

How to help consumers adopt reusable packaging

Social Impact from IGD



Foreword



Delivering sustainable packaging systems is a critical industry issue.

We have brought together stakeholders from across the food and consumer goods industry, packaging manufacturers, waste industry and industry associations, to create a shared ambition – to halve the environmental impact of all packaging systems by 2030.

Collectively, we are working on solutions to meet that ambition and accelerate our industry's progress towards Net Zero.

Reducing the need for single-use packaging through reusables is a vital part of the solution.

This report, based on brand-new

consumer research, outlines key opportunities to help consumers adopt refill and return packaging solutions; and in turn, to influence longer-term behaviour change.

This is the first phase of our work, which will continue in 2022 with the launch of a roadmap to deliver our ambition. This will involve a series of workstreams, including guidance to help businesses make consistent decisions on packaging systems and materials.

Collective action is needed now, across our industry, to help consumers adopt refill and return packaging. Join us in driving tangible, positive change on this critical issue.

Susan Barratt, CEO, IGD

Executive Summary

Consumers are open to reusable packaging

Our new consumer research, involving over 2000 UK consumers, reveals that 83% of consumers are open to change and around 4 in 10 (41%) have already used reusable packaging.

Consumers were most open to refill at home, return on the go and return from home solutions, and loyalty points acted as a strong incentive to motivate trial of reusable packaging.

They shared a vision of an integrated system that is flexible, easy and affordable.

Drive change

Our research highlighted a number of opportunities for driving change.

Refill at home and return solutions are priority areas for motivating consumers to try reusable packaging

Refill at home and return solutions resonate best with consumers, particularly those that shop online. To drive greater uptake of reusable packaging, these solutions need to feel easy and affordable.

Refill on the go needs greater attention for long term success

For the longer-term, consumers need more support to overcome barriers to adopting refill on the go solutions. Building consumer familiarity is critical for long-term success.

Join us for future trials

Adoption of refill and return solutions will depend on addressing cost and ease, and providing reassurance.

There is a need for more real-life trials to understand what works and doesn't work across different categories.

Join our network to halve the environmental impact of all packaging systems by 2030

Get in touch at sustainability@igd.com

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Setting the scene

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Why reuse is important

Reusable packaging can be used again for the same purpose for which it was conceived. It reduces the need for single use packaging and helps to reduce waste, pollution and other environmental and social impacts. Breaking away from our current – make, use, waste – linear systems approach is an industry critical issue, and reusable packaging is a vital part of the solution.

In recent years there has been a greater focus on providing reuse options, including refill on the go, refill at home, return on the go and return from home, with major retailers and brands trialing new initiatives.

New technologies and shifting consumer behaviours will be key to making reusable packaging mainstream.

While more work is needed to understand the role of factors, such as packaging format and number of reuse cycles, in determining the environmental benefits of different systems, we set out to understand the consumer view of reusable packaging.

Our research provides new insight to better understand the opportunities to help consumers adopt refill and return packaging; and in turn, influence long term behaviour change.

