

Frederik Meissner

Sustainable business models in the context of the circular economy. How can a company produce and deliver products using sustainable methods?

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Abstract

This bachelor thesis contains a case study of two Business Models in the mobile phone industry. This industry is an example for the responsibility Business Models have concerning the excessive use of resources and negative social impacts by exploiting workers in manufacturing companies and in the mining industry. We select two Business Models whose aim is to produce and deliver products using “sustainable” methods. The first case is the smartphone retailer Fairphone, who provides a long-living, modular, and transparent mobile phone. The second case is Mazuma Mobile, a refurbishment service that provides second-hand mobile phones and the possibility to sell an old or broken electronic device. In the analysis, we conduct a case study based on Osterwalder’s Business Model Canvas, containing Nine Building Blocks that explain the business logic a company. The goal is to better understand how companies propose, create, deliver, and capture value. We select the Circular Economy and their principles in order to assess the sustainability of the cases in the discussion. The Circular Economy is seen as a condition and a beneficial relation for sustainability. Discussing the question of how the Business Models correspond to the principles of the Circular Economy leads us to the conclusion that there are improvements necessary in both cases. Nevertheless, the modular design of Fairphone provides self-made repairing possibilities, long use, and recycling and reusing activities are implemented by partners. The transparent value chain leads to an improvement of the working conditions and exploitation of resources. The gap-exploiting model of Mazuma Model reveals a lack in the industry and extends the life of mobile phones. The company focuses on reusing, refurbishing, and recycling activities and since millions of unused mobile phones exist, the company is crucial for the development in a circular direction.

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