

# **Marketing Assignment**

## **DISTANCE LEARNING MBA**

**Module Code:** MAN4042M

**UB:** 12039259

## 1) Ellen MacArthur Foundation (EMF)

In 2005, Ellen MacArthur became the fastest solo around-the-world sailor. Travelling with only finite provisions, she realised how unsustainable our global economy was and that serious problems lay ahead (MacArthur 2010).

Following 4 years of research, dot-connecting and development, she and her small team had developed a new heuristic framework for a long-term alternative: The Circular Economy (CE), see appendix 1 (EMF 2016a).

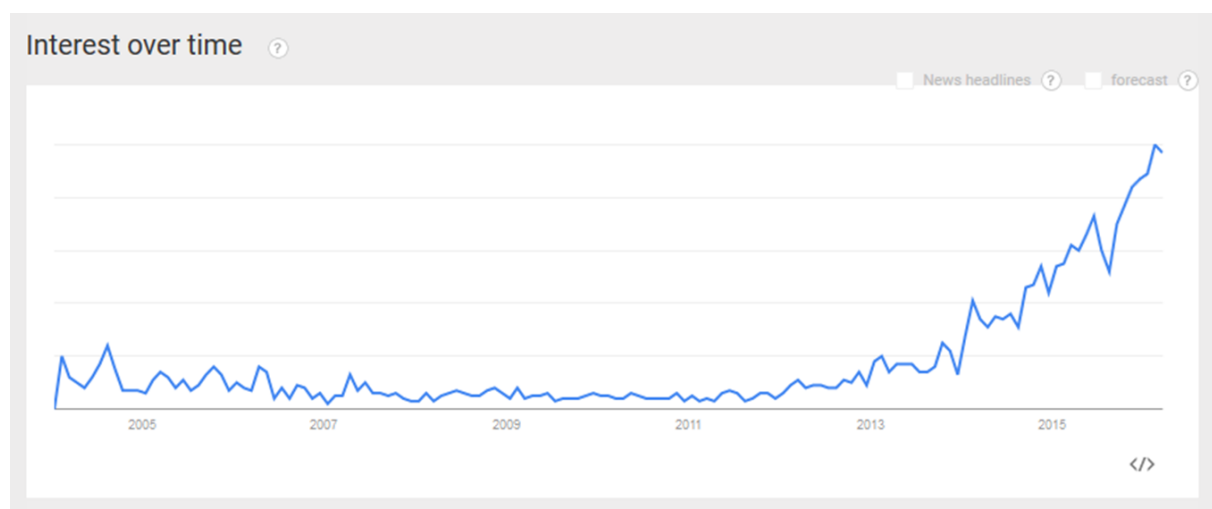
Driven by a mission to “accelerate the transition to a circular economy”, the EMF, a UK-registered charity, was launched in 2010 (EMF 2016b).

Ongoing successes include:

- European Commission implementing ambitious CE Package (EC 2015).
- A world network of 98 CE pioneers (corporations, governments, universities, SME etc) (EMF 2016a)—see appendix 2—as well as thousands of advocates, practitioners and students.
- A robust funding model, £2.8 million in 2014, up 240% 2010-2014 (CC 2010; CC 2014).
- 60 employees, up 2000% 2010-2016 (EMF 2016c; ESC 2014).
- CE seen as an inevitability (TCOR 2015).
- Growing awareness and growth, see figure 1.

Through a mixture of factors the EMF have developed a marketing strategy that has built a reputable brand and pioneered a movement around a framework during a ‘strategic window’, classed by environmental scientists as being our last chance to mitigate the impacts of climate change (Harvey 2011).

**Figure 1** CE searches (Source: GT 2016)



## 2) Key Factors

Rather than just putting her name and reputation to the foundation, MacArthur is the driving force behind it. She and many in her team epitomize what Senge et al (2015) define as a ‘systems leader’, a new type of leader who has 3 core capabilities:

- Able to see the bigger picture, helping other stakeholders do the same.
- Nurturing reflection and productive discussion, allowing people to understand one another better, building trust and relationships which promote collaboration and creativity.

- Shifting collective focus from addressing symptoms to rethinking and co-creating the future.

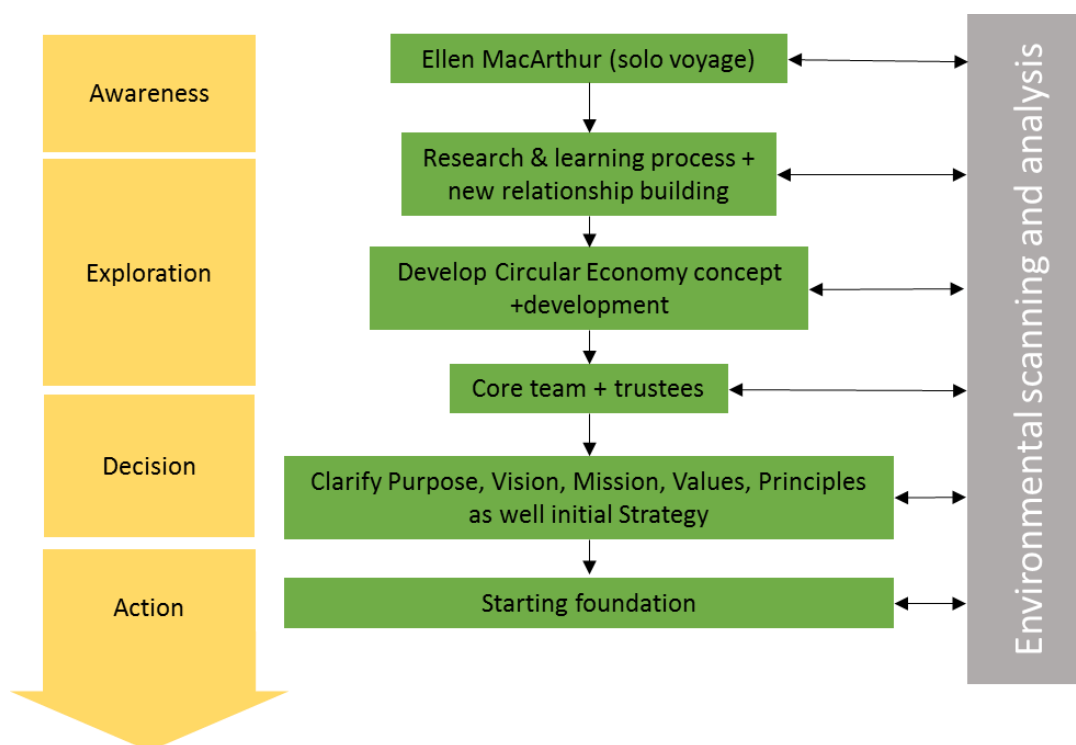
What they have essentially created is a platform that has nurtured a marketing-focused collaborative network for systemic change (Wei-Skillern et al 2015) that draws influence from network, systems and complexity theory (Gummeson 2009). Aspects of their approach could be classed as 'cause', 'many-to-many', 'movement' marketing and beyond. However I feel their success is due to them implementing a hybrid of more 'systemic' marketing approaches, namely:

- Social marketing (appendix3)—selling ideas that shift mind-sets and behaviours that benefit society at large (Kotler & Zaltman 1971).
- Multiple-market stakeholder relationship marketing (appendix 4)—building networks of 'influential stakeholders' in specific 'markets' (Payne et al 2005), that can develop, pioneer and promote the CE to a wider audience.

