allowed me to notice that additionally to the challenges linked with communication, a growing company is also running the risk of weakening its relationship with the consumer and losing its core identity. When a company grows, the message that a company wants to convey to its customers becomes dependent on a larger amount of people and therefore it may loose of its intensity.

We can thus see that while the growth of a company can have negative impacts on the well being of its employees and the relationship with its customers, it can also provide additional opportunities for self-development. However when it comes to the consequences on the environmental and societal level, all of the above-mentioned numbers share worrying results. Kate Raworth (2017) claims that a place where humanity puts no pressure on the environment is not possible and that we are incapable of meeting our basic rights such as access to food, water and shelter without the use of resources. However she uses this argument when speaking of the Doughnut Economy, which aims at placing humanity in between the inner ring, which represents the social foundation and the outer ring, called the ecological ceiling. She calls the space in between the rings “the doughnut’s safe and just place, an area where everyone has enough but not too much”. It is therefore interesting to use Kate Raworth’s point of view on economics to make the following point: we need resources and we need to keep on using them to assure human well-being, however as she claims it, “we cannot rely on the processes of growth to redress inequality and solve the problem of pollution”.
“WE CANNOT RELY ON THE PROCESSES OF GROWTH TO REDRESS INEQUALITY AND SOLVE THE PROBLEM OF POLLUTION”.

Kate Raworth, 2017
While the pressure exerted on the availability of natural resources keeps on rising in a world of a growing global population, business model innovation can serve as an important tool for change. The results must however be assessed in a larger context as the lack of understanding of their consequences could lead to an inadequacy with the way the current society is structured and organised. This paper chapter will thus focus on the term degrowth to speak of this context, and the word sufficiency will be introduced to define a frame for a set of alternative business models.
4.1. INTRODUCTION TO THE TOPIC OF SUFFICIENCY AND DEGROWTH

Sustainable degrowth entails “an equitable downscaling of production and consumption that increases human well-being and enhances ecological conditions at the local and global level, in the short and long term”. (Schneider et al. 2010, 511) It involves a change of behaviour and individual values, with much attention being given to a slower life’s pace and a more conscious consumption leading to less material accumulation. It also holds as a major idea that if less time is being spent on formal work, more time can be dedicated to non-economic activities enhancing well-being such as physical activity or political participation. (Demaria et al., 2013)

The English term ‘Degrowth’ has been for the first time accepted in Paris in 2008, at the first degrowth conference, currently held twice a year worldwide. It marked the beginning of degrowth as a field of academic research and gave a frame to some actions such as the development of Transition Towns or local currencies. (Research & Degrowth (R&D), 2017)

While degrowth encompasses changes to be made on the overall economic and societal level, when it comes to businesses, it is more common to speak of sufficiency.

Bocken and Short (2016) describe sufficiency as a “moderate overall resource consumption by curbing demand through educations and consumer engagement”. The two authors emphasize the need to build longer lasting products, to avoid built-in obsolescence, and to invest time and research in the development of new revenue streams. They also mention the educational role of businesses and marketing in educating and promoting conscious sales in order to focus on the ‘needs’ of the customers rather than the ‘wants’ such as fast fashion.

The two terms hold thus at their very core similar principles and both recognise the need for a downscaling of production and consumption. What differentiates them, is that one holds goals aimed at a whole economy, while the other focuses on the role played by businesses.

