Supporting a Shift in Customer Attitudes Towards Sustainability

25 January 2024



Today's world is defined by an increasing environmental awareness and a growing sense of responsibility. When it comes to sustainability, organisations are evolving at an astonishing rate, and it's particularly interesting to look at how sustainability has been embraced over the past few years.

At Lenovo, sustainability has been a key focus for a long period of time – it's at the heart of what we do. While it's always been an important topic for our customers as well, lots of businesses have struggled to turn sustainability ideals into action.

In fact, according to the World Economic Forum (WEF), 90% of executives believe sustainability is important, but only 60% of organisations actually have sustainability strategies in place[1]. Thankfully, we are starting to see more and more companies find their feet when it comes to sustainability.

An increasing awareness of sustainability

Customers today are much better educated than they were a few years ago. They know about upcoming legislation, understand Scope 1, 2 and 3 emissions, and they're asking about carbon footprints and the energy usage of products. Customers also have very tangible

targets, including reaching net-zero or reducing CO_2 emissions by a given time. Along with specific sustainability goals, businesses are implementing targets that are very much measurable.

There's now an expectation for technology vendors to play a role in the sustainability transition, in suggesting and providing solutions that can help customers meet sustainability targets. This has opened a door for Lenovo to go beyond simply providing technology and become a trusted partner, meeting customers at every stage of their sustainability journey.

In the past, prices and specs were naturally very important to customers, but we've seen an evolution in the market where sustainability attributes play an increasingly large role in technology requirements. This has led to stronger relationships with customers and working together to find the most efficient solutions.

Each customer is at a different stage when it comes to their sustainability journey. Some have just begun, and others are a lot more advanced. This variance is not industry or region specific and differs between organisations. Businesses can generally be divided into two groups: those that recognise sustainability as an investment, and those that see it as a cost.

There's no doubt that legislation is a key driving force, making businesses look at sustainability from a broader perspective along with pushing them to act sooner than later. Those that act quickly will benefit while organisations that are slower to respond may face a lot more work to catch up.

Companies are creating entire business units to manage and implement their ESG targets which highlights the growing importance of sustainability. Being a sustainable business is also important when it comes to attracting the next generation of employees. According to Deloitte, 49% of Gen-Zs and 44% of millennials said that they had made career choices based on their personal ethics[2], and the WEF points out that 51% of US business students would take lower pay if the company is environmentally responsible[3].

Challenges and trends ahead

Although most companies are at different stages of their sustainability journey, implementing a sustainability strategy remains a relatively new challenge for many. Organisations need to work out where to begin this journey, set targets, and build a plan to make things happen.

Most sustainability initiatives come at a cost, but that's where attitude can also make a huge difference. Organisations really need to look at sustainability as an investment that will benefit their company in the long term.

According to a Gartner survey in 2022, sustainability programmes are helping organisations to optimise energy consumption, business travel and customer transaction costs. 86% of business leaders say sustainability initiatives are protecting their business from disruption[4], with a focus on environmental, social and governance (ESG) targets creating new opportunities for enterprises to grow while mitigating cost and risk.

Data also has a large role to play in helping organisations make informed choices on sustainability. Data-driven decisions can enable businesses to analyse what works best, identity areas to improve, guide measurable and responsible practices, and deliver real progress. Just like any other part of your business, sustainability also needs to have foundations built around data.

Many companies are talking about AI, and there's plenty of excitement around how the technology may evolve in the coming years. There's no doubt that AI is going to play a significant role in sustainability.

Helping customers take tangible climate action

Over recent years, Lenovo has seen a large increase in customer requests that include a sustainability element, which led to the creation of our own sustainability solutions team.

This enables us to sit down with customers and carry out sustainability workshops where we can discuss the needs of a customer. Our focus is to first help reduce emissions resulting from IT purchases, and then offset remaining emissions. We look at everything from sustainable packaging solutions to ocean freight, the use of sustainable aviation fuel for airfreight, extension of device lifecycles, secure asset recovery services, and flexible as-a-service solutions such as Lenovo TruScale.

This 360-degree approach to sustainability helps us design sustainability solutions that best fit the needs of each customer, no matter where they are on their journey.

One thing is increasingly clear irrespective of business, sector or location – there's no single solution that's going to bring our customers to net-zero. It really is a combination of multiple incremental improvements along the way that will help customers to meet their sustainability targets.

[1] World Economic Forum, "Why sustainability is crucial for corporate strategy," June 2022

[2] Deloitte, "A call for accountability and action," 2021

[3] World Economic Forum, "Why sustainability is crucial for corporate strategy," June 2022

[4] 2022 Sustainability Survey: Use Sustainability to Drive Value and Mitigate Disruption."