We explored consumer attitudes towards four types of reusable packaging systems

Refill



On the go

e.g. refill in-store



At home

e.g. pre-packed to use at home

Return



On the go

e.g. return to a return point



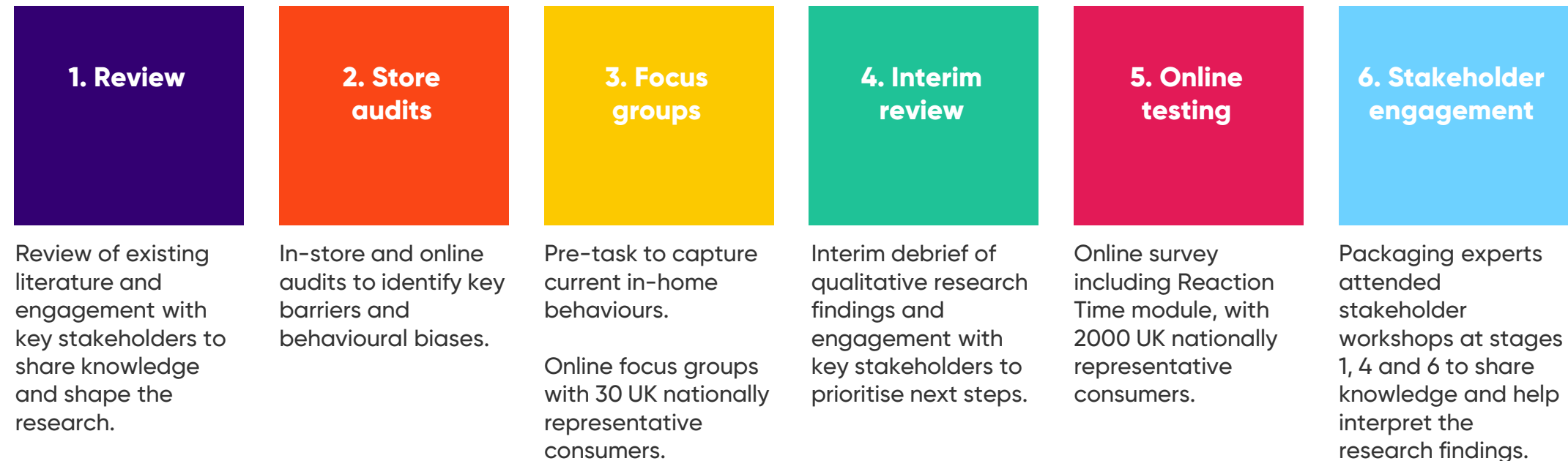
From home

e.g. return from home

Our research approach

We combined qualitative and quantitative research involving extensive engagement with stakeholders across the food system including industry, academia and NGOs.

The research took place between August and October 2021 and explored a variety of shopping missions in-store and online:



We partnered with Walnut Unlimited to complete the research

**Consumers are open to using
reusable packaging, but
need help to change**

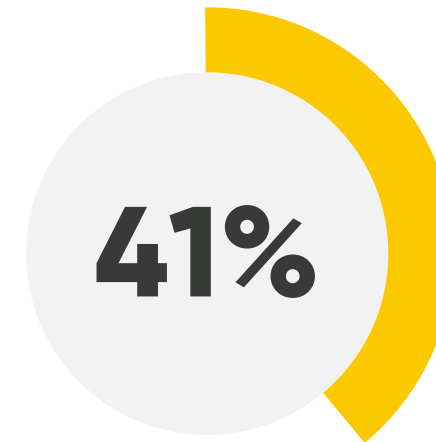
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Consumers are ready to change



...of consumers are open to change*



...have already used reusable packaging:

- 31% had used refill at home
- 17% had used return on the go
- 11% had used refill on the go

*Includes % that agreed 'I'm thinking about doing this' (42%) and 'I'm doing this already' (41%)

Cost and ease are key to motivating change

My concern with refillable foodstuffs is hygiene, I think someone else may contaminate loose foods. I focus on quality of items I buy in terms of health and on price first and foremost..

Consumer

Consumers perceive a number of barriers to adopting reusable packaging. These varied in relevance, according to the specific refill or return solution involved. Cost and ease were identified as the top motivators to encourage greater use. The environment is also a motivator for some, particularly those already using reusable packaging.

