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The Green Dilemma

The Disparity Between Consumer and
Retailer Perceptions

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Introduction

It comes as no surprise that sustainability is a growing global concern. There is clear prioritization of sustainable development activities amongst the retailers and brands we support at PFS, and we ourselves take the future of our people and our planet seriously.

This sentiment echoes across core verticals, including beauty and cosmetics, jewelry, luxury, sportswear, and more. As clients have sought to implement more sustainable practices, we find ourselves increasingly asked to provide guidance on how to implement more conscious operations without creating a loss to the business due to high costs or a less desirable customer experience.

At PFS, many of the brands we support are premier retailers serving customers who have the highest expectations for their online order. Applying knowledge gained through serving multiple leading brands as they implemented their sustainability objectives, we provide proven processes and recommendations for implementing these initiatives across the post-purchase operation – while maintaining first-rate customer experiences.

Realizing there were certain areas we needed more information on in order to better understand the market and consumer expectations, we began conducting annual research on the topic in 2020. The insights gleaned from this research over the years, including the findings detailed in this report, shed light on how the industry is embracing the sustainability agenda, the challenges that are creating speed bumps along the way, and the positive progress being made.

Continue reading for further insights on our latest round of research and recommendations for how retailers should respond from PFS' eCommerce operations experts.



A handwritten signature in black ink, consisting of stylized, overlapping loops and lines, representing the name Zach Thomann.

Zach Thomann

Chief Operating Officer

Key Takeaways

A holistic approach is critical to the success of a sustainable operation, particularly as it relates to customer approval and retention. Brands with sustainability built into their growth framework should consider every aspect of the upstream supply chain as well as the post-purchase customer journey.

More than ever before, consumers are looking for transparency. They want to see that brands are trying to be more sustainable across all operation, not just the customer-facing elements.

Added to this, the impact of inflation and the cost-of-living crisis on the average consumer's expendable income is creating more cost-conscious shoppers. Retailers and brands must be fully transparent and communicate the financial implications of implementing more sustainable operations to encourage consumers' understanding and buy-in.

Competitive Prices

The main consideration for consumers when choosing an online retailer or brand to purchase from remains competitive prices (32%), with fast delivery a secondary consideration (12%). Before assuming that means sustainable developments can be kicked further down the road, retailers must keep in mind that just below one third (30%) of consumers assume regulation will ensure sustainability standards are met. There is a growing baseline expectation that retailers are becoming more sustainable. As consumers grow more aware of what this should look like in practice, falling behind on sustainability poses a potential risk to the business.

Awareness

Retailers and brands are aware that there is work to be done and that their industry leaders are setting the bar high. 60% of retailers feel they are lagging behind their competitors when it comes to implementing operational sustainability practices.

Expectations

The purchase of a "green" product automatically creates expectation regarding the delivery and unboxing experience. Green initiatives cannot be siloed. If they haven't done so already, retailers and brands should consider implementing a holistic approach when it comes to sustainability, considering how they can reduce their impact across every aspect of the supply chain.

Communicate Investment

Consumers and retailers are in a standoff over sustainability. Consumers want to do the right thing but question if increased prices are truly warranted or simply retailers profiting off sustainability claims. On the other hand, retailers want to retain customers but don't feel they should have to keep absorbing the costs of more sustainable operations. To gain the backing of consumers, retailers and brands must find a way to better communicate the investment involved in creating increasing sustainability.

Research Methodology

In December 2022, PFS commissioned Arlington Research who conducted 4,000 online interviews with a nationally representative sample of adults aged 18+ (2,000 interviews were conducted in both the US and UK). 200 online interviews were also conducted with those who work for a retailer or consumer brand that sells online direct to consumers or via online marketplace websites with an annual sales revenue of more than \$15 million (or over £10.5 million), at Director level or above working in Customer Experience, Customer Service, Digital, eCommerce, Operations, Supply Chain or C-Suite roles.