4.2. DISTINCTION BETWEEN SUSTAINABLE AND SUFFICIENCY BASED MODELS

Before exposing concrete examples of alternative business models, there is strong a distinction, which needs to be made between sustainable and sufficiency business models. Sustainable business models aim at reducing negative environmental impacts, however they keep on holding the aims of the traditional growth economy. They remain focused on sales, which is incompatible with the idea of reduced production and consumption through the use of innovative business models. A report elaborated by the WRAP organization in the UK shows that while the water and carbon
footprint of clothing per tonne has decreased between 2012 and 2016, the overall carbon emissions of the clothing industry were higher in 2016 than in 2012 due to an increased production and consumption. (WRAP, 2016) The economist Tim Jackson also emphasizes the issue when he speaks of the myth of decoupling, an idea advocated by environmental economists as the solution to the dilemma of growth by adding efficiency to the process of production. In his book Prosperity without growth, Jackson makes a distinction between relative and absolute decoupled growth. The first concept refers to a decline in the ecological intensity per unit of economic output, while the use of energy and raw materials does not decline in absolute terms. The impact on the environment may still happen, but its pace is slower than the rise in GDP. On the contrary, absolute decoupling holds the idea that the use of resources should decline in absolute terms over time and is essential to an economic activity to be maintained within the ecological limits. Therefore a production of products with lower environmental impact is not sufficient unless it happens in a context of decreased consumption. A high involvement of an educated consumer is thus necessary to change the perception we have on the possession of material objects.

4.3. WHAT COULD BE SOME OF THE BARRIERS AND NEGATIVE CONSEQUENCES OF A SHIFT TO A DEGROWTH ECONOMY?

The first question, which needs to be addressed when discussing consequences, is whether sufficiency business models will necessarily lead to an overall economy of degrowth? What differentiate sufficiency models from the strategies adopted by most companies nowadays is that they do not prioritize sales over other forms of revenue. They take environmental preservation into account by looking into innovative solutions to make profit with a limited usage of natural resources, and consider stakeholders’ value as their core responsibility by maximizing the interests and well-being of all customers, employees, partners and the community in general. However, it is important to note that sales have been recognised as the most effective way of generating revenue and there is no surprise that alternative business models often struggle at being thoroughly implemented by a company or being used on a large scale. It is therefore doubtful that alternative business will ever be able to generate similar profits to the companies focusing on sales. It leads us to the topic of the debt method of creating money discussed earlier in this paper. As loans are currently necessary to generate money, we can question how will companies functioning according to sufficiency business models convince banks that they are worth financing and how will they pay their debt back if they do not succeed at generating sufficient profit? According to Tim Jackson’s opinion (2017), the answer to the question whether sufficiency models will lead to a new form of economy is simple. He says that “a post-growth economy simply could not live inside any recognisable form of capitalism” and that it will involve a dismantlement of the charging of interest on debt and the development of an alternative form of money. A new economy will thus need to be established and the conditions allowing it will be discussed in the next paragraph, but whether the new economy in place will be
the one of degrowth, is a different debate and will be shortly discussed in the paragraph about the language of de-
growth and sufficiency.
Besides a change in the monetary system, a shift in business strategies would ultimately also lead to a shrinking of
the overall economy. A decreased output of goods and services, just as a lower consumption could harm the stability
of the economy involving lower employment and a decrease in pension values. Other consequences could involve the
inadequacy of the GDP measure or a shift towards a more localised production, and thus increased prices of goods.

However, focusing on the consequences that could happen on the economic level only, would be omitting the da-
maging effects a new economic system could have on an individual and societal level. What capitalism has brought
along is individualism. Through an access to a high variety of goods, we have reached a peak of self-expression. How
will we then learn how to identify ourselves as individuals outside of consuming patters? But also, how will we learn
to consume less? Gwen Cunningham (2017) explains that our perception on value will inevitably also need to change
just as our pursuit for money. She uses Charles Eisenstein as a reference who notes that “when a crisis of money
strikes, it seems that the very fabric of reality is unravelling too- that the very world is falling apart” (2011, p.49).
Will we thus be able to adapt and accept a change in the way we perceive consumption, value and money, or will it
lead to a profound state of distress as mentioned by C. Eisenstein?
We have also seen previously that new opportunities for employee development and promotion can arise from the
growth of a company. In an economy where companies no longer seek growth, the challenge will be to find new
ways of motivating employees. Along with a new form of work, which focuses on the community rather than
individual profits, may also arise fewer opportunities for high managerial positions and the disappearance of certain
work types, which are not indispensable to fulfil needs. We would need to lower our ambitions and find fulfilment
in non-economic activities. Accepting changes of this kind, would however involve changing the context in which
we live and evolve. The next section will thus discuss some of the measures, which can be taken in order to allow a
gradual transition to a new economy.