Due the context and objectives of the foundation, no delineation is made between the corporate/foundation strategy and market strategy—they are seen as one and the same.

Figure 2 shows the fundamental journey/process that MacArthur initially went on that has laid the foundations for the EMF and CE concept (MacArthur 2010).

**Figure 2** Founding Process



As shown, constant environmental scanning and analysis has been fundamental. Macarthur outlines the importance of the long exploration phase in her autobiography (2010). Here she met CEO's, experts, and everyday people from across the globe. A process that allowed her to see first-hand and comprehend the systemic problems, potential solutions, failings of others, whilst also gaining insights into human behaviour as well as the importance of exchange/interaction, relationship building and trial and error; essential factors in marketing (Baines and Fill 2014). This process also provided serendipitous encounters with potential 'stakeholders' often when faced with barriers. Ken Webster, know head of Innovation at the EMF, was one of these. He allowed MacArthur to see the world from a different perspective with his 'Circular framework', explaining how natural systems

cycle in dynamic equilibrium and by contrasting them against a wasteful 'linear' economy built on a mechanistic view of the world.

This was a game changer as "The message was simple. As simple as the difference between a straight line reaching an edge and a circle which could go round and round for ever" (MacArthur 2010 p.486). Rather than focusing on sustainability, 'doing less bad' and people sense of conscience, which was proven to have limited mainstream impact, they could get stakeholders to 'rethink the future' around this concept, which is aspirational and engaging (MacArthur 2010). Timing could not have been better as several macro-environmental factors and enablers had converged providing a window of opportunity /springboard (Abell 1978) and inspiration to drive the marketing mix as shown in table 1.

**Table 1.** PESTLE analysis

Category	Factor	Impact
Political	<ul style="list-style-type: none"> <li>• Growing geopolitical unrest across the world.</li> <li>• Commodity supply disruptions (80% of arable land, 37% of oil reserves in areas of high political risk (EMF 2013)</li> <li>• Increased global complexity and interconnectedness that is very difficult to understand. Increasing debate and discussion surrounding potential solutions.</li> </ul>	<p>Multiple interdependent factors, which cannot be analysed in isolation, are causing systemic problems which are threatening and disrupting traditional business, societies and the environment.</p> <p>These problems are being felt across the globe. Economic growth—in the present system—as well as a healthy environment, is needed to ensure jobs, provide for basic needs whilst providing hope and prosperity for the future (Jackson 2009).</p>
Economic	<ul style="list-style-type: none"> <li>• Global financial crisis, Europe severely affected. Increased unemployment.</li> <li>• Peak oil, commodity price volatility. Prices increased dramatically from late 90s to 2012 (EMF 2012).</li> <li>• Uncertainty leading to investor caution and prudence.</li> <li>• Traditional monetary and fiscal policy not helped kick start economy. Low or zero interest rates.</li> <li>• Growth of BRICs, hitting manufactures across the world.</li> <li>• Businesses implementing basic CSR schemes + interest (EMF 2015)</li> <li>• New business models emerging (pay for performance, return, leasing, sharing) (EMF 2014).</li> <li>• Product lifespans decreasing to fuel economic growth (inbuilt obsolescence).</li> <li>• Value leakages across whole economies (TCOR 2015).</li> </ul>	
social	<ul style="list-style-type: none"> <li>• Linear lock-in mentality for many people in developed world (EMF 2013).</li> <li>• Social unrest in light of austerity measures in many developed countries.</li> <li>• Work becoming more volatile, and wages in relation to living costs decreasing. Price sensitive consumers.</li> <li>• Changing consumer patterns, Generation Y preferring access to ownership in many European countries. 'Collaborative consumption' and sharing models emerging (EMF 2015).</li> <li>• High population growth with an estimated global population of 9 billion with 3 billion new middle class consumers by 2030 (UN 2010)</li> <li>• 40% recycling rates in Europe (EMF 2014).</li> <li>• Society, not businesses, paying for externalities (TCOR 2015).</li> </ul>	

Technological	<ul style="list-style-type: none"> <li>• Information age leading to growth of disruptive innovations—growing ICT facilitating digital and social media, smart devices, internet of things, big data leading to smart cities and greater connectivity.</li> <li>• RFID tracking and sorting technologies</li> <li>• Additive manufacturing, future potential to disrupt economies of scale.</li> <li>• Advances in biomimicry, green chemistry and understanding of natural systems.</li> <li>• Many technologies exist to mitigate the problems created by linear economy.</li> </ul>	Therefore, there is growing debate and interest in concepts and ideologies that look to provide for these requirements.
Environmental	<ul style="list-style-type: none"> <li>• Growing CO2 emissions, climate change and knock on affects (Dominey-Howes 2015).</li> <li>• Increasing degradation of natural environment and animal species depletion (EMF 2012).</li> <li>• Poor countries often feel the effects first.</li> <li>• Growing awareness, empathy and concern regarding climate change.</li> </ul>	Coupled with a series of unprecedented enablers or disruptive innovations, there is a strategic window of opportunity for change.
Legal	<ul style="list-style-type: none"> <li>• Taxation and subsidies incentivising the wrong things (TCOR 2015).</li> <li>• Protocols and legislation increasing to protect environment and consumers.</li> <li>• More trade agreements between member states, trade restrictions and barriers between other nations.</li> </ul>	

As shown in table 2, they now had a series of strengths, including a:

- Strong ‘product’ (framework, principles, approach and vision).
- Accompanying metaphors and language to help ‘promote’ and inspire the development of market stakeholder channels (‘places’).
- An inspirational leader who demanded respect, had contacts and could open doors.
- United team of internal and external stakeholders (experts and trustees).

These strengths helped them take advantage of opportunities whilst addressing weaknesses.

- Renault, British Telecom and Kingfisher—with whom MacArthur had close relationships (Macarthur 2010)—were already working in this space. They loved the EMF vision and decided to become founding partners, providing, funding, resources, credibility, and acting as primary stakeholders to help spread and implement the ideas.
- This allowed them to expand. A marketing and digital communications expert was recruited to assemble a team of specialists to promote the foundation and CE (Macarthur 2010), building upon MacArthur’s own ‘stretched’ sailing identity to build a strong, respectable, memorable brand identity, personality, culture and relationship between them (Baines and Fill 2014).