Where appropriate, the following age groups are referred to within the report:



Generation Z

respondents born between 1994 – 2001



Baby Boomers

respondents born between 1946 – 1964



Millennials

respondents born between 1980 – 1993



The Silent Generation

respondents born before 1946



Generation X

respondents born between 1965 – 1979

To compare shopping habits among those with different priorities, the research also classified shoppers into different personas based on their most important considerations when making an online purchase of a leisure or non-essential item (excluding groceries):



Price conscious shoppers

(23%) – getting the best price even if it means buying an unknown or less well-known brand



Informed, practical shoppers

(30%) – researching and comparing alternatives to ensure I am buying the best option for me



Ethically-motivated shoppers

(11%) – purchasing a sustainable product even if it means paying a bit more



Emotional shoppers

(8%) – making a purchase to enhance my mood, feel inspired or reduce boredom



Brand-driven shoppers

(25%) – buying from a specific brand that I trust and have purchased from before



None of the above

(3%)

The Sustainability Negotiation

There is a constant give and take happening between retailers and consumers when it comes to sustainability. Consumers look to retailers to support their values (without increasing costs), while retailers depend on customer loyalty to survive, but can't always incur the costs involved in maintaining more eco-conscious operations.

The impact of this "Sustainability Negotiation" can be seen throughout the post-purchase consumer journey, across product selection, packaging, delivery and returns operations. **The disparity between consumer expectations and retailer realities continues to cause disruption and confusion amongst both parties, making it difficult for retailers to identify a clear path forward.**

So, where is the middle ground? Is there an approach to sustainability that enables retailers to remain profitable while satisfying consumer demand for more responsible practices? In the following sections, we'll take a closer look at some of the challenges resulting from this disparity between consumers and retailers and provide recommendations on how retailers can address those challenges to successfully move towards a more sustainable future.



Product

When it comes to choosing sustainability, shipping and packaging options are always secondary to product choice for consumers.

Based on what we've seen with previous research, the purchase of a "green" product could increase expectations regarding the packaging and shipping used for the order. That said, **only 11% of shoppers prioritize purchasing sustainable products today.** While these ethically motivated shoppers are willing to pay a bit more to keep in line with their values, competitive pricing remains the top consideration for 32% of consumers, with fast delivery, convenience, and free returns following close behind.

These statistics may bring into question how much of a priority product sustainability is for consumers today. **However, 50% of retailers report seeing an increase in customer queries regarding sustainable products since 2020.** Consumers are clearly becoming more conscious of and concerned with the impact their purchases have on people, profit and the planet.

When asked how they would describe sustainability, Gen Z respondents were more likely to say sustainable means being socially responsible, locally produced, labelled or certified as responsibly sourced, carbon neutral, and supporting biodiversity. In comparison, for older age groups, the understanding of sustainability was more focused on recycled, repurposed, durable and reused. Younger generations are more concerned with the larger supply chain implications of their purchases and appear to have a broader understanding of the ways in which a retailer can reduce their environmental impact across the supply chain, not just how they package or deliver their products.

Statistics:



Only 11% of shoppers prioritize purchasing sustainable products, even if it means paying a bit more. Competitive pricing remains the top consideration for 32% of consumers. Second to this are fast delivery, convenience and free returns.



50% of retailers have seen an increase in customer queries regarding sustainable products since 2020.



Gen Z define sustainability as being socially responsible, locally produced, labelled or certified as responsibly sourced, carbon neutral, and supports biodiversity.

How different generational consumers describe 'sustainable' when ordering online

	Gen Z	Millennials	Baby Boomers	Silent Gen
Socially responsible	30%	28%	29%	23%
Locally produced	22%	20%	21%	18%
Labeld/certified as responsibly sourced	25%	25%	30%	24%
Carbon neutral	29%	31%	30%	21%
Supports biodiversity	29%	26%	33%	24%

Retailer Recommendations

1. Work towards holistic supply chain sustainability

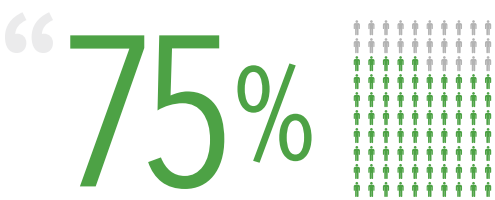
Retailers should work with partners who share their values and goals with regard to sustainability, to reduce their impact across the supply chain to bolster the authenticity of their claims of being an environmentally conscious organization. From manufacturers to the third-party logistics provider (3PL) fulfilling your online orders, find partners who are not only willing to support your sustainability initiatives, but are also actively in pursuit of a more sustainable future.

