As Germans are particularly willing to pay more for sustainability-related smartphone factors that can extend the device’s life, longevity is a way for brands to position devices as investments good for the planet and people’s wallets.
As Germans are particularly willing to pay more for sustainability-related smartphone factors that can extend the device's life, longevity is a way for brands to position devices as investments good for the planet and people's wallets.

While 69% of Germans want tech brands to develop more 'green' products, their willingness to pay more for the various eco-related device factors varies.

Germans are **by far most willing to pay more for sustainability-related smartphone factors that can extend the device's life**, such as being made to be long-lasting (55%) or easy to repair (45%). **Underpinning longevity is thus a great way for brands to meet consumer demand**, with the potential to move them to opt for higher-priced devices. Brands can highlight the robust design of their smartphones or offer extended warranties.

49% of Germans aged 16-24 say that showing that you care about the environment makes you look good (vs 25% of over-65s), clearly highlighting the power a green image can have for
brands. Turning a brand into a tool for younger consumers to 'look green', for example by shaping a green image or by offering special-edition accessories, can give an edge over the competition.

60% of Germans find it hard to trust tech companies' sustainability claims, making trust a key prerequisite for brands to effectively 'go green'. Brands can communicate challenges, explain why devices are only partially made out of recycled materials, or provide proof of eco ambitions through documentary-style videos on YouTube (eg as in the case of Samsung).
EXECUTIVE SUMMARY

Key issues covered in this Report
- Overview
- The five-year outlook for sustainability in technology

Market context
- EU pushes for more sustainability in tech
- Sustainable lifestyles are here to stay
- Germans want more ‘green tech’ – but not at any cost

Opportunities
- Resonate with consumers via eco factors that also offer value in return
  - Graph 1: factors most willing to pay more for when buying a smartphone, ranked 1 to 3 (any rank), 2022
- Use longevity for ‘green premiumisation’
- Huge potential for digital eco assistance in Germany
- Help consumers with sustainable grocery shopping
- Turn your brand into a ‘green signal’ for younger consumers

MARKET DRIVERS

The German economy
- Graph 2: key economic data, in real terms, 2019-24
- Inflation continues to be the key concern in 2023 for consumers, brands and the economy...
  - ...impacting financial wellbeing and consumer expenditure

Impact of the economy on technology
- Graph 3: technology devices personally owned, by net monthly household income, 2022
- Graph 4: technology devices in the household, by net monthly household income, 2022
- Address Germans’ prioritisation of value
- Apple advertises the robustness of its Apple Watch 7

Sustainability
- Sustainable lifestyles are here to stay
- Cost as a barrier for green tech
- High inflation drives saving behaviours...
  - Graph 5: expected changes in behaviour due to rising prices, 2022
...and challenges Germans’ eco commitment

**Regulations**
- EU proposing energy labels for smartphones
- EU further pushes for reparability of devices

**Recycling**
- Recycling advances in Germany, but with bottlenecks
- Electrical devices continue to accumulate in Germany (Graph 6: quantity of electrical devices put on the market & collected for recycling, 2010-20)
- Incentivise consumers to increase recycling engagement

**WHAT CONSUMERS WANT AND WHY**

**Sustainable technology activities**
- Resonate with German consumers via eco-focused assistance and business models (Graph 7: activities involving technology devices/apps, 2022)
- Help consumers to put their eco ambitions into practice (Graph 8: usage and interest in apps to optimise energy consumption at home, 2022)
- Graph 9: usage and interest in apps to keep track of carbon footprint, 2022
- Seek ways to assist German consumers with an eco-friendly lifestyle
- Get inspired by Google on how to help consumers to make eco-friendly decisions
- Assist consumers in their endeavor to save energy
- Support consumers with sustainable grocery shopping
- Highlight the environmental benefits of renting devices...
- ...and position it as a way to weather times of crisis
- Capitalise on refurbished devices as a tool to save money
- Don’t overlook middle-aged-and-older Germans with refurbished devices
- Target younger Germans with refurbished devices by using lifestyle-focused nuances
- Target younger Germans with refurbished devices by using lifestyle-focused nuances
- Target middle-aged-and-older Germans with refurbished devices, focusing on technical features
- Target mid-to-older-aged Germans with refurbished devices, focusing on technical features

**Barriers to buying refurbished devices**
- Act on longevity concerns with refurbished devices
- Prove the economical value of buying a refurbished device
- Like new, only better – refurbed blends eco benefits with quality assurances
- Be careful with influencer marketing for refurbished devices
- Get creative to promote trust with refurbished devices
• Back Market repairs broken smartphones at PAROOKAVILLE Festival 2022
• Explore refer-a-friend programs to amend concerns...
• ...by using added goods or services

Sustainability-related smartphone factors
• Focus on eco factors that also offer value in return
  - Graph 10: factors most willing to pay more for when buying a smartphone, ranked 1 to 3, 2022
• Use longevity for ‘green premiumisation’
• Apple advertises longevity and reduced uncertainty
• Consumer demand for longevity offers opportunities for intensified ingredient branding
• Don’t fear massive decreases in upgrading frequency when innovating longevity
• Don’t fear massive decreases in upgrading frequency when pushing longevity
• Mind design conflicts when shaping eco-friendly devices
• Ways for other device categories to capitalise on longevity...
• Use ‘eco-altruistic’ factors as nuances to resonate with younger Germans
  - Graph 11: factors most willing to pay more for when buying a smartphone, selected factors, any rank from 1 to 3, by age, 2022
• Leverage eco-altruistic factors for differentiation
• Samsung goes beyond negating the bad by saving the oceans

Associations with technology brands
• Tech brands capitalise on their brand strategies – except in terms of sustainability
• Tech brands overall lack a green image
• Apple lacks trust among its key target group
• Leverage sustainability to maintain fashionable appeal among youngsters

Attitudes regarding sustainability in technology
• German consumers struggle to trust tech devices to be sustainable
  - Graph 12: attitudes towards sustainability in technology, 2022
• Sustainable credentials can offer competitive advantages on the tech market
• Push for trustworthiness to build a green image
• Ways for brands to build trustworthy eco commitment
• Turn your brand into a ‘green signal’ for younger consumers
• Offer accessories as tools to look green
• The metaverse: turning sustainability into a badge of honour
• Go beyond educating to up recycling engagement...
• ...by reducing its barriers and offering incentives
• Allow consumers to look good by recycling devices
LAUNCH ACTIVITY AND INNOVATION

- Fairphone well positioned to grow in Germany
- Focus on mid-to-older-aged Germans with the Fairphone 4
- Fairphone advertises a breadth of longevity-related features
- Apple launches self-repair services in Germany
- Samsung leverages AI to help consumers save energy
- Get inspired by the green innovations of other tech brands when striving for sustainable credentials

Advertising and marketing activity

- Apple promotes its environmental commitment
- Samsung advertises its eco innovations
- Nokia Circular: smartphone subscription service for circular economy
- Dell further develops the self-repairable laptop series Concept Luna

APPENDIX

Appendix – abbreviations, consumer research methodology and language usage

- Abbreviations
- Consumer research methodology
- A note on language
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