Barriers

- ▲ Cost
- ▲ Hygiene
- ▲ Effort
- ▲ Time
- ▲ Home storage space
- ▲ Quality

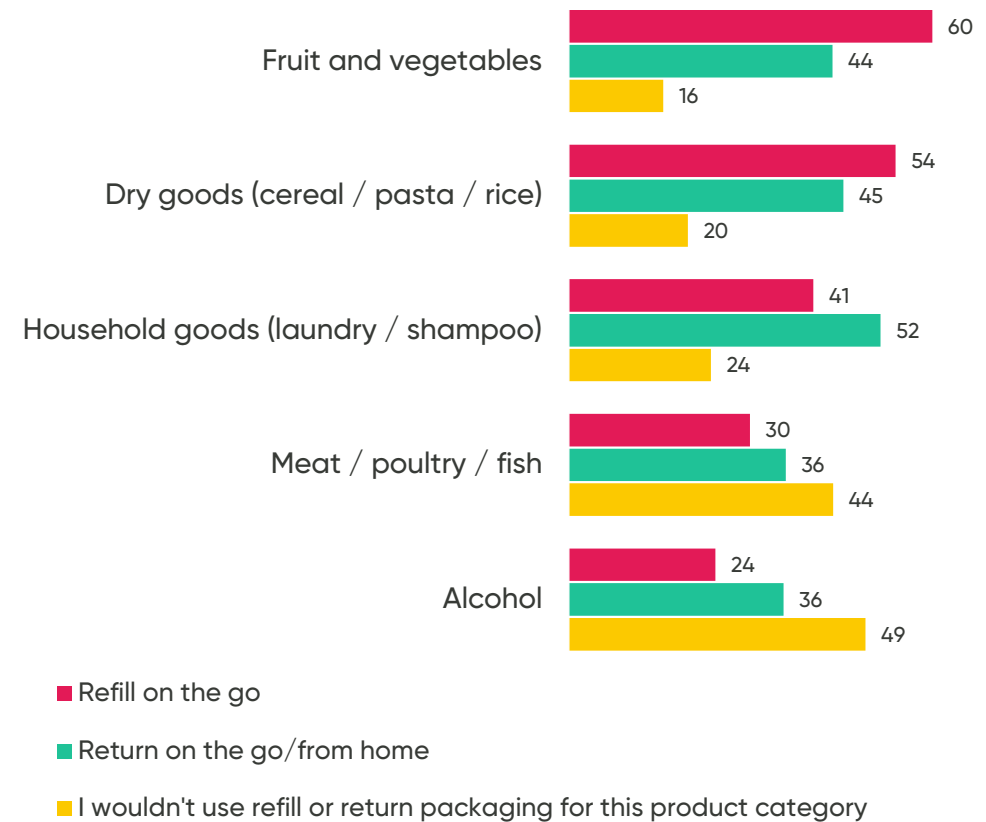
Motivators

- ▲ Cost
- ▲ Ease of use
- ▲ Environmental impact

Openness to using reusable packaging varied by product category

- Consumers were more open to using reusable packaging for fruit and vegetables, dried goods and household products, than for alcohol, meat, poultry and fish.
- Some in our focus groups questioned the hygiene of packaging that others had used previously, and felt more confident reusing containers for things like laundry and household cleaning products, than food and drink.
- When considering refill on the go, consumers welcomed reassurance on hygiene, particularly ready to eat food and drink products.

Consideration of reusable packaging by category



Consumer reactions to different solutions

from **IGD**



Reaction time testing results

We used reaction time testing to explore consumers' openness to reusable packaging.

Slower responses can be described as 'wishful thinking', and indicate the consumer is less likely to take action.

Faster responses indicate that the consumer is more likely to take action.

% Yes

I agree

Reaction time is **SLOW**

Says 'Yes' but does not truly believe it

% Fast Yes

I agree

Reaction time is **FAST**

Says 'Yes' and truly believes it

Where at least 40% of consumers responded with a 'Fast Yes', this highlights a key opportunity to influence change.

Q: Would you consider using this type of packaging?

Appeal is highest across four key areas

Refill at home



Refill at home and return on the go appeal more than refill on the go.

Return on the go



Return from home



Return from home feels easy and convenient for those who shop online.

