



# Sustainability and sustainable development

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Editor



eISBN 978-83-8211-074-6

<https://doi.org/10.18559/978-83-8211-074-6>



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Poznań 2021



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## SUSTAINABLE CONSUMPTION



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**Abstract:** The aim of the current chapter is to present the essence of sustainable consumption and its basic rules: Reduce-Reuse-Recycle. Minimalism and sharing economy were presented as the manifestation of the Reduce rule. Reuse requires distribution systems which will give access to preowned products (in a broader scope), thus, they will provide products with a second life. This may be provided by alternative retail formats which are oriented towards the sale of second-hand products. Some of these formats, especially online applications, are becoming quite popular—their number, as well as the amount of their customers is rapidly growing. Also, traditional mainstream retailers have become involved in second-hand product sales.

**Keywords:** 3R formula, minimalism, responsible consumption, second-hand products, sharing economy.

### 3.1. The essence of sustainable consumption

Sustainable consumption is defined as a decision-making process, taking the consumers' social and environmental responsibility into consideration in addition to individual preferences concerning a product's attributes (Vermeir & Verbeke, 2008). The concept of socially responsible consumption has evolved over a period of 40 years. It has expanded from its beginning, during which it related only to environmental concerns, to now include a much wider range of categories (Prendergast & Tsang, 2019). According to Webb, Mohr and Harris (2008), a socially responsible consumer is a person basing his or her acquisition, usage and disposition of products on the desire to minimise or eliminate any harmful effects and maximise the long-term beneficial impact on society and environment.

Terms, such as sustainable consumption, ethical consumption and green consumerism, are frequently used interchangeably (Jaiswal, 2012). The 3R concept describes 3 basic types of sustainable consumer behaviour: **Reduce-Reuse-Recycle**. **Reduce the purchase and consumption of goods; Reuse existing goods that people have already purchased; and Recycle goods when they are completely exhausted, transforming them into a resource** (Palmeira & Musso, 2020).

**Reduction** poses a real challenge for the contemporary customer, as we have become accustomed to aspiring for more. For centuries, growing private possession was (and still is) a very important drive of economy.

There are 2 main paths of implementing the 'Reduce' rule:

- Buy less, possess less and use less (minimalism);
- Buy less, possess less but use as usual (sharing economy).

**Reuse** concerns using things for a 2<sup>nd</sup> (3<sup>rd</sup>, etc.) time, in accordance with the original purpose or not, but without vast modification. Reused products may be preowned by someone else or not.

**Recycling** is about converting waste into reusable materials or objects, and it is a process which usually requires complex technology. At the same time, it also requires selecting waste from those who generate it, also from consumers.

### 3.2. Minimalism

Minimalism is one of sustainable consumption manifestations and one of the fast-developing trends in wealthy societies. It is also named anti-consumerism, voluntary simplicity or deconsumption. Minimalism means deliberately limiting consumption to rational sizes that result from natural, individual, physical and mental characteristics of consumers, while emphasising responsible decision-making in this area. The most common expression of processes related to minimalism is mainly the limitation in quantitative and structural consumption. The Stanford Research

Centre estimated the number of Americans who have voluntarily simplified their lives to be at several millions (Błoński & Witek, 2019). Rapidly growing consumption and consumerism by some are regarded as a civilisation disease: on one hand, it leads to fast resource depletion, while on the other—more goods do not give people more happiness, the contrary—people suffer from an inability to enjoy their lives, experiencing constant dissatisfaction, nervous tension, fatigue, a constant lack of something. As stated by the renowned Polish sociologist—Zygmunt Bauman (2009): “Neither the exquisite taste of restaurant dishes, nor branded labels with high prices attached to gifts bought in the store, can match the value of happiness that could be brought by goods, the lack or shortage of which is to be compensated in this way”. Needs are never fully satisfied and the more things people buy, the more this is felt. Therefore, some wish to exclude themselves from the trap of consumerism and choose minimalism, which is a radical option in the reduction of consumption.

### 3.3. Sharing economy

The main assumption of a sharing economy was to make already produced goods more productively utilised. For example, private cars are traditionally only used only for a few hours a day, whereas sharing systems let them be used for much longer periods of time. Sharing economy is not quite a new concept, but for years, goods have been shared by families or cooperative members. Nowadays, sharing economy means a set of businesses which provide access to products (as well as services) and the opportunity to use them without their possession or basing on collaborative possession. The development of sharing economy is facilitated by community-based, on-line platforms such as:

- Co-working platforms: companies provide shared open work spaces for freelancers, entrepreneurs and work-from-home employees, i.e., WeWork;
- Car-, bike-sharing platforms: owners provide vehicles, with smartphone application-based access to them, for example, Sixt, Car2go, 4mobility;
- Peer-to-peer lending platforms: companies that allow individuals to lend money to other individuals at rates cheaper than those offered by banks, alike Zopa or Funding Circle;
- Fashion platforms: sites that allow individuals to rent their clothes or accessories, such as Hurr or My Wardrobe;
- Accommodation platforms: sites that allow individuals to rent out their spare bedrooms, for instance, Airbnb;
- Transportation platforms: sites that allow car owners to meet people needing transport, i.e., BlaBlaCar.

