



# Green by default

## The case for eco-essential innovation

Driving growth by making green products and services the default choice



Consumers have spoken loud and clear:

# When it comes to products and services, green is the new black.

As the impacts of climate change become more apparent in everyday life, consumers are increasingly worried about the environment. And they're demanding that companies listen and respond to their concerns. On average, nearly half of consumers globally are highly motivated to purchase and consume eco-friendly products now and in the near future.

Going green by default is a powerful win-win for both consumers and the companies that serve them. Here's how.

Executive summary	3
The green goods paradox: Strong demand, cautious consumption	4
Making green the mainstream	8
Reinventing green innovation	13
Design, drive and deliver: Three dimensions of eco-essential innovation	15
From niche to norm: Empowering consumers to make sustainable choices	31

# Executive Summary

There's an exciting new approach to green innovation that expands the target market for eco-friendly products and services from 29% of consumers to a staggering 84%. We call it eco-essential innovation. And right now, only 16% of companies are playing in this space.

Eco-essential innovation is a radical shift away from the status quo. It focuses on developing simpler, relevant everyday green products and services that drive mass adoption by blending environmental concerns with a strong emphasis on functionality and consumer value.

Embracing eco-essential innovation generates a huge opportunity to boost sales volumes. Why? Because it brings green into the mainstream, making it the default option. This is in stark contrast to most current approaches to green innovation, which target "eco-warrior" consumers who are willing and able to pay higher prices.

The opportunity around eco-essential innovation is especially prominent in fast-growing economies in Latin America, Asia Pacific, the Middle East and Africa, where demand for green products is nearly 2X that in North America and Europe.

**How can companies embrace eco-essential innovation? By focusing on three key dimensions.**

## 01 Design for value

Adopt a "meaningful green product" approach focused on making products functional rather than flashy

## 02 Drive with insights

Stimulate new demand and forecast green opportunities by harnessing data and AI

## 03 Deliver beyond price

Optimize the total cost of experience for consumers using service-led models

By capturing mass adoption, eco-essential innovation has the power to make green products and services the default option. It's disrupting established business models and industries, challenging the very notion of what it means to be green. For companies, it's a powerful tool to secure market leadership, meet sustainability goals, stay ahead of disruption, crack down on greenwashing and comply with environmental regulations. In other words, it's key to success in this new era of commerce.

# The green goods paradox: Strong demand, cautious consumption

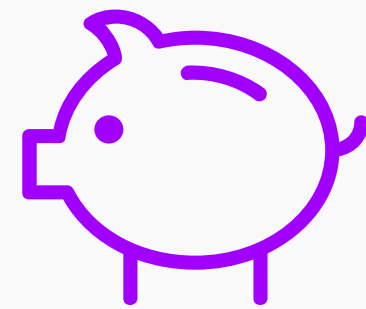
The transition to the green economy presents a significant opportunity for businesses. In fact, growth in demand for green goods and services is predicted to add \$10.3 trillion to global GDP by 2050, in 2020 prices.<sup>1</sup> This is equivalent to 5.2% of global GDP in that year.

The shift towards green is already impacting attitudes and behaviors — at least, among certain consumer segments. For instance, as the effects of climate change become more apparent in everyday life, consumers are increasingly worried about the environment. This creates significant commercial opportunities — on average, nearly half of consumers globally are highly motivated to purchase and consume eco-friendly products now and in the near future.

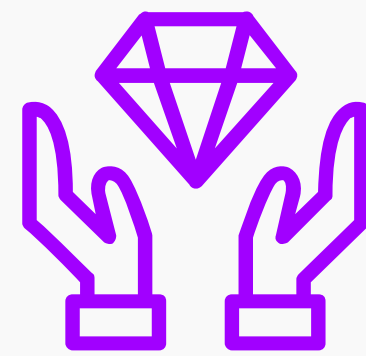
On the flip side, companies that don't listen and respond to consumer concerns risk a decline in sales and loss of market share.

The stakes are high. And consumer expectations are even higher.

**Figure 1: The top three expectations of consumers when it comes to products or services that support the green economy.**



Make eco-friendly options **less expensive** than they are today



Improve the **quality** of eco-friendly products and services



Ensure they provide products and services that uphold a high level of **health and safety**

Source: Accenture Green Consumption Survey 2023



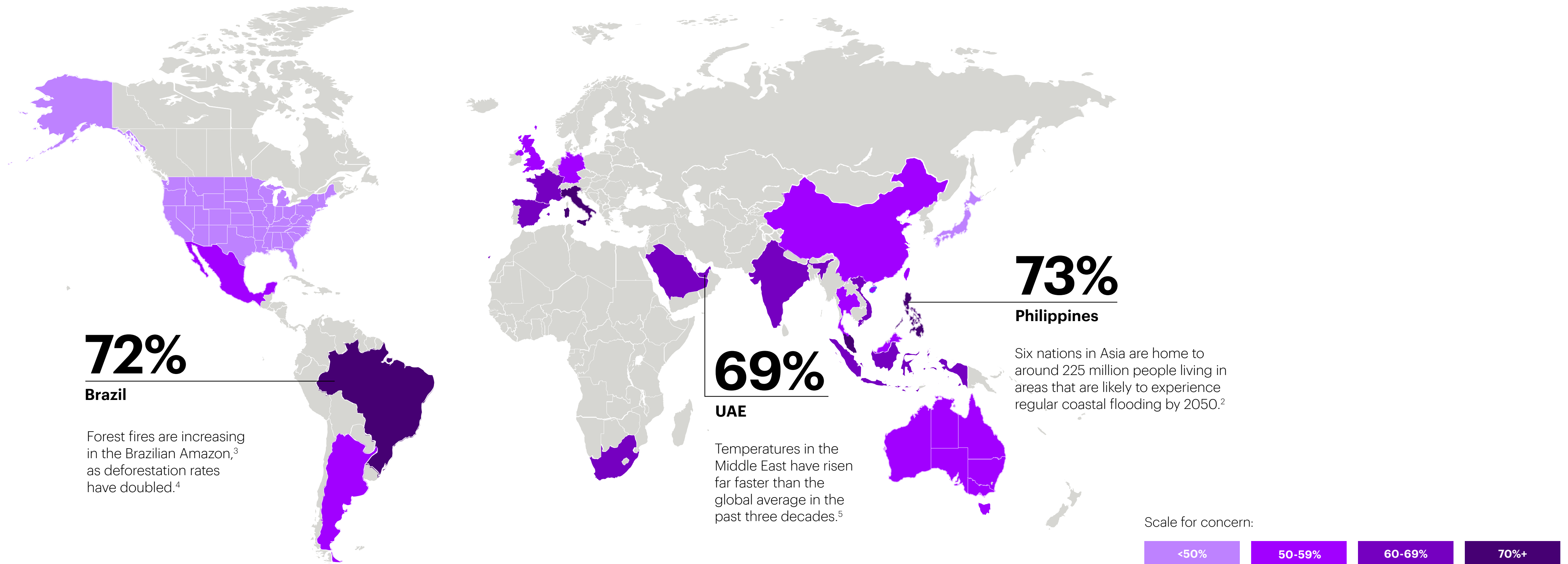


## Sustainability will be won or lost in emerging markets

The desire to consume in an eco-friendlier way is especially clear in the fastest-growing consumer markets of Latin America (LATAM), Asia Pacific (APAC) and the Middle East and Africa (MEA). In fact, our survey shows that desire for green products is nearly **two times higher** in these economies compared to Europe and North America.

