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From Green Interest to Commercial Adoption: Building the Case for Customers to Switch Now

Against a backdrop of intensifying geopolitical fragmentation, persistent supply-chain volatility, and growing pressure to deliver on climate and circularity commitments, sustainable solutions are moving from a discretionary agenda item to a strategic business priority. Recent disruptions, transport bottlenecks, and economic-security concerns have reinforced the need for more agile and diversified supply chains.[1] As companies reassess sourcing, product design, and operational risk, demand is growing for technologies and business models that can reduce environmental impact while strengthening supply security, cost stability, and regulatory readiness.

Yet favorable market conditions and technological progress alone will not guarantee the commercial adoption of sustainable solutions. For many sustainable solutions, the most important competitor is not another technology, but the customer's decision to maintain the status quo. The incumbent is already qualified, integrated into operations, supported by established suppliers, and understood by internal stakeholders. Switching consumes time, budget, and organizational attention—and introduces risk. The central question is therefore not simply whether a solution is greener, but whether it gives the customer a sufficiently compelling reason to switch now.

The biggest barrier is often not customer opposition, but the absence of a compelling reason to act now

Sustainability has clearly moved higher on the corporate agenda, but its translation into committed capital and operating decisions remains incomplete. CDP's 2025 analysis of nearly 12,000 companies found that **72% had emissions-reduction initiatives in place, while only 11% disclosed any capital expenditure aligned with their transition strategies.**[2] The contrast points to an execution gap: targets and initiatives may signal intent, but adoption requires companies to commit capital, revise specifications, change processes, and embed sustainability into procurement and supplier decisions.

At the end-market level, actual purchasing data confirms that the opportunity is real. Within the 36 U.S. consumer-packaged-goods categories tracked by NYU Stern and Circana, branded products marketed as

[1] OECD (2025). "Co-ordinated efforts needed to strengthen and diversify supply chains in response to elevated risks."

[2] CDP (2025). "Companies Save US$54bn Through Low-Carbon Action – Evidence That the Data to Unlock Trillions Already Exists, CDP Reports."

sustainable reached **25.4% market share in 2025, generated 44.9% of market growth between 2013 and 2025, and grew 4.9 times faster than conventionally marketed products over the latest five-year period.**[3] Yet their position as approximately one-quarter of the measured branded market also shows that sustainability has not yet become the default purchasing choice.

This gap does not necessarily indicate customer opposition. A buyer may recognize the long-term value of a sustainable solution but still lack an urgent reason to change a qualified and familiar incumbent. Providers must therefore demonstrate not only the benefits of switching, but also the cost of waiting—whether through rising regulatory exposure, volatile input costs, supply-chain concentration, avoidable operating costs, lost customer demand, or missed opportunities for differentiation. The opportunity becomes actionable when the value and urgency of change exceed the perceived cost and risk of acting.

Different customers switch for different reasons—and at different moments

Customers do not approach sustainability with a common set of priorities. A 2025 JARO Institute study of more than 100 procurement professionals and senior leaders in Germany and other European markets found that **78% identified leadership commitment as a key driver of sustainable procurement, while 53% pointed to regulation; only 32% were willing to pay more for sustainable alternatives, down 12 percentage points from 2023.**[4] The findings are directional rather than universal, but they illustrate the different strategic, regulatory, and economic forces that shape adoption—and the limits of relying on a green premium alone.

For providers, this diversity means that a generic environmental proposition is unlikely to work across the market. Sustainability-led customers may seek differentiation; compliance-driven customers may prioritize regulatory readiness and verifiable data; efficiency- and risk-driven customers may focus on cost savings, resource productivity, resilience, and visibility; and mainstream customers may require price competitiveness, proven performance, and minimal disruption. More importantly, motivation is not the same as urgency. Providers should segment customers by three questions: why sustainability matters, what event could trigger action now, and whether the organization is ready to approve and implement the change. Regulatory deadlines, contract renewals, asset-replacement cycles, supply disruptions, input-cost increases, customer mandates, and new corporate commitments can all convert general interest into an active buying process.

MOTIVATION	**TRIGGER**	**READINESS**
Why sustainability matters to the customer.	Why the decision needs to be made now.	Whether the organization can approve and implement the change.

[3] NYU Stern Center for Sustainable Business (2025). “Sustainable Market Share Index™.”

[4] JARO Institute and Unite (2025). “New study: sustainable procurement requires a clear leadership agenda.”

Customers switch only when five conditions outweigh the comfort of the incumbent. Sustainability opens the door, but five tests—and multiple decision-makers—determine the purchase

Customers rarely replace an established solution simply because a new alternative is more sustainable. The incumbent already benefits from technical qualification, operational familiarity, existing contracts, and organizational acceptance. To overcome these advantages, a sustainable solution must satisfy five conditions that make switching more compelling than maintaining the status quo:

- **A clear reason to act now**: A sufficiently important trigger—such as regulatory pressure, rising costs, supply risk, customer requirements, or a product-renewal cycle—must make delay less attractive.
- **A meaningful advantage over the incumbent**: The solution must create identifiable value beyond its sustainability attributes, such as greater efficiency, improved resilience, reduced risk, stronger differentiation, or access to new markets.
- **Acceptable performance and operational risk**: Customers must be confident that the solution can meet critical requirements for quality, safety, reliability, and process compatibility without creating unacceptable disruption.
- **A business case that clears the switching hurdle**: The expected benefits must justify not only the purchase price, but also qualification costs, process changes, implementation resources, and the financial risks involved in switching.
- **A credible and executable path to scale**: The provider must demonstrate substantiated claims, consistent quality, adequate capacity, supply continuity, technical support, and a practical implementation plan.

