Building Product-Service Ecosystems

An ecosystem is composed of a range of companies, organizations, governments and other systems that support each other. This could be companies who provide yarn, textile (finished goods), confectioning, retail, brand, recycler, or legislators and the users themselves. Large companies silos are often ecosystems within themselves.

VET: How can you change (add or subtract) partners to make your product-service ecosystem more circular?

HEI: How can you engage the user or government to extend your ecosystem and be more circular?

Textile Labelling Requirements (TLR)

New laws such as the Textile Labeling Requirements provide information that creates new opportunities for future repair and recycling along with the sharing understanding with all the people involved in the textile process (Stakeholders).

VET: How can you provide clear information for the person who will be repairing or recycling the garment seven years from now?

HEI: How can you design a system that allows for future changes within the system (legislation, new materials, prodution processes) that do not exist yet (futureproof)?

Developing Competencies

Developing competencies involves identifying, training, and enhancing key skills and knowledge areas vital for the fashion industry, such as circular design, Al trend analysis, sustainable ecosystems, advanced supply chain management, digital marketing, and emerging digital technologies.

VET: Why is it important for people in the fashion ecosystem to keep learning new skills?

HEI: How can a systematic approach to competency development enhance organizational performance in your fashion system?

Economic Resilience

Companies usually rely on external funding, meaning investments are mostly covered by institutional banks or other investors. However, this makes companies less willing to take risks and more vulnerable (liable) to economic issues.

VET: Can you think of alternative ways of financing entrepreneurial risk (e.g. crowdfunding, or sharing risks with others)?

HEI: How has the financial landscape changed in the last few decades, and how does it impact your organization today and in the future?

Life-Cycle Costing

Life-cycle costing (LCC) is an accounting method that considers the total cost of a product throughout its life cycle, from raw material extraction to end-of-lifes disposal.

This helps businesses make informed decisions about production, pricing, and sustainability, promoting the use of durable and high-quality products.

VET: Why should we think about all the costs of making, using, and throwing away a product?

HEI: How can life cycle costing support sustainability initiatives and improve decision-making in a fashion system?

Market(ing) Opportunities

An important source of revenues (rents) is to find new markets or new ways to present and sell products. This can be the result of new possible applications of existing products and services, but also of new technologies, channels, demographics and/or geographic markets.

VET: Can you think of new uses/markets for your product-service?

HEI: How can innovative marketing strategies help sustainable companies enter new markets effectively?

Circular Loyalty Loops

Circular Marketing goes beyond convincing people to buy and includes supporting life-cycle activities (like repair events, information exchange, or reuse suggesttions) that reinforce sharing and community building.

VET: Which marketing activities could you develop aimed at creating collective experiences through sharing for the users, and other stakeholders?

HEI: How can you communicate the importance of circularity to encourage user loyalty without it being marketing?

Person To Person (P2P)

Person-to-person sharing moves a garment directly from owner to owner without the need for a company to sort and restore it. For example, P2P platforms such as Vinted encourage users to sell their clothing directly to other users.

VET: What do you like and dislike about reselling fashion directly between users?

HEI: Can you make a system where a garment is moved into its second or third life directly between users, where the owners remain anonymous?

Re-positioning

Price elasticity is what we call the extent to which people react to changes in price. Sometimes changing the prices could lead to a higher economic, but also societal impact (more people using the product/service). Pricing however is a crucial marketing variable that also informs potential users about the quality of the value proposition.

VET: How does circularity affect the price of your product/service?

HEI: How do you work with governments, society, academia and companies to reposition a circular sustainable product/ service that has a higher price?

Circular Revenue Model

Circular revenue models focus on generating income in ways that promote sustainability, such as through recycling, upcycling, and reusing materials. This includes traditional models like direct sales and innovative approaches like subscription services and digital platforms, aligning with sustainable practices.

VET: How can fashion companies make money while also helping the environment by reusing and recycling?

HEI: What are the key components of circular revenue models in the fashion system, and how can they be implemented to drive sustainability and profitability?

Technology Readiness Levels / Society Readiness Levels

Technology Readiness Levels (TRLs) assess the maturity of technologies, while Society Readiness Levels (SRLs) gauge societal acceptance of these technologies. In fashion, these assessments help evaluate the feasibility, scalability, and market adoption of innovations.

VET: How can we tell if a new fashion technology is ready for people to use and like?

HEI: How do Technology Readiness Levels (TRLs) and Society Readiness Levels (SRLs) influence the adoption of innovations in the fashion system?

Technological Dependency

A company uses many tools, materials, machines in order to create its products and services. Some of these are however more important than others. That means companies are particularly dependent on them. A problem can arise if one of these become unaccessible as the company becomes dependent.

VET: On which technologies (Tools, Materials, Software, Machines) do you depend on?

HEI: What is the impact of the technogies needed for your product-service? Can you find alternatives that are more sustainable?

On-Demand Production

Each phase of the fashion and textile process is often made to a future forecast. On-demand production waits until the order is placed, making the textile or garment to order. This can be done in micro factories geographically close to the user.

VET: How can you help the users see the benefit of waiting a bit longer to receive a product in this age of fast fashion?

HEI: How can you shift a company process to be more made-to-order instead of made-to-forecast?