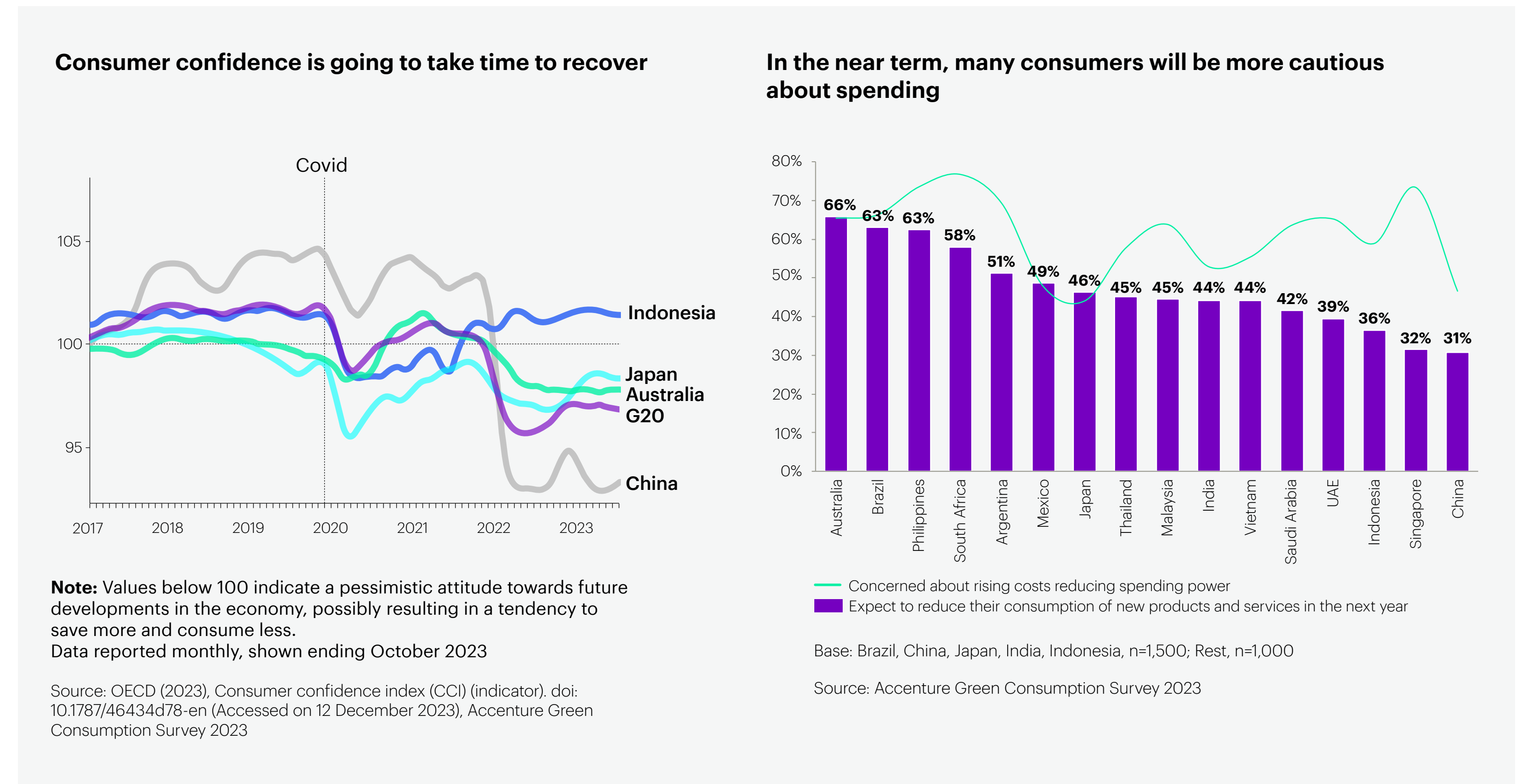
This strong desire may reflect a greater awareness or even anxiety about the potential impacts of overconsumption in regions that frequently experience the immediate and tangible effects of environmental degradation.

Figure 2: Consumers most concerned about the environmental impact of overconsumption have a higher demand for green goods and services



As the middle classes expand in emerging economies, companies are eager to capitalize on the resulting growth opportunities. However, strong desire for eco-friendly products doesn't automatically translate into robust purchases. Why? Because to buy a product or service, people also need to believe in the offering's value and be willing and able to pay. And that's not always the case, particularly as inflation remains high and consumer confidence low (Figure 3).

**Figure 3: Consumers are becoming more cautious about their spending, so they're less willing to pay a premium for green products**





## Making green the mainstream

In the current paradigm of green innovation, most companies tweak their product offering with eco-friendly attributes. Then they seek to recoup their investments by charging higher prices to a target market willing to pay this “green premium”. But higher prices often prevent green desire from translating into real purchase action.

### When green premiums make sense

While green premiums may hinder adoption in fast-moving consumer goods, durable goods and consumer services, they are absolutely essential for financing the initial phase of decarbonizing heavy industry. Our *Powered for change*<sup>6</sup> report highlights targeting green premiums as one of three levers for reducing emissions, particularly in the steel, metals and mining, cement, chemicals and freight and logistics industries.



“Aside from consumers who really care about the environment and those who [do not], there is a third group of consumers whose primary decision-making is based on the product, the brand, and how appealing it is to them. For [them] **sustainability will only become a consideration** if the products that they are looking at have a **similar quality and price.**”

**Senior business leader  
from the Middle East**



Our analysis of over 25,000 consumers over 22 countries — 18,500 of whom live across APAC, LATAM and MEA — suggests that there’s another way.

We wanted to find out what consumers, especially those in emerging markets, really care about when looking for more eco-friendly options. What’s a compelling value proposition that drives green purchases in these regions?

About a third of our sample — not an insignificant percentage — can be identified as **prominent green consumers**. These individuals are deeply concerned about the environmental consequences of overconsumption. They’re attracted to product attributes with green certifications or recyclable materials. And they consistently choose eco-friendly options, regardless of price or convenience. Most green offerings available today primarily target this group, and with good reason.

However, focusing only on this group of consumers ignores the majority and leaves considerable opportunity on the table. Our research found that while a minority of consumers are indifferent to green products, more than half are what we call **practical green consumers**. These are people who are somewhat drawn to green options, but aren’t necessarily attracted to what’s available today. Instead, they’re on the lookout for better value and simpler alternatives. They’re attracted to practical product attributes, like durability and multifunctionality.

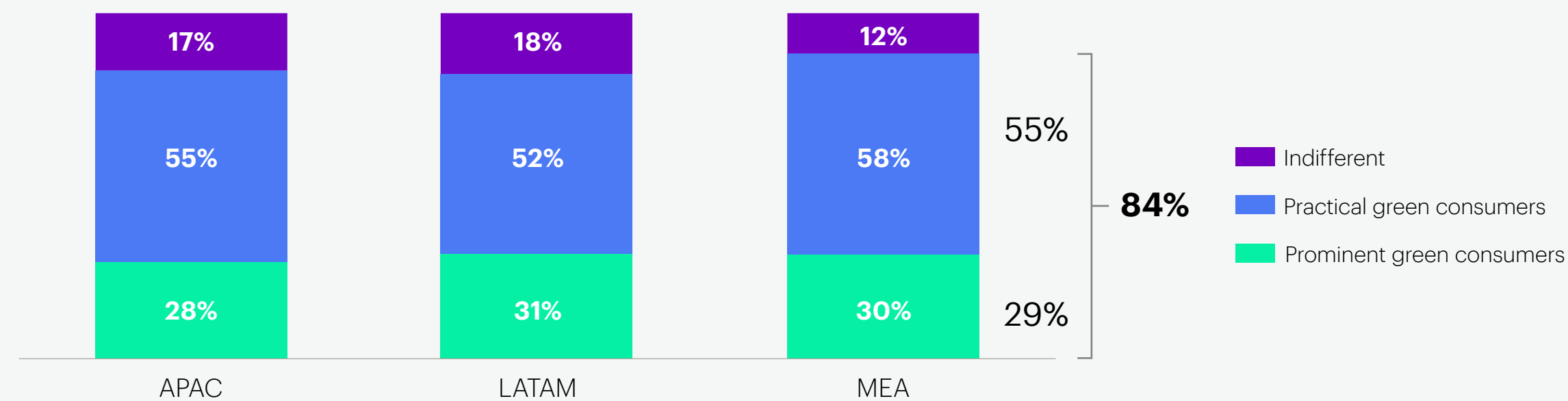
## By directing green innovation at both prominent and practical green consumers, companies can expand their target market to over 80% of people.

Innovating to cater to both prominent and practical green consumers enables businesses to expand their addressable market from less than 30% to over 80% of all consumers (Figure 4). This creates an enormous opportunity to increase sales volumes.

At the same time, this approach accelerates companies' own transition to the green economy and drives decarbonization at scale. And when all of a company's offerings are green by default, consumers win, too.