Loyalty points

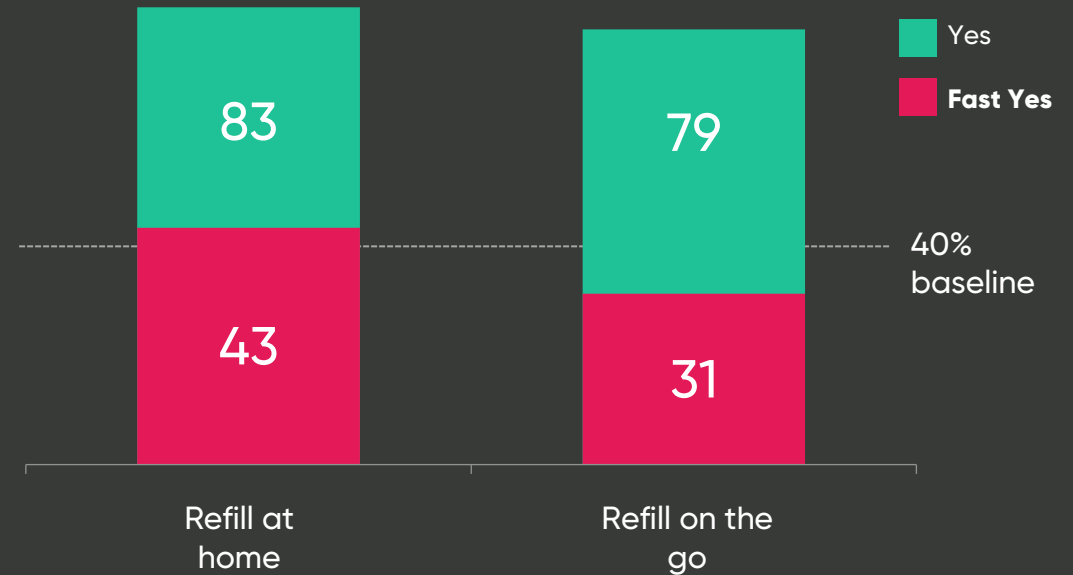


Loyalty points act as the biggest incentive to motivate consumers to try reusable packaging.

A full list of the areas tested can be found in the Appendix.

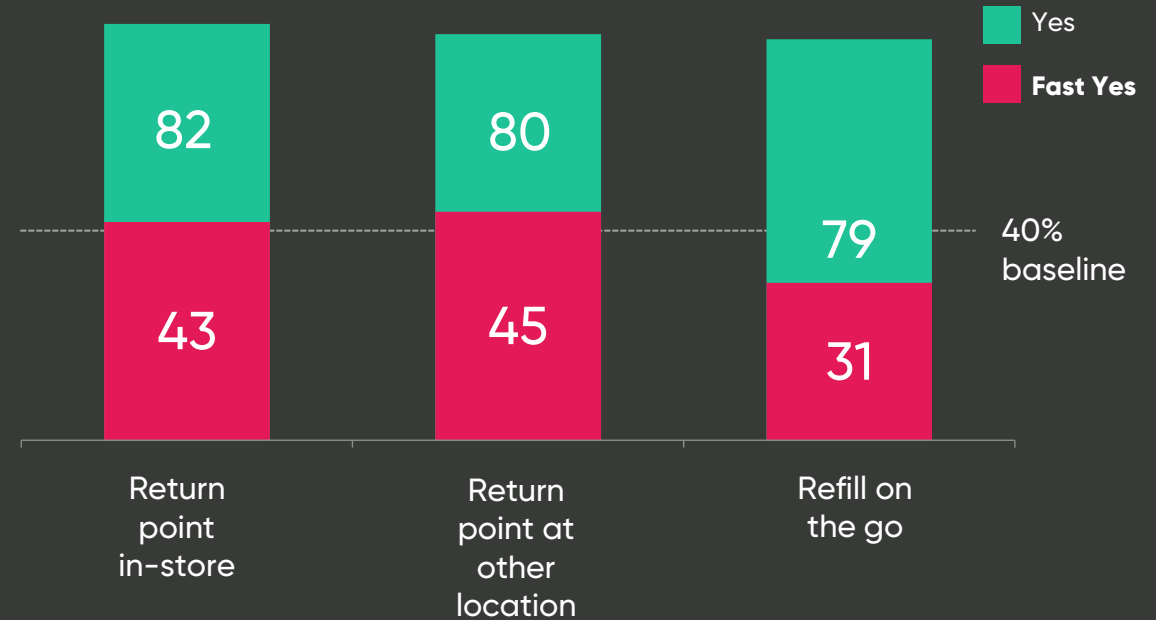
1. Refill at home appeals more than refill on the go

