DUKE

Interesting facts

Planned or programmed obsolescence refers to the deliberate shortening of a product's useful life by the manufacturer in order to increase consumption. It means designing a product with an artificially limited useful life, so it will become obsolete after a certain period of time. The rationale behind the strategy is to generate long-term sales volume by reducing the time between purchases.

Producers that pursue this strategy believe that the additional sales revenue it creates more than offsets the additional costs of research and development, and offsets the opportunity costs of repurposing an existing product line. In a competitive industry, this is a risky policy, because consumers may decide to buy from competitors instead if they notice the strategy.

When a market becomes more competitive, product lifespans tend to increase. For example, when Japanese vehicles with longer lifespans entered the American market in the 1960s and 1970s, American carmakers were forced to respond by building more durable products.

Planned obsolescence is a serious environmental problem for the planet. Every year, up to 50 million tons of electronic waste are generated, a very high percentage of which – around 85% - is usually discarded randomly, creating a risk for the environment and the health of people, animals and plants.

To combat planned obsolescence, which is also costly to consumers who have to renew their products more often, several initiatives exist, including a European Union directive, certification for the prolongation of product lifetimes, and specific NGO programs.

