

Sustainable



New Products



This session is about Sustainable New Products, the colour 'Green'.

It is to stimulate, inform and challenge you to think of products in a different way.





Why have a lecture on sustainable new products?

- 80% of the world's resources are consumed by 20% of the world's population
- Population is expected to reach 6 billion - increasing demand - beyond earth's carrying capacity
- Increase in environmental pressure and associated problems.
- Only 1/10 000 products on the market is designed to avoid damage to the environment (D.2001)



Planned obsolescence

- *“a method of stimulating consumer demand by designing products that wear out or become outmoded after limited use.”*
- *“a policy of planning or designing a product with a limited useful life, so it will become obsolete, that is, unfashionable or no longer functional after a certain period of time.”*



Do/should we care?

For

- raise awareness
- keep a balance
- publicity
- challenge

Against

- businesses are not keen
- there has to be demand
-



Do/should we care?

For

- Health and safety
- Resource productivity
- New Competitive advantage
- New business opportunities
- Society's long term interest
- Positive reputation - shareholder value

Against

- Not our responsibility!
- Legal solution
- Meet customer needs and wants
- Not enough speed, excitement, no money!
- The environment is a function

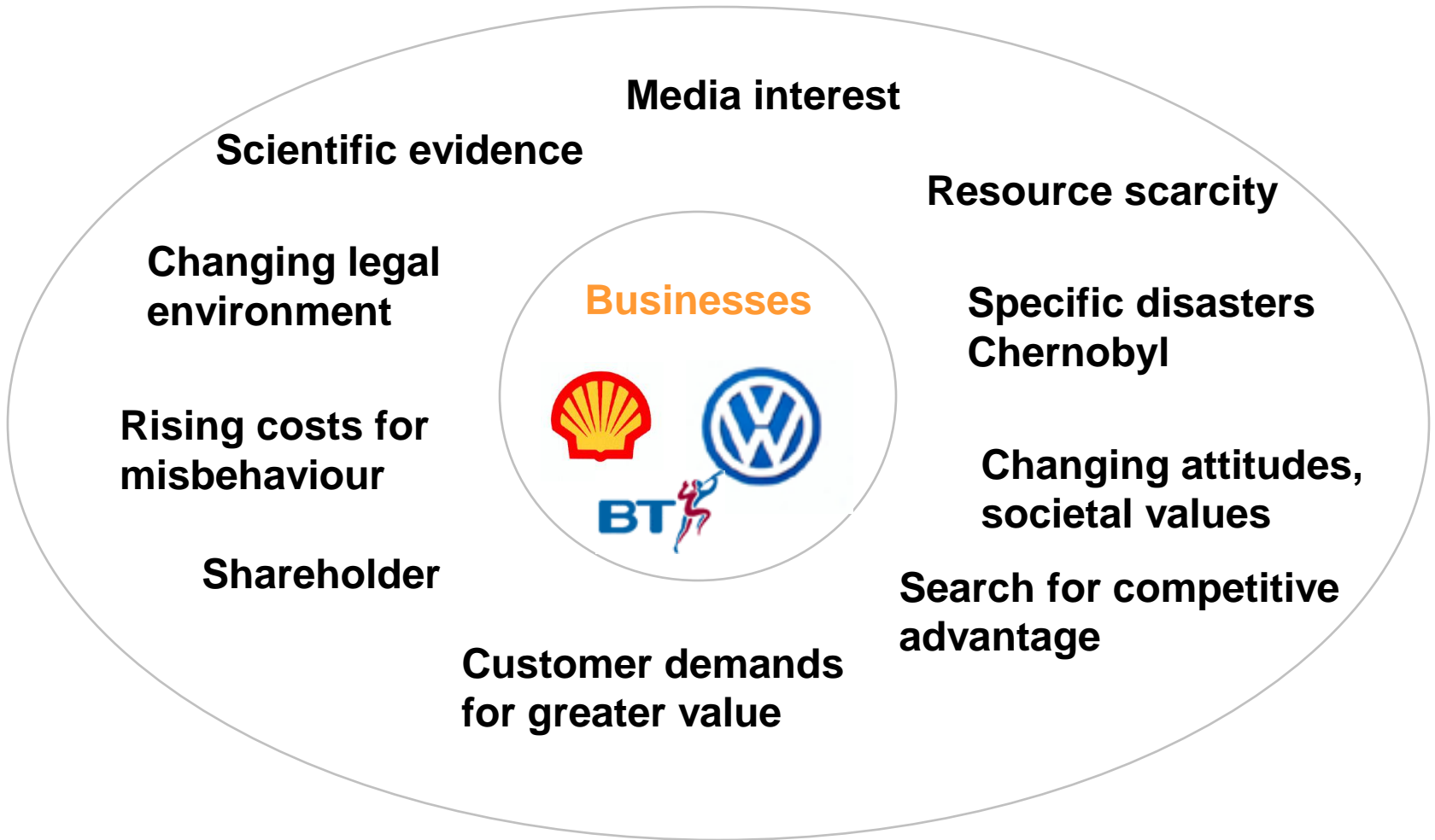


Companies towards sustainability

Shell International, Electrolux, IBM Philips, Canon, Volkswagen, Novartis Monsanto, Interface, Volvo, ABB, Body Shop, Miele AG, Patagonia, BP, Novo Nordisk, Cafe Direct, IKEA, Xerox, Sony, AT&T, Deutsche Bank, Unilever, SAS, IBM, Skanska, Telia, Schenker-BTL, Scandic, DuPont,



