



UNEP/WUPPERTAL INSTITUTE COLLABORATING
CENTRE ON SUSTAINABLE
CONSUMPTION AND PRODUCTION

Business of Low Carbon & Resource Efficient Lifestyles – Making the Business Case for Sustainable Consumption

An overview of the booklets, April 2008

UNEP/Wuppertal Institute Collaborating
Centre on Sustainable Consumption and Production (CSCP)

and

Stockholm Environment Institute (SEI)



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A brief look

1.1 Concept of the Guidelines

The guidelines will be prepared as a set of booklets. Each chapter will be published as an independent booklet similar to the format of the ‘Resource Kit on Sustainable Consumption and Production’¹ of UNEP. The booklets will be presented in a binder to the reader. This will allow independent enhancement, extension and update of the Chapters.

1.2 Outline of the Guidelines

1.2.1 Booklet 1 – What are the business opportunities and challenges behind sustainable consumption agenda?

- Explain the challenge of sustainable consumption with references to latest publications (EEA Reports, Commission’s Communications, Wuppertal Institute’s total material requirement graphics): “Some relative decoupling of economic growth from materials and energy consumption has been achieved in many EU countries during the past decade. However, this did not lead to an absolute decrease in environmental pressures, because absolute resource use has been generally remained steady over the past two decades. Moreover, due to the ‘rebound effect’, it is unlikely that resource use can be reduced by technological improvements alone. This leads us to the conclusion that sustainability of current lifestyles and consumption patterns may have to be critically reviewed.”
- Explain business risks linked to the challenge of sustainable consumption: Driving high resource-consumption lifestyles puts pressure on supply chains and as well resource security at risk. Also expectations for more regulation on the consumption side and affecting until now actors not so much addressed such as retailers.
- Explain business opportunities linked to sustainable lifestyle trends besides previously mentioned risk factors. For example, LOHAS, Slow Food Movement, healthy living environment, next generations being very much conscious of climate change impacts. But

¹ See http://www.unep.org/pdf/sc/SC_resourcekit.pdf



also changing face of social networking (like online networks) and new applications of consumer engagement.

- Explain changing role of business in the “modern consumer society” as institutions introducing new habits and consumption patterns and responsibility when innovating and contributing to socio-economic development in developing countries.
- This length of this booklet will be about 6 pages. Several boxes on specific data and life-style trends will be included.

1.2.2 Booklet 2 – How to drive business value through sustainable consumption?

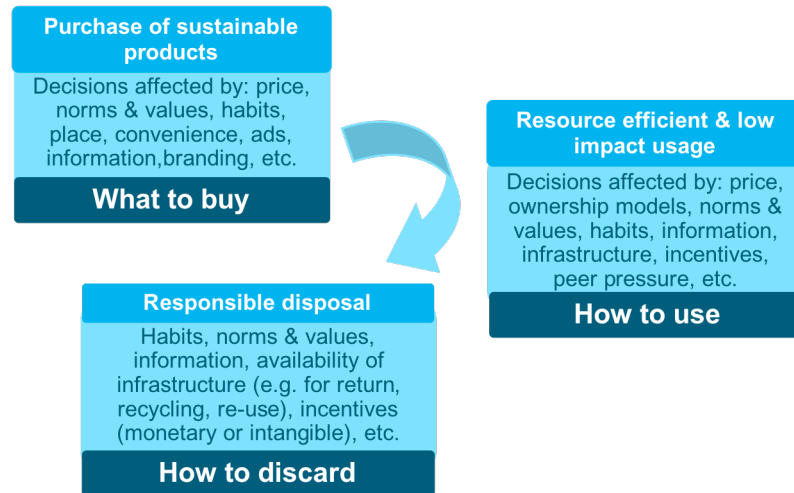
- Explain concretely how corporate actions providing consumers with a sustainable choice directly contribute to shareholder value creation. Products and services enabling sustainable consumption can have positive effects on tangible (e.g. cost effectiveness) and intangible (e.g. reputation) business value drivers, which would lead to financial performance improvements (see the table below).

