

Sustainable Business models

Approaches to support the sustainable blue economy

Jochen Theis, Dennis van Liempd, University of Southern Denmark, Kolding

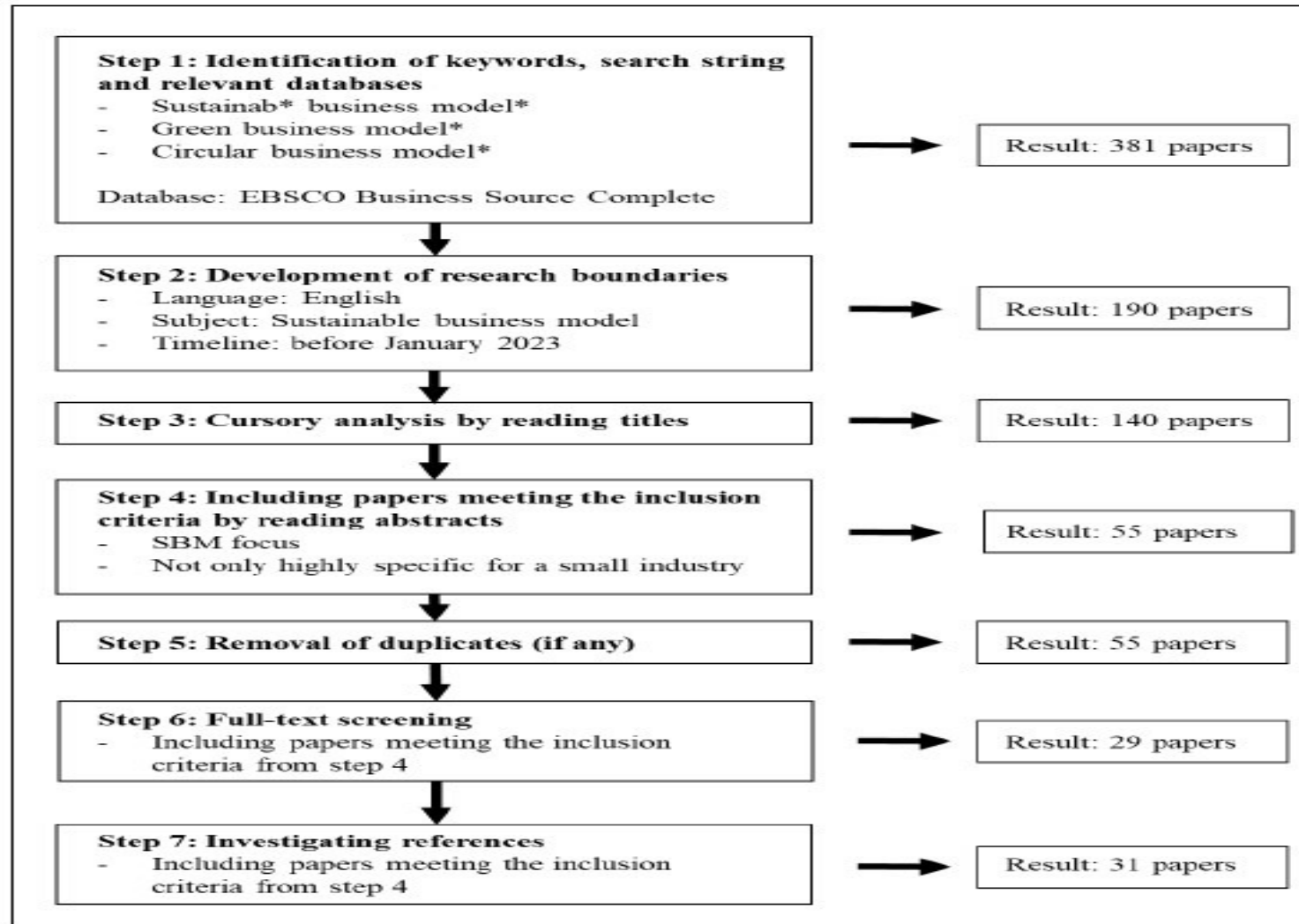
THEME: **Business**

What is a Sustainable Business Model?

