

# THE RISE OF THE FRUGAL SOCIETY

THE IMPACT OF NEO-MINIMALISM ON WESTERN MARKETS

Liza Wohlfart, Fabian Fröhlich

Center for Frugal Products and Manufacturing Systems  
Fraunhofer IAO & IPA

IAT, University of Stuttgart

InnoFrugal Conference, Helsinki, May 8, 2019

Photo © 9comeback – Fotolia



# Drivers of Frugal Innovation

Demand for **affordable** high-quality solutions



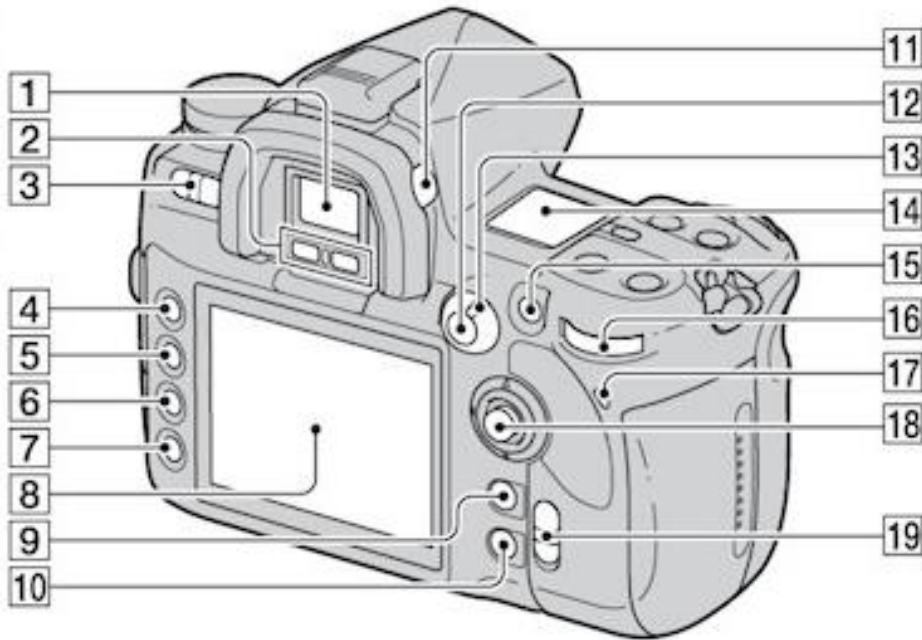
Photo © William WEST / Getty Images

Photo © DimaBerlin – fotolia.com



# Drivers of Frugal Innovation

Demand for **simple** high-quality solutions



Quellen: <https://www.stromverbrauchinfo.de/energiespartipps.php> ; Sony, <https://www.fotointern.ch/archiv/2009/08/02/sony-alpha-850-gebrauchsanleitung-versehentlich-veroeffentlicht/>