2. Initiate independent raw material checks and third-party audits

Retailers should be cautious with over-reliance on third-party labeling of products and conduct independent raw material checks to ensure the product information being communicated to customers is accurate. **According to Gartner®, "product claims are usually discrete and have a higher likelihood of being called out if ambiguous or factually incorrect."** "Consumers often assess that commitment to sustainability by reviewing the labels, designations, and other information on packaging. In fact, 75% of consumers who had purchased a sustainable or eco-friendly product in the past three months said they had looked at the sustainability information on the product's packaging, making it the No. 1 factor influencing their decision."²

Consumers are not the only ones raising questions regarding the accuracy and authenticity of labeling. Retailers are now being held accountable by legislation. In 2022, France announced **Decree 2022-748** which regulates the environmental claims made by producers, importers and distributors of waste generating products intended for consumers, including textiles, clothing, footwear, household linen, soft home furnishings and packaging, among other items. This is now a legal matter.

To maintain credibility with consumers, brands cannot rely on the hearsay from other companies when their reputation and legal standing depend on transparency and accuracy.



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– Gartner®



1. Gartner, Quick Answer: How Should Organizations Respond to Greenwashing Risks?, Sarah Watt, Dale Kutnick, Kristin Moyer, Alan Antin, John Blake, 7 April, 2022.
2. Gartner, Product Sustainability Attributes That Matter to Consumers, Sarah Watt, Consumer and Culture Insights Team, 15 December, 2022.

Packaging



The receipt of an online order is typically the first tangible interaction a customer has with a brand during an online order process.

When the package arrives and it is clearly not in line with the latest standards and expectations, any sustainability messaging a brand presents is easily written off as unfounded or false.

This results in distrust and hampers efforts to be clear on brand promises, drive repeat purchases via loyalty and convert customers to advocates. It is vital for brands to adopt a silo-less approach, with marketing and eCommerce operations maintaining open lines of communication to ensure a holistic view of the customer.

Packaging has become an easy target for watchdogs on the lookout for greenwashing organizations. Many retailers are finding themselves in court (see note on new legislation in France mentioned in previous section), learning the hard way that this sort of misleading messaging around packaging and other sustainability claims can now lead to legal action.

A note on the risks of greenwashing

To avoid accusations of greenwashing, brands should remain authentic with their marketing approach through clear communication, fact-driven messaging and alignment with company values. Greenwashing causes confusion for consumers and increases the risk of being perceived as insincere and untrustworthy, thereby undeserving of loyalty.

To avoid greenwashing, retailers and brands should:

1. Prioritize authentic messaging that is true to their brand values;
2. Use verified data that provides a holistic and clearly connected view;
3. Communicate initiatives with fact-based language;
4. Ensure alignment of values with brand partnerships across the supply chain.¹



1. Quick Answer: How Should Organizations Respond to Greenwashing Risks?, Gartner, Kristin Moyer, 7 April 2022.

While the legislative impacts are serious, the impact to the customer experience is just as critical to the stability of a brand where customer retention is concerned. 61% of consumers expect sustainable packaging to be used, with 30% believing that a higher cost for more sustainable/eco-friendly shipping and delivery options is unjustified. And yet, only 54% of retailers currently offer sustainable packaging options free of charge. Similarly, 39% of consumers expect online retailers to provide minimal or right-size packaging, yet only 28% of retailers currently practice right-size packaging today, with only 25% even classifying right-size options as a measure for sustainable packaging. There is a clear gap between what consumers versus retailers see as a base expectation.

Lack of consumer awareness regarding what it takes to operate in a sustainable packaging operation could be to blame. When asked which sustainable packaging and shipping products they would expect online retailers to provide, options that mentioned "recycling" in some form had a stronger expectation. **Overall, consumers appear to be less aware of, and therefore expectant of, other sustainability measures such as biodegradable inks or use of eco-friendly filling materials.** If retailers can work to expand the consumer understanding of sustainability beyond recycling, this could help further their understanding of the efforts brands are taking to reduce their impact on the environment – beginning to close the gap.