**Figure 4: From the Prominent to the Practical**

Percentage of respondents



Base: APAC, n=12,000; LATAM, n=3,500; MEA, n=3,000

Source: Accenture Green Consumption Survey 2023

“How do we humanize sustainability and make this easier for consumers? Sometimes we just need to take away choice to do sustainability by stealth. As a consumer, as a citizen, none of us should have to go to a store and choose between a product that causes tropical deforestation and one that doesn't, that simply shouldn't be a choice we have to make. So, it's our job as business to take that choice out of our products.”

**Dr Emma Keller,**  
Head of Sustainability,  
Nestlé UK&I<sup>7</sup>



We call this approach **eco-essential innovation**. It focuses on developing simpler, relevant everyday green products and services that blend environmental concerns with superb functionality and long-term customer value. It's about making green products simple, durable, reusable, accessible and affordable.

Eco-essential innovation empowers companies to make their products and services more relevant and valuable to customers. Startups and other forward-thinking businesses are already using eco-essential innovation, and they're set to disrupt entire industries. How? By providing better and more affordable green offerings and setting the new performance frontier.<sup>8</sup>

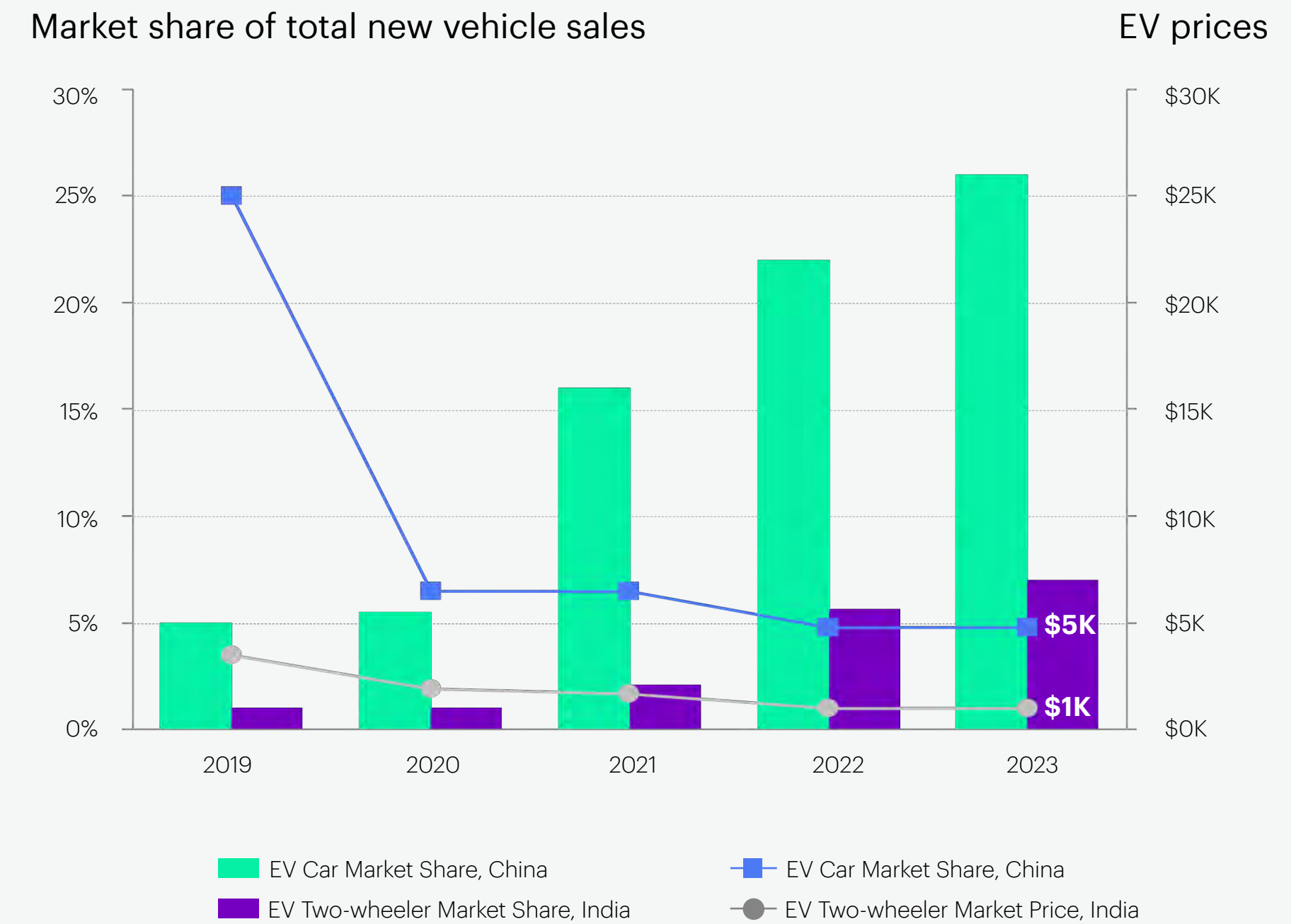
Take for example Framework, which offers a unique modular laptop that is designed to be customized, repaired and upgraded over time rather than thrown away with every new upgrade. This laptop prioritizes versatility over environmental benefits, allowing for seamless transition between office work and powerful virtual gaming. Although PC enthusiasts have long dreamed of such a modular system, Framework recognized that taking it mainstream would also appeal to the many behind the "right to repair" movement who are frustrated with planned obsolescence in consumer electronics. The company has also launched a B2B division to help other companies lower the environmental impact of their IT hardware, an increasingly important priority for green IT.<sup>9</sup>

With durability and reusability at the heart of the designs, such products benefit the environment while opening up lucrative new markets.

Similarly, demonstrating the strong appeal of simplicity, SAIC-GM-Wuling Mini in China and Ola's two-wheeler in India achieved exponential sales as bestselling electric vehicles (EVs). By prioritizing compact design, functionality and affordability over advanced technological features found on luxury models, these companies are expanding rapidly in their domestic markets and across the globe (Figure 5).



**Figure 5: Simpler and more affordable EVs have captured significant EV market share in China and India**



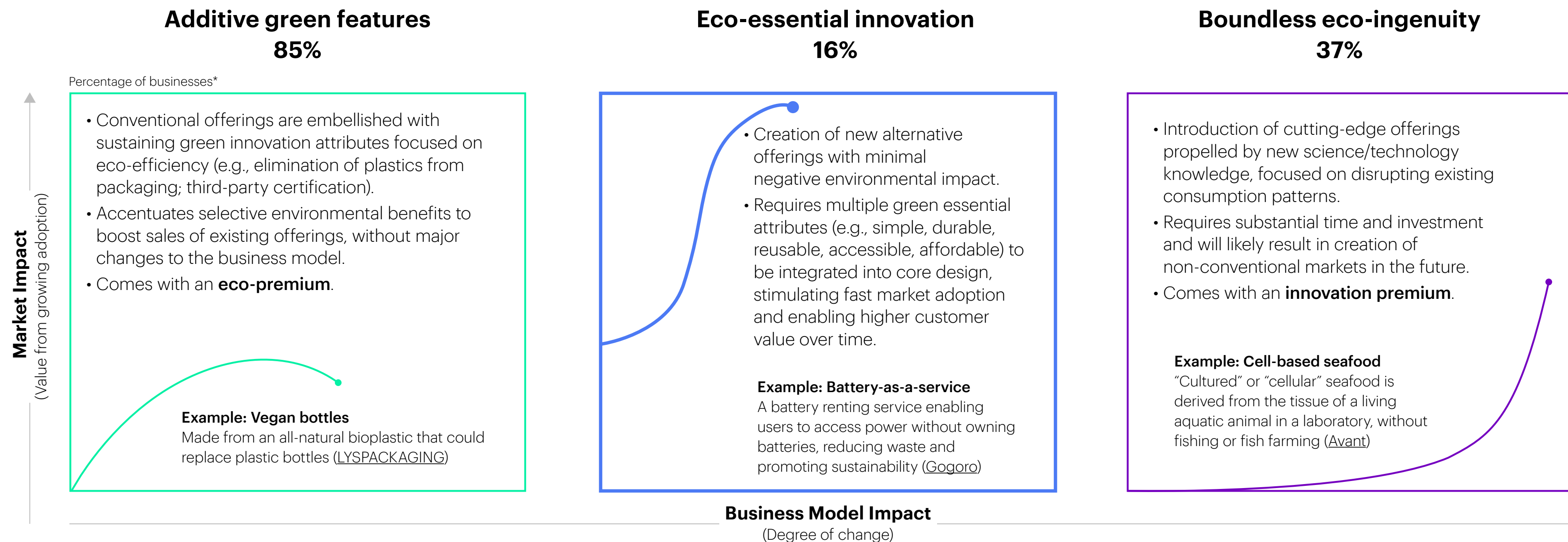
Source: Based on review of EV sales data from various sources – see references for full list<sup>10</sup>

# Reinventing green innovation

Despite its promise, few companies are making use of eco-essential innovation today. Our analysis found that among leading organizations that have discussed green innovation in the media, only 16% are currently pursuing eco-essential innovation (Figure 6). In other words, this game-changing opportunity to drive growth is going largely untapped.