This provided a positive feedback loop that helped them grow whilst combating threats.

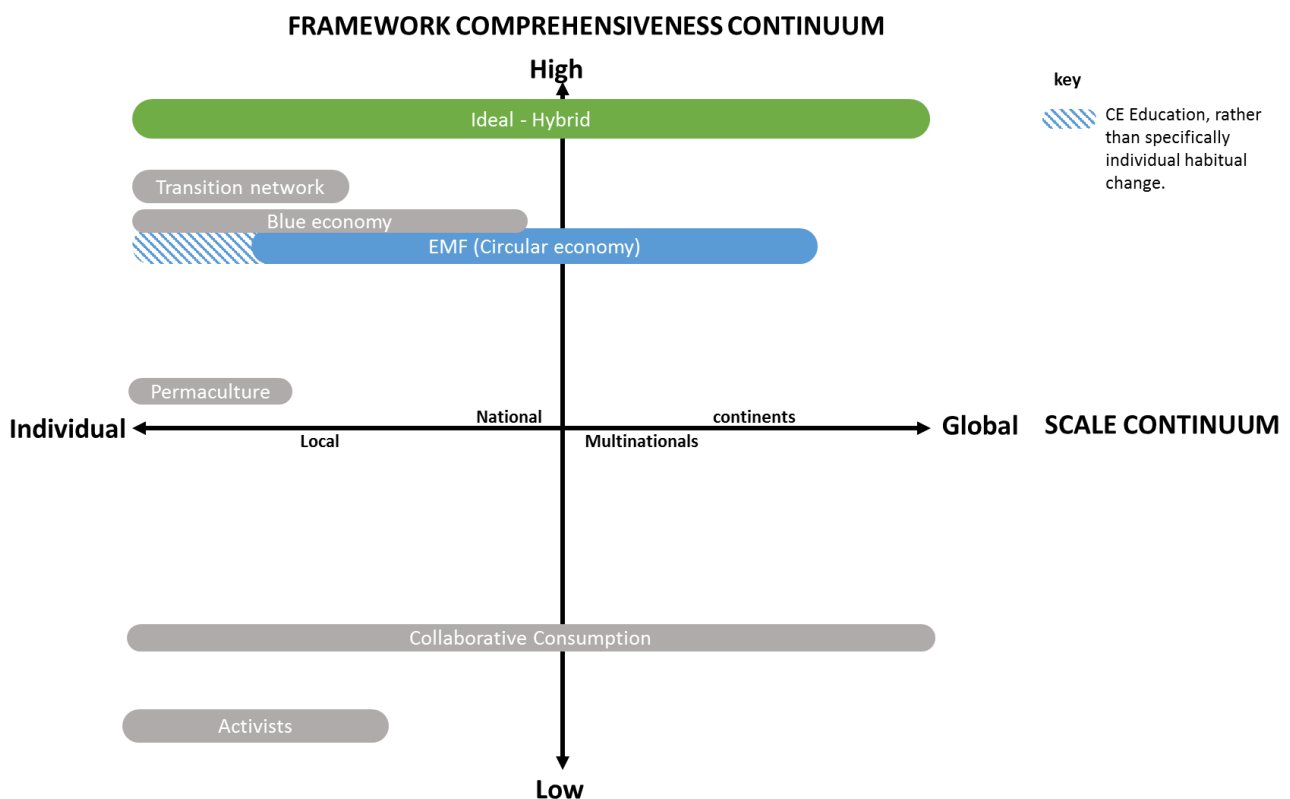
Table 2. SWOT analysis

STRENGTHS			WEAKNESSES		
Issue	Proof	Implication	Issue	Proof	Implication
Robust coherent Product framework which incorporates the ideas of many critically acclaimed thought leaders.	Thought leaders backing the initiative.	Credibility, backing.	Lack of capital, Macarthur funding herself (Macarthur 2010).	Accounts	Limited in what can be achieved with present budget, long-term sustainability of foundation at risk.
Strong narratives, metaphors, values and mission	Simplicity, feedback.	Way to Communicate solution not fear. Easier to engage, build awareness, educate and catalyse more mainstream action at the scale required. Forms strong part of internal and external brand identity and personality	Expertise in areas such as marketing, especially digital (Macarthur 2010).	Skills audit	Cannot properly promote their product and brand at the scale need to affect the change needed. Limited impact.
Influential, recognized Leader and complimentary team of experts who also have Traits of systems leaders.	Individual CVs and previous achievements and networks.	Ability to create a space and environment to empower others to achieve great things collectively. Existing Brand identity and personality. Creates intrigue, opens doors, exposure to media.	New, no track record, teething problems.	Awareness	Not taken seriously, wasting time.
OPPORTUNITIES			THREATS		
Issue	Proof	Implication	Issue	Proof	Implication
Contacts in industry have an interest in these area or are already trying to be come more "environmentally friendly" (Macarthur 2010)	contacts	Potential to provide, funding, resources. credibility and facilitating growth through their channels and networks	Time, Urgency, from environmental perspective, but environmental perspective, but	More damning environmental studies and predictions. Increased number of natural disasters and climate change related issues	Life as we know it is under threat.
Converging macro environmental problems (Particularly Political, economic, social, legal, environmental).	Global economic crisis, commodity price volatility, people want direction and solutions.	Many in Private, public and plural sector actively looking for alternatives as they see incumbent systems failing.	Critics	Human nature to question anything new.	Negative press, unproductive debate and analysis.
Converging macro environmental advances (particularly social and technological)	Additive manufacturing growth, social media impact, ICT growth, Collaborative consumption growth, Changing consumer behaviour patterns (Millennials)	Things thought impossible are now possible, enabling something like the CE to become a reality. Connecting the dots between advances allows more disruptive innovation.	Linear Lock-in- Misaligned incentives along value chains which cross borders, companies and individuals. Investment costs still not recuperated from legacy systems. (EMF 2013)	Examples across the world; coal and gas fired power stations, nuclear energy, electrical grids, vehicles, factory production	Inability to transition towards a CE