Statistics:



6 in 10 consumers expect sustainable packaging to be used, but retailers fall short on expectations.



58% of retailers currently offer sustainable packaging options at an additional cost.

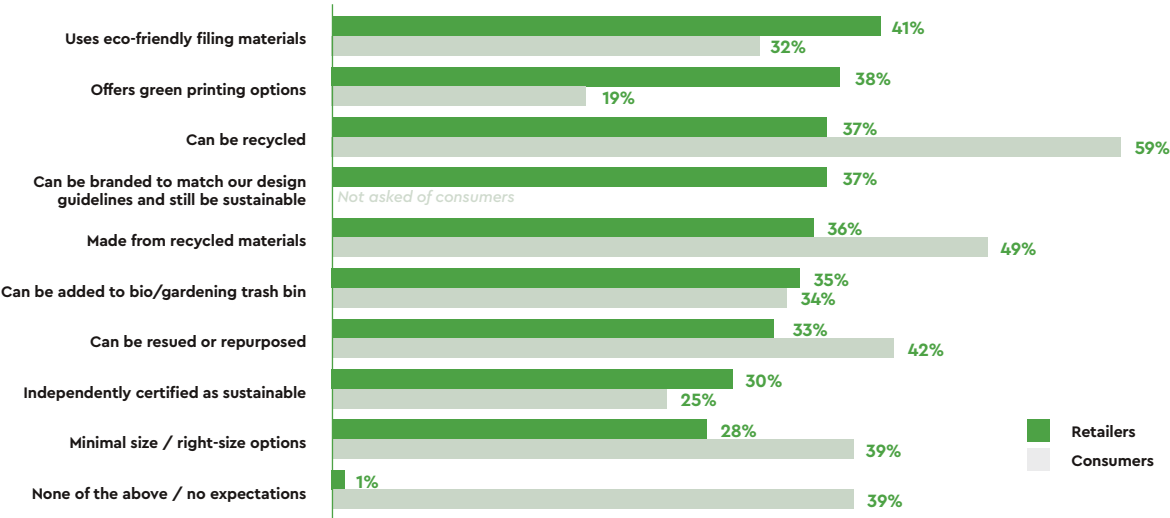


30% of consumers believe that charging a higher cost for more sustainable / eco-friendly shipping and delivery options is not justified, yet only 54% of retailers support sustainable packaging options free of charge.



39% of consumers expect online retailers to provide minimal or right-size packaging, yet only 28% of retailers currently practice right-size packaging today, with only 25% of retailers even classifying right-size as a measure for sustainable packaging.

Packaging for shipping currently being used by retailers and consumers



Retailer Recommendations

1. Educate your customers

The most used sustainable packaging methods by retailers are eco-friendly filling (peanuts) (41%) and green printing options (38%), both of which are least likely to be expected by consumers. There is a clear opportunity and need for retailers to educate consumers on the many factors involved across sustainable eCommerce operations. Only 14% of consumers say they never or rarely recycle packaging. It's fair to say that consumers know cardboard boxes should be recycled, but it is on retailers to educate consumers on additional measures that can and are being taken.

QR codes are a great way to educate customers on your sustainability initiatives. In addition to printing "Recycle me" on packaging or providing recycling instructions via an insert, **retailers and brands should consider linking to their Corporate Social Responsibility (CSR) page via a QR code,** providing further information on their sustainability measures. While customers are visiting your site, retailers can capitalize on this customer interaction by prompting them to leave a product review, take advantage of a current promotion, suggest corresponding products and more. QR codes are also being leveraged to streamline more efficient returns processes.



Retailers and brands should consider linking to their Corporate Social Responsibility (CSR) page via a QR code, providing further information on their sustainability measures.

2. Empower your customers to choose sustainability

At checkout, **allow your customers to "opt-in" to more sustainable packaging methods.** This will vary in approach depending on the retailer or brand. For example, a luxury brand could offer consumers the option to choose minimal packaging and forgo the premium packout including ribbons, non-recyclable boxes, tissue paper, etc. For a shoe brand this could mean offering the option to choose recyclable shrink-wrap around the shoe box as opposed to placing the product box in another cardboard shipping box.