4.4. WHAT ARE THE CONDITIONS, WHICH NEED
TO BE CHANGED IN ORDER TO ALLOW AN ECO-
NOMY OF DEGROWTH TO WORK?

One conclusion, which can be drawn from this paper, is that a shift to a degrowth system let alone, may not be an
effective strategy to reduce environmental pressure. A higher involvement of businesses to innovate their business
strategies is one mean, but it also needs to be accompanied by a change in other factors:
4.4.1. A NEW DIALOGUE BETWEEN ECONOMISTS AND ENVIRONMENTALISTS

There is a large part of the dialogue, which still needs to be restored between economists and people concerned with environmental issues. Much change has already been done to combine the two fields. We can name Kate Raworth or Tim Jackson, who recognise the need to include the environment in the discourse about economics however this is not always a general rule. Despite the pressure put on the availability of natural resources, growth is still perceived by some economists as the ultimate and only way for a society to function. As for the people concerned with planet preservation, they understand the impact a radical shift towards a society with a lower production would bring to the economy, but they lack of imagination as of the most complex consequences it would involve. In order to reach a state of degrowth, we will need to make sure that one field can no longer be discussed without a sufficient understanding and knowledge of the other.

4.4.2. NEW GOVERNMENTAL REGULATIONS AND CHANGES IN MACROECONOMICS

In order to move to a degrowth economy, the role of the government in setting and ensuring new regulations will be essential. Some important policies such as changing the form of employment will require implementation at a national level while some others such as alternative measures to GDP will require an international involvement. But often, the city seems to be a productive scale to involve a democratic political participation and make efficient changes such as a reduction in energy consumption or a more efficient waste management. The following points will describe some of the changes that can be done all the levels:

- GDP - It is inevitable in a context of degrowth to question the most ultimate measure that defines and compares the economic performance of a country to other nations, and the well-being of its population. If broadly speaking, GDP is defined by the amount of goods and services produced, and degrowth demands a downscaling of production and consumption, its impact on the GDP measure becomes unavoidable. Schneider (2010) writes that “with the primary objective of achieving well-being, ecological sustainability and social equity, sustainable degrowth does not specifically aim to reduce GDP, though this will decline due to reduced large-scale, resource-intensive economic activities that currently constitute a big portion of GDP”. To solve the issue, Schima Labitsch (2016) proposes to look at GDP in qualitative rather than quantitative terms.
• EMPLOYMENT - One of the bases needed for degrowth is a change in the nature of employment. A key policy will thus be a reduction in the working hours to allow more time for leisure and non-economic activities such as the involvement in community. In ancient Ancient Greece, Plato and Aristotle (300BC) were already speaking of the purpose of leisure as a mean to achieve the highest value of life and were seeing work above necessary, as a curse or an obligation. It will also be the role of the government to ensure that employment and the quality of work is maintained during and after the transition to a new economy.

• BASIC INCOME - The implementation of a basic income to reduce the necessity to work is an idea advocated by some and criticised by others. However if the research shows positive results it may allow people to spend more time on non-economic activities.

• WASTE REDUCTION - Reduce waste by creating a network of circular economies. The idea advocated by Kate Raworth implies (De Donut economie, 2017) that waste should become the main resource for the production of goods. For the idea to work, the waste will need to circulate between companies and the government will need to create an obligation to disclose data about the waste produced.

• INVESTMENT – Investment is the foundation for any economy and thus it cannot be avoided. However it should be directed towards ends, such as health, education, social care or technologies aimed at reducing the use of energy rather than purely speculative trades and short-termed profits.

• MONEY – Money is a complex terrain, which nowadays is depended on the creation of loans and can only be reproduced in a growing economy. Finding solutions in the field of money will thus represent one of the most essential but also challenging tasks of shifting to a state of degrowth.