**Figure 6: Few companies have embraced eco-essential innovation**

**Accenture Green Innovation framework:** Three types of green innovation focused on products and services



\* Out of 737 companies (38% of G2000) that had mentioned green innovation in media articles during 2019-2022  
Note: The dotted curves are illustrative trajectories of value creation from growing adoption  
Source: Accenture Research analysis on Factiva Analytics data

## Incremental upgrades, incremental impact

Since eco-essential innovation isn't yet widespread, how are companies currently developing eco-friendly products and services?

The vast majority — 85% — of businesses are taking the **additive green approach**. This involves making conventional offerings incrementally greener — for example, by switching to biodegradable packaging or pursuing green certifications — without altering the fundamental business model or product design. These additions are marketed to target the prominent green consumer and often come with a green premium.

The problem? When sustainability is seen as an add-on rather than an intrinsic product attribute, the products often fall short of the massive change required to inspire mass adoption and drive decarbonization at scale. So, although the green additive approach is appealing for many businesses, it has an incremental rather than transformative impact.

When done in a superficial way, green additive innovation could even be mistaken for greenwashing. Companies are under pressure to create offerings that deliver tangible environmental benefits, thanks to a new wave of regulations prohibiting vague or unsubstantiated environmental claims — such as “green” and “environmentally friendly”.

## Boundless ideas, limited reach

At the other end of the green innovation spectrum is **boundless eco-ingenuity**. Here the goal is to develop completely new classes of offerings that disrupt existing consumption patterns. Think of companies like Avant<sup>11</sup>, which makes cell-based seafood by producing fish proteins directly from fish cells, without fishing or fish-farming. Our analysis found that 37% of companies are pursuing radical innovations like these, which could reshape entire markets and deliver massive environmental benefits.

Products born from boundless eco-ingenuity may capture attention and excite early adopters, but they require substantial investments of time and money. This creates significant risk for companies. And it usually results in an innovation premium for consumers, potentially restricting widespread adoption.

While both the additive green approach and boundless eco-ingenuity remain important, eco-essential innovation presents a different paradigm, one where companies can make a considerable market and environmental impact in a shorter amount of time. It'll impact organizations in different ways. New businesses may emerge that focus exclusively on driving boundless eco-ingenuity. Others might use the framework to re-assess their current mix of offerings and increase the range of products and services to tap into this opportunity.



The two extremes of the green innovation spectrum





## Design, drive and deliver: Three dimensions of eco-essential innovation

In between the two extremes of incremental tweaks and completely new offerings, **eco-essential innovation** calls for an entirely new way of thinking about green. It requires companies to reimagine their products, zero in on the best way to drive long-term consumer value and consider how best to meet sustainability regulations. It challenges the status quo — including companies' business models, carbon emissions, growth strategies and supply chains.

**How should organizations approach this radical shift?  
We recommend focusing on three key areas.**



01

## Design for value

# Adopt a “meaningful green product” approach

Developing simpler and more relevant green products and services without sacrificing quality or performance demands a new design approach.

Consumers’ purchase decisions are increasingly swayed by eco-friendly features that emphasize **both ecological and functional performance**. What does this mean? That simply focusing on ecological attributes such as environmentally-sourced and eco-certified will no longer be sufficient.

This shift requires businesses to reinvent their product and service development, making green more “human”. Embracing a new **“meaningful green product” (MGP)** approach becomes crucial to ensure offerings deliver the right combination of features (eg durable, reusable, repairable and recyclable) that are most valued by consumers (Figure 7). In addition, these functional attributes lower the emissions intensity per product, reduce the amount of new material needed and extend a product’s lifespan — all of which are a win for the environment.

**51%**

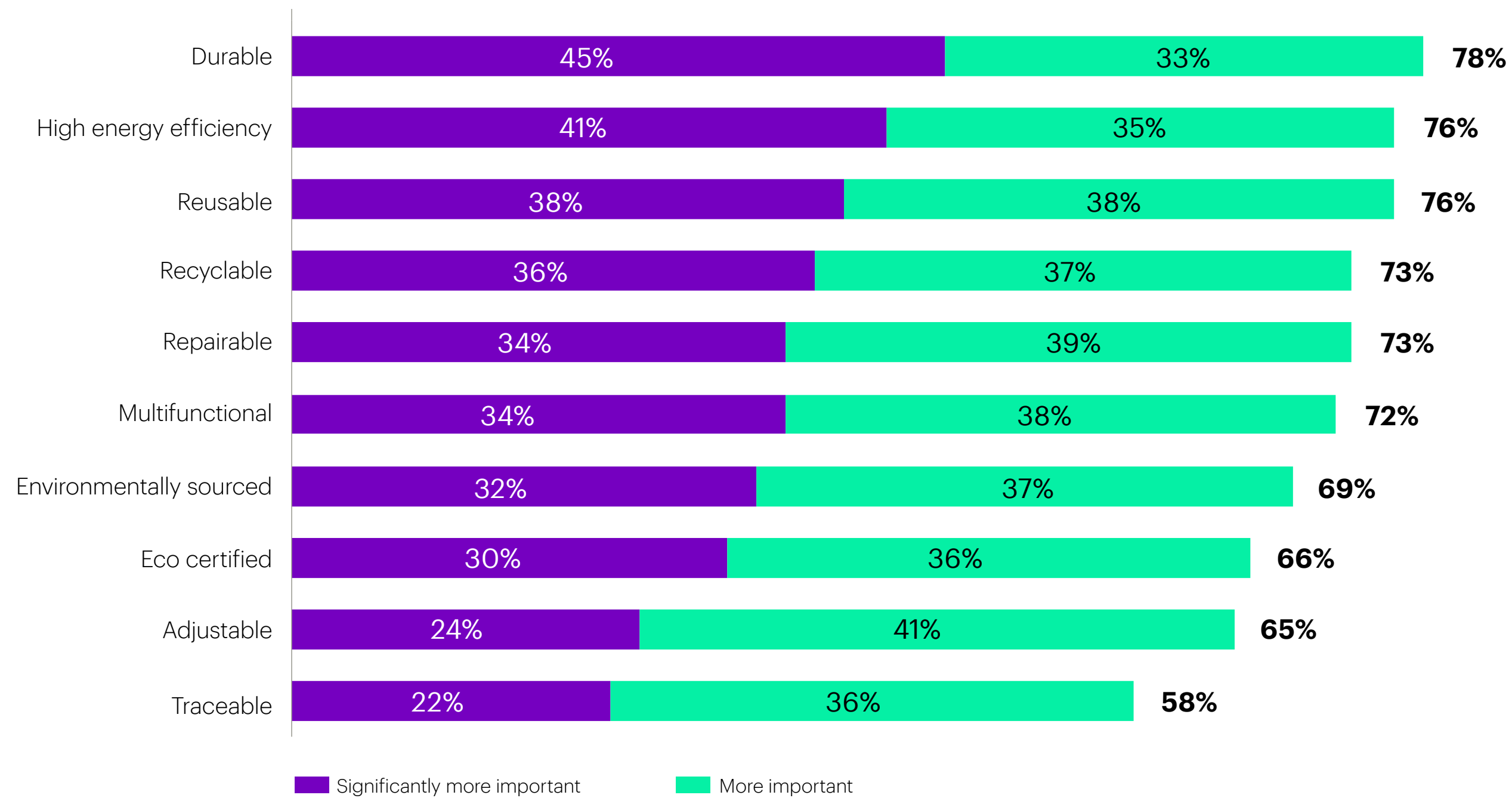
of world’s biggest companies are designing new products with lower carbon emissions.<sup>12</sup>



## Figure 7: Features that emphasize both ecological and functional performance are expected to become more important in purchase decisions

### Expected change in attribute importance in the next 12 months (APAC, LATAM, MEA)

Percentage of respondents who selected "significantly more important" or "more important" on a five-point scale



Source: Accenture Green Consumption Survey 2023



Case study

**Fairphone**

# Fighting electronics waste, one phone at a time

An estimated 5.3 billion mobile phones are thrown away each year, with less than 20% being recycled.<sup>13</sup> Enter European social enterprise Fairphone, which is designing phones for longevity through a simplified and modular design.