- ▶ Refill at home (i.e. pre-packed refills to use at home) was the only refill solution where more than 40% of consumers responding with a 'Fast Yes' – highlighting a key opportunity.
- ▶ Refill on the go (i.e. refilling in store) is a more challenging prospect for many reasons, including perceived greater effort and hygiene concerns.
- ▶ Refill at home is a familiar behaviour that many already do. Those in our focus groups were already using this type of packaging for coffee, tea, dried goods, hand wash and some cleaning products, and were especially open to buying pre-packed refills for household laundry and cleaning products.



2. Return on the go appeals more than refill on the go

- Consumers were more open to return on the go, either using a return point in-store or at other convenient locations, than refill on the go.
- Whilst there is still a degree of effort involved to store and return packaging, it's a less challenging prospect for many than refilling containers in-store.



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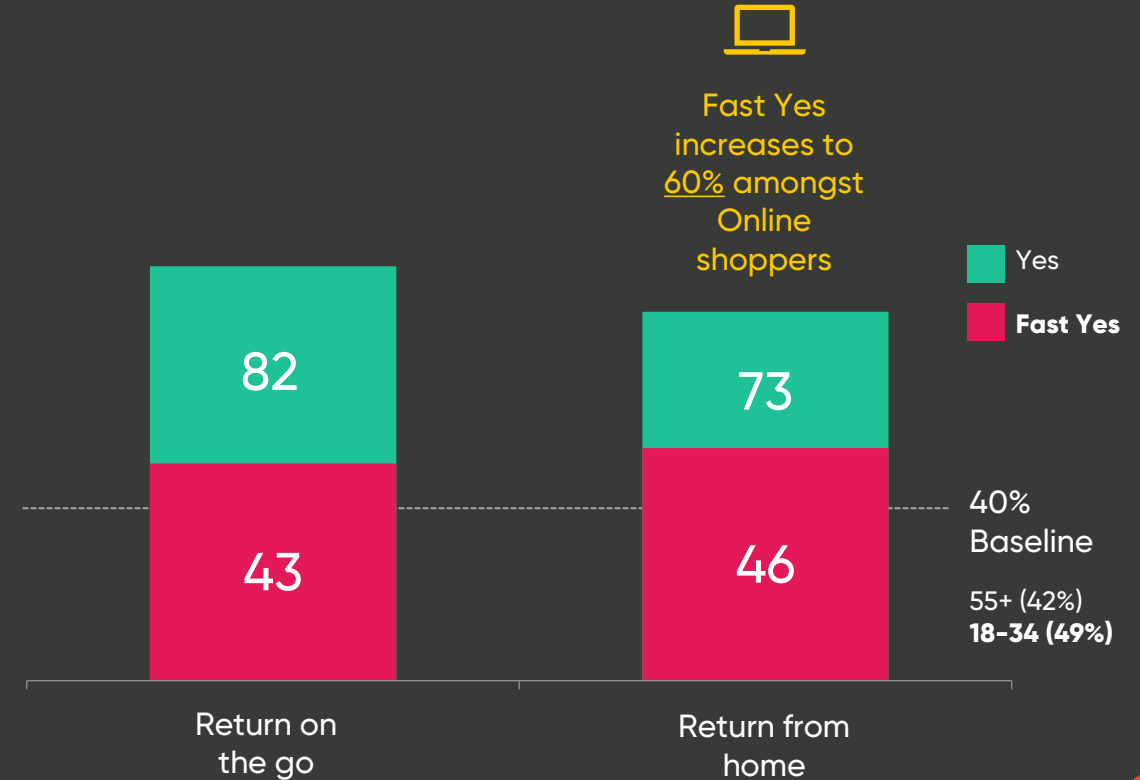
If you're going with a plan then the refill will work, but it does look a lot more hassle, and I struggle to see what's in it for me. Maybe if I had all the time in the world, but mostly I'm rushing around.