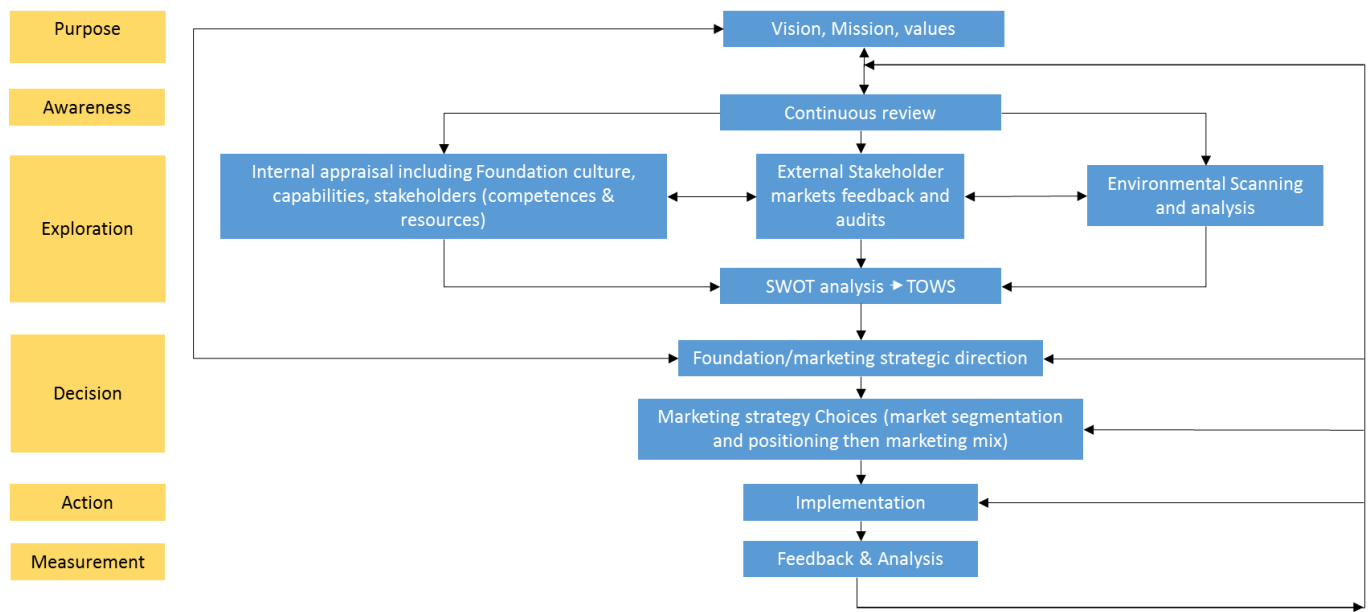
Rather than competing with alternative initiatives—often a prerequisite in the business (Denning 2013)—they have forged relationships, incorporating other schools of thought into their heuristic framework which they encouraged others help improve. Employing a ‘differentiated’ targeting strategy they aimed to build relationships with innovative stakeholders who were felt to have the most impact, influence and exposure in the short to medium term (influential and visionary people in business and government) as well as stakeholders in universities, which could help educate those working in these areas. From a long-term perspective, they deemed it vital to educate the change-agents of the future by building a network of stakeholders across the education spectrum (CC 2013).

The perceptual map in figure 3 shows how the EMF CE is positioned against other initiatives with regards to the scales they work on and the comprehensiveness of the framework. Moving to the ideal model shown in green was deemed too complex to tackle (Webster 2013). Therefore the CE ‘strategic focus’ was to resolve the urgent environmental problems our current ‘linear’ economy is creating. Working at a large scale has given them unprecedented traction in the mainstream.

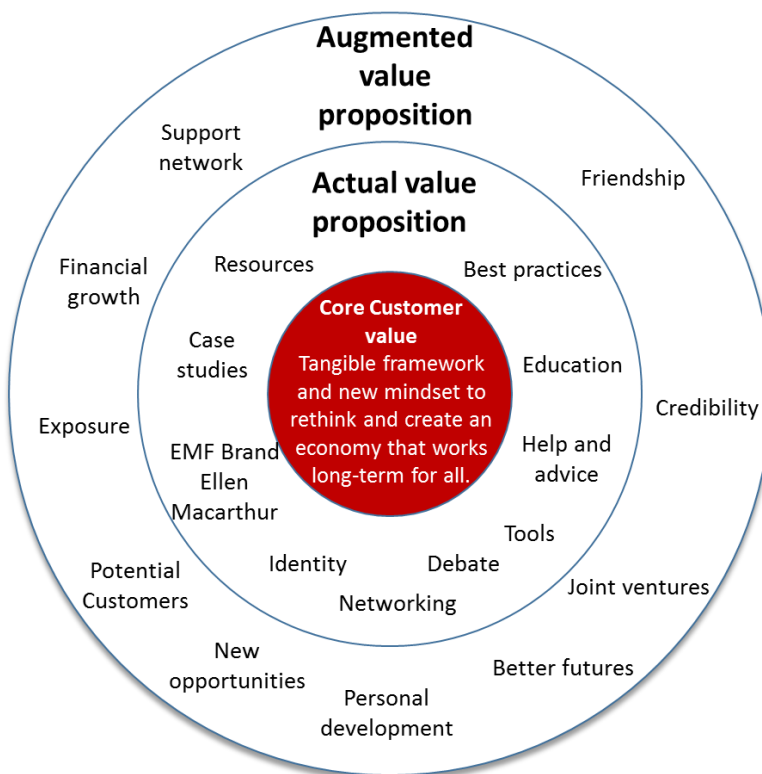
**Figure 3.** Perceptual Map



Although the above outlines the initial factors, the marketing strategic process is a continual feedback dependant process as shown in figure 4. As the foundation has progressed they have modified their marketing strategy and marketing mix to account for their performance, environmental factors and feedback from their growing network of stakeholders.

**Figure 4.** Marketing process

From a marketing mix perspective this type of ‘social marketing’ differs somewhat from traditional methods. In addition to the traditional considerations a further four are often used: Publics, Partnership, policy and Purse strings (Weinreich 2006) (appendix 3). Figure 5 shows the core, actual and augmented benefits and features that the EMF offers across its complete ‘product’ portfolio,

