

PURCHASING, SUPPLY AND CONSUMPTION

Business Focus

This is where business plays its most significant role in helping to build a more sustainable future. Its influence here is enormous and the whole of this chapter is therefore relevant to businesses.

Business fuels consumerism by producing goods and services and promoting them to customers. The choices made in how those products and services are made, delivered, used and disposed of are almost entirely within the control of the business and so, it follows, are their environmental impacts. Equally, businesses are also consumers of the goods and services they need in order to operate. Both directly and indirectly, businesses influence 100% of the manufacturing impacts that account for 46% of Reading's carbon footprint.

Most of the work done up until now by the business sector to reduce carbon emissions has been incremental, however to embrace concepts such as the 'circular economy' and the 'sharing economy' requires more innovation. For businesses that are prepared to be bold, there is an opportunity to introduce innovative business models, develop new revenue streams and create brand new market sectors.

We can already see examples of this, for example the peer-to-peer rental business model of Zipcar and the advent of 'cloud' computing. As a result of these trends, businesses find they have to react to new and unexpected competitors. Taking a proactive approach to business model change offers 'prime-mover advantage', so that a company can compete from a position of strength.