4.4.3. THE CONSUMER AS AN INITIATOR OF THE CHANGE

Before applying any of the previously mentioned measures, we will need to make sure that the consumer is not only sufficiently educated and ready for the change, but also at the origin of it. Sven Carlin (2017) mentions that a shift to a degrowth society can only happen if the consumer is in the lead. Businesses will then have no other choice than to adapt. Degrowth also needs to be a common effort and everyone needs to accept it or the results will be inefficient as the consumer will continue to seek consumption.
4.4.4. A SHIFT IN TECHNOLOGY

The focus of technological innovations will no longer be on the development of novelties in order to increase sales and produce improved goods of the same item. But it will need to shift to a role where it can participate to the development of methods, which reduce the impact of production and consumption on the environment. It can for instance help at improving the usage of energy.

4.4.5. CORPORATE GOVERNANCE

A shift to a new economy will involve different organisational structures of businesses. More attention will be given to stakeholders and communities evolving around the business, granting them with a greater participatory control. A perfect example of this case is Riversimple, a leasing car company with six custodian bodies involved in the fields of the environment, users, staff, neighbours, investors and partners. Such an organisation allows every custodian body to have an equal voice and thus it places the concerns of the investors on the same level as the concerns of the five other fields.

4.4.6. ALTERNATIVE ROLE OF BUSINESSES AND MARKETING

Businesses will need to evolve into platforms, which will simultaneously provide people with foundations to flourish, while making sure the usage of natural resources is minimized to the most achievable extend. The business models proposed in the final chapter of this paper, can serve as a mean to achieve this goal. Additionally, businesses and marketing will need to adopt the role of a educational actor, which asks customers to buy needed and longer lasting products and promotes the repair, reuse and recycling of old or damaged products. (Bocken and Short 2016) While this proposition holds many limitations, it can also be imagined that offering educational courses could be used as an additional revenue stream.

4.4.7. NEW LANGUAGE AND MINDSET

On an individual level, we will need to renounce to the material abundance we had so far and we will need to start giving importance to other elements such as the family or the community. The values we recognised so far will not be the same and we will need to adopt a simpler way of life. It also involves assuming that in our careers, we may not grow economically in the way we are used. Along with this
change, will come a reduction in the abundance of certain jobs in the fields, which proliferate consumption. Irene Maldini (2017) mentions that even though she is a fashion design graduate, she stopped designing because the abundance of clothes was already too high.

### 4.5. THE LANGUAGE OF DEGROWTH AND SUFFICIENCY

I would like to speak of the meaning we associate with the words degrowth and sufficiency as I have myself been confronted with the language barrier. When in a group, I questioned the concept of growth, people seemed perplexed but were willing to start a careful argument. But whenever I spoke of degrowth, I could sense a disinterest to speak of the topic because it was immediately assumed that the idea was purely idealistic and thus not worth the discussion. The rest of the conversation was then spent on clarifying the stand and meaning of the degrowth movement.

The research done though word associations has also revealed that while sufficiency was generally associated with the idea of enough, degrowth seemed to give the impression of meaning less than enough, showing the need for a more nuanced word.

It also important to mention that degrowth is still a very broad topic, which needs to be enriched in order to give a better clarification of the concept. I chose to use this particular concept as it seemed to address most of the ideas I wanted to express in my research, but by doing so I did not aim at rejecting any other alternative economic system with similar goals. The choice of words I made, allowed me to give a particular direction to my research and put a concrete definition on the concepts I desired to investigate. It also showed me however how important is the role played by language the there is a need to reframe the language of degrowth if more people are to be involved in the discussion.

Hence the core debate in this chapter is not whether a shift to a degrowth or any new economic system will take place. The growing interest of economists, business owners, researchers and individuals to question the concept of growth and to start a debate about other alternatives serves as a sufficient proof that a new way of reasoning around the concept of growth has started. The core debate is whether this change will be radical and thus possibly conflictual, or progressive and therefore gradual. The chapter serves thus a base to start thinking about possible future scenarios and to imagine some of the solutions, which could be used as means not to create a severe and sudden economic instability.
The fashion industry is deeply embodied in the overall and previously described economic system and therefore speaking of solutions for fashion companies without measuring the quality of other external factors would lead to irrelevant and inaccurate results. However the fashion field is also part of a set of creative industries, which function as very unique entities and hold different sets of rules. This chapter is thus aimed at looking at the fashion industry specifically and to propose alternatives models to growth directed at fashion brands.
5.1. HOW ARE SUFFICIENCY BUSINESS MODELS AND DEGRWOTH BEING PERCEIVED IN THE FASHION FIELD?