**Figure 5.** Value proposition**Note**

**Core Customer value** – Overall benefit of CE.

**Actual value proposition** - Series of programmes that included services, events, educational materials.

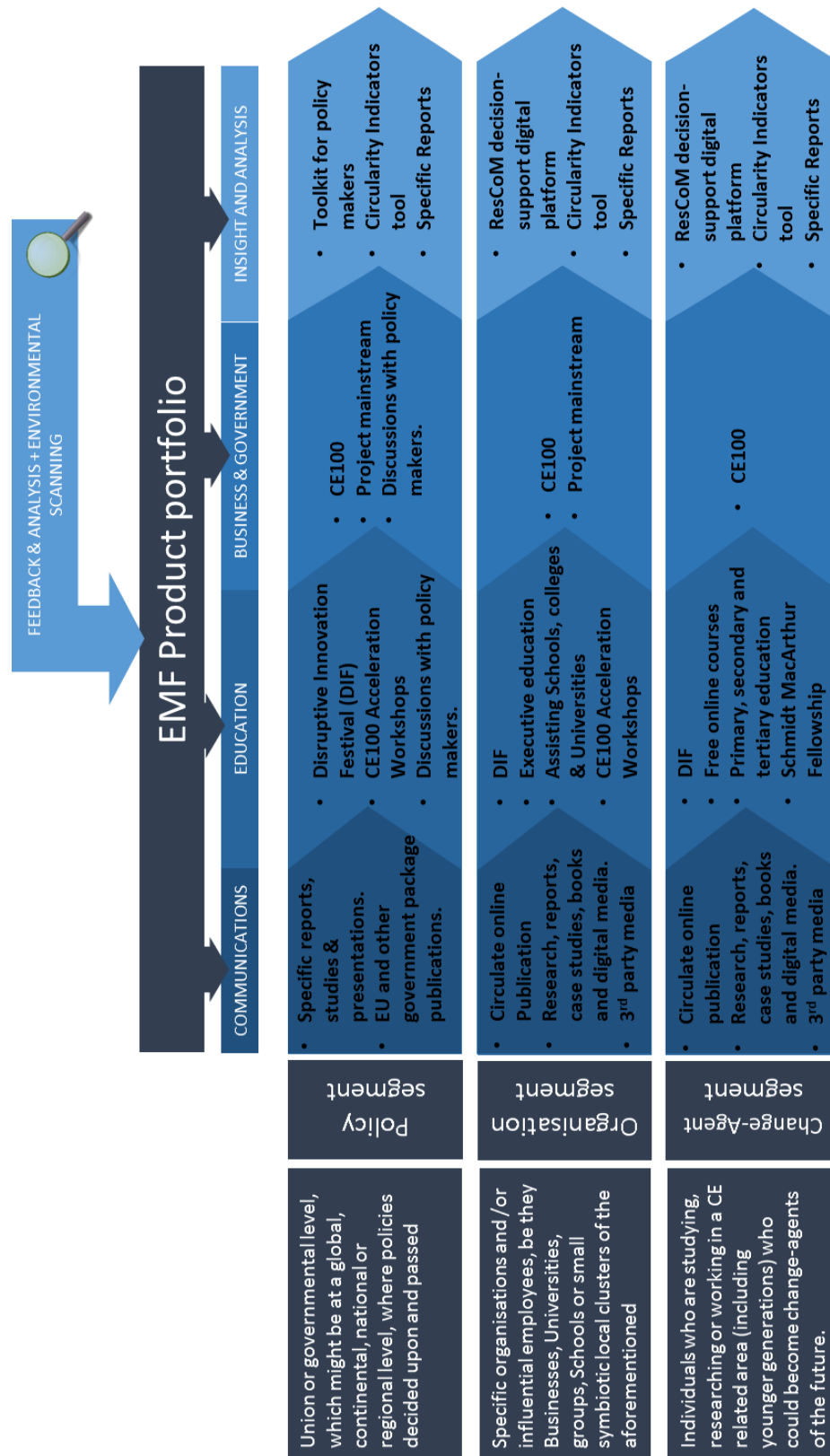
**Augmented Value proposition** – additional services, features and potential future benefits.

As shown the core value that the EMF are selling is a framework that provides a tangible vision for how world economies can work long-term. Achieving this vision requires engaging more and more



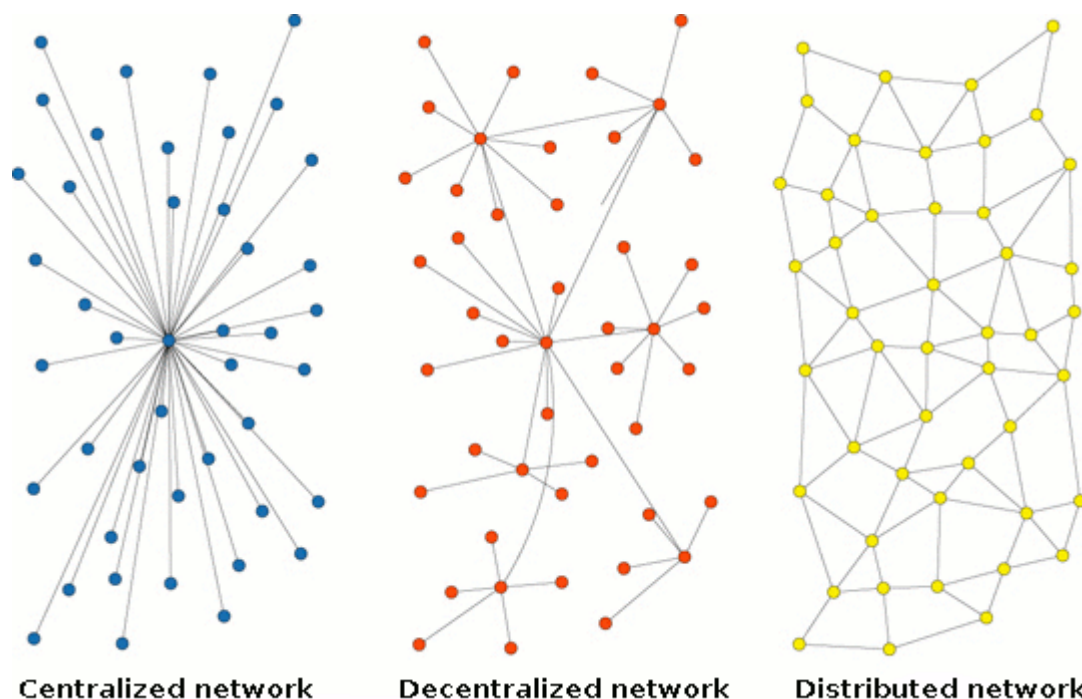
stakeholders to make it a reality through co-creation and co-promotion (Lusch 2011). Therefore, the actual product offerings shown in figure 6, which span four product areas and 3 target segments, are actually ‘vehicles’ and ‘platforms’ to achieving this vision. As such they have been designed to promote, distribute and improve upon on this framework in a continuous nonlinear virtuous cycle. Subsequently the boundaries between the marketing mix factors become somewhat blurred.

**Figure 6.** Product offerings (see appendix 2).



Whilst the initial strategy was to build a centralised ‘distribution’ network with ‘selective’ partners, the intention has ensured that this has grown and evolved to a more decentralised/distributed hybrid that has engaged ‘policy makers’ and cascading levels of ‘publics’, see figure 7.

**Figure 7.** Network topologies (*Source: P2P Foundation 2008*)



The aggregate effect of these factors, including the additional marketing mix details shown in table 3, is that a strong, optimistic and growing brand identity and personality (Baines and Fill 2014) has been created for the EMF and now, more importantly, the CE framework which supersedes it.