These conditions are assessed across the buying organization. Operations and technical teams determine whether performance and implementation risks are manageable; procurement evaluates commercial terms, capacity, quality consistency, and supply continuity; finance compares the return from switching with the costs of action and inaction; and sustainability, legal, and compliance teams assess whether environmental benefits can be substantiated.

Providers must therefore build an evidence base that equips internal champions to secure cross-functional approval. Adoption occurs when these stakeholders collectively conclude that switching is not only desirable, but more valuable and less risky than continuing with the incumbent.

A successful PoC must validate the product, customer adoption, economics, and ecosystem required to scale

For sustainable solutions, a meaningful proof of concept (PoC) must establish more than whether a product or technology functions as intended. It should test four connected propositions under realistic conditions:

PRODUCT Performance, safety, quality, process compatibility and operational reliability.	**CUSTOMER ADOPTION** Willingness to switch, ease of use, willingness to pay and repeat-purchase potential.
ECONOMICS Realistic pricing, implementation costs, unit economics and the customer's total business case.	**ECOSYSTEM** Supplier readiness, partner coordination, infrastructure and the ability to deliver consistently at scale.

Tesco's reusable-packaging trial with Loop illustrates the value of testing all four dimensions. The online and in-store pilots included more than 50 branded and 35 Tesco own-brand products and generated more than 80,000 purchases over two years. On the product and operating-model dimensions, the trial showed that a prefilled reuse model could provide the convenience, quality, and availability customers expected, and that supply chains could be adapted in partnership with suppliers. On customer adoption, however, Tesco identified the need for a broader cultural and behavioral shift. On economics, prices were matched with recyclable-packaging equivalents during the in-store trial, while Tesco emphasized that wider adoption could not come at additional cost to shoppers. On the ecosystem, the company highlighted the need for coordination among retailers, suppliers, policymakers, and other stakeholders, as well as common formats across the sector.[5]

The case should not be read as evidence that reuse cannot scale. Rather, it demonstrates what a well-designed PoC should reveal: whether the product works, whether customers will change their behavior, whether the economics remain viable under realistic conditions, and whether the surrounding ecosystem can support repeatable deployment. The output should be an explicit decision to proceed, revise the proposition, add partners or capabilities, or stop before further capital is committed—not simply a technical success story.

Winning providers will make switching easier, safer, and more valuable than maintaining the status quo

Successful commercialization begins with identifying customers for whom a significant business need and a credible trigger to act now coincide. Providers should understand the incumbent solution, the organizational benefits of retaining it, and the consequences of delay. Rather than leading with environmental credentials, they should position the offering around the customer problem it solves—whether that is reducing cost, improving resilience, meeting a deadline, lowering risk, or creating differentiation—and quantify both the value of switching and the cost of inaction. The proposition should be tailored to specific applications and buying situations rather than presented as a generic sustainable alternative.

Providers must also make the transition practical and low-risk. This means supporting customers through technical qualification, commercial validation, total-cost-of-ownership analysis, and operational integration;

[5] Tesco (2022). "Reusable packaging update."

offering a credible implementation roadmap and commercial terms; substantiating environmental claims; and demonstrating consistent quality, capacity, and continuity of supply. Progress should be measured by conversion to commercial contracts, repeat orders, expansion across sites or applications, and sustainable unit economics—not by expressions of interest or the number of pilots launched. The strongest providers will make switching easier to approve, safer to implement, and more valuable than maintaining the status quo.

Closing the green adoption gap requires an owner's mindset from strategy through scale

Bridging the gap between sustainability potential and commercial adoption requires decisions to be made as part of one connected value-creation journey. An owner's mindset begins by asking where a sustainable solution can solve a sufficiently important customer problem and create a compelling reason to switch now. It then uses the PoC to validate the product, customer adoption, economics, and ecosystem required to scale. The resulting evidence should inform the next strategic choice—whether to build capabilities internally, collaborate with partners, pursue an investment or acquisition, refine the proposition, or stop before committing further resources.

Just as importantly, an owner's mindset maintains accountability beyond the initial recommendation or pilot. It considers the operating model, capabilities, governance, capital, and partnerships required to turn a validated opportunity into a repeatable business. IGPI's hands-on approach reflects this logic by connecting management decisions with frontline implementation and, where appropriate, bringing partnership, transaction, or investment perspectives into the same value-creation journey. The objective is not simply to promote a sustainable solution or complete a PoC, but to make disciplined choices and build the conditions required for scalable and durable commercial value.

About the Author

Febrizal, Associate of IGPI Singapore

Prior to joining IGPI, Febrizal worked at YCP Solidiance and PwC Indonesia, where he successfully completed a range of consulting projects, including market entry strategy, growth strategy, and business model identification, across diverse industries such as Agriculture, Automotive, and Industrial. He has extensive experience in M&A activities, including conducting commercial due diligence, valuations, and providing deal advisory services (connecting buy-side and sell-side).

Febrizal holds a degree in Economics from Binus University.

Issued by: Industrial Growth Platform Pte. Ltd. (IGPI Singapore)
137 Telok Ayer Street #05-01 Singapore 068602
TEL: +65 6226 1524 URL: http://www.igpi.com.sg
Contact us: https://www.igpi.com.sg/contact-us/#sendenquiry

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