Key drivers for business





Key Terms Used

Sustainable development

- *development that meets the need of the present without compromising the ability of future generations to meet their own needs'* (WCED 1987)

Intergenerational

Intragenerational

Shared
responsibility

Sustainable consumption

- *the use of services and related products which respond to basic needs and bring better quality of life while minimising the use of natural resources...over the life cycle so as not to jeopardise the needs of future generations (UN, 1995)*

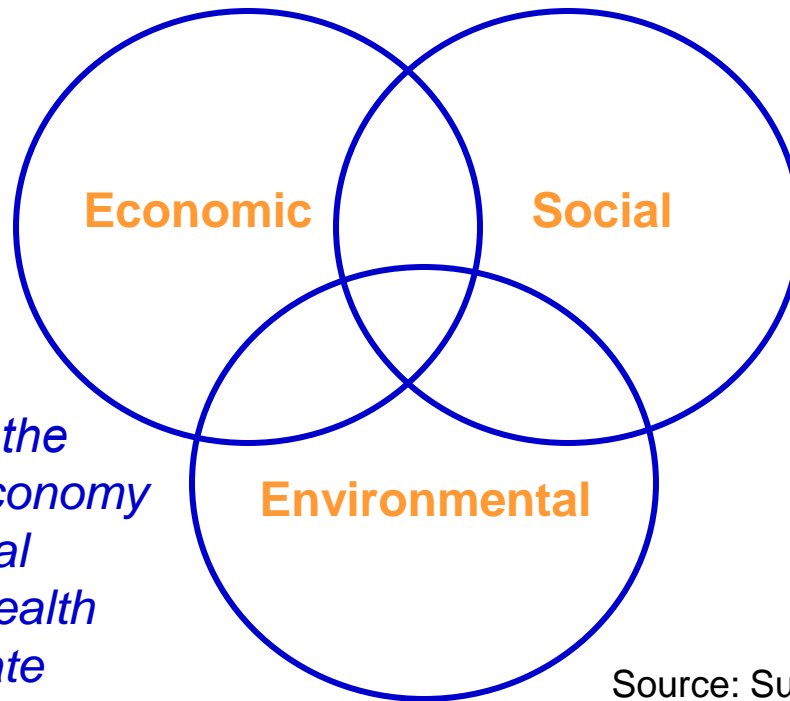
Eco-design

New Lifestyles

More for less



The triple bottom line



'Society depends on the economy- and the economy depends on the global ecosystem, whose health represents the ultimate bottom line'

Source: SustainAbility



Triple bottom line

Economic issues	Environmental issues	Social/ethical
<ul style="list-style-type: none">▪ Technological feasibility▪ Financial feasibility▪ Short and long term profitability▪ Adequate pricing	<ul style="list-style-type: none">▪ Waste minimisation▪ Cleaner manufacturing▪ Cleaner materials▪ Eco-efficiency▪ Less material▪ Less energy▪ Renewable resources and energy▪ Recycling▪ Interaction with the environment?	<ul style="list-style-type: none">▪ Fair trade▪ Equitable policies▪ Good employment▪ Conditions of work▪ Investment in communities▪ Cruelty free▪ Satisfaction of real needs▪ More customer value▪ Better systems▪ Participation▪ Equality

How do we design new products that meet the need of our customers however do not have a negative impact on the environment?

