



CASE 1: RESQ CLUB CASE STUDY

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Lappeenranta University of Technology, Finland

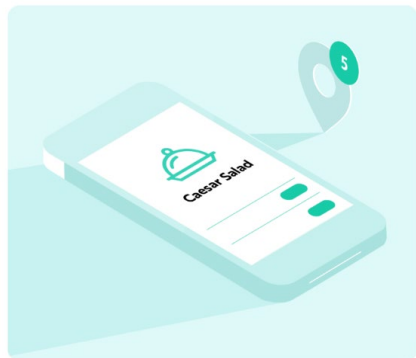
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Authors

Daria Podmetina and Alena Chistiakova (Lappeenranta University of Technology)

Background information

ResQ Club is a Finnish company, which connects sustainability-oriented food businesses, such as restaurants, cafes, bakeries and supermarkets, and customers who appreciate a fast and affordable way of getting high-quality food. The company was founded in 2015 in Helsinki as a response to the inherent problem existing in the food industry: unpredictable demand from the customers is difficult to match with sufficient supply, which results in plenty of food waste at the end of the day. ResQ Club set an ambitious goal of reducing food waste to zero in restaurants, cafes, and supermarkets, which accords to 10-15% of world food waste.



Picture Source www.resq-club.com/sell

ResQ Club developed an app, which shows users an available surplus food with prices, location and pick-up time. The app is designed to be easy to use for both businesses and customers. It has only three steps: the restaurants and cafes list their surplus meals, customers pay for it directly in the app, and then pick it up during the defined time window. The offerings usually have a 50% discount on regular price, which creates a win-win situation: customers get a high-quality food for half price, while restaurants profit from the meals, which otherwise would have been thrown in a bin.

Also, there is a minimum waiting time for the customers because the meal is getting packed for take-away soon after the order is placed.

The logo for ResQ Club, featuring the word 'RESQ' in a large, bold, teal font above the word 'CLUB' in a smaller, bold, teal font.

During 4 years of operation, ResQ Club has grown from five to 17 people, 30% of which are engaged in sales. ResQ Club team is united by a common mission for eliminating food waste in Europe by 2030 in the food and hospitality sector, which falls perfectly in line with three SDGs, namely 11 (Sustainable Cities and Communities), 12 (Responsible Production and Consumption) and 13 (Climate Action). Raising awareness about the environmental impact of food waste is an important part of their sustainability agenda. So, from the onset, the team had been devising a plan on how to do it more effectively.

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THE CHALLENGES

Case Study – Part One

How big is a big problem?

The role of food waste in climate change has been vastly overlooked. Sometimes we throw away a packet of expired milk or leave some food on a plate while dining out, and it does not seem to be a big deal. In 2015, ResQ Club founders have been thinking over and over again how to make people SEE the full scale of a problem. Apart from their devotion to sustainability and desire to save the planet, they understood that the success of their business largely depended on how convincing their sustainability message will be. Founders knew that there were several attempts to establish businesses in reducing food waste from restaurants, neither of which was particularly successful.

Spending some time on research, the founders unearthed many impressive facts, such as:

- According to FAO¹, approximately 30% of all produced food goes to waste annually;
- UN Environment reports that about 2/3 of household waste is due to food spoilage from not being used in time, whereas the other 1/3 is caused by people cooking or serving too much²;
- The food that currently goes to garbage in Europe could feed 200 million people (FAO, 2013).

¹Food and Agriculture Organization of United Nations, www.fao.org

²UN Environment research in a frame of the Think.Eat.Save Initiative, a partnership between UNEP and FAO, www.unenvironment.org

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Picture Source www.sustainability-times.com

The founders have been thinking hard on how to make this statistical information relatable to people on the street. They all agreed that the message should be more vivid and emotionally charged than scientifically dry, and also make people reflect on their everyday choices and behaviors contributing to their personal food waste.

