

## **THE BUSINESS CASE FOR SUSTAINABLE DESIGN**

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### **What are the consequences of your current business practices?**

Is it possible to create the perfect product or service? One that is profitable, yet benefits the environment and society simultaneously? The answer is yes, and many forward thinking companies are taking the initiative to integrate sustainable design practices into the way they do business. The truth is that it is not difficult to take incremental steps towards positive change – all it takes is for you to think big and start small.

It is no secret that there are serious environmental consequences to the way many business practices are currently conducted and it's a fact that our natural resources are depleting, increasing the cost of materials. Social equality or the ability to fulfil the needs of everyone involved with the production of a product or service is also lacking in many corporations. By rethinking factors such as material use, production processes, packaging, transport, consumption and disposal – basically, the entire life-cycle of your product – you can make a huge positive impact on the environment and society, and also increase your profits. It's a win-win-win situation.

On the other hand, there are many companies that are already taking steps to help the environment with their product or service, and also incorporate fair trade practices and/or social equality but no one is aware of the good that they are doing due to poor communication. In this situation the right marketing, communications and branding promoting the sustainable advantages of your product or service is needed to make the public aware of your efforts.

### **What is Sustainable Design?**

These changes in the way you do business all refer back to sustainable design, which can be a somewhat ambiguous term. 'Sustainability' as applied to design refers to a holistic approach to creating products, services or systems that not only benefits the environment and society, but also has economic advantages – precisely why businesses should be concerned and learn more about how it can help them become more successful and competitive in an evolving market.

Not only are there growing environmental concerns, but consumers are becoming more and more informed regarding the products they purchase. Many consumers choose products that they feel good about purchasing either because they are healthier for themselves as individuals or healthier for the environment and society. Currently consumers are driving the market with more defined needs and expectations from products.

### **'True Cost'**

True Cost refers to the ENTIRE cost of producing a product, not just the purchasing price. A product that is cheaper on the market because it is produced overseas does not take into account the cost of transport by plane in terms of fuel, pollution, noise, etc. It also doesn't take into account how fairly the people involved with overseas production are treated and if they are being paid enough for their labor.

An initial step in reducing your environmental impact and improving social issues is figuring out how to reduce the true cost of your product. By considering long-term solutions you can lead to long lasting advantages.

The challenge of sustainability is how your product or service can accommodate this evolving market and remain profitable. By determining the true cost of your product or service, you can decide where to make necessary modifications in your business practices. It's all about making the best choices for the environment and all parties involved in the realization of your product or service.

For example, you might save money through overseas production, but you are increasing energy usage through transport. On the other hand, you might redirect your overseas production to encourage overseas communities to become more economically viable. In this case the social and economic benefits might offset the environmental damage you've created.

There is also a common misconception that being environmentally conscious is expensive. The truth is, in most cases it costs the same to make eco conscious choices and can even lead to greater profits in the long run. For example, a simple switch from virgin to recycled paper can lower the 'true cost' of a product. Recycled papers today are comparable in price to virgin papers yet have much less impact on the environment. Also, planning ahead and working with printers and paper suppliers can yield cost and consumption savings. The more that you specify environmentally friendly materials, the more you increase the overall demand, and the price will inherently decrease.

*The shift towards sustainability is about making the best business and design choices for people, profits and the planet.*

### **Why Sustainable Design?**

It's estimated that the majority of all product-related environmental impacts are determined during the design phase. Why not address this challenge from the very beginning stages of a product?

Sustainable Design can address sustainability challenges either incrementally or radically. Incremental changes can occur in how products are designed in terms of reducing their impact. Radical changes refer to how design can actually have the power to influence behaviour change, in turn affecting how we actually consume. In this case, brand design, marketing and packaging design have an extremely important role to play in influencing the psychology of consumption.

Through the power of your brand, it's possible to help people identify a new paradigm in terms of lifestyle choices. Innovative, meaningful and relevant brand messages that tackle current consumption behaviours will play the most important role in achieving a sustainable society – one in which there is a balance between social, environmental and economic factors. By having your business cater to this new demand from consumers, you can become more profitable and also feel good about your product.

### **Do you have a conscience?**

Maybe you do, but the shift towards sustainability no longer relies on whether or not you care – it's going to be necessary in the near future to incorporate sustainable design in your business practices no matter what. It will no longer be an option, but a requirement.

This is the shifting nature of design – sustainable design is not just a 'kind' of design, it is the definition of *good* design.

### **Cut costs through sustainable design: Reduce, Reuse, Recycle**

- Reducing energy and water usage (either in your office or through production processes)
- Recycle paper or use recycled paper for your products
- Rethink transportation for distribution
- Redesign packaging to fit sustainable design guidelines
- Increase the demand for green products by requesting them for your own needs, inherently dropping the price
- Increase the demand for your product or service by going 'green' and capitalizing on recent consumer demand

### **Cost Savings – Examples of Companies that have saved money through sustainable design choices**

- **National Wildlife Federation** has not paid any extra for post consumer recycled paper in the last 10 years. Through purchasing its own paper and creating alliances with mills and merchants, NWF saves a significant amount of money per year. Through smart paper use decisions, NWF saved approximately \$46,000 last year in paper costs for one single title.
- **Pepsi-Cola Co.** conserved 196 million pounds of cardboard and saved \$44 million by switching from disposable corrugated-cardboard shipping containers to reusable ones.
- **UPS** has potentially halved the paper used for overnight delivery packaging by introducing packages that can be used twice.
- **Norm Thompson** made an envelope change three years ago that resulted in \$50,000 savings and \$50,000 in increased demand due to improved response rate. Last year they saved \$400,000 in packaging materials, freight and labor due to their "Ship All Together" program.

### **Environmental Savings – facts and figures**

- **AVEDA** – One project can have an impact. By using 100% recycled paper for the Aveda magazine in 2002, saved:
  - **4,116** Trees.
  - **372,820** Pounds of solid waste.
  - **410,205** Gallons of water.
  - **535,050** Kilowatt hours of electricity.
  - **677,730** Pounds of greenhouse gases.
  - **1,029** Cubic yards of landfill space.
  - **57.2** Years of electric power required by the average U.S. home.
  - **548,770** Miles traveled in the average American car.

Source: *'Different Not Difficult: How to Make Sustainability Happen'*