Fighting against the industry norm of phones being replaced every 18 months, Fairphone encourages consumers to keep their phones for as long as possible.<sup>14</sup> The company's phones are durable and easy to repair with a five-year warranty on both the hardware and software. Its Fairphone-as-a-service program further instils a circular business model where it can ensure the phones are reused or recycled at the end of their already extended life.<sup>15</sup>

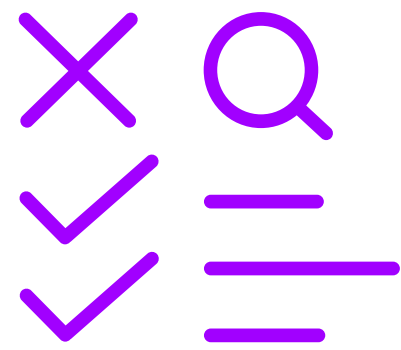
However, while the outcome is a simpler phone with repairable parts, the journey has required continual innovation. The phone manufacturer has worked hard to create upgradable parts (eg camera modules) that can compete with traditional mobile manufacturers today and ensure customer satisfaction. For example, Fairphone worked with a community of users and developers on software upgrade capabilities until they were competitive.<sup>16</sup>

 **Outcomes:**

- Further raised \$53 million in capital growth funds<sup>17</sup>
- Influencing the industry by demonstrating a smartphone can be modular and easily repairable<sup>18</sup>
- Stayed ahead of regulatory changes as the only smartphone to get a 10/10 repairability score by iFixit<sup>19</sup> and 8.7/10 under France's new requirements<sup>20</sup>

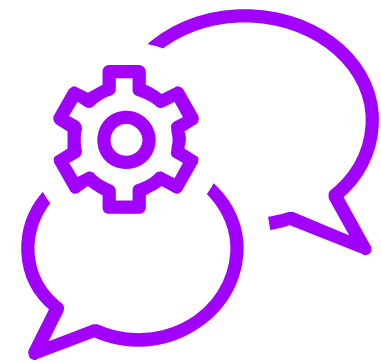


## Practical considerations to help your business make a start



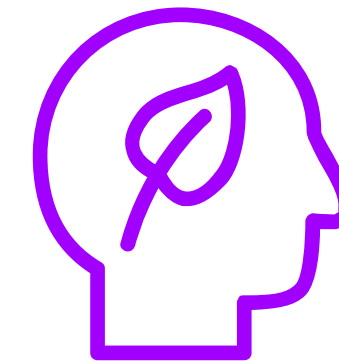
### Re-evaluate your current product and service portfolio

- Are there current offerings within your portfolio that could be enhanced with more meaningful green attributes? Consider factors like material choices, design complexity, and end-of-life options.
- Alternatively, challenge core design principles and invent an offering that disrupts the status quo and pursues customer lifetime value over a transactional sale.



### Preempt regulatory shifts and supply chain impacts when considering future product design

- Seek out ways to stay ahead of the inevitable increase in extended producer responsibility (EPR) schemes, Right to Repair laws, plastic reduction requirements and circularity principles. Consider where your current product designs are at risk of not meeting emerging regulatory requirements and embed this knowledge in your future design principles.
- Break free from dependence on specific suppliers and materials with volatile pricing and availability. Increasing product durability requires less exposure to disruption, price swings and resource scarcity. Plus, extended product lifecycles reduce reliance on specific raw materials, further buffering your business against external shocks.



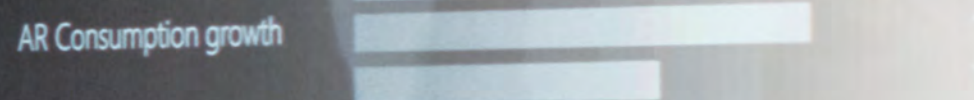
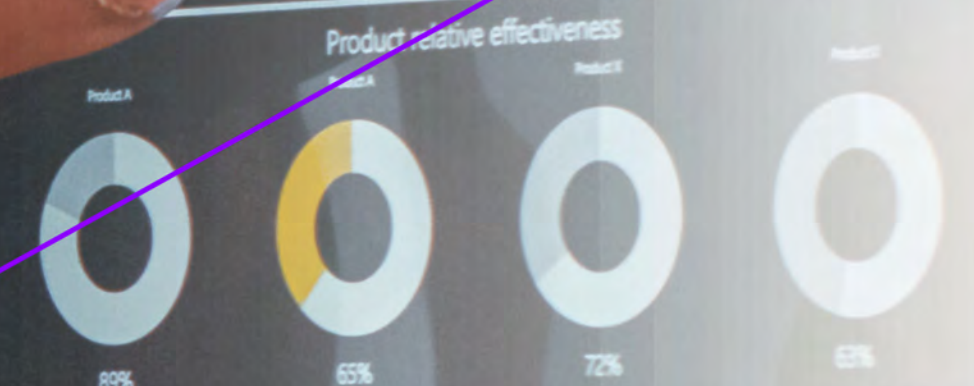
### Revamp the "green" message

- To truly connect with customers, delve deep into their needs and values. Focus on what truly matters: function, performance, cost and convenience.
- Imagine: durable products that last longer, saving money on replacements. Repairable items that adapt and evolve, maximizing performance and customization. Reusable options that offer convenience and eliminate waste. These benefits resonate across demographics, not just the eco-conscious few. By understanding your current and potential customers, you can craft targeted messaging that speaks their language.



## Digital Distribution & Sales Analysis

"There is no one who loves pain itself, who seeks after it and wants to have it, simply because it is pain..."  
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Integer congue ac risus non pharetra. Etiam laculis leo ac erat auctor, a laculis justo volutpat.  
Pellentesque in mi gravida, pellentesque metus sit amet, placerat lorem.  
Praesent ornare ultricies enim, a mattis augue convallis in.