3. Simplifying complicated packout operations

Simplifying a complicated packout operation can also result in increased sustainability through less waste, as well as an improved customer experience. **Less materials and fewer steps lead to faster processing times and increased order output.**

30% of consumers expect that retailers are meeting the regulations in place to ensure acceptable levels of sustainability, which includes packaging practices. **When it comes to right-size packaging, consumers know it when they see it.** A 2022 report from product packaging company DS Smith found that 43% of consumers are frustrated by excess packaging. The absence of sustainable packaging (particularly the obvious solutions such as right-size and recyclable materials) could impact consumer behavior in relation to loyalty and purchasing decisions.

According to Gartner, "By 2026, 20% of organizations with sustainable packaging goals will shift their focus from recycling and eliminating plastics to reducing the carbon footprint of their packaging.³" **Continued reliance on plastics and single-use packaging is one of the primary factors holding retailers back** from meeting sustainability commitments in relation to packaging. "Environmental impacts will be decreased only if we challenge the necessity of packaging to begin with, and identify opportunities for elimination⁴." Rather than focusing on replacing existing packaging with alternatives, longer-term sustainability requires that retailers and brands start looking toward waste prevention and actual elimination of packaging wherever possible.

The absence of sustainable packaging could impact consumer behavior in relation to loyalty and purchasing decisions.

“20%

of organizations with sustainable packaging goals will shift their focus from recycling and eliminating plastics to reducing the carbon footprint of their packaging.”

– Gartner®



3. Gartner, Reduce Packaging Sustainability Costs and Risks by Focusing on Waste, John Blake, Lindsay Azim, 1 December, 2022.

4. Ibid.



Delivery

Consumers have two key expectations when it comes to their experience and sustainability – no additional costs and consistently high service levels.

With the normalization of same-day and next-day delivery in recent years, establishing sustainable delivery operations that fall in line with these expectations has been near impossible.

There are numerous studies that tout the benefits of online shopping as opposed to traditional in-store shopping. For instance, research shows that shopping exclusively online is about **87% more efficient** with regard to CO2 emissions and vehicle miles as opposed to shopping exclusively in-store. **The key, however, to reaping the environmental benefits of online shopping is the ability to consolidate orders.** Consumer insistence on faster delivery, where orders are required to get on the road as quickly as possible, regardless of how empty the van may be, is where the benefits are lost.

Retailers demonstrate belief that consumers are ready to own the role they play in the pursuit of more sustainable eCommerce. 64% of retailers have seen an increase in customers selecting eco-friendly delivery options. The consumer perspective tells a different story, though. Encouragingly, most consumers (82%) stated they would be willing to wait (mainly only an extra day or two) for an order to arrive if they knew the delivery had a significantly smaller carbon footprint. However, when it comes time to push the “buy” button, 67% of consumers will choose faster delivery if they don’t have to pay extra, with no concern for sustainability considerations. Interestingly, this reality is highest amongst millennials (73%).

Consumers have grown accustomed to speed and convenience. Over half of consumers (57%) say fast delivery is an important consideration when choosing an online retailer to purchase from (12% main consideration, 45% other consideration), while sustainability considerations were only mentioned by 13%-18% of consumers, with Gen Z holding the highest percentage – Gen Z’s market influence will only grow as more of this generation enters the workforce. Retailers should not dismiss the value of sustainable delivery methods and their importance in the eyes of consumers, long-term.

82%

of consumers stated they would be willing to wait for an order to arrive if they knew the delivery had a significantly smaller carbon footprint.

Statistics:



64% of retailers have seen increases in **customers selecting eco-friendly delivery options**.



30% of consumers believe a **higher cost** for more sustainable / eco-friendly shipping and delivery options is **not justified**.



4 in 10 consumers said they are very likely to choose more **environmentally friendly delivery options**, even if they must wait longer. However, two-thirds (67%) of consumers agree that they will **always choose the fastest available delivery if they don't have to pay extra**.