**Table 3** Marketing mix overview

Factor	Description
<b>Price &amp; Purse Strings</b>	<ul style="list-style-type: none"> <li>Funded by ongoing charitable donations of time and money (£791,211 in 2014) from its founding/global partners, and</li> <li>Revenues generated through its trading subsidiary (£1,464,425 in 2014) (CC 2014 ), which runs events such as the CE100 Business Programme for paying members, selling books and undertaking consulting activities.</li> <li>Most product offerings are free, where applicable. Prices are kept to a minimum to cover costs with the focus being on the sharing of value and co-creation of value, rather than purely transitional.</li> <li>Many fees are a formal form of donation which is made clear, creating a ‘Feel-good’ factor for supporters and branding benefits due to associations with CE.</li> </ul>
<b>Place</b>	<ul style="list-style-type: none"> <li>The website and ‘Circulate’ digital magazine, provide a wealth of publications, case studies, digital resources, tools, network maps and more. Several courses are also run online.</li> <li>Events are run in cities generally across Europe, often partnering with Universities or public entities to help maintain neutrality (EMF 2016b).</li> <li>Other events have a large online aspect such as the Disruptive Innovation Festival (DIF), which brings new innovative developments from around the globe together.</li> </ul>

<b>Promotion</b>	<ul style="list-style-type: none"> <li>• Integrated communication strategy in place.</li> <li>• Multiple entry points to engage target audiences, aim to build awareness and knowledge that leads to commitment and action. Focus on honesty and clarity. (EMF 2016b).</li> <li>• Mixture of ‘push’, ‘pull’ and ‘profile’ strategies utilized depending on context.</li> <li>• Communication tools include extensive use of digital and social marketing, MacArthur garnering some publicity, personal selling as well as a mixture of others but little or no advertising to reduce costs.</li> <li>• Digital is the media of choice, but print is also used, and banners and alike used for events.</li> <li>• Messages are tailored to the target audience. <ul style="list-style-type: none"> <li>○ Business and government messages are always branded and presented impeccably with simple yet modern diagrams and charts. Partnered with the global management consultancy firm Mckinsey to author detailed reports showing benefits and opportunities of implementing CE. Rhetoric focuses on commodity price volatility, and ‘benefits’ of decoupling economic growth from natural resource use and degradation. Focus on job creation facilitated by taxation and subsidy reform.</li> <li>○ User generated content is monitored and formatted to ensure the same look and feel. Positive criticism is taken on-board.</li> <li>○ Education material and overview videos are tailored to younger audiences but are still mostly informative.</li> </ul> </li> <li>• Importance placed on using metaphors and phrases to describe the concepts, “take, make, dispose” “closing the loop” “waste = food” (EMC 2012)</li> </ul>
<b>Process</b>	<ul style="list-style-type: none"> <li>• Processes aligned to benefit the whole rather than any individual part.</li> </ul>
<b>Physical evidence</b>	<ul style="list-style-type: none"> <li>• Consistent clean simple professional feel across all tangibles. See appendix 1</li> <li>• Logo is strong and relates to the CE—see appendix 1.</li> <li>• Combined with the Ellen MacArthur sailing brand, all components combine to build intangible attributes such as a desire to make a difference working with others.</li> </ul>
<b>People</b>	<ul style="list-style-type: none"> <li>• Employ and retain talented team members who have a passion and competency for the associated issues.</li> <li>• Multicultural, multilingual and empowering environment with complimentary skillsets and interests (EMF 2016C).</li> <li>• Provide and maintain high levels of service, professionalism and attention.</li> </ul>

### **3) CHALLENGES**

As the CE concept spreads, there are a number of challenges that the EMF needs to help to address. Apart from the tremendous estimated benefits (WEF 2016) there is little quantitative data on physical impacts. A market research report by Green Biz and UPS (2016) compiling responses from 423 businesses across 13 sectors—85% based in USA—does show 58% of companies to be using CE principles and growth expected, see figure 8. This report also outlines the 3 biggest challenges that respondents see to be impeding the transition, see figure 9. The EMF also outlines investment costs as a huge barrier (2015). Others, however, see the CE as “linear economics tacked onto a circular materials economy” (Webster 2016), and global economies and supply chains making CE difficult to enforce (Tsoi 2016). This brings into questions the premise of decoupling economic growth from environmental degradation.

Figure 8. (Source: UPS and GreenBiz 2016 p.8)

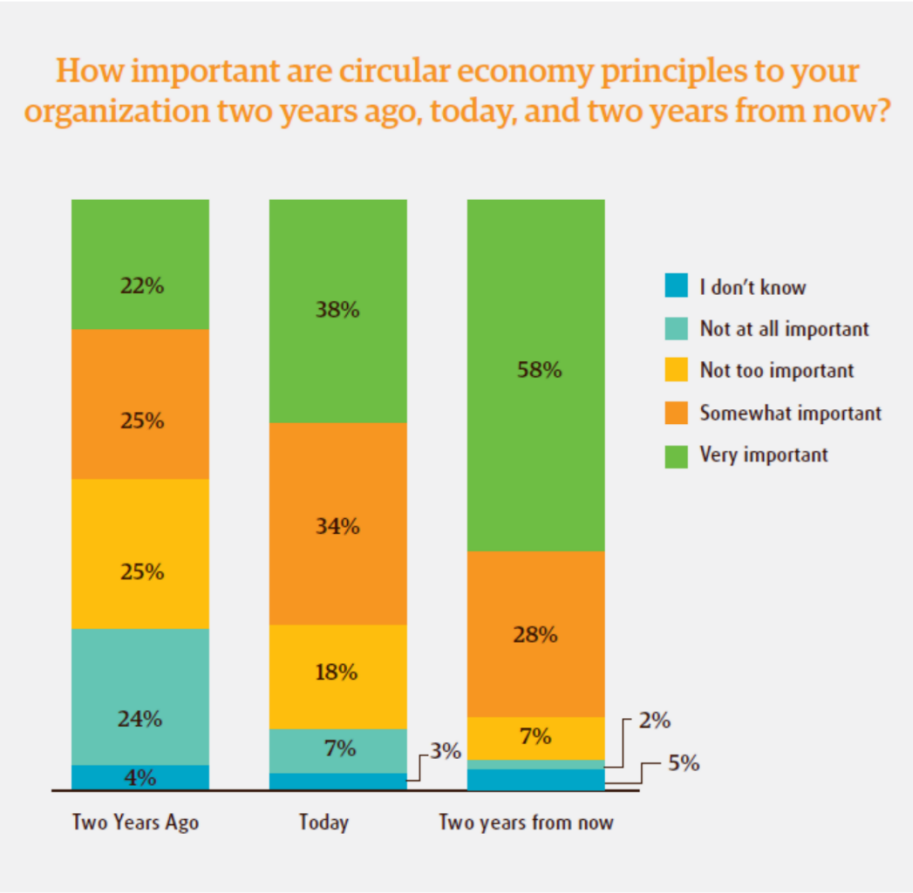
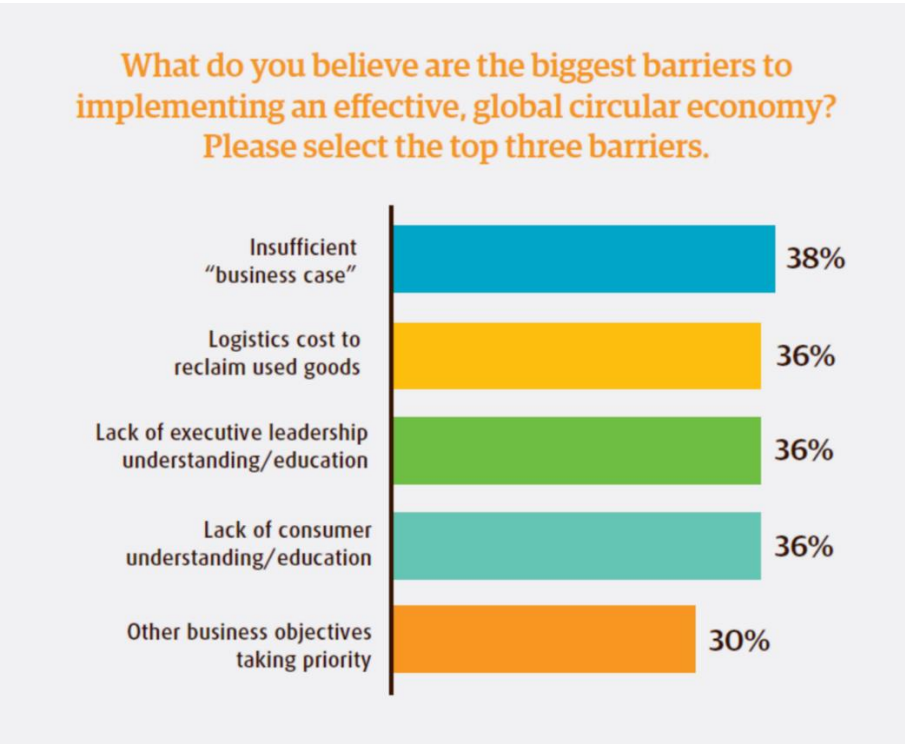