# Frugal Innovation in Emerging Economies



One Dollar Glasses



Crop Tiger

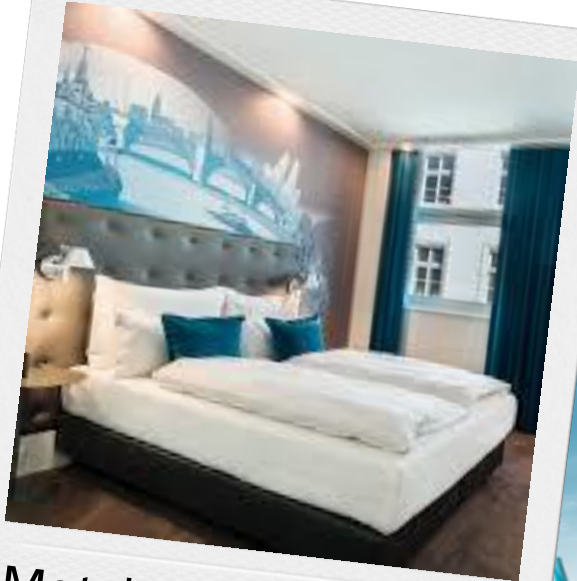


Rehau Home Gas



Aravind Eye Hospital

# Frugal Innovation in Advance Economies



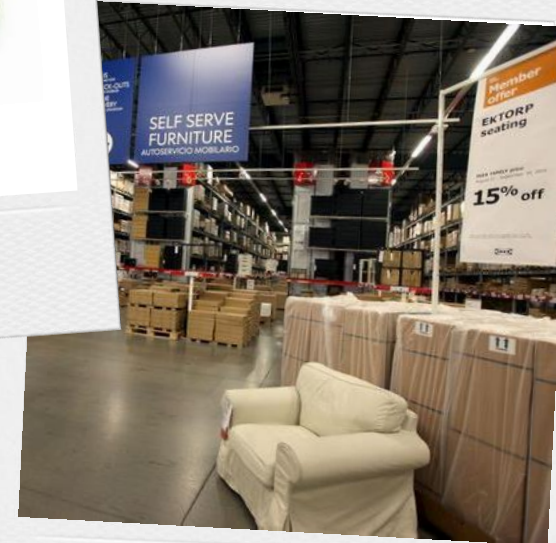
Motel One



Eurowings



Creapaper



IKEA

# Frugal Innovation in Advance Economies

## Neo-Minimalism

- Appreciation of a simple and sustainable lifestyle
- Deliberate limitation / reduction of material goods



Quelle: <https://casavogue.globo.com/LazerCultura/noticia/2017/12/marie-kondo-tera-programa-de-tv-para-ensinar-arrumar-casa.html> ;  
<https://utopia.de/minimalism-film-36461>. <https://enorm-magazin.de/unverpackt-laeden-Deutschland>

# LOVOS – Lifestyle of Voluntary Simplicity

## Characteristics

- **Conscious consumption:** practical, well-made, social and environmental friendly
- **Fewer belongings:** shift from physical to virtual, from owning to sharing
- **Smaller homes:** tiny houses, cohousing communities
- **Ecological living:** recycling, energy saving, renewable energy sources, eco-friendly means of transport
- **Healthy eating:** vegetarianism, veganism, local and organic food
- **Better work-life balance:** reduction of working hours, sabbaticals



Source: Based on Etzioni (1998), Voluntary Simplicity, Livingston (2019), How to Simplify Your Life With Voluntary Simplicity, Simplicity Collective (2019), What is Voluntary Simplicity, Image: <https://blog.bikemap.net/de/cycling-tips-de/leicht-schnell-und-retro-das-perfekte-hipster-bike/>

# Types of LOVOS

## 1. Downshifters

- Economically **well off** people, who basically maintain their lifestyle
- Inconsistent, **limited pattern** of simplification
- **Status enhancing**, minimalism that stresses a person's high-income position

### Simplicity as a...

- status symbol
- rational choice to ease one's life (e.g. decision-making)



Source: Based on Etzioni (1998), Voluntary Simplicity. Image: [http://www.newslocker.com/en-uk/news/uk\\_news/mark-zuckerberg-faces-wardrobe-dilemma-on-first-day-back-at-work-after-paternity-leave](http://www.newslocker.com/en-uk/news/uk_news/mark-zuckerberg-faces-wardrobe-dilemma-on-first-day-back-at-work-after-paternity-leave)

# Types of LOVOS

## 2. Strong simplifiers

- People who have given up high-paying jobs for less lucrative but **more meaningful and more relaxed** careers (or early retirement)
- **Buy and earn less** for a lower-stress life and more free time for familie, friends, hobbies, social work etc.

### Simplicity as a...

- a good work-life balance
- a choice that puts personal values, relationships and health first



Source: Based on Etzioni (1998), Voluntary Simplicity. Image: <https://www.faq-bregenzerwald.com/akteure/rudolf-woetzel>

# Types of LOVOS

## 3. Simple life movement

- People who move from cities and suburbs to smaller towns, the countryside, farms and the like with the goal of **leading a simpler life**
- Motivated by a more or less coherent **anti-consumerist philosophy** and supported by how-to books, programs etc.
- Manifested in movements such as the **hippies**



## Simplicity as a...

- philosophy
- radical change of lifestyle

Source: Based on Etzioni (1998), Voluntary Simplicity. Image: <https://www.kontextwochenzeitung.de/gesellschaft/161/am-anfang-war-das-schaf-2162.html>