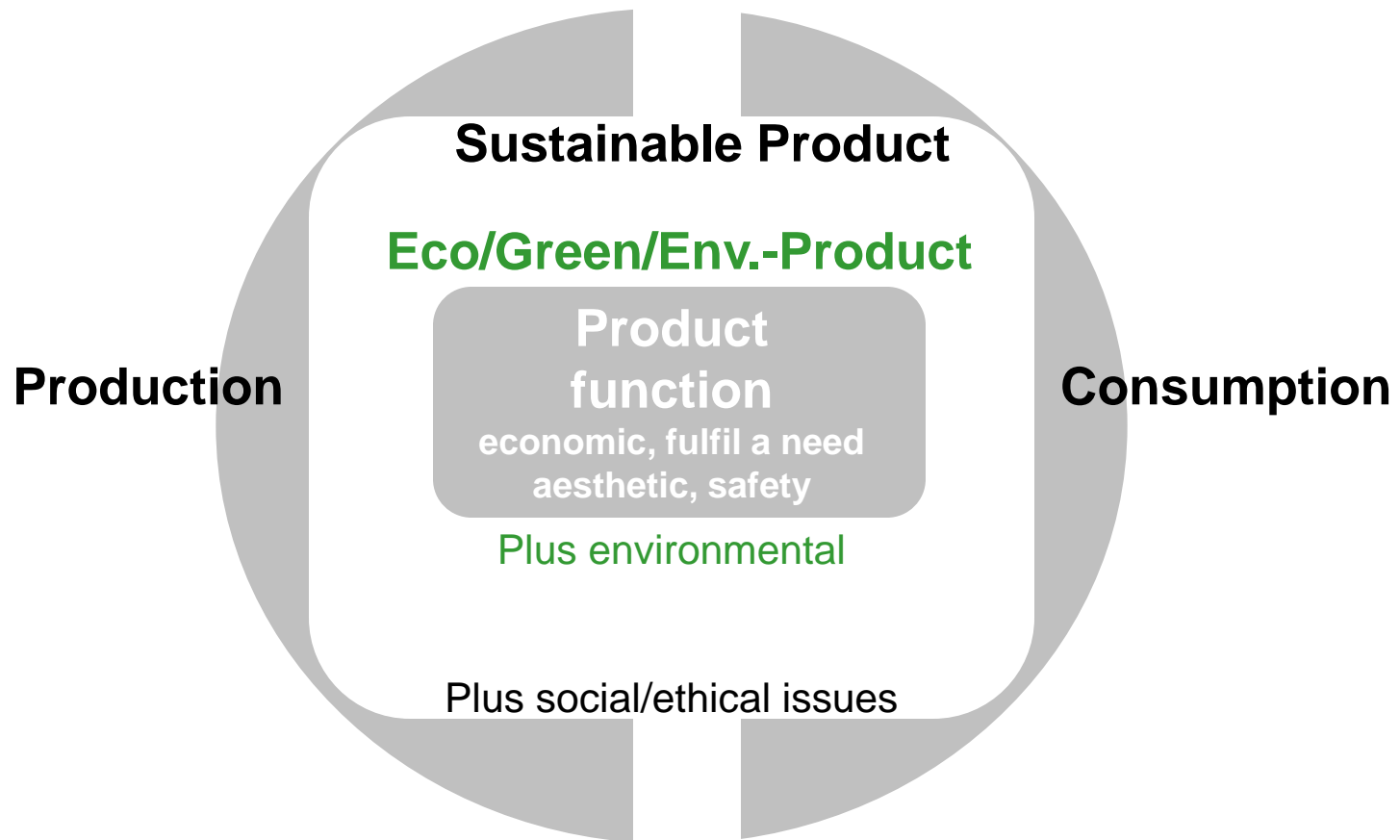
the business challenge





The Sustainable Product






almost as many names as Eskimos have for snow