Figure 9. (Source: UPS and GreenBiz 2016 p.11)



Due to the scope of this report, some interrelated recommendations, which go beyond the present approaches, are detailed below.

**Lack of consumer understanding/education**—seen as being vital at this stage now that initial target audience are engaged.

- Integrated co-communications campaign with CE100 members. CE concepts, principles, and phrases used with a core theme/s to raise awareness, educate and engage target audiences. Examples:
  - B&Q—personified electric drills across the country complaining they only get used once a year, then roll out rental service.
  - DHL vans showing the CE name and logo with the phrase “DHL-helping to close the loop”, “supply and reverse supply chain specialists”.
- Develop a circular living app, which helps people live more circular, connecting people locally and providing feedback and insights for analysis by EMF and partners. Potential to adapt to their ‘consumer criteria’. Potential for a business version.
- Using schools and children’s education to also teach parents. This could tie into the app concept or could be a series of interactive fun themed activities at schools where community is important. Ideas: CE themed sports day, concerts, hackathons, upcycling competitions, and more.

#### **Lack of executive leadership understanding/education**

- Market research into the factors that are restricting leaders. Is it really a lack of understanding/education, or providing short-term returns to shareholders and investors?
- Based on findings develop a bespoke ‘systems leader’ workshops that goes beyond CE principles as outlined by Senge et al (2015). This could be run in conjunction with select universities, creating revenue streams for both.
- Participants could be local business who are thought to have synergies. Academic work could be used to investigate synergies and opportunities prior to approaching. Studies could act as a ‘freemium’ offering, with workshops, further investigation, R&D and integration processes being fee-based.

#### **Insufficient Business case**

- This barrier ties into some of the ideas above.
- A pilot circular town/s project might provide an adequate case study to gauge the benefits of the CE rather than just focusing on individual businesses. An economy, especially a circular version, is ultimately about people and ‘looking after the home’, therefore a series of quantitative as well as qualitative data is needed. Working on a scale such as this would explore many of the issues involved, providing priceless feedback.
- The CE100 has several members who could potentially start something if funding and resources could be secured. New emerging alternative currencies could be explored in parallel to grants, as well a corporate sponsorship.
- This could form part of an international research project, a running documentary, a visitor hub/ educational tourist destination.
- CE ‘taskforce turnaround program’ that helps businesses. This could also be run as a business reality program “MacArthur’s Circular Challenge —helping businesses rethink the future”.

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## Appendices

### **Appendix 1.** Circular Economy overview (*Source: EMF 2016e*)



A circular economy is restorative and regenerative by design, and aims to keep products, components, and materials at their highest utility and value at all times. The concept distinguishes between technical and biological cycles.

As envisioned by the originators, a circular economy is a continuous positive development cycle that preserves and enhances natural capital, optimises resource yields, and minimises system risks by managing finite stocks and renewable flows. It works effectively at every scale.

(Diagram on next page)

OUTLINE OF A CIRCULAR ECONOMY

PRINCIPLE

1

Preserve and enhance natural capital by controlling finite stocks and balancing renewable resource flows  
ReSOLVE levers: regenerate, virtualise, exchange



