

Rethink: Why sustainable product design is the need of the hour

Sustainable product design is a business imperative

Sustainable product design is a key lever that can help organizations achieve the transition to net zero, manage resource scarcity, and reap benefits such as increased revenue growth and improved relationships with stakeholders.

Impact of sustainable product design initiatives

67%

of organizations have seen a reduction in carbon emissions

71%

of organizations have seen faster progress towards their sustainability goals

73%

of organizations have seen higher rates of revenue growth

70%

of organizations have seen an increase in customer satisfaction

Source: Capgemini Research Institute, sustainable product design survey, April–May 2022, N=889 organizations that have implemented at least one sustainable design strategy.

However, sustainability is not at the core of product design processes

22%

of organizations consider sustainability as a key component of their product design processes

26%

of organizations conduct regular environmental impact assessments as part of the product design process

12%

of organizations have incorporated a systems thinking approach to product design

Source: Capgemini Research Institute, sustainable product design survey, April–May 2022, N=900 organizations.

Cost concerns hinder sustainable product design

However, sustainable product design does not always lead to increased cost

Impact on product costs due to adoption of sustainable design strategies

37%

No change

26%

Increased

23%

Decreased

*The remaining respondents selected the "Don't know" and "Not applicable" options

Source: Capgemini Research Institute, sustainable product design survey, April–May 2022, N=889 organizations that have implemented at least one sustainable design strategy.

While cost is often seen as the primary hurdle, organizations also face other challenges to sustainable product design

55%

of organizations cite a lack of availability of sustainable materials as a key challenge

54%

of organizations cite a lack of data to accurately assess environmental and social impacts of products as a key challenge

48%

of organizations cite a lack of skilled talent in sustainable product design as a key challenge

42%

of organizations cite a lack of technology capabilities as a key challenge to sustainable product design

Source: Capgemini Research Institute, sustainable product design survey, April–May 2022, N=900 organizations.

How can organizations support sustainable product design?



MAKE SUSTAINABILITY A CORE DESIGN PRIORITY AND EMPHASIZE THE NEED FOR SYSTEMS CHANGE

- Define clear sustainability goals and objectives for product design teams
- Establish accountability for sustainable product design
- Adopt a data-driven approach to measure impacts across the product lifecycle and identify priorities
- Establish guidelines and provide tools to help product design teams evaluate trade-offs and alternatives
- Invest in upskilling product design teams to enable a mindset shift towards systems thinking and circular design



ESTABLISH PROCESSES AND PARTNERSHIPS ACROSS THE PRODUCT VALUE CHAIN

- Collaborate with stakeholders across the value chain to jointly determine sustainable design decisions, based on impact and feasibility, and invest in partnerships to build new competencies
- Invest in services to enable a shift to a circular economy



MANAGE COSTS THROUGH RE-EVALUATING CONCEPTS AND TAKING A LONG-TERM VIEW

- Adopt a True Cost Accounting (TCA) approach to account for environmental and social costs
- Consider long-term benefits when evaluating investments in sustainable product design
- Educate consumers on the environmental and social costs of products and guide them towards more sustainable choices
- Drive economies of scale through increased investment in infrastructure that supports sustainable action

HARNESS TECHNOLOGY TO SUPPORT SUSTAINABLE PRODUCT DESIGN

Source: Capgemini Research Institute analysis.

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