Potential for value creation	How?
Profitability	A company can improve its profitability by boosting sales with products of superior environmental performance, all else being equal.
Asset utilization	Asset utilization relates to physical and human capital. Facility management can improve business, as are employee friendly practices are well documented as a potent tool to attract and retain employees.
Service level	Offering products with value added, such as additional services can ensure the long-term customer base, i.e. thinking beyond products and taking into account the consumer’s needs in the use and discard phase.
Customer Relations	Customer relations can improve through demonstrated commitment to a community or environmental issues, which increases trust between local residents and a company, strengthening local licence to operate.
Brand equity and reputation	Perception of a brand as environmentally responsible can influence consumer loyalty, improve consumer awareness, and it may also enhance investor confidence and cost of capital.
Alliances	Alliances across sectors, but also among different social actors have been clearly shown to help companies identify new business ventures, which lead to moderate revenue enhancement.
Technology	Technology can drive value, and the link between good environmental management systems and performance and lower environmental risk is well recognised, and will grow stronger as a result of tightening environmental standards.

- Explain opportunities to positively influence the value drivers by concentrating on three stages that a company might be interacting with consumers i.e. purchase of a product, resource efficient and low impact usage of the product and the possibility of responsible



disposal (see the figure below). In doing this, focus on three major high impact consumption areas i.e. food and drink, housing and mobility².



- This booklet will be about 6 pages. Best-case company examples will be in each stage explained.

1.2.3 Booklet 3 – What does sustainable consumption mean for major business sectors?

- Explain sector-focused opportunities concerning sustainable consumption agenda. Sectors to be covered are manufacturing e.g. mining sector and/or textile sector, financial sector, retail sector, food sector, energy sector, transport sector, building and construction sector, home goods (electronics and white goods), chemicals sector.
- Prepare 2-pagers for each sector divided into three sections: (1) How might this particular sector drive sustainable consumption patterns? (2) What are the recent business strategies, models and products driving sustainable consumption in this particular sector? (3) Which public policies can enable this sector to promote sustainable consumption patterns?
- Each sector explanation will include one best practice company example.

1.2.4 Booklet 4 – What are sustainable consumption business strategies?

- Explain three different ambition levels for sustainable consumption strategy development from primary to advanced understanding and implementation perspective.
- First wave strategies are about reducing use phase impacts and delivery of consumer information, second wave strategies are about encouraging sales of relatively more sus-

² EIPRO Study 2006, NAMEA Study 2006, WI 1998



tainable products and third wave strategies are about fundamentally changing the business model and encouraging less unit sales of products, aiming at increase of quality of life and reduction of absolute resource consumption. First wave companies would at most apply life-cycle thinking and put take-back schemes in place. Second wave companies would apply life-style based marketing, choice editing, green purchasing, green product design, etc. Third wave companies would think in terms of functions and demand areas. They would apply systems thinking in product and service design (such as Product Service System design) and demand side management strategies.

- Categorize sustainable consumption strategies into various business functions (e.g. business development, finance, marketing, production, design, purchasing, etc.). A matrix can be created for each wave of companies.
- As well, formulate a pager or a table on how to link sustainable consumption issues to the ongoing sustainable development initiatives such as Global Compact, GRI reporting.
- This booklet will be 8 pages. For each wave of companies two best-case examples will be given.

1.2.5 Booklet 5 – What are the public policies towards sustainable consumption?

- Provide an overview of sustainable consumption policy instruments.
- As this guideline is about the business case, this booklet will be very brief (2 pager).
- *SEI* will provide comments for this booklet based on its experience in the field.

1.2.6 Booklet 6 – What are the sustainable consumption opportunities in developing countries?

- Explain the business potential at the base-of-the-pyramid markets in the developing world and new sustainable business models looking at regional/local development from consumption patterns perspective.
- As the major focus of this guideline is on the developed countries, this booklet will be very brief (2 pager).
- *SEI* will provide comments for this booklet based on its experience in the field.

1.2.7 Booklet 7 – An Introduction to The Business Case for Sustainable Consumption Website

- What is on www.businesscase4sustainableconsumption.net? How can the BC4SC website work for you? How to join the discussion platform? How to qualify for posting your company case on the website?