

Discussion 1

Link: [Circular Business Model](#) – CNBC.com

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Summary:

The author has summarized a new business model for consumer – company relationship. The linear model of take, make, and dispose (Take the raw materials from nature – make the product desired by the consumer or envisioned by the company – dispose of the product at the end of use/life) can be replaced by a circular model. Circular model revolves around the idea: take raw materials from nature – make a product – take the product back from consumer – redesign/resell the product (take, make, take, make).

This model puts less strain on nature, for producing a product from scratch as this model is based on reusing/recycling the end product. Making a win-win situation for consumers and companies in terms of cost and longevity of product.

The drawback; companies are not putting much resources behind this model. The change in mindset of companies and the supply chain management are the biggest barriers for adopting this strategy.