”

Consumer (Family, ABC1)

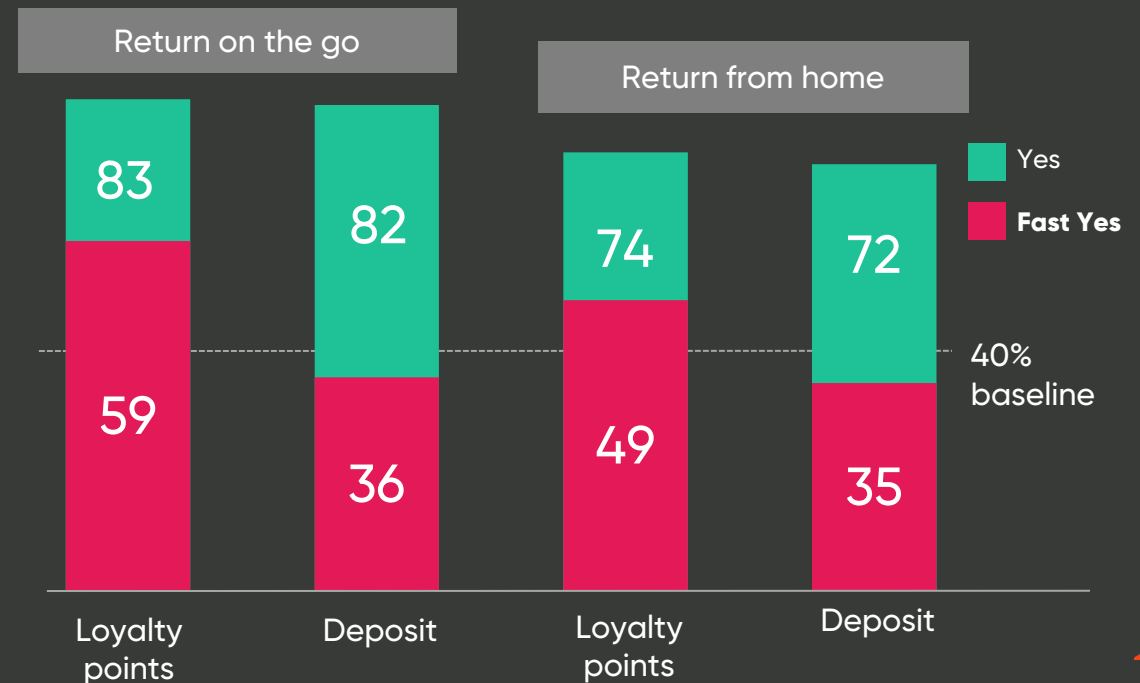
3. Consumers that shop online are more open to return from home

- Consumers that shop online are more open to return from home than those that shop in-store.
- Online solutions appeal even more to younger consumers.
- Returning packaging to a delivery driver can easily become part of the weekly shopping routine without additional new steps required.



