



DIGITAL BUSINESS DEGROWTH: A HOPE OR POSSIBILITY? A CASE STUDY OF ECOSIA

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Background

In the beginning of the research, I read different literature bodies that clearly stated that economic growth is directly linked to environmental degradation which in turn affects society. This was the spark that made me search for an alternative to our current system, which made me come across degrowth. Degrowth is a movement that initially was started in France and that pushes for a different system than the current capitalist system. In this new system, nature and humans are at the centre of concerns.

Objective

The degrowth movement is, however, not explicit about the how business and most specifically digital businesses can implement degrowth at their own scale. The objective of my research was therefore to exploit this research gap

Introduction

To exploit this research gap, I used business degrowth criteria, which were used to analyse Ecosia, a sustainability icon. Doing so, showed me which parts of its business model and business practices are in line with the degrowth discourse and which are not. Having this information was a way for me to find out which practices should be (and should not be) implemented by aspiring digital degrowth entrepreneurs.

Methods

I used a single case study, Ecosia. The data I gathered was mainly from secondary resources. I collected a lot of data from Ecosia's blog, newspaper articles, previous research, etc. I also made use of different email communications with Ecosia's employees.

The criteria I used to analyse Ecosia are the Hankammer et al (2021) business degrowth criteria that consist of five different categories, each containing eleven different criteria that should be implemented

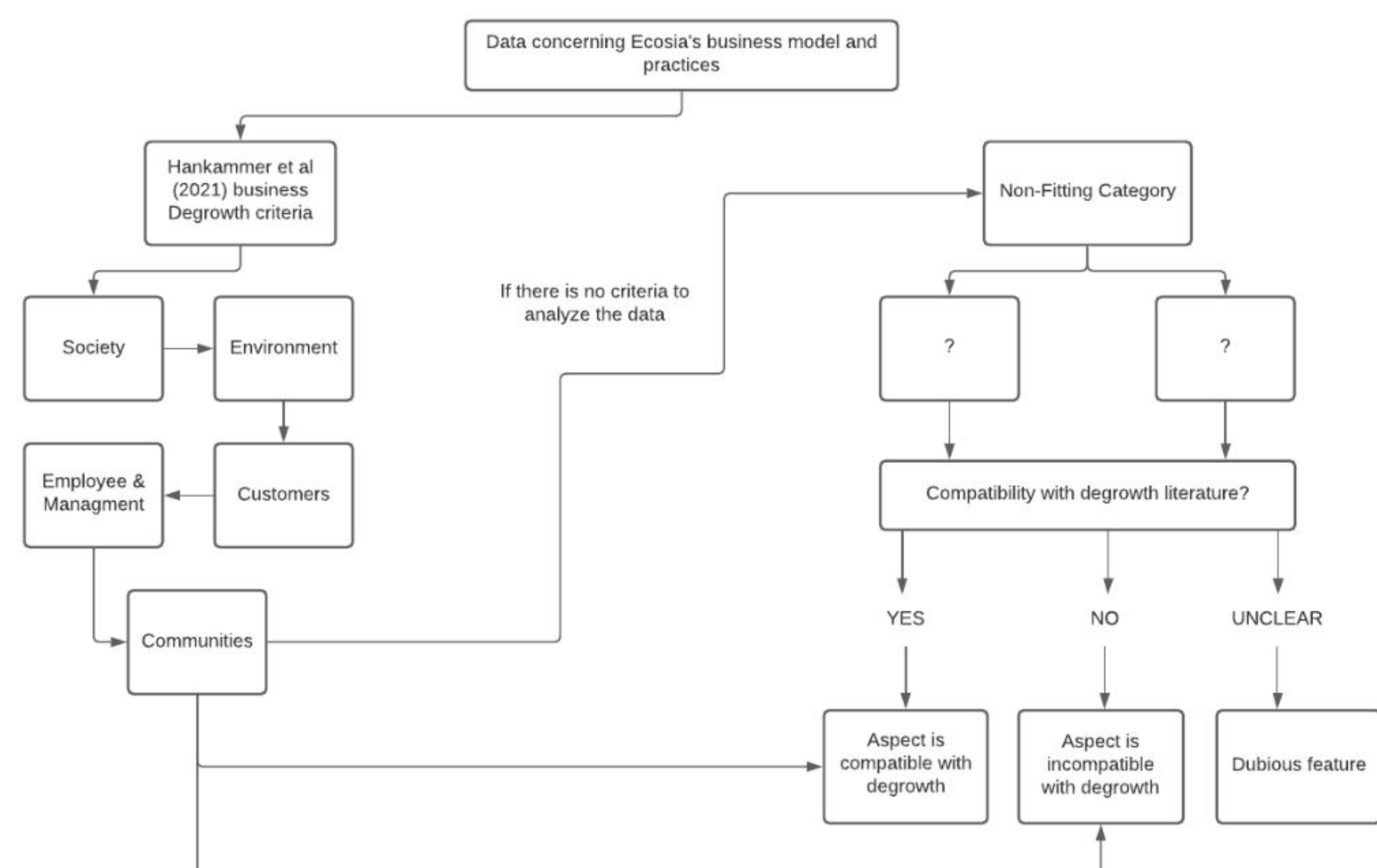


Figure 1. Methodological approach used

Results

Ecosia's practices that are in line with degrowth

- The central role of nature and society in their business model.
- The fact that 80% of their profits are used to plant trees
- Their democratic ownership structure (99.9% of Ecosia is owned by a foundation)
- Their use of their user's personal data

Ecosia's practices that are not in line with degrowth

- Ecosia's dependence on advertisement
- Ecosia's dependence on Bing, a Microsoft owned-company, for the well-functioning of its search engine

Ecosia's practices that are dubious

- Ecosia's wish to grow, is not aligned with degrowth as it suggests that a firm should remain a certain size. However, the ultimate aim of Ecosia is to grow to plant more trees. Therefore, their growth is actually bringing positive externalities, but isn't accepted by degrowth.
- Degrowth suggests that only simplified technology that benefits the environment and society should be used. The technology Ecosia uses is not simple at all, but in turn benefits tremendously the environment and society.

Conclusions

- Although Ecosia has many aspects of its business that are in line with the degrowth discourse, it still cannot be considered as a degrowth firm because the viability of its business lays on advertising and the collaboration with Bing which goes against degrowth.
- This study highlighted which practices should be followed by aspiring digital degrowth entrepreneurs
- This research also highlighted that there are need for future research on the dubious features in order to find out if there is an actual compatibility with degrowth or not.

References

- Hankammer, S., Kleer, R., Mühl, L., & Euler, J. 2021. Principles for organizations striving for sustainable degrowth: Framework development and application to four B Corps. *Journal of Cleaner Production*, 300: 126818.

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