### Social Networks growth in marketing

- Social networks influence**  
Sed vulpate sit amet dolor sit amet tempus. In massa libero, tristique a dapibus sit amet, vulpate non augue. Mauris ultricesper feis sit amet est pharetra venis.
- Community involvement**  
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- Content Consumption**  
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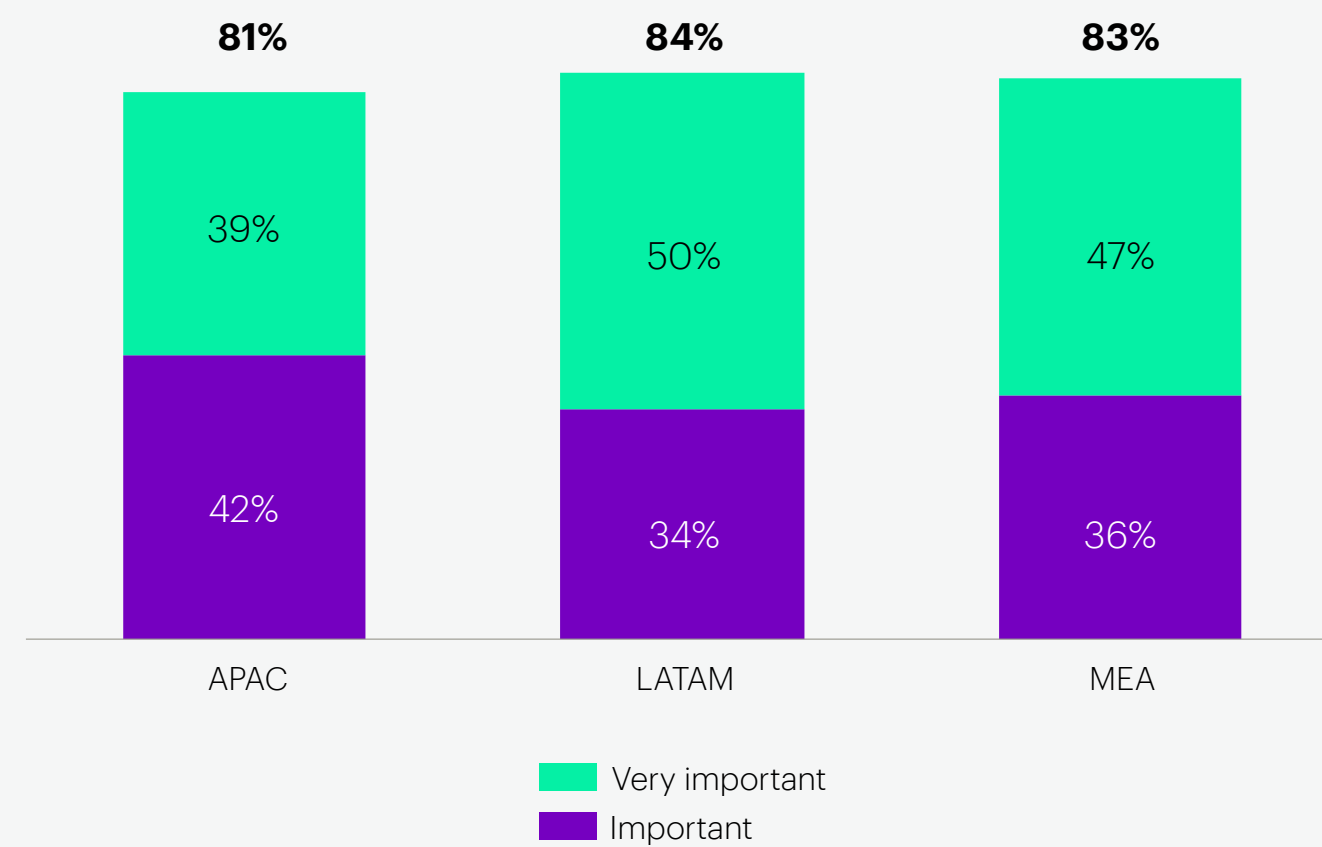
## 02 Drive with insights Stimulating new demand and forecasting green opportunities

Existing marketing and sales strategies typically assume green consumers are a minority and relatively price-insensitive. But this notion is ripe for reinvention, because eco-essential innovation **dramatically expands the total addressable market for green products and services.**

**Figure 8: There is considerable scope for businesses to make green products and services more widely available**

**Consumer expectations of businesses —  
Make eco-friendly options more widely available**

Percentage of respondents who selected “very important” or “important” on a five-point scale



Source: Accenture Green Consumption Survey 2023

In fact, more than 80% of consumers expect businesses to make eco-friendly options more widely available across a broader range of product categories (Figure 8). Businesses can **forge cross-industry partnerships** to make eco-friendly offerings more accessible. For example, imagine community centers teaming up with sustainable brands and fintech partners to offer repair workshops and microloans. Suddenly, upcycling old furniture into eco-friendly treasures becomes a breeze for everyone, one toolbox and loan at a time.

Financial institutions and technology companies have a particular role to play in supporting businesses by bringing sustainable products to the masses. Data and AI can be harnessed to discover and enhance successful cross-industry collaborations.



Case study

**MakeMyTrip**

# Partnering to promote eco-friendly travel

MakeMyTrip is an Indian travel platform that's a member of the Global Sustainable Tourism Council. It's working hard to reduce the environmental impact of its offerings, including partnering with BluSmart to provide electric taxis for customers. This partnership has improved the accessibility of cost-efficient, go-green transit options in India.<sup>21</sup> And it's using AI and machine learning in areas such as ranking and pricing to create personalized recommendations that could encourage consumers to go green.<sup>22</sup>

 **Outcomes:**

- Strong rebound from the pandemic
- \$2 billion in gross bookings in Q3 2023-24,<sup>23</sup> the company's best quarter so far

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However, capturing these fresh commercial opportunities also requires new approaches to sales and marketing.

Companies should use data and AI to **identify and target untapped consumer segments** — including people who aren't particularly eco-conscious — as well as to incentivize eco-friendly consumption.



Case study

**Velomarket.pl**

# Empowering consumers to make informed choices

Businesses can also harness the power of data and AI to effectively nudge consumer behavior towards green consumption. Take for example Velomarket.pl, an e-commerce platform that assists consumers to make more environmentally sustainable purchases. In collaboration with Accenture, Velomarket.pl leveraged generative AI to effectively assess and label each product in accordance with a set of stringent sustainability criteria. The technology can analyze massive amount of data in a fraction of a second to ensure that environmental labelling is justified, and consumers are making an informed choice.

**35%**

of the world's largest companies are trying to influence customer behavior as a decarbonization level.<sup>12</sup>

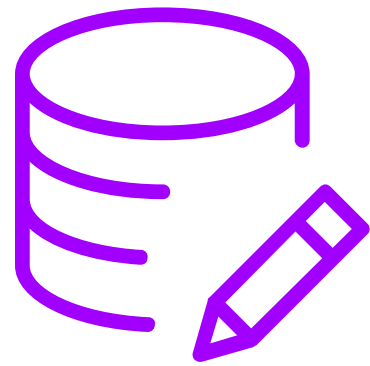
 **Outcomes:**

- Helped to position parent VeloBank as an ESG and innovation leader
- Demonstrated how responsible AI can help make product information more transparent and empower consumers to make choices in line with their values

The intersection of data and AI, product genomes and eco-design is an emerging area with the potential to significantly improve the environmental impact of products. For example, life cycle assessment (LCA) data, detailing products environmental impact at every stage, from material extraction to end-of-life empowers eco-design by optimizing the product from the very beginning.

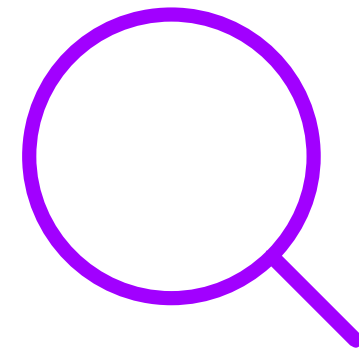


## Practical considerations to help your business make a start



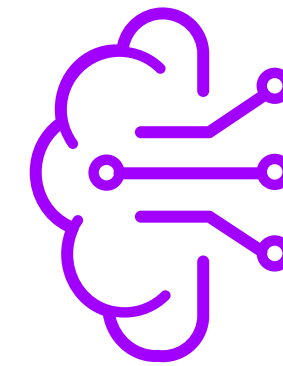
### Identify and leverage your own data sources to unlock hidden eco-buyers

- Mine your sales, website, social and survey data to understand your customers. AI can then delve deeper, uncovering hidden patterns and revealing untapped segments with a surprising interest in your sustainable offerings.
- Segment and target customers by grouping them based on shared characteristics, behaviors and values.



### Look for ways to create more personalized nudges, not lectures

- Instead of generic "go green" lectures, use AI to understand each customer's unique story. Analyze their purchase history, online behavior and social media interactions to reveal their preferences and roadblocks to sustainable choices.



### Use data and AI to test drive collaborations

- Before investing, predict the potential success of different partnership models through AI-driven simulations. AI can help identify ideal collaborators based on expertise, resources and audience alignment.
- Look to share data securely within partnerships, allowing AI to unlock deeper insights and deliver optimized solutions.