4. Loyalty points are a bigger incentive than deposits

- ▲ Loyalty points had the highest appeal out of all the areas we tested, including deposit return.
- ▲ Loyalty points offer instant gratification and a very tangible, personal benefit which makes consumers feel valued for their actions.
- ▲ The more immediate the reward, the more motivating the behaviour becomes. Offering a deposit delays the reward and, therefore the motivation to try.
- ▲ Whilst the appeal of a deposit for encouraging use of reusable packaging is limited, it could become more widely accepted once the Deposit Return Scheme (DRS) for recyclable packaging becomes more mainstream.



Turning insight into action

from **IGD**



The consumer vision

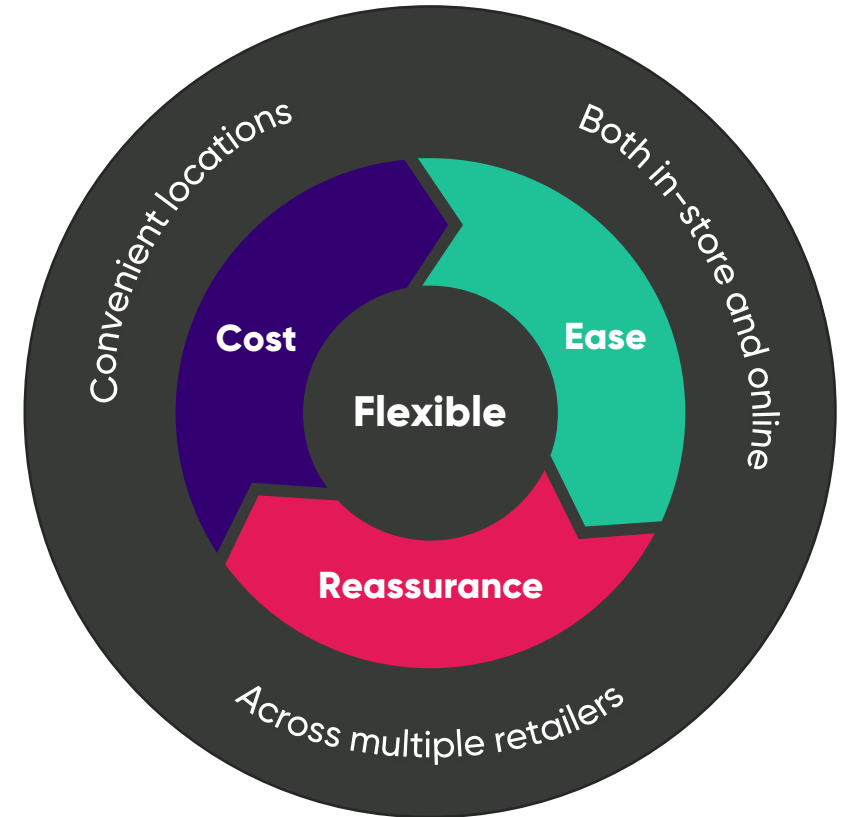
What's important to me is that whatever system I'm using all link up for ease. I don't want to be juggling several different options.

Consumer (Pre-Family, ABC)

Consumers shared a vision of **an integrated system that is flexible, easy and affordable**. They want solutions that fit with the way they currently shop across different channels.

They articulated a need for a system that offers flexibility to return packaging to convenient locations, both in-store and online, across multiple retailers.

Our research highlighted opportunities across three key themes, Cost, Ease and Reassurance, for industry and other stakeholders to collaborate and deliver this vision.



Drive change

- ▶ Refill at home and return solutions resonate best with consumers and are priority areas that will help drive greater uptake of reusable packaging.
- ▶ For the longer-term, consumers need more support to overcome barriers to adopting refill on the go solutions. Building consumer familiarity is critical for long-term success.
- ▶ Some products and categories will be more suited to these solutions than others, and there is a need for more real-life trials to better understand the implications for different categories.