While terms such as sustainability, second-hand clothes or recycling are very popular topics in fashion, the theme of reduction still seems to be left out of conversations. Global companies such as G-Star or H&M have looked into sustainable solutions to add a range of less environmentally harmful clothing to their collection, but they have failed at doing less of them. The same criticism can be applied to Episode stores, which sell second-hand clothes only. Buying clothes, which have previously already been used is a great alternative to minimize production but can it be perceived as a solution when the stores located in the centre of the Amsterdam are often overcrowded of people leaving with shopping bags of a similar size to the ones from big chain stores? Patagonia on the contrary has attempted to create awareness among their customers to purchase fewer garments with their campaign “Not Buy” but same year, the overall sales did still rise a little. Similarly, technologies and innovations designed to decrease production such as personalisation, production on demand, multifunctional clothing or 3D printing also hold similar limitations. The research held by Irene Maldini showed that these practices did not reduce consumption, but on the contrary increased it as people were using them because they enjoyed it rather than they needed new clothes.

When it comes to education, as fashion students we learn about environmental protection and the work of teachers is remarkable in teaching that sustainability should be the foundation of every project rather than an added value. We forget however to reflect on the reasons why we develop new brands and produce new clothes.

Some companies however have started recognising the need to innovate their strategies towards sufficiency based models. Filippa K can be taken as an example with its #notthatcomplicated campaign, which promotes a reduce consumption of clothes by showing how seven pieces can be transformed into 18 looks. But while alternative models to growth are gaining traction, they are not successful yet at scale.

There is thus awareness in fashion to do better and while most companies still focus on the level of sustainability only, the foundation to make a change exists. The problem of production has been recognised and it represents a solid base and opportunity for the innovation of business models.
5.2. WHAT ARE THE CONDITIONS, WHICH NEED TO BE CHANGED IN ORDER TO ALLOW SUFFICIENCY BUSINESS MODELS TO WORK IN THE FASHION FIELD?

Although the conditions for all companies in all sectors to adopt sufficiency-based strategies remain the same and have been defined in the previous chapter, there is one condition, which is particularly affecting the field of fashion. It involves the reign of fast fashion and the mindset of self-expression through overconsumption. Wattanasuwan once said that “In order to feel “alive” in this saturated world, we crave for a sense of meaningfulness in our pursuit of “being”. And it seems that we can symbolically acquire it from our everyday consumption.” (2005: 179). We define the social world and the rules, which allow us to fit by consuming material objects containing a set of meanings through, which we express ourselves and communicate with others. Clothes make us and allow us to fit in a particular group, by opposition to another. We can therefore easily understand why consumption holds such a high importance in fashion. The question, which persists is how can we learn to shape ourselves outside of material consumption? Can art and culture be a tool to it?

The problem is accentuated by the fact that consumers fail at considering future benefits of their purchases and are highly influenced by the cost of the products, preferring thus fast fashion even if it often involves lower quality and more environmentally harming production methods. Tim Jackson (2015) summarizes the topic quite well by saying that “it’s a story about us, people, being persuaded to spend money we don’t have on things we don’t need to create impressions that won’t last on people we don’t care about.” This point proves us that the biggest challenge for the fashion industry to adopt sufficiency based models is to change the mindset of the consumer.

“IT’S A STORY ABOUT US, PEOPLE, BEING PERSUADED TO SPEND MONEY WE DON’T HAVE ON THINGS WE DON’T NEED TO CREATE IMPRESSIONS THAT WON’T LAST ON PEOPLE WE DON’T CARE ABOUT.”

Tim Jackson, 2017
5.3. WHAT ARE THE EXAMPLES OF SUFFICIENCY BUSINESS MODELS SUITABLE FOR THE FASHION INDUSTRY?