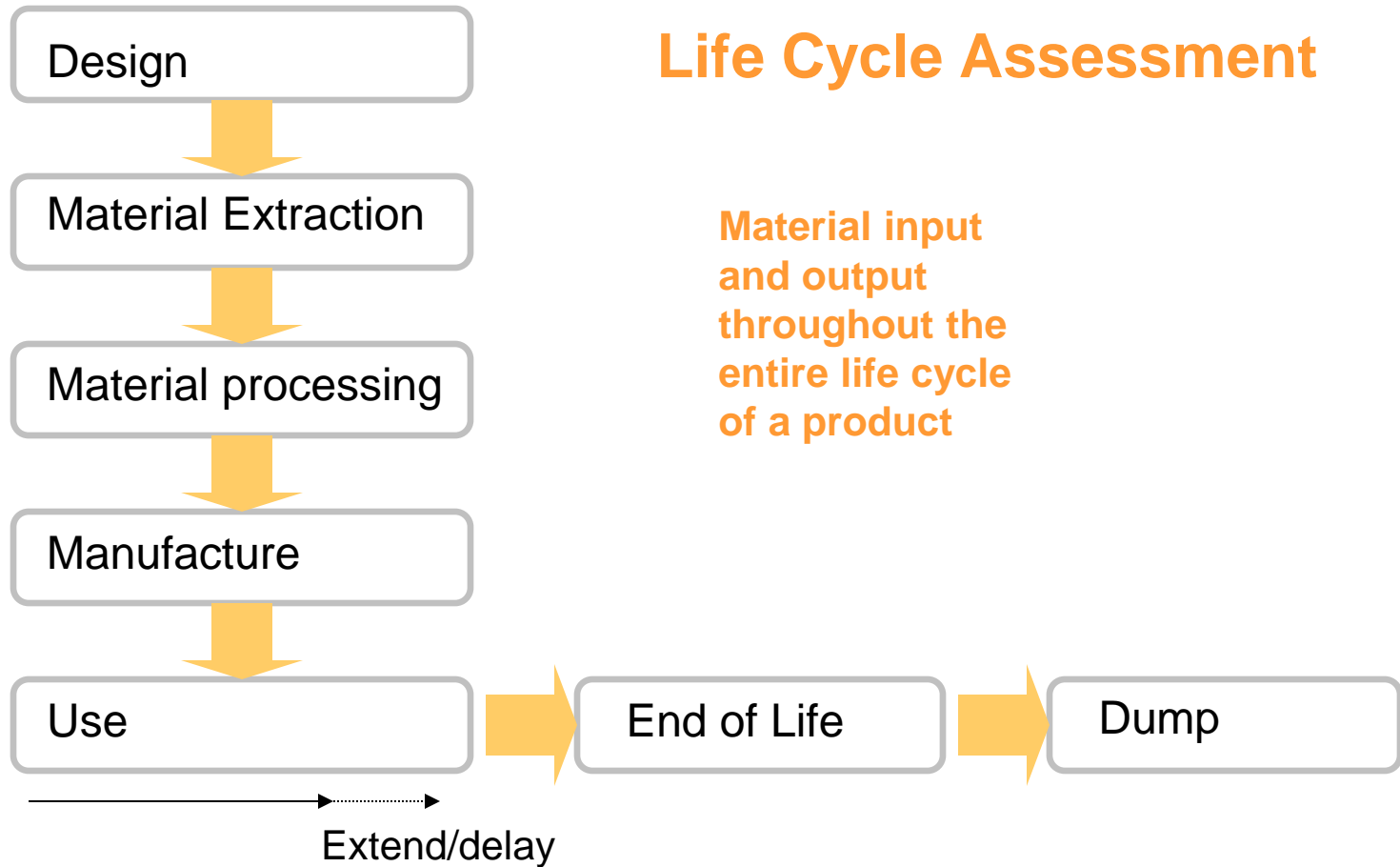
Source: Adapted from Charter, 2001



Sustainable Product Strategies

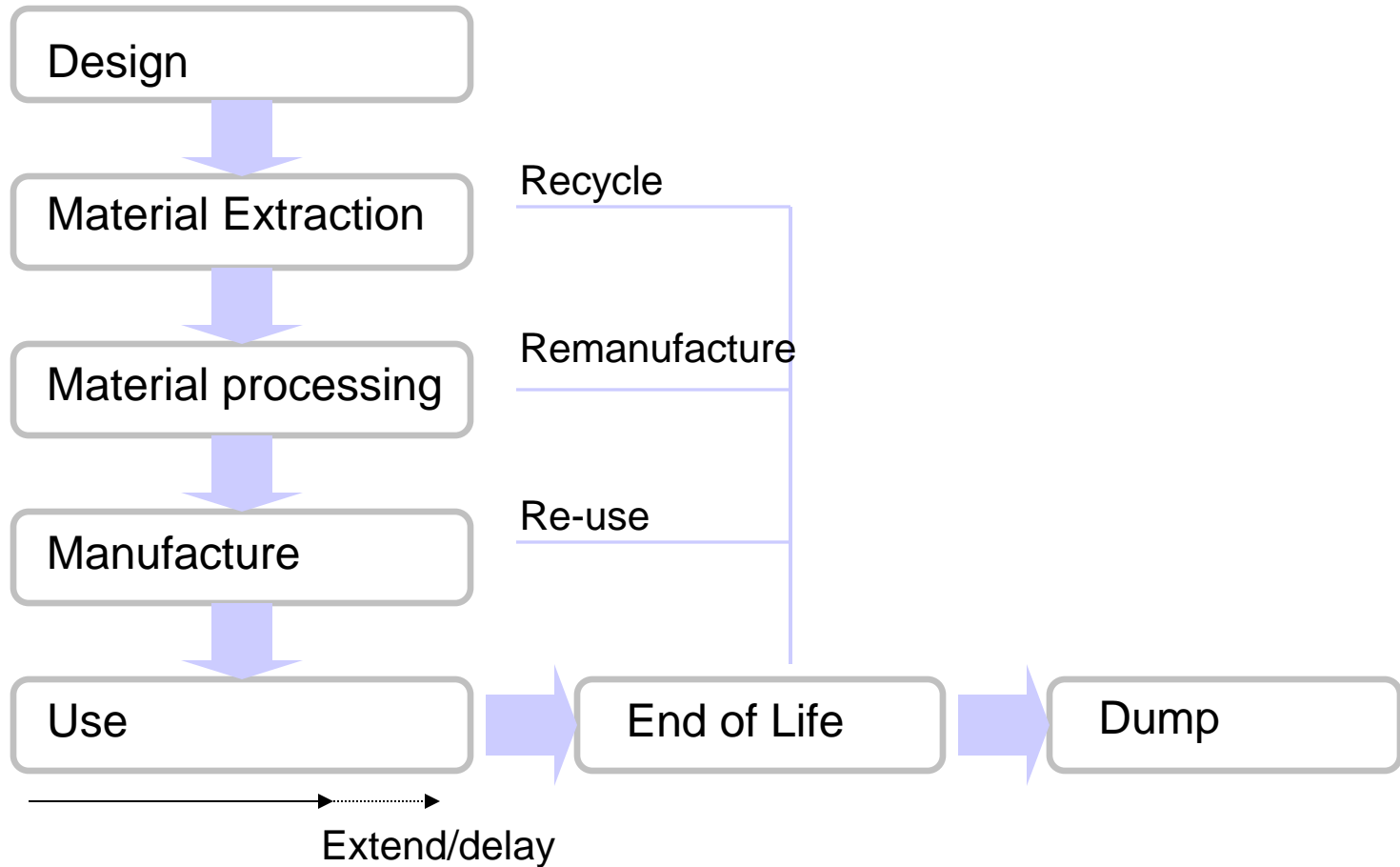
 Reactive to	Proactive
 Quantity to	Quality
 Eco-efficiency to	Sufficiency
 From value chain to	Value circle
 From resources to	Lifestyles