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However, while some founders suggested that it is better to appeal to people's environmental consciousness and responsibility for the planet, the others argued that economical aspect should also be mentioned as not all people are driven by purely environmental motives. During an increasingly heated debate, one of the founders exclaimed that some people are more concerned about their family and own wellbeing than the food decaying in some remote landfill. The other in turn reminded about the societal impact of food waste and that while we forget about vegetables in a fridge until they get mold, people in some disadvantaged countries are starved and malnourished. After calming down a bit, they decided to find more information describing the detrimental impact of food waste on (1) ecology, (2) economy, (3) personal wellbeing and (4) society. They also entertained the idea that people would be better motivated towards sustainable behavior if they are shown how much they can save (resources, time, money, etc.) by doing so.

Activity A (5 minutes)

Think of your own contribution to the problem of food waste and your behaviors that lead to it. Discuss within the group.

Activity B (30 minutes)

With your group, step into the ResQ Club founders' shoes and explore the impacts of food waste using *reliable sources*. Based on the information you have to date, make a short presentation (2-3 slides) explaining to the target audience the detrimental effects of food waste.

- Group 1. We should focus on the impact of food waste problem on ecology.
- Group 2. We should focus on the impact of food waste problem on the economy.
- Group 3. We should focus on the impact of food waste problem on personal wellbeing.
- Group 4. We should focus on the impact of food waste problem on society.

Activity C (40 minutes)

Present your ideas and information you found to the class (5 min per group). Discuss with other groups what should be a priority focus area for the message ResQ Club will convey to prospective customers.