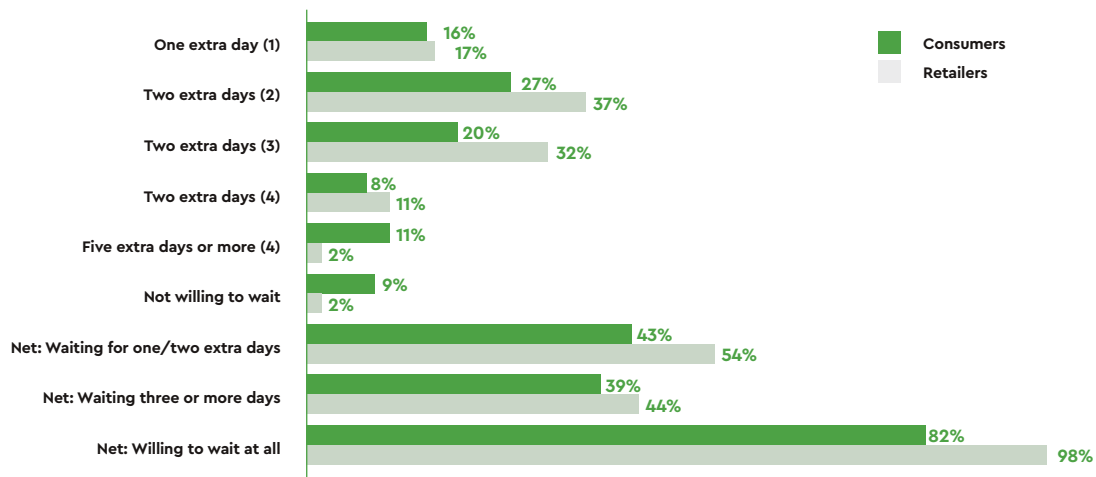


Over half of consumers (57%) said **fast delivery was an important consideration** when choosing an online retailer to purchase from (12% main consideration, 45% other consideration), while sustainability considerations were only mentioned by 13%-18% of consumers.



Overall, **retailers expect customers to be more prepared to wait for eco-friendly delivery options than consumers say they are**.

How long consumers are prepared to wait for eco-friendly delivery options



Retailer Recommendations

1. Activate multi-node fulfillment

One way retailers can support fast delivery more sustainably is by getting products closer to customers.

A successful multi-node operation requires advanced order routing capabilities via distributed order management (DOM) technology. A DOM system enables retailers to route orders across multiple fulfillment points depending on a number of factors, including delivery preferences, shipping time and costs, inventory optimization at stores and, notably, more sustainable delivery methods.

Using a DOM, retailers can support multiple distribution centers (DCs) across geos (for example, operating West and East Coast DCs in the US for **faster in-region fulfillment**) as well as alternative delivery methods ranging from store fulfillment offerings (curbside pick-up and buy online, pick-up in-store (BOPIS), ship-from-store, etc.) to micro-fulfillment centers or temporary pop-up DCs.



By dispersing inventory across a network of distribution points, retailers and brands can shorten the last-mile distance and enable alternative fulfillment methods.

2. Leverage the growing regional carrier market

Demand for regional carriers grew rapidly with the eCommerce boom that followed the 2020 COVID-19 pandemic. When national carriers began experiencing capacity constraints and implementing surcharges, eCommerce retailers sought to diversify their carrier network.

With **regional carriers**, retailers can support faster delivery times (typically same-day or 1-2 day delivery across regions) at a lower cost, with more accountability than national carriers. Partnering with these local operators wherever their DCs are located enables faster, more cost-effective ground delivery. **When combined with a multi-node fulfillment approach, retailers can maintain quick turnaround across regions** with more efficient ground delivery as opposed to a traditional fulfillment hub model which requires shipping via next-day air – at a higher financial and environmental cost – to support the same level of service.



To learn more about multi-node and cross-border fulfillment, download our eBook.

DOWNLOAD

Returns



The amount of waste generated from returns is an ongoing problem across industry verticals.

NRF estimates that consumers returned approximately **\$816 billion** worth of retail merchandise purchased in 2022, a return rate of 16.5%. Similar can be said for the **UK**. Nearly all retailers appear to understand the significant impact returns have on their business as 98% have taken action to reduce returns in the last 12 months.

