



Reimagining consumer products

Reindustrialization reshapes the industry

A new era is dawning for the consumer products manufacturing industry. Driven by supply chain vulnerabilities, geopolitical shifts, and the urgency of sustainability, companies are investing in reindustrialization to strengthen their domestic manufacturing base, innovate with cutting-edge technologies, embrace sustainable practices, and develop a highly skilled workforce.

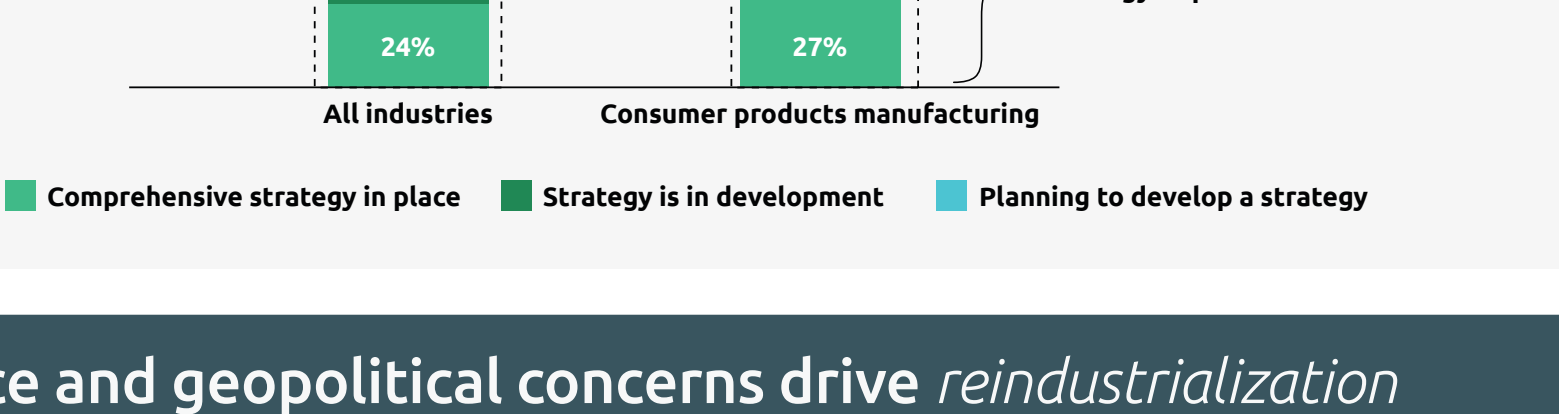
Our Capgemini Research Institute report, *The resurgence of manufacturing: Reindustrialization strategies in Europe and the US*, found that 71 percent of companies in consumer product manufacturing either have a comprehensive strategy for reindustrialization in place or plan to develop one.

Take a look at how this transformation promises to improve the consumer landscape.

What is reindustrialization?

Reindustrialization is the re-establishment of global supply chains and manufacturing operations, often with the aim of bringing them closer to – or even within – domestic markets.