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Case Study – Part Two

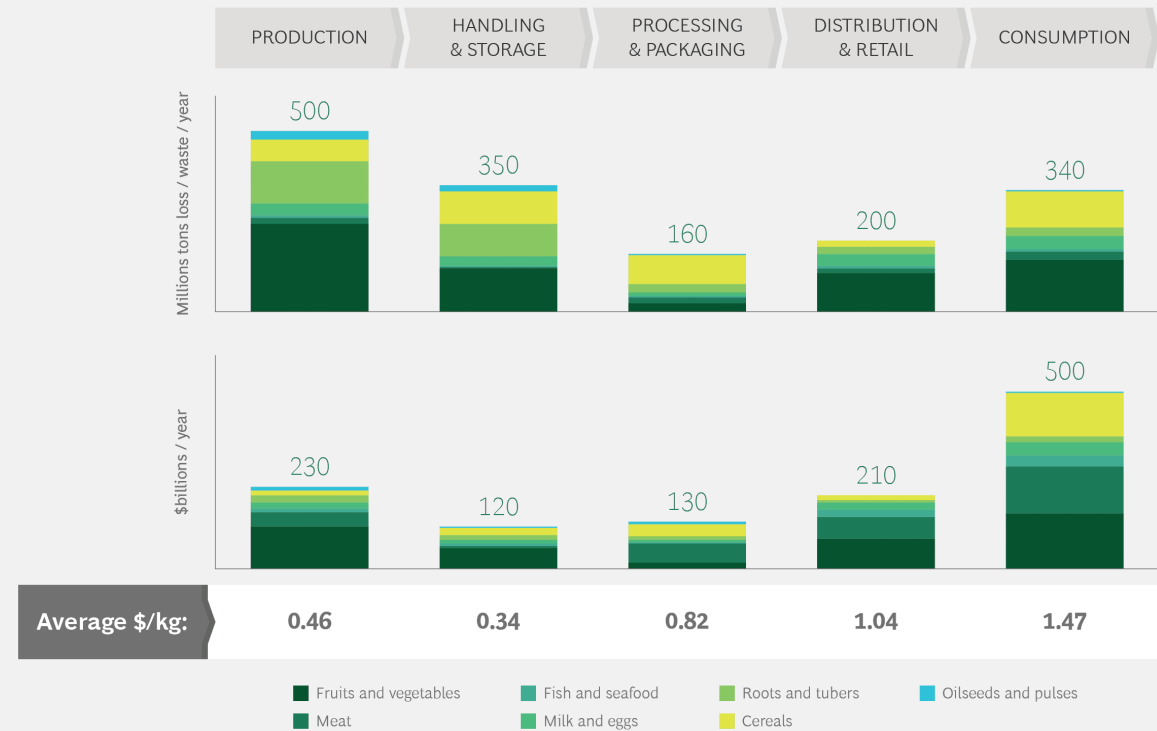
Addressing problem on all fronts

After studying all the presented information, ResQ Club founders decided to put the main focus on the environmental aspect of sustainability with monetary benefits for all involved also being mentioned. It formed its mission, which was proudly stated on the ResQ Club website. Alongside a smartphone application, the website provided a platform where local food distributors (restaurants, cafes, bakeries, and supermarket) and potential food consumers meet each other. However, the founders believed that their business idea could help to address food waste problem not only on the level of food distribution and consumption but across all value chain. This is a daring yet challenging enterprise for a small startup. Can ResQ Club actually make this difference in the food industry?

Activity D (20 minutes)

Examine Exhibit 1, which depicts the food loss and waste occurring across the value chain. Do you know the difference between food loss and food waste? Familiarize yourself with information on the FAO website (<http://www.fao.org/food-loss-and-food-waste/en/>). Based on the knowledge gained, discuss with the class how ResQ Club business idea can influence each level of the value chain.

EXHIBIT 1 | Food Loss and Waste Occur Across the Value Chain



Sources: Food and Agriculture Organization of the United Nations, *Global Food Losses and Food Waste*, 2011; FAOSTAT database; BCG FLOW model.
Note: 2015 findings.

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Case Study – Part Three

It starts with you

ResQ Club started to spread across Finland. More and more partners were joining the ResQ network, mainly those who shared the sustainability values of the company. More and more people were ordering delicious and affordable food from sustainability-oriented providers. Restaurants and cafes that were showing a great and responsible example in their ResQ usage received a certificate, which was a good recommendation for prospective customers.

The founders say that initially, they relied more on the word of mouth to bring their message forward. Later, they involved Instagram and Facebook. Their advertising strategy aimed to show thankful food rescuers, make company announcements, and, finally yet importantly, provide tips for developing sustainable behavior among their customers. The company believes that everyone can contribute to reducing food waste, and food rescuing is only one of the possible ways to do so.

Activity E (20 minutes)

Check the Instagram account of ResQ Club ([resqclub](#)) and familiarize yourself with the sustainability tips they offer. Surf the Internet for a while and enlist five things, which you could start doing today to reduce your food waste a.k.a a carbon footprint. Discuss the best ideas with the class.



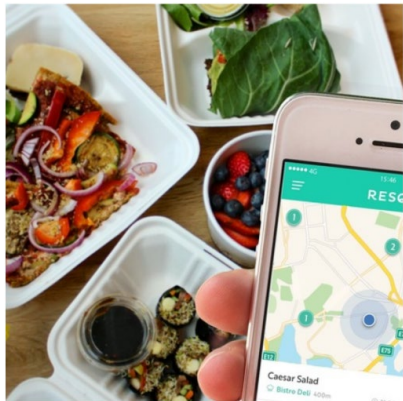
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Case Study – Part Four

Conquering the world

Soon after its inception, ResQ Club successfully expanded to 39 cities in Finland and then proceeded to international market acquisition in Sweden, Germany, and Poland. It was quite a challenge as other countries differ in many aspects starting from currency and legislation down to attitude towards sustainability. The market entry strategy for Sweden would be very different from the strategy for China. According to the current ResQ Club CEO Samuli Böhm, the attitude of locals towards food waste problem is by far the most important thing to consider when developing a foreign market entry strategy.



Activity F (20 minutes)

Think of the obstacles in people's attitude ResQ Club could face in your country. What can help to overcome those obstacles? Discuss it in the class.

Picture Source www.thehub.fi

Conclusion

ResQ Club started as a venture of five individuals. However, moderate size did not prevent the company from showing impressive growth rates.

For now, it has a well-developed network of 2 700 business partners in Finland, Sweden, Germany, and Poland who sell approximately 108 000 meals through the application monthly (65% of a total offer). ResQ Club team has proved that tackling one of the biggest sustainability challenges is possible for small startups and individuals, and it can be beneficial for all involved.