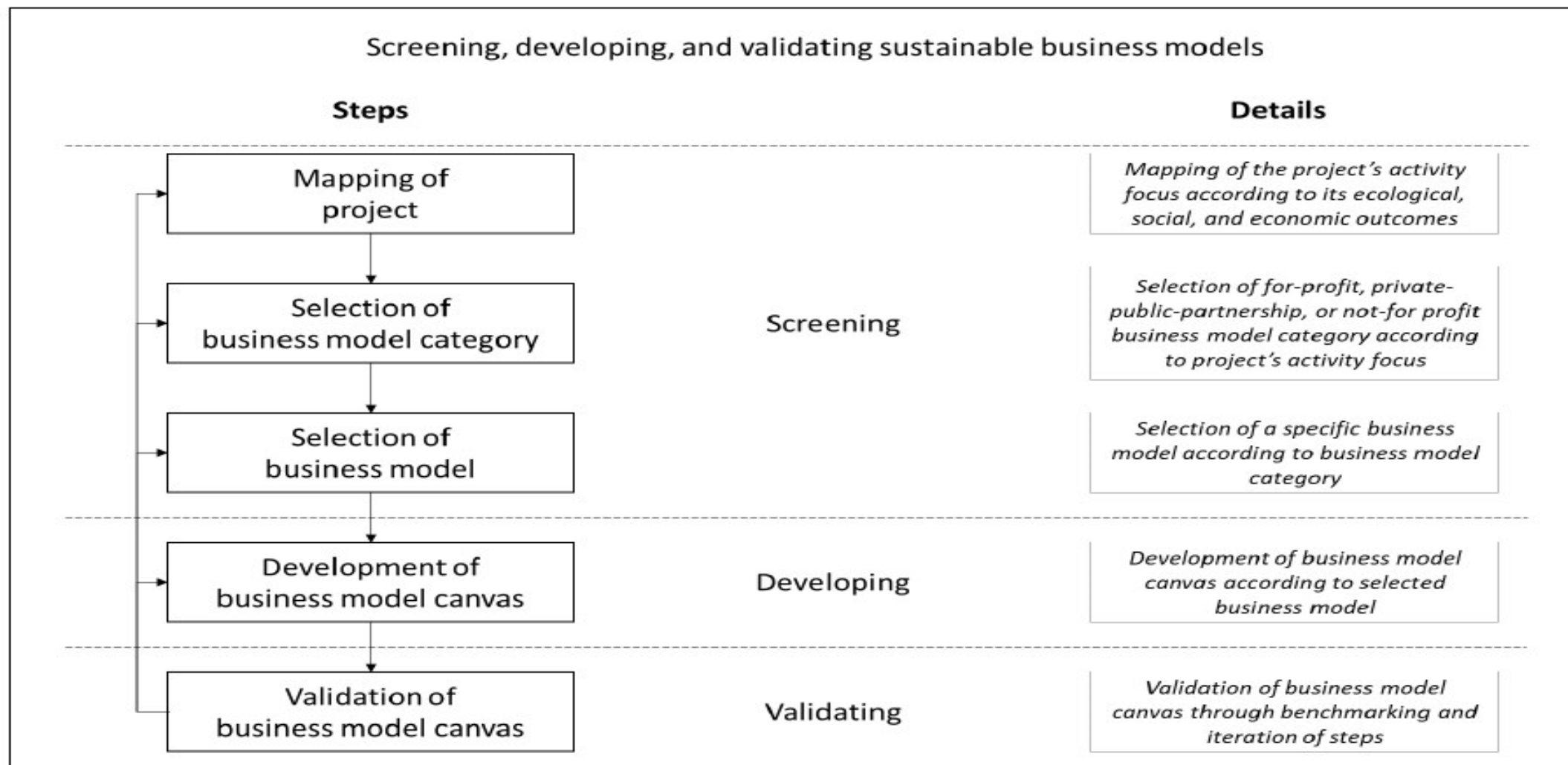
A **Business Model** can be defined as a representation of a firm's underlying core logic and strategic choices for creating and capturing value within a value network (Shafer et al., 2005)

A Sustainable Business Model is a Business Model that produces **positive social and/or environmental outcomes** to its beneficiaries while **maintaining economic viability** (Theis and van Liempd, 2023)

