

Systems thinking in Marketing: The contribution of the Circular Economy

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Abstract

In recent years, there have been several calls for marketing scholars and practitioners alike to influence and promote the transition towards a more environmentally and socially sustainable society within a systemic view of macromarketing, whereby the latter is defined as the study of the interactions of subsystems represented by markets, marketing and society (Wooliscroft, 2021). However, it is also widely acknowledged that the systems approach in the study of macromarketing phenomena is still in need of further investigation to understand complex systems, and to improve them via markets and marketing to enhance society's sustainable well-being. The systemic perspective allows understanding sustainability in its multiple relations to all stakeholders that at the societal level affect business and are affected by its decisions. Indeed, for a sustainable business activity to be effective, the emergence of a sustainable production and consumption system perspective is required. This means that consumers and producers must cooperate in the design and use of products that design out waste. The circular economy (CE), developed out of this attempt, can provide an answer to macromarketing search for a systemic approach to sustainability challenges. In the context of the current triple planetary crisis (climate change, pollution and biodiversity loss) (UNFCCC, 2023), some answers to these challenges can come from the CE – “an industrial system that is restorative or regenerative by intention and design” (EMF & McKinsey, 2012, p. 7) – and its underlying principles. In a pioneering article, Boulding (1966) made the case for a cyclical rather than linear pattern of materials use for an economy to work within the constraints of finite natural resources. Recently, the CE has gained momentum both at the business and at institutional level. At the business level, some of world's largest companies, as Groupe Renault and Solvay, have embraced CE principles in their corporate strategies. At the institutional level, the CE Action Plan is one of the main building blocks of the European Green Deal, Europe's new agenda for sustainable growth. However, at the academic level, an investigation into its philosophical underpinnings is still in its infancy, despite its potential to contribute to the macromarketing perspective, due to its systemic approach. On the other hand, research

at the intersection between marketing and the CE is almost absent to date, and the CE too would benefit from marketing insights as claimed by some authors (e.g., Rosembloom et al., 2022), otherwise only its supply-side would emerge, missing demand-side/consumer insights that marketing provides. In this study, we claim that CE's contribution to a sustainability marketing consists precisely in proposing to produce goods differently, with potentially zero waste, aiming at overcoming this failure of imagination that holds societies trapped in the current linear production system. It considers the production process in a holistic (i.e., systemic) manner, as it happens in nature, and it aims to integrate this systemic approach with the capacity of human beings to use their creativity to devise possible solutions to current challenges within the limits of what is morally possible, i.e., using moral imagination.