

61% of people claim to be concerned about the environment, but only 9% prioritise the environmental impact when they're Christmas shopping

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A new report by KIS Finance

(<https://www.kisbridgingloans.co.uk/finance-news/price-still-beats-environmental-concerns-at-christmas/>), put together with expert insight from James Child, Head of Retail and Industrial Research at Estates Gazette (<https://www.egi.co.uk/>), has investigated how environmental concerns are reflected in peoples' shopping habits over Christmas – the time of year where spending is often at its highest.

The report also looks at the reasons why more people aren't shopping in an eco-friendly way, and how retailers can make it easier for customers to make this change in the future.

Key findings:

- 61.2% of people claim that they are either 'concerned' or 'very concerned' about how our modern lifestyle is affecting the environment.
- However, only 13.1% of people actually shop in an eco-friendly way over Christmas.
- Price is the number one consideration for people when they are shopping for Christmas gifts – 45.4% of people put this at the top of their list of priorities.
- Only 9% of people put 'environmental impact' at the top of their list of key considerations when Christmas shopping.
- The main reasons as to what's stopping UK consumer shopping in an eco-friendly way;
 - Environmentally-friendly products are too expensive - 39%
 - There aren't enough shops selling environmentally-friendly products – 35.9%
 - It's impossible to know whether what you're buying is environmentally-friendly or not – 35.3%
 - As an individual, you feel like you won't make a difference as the problem is too big – 18.5%
 - Environmentally-friendly products are not as good as the alternatives – 12.5%

How do people in the UK currently feel about the environment?

61.2% of people claim that they are either 'concerned' or 'very concerned' about how our modern lifestyle is affecting the environment.

This concern is widespread, with high percentages of every age-group sharing the same opinion.

However, this concern for the environment is not being reflected in our shopping habits over Christmas. James said, “Many UK retailers are finding that this shift in consumer consciousness has yet to translate into a shift in sales for more environmentally-friendly alternatives – that there is a lag between consumers advocating a shift and actually adopting different, greener, shopping habits.”

What do UK shoppers prioritise when it comes to Christmas shopping?

We gave our respondents five common factors that often come into buying Christmas gifts and asked them to order them in terms of what is most important when they're shopping.

Price came out on top, by a long way, with 45.4% of people putting this at the top of their list. Quality of the product was the second most important factor overall, followed by whether the product is sourced and made locally, the environmental impact of the product, and finally the speed of delivery.

Only 9% of people put 'environmental impact' at the top of their list, despite over 60% of people saying they are 'concerned' or 'very concerned' about the planet and how our habits and way of life are affecting it. Almost a quarter (23.4%) actually put this at the very bottom of the list, and just under 30% of people placed it fourth out of five.

So, what's stopping consumers from shopping in an environmentally friendly way?

Only 13.1% of people said that they do make the effort to shop in an eco-friendly way over Christmas. These are the reasons why:

'Environmentally-friendly products are too expensive'

James says: “A lot of eco-friendly products are more expensive than the alternatives because the cost of sourcing and producing sustainable materials, and ingredients for food, come at a higher cost.

As there is also less demand for eco-friendly products currently, they are not usually mass-produced like a lot of other products and food. This will mean that the cost to produce each unit is higher, resulting in a higher price tag.

The demand for eco-friendly products needs to increase in order for large companies and businesses to alter and disrupt their current, traditional manufacturing and processing lines.”

'There aren't enough shops selling environmentally-friendly products'

James says: “the expense involved in making eco-friendly products widely available is likely to be one of the main reasons as to why more retailers aren't selling them.

It's also worth bearing in mind that retailers are currently having to think very carefully about what they stock in their premises. A lot of retailers are reducing floorspace in light of changing shopping habits, drops in footfall (due to an increase of people favouring online shopping), and expensive overheads that come with having stores. Therefore, the introduction of new products is likely to come at the expense of existing ones, and the demand for eco-friendly products still isn't high enough to completely replace the products currently available."