In general, the 8 categories of shared goods or services can be distinguished as follows: materials, products, product service systems, space, workforce, knowledge

and education, as well as information and data (Plewnia & Guenther, 2018). Alternative names for this phenomenon include gig economy, platform economy, access economy and collaborative consumption. The sharing economy is estimated to grow from \$14 billion in 2014 to \$335 billion by 2025. This estimate is based on the rapid growth of Uber and Airbnb, as indicative (Yaraghi & Ravi, 2017). Although the sharing economy is developing quickly, there is a lot of criticism of it, mainly concerning regulatory uncertainty, the risk of abuse. In some sectors, alike transportation, special licences may be required. Unlicensed individuals offering services may not be following sector regulations or paying the associated costs. This could mean giving them an advantage, enabling them to charge lower prices. Another concern is that lack of government control can lead to serious abuse of both parties in the sharing economy. This has been highlighted by numerous, highly publicised cases regarding, for instance, hidden cameras in rented rooms, lawsuits over unfair treatment of ridesharing contractors by the platforms that employ them. But there is much evidence that the sharing economy supports sustainable consumption. For example, it was found that car-sharing decreases average greenhouse gas emissions of households in North America (Martin & Shaheen, 2011). What is also important from the point of view of sustainability: sharing economy has the potential to build a community and strengthen relationships (Philip, Ozanne, & Ballantine, 2015).

### 3.4. Second life and alternative retail formats

Second life is used here as a gentle description of giving things a second life by the purchase of used products. It seems to be the least preferable way of becoming a conscious customer (Palmeira & Musso, 2020). In contrast, second-hand product markets are developing dynamically (Herjanto, Scheller-Sampson, & Erickson, 2016) and the number of second-hand shops has been growing at a much higher rate than other stores (Yan, Bae, & Xu, 2015). They adopt one of the retail formats referred to as alternative retail formats. They may be classified using 2 criteria: first—the type of products sold (food and non-food), and the second: the method of communication and set of used assets (store based and e-commerce). In Table 1, the proposed classification of alternative retail formats is presented.

Alternative retail formats have existed for decades, but they were not very meaningful. Nowadays, they are gaining much more attention thanks to the growing consumer interest and their business models. In the case of food, this mainly relates to redistributing excess food or food products which, due to the short remaining expiry date, may have to be destroyed (Holweg & Lienbacher, 2011), while in the case of non-food products, this regards the possibility of extending the usage cycle of products by giving them a second life.

**Table 1. Alternative retail formats classification**

	Food alternative retail formats	Non-food alternative retail formats
Store-based formats	Social supermarket Food outlet	Vintage/antique shop Second hand shop Charity store/thrift store Pawn shop Flea market/swap meet (permanent/occasional/regular) Car boot sale Commission shop
E-commerce	Food share platform Food outlet	Fashion share platform Second-hand share platform E-second-hand shop

Source: (Borusiak, 2020).

Consumers' pressure has led to steady growth in second-hand retail (Ferraro, Sands, & Brace-Govan, 2016), forcing traditional retailers to take note. For example, one of the luxury brands—Ralph Lauren—looked for second-hand vintage pieces in order to sell them at flagship stores alongside new collections (Cervellon, Wigley, Carey, & Harms, 2012). In 2019, Zalando opened Zircle in Berlin—a second hand shop with women's fashion items. Second-hand clothes have become fashionable in their own right (Beard, 2008). In November 2020, IKEA opened its first, pure second-hand store at the recycling gallery ReTuna in Eskilstuna. In this shop, visitors can buy IKEA furniture that has been given a new life after being repaired and restored to its former glory, but at a much lower price. What has been developing very fast are e-commerce platforms which allow customers to sell second-hand products. There are numerous such platforms, some of them specialising in fashion (alike Zalando Wardrobe app or Vinted), some are general, devoted to any kind of product (such as OLX in Poland, Bulgaria, Romania and Ukraine). Second-hand stores have become an accepted and well-established retail format offering an authentic alternative to regular outlets and supporting sustainable consumption by giving people the access to second-hand products.

## Questions / tasks

1. 3R formula—the basic one, describing sustainable consumption rules—has several extensions. Find them and discuss.
2. Find data illustrating the sentence: people buy more than they can consume.
3. Prepare a presentation on fast fashion and its impact on the environment.
4. Find data concerning the fashion product life cycle. What is the frequency of buying fashion products on various markets?

5. What is the role of celebrities in 3R formula implementation? Find good and bad examples.
6. Do you have an idea how to promote the 3R formula? Prepare a presentation concerning chosen (from a range of many) 3R activities and their promotion.
7. Indicate how you can apply the 3R formula in your daily life.
8. What are the main obstacles of the 3R formula implementation?
9. What are the pros and cons of second-hand shopping (from any perspective that comes to mind)?
10. Many people are not eager to buy second-hand products. What do you think is the reason for this?
11. Discuss the positive and negative consequences of gig economy companies (e.g. Uber) for all involved parties and for an economy in general.

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