**Interview – Navigating the Remanufacturing Trilemma:
Balancing Customer, Manufacturer, and Lawmaker Interests**

Interviewee background

Date: 17.02.2024

Time: 15:00-16:00

Business Area: Automtive OEM

Occupation: Head of Reconditioning

Professional Experience: 5 years in leading role

Disclaimer: The interview was conducted in German and has been translated

(State) subsidies and incentives

Customers (B2C) in our sector tend to be more critical of subsidies. However, subsidies are less relevant in this context. While customer preferences can be influenced by subsidies, they are not as significant in our business of processed components. Legislators also maintain a neutral stance on the issue. The prevailing view is that the market should self-regulate.

Branding and (Intellectual) property

Environmental concerns influence customer purchasing decisions, often evoking positive associations. Manufacturers can leverage this to improve their public image and highlight beneficial aspects of their products or practices. Legislators promote environmental responsibility. However, in the context of product authenticity, customers tend to prioritize functionality and price. Manufacturers, while needing to address environmental concerns, also aim to protect their business interests. Legislators balance these factors with concerns for liability and consumer protection.

Circular/Sustainable business models

For customers, environmental considerations contribute to purchasing decisions and evoke positive feelings. Manufacturers can leverage this to enhance their public image and strategically highlight favorable aspects. Legislators also advocate environmental responsibility. In the context of authenticity, customers tend to prioritize functionality and price. However, manufacturers naturally seek to protect their own business interests. Regulatory bodies, in turn, are concerned with liability issues and customer protection.

Compliance with Regulations

For customers, this aspect is not particularly relevant; price is the primary driver. Regulatory bodies aim to influence the market through relevant regulations, making this a key concern for them. Manufacturers find themselves in a balancing act, as they must comply with regulations. While compliance often entails costs, a complete absence of regulation is not feasible. The challenge lies in achieving an optimal balance: as much regulation as necessary, but as little as possible.

Data Handling

While not entirely unimportant to customers, this issue is generally not a primary factor in purchase decision making. Manufacturers invest significant effort in data protection, reflecting the high value placed on this aspect. Legislators, like their approach with other regulations, seek to guide the market in this area.

Information Transparency

For customers of replacement products, transparency is not a major concern; price is the deciding factor. However, for new parts, customers demand significantly more transparency. Manufacturers themselves need information on usage and reusability, as this is essential for their remanufacturing operations. Legislators are also interested in data and are increasingly incorporating this into legislation. A challenge arises from the fact that remanufacturing today may face significant difficulties accessing data from products 15 years old. Standards could be beneficial in this area.

Process Design

Consumers generally prefer not to purchase products that harm the environment. Additionally, waste often translates to higher costs, and there may be price incentives for environmentally conscious choices. Manufacturers can achieve better profit margins through sustainable practices. Regulatory bodies tend to support such initiatives.

Product Characteristics

Customers value sustainable product features, particularly reparability. However, local sourcing can be more challenging to implement. Manufacturers can market product longevity and have similar attributes as quality indicators. Relevant certifications can also be effectively promoted. For battery manufacturers, a high recycling rate is particularly important. Legislators generally welcome such initiatives in the industry.

Product Design

For customers, design that facilitates repairability is relevant, as it can lead to cost savings. Manufacturers value design processes that enhance their market position. Legislators appreciate such measures but do not typically mandate them.

Product Labeling

Customers generally view labeling with a neutral perspective. Manufacturers see value in it, while regulatory bodies in many sectors already mandate it through legislation.

Strategic Co-operation

For customers, these issues primarily matter when they lead to lower prices. For manufacturers, they are more significant due to rising development costs. Legislators mainly observe, particularly concerning antitrust regulations.