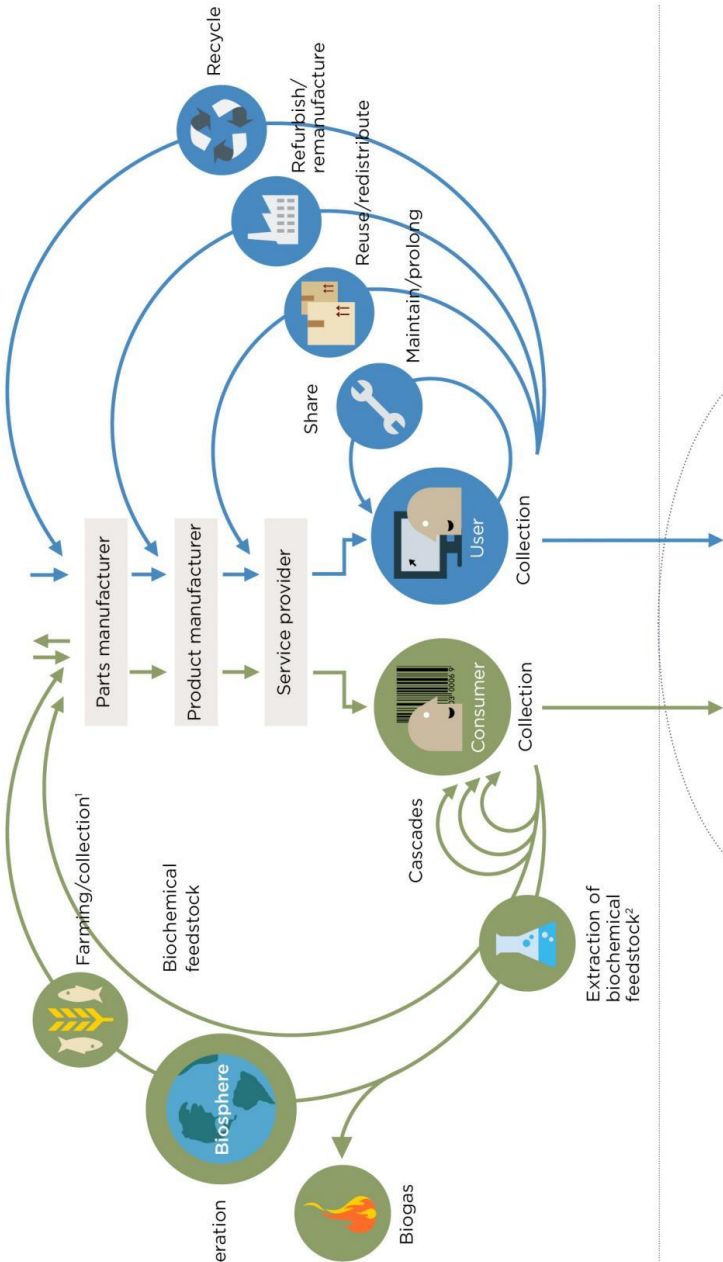
Stock management

Renewables flow management

PRINCIPLE

2

Optimise resource yields by circulating products, components and materials in use at the highest utility at all times in both technical and biological cycles  
ReSOLVE levers: regenerate, share, optimise, loop



PRINCIPLE

3

Foster system effectiveness by revealing and designing out negative externalities  
All ReSOLVE levers

Minimise systematic leakage and negative externalities

1. Hunting and fishing  
2. Can take both post-harvest and post-consumer waste as an input  
Source: Ellen MacArthur Foundation, SUN, and McKinsey Center for Business and Environment; Drawing from Braungart & McDonough, Cradle to Cradle (C2C).

## **Appendix 2.** Circular Economy pioneers (*Source: EMF 2016e*)

The Circular Economy 100 brings together members from across the economy to provide unique opportunities for multi-stakeholder collaboration. Member groups include corporates, governments and cities, academic institutions, emerging innovators, small and medium sized enterprises (SMEs) and affiliates.

### Corporates

Corporate members feature international companies with a drive for innovation, operating and excelling in a global market. The CE100 provides corporate members with an engaging pre-competitive collaboration platform and exposure to the latest circular economy developments.

### Emerging Innovators

As an innovative business with a globally unique technology, capability or process, the Emerging Innovator forms a crucial part of the CE100 through unlocking barriers to circular progress. Typically the Emerging Innovator is a developing business with an annual turnover of less than \$20 million. In addition to leading its field, the Emerging Innovator will bring innovative perspectives to the CE100 workshops, summits and discussion forums.

### Government & Cities

The Government & Cities programme is open to national, regional, and municipal governments who are seeking to advance their knowledge of the circular economy, enter into an active exchange with peers and leading actors from the business and academic community, and engage in collaborative initiatives to advance circular solutions. SME Members

The Government & City programme is enriched by engaging with small and medium sized enterprises (SMEs) and linking into governmental business support schemes. These groups benefit from capacity building, insight sharing, and networking opportunities which strengthen innovation capability and economic competitiveness at a local level.

### Pioneer Universities

Pioneer Universities are an international network of higher education institutions developing truly pioneering and innovative circular economy-orientated research and/or teaching programmes.

### Affiliates

The CE100 Affiliates further strengthen the expertise within the programme. They bring extensive and relevant expertise, experience and knowledge crucial to accelerating a transition to a circular economy.

### Global partners



### **Appendix 3. Social marketing (Source: Weinreich 2006)**

Social marketing was "born" as a discipline in the 1970s, when Philip Kotler and Gerald Zaltman realized that the same marketing principles that were being used to sell products to consumers could be used to "sell" ideas, attitudes and behaviours. Kotler and Andreasen define social marketing as "differing from other areas of marketing only with respect to the objectives of the marketer and his or her organization. Social marketing seeks to influence social behaviours not to benefit the marketer, but to benefit the target audience and the general society." This technique has been used extensively in international health programs, especially for contraceptives and oral rehydration therapy (ORT), and is being used with more frequency in the United States for such diverse topics as drug abuse, heart disease and organ donation.

Like commercial marketing, the primary focus is on the consumer--on learning what people want and need rather than trying to persuade them to buy what we happen to be producing. Marketing talks to the consumer, not about the product. The planning process takes this consumer focus into account by addressing the elements of the "marketing mix." This refers to decisions about 1) the conception of a Product, 2) Price, 3) distribution (Place), and 4) Promotion. These are often called the "Four Ps" of marketing. Social marketing also adds a few more "P's." .

Publics--Social marketers often have many different audiences that their program has to address in order to be successful. "Publics" refers to both the external and internal groups involved in the program. External publics include the target audience, secondary audiences, policymakers, and gatekeepers, while the internal publics are those who are involved in some way with either approval or implementation of the program.

Partnership--Social and health issues are often so complex that one agency can't make a dent by itself. You need to team up with other organizations in the community to really be effective. You need to figure out which organizations have similar goals to yours--not necessarily the same goals--and identify ways you can work together.

Policy--Social marketing programs can do well in motivating individual behaviour change, but that is difficult to sustain unless the environment they're in supports that change for the long run. Often, policy change is needed, and media advocacy programs can be an effective complement to a social marketing program.

Purse Strings--Most organizations that develop social marketing programs operate through funds provided by sources such as foundations, governmental grants or donations. This adds another dimension to the strategy development-namely, where will you get the money to create your program?

**Appendix 4.** A stakeholder approach to relationship marketing strategy (Source: Payne et al 2005)

The 6 market model helps organizations understand stakeholders and key markets, which they are interested in. If an organization wants to grow and sustain, it has to maintain its relation with internal as well as external environment. Analysing the 6 markets, allows users to find key markets and the opportunities in each.



The final step for applying the model, as outlined above, involves formulating an appropriate relationship strategy for stakeholders. Integrating strategies for each of the six stakeholder market domains into a cohesive whole represents a challenge. A collaborative approach to planning is needed here, one that achieves alignment between internal and external stakeholders whether or not they are a formal part of the marketing function's responsibilities. The planning framework, draws on elements of the relationship strategy framework of Christopher et al. (1991) and the relationship management chain of Christopher et al. (2002). The stakeholder relationship planning framework is a learning heuristic for developing cohesive strategies and plans.