In 2019, ResQ has been selected as one of the top 10 hottest start-ups in Finland by the Finnish Financial journal, Talouselämä. ResQ Club feels sure that they can achieve their goal and eliminate food waste in Europe by 2030.

“Every meal purchased via ResQ is one less meal thrown away, helping our urban communities to waste less and be more sustainable”.

ResQ Club

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TEACHING NOTE 1: RESQ CLUB CASE STUDY

Purpose of the case study

This case study is developed to broaden understanding of sustainability issues related to the food waste among students and university staff.

The case is based on a real organization operating in the Finnish food and hospitality industry. The presented material allows learners to participate in the development of the company's business idea as well as have an insight into one of the most pressing environmental problems of today.

The case study can be integrated into any subject where sustainability, business model innovation, business development, and customer-oriented approach are discussed. Also, as the case study does not require a deep background knowledge of any particular discipline, it can be used in any course as a tool for training learners' soft skills as well as raising their awareness about food waste impact on the environment and how this problem can be tackled.

The case involves individual activities, group work, presentations, and additional learning, which can enhance both independent thinking and teamwork skills as well as communication, decision-making, and presentation skills.

● Learning outcomes

By the end of the case, learners will:

Understand the causes and consequences of the global food waste problem.

Realize how businesses can participate in solving global issues in a sustainable way.

Gain knowledge on how they can personally contribute to a better and sustainable world.

● Target audience

This case study can be used by both Bachelor and Master students from any field but will be of particular value to students from Business and Management majors. Also, this case study can be included into training program for the university staff.

● Recommended time schedule

Approximate timeframes for every activity are suggested in the case study. The teacher/instructor may allow additional time if it is requested by the learners and is in line with the class timetable. In total, case study should not take longer than 3 hours. It is advised to take a break after Part 1 of the case study is accomplished.

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TEACHING PLAN

Preparation

For the teacher/instructor, preparation includes familiarizing themselves with the case study and the topic of sustainability (if necessary). Additional reading can be recommended (e.g. The Global Sustainable Development Report³ or any other reliable source of information). Learners should have stable access to internet, any device for information search, and a laptop/PC with MS PowerPoint or similar software for presentation preparation installed (at least one per group). Each group should be allocated a place in a classroom where the members of the group can comfortably discuss the case and work together.

Introduction (10-15 min)

The teacher/instructor can start by introducing the subject of sustainability and sustainable development challenges in a way that is the most suitable in terms of the course/educational event at hand. Then the teacher/instructor can narrow down the topic to the global and local food systems and related challenges in order to immerse learners into the topic. As this case study implies research, the teacher/instructor can provide the basics of information search (what are reliable resources, how information can be retrieved, etc.) and analysis if necessary. Learners should be divided into four groups for accomplishing case study tasks. It is recommended that groups consist of a maximum of five people. Then the case study is presented and distributed among groups (1 copy per learner).

³GSDR-2019: https://sustainabledevelopment.un.org/content/documents/24797GSDR_report_2019.pdf

Working on the case (135 - 150 min, break is not included)

Learners should be explained that the content quality of the presentation prevails over the design of the presentation, so they should devote more time to finding and presenting relevant information, rather to beautiful fonts and pictures. The teacher/instructor is encouraged to give constructive feedback on learners' presentations and ask open-ended questions in order to stir their thinking process. It is important to remember that controversial questions generate more discussion but also require additional attention from the teacher/instructor in order to prevent learners from heated and off-topic discussions. In this case, it is worth mentioning that the diversity of opinions and approaches is welcomed and beneficial for the learning process when it is constructive and respectful. The teacher/instructor should encourage learners to provide their own views, opinions, and conclusions and be critical about the information they collect from the sources. It is recommended to involve every learner in discussions.

Closing (10-15 min)

The teacher/instructor can congratulate learners with successful completion of the case and ask what new information they learned, how they are going to apply it in their studies/work/life, and what ideas this case study sparked in them.