The table below proposes some of the possible approaches to sufficiency, which can be adopted by fashion companies:

<table>
<thead>
<tr>
<th>Category</th>
<th>Description</th>
<th>Company Example</th>
<th>Advantages</th>
<th>Limits</th>
</tr>
</thead>
<tbody>
<tr>
<td>Extended Product Life</td>
<td>Produce long lasting products</td>
<td>Unrecorded</td>
<td>Building trust and reputation among loyal customers</td>
<td>The amount of sales is being reduced due to longer lasting products. The strategy needs to be supported by additional revenue streams</td>
</tr>
<tr>
<td></td>
<td>Develop basic designs in order to limit the influence of trends and therefore increased consumption</td>
<td>Unrecorded</td>
<td>Building trust and reputation among loyal customers</td>
<td>The amount of sales is being reduced due to longer lasting products. The strategy needs to be supported by additional revenue streams</td>
</tr>
<tr>
<td></td>
<td>Offer products of the highest quality, with premium prices. Timeless designs, and limited usage of logos</td>
<td>Cucinelli</td>
<td>Sense of exclusivity and belonging, Social value creation through craftsmanship and local production</td>
<td>The amount of sales is being reduced due to longer lasting products. The strategy needs to be supported by additional revenue streams</td>
</tr>
<tr>
<td>Reuse</td>
<td>Collaboration between Patagonia and Ebay to resell used products</td>
<td>Collaboration</td>
<td>Opportunities to generate money from already produced clothes</td>
<td>Limits as to the amount of clothes that can be collected and resold</td>
</tr>
<tr>
<td>Services</td>
<td>Repair</td>
<td>Nudie Jeans</td>
<td>Money generated from services, which requires a reduced production of clothes</td>
<td>Limit to the number of times you can provide a customer with the service</td>
</tr>
<tr>
<td>Sharing Economy</td>
<td>Leasing</td>
<td>Lena Library</td>
<td>No need for possession</td>
<td>Lack of valid numbers to confirm that, consumers may use the services to substitute their own wardrobes, rather than increasing variety by on purchasing new items and discarding old ones (Irene Maldini, 2017)</td>
</tr>
<tr>
<td></td>
<td>Riversimple</td>
<td>Riversimple</td>
<td></td>
<td>It can be challenging to have clothes available, which are stylish enough</td>
</tr>
<tr>
<td>Category</td>
<td>Description</td>
<td>Company Example</td>
<td>Advantages</td>
<td>Limits</td>
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<td>--------------------------------</td>
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<td>----------------------------------------------------------------------</td>
</tr>
<tr>
<td><strong>Sharing Economy</strong></td>
<td>Peer to peer platforms</td>
<td>Vestiaire collective</td>
<td>Lack of stock, production and risk of being left with unsold items</td>
<td>Low margin profits, complicated logistics and dependence on outside parties</td>
</tr>
<tr>
<td><strong>Technological</strong></td>
<td>Production on demand</td>
<td>Ponoko</td>
<td>The model avoids the production of items, which may not be sold</td>
<td>Only works if there is also a change in the consumer’s mindset. The same assumption can be made as for the models based on leasing</td>
</tr>
<tr>
<td><strong>Leisure and activities</strong></td>
<td>Use the concept of communities to create activities and events, which will gather people sharing similar interests</td>
<td>Speculative approach – Research done in 3rd year at AMFI about the case of UY Studio</td>
<td>Sense of belonging, social value creation, increased customer loyalty.</td>
<td>Demands investment and a good knowledge of the tribe</td>
</tr>
<tr>
<td>(workshops, events)</td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
</tbody>
</table>
5.4. WHAT ARE THE LIMITATIONS AND OPPORTUNITIES OF SUFFICIENCY BUSINESS MODELS?

While the advantages and limitations of each model have been described separately in the previous section, all models also hold a set of common limitations and opportunities, which can be described through the following points:

Limitations:
• There exists an inadequacy between our economic system and the goals of sufficiency-based models. Currently, the new business models can only be used on a small scale or need to be supported by regular sales.
• In order to allow sufficiency models to be fully efficient, a shift to a new economy and mindset is necessary by meeting the conditions exposed in the fourth chapter. This constitutes a radical change and will most likely not happen in a short-term future.
• It may be an additional challenge for large multinational companies to implement sufficiency based models as they already hold a dominant market share and moving to sufficiency approaches could lead to an absolute reduction of their business. Companies subject to an imperative to growth are exposed to the same challenge.

