

Global manufacturers get serious about sustainability

More and more global discrete manufacturers are pursuing sustainability through innovative and agile thinking.

They're motivated by:



Increased revenues and reduced costs.



Energy efficiency, productivity and resilience.



Improving their brand image.

Circular economy growth

Innovative manufacturing that extends the lifecycle of products, minimises waste, and reduces demand for natural resources.



97%

have adopted a **circular economy strategy**.



95%

expect a positive business impact over **two years**.



31%

want to **minimise waste** to landfill.



31%

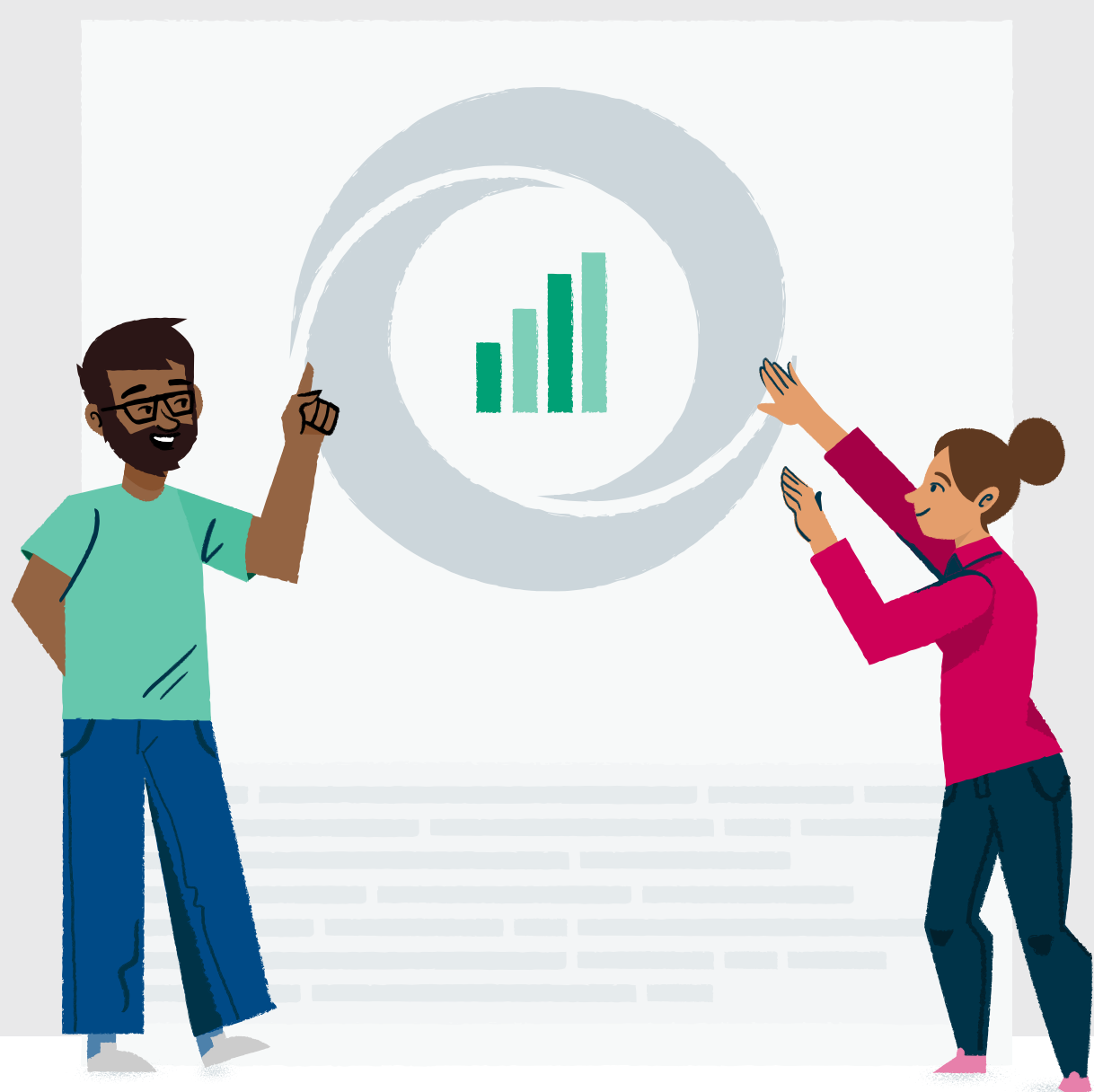
want to **cut natural resource** and energy use.

The cost of change



77%

will need to **transform operations** significantly.



Growing manufacturing revenue through servitisation

Manufacturers are pursuing ways to expand their product lines with services and solutions, including attractive add-ons, such as implementation, maintenance and upgrades.



52%

say servitisation is **impacting them**.



91%

of those impacted are **pursuing servitisation** themselves.



93%

of those using servitisation see it having a **positive business impact**.

Why are they doing this?



Share of wallet, **long-term contracts**.



Steady cash flow **forecasting**.



Product repair **cost savings**.



Sustainability-centric predictive **maintenance**.



Final analysis: The pros and cons of going green



More and more discrete manufacturers are **adopting sustainable**, circular and service-oriented practices.



They need to **transform processes** and business culture to do it well, but they're willing to change.



As well as having a positive environmental impact, companies are doing it for **good business reasons**.



Reasons such as process efficiencies, financial advantages, cost savings, improved customer service and **competitive edge**.



Key takeaways

1

Discrete manufacturers increasingly view sustainability as having financial and **strategic business advantages**.

2

They are willing to **invest in process and culture change** through circular economy practices and servitisation.

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