When handled correctly, returns management and the process of reverse logistics can encourage consumer confidence and brand loyalty. The experience of a return must be just as positive as the purchase experience. eCommerce retailers are clearly working to find the right approach. 98% of retailers have taken action to reduce returns, with over half (53%) having succeeded and done so by 10% or more.

From changing carriers to reduce damages (there is a notable increase in accountability with regard to damages when using regional carriers), to increasing the cost of returns, to enabling on-site customer reviews, retailers and brands are actively seeking ways to reduce the return rate. But the role of consumers' purchasing habits in reducing returns cannot be overlooked. Compared to our **2021 Conscious Commerce research**, a significantly greater number of consumers said they definitely do NOT over-purchase with the intent to return unwanted items, jumping from 47% disagreeing in 2021 to 64% in 2022. While there are likely several contributing factors, the increase in detailed product information helping to set expectations plays a clear role.

Statistics:



21% of Retailers (1 in 5) have managed to **reduce the rate of returns** compared to 2020.



Over half (53%) of the retailers who have reduced returns have done so by 10% or more, primarily driven by **providing better product information**.



Changing carriers to reduce damages was the most successful at reducing returns (70%); followed by making it more expensive to return (65%), and providing more customer reviews (63%).



98% of retailers have taken action to reduce returns over the last 12 months.



There was a significant increase in **disagreement from consumers** regarding the statement that they generally **order multiple versions of the same item** (from 43% NET: Disagree in 2021 to 61% in 2022), showing consumers have slowed down on ordering multiple versions of the same item, intending to return.

Retailer Recommendations

1. Provide detailed product information pre-purchase

The primary driver for reduced return rates was providing better product information. Retailers should continue to seek **effective ways to guide their customers to the right purchase first time**. Provide verified and comprehensive lists of ingredients or materials used for products, detailing proportions – as mentioned previously, labeling is important. Enable product reviews so customers can share their experience and provide additional product information.

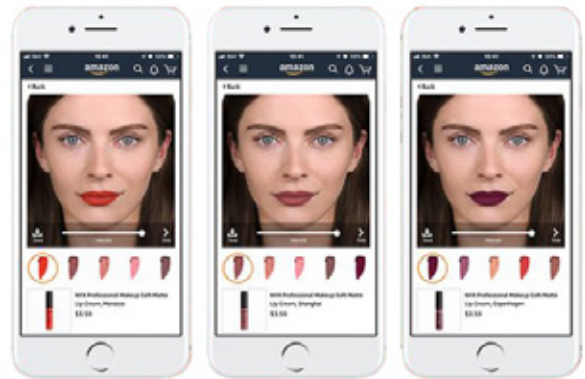
Going a step further, brands should consider leveraging AR/VR technology and engage with the Metaverse to allow consumers to try-on or test products virtually. L'Oréal Paris, for example, has implemented augmented reality (AR) technology that uses a face tracking algorithm to detect 63 key points on the face. The image is used during the online shopping session where customers can explore over 400 make-up shades.

2. Offer a data exchange

With the cost of eCommerce returns on the rise, brands need to get creative on how they navigate this space. Amazon, ever the trendsetter, keeps the process simple but always asks customers for information. Data collection can be more valuable to brands than getting their merchandise back, as seen with the growing trend of the **no-return refund** where customers are allowed to keep the product and still receive a refund, yet brands still gain the data insights.

Brands that are handling reverse logistics best are partnering with a 3PL who can resolve issues while gathering information. Why are you returning it? Was it the wrong color? Did the product not arrive on time? Retailers can aggregate the data captured via returns to identify and address potential pain points in the supply chain (i.e. damaged shipments, inaccurate or unhelpful product descriptions, misleading product images, etc.) and reduce the rate of returns. Equally, this information can be used in continuous improvement of your website.

L'ORÉAL
PARIS



L'Oréal Paris uses an augmented reality (AR) 63-point face tracking technology that allows online customers to explore over 400 make-up shades.

