

Beyond Sufficiency

Moving towards Regenerative Business Models

Maren Kropfeld^{1,*}, Maike Gossen², Katrin Pakizer³

¹Tomorrow University of Applied Sciences; ²TU Berlin; ³ZHAW School of Management and Law

*maren@tomorrow.university

Extended abstract

Introduction

In face of the intensifying climate crisis, the limitations of sustainable or circular business models become increasingly apparent. The call has been made for sufficiency-based business models, which emphasize reducing consumption and closing resource loops (Bocken et al., 2022). While crucial steps towards sustainability, they often fall short of addressing the systemic challenges of climate change, biodiversity loss, and social inequality (Hahn & Tampe, 2020). Regenerative business models, conversely, go beyond ‘doing no harm’ and aim for a net positive impact (Bocken & Short, 2021; Konietzko et al., 2023). They strive to regenerate the ecosystems and communities they interact with, fostering long-term well-being and prosperity. Konietzko et al. (2023) have elaborated on the specifics of regenerative business models, pointing out their relation to and positive impact on nature, societies, stakeholders, and employees. Similarly, Bocken & Short (2021, p. 11) even propose that a flourishing business model, going beyond net positive impact, would ultimately be the most desirable one, as it targets “societal and environmental well-being above economic optimization”. In another conceptual paper, Hahn & Tampe (2020) distinguish between different levels of regeneration, from restoring, preserving to enhancing strategies and link them to managerial implications.

Despite growing interest in these business models, a clear understanding of how they differ conceptually and translate into real-world implementation remains scattered and unaligned. This ambiguity – amongst other hurdles – hinders practical application and the potential for widespread adoption. Thus, our work seeks to answer critical questions:

1. What conceptual elements differentiate or link sufficiency and regenerative business models?
2. In what ways can regenerative business models overcome the limitations of sufficiency models?

By elucidating these distinctions and outlining the required transformations, this study aims to bridge the knowledge gap and accelerate the shift towards more sustainable and regenerative business practices.

Methodology

Our literature review study employs a comparative analysis, analyzing the literature on sufficiency and regenerative business models (Azrian, 2011; Berger, 2016; Fainshmidt et al., 2020; Rihoux, 2016). The search strategy includes searching in bibliographic databases with a theory-driven search string.

Search Strategy

Our literature search was conducted using bibliographic databases, specifically Scopus and Web of Science, known for their extensive coverage of management and business research. The search strategy was theory-driven, crafted to capture a broad spectrum of publications relating to our study themes. We developed a structured search string in an iterative process to ensure its relevance and accuracy. The finalized search string used was:

TITLE-ABS-KEY ((sustainab OR green) AND (sufficien OR regenerat*) AND ("business model*" OR "business strateg*" OR "business plan*" OR "business practice*"))**

In addition to the database searches, our strategy included backward and forward snowballing methods and consultations with experts in the field (Baldassarre et al., 2020). This holistic approach allowed us to identify key studies cited by our primary sources and newer publications citing them, enriching our dataset with a broader range of perspectives and findings.

Table 1. Formal and content-related criteria for in-/exclusion of articles

Criterion	Inclusion	Exclusion
Conceptual Rigor	Focus on business models	Individual business practices
Impact	Focus on sufficiency or regeneration, as the goal of business activities	Activities focused on circular economy without reference to sufficiency or regeneration (i.e. efficiency, recycling)
Timeframe	Publication date within 01.01.2020 – 31.03.2024	Publication date before 01.01.2020
Language	English	Other languages
Document type	Published articles, conference papers, book chapters, books	Unpublished manuscripts, editorials, reviews

Screening and Data Extraction

All retrieved articles were exported from the respective databases and imported into a spreadsheet. After duplicate removal, a cleaned and consolidated reference file was created which forms the technical platform for the screening process. Following PRISMA guidelines for systematic literature reviews (Moher et al., 2009), we initially screened the retrieved articles for relevance based on title, abstract, and keywords. We applied the inclusion and exclusion criteria in Table 1 to ensure the focus, quality, and coherence of our review.