Tools for change



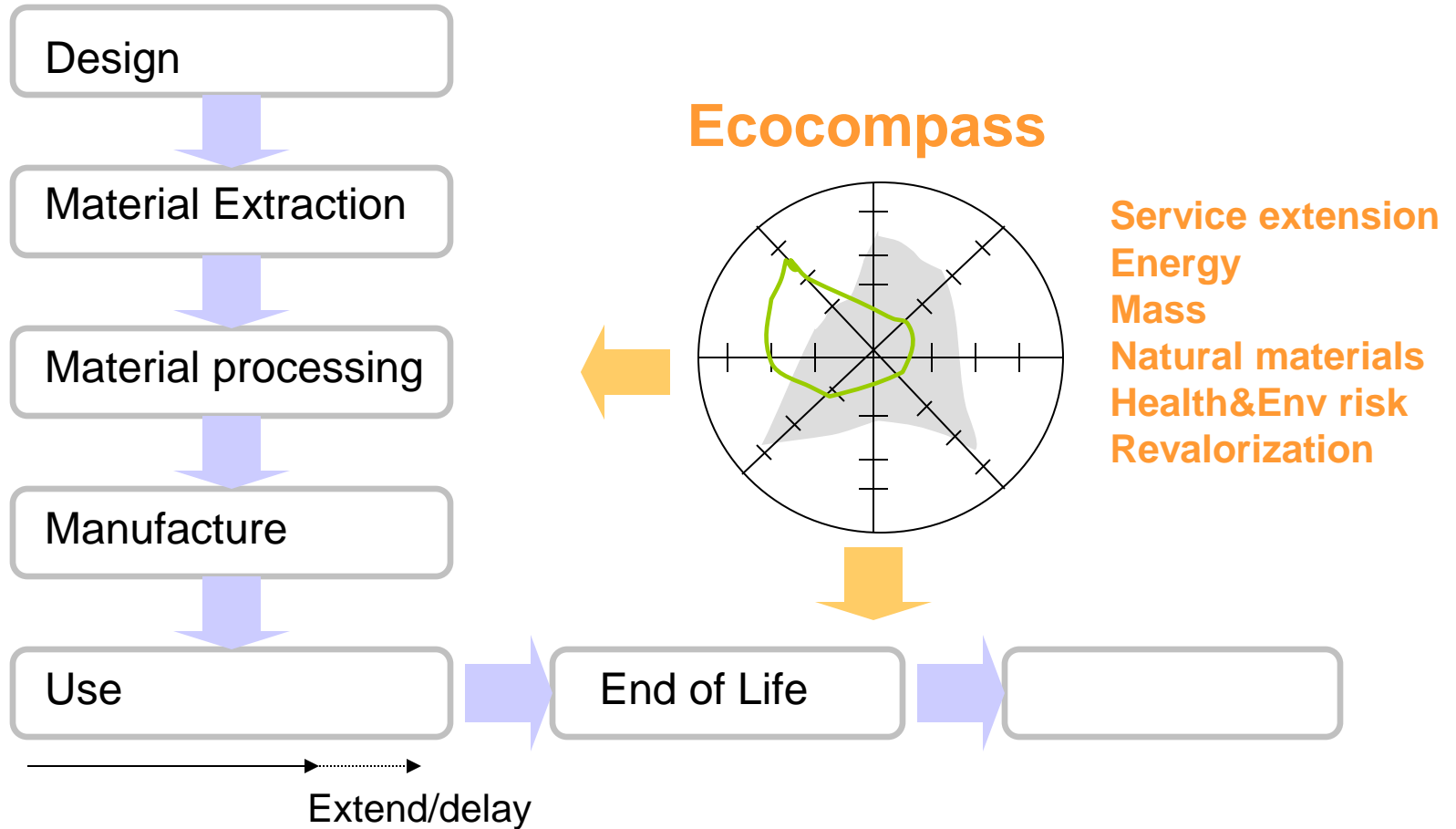
Source: Adapted from Ecodesign Navigator, 1999