3. Consider re-commerce

While most retailers are focused on reducing their return rate, there are some brands who are seeking to get consumers to return their "pre-loved" items back to the brand. For instance, brands are taking notes from sustainability champions like Patagonia and their Worn Wear trade-in program, with the most recent announcement from Canada Goose on the launch of their **re-commerce platform** Canada Goose Generations, in January 2023. By engaging a re-commerce solutions provider, brands can manage their resale operations, ensure the authenticity of the products, and maintain control over their image and reputation.

Conclusion

Working towards a green future, together.

The conscious commerce "negotiation" is ongoing. The give and take (push and shove) between retailers and consumers is unlikely to be resolved any time soon. However, retailers should not be discouraged or feel that their efforts to further the sustainability of their organization are in vain.

Consumer behavior is trending more environmentally conscious

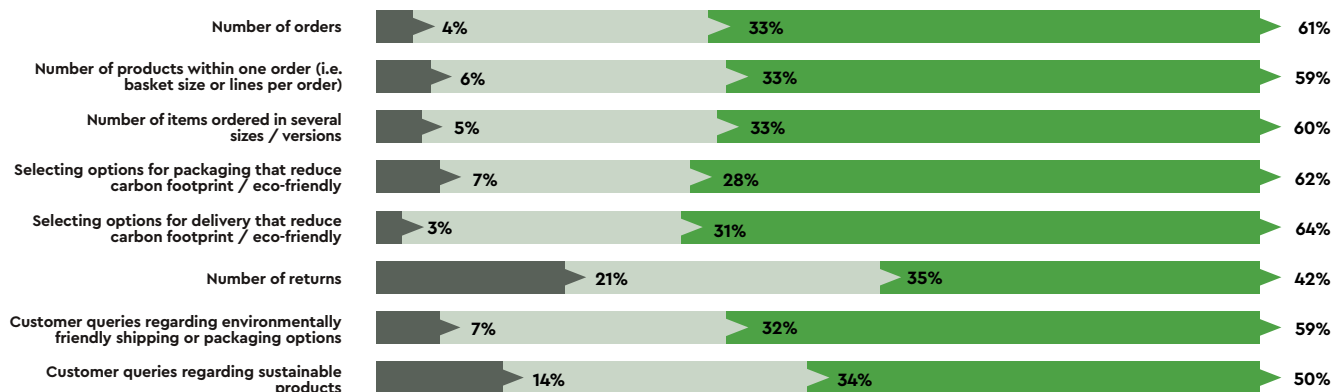
Overall, consumer concern regarding sustainable shopping habits online is on the rise. Since 2020, retailers have seen a significant increase in customers choosing sustainable packaging and delivery options (62% and 64%, respectively), among other activities.

UK vs US consumer expectations

Consumers in the UK are more likely to believe higher costs are not justified compared to those in the US (34% vs 26%). And yet, UK consumers are typically more expectant of sustainable practices, with 65% of UK shoppers expecting sustainable packaging from retailers compared to 56% in the US. Additionally, 69% of UK consumers were willing to wait for items to be delivered in one package instead of multiple packages, while 62% of US consumers said the same. **UK consumers appear willing to be slightly more flexible** in terms of their customer experience in support of sustainable objectives, but do not believe it should be at their expense.



Changes in consumer behavior since 2020 according to retailers



While our data shows that consumers may not be choosing who they buy from because they are sustainable, if a retailer is not using sustainable practices, there is a good chance that could negatively impact brand image. **Consumers have adopted an expectation that retailers and brands will implement sustainable practices as the status quo.** The absence of sustainable options or clear negligence of the topic could make a significant difference to consumer spending, particularly as it relates to repeat purchases and brand loyalty.

The most successful brands in the next era of eCommerce will be those that make it easy for customers to shop in ways that reflect their values. Understanding this reality will be increasingly important in coming years. **75% of Gen Z shoppers** care less about brand name and more about sustainable and ethical business practices when making purchases. As this generation continues to gain influence in the market, the retailers who are clearly communicating their sustainability efforts and continuously seeking to reduce their environmental impact will be rewarded.

PFS' highly customizable eCommerce solutions enable brands to increase sustainability across their post-purchase operations while maintaining consistent service levels and positive customer experiences.

For more on how we can support your brand's ESG initiatives and to access PFS' previous reports on conscious commerce, see our page on [Supporting Sustainability](#).



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About

PