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Pioneering resource efficient business
models for a circular economy

Implementing supplier resource efficient business models

Crossing the finish line – building a world class REBM proposition

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As [REBus](#) enters an exciting phase where many of the 30 pilot projects are reaching completion, it's time to reflect on these journeys and share some of the learning. I have been involved in helping to deliver many UK based projects.

In this second of two articles, I will be sharing insights to help companies and organisations supplying products and services to get their resource efficient business model (REBM) propositions across the finishing line.

Our clients are being interviewed once they have completed their projects and asked to reflect on their experience with the benefit of hindsight. The lessons learnt will be shared through published case studies on the [REBus website](#).

In this article, I will review the final stages of implementing REBMs for suppliers which are [Business case](#), [Pilot](#) and [Roll-out](#).

Building a world class REBMs proposition

Following the first two stages of the REBus [Guide for implementing REBMs](#) you will have defined the business model, the team will have been allocated, the initial proposition will look feasible from a research perspective and you will have secured buy-in from colleagues and a sponsor.

Now it's time to develop a tool that will support you beyond the pilot and into business as usual to minimise the risk of failure.

The [Institute of Manufacturing at Cambridge University](#) identified that nearly 80% of transformational projects do not succeed. If you follow a rigorous process, such as the one suggested through REBus, and you ensure you develop your proposition through a collaborative approach within your business then this is likely to increase the success rate.

To reduce the risks involved with implementing a REBM, you will need to consider the following:

1. The audience: who is your business case aimed at?

A business case developed for investors to scale up the business model will be focused on a detailed financial model. A business case aimed at a Board, with a balanced scorecard

approach to business, might focus more on the wider impacts the business model can deliver e.g. jobs, footfall, brand recognition, customer loyalty etc.

A supplier may aim part of the business case at a specific customer. As a supplier, it is worth exploring who to approach in your customer's business e.g. your regular sales contact, sustainability team or senior management. Your sales contact may not be focused on longer term business model development or be aware of work being undertaken to develop circular approaches to business.

2. The level of detail your case goes into

Many of the REBus pilots have naturally moved to developing a full business case that takes the model past the pilot stage to 3-5 years of roll-out requiring a detailed financial model and further research to include robust data. This approach can be very resource intensive for the whole team and sponsor.

However, the REBus team has often found that an outline business case may help prove that the model works on paper and help businesses frame the case for piloting the model. SMEs have often wanted to reassure themselves that the model can deliver their objectives and are keen to move to the pilot stage to test the assumptions.

3. How much additional research do I undertake to ensure the business case is robust?

A barrier to timely completion of this stage is to ensure every piece of information and data is tested and robust. Remember, that this is currently the business case to pilot the relevant business model and the more innovative it is, the less data that will be available. Where necessary you should include educated assumptions that can be tested against a pilot and explained to the audience. The pilot will test your business case

Larger businesses and more collaborative projects have run the feasibility stage in parallel with the business case stage. This allows businesses to commission research to the exacting requirements of the business case and, therefore, the scrutiny of its audience e.g. Board members and/or investors.

We have seen very detailed and attractive business cases held up at Board level for months or more at large businesses due to a restructure or changes in priority.

Successful pilots have often kept their Board aware of the project progression from the feasibility stage.

Gaining Board level buy-in

Ensuring you get the Board's attention in the first few minutes of presenting the business case is fundamental to gaining successful sign-off to progress the project. The business case can come across as a dry and figures-led presentation, especially if it is more focused upon the financial model. Try thinking out the box, using videos or comments from customers and highlighting the main reasons why you believe the business should take a leadership position in circular thinking. Practice your elevator pitch for the project so that you are word perfect.

Link the pilot to this wider ambition and highlight how a lot of the work has already been completed.

A successful pilot or experiment

Before starting the pilot, it may be necessary to highlight to the team that the marketing budget will be negligible in comparison to the roll-out. Set clear objectives with KPIs for the pilot e.g. footfall, sales, interest etc. and get involved in making it happen on the ground.

Successful pilots have taken into account:

- **Leading from the front:** Ambassadors have been in-store or online and work hard to keep momentum going on the project through the internal magazine, blogs and lunchtime briefings. They have also taken time to visit pilot stores and speak directly to in-store colleagues and customers about the pilot. They have also produced training videos to support the roll-out and developed a case study showcasing the project for internal and external teams.
- **Geographic benefits:** one of the businesses supported by REBus identified a cluster of stores with excellent customer service to deliver the pilot. Another business already had specific stores for piloting innovative projects where staff received training on the new services as part of 'business as usual'. One organisation was asked to develop a separate process business case to sell the project to colleagues before they would consider going to pilot.
- **Pilot or roll-out:** for some SMEs there is little distinction between a pilot and a roll-out. The pilot can mean developing a high street presence as undertaken by an SME retailer or developing a new web channel and testing communications and language.

Visit the [REBus website](#) for further information to help you learn more about resource efficient business models.

