

SUSTAINABILITY AND CIRCULAR ECONOMY IN LATIN AMERICA

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Today's content



Sustainability models according
to Blackburn



Two Companies in Latin America

**Sustainability
models
according to
Blackburn
(2007)**





**Show me the money model
(Blackburn, 2007)**

Modelo

“Show me the Money”

The main goal of businesses is to make money.

- Reputation
- Competitive, effective, and desirable products and services, new markets.
- Productivity
- Operational burden and interference
- Supply chain costs
- Cost of capital
- Legal liability

(Blackburn, 2007)

FORTUNE
WORLD'S MOST
ADMIRED
COMPANIES® 2017

BEST
GLOBAL
BRANDS
2015
Interbrand

1. Reputation

Environmental and social factors represent 25% to 33% to the Brand reputation. (Blackburn, 2007)

2. Competitive, effective, and desirable products and services, new markets



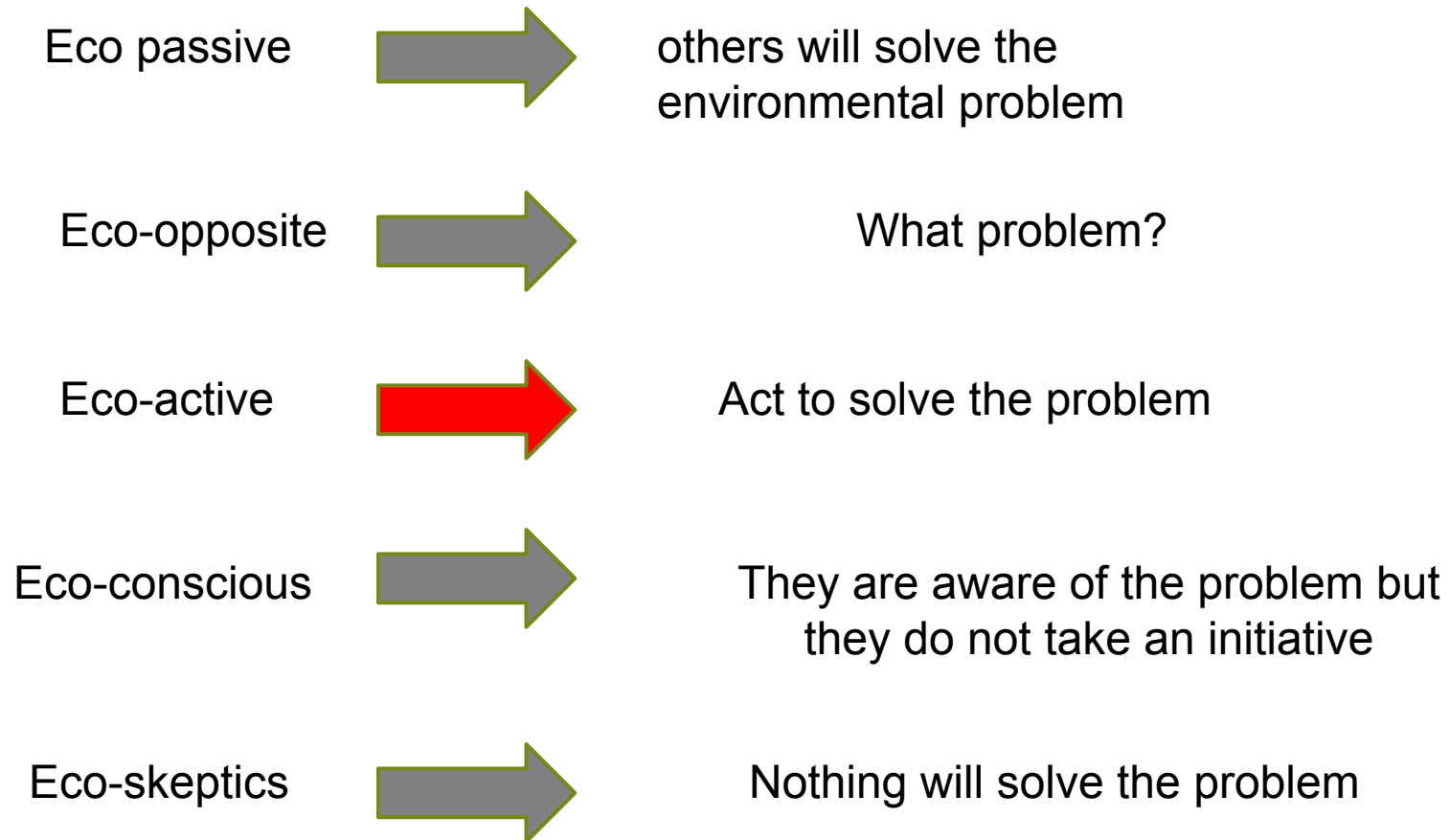
Innovation can help us to generate new low impact products and services (Blackburn, 2007).



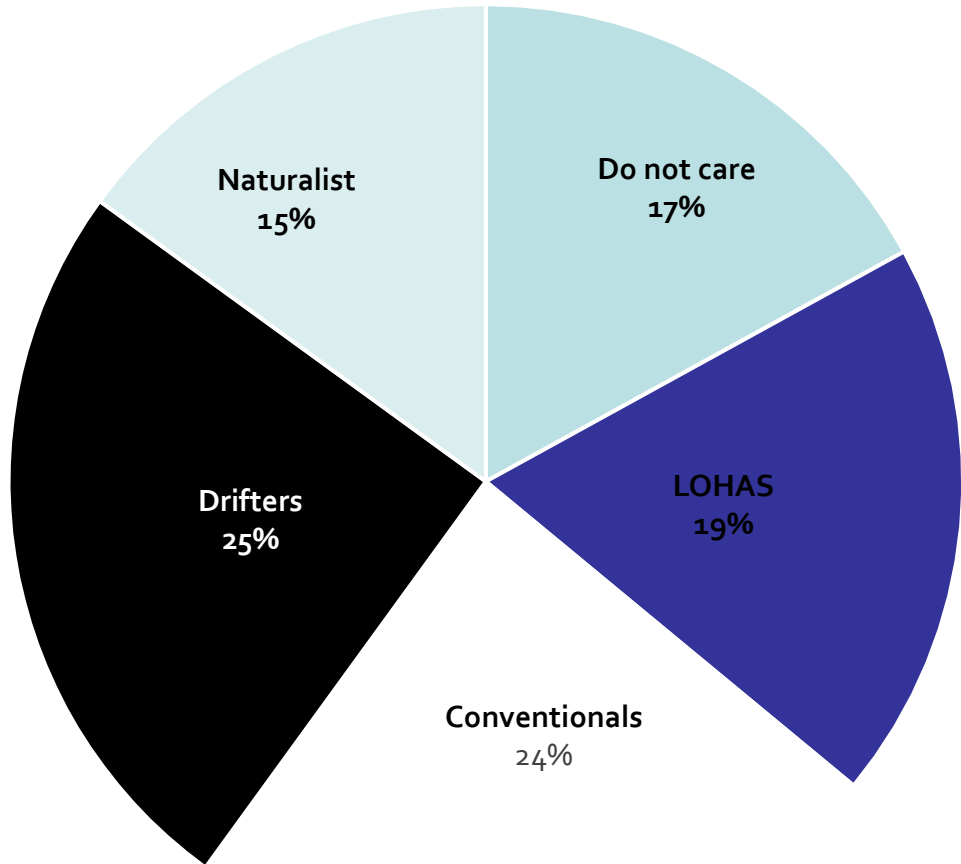
If we choose the right target those products can increase our incomes.

(Blackburn, 2007)

Green consumers



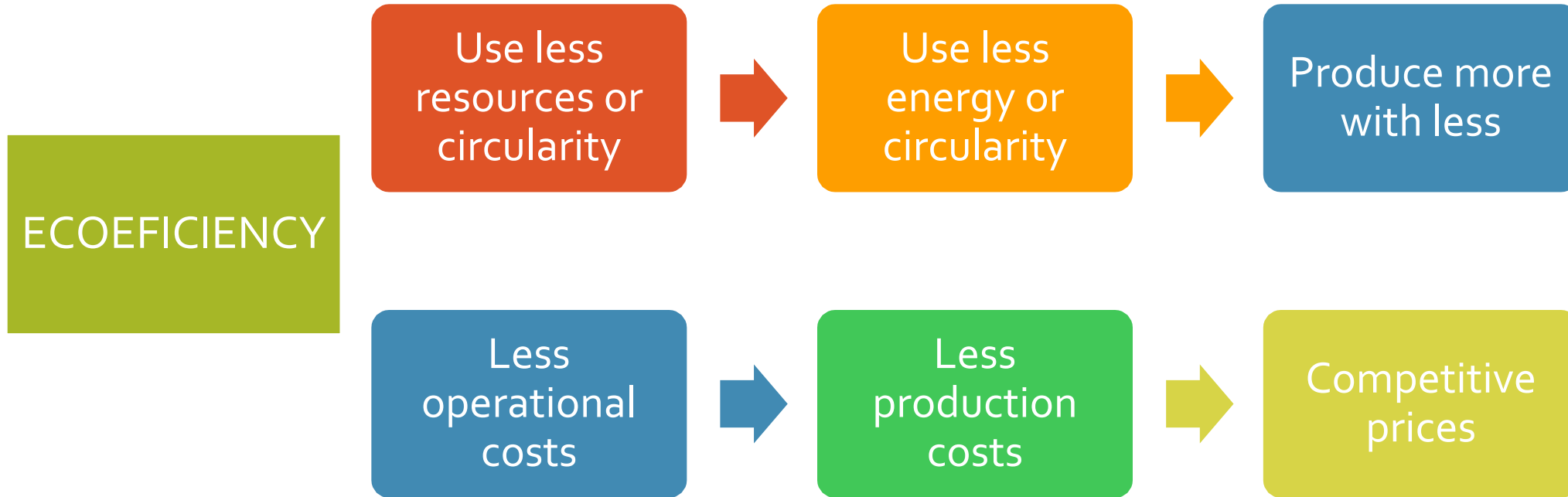
5 shades of green



■ Despreocupados ■ LOHAS ■ Convencionales ■ Drifters ■ Naturalistas

• Fuente: Adapted from Ottman, J (2011) The new rules of Green marketing, strategies, tools and inspiration for sustainable branding. Greenleaf Publishing ; San Francisco, Calif.

3. Productivity



4. Operational burden and interference

- A company that denies its impacts or hides them can generate rejection from the public and even increase their costs.
- (Blackburn, 2007)



Volkswagen



5. SUPPLY CHAIN COSTS

6. Cost of capital

- Many financial institutions request social and / or environmental responsibility in operations in order to evaluate the viability of a loan.

(Blackburn, 2007)



7. Legal liability

- Companies with a social responsibility strategy are less likely to commit crimes or faults.
- You can avoid complaints from consumers with a good sustainability program.
- Not only save money, but also time and other resources.

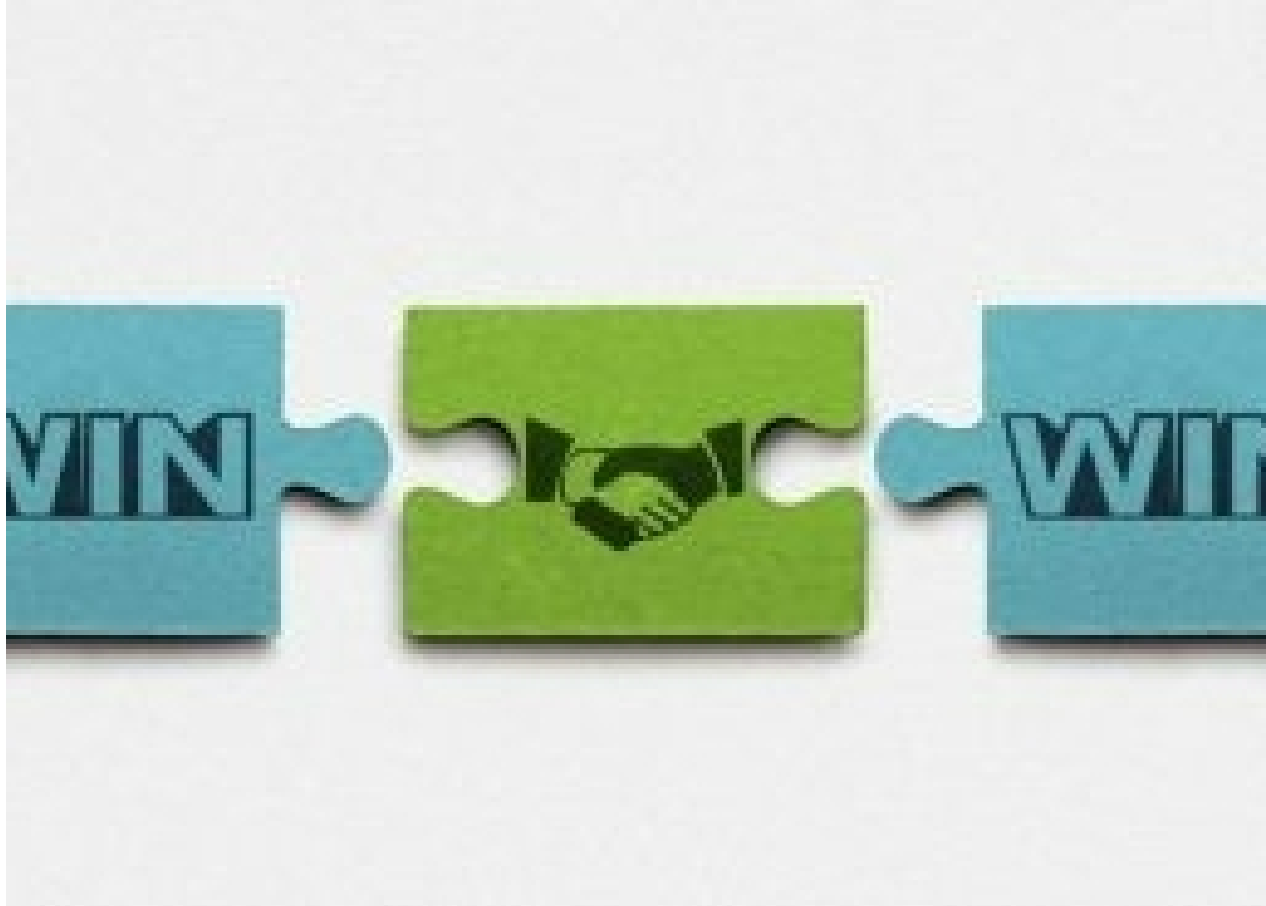
(Blackburn, 2007)





QUID PRO QUO MODEL

(Blackburn, 2007)



Quid Pro Quo

- Social responsibility strategies do not always result in a direct economic benefit.
- The quid pro quo model (Blackburn, 2008) shows the benefit that sustainability strategies can have on other stakeholders.

(Blackburn, 2007)



Employees

- Gratification of working in an ethical and transparent company.
- Working in a company with ethical problems can ruin a corporate career.
- Improvements in the work climate
- Repercussion in the treatment of the employees

(Blackburn, 2007)



Investors and financiers

- The company must show financial sustainability to investors.
- It must also demonstrate transparency and ethics.
- There must be confidence since it is about long-term relationships.

(Blackburn, 2007)

Clients and suppliers



quality, efficiency.



Fair prices.



Products that do not cause damage.



quality service, experience, at a competitive price.



good price / quality ratio, transparency and ethics.

(Blackburn, 2007)

Community and the government



Respect for the rules



Respect for the local culture.



Environmental sustainability



Risk management



Citizen participation

(Blackburn, 2007)

Petramas



- Solid waste management plant in Peru
- Cleaner production
- Circular economy
- Biogas
- Climate change reduction

Source: www.petramas.com

Sinba



Source:***.sinba.pe

- Waste management.
- Sustainable livestock feed production.
- Sustainable livestock feed production.
- New raw materials for the industry.
- Circular economy.
- Inclusive workplace

References

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- Calomarde, J (2000). Marketing ecológico. Pirámide.
- Ottman, J. (2017). The New Rules of Green Marketing. Strategies, Tools, and Inspiration for Sustainable Branding. 1st. Edition. Routledge. London
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