Life Cycle Thinking

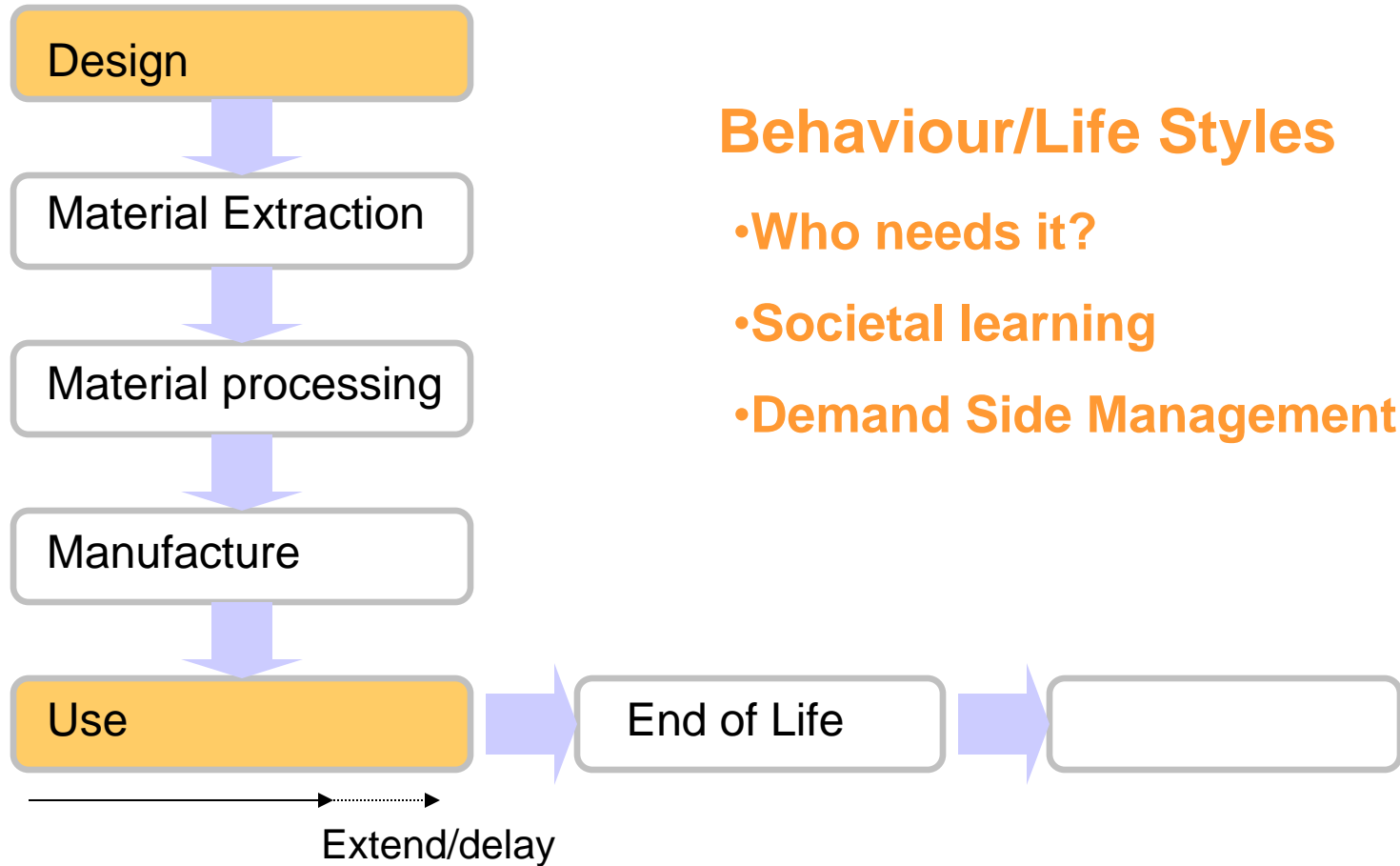


Source: Adapted from Ecodesign Navigator, 1999

Tools for change



Tools for change









The Need Test

- **Product diagnosis**
 - what is the primary function of your product or service?
 - What other benefits does the product or service offer?
 - Is there likely to be a long term need/or demand for the product?
 - What is the value: impact for the product today?
 - Would this product be sustainable in an equitable world of 8-10 billion people?
- **Is this product necessary?**
- **Is the associated life style sustainable?**
- Are there **alternative** sustainable ways of providing the same function, or meeting the same need?



