# Businesses embrace AI and automation to enhance sustainability efforts



In recent months, businesses across various sectors are increasingly adopting artificial intelligence (AI) and automation to enhance operational efficiencies and drive sustainability efforts. This trend has been particularly pronounced within the packaging, retail, and manufacturing industries, leading to transformative changes that not only address environmental concerns but also fuel growth and competitiveness.

Naresh Tyagi, Chief Sustainability Officer at Aditya Birla Fashion and Retail (ABFRL), discussed the unique sustainability challenges and opportunities faced by different industries during a recent conversation with ET Online. ABFRL's extensive portfolio includes well-known brands such as Louis Philippe, Van Heusen, Allen Solly, and Peter England. Tyagi emphasised the necessity of integrating sustainability into business strategies to achieve a balance between short-term actions and long-term environmental goals.

He stated, "To make it a core part of operations, businesses must first integrate sustainability into their overarching strategy." Tyagi touched on the significant environmental impact of the textiles and apparel sector, which is notable due to high consumption of resources like water, energy, and chemicals. He noted that transitioning to circular economies and adopting sustainable materials could be instrumental in addressing these challenges.

Set against the backdrop of increasing consumer awareness and preference for sustainable practices, the packaging industry is also undergoing a major transformation. As highlighted by Fruitnet, the push towards reducing plastic usage is leading the sector to explore biodegradable materials, smart packaging solutions, and minimalist designs. Advances in AI and automation are optimizing packaging processes and improving sustainability while reducing waste. For instance, AI-driven systems can optimise packaging designs and streamline operations, ensuring that materials are used more effectively, thus enhancing overall efficiency.

Key trends shaping the packaging landscape include the rise of plant-based materials and edible packaging, as well as recyclable and reusable options. The integration of AI technologies is pivotal in this context, as they allow for better tracking of materials throughout the supply chain, ultimately improving real-time monitoring of freshness and reducing spoilage, which aligns with consumer demands for transparency and sustainability.

Charles Haverfield, CEO of US Packaging & Wrapping, noted that the increasing demand for eco-friendly options is prompting businesses to shift away from traditional packaging and embrace innovations in materials such as papers and plant-based composites. With sustainability initiatives becoming a focal point for brands, consumers are expressing a clear preference for products with environmentally responsible packaging. A McKinsey study indicated that more than 60% of consumers favour sustainable packaging, thereby influencing brands to adapt their offerings accordingly.

Moreover, as the evolving political landscape fosters new policies, the emphasis on sustainability and local sourcing continues to shape supply chains. Haverfield cautioned that proposed tariffs could lead to increased operational costs for businesses heavily reliant on foreign suppliers, which might result in price hikes passed on to consumers. However, he also indicated that these changes could encourage companies to reassess their logistics strategies, embracing automation and AI solutions to minimise disruptions and enhance resilience.

For industries in developing regions such as India, Tyagi suggested a multifaceted approach, arguing that aligning operations with global frameworks such as the Paris Agreement and leveraging digital tools, including AI and the Internet of Things (IoT), could significantly bolster their sustainable practices. He emphasized the potential for creating green jobs and developing a workforce skilled in sustainability, thereby reinforcing ethical production practices.

In sum, the integration of AI automation across various industries is proving to be instrumental in driving sustainable business practices and operational efficiencies. From retail to packaging and manufacturing, companies are recognising the need for strategic adaptation in response to growing consumer pressure for transparency and sustainability, while also navigating the complexities presented by external market forces. As businesses continue to pioneer innovative solutions and adopt sustainable practices, the roadmap toward a more environmentally responsible future seems increasingly viable.

Source: [Noah Wire Services](https://www.noahwire.com)

## References

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* <https://explodingtopics.com/blog/ai-statistics> - Highlights the rapid growth of AI adoption by organizations, including the use of AI in various industries like manufacturing, retail, and telecommunications.
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