03

## Deliver beyond price

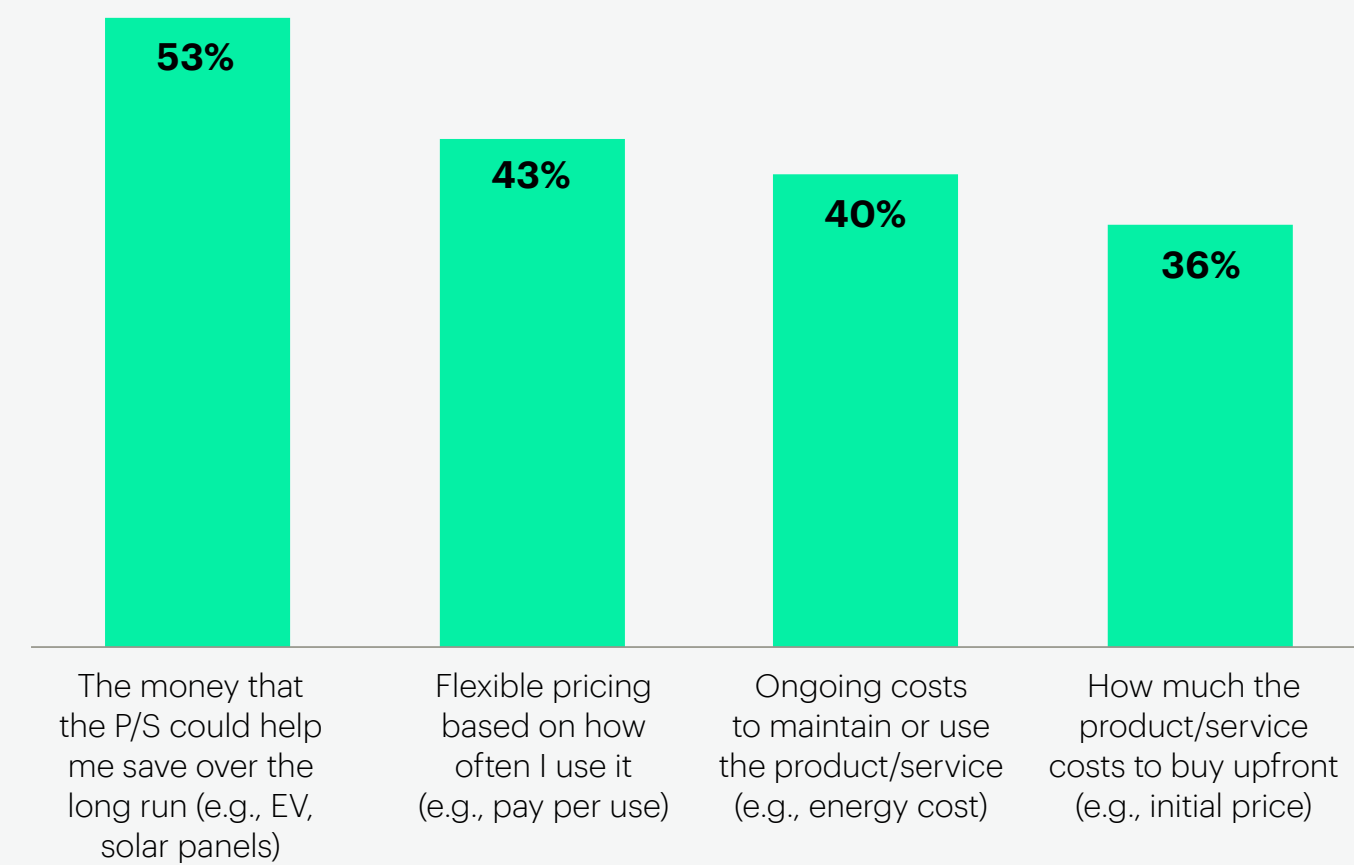
# Optimize total cost of experience

More than 80% of consumers across APAC, LATAM and MEA expect businesses to make eco-friendly options less expensive than they are today. But increasing affordability doesn't necessarily mean making products cheaper. Instead, it's about delivering savings and value over the long run (Figure 9). And that requires a business model that optimizes the total cost of experience for consumers.

**Figure 9: When considering the 'affordability' of a product or service, consumers are looking beyond upfront cost**

**What consumers pay attention to when considering the affordability of a product or service – APAC, LATAM, MEA**

Percentage of respondents



Source: Accenture Green Consumption Survey 2023

For instance, service-led business models can lower “out-of-pocket” expenses for consumers over time. One example is home appliances available as-a-service to reduce electronic waste footprint, cut down utilities bills and free up valuable space, by letting people access appliances when they need to, without having to store them the rest of the time.

**12%** of large companies are creating new business models towards decarbonization.<sup>12</sup>



Case study

Gogoro

# Making green transport more affordable

New business models are already shaking up the EV market. Although EVs can reduce total costs for consumers in the long run, they're often more expensive at the point of purchase, largely due to the cost of the batteries. Gogoro lowers the price barrier by selling vehicles without the batteries and offering a battery leasing service instead.<sup>24</sup> The result? Consumers can exchange depleted batteries for fully charged ones at a fraction of the cost of a new scooter — revolutionizing the affordability of these eco-friendly vehicles.<sup>25</sup>

 **Outcomes:**

- 97%<sup>26</sup> of e-scooters sold in Taiwan are either Gogoro scooters or powered by their batteries and charging infrastructure
- Collectively, Gogoro's 1.3 million users have offset 287 million liters of gasoline and avoided 603 million kilograms of CO<sub>2</sub> emissions.<sup>27</sup>
- Named as a Top Climate Tech Company to Watch by MIT Technology Review in 2023.<sup>28</sup>

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Companies can also create extra consumer value by embedding digital technology within their green offerings. This approach is exemplified by the invention of smart fridges, which can regulate their temperature to save energy and maximize product shelf life, cutting food waste.



Case study

Midea

# Keep it cool. And hot.

As demand for cooling increases, the use of air conditioners is set to double by 2040.<sup>29</sup> This exacts a heavy environmental toll, because air conditioners use more electricity than any other appliance in the home.

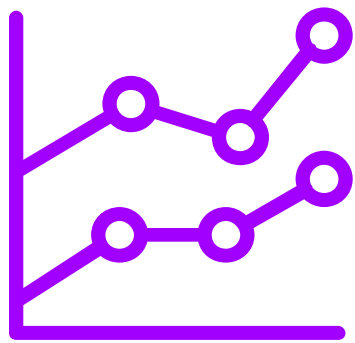
Enter Midea, a Chinese electrical appliance manufacturer. It's developed a system that recycles waste heat generated by air conditioners and uses it for hot water supply, providing additional value to consumers.<sup>30</sup>

 **Outcomes:**

- Energy-saving technologies and products increased overseas revenues and profitability.
- Midea's first green bond was 8X oversubscribed and set a record low issuance margin.<sup>31</sup>

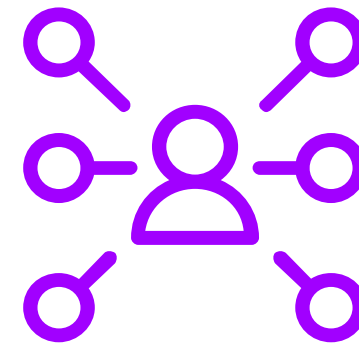


## Practical considerations to help your business make a start



### Get clear on your customers current total cost of ownership

- Undertake a cost-benefit analysis that seeks to understand the monetary and non-monetary costs and benefits of owning a current product or service you offer. Think about initial cost, maintenance, time, effort, cost to store, and cost of disposal, as well as potential savings such as energy efficiency, resource conservation and waste reduction.



### Drill down to the core benefit and amp up accesibility

- Access to greener solutions shouldn't be a privilege. Investigate where accessibility barriers might exist in different markets.
- Explore business models that can reach low-income communities – such as pay-per-use, community-based ownership models, or social impact bonds.



### Make it easy

- Ensure the customer experience is intuitive, easy, and seamless. This reduces frustration and increases value perception.

# From niche to norm: Empowering consumers to make sustainable choices

Eco-essential innovation is vital to making sustainability more relevant and actionable for people. Making products and services **green by default** is a critical part of **reinventing consumption**.

Want to discover how organizations can crack the code, helping people to live more sustainably while reinventing consumption and themselves for the better?

Check out the new **Our Human Moment report**.<sup>32</sup>

**Consider these questions when exploring how to harness eco-essential innovation to succeed in this new era of commerce:**

## CEOs

- Where's the economic opportunity?
- How can I focus on green innovations that widen my addressable market?
- How does this help me build my brand and grow?
- What are the risks? For example, is there a risk of eco-essential innovation cannibalizing my existing brand?
- Beyond consumer-led revenue streams, what other partnerships and technologies can open growth opportunities?

## CFOs

- How much investment is needed? And where can I get the money?
- Why is this worth prioritizing over other potential investments?
- Where are the risks?
- How can I ensure that eco-essential innovation doesn't negatively impact my existing businesses?
- What pricing strategies can provide access, value and flexibility?

## Product leads

- How can I best meet customer expectations and redesign existing or new products to include inherent and meaningful eco-friendly attributes such as durability, reusability, and repairability?
- What services can I craft around my existing physical products to encourage durability without compromising sales?
- How do I get the right engineering and manufacturing to help shape new offerings? Do I have it already, or is it new?
- Is my new offering an extension or change of what I already have? Or is it something completely new? Are there similar examples in the market?
- Do I have the talent and suppliers necessary to design, build and launch this product?