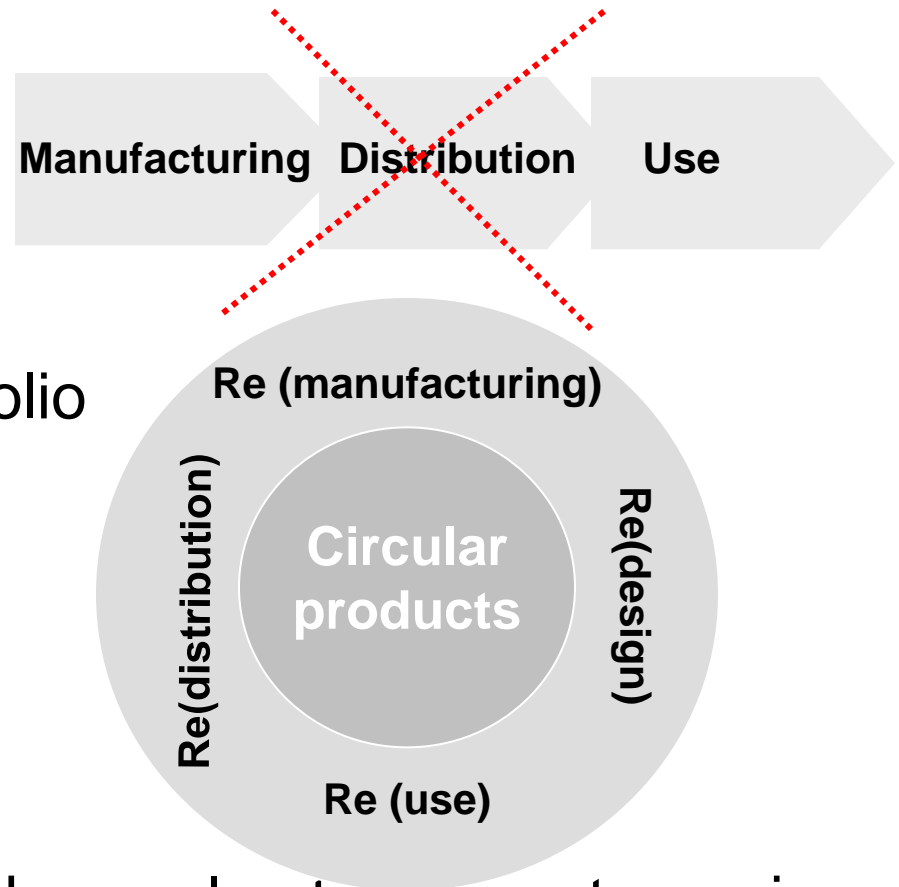
Case Studies

-  Xerox
-  Interface
-  Volkswagen
-  Sony
-  Patagonia
-  others...



Eliminating Distribution?

- **XEROX**
- \$200million in savings
- 'green positioning'
- whole new product portfolio
- 'the waste free office'
- shift in ownership
- leasing



Anything that does not produce value to the customer is waste

THE PHYSICAL PRODUCT



RHMOVEON

- Designed in conjunction with ergonomic experts and architects *to create a total solution*
- The chair is an adaptable tool -*always in motion-* designed for '*active sitting*', '*stimulating creativity*'.
- All materials are recovered; environmentally compatible

...not just a chair in isolation



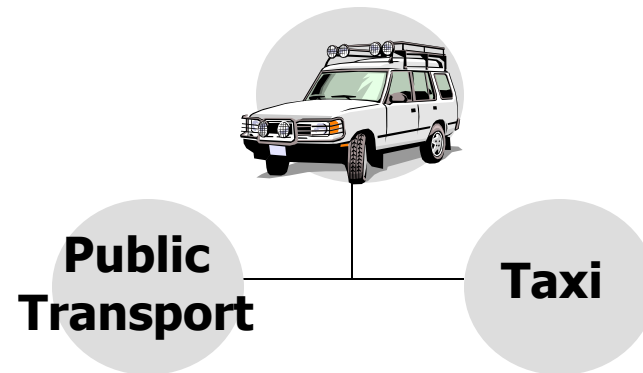
- Versatile / Adaptable
- Thrives on change : re-place, re-lay
- Continuity and variation
- Uniqueness

The physical environment can be the medium in which the relationship with nature can be strengthened.

Mobility Package 'Wohnmobil'

- **VOLKSWAGEN**

- carsharing
- personal mobility
- membership in car pool
- variety vehicles - variety needs
- choice
- bicycles, local transport pass



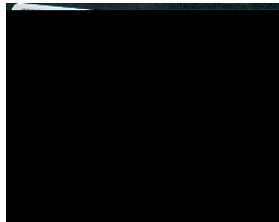
Design attributes



- **Timeless**
- **Long life/multifunctionality**
- **Easy repair**
- **Adaptable/combinations**



- **Recyclable**
- **Bio-degradable**



- **Minimising material**





Drivers and obstacles

- What should new product development be all about?
- Built in assumptions
- Can all products be green?
- The consumer; are we really as green as we say!

- *'unless there are some major shifts in customer demands and/or political/corporate thinking the road to true sustainability will be long, slow and difficult'*

John Pitts, Volvo Cars UK

Further Readings

Varey, R.J. (2010) 'Marketing Means and Ends for a Sustainable Society: A Welfare Agenda', *Journal of Macromarketing* 30(2): 112-126.

Burroughs, J.E. (2010) 'Can Consumer Culture be Contained? Comment on "Marketing Means and Ends for a Sustainable Society"', *Journal of Macromarketing* 30(2): 127-132.

Prothero, A., McDonagh, P., and Dobscha, S. (2010) 'Is Green the New Black? Reflections on Green Commodity Discourse', *Journal of Macromarketing* 30(2): 147-159.

Mitchell, R.W., Wooliscroft, B. and Higham, J. (2010) 'Sustainable Market Orientation: A New Approach to Managing Marketing Strategy', *Journal of Macromarketing* 30(2): 160-170.