Method



Steps for Sustainable Business Model

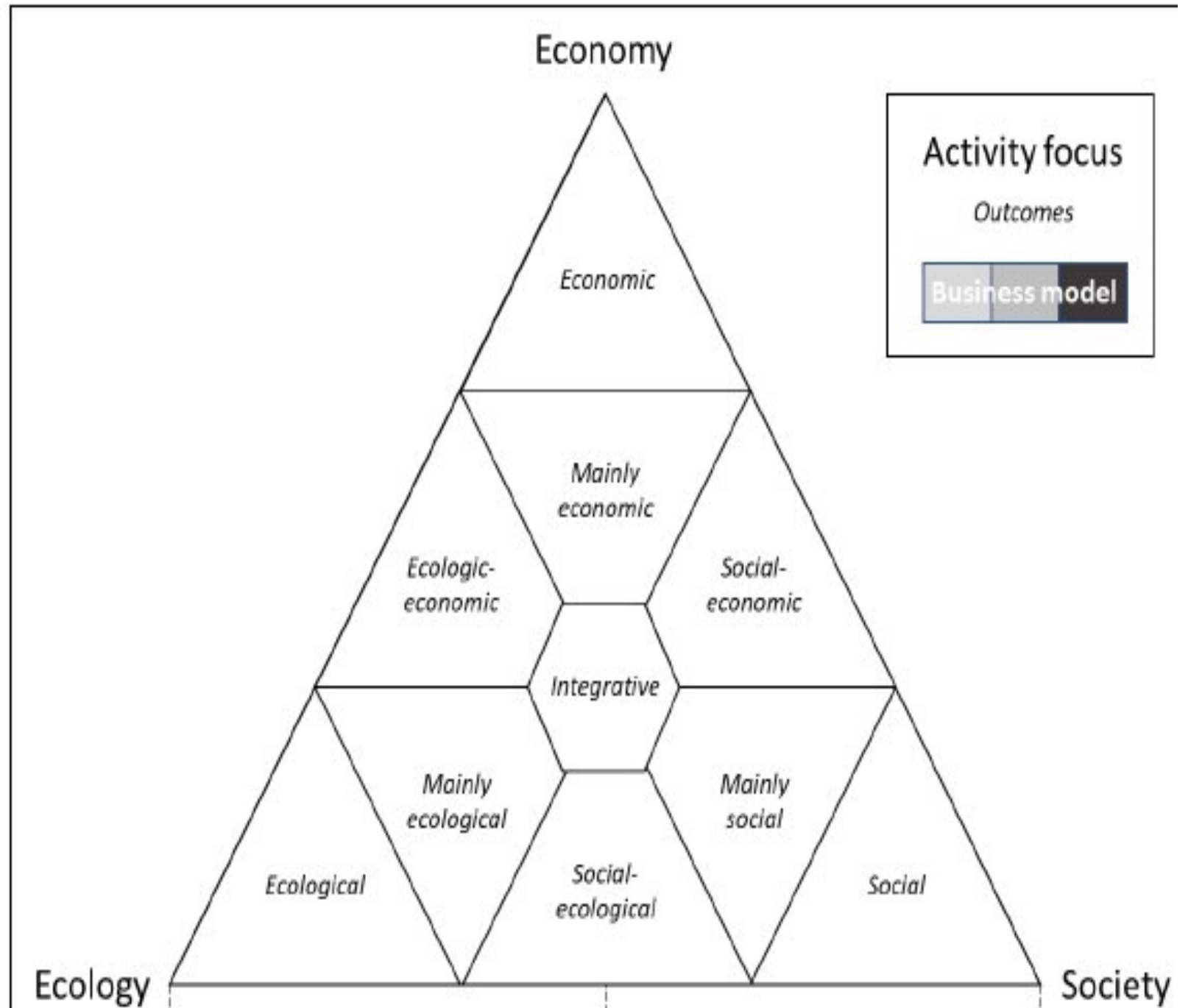


STEP 1: Mapping of the project

Map the activities

Categorize according to:

- ECOLOGICAL OUTCOMES
- SOCIAL OUTCOMES
- ECONOMIC OUTCOMES

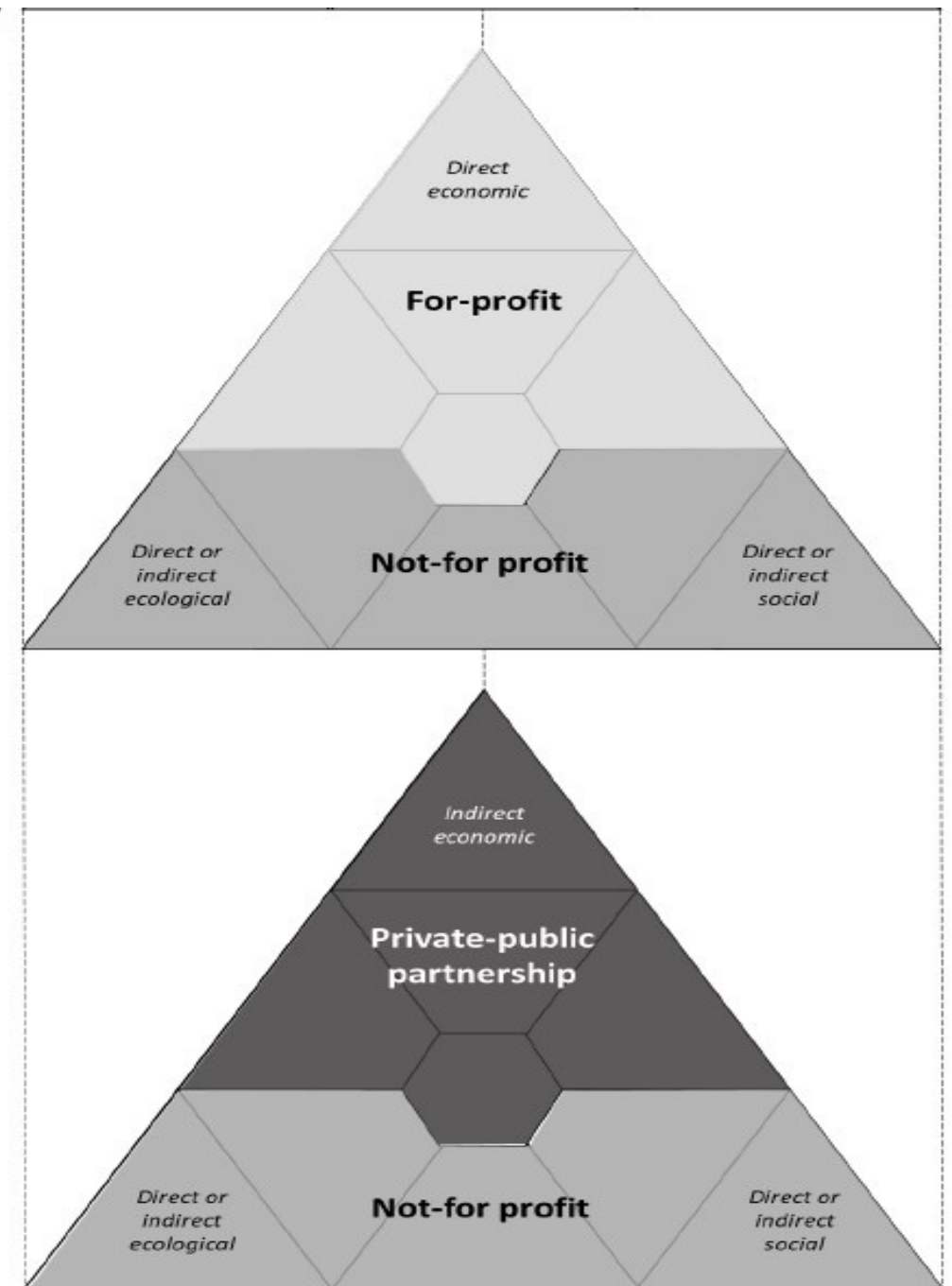


STEP 2: Selection of a BM Category

For Profit

Private-Public Partnership

Not-for Profit



STEP 3: Select a specific Business Model

	Category of business model		
	For-profit	Public-private partnership	Not-for-profit
Business model	<p><i>Traditional</i></p> <ul style="list-style-type: none"> ▪ Product ▪ Service ▪ Shared assets ▪ Subscription ▪ Lease/Rental ▪ Insurance ▪ Reselling ▪ ... <p><i>SBMs</i></p> <ul style="list-style-type: none"> ▪ Remanufacturing/next life sales ▪ Repair ▪ Upgrading ▪ Physical to virtual ▪ Produce on demand ▪ Buy one, give one ▪ Functional economy ▪ ... 	<ul style="list-style-type: none"> ▪ collaboration between the public and the private sector 	<ul style="list-style-type: none"> ▪ Donation (private funding) ▪ Public funding

STEP 4: Develop Business Model Canvas

Key Partners	Key Activities	Value Proposition/ Mission	Customer Relationships	Customer Segments/ Beneficiaries
	Key Resources		Distribution Channels	
Costs Structure		Revenue Model		
Social, Environmental, and/or Economic Outcome (other than Value Proposition/Mission)				

MAIN FUNDING MODELS

DONATIONS / GRANTS

individuals, community, NGO, foundations, governments, business

EQUITY FINANCING

FFF-finance, angel investors, venture capital, IPO

DEBT FINANCING

senior debt, subordinated debt, mezzanine capital, government bonds, GSSS bonds,

Derivative Funding Models

CROWDFUNDING

CASCADE FINANCE

CONCESSIONAL FINANCE

BLENDED FINANCE

PROJECT FINANCE

PRE-COMMERCIAL PROCUREMENT (PCP)

PUBLIC PROCUREMENT OF INNOVATION (PPI)

DISCUSSION QUESTIONS

Do you have any examples of successful sustainable business or funding models, and which models supporting the blue economy would you like to see more of?

In your experience, which funding and business models will be most effective in achieving the Mission objectives? And why?

What are the main obstacles or gaps in making existing funding and business models more effective?

Can you think of any policies that would support the operational deployment of useful innovations to support to sustainable blue economy?