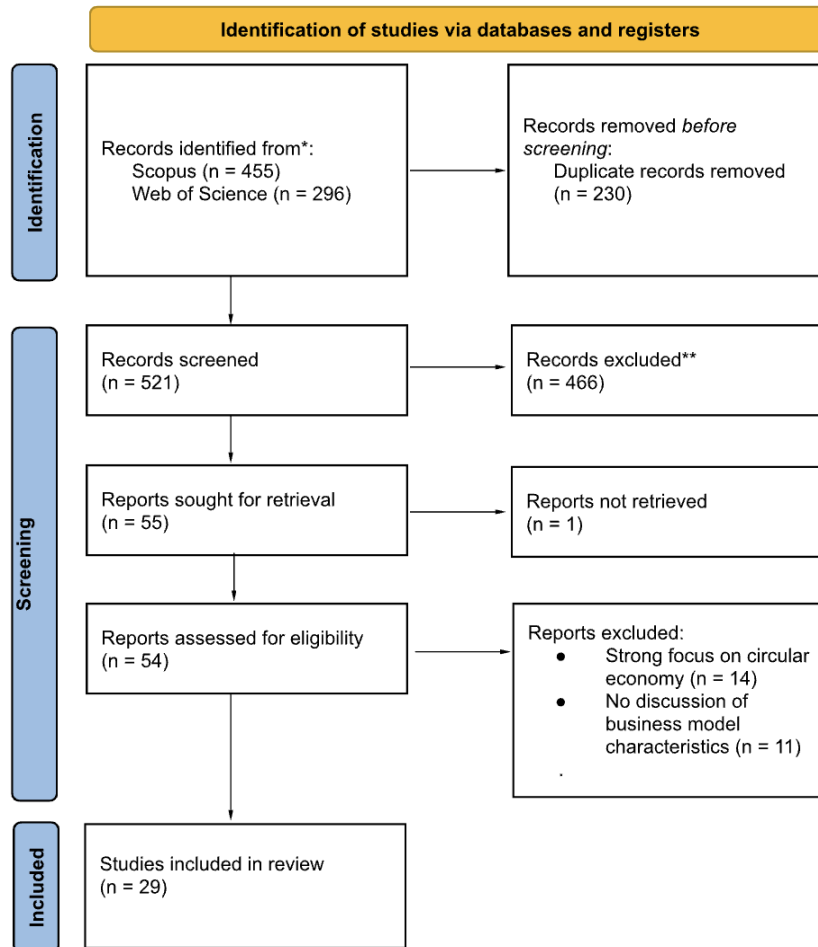


Illustration 1. PRISMA Flow Diagram

This preliminary screening resulted in a selection of publications that underwent a more detailed review based on the full text. The database and supplementary searches yielded n=751 results. After removing n=230 duplicates, leading to a sample for screening of n=521 contributions. The first screening of title, keywords and abstracts culminated in a preliminary sample of n=54. The full-text screening rendered n=29 publications included in this study (cf. Illustration 1).

Expected Findings

Changing Underlying Principles

We expect our analysis to show that the transition from sufficiency to regeneration necessitates a fundamental shift in the underlying principles guiding business operations (Lindsey, 2011; Robertson, 2021; Ruggiero, 2021). Sustainability principles, focused on minimizing negative impacts and maintaining ecological balance, are essential but insufficient. Regenerative principles go further, emphasizing a net positive impact, where businesses strive to leave the environment and society better than they found them. They also accept a symbiotic embeddedness, i.e. businesses recognizing their interdependence with natural and social systems, fostering mutually beneficial relationships. This in turn, fosters co-evolutionary principles, where businesses and ecosystems adapt and evolve together, creating a dynamic cycle of regeneration (Elkington, 2020; Konietzko et al., 2023).

Adapting Business Models

Comparing sufficiency and regenerative business models through the lens of value proposition, creation, and capture might reveal distinct characteristics. The value proposition of sufficiency business models focuses on offering products and services that enable reduced consumption (Bocken et al., 2022). Regenerative business models offer solutions that actively restore and improve environmental and social well-being (Konietzko et al., 2023). Value creation of sufficiency business models emphasizes resource efficiency and circularity within closed loops. Regenerative business models prioritize innovation, collaboration, and systemic change to create positive externalities rather than reducing negative externalities (Konietzko et al., 2023). Finally, value capture of sufficiency business models often relies on premium pricing or resource-based cost savings (Kropfeld & Reichel, 2021). Regenerative business models may go beyond that and utilize benefit-sharing mechanisms or engage in impact investing to create impact beyond their original business model.

Implications, Obstacles, and Requirements

We may expect our analysis to demonstrate that regenerative models have the potential to create not only environmental and social benefits but also new business opportunities and competitive advantages, especially in the area of biodiversity as an emerging sustainability issue in the business world. Transitioning to regenerative business models presents both opportunities and challenges and requires business model experimentation and innovation.

However, significant obstacles will also exist, like the lack of awareness and understanding of regenerative principles, difficulties in measuring and communicating net positive impact, short-termism and financial constraints in current organizational set-ups, complexities of collaboration and systemic change.

Conclusion and Outlook

Regenerative business models offer a promising pathway towards a more sustainable and equitable future. By understanding the key differences from sufficiency business models, embracing the necessary

shifts in principles, and overcoming implementation challenges, businesses can contribute to creating a world where economic prosperity aligns with environmental and social well-being. Further research is crucial to explore the diverse applications of regenerative models across different industries and contexts, as well as to develop effective measurement and evaluation tools to track progress and impact. As we move forward, the potential of regenerative business to drive positive change is undeniable, offering a blueprint for a future where businesses can truly be a force for good.

Keywords

Sufficiency, Regeneration, Business Models, Experimentation, Literature Review

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