'It's impossible to know whether I'm buying an environmentally-friendly product'

James says: "Nutritional value such as calories, salt content, the level of protein and so on are all broadcast widely on food items, and often the origin of ingredients for many health and beauty products too. But there isn't anything on the packaging in which it's contained, perhaps apart from the capability to recycle.

At present, retailers are under no lawful obligation to make this information accessible to the public. Transparency of this would no doubt open up the conversation of environmentally-unfriendly products and/or practices, offering consumers more choice and ability to work towards their own individual goals."

'As an individual, I won't make a difference'

James says: "Retailers that have eco-friendly products available can definitely help customers in this area by making them more aware of how their purchasing decisions are helping the environment.

For example, on receipt of buying eco-friendly goods, maybe the retailer could provide information on how the product was made and the minimal effects it had on the environment in the process? Alternatively data could be provided on sustainability efforts made by the producer or the carbon savings of the product compared to an alternative?

Giving people tangible evidence of the positive environmental impact of the products they're buying will help them to see that they are making a difference."

'Environmentally-friendly products are not as high quality'

James says: "The quality is high for many eco-friendly products, but it's usually the customers who are unwilling to change their habits.

We need to do more in the retail sector to encourage customers to take the risk and experiment with new products. Perhaps there should be introductory offers when new eco-friendly products come into store, or can the retailer offer incentives like rewards cards, where the customer collects points when they purchase particular eco-friendly products?

I think a lot of customers will be pleasantly surprised with the quality of many eco-friendly products, they just need the encouragement to make the switch.”

What can retailers do to make it easier for customers to shop in an environmentally-friendly way?

We asked James how retailers can help customers to make greener choices and shop in an eco-friendlier way.

James says that for those retailers who do have eco-friendly products available, they should “Offer the customer facts about climate change, and how their purchasing decisions are affecting emissions.”

He also suggests that customers could be offered rewards for purchasing particular products, or they should create incentives for customers to bring packaging back into store so it can be recycled or disposed of correctly.

“Conversely, should some products which have the most damaging impact on carbon emissions and waste be charged at a premium?

Perhaps it’s time that the Government imposed a plastic tax on manufacturers and funnel it into various efforts to reverse climate change. Appropriate levies on some items or packaging would inevitably trickle its way down to the consumer, therefore reducing demand.”

Packaging is another way that retailers can help towards creating a more eco-friendly retail sector, and it’s clear that customers want this change made.

What can customers do to shop in a more environmentally-friendly way?

When we spoke to James about the effect customers are having on the environment with their current shopping habits, he thinks that the increase in online shopping has been making the problem considerably worse.

James says, “In the UK, over one-in-five retail purchases is now made online. Increasing the number of deliveries to homes and business has an inherently negative effect on carbon emissions.

Online shopping can be eco-friendly if you’re buying in bulk and it’s delivered in one go by an electric vehicle, for example. But one problem is that retailers all use different courier services, so if you make multiple online orders, you may get two or three deliveries to one address, in one day, by two or three different delivery vehicles. Then there’s the returns to think about, and people travelling to the post office when they’ve missed a delivery.

If you are an environmentally-conscious individual, I would say to shop on the highstreet instead. If you can minimise the number of trips you take by planning in advance, car-sharing with others or taking public transport, you will be helping to reduce the carbon emissions created by online deliveries, as

well as helping local businesses.”

Notes to editor:

•Full Report:

<https://www.kisbridgingloans.co.uk/finance-news/price-still-beats-environmental-concerns-at-christmas/>

Data

•2,000 UK consumers surveyed through The Leadership Factor. Breakdowns available by age, gender, region and nearest city.

•<https://www.whistl.co.uk/news/75-of-uk-adults-want-less-packaging-used-in-online-shopping>

•<https://www2.deloitte.com/uk/en/pages/consumer-business/articles/deloitte-christmas-survey-2018.html>

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