## Marketing

- How big is the potential market? And where is it?
- Is this a new product line, or an entirely new business?
- Am I targeting new or existing customers?
- How do I find and target potential customers?
- What tools and talent can support me along the way?



There's a window of opportunity to take the lead and eco-essential innovation is key to seizing this chance. Companies that successfully reinvent themselves will not only succeed in this new competitive ground but hasten the transition to a green economy. This will protect the planet while enabling businesses to achieve their ESG goals. And that's a legacy to be proud of.

# About the research

## 1. Consumer survey

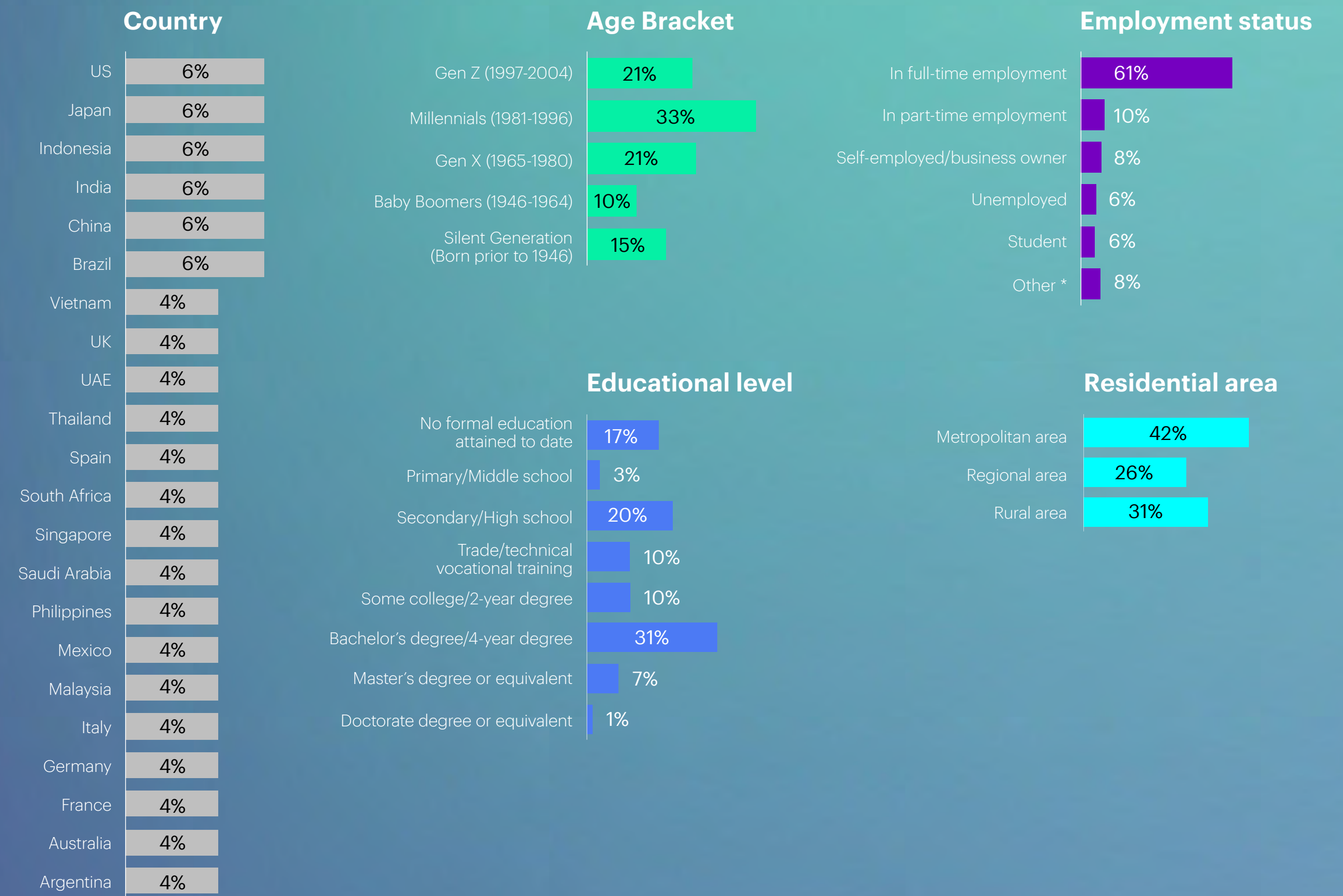
We surveyed 25,000 consumers in January 2023 across 22 countries: Argentina, Australia, Brazil, China, France, Germany, India, Indonesia, Italy, Japan, Malaysia, Mexico, Philippines, Saudi Arabia, Singapore, South Africa, Spain, Thailand, United Arab Emirates, United Kingdom, United States and Vietnam. This survey was designed to help assess consumers attitudes to green consumption. Specifically:

- Factors affecting consumer spending
- Drivers and barriers of “green consumption”
- Consumers expectations regarding eco-friendly offerings and their providers

Identifying the prominent, practical and indifferent consumers: Through a clustering approach we identified three consumer groups using two parameters: concern on over-consumption impact on the natural environment and their consumption style. We then empirically confirmed that these groups exhibited differences in the motivation to consume eco-friendly products and services, the attributes they were attracted to and purchase preferences.

## 2. Qualitative interviews

We interviewed 20 senior business leaders across eight countries (Australia, Brazil, China, India, Indonesia, Japan, Singapore and UAE) to better understand the motivations, barriers and success factors to different types of green innovation. We targeted large businesses (with revenues > \$500Mn USD) and established start-ups who were currently creating or planning to create green products and services in the next three years.



Base: n=25,000  
Source: Accenture Green Consumption Survey 2023

\* Other refers to currently on leave, retired or unable to work (due to disability, health problems)



# About the authors



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Alison Kennedy has more than two decades of experience in business across Asia, Europe and the US. As Senior Managing Director for Sustainability and Enterprise Reinvention across Growth Markets she works at the heart of the sustainability revolution, helping clients, chart and execute their strategy. She also is responsible for making sure Accenture delivers on their sustainability commitments across Growth Markets. As part of the Global Leadership Council in Accenture, Alison is one of a small number of senior leaders who have been at the helm of Accenture as the company moved from a private partnership to one of the worlds most respected companies with 743,000 employees in more than 120 countries. A passionate believer in the power of human ingenuity and technology to make the world better, Alison has published on a variety of topics including Sustainability, AI and Talent. She lives in Singapore and sits on a number of advisory boards including one at The London School of Economics where she is an Alumni.



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As the head of Accenture Song in the Growth Markets, Flaviano leads a diverse community of change makers, comprised of business experts, analysts, technologists, creatives, and designers who bring their unique strengths and abilities to revolutionize the way businesses operate and connect with their customers. With over 15 years of extensive experience in business strategy and marketing, Flaviano has played a pivotal role in helping some of the world's largest brands achieve sustained growth and relevance through transformative experiences. He firmly believes in the fusion of creativity and technology-powered solutions to enable businesses to lead confidently into the future. His mission is to guide organizations in reinventing their work processes and introduce Accenture Song's innovative playbook for growth to a wide range of brands and businesses across the region. Flaviano holds a Mechanical and Electronic Engineering degree from the Pontifical Catholic University and a Master of Science in Management from the London Business School.



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## About Accenture

Accenture is a leading global professional services company that helps the world's leading businesses, governments and other organizations build their digital core, optimize their operations, accelerate revenue growth and enhance citizen services—creating tangible value at speed and scale. We are a talent- and innovation-led company with approximately 743,000 people serving clients in more than 120 countries. Technology is at the core of change today, and we are one of the world's leaders in helping drive that change, with strong ecosystem relationships. We combine our strength in technology and leadership in cloud, data and AI with unmatched industry experience, functional expertise and global delivery capability. We are uniquely able to deliver tangible outcomes because of our broad range of services, solutions and assets across Strategy & Consulting, Technology, Operations, Industry X and Song. These capabilities, together with our culture of shared success and commitment to creating 360° value, enable us to help our clients reinvent and build trusted, lasting relationships. We measure our success by the 360° value we create for our clients, each other, our shareholders, partners and communities.

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