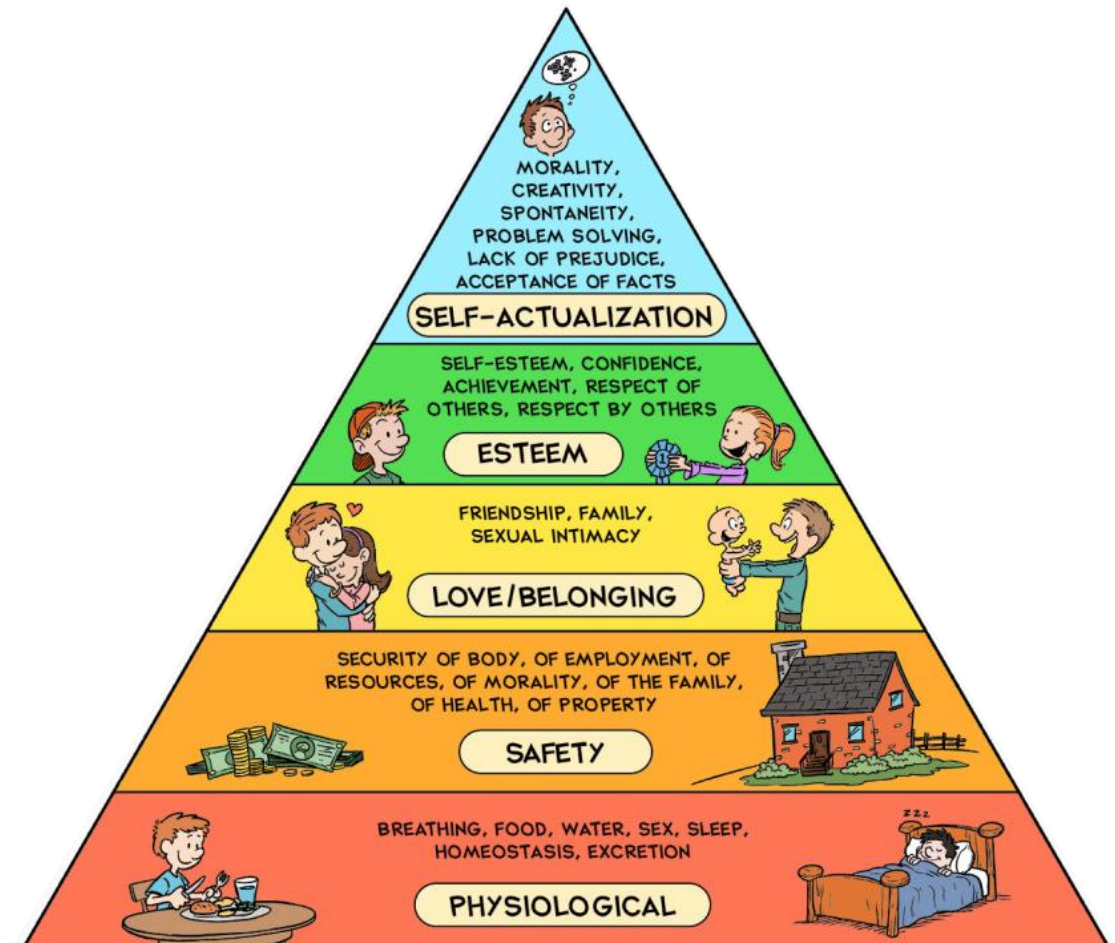
# LOVOS – Lifestyle of Voluntary Simplicity

## Definition and Values

LOVOS is not...

- Deprivation
- Living off the land
- Rejecting modern technology
- Counting possessions

... but rather moving up Maslow's hierarchy instead staying focused on the bottom levels.



Source: Based on Etzioni (1998), Voluntary Simplicity, Livingston (2019), How to Simplify Your Life With Voluntary Simplicity, Simplicity Collective (2019), What is Voluntary Simplicity, Image: Image: © 2013 Dutch Renaissance Press LLC. <https://www.danmartell.com/hierarchy-of-entrepreneurial-needs>

# LOVOS – Lifestyle of Voluntary Simplicity

## Relevance

Many people today, e.g. Generation Y, are **downshifters or strong simplifiers** that value LOVOS principles such as

- Sharing (instead of owning),
- Meaning (instead of status),
- Personal growth and relationships (instead of high salary).



Image: <https://www.t-systems.com/at/de/newsroom/blog/mobility-collaborations/mobility-collaborations/sharing-economy-der-driver-fuer-mobile-working-349518>

# LOVOS – Lifestyle of Voluntary Simplicity

## Relevance

Following the **simple life movement** for a short time (extended holiday, sabbatical) is a major trend.



Image: <https://www.bustle.com/p/wild-is-the-one-movie-you-should-watch-this-new-years-to-get-ready-for-the-next-step-of-your-own-journey-15579687>

# LOVOS – Lifestyle of Voluntary Simplicity

## Implications for Frugal Innovators



Image: <https://www.kaffeeabo.de/magazin/tipps-tricks/perfekte-kaffeezubereitung-mit-einer-french-press-so-gelings/>

# Center for Frugal Products and Production Systems, Stuttgart, Germany



Liza Wohlfart  
Head of Center @ Fraunhofer IAO

Fraunhofer Institute for Industrial Engineering IAO  
Telefon +49 711 970-5310  
[liza.wohlfart@iao.fraunhofer.de](mailto:liza.wohlfart@iao.fraunhofer.de)