Opportunities:
• By giving a higher importance to stakeholders, customers may be more highly satisfied with the level of service and may develop into loyal customers
• There is a cost saving as the production is being reduced
• Environmental benefits can be used as a marketing strategy
• Differentiated value proposition may appeal to new consumers triggered by innovation
• Differentiated business models can be an opportunity to gain market share and compete with larger size companies, which cannot afford to loose profit by adopting sufficiency business models.

None of the solutions proposed in this chapter can yet be considered as a perfect sufficiency business models. The limitations they hold are apparent, but they also all indicate some important steps towards moderating consumer demand and decreasing production quantities. However as the responsibility of meeting the goals of sufficiency cannot lie solely with companies, a broader context developed earlier in this paper needs to be continuously taken into account. In the case of start-ups and small businesses, it is also important to note that a certain level of growth is accepted in order to gain stability although it can be achieved through the use of sufficiency approaches.
“Which planet are we going to leave to our children and which children are we going to leave to the planet? What I know is that the ecology should be a conscience and not a political party. … It should be thought to the child from a very young age, who needs to recognise that he owes life to life. The behaviour of today’s humanity is unconscious.” (Pierre Rabhi)

Do the words of Pierre Rabhi sound unrelated to the topic of this paper? I am convinced of the opposite. After experiencing the fashion industry from an academic and professional level, I noticed that the constant chase for sales and expansion in order to keep an advantage over competitors has brought along a problem of production. Therefore I questioned whether companies were truly incapable of escaping an imperative to grow. The answer, which resulted from it suggested that even though there were factors such as competition, shareholder value, consumer demand and a continuous seek for technological advancement, which clearly motivated companies to continue on the path of growth, not all were subject to it.

What derived from this interrogation was the question of what could be the alternative business models, which would not leave fashion companies powerless in a fight against growth. The answer took the form of sufficiency business models, which hold the aims of “moderating overall resource consumption by curbing demand through education and consumer engagement” (Bocken and Short, 2016). These models emphasize the need to build longer lasting products and to complement them with new revenue streams such as services, the reuse of old garments, premium pricing or events such as workshops. These models recognise the necessity of making profit, but do not have as a goal an increase in sales and production and thus limit a need for spatial expansion and growth.
By looking for alternative business models, I very quickly noticed that it would also involve speaking of a very intertwined and complex societal and economic system. I was finding obstacles to the new alternatives, faster that I was finding solutions and this is why the statement made by the French writer and farmer is so important. The solutions I propose on the level of businesses are valuable only if they are accompanied by a change in our conscience, the language we speak and the form of society we want to live in.

Such a change also involves changing our perception of growth. Gwen Cunningham (2017) notes that “after so many hundred years of capitalism, the pursuit of money is so deeply imbedded in our collective perceptions and identities that any alternative is almost impossible to imagine”.

It is also fundamental to understand that the approaches proposed by this paper are not aimed at everyone. It would be a contemptuous act as to speak of a context of degrowth in developing countries where the majority of the population has not yet achieved a sufficient level of well-being to meet their basic rights. In this case, sufficiency can serve not only as an appellation to define a category of business models, but also to question whom this paper is aimed at. It is justifiable to propose this paper to businesses and people for whom a reduction in consumption and production is not going to place them under the line of a sufficient access of natural resources to meet their basic rights.

Finally, I do not wish to consider this thesis as an end, but rather as a starting point to involve more people into the questioning the concept of growth. None of the proposed alternatives can be considered as a perfect solution but if we keep on questioning the issue, we will be able to push the discourse a little bit further and get closer to a resolution of the dilemma of growth. So why don’t we imagine, and why don’t we use our creativity to redefine the structures we want our society to be based on?


6. Budniak, K. (2017). Perspective on growth of a employee working at a large size company and the perception on non-economic activities such as volunteering.


40. WRAP (2012). Valuing our clothes: The true cost of how we design, use and dispose of clothing in the UK.