Priority solutions



Refill at home



Return on the go



Return from home

Longer-term solution



Refill on the go

Help consumers adopt the priority solutions



Cost

- ▲ Incentivise reusable packaging through loyalty points.
- ▲ Price reusable packaging in line with single-use or recyclable packaging, or better still cheaper.
- ▲ Position any pricing messaging as a gain and focus on money saved (e.g. save 10p).
- ▲ Provide clarity around pricing if using deposit schemes



Ease

- ▲ Ensure availability of products, both in-store and online.
- ▲ Integrate solutions with the usual shop (online or in-store), instead of being a separate service.
- ▲ Pique interest and curiosity with clear communication and signage.
- ▲ Make it easy to default to these solutions with prime positioning in-store and online.
- ▲ Innovate to provide ease of storing the containers (e.g. foldable or placed inside each other).
- ▲ Ensure ease of returning the containers – availability of return points and flexibility to return containers to stores/return points other than where the purchase was made.



Reassurance

- ▲ Provide clarity on the process for returning packaging.
- ▲ Help consumers understand the cleaning process for returned containers, particularly for food.
- ▲ Help consumers understand the wider benefits (e.g. environmental impact, cost saving) compared to recycling or disposing of single-use packaging.
- ▲ Regularly communicate the positive environmental impact the consumer has contributed to through their actions, to help further boost motivation.
- ▲ Reassure consumers that others are successfully using these solutions to create a new social norm.

Help consumers adopt refill on the go



Cost

- ▲ Price refill on the go in line with single-use or recyclable packaging, or better still cheaper, and clearly communicate any savings.
- ▲ Provide consumers with control over how much they refill and spend.
- ▲ Run giveaways or promotions for those that don't own containers.



Ease

- ▲ Make it easy to default to the refill solutions.
- ▲ Dedicate staff to speed up the refill process to help to ease concerns on time taken.



Reassurance

- ▲ Use hygiene and freshness messaging, such as 'topped up daily', particularly for food categories to help bolster confidence.
- ▲ Provide reassurance around product quality.

Join us

Collective action is needed across the food and consumer goods industry to help consumers adopt refill and return packaging. Here is how you can help:

1

Join our network to halve the environmental impact of all packaging systems by 2030

2

Tell us about the changes you are making

- Some organisations are already taking steps to trial refill and return packaging.
- Share your story and inspire others to start their journey.

3

Partner with us to run reuse trials

- There is a need for more real-life trials to understand the effectiveness of different interventions, centred around cost, ease and reassurance, to support consumers to adopt reusable packaging.

Get in touch at
sustainability@igd.com

Acknowledgements



Thank you to IGD's Sustainable Packaging Systems Working Group, and other packaging experts that participated in our stakeholder workshops.

Your support in interpreting the findings has been invaluable.

We would also like to thank our research partners at Walnut Unlimited.

Appendix 1: Methodology

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We tested consumer reactions to four types of reusable packaging

Having identified cost and ease as key to motivating trial of reusable packaging, we then used reaction time testing to understand the attractiveness of the refill and return packaging solutions below.

	Refill on the go	Refill at home	Return on the go	Return from home
Cost and incentives	<p>Refill your own container in-store for the same price or less as alternatives.</p> <p>Receive loyalty points for using reusable net bags when buying loose fruit and veg.</p>	<p>Buy pre-packed refills that are the same price or less than alternatives.</p>	<p>Receive loyalty points when your return empty reusable packaging in-store.</p> <p>Receive your deposit back when you return empty reusable packaging in-store.</p>	<p>Receive loyalty points when your return reusable packaging to a delivery driver.</p> <p>Receive your deposit back when you return reusable packaging to a delivery driver.</p>
Ease and convenience	<p>Refill your own container in-store, weighing just the amount you need.</p> <p>Buy attractive containers for refilling in-store.</p>	<p>Buy pre-packed refills to decant to your own container at home.</p>	<p>Return empty reusable packaging to your main food and grocery store.</p> <p>Return empty reusable packaging to collection points in convenient locations.</p>	<p>Return reusable packaging to a delivery driver.</p>

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