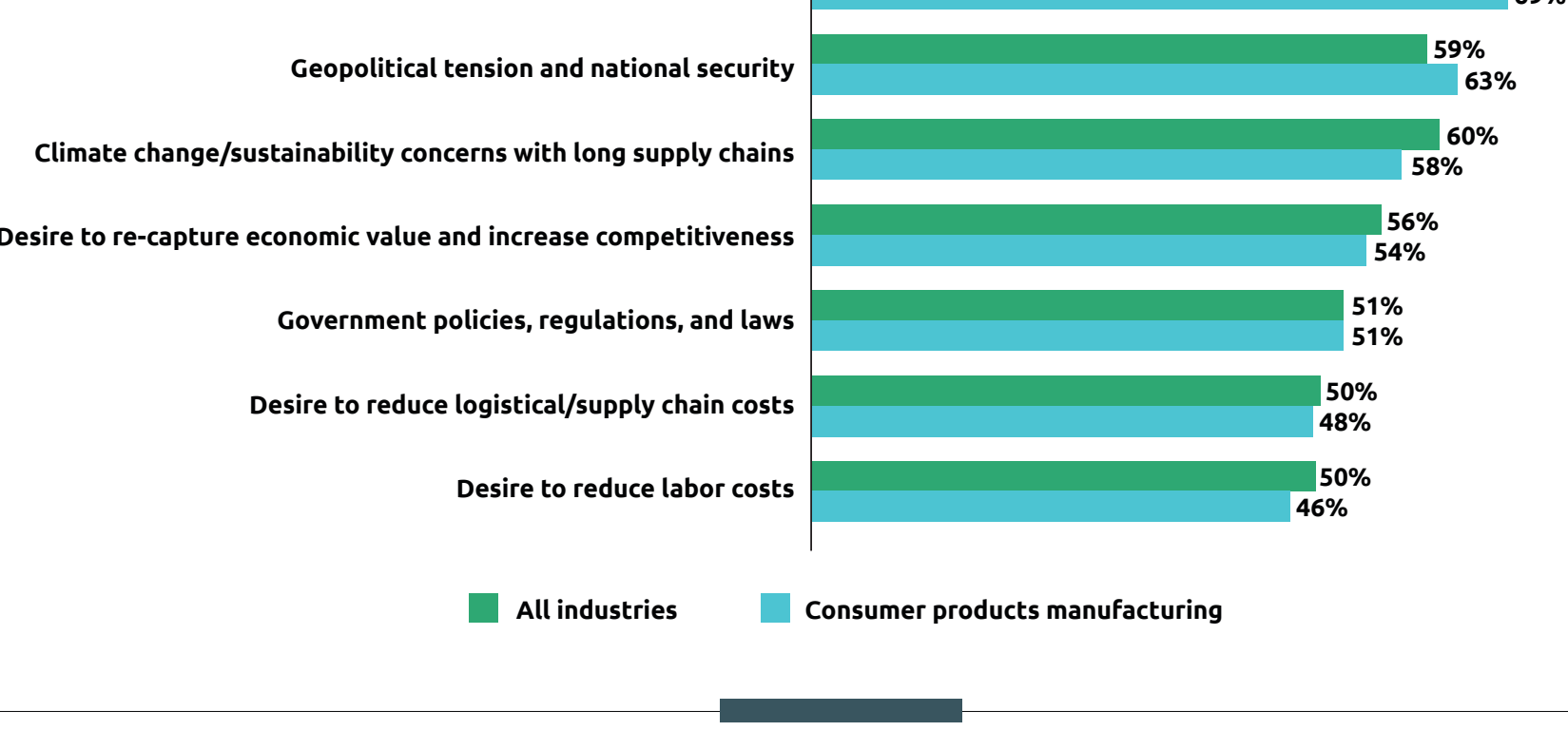
Percent of organizations with a reindustrialization strategy



Resilience and geopolitical concerns drive reindustrialization

Supply chain resilience is paramount – 69 percent of consumer product manufacturers identify it as the primary driver behind their reindustrialization efforts. This emphasis on stability is further underscored by 63 percent citing geopolitical tensions and national security as key concerns, motivating a strategic shift towards domestic production.

Percent of organizations stating the below is a top driver of their reindustrialization strategy and initiatives



A strategic shift towards domestic value chains

The consumer products manufacturing industry envisions a future where the entire value chain, from sourcing to manufacturing to delivery, is rooted domestically. In fact, 61 percent of organizations believe this is the strategic direction. Nearly half have already invested in reshoring, so the shift is well underway. Projections show that domestic facilities will account for almost half of production within three years, marking a significant departure from offshore reliance.

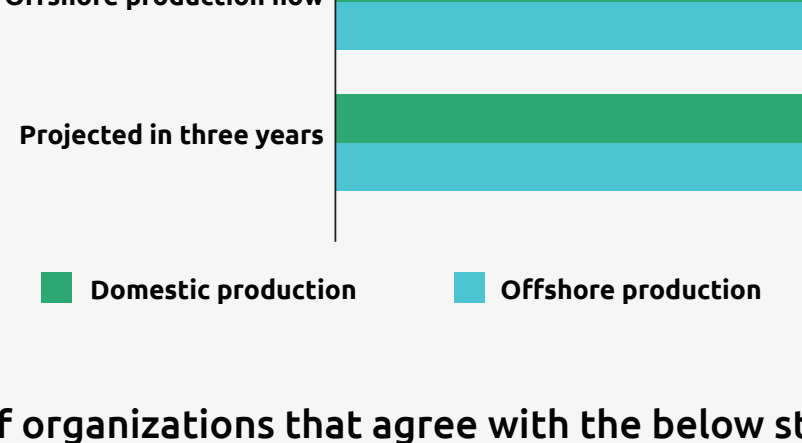
61%

envision a strategic shift towards domestic value chains

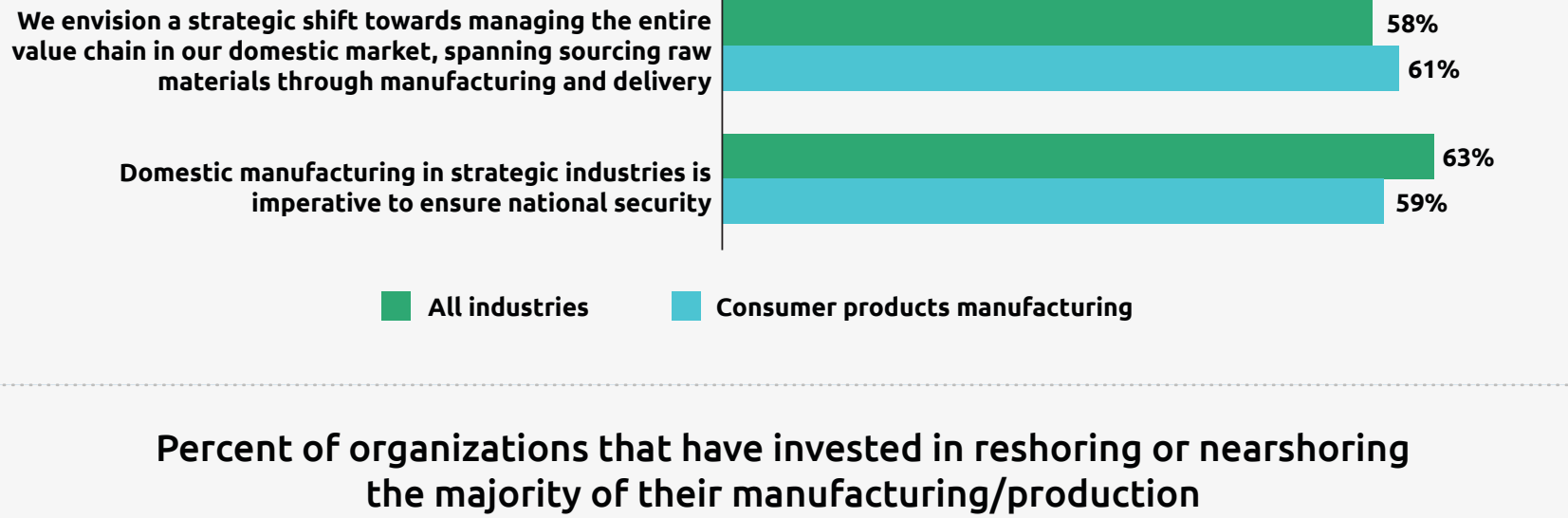
46%

have invested in reshoring

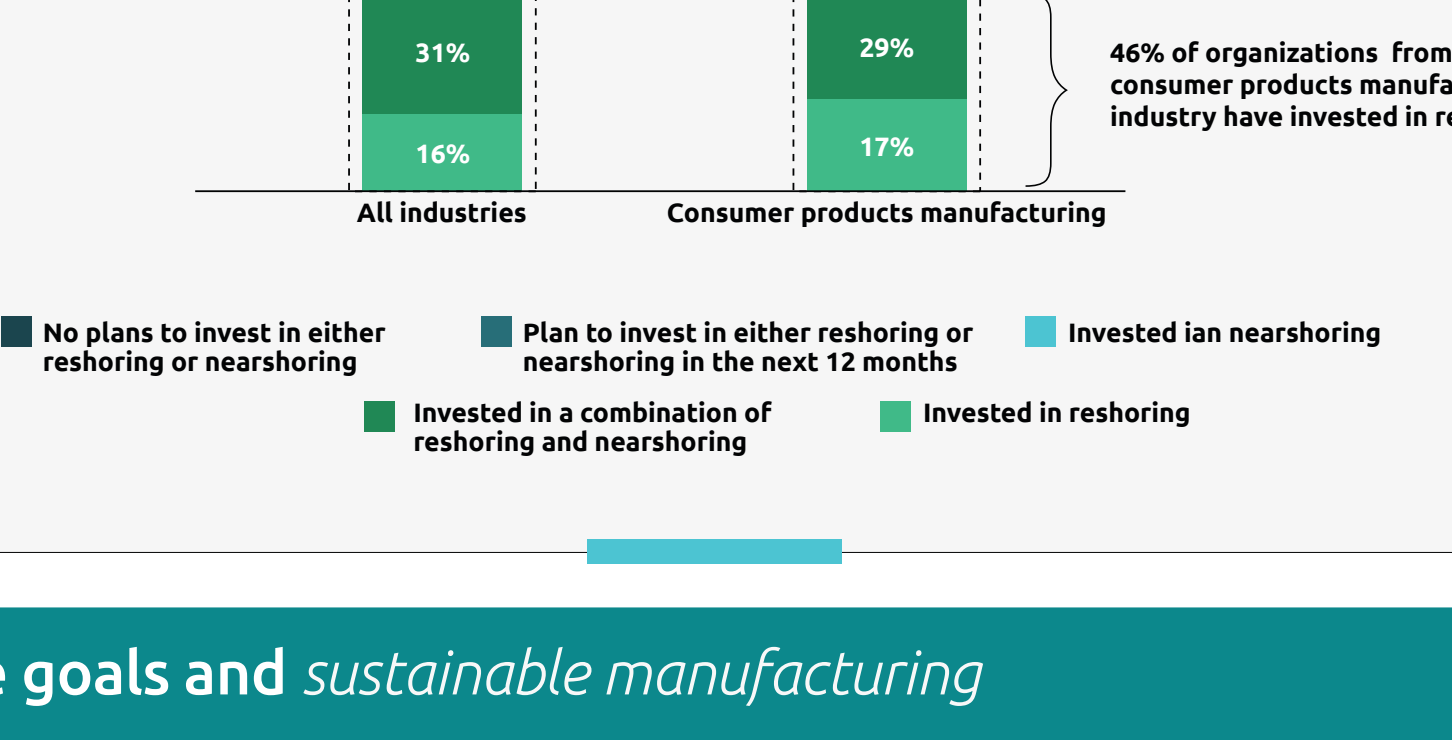
Percentage of domestic vs. offshore production



Percent of organizations that agree with the below statements



Percent of organizations that have invested in reshoring or nearshoring the majority of their manufacturing/production



Climate goals and sustainable manufacturing

Reindustrialization is not just about operational efficiency, as environmental responsibility is also central.

57%

see reindustrialization as a catalyst for sustainable manufacturing

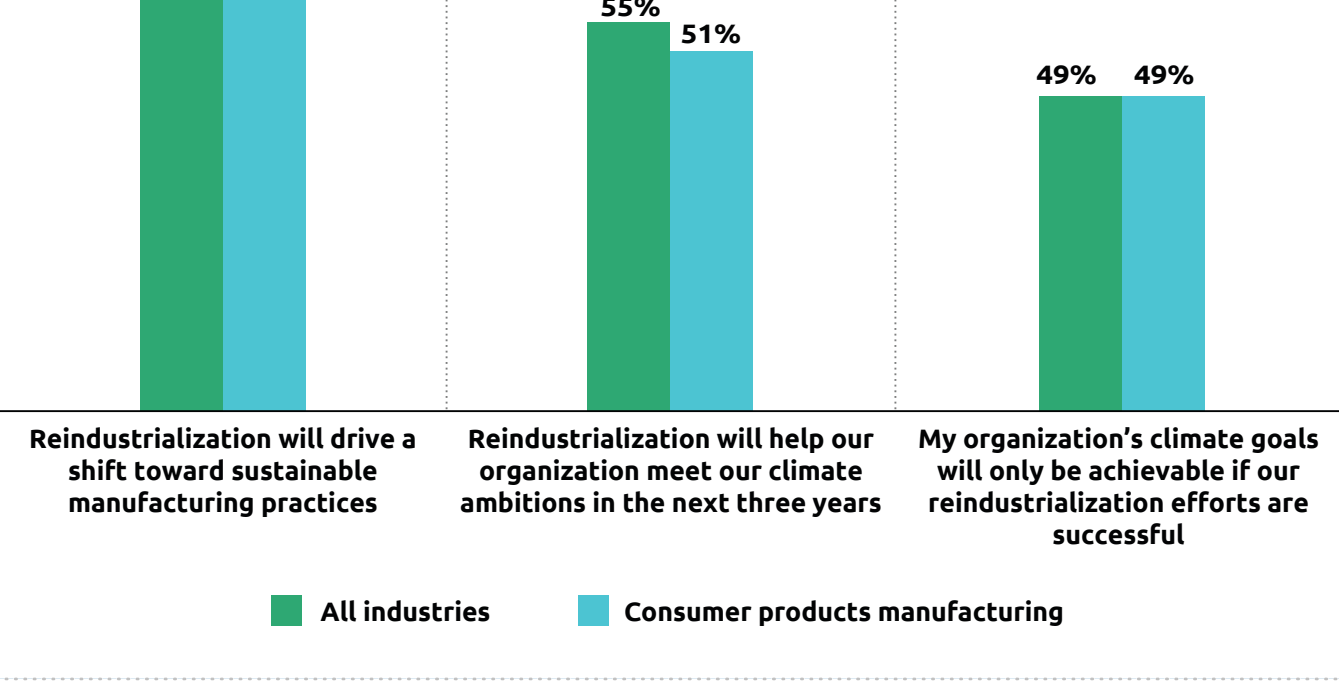
51%

believe reindustrialization will help meet climate ambitions

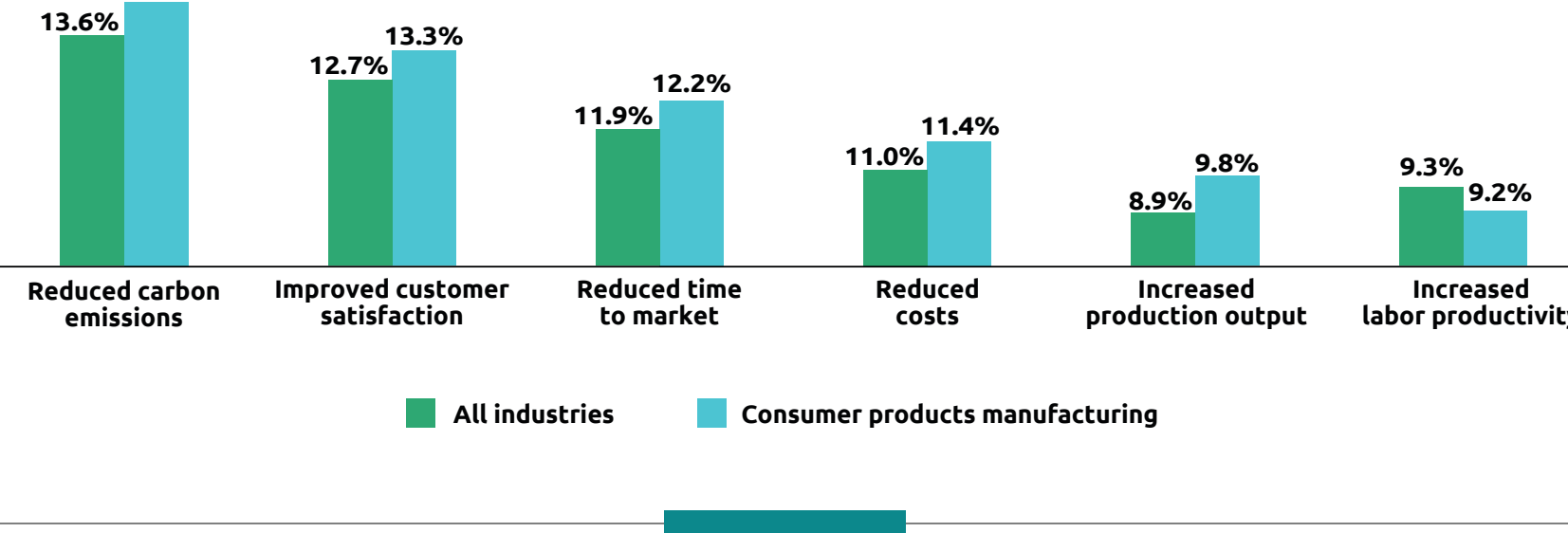
14.2%

anticipated reduction in carbon emissions

Percent of organizations who agree to the below statements



Percent of improvements expected from reindustrialization in the next three years



Investing in digital transformation for sustainable reindustrialization

Technology is the cornerstone of the industry's revitalization. Nearly 70 percent of consumer product manufacturers are optimistic about the innovative potential of reindustrialization and 63 percent are committed to investing in digital technologies to boost productivity. Notably, 60 percent are integrating technology specifically to combat climate change, recognizing the interconnectedness of digitalization and sustainability for achieving success.

69%

optimistic about the prospects of reindustrialization

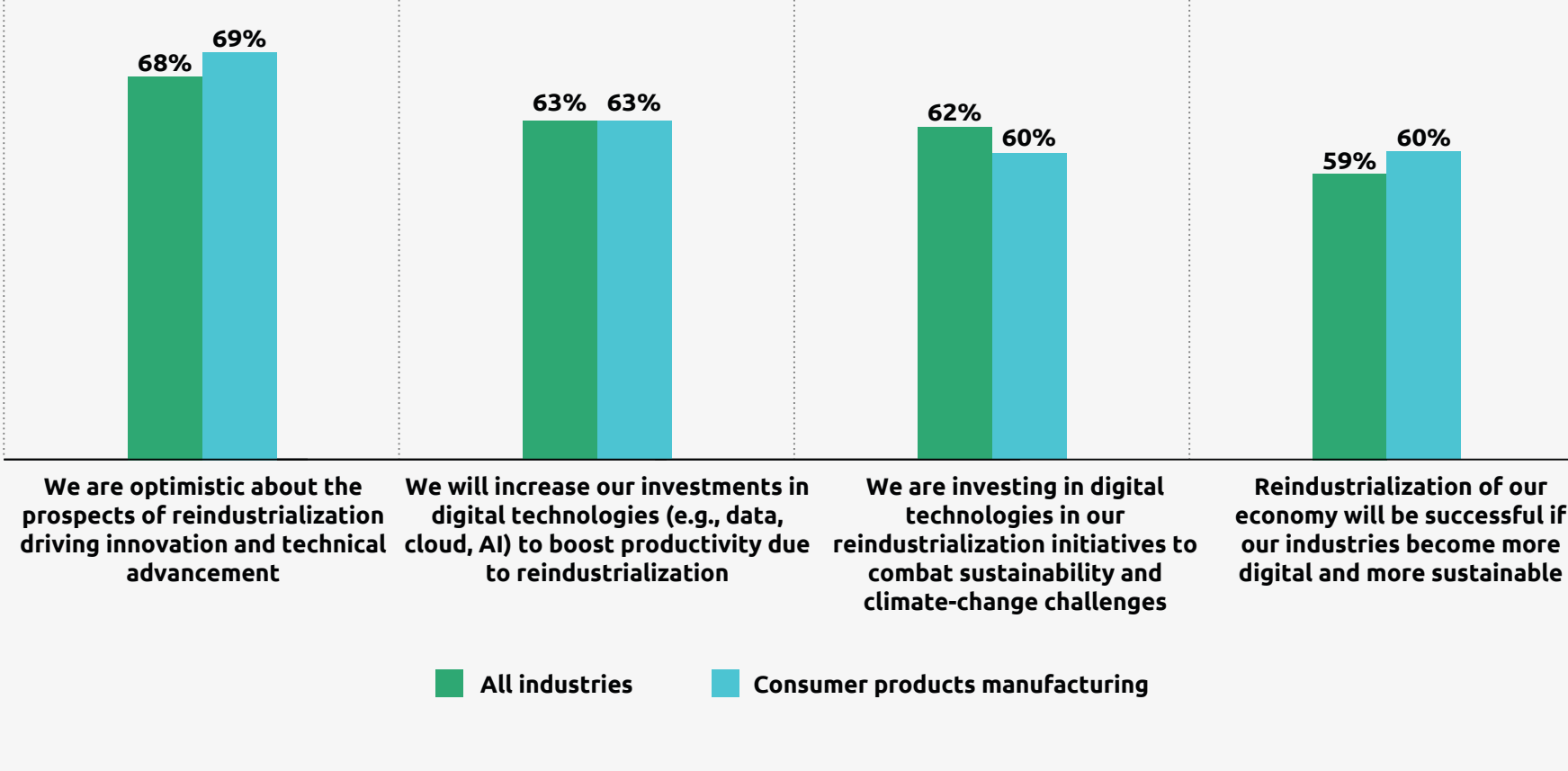
63%

committed to investing in digital technologies (e.g., data, cloud, AI) to boost productivity

60%

integrating technology to combat climate change

Percent of organizations who agree to the below statements



The demand for a skilled and creative workforce

Reindustrialization demands a workforce equipped with a unique blend of skills.

72%

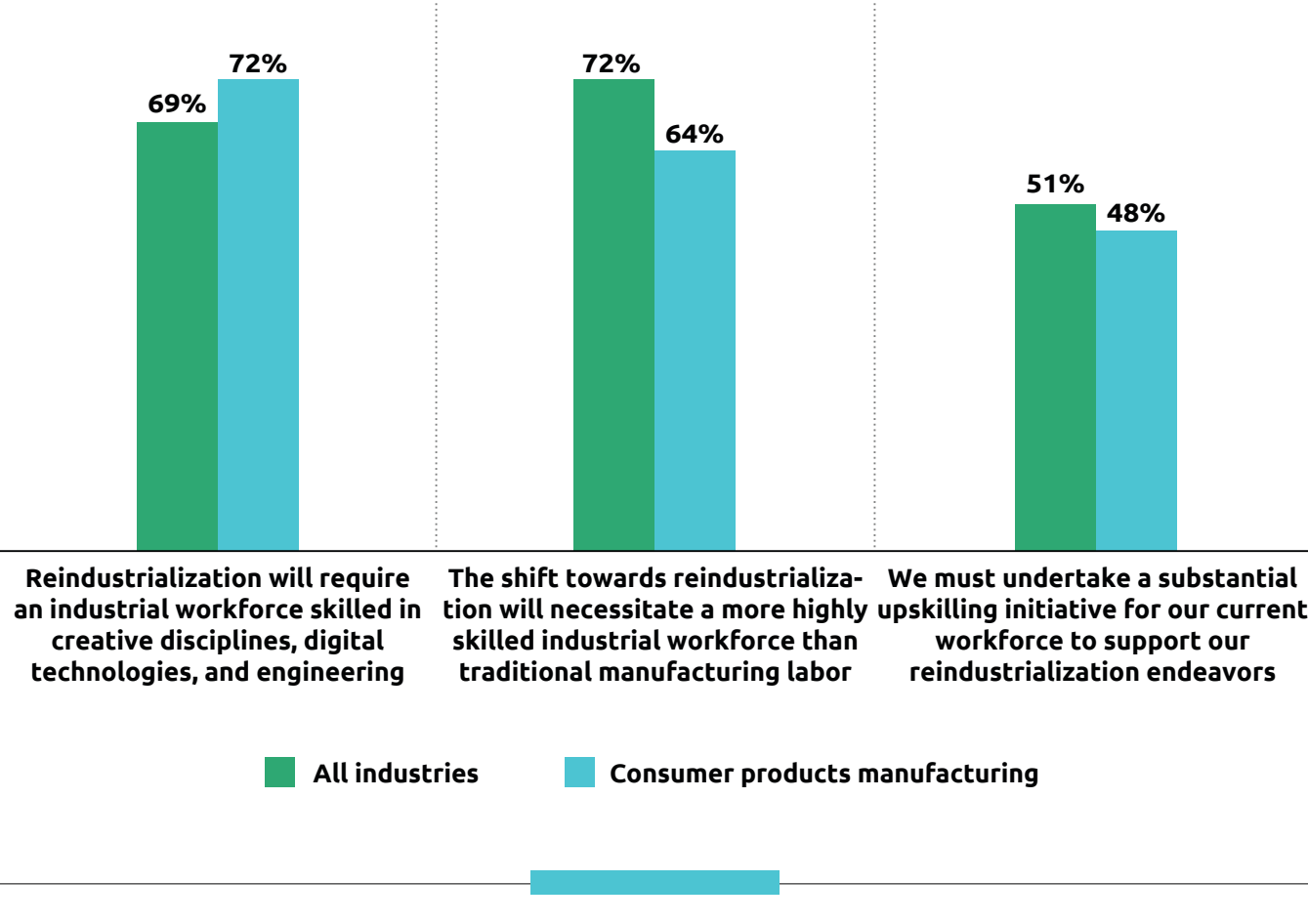
acknowledge the need for a workforce skilled in creative, digital, and engineering pursuits

64%

recognize the need for a more highly skilled industrial workforce

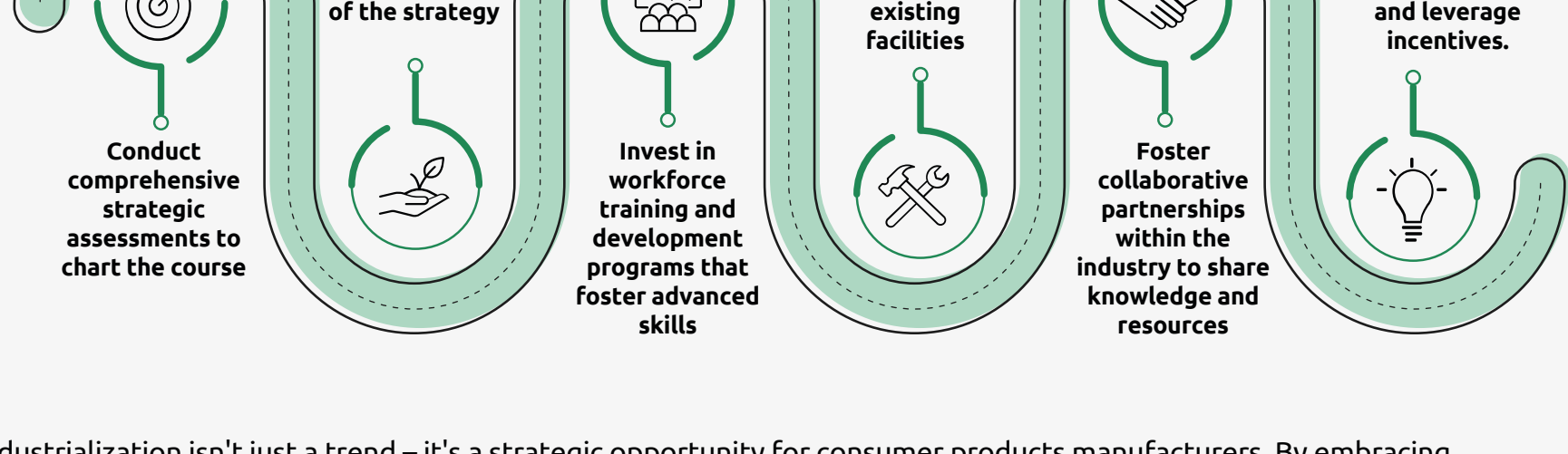
48%

plan to upskill their current workforce



Action steps for acceleration

The path to successful reindustrialization is clear:



Reindustrialization isn't just a trend – it's a strategic opportunity for consumer products manufacturers. By embracing domestic production, sustainable practices, and a digitally savvy workforce, the sector is primed for growth and a lasting competitive advantage.

Read the full Capgemini Research Institute report, *The resurgence of manufacturing: Reindustrialization strategies in Europe and the US*, to learn how leaders plan to revitalize their industrial sectors, create jobs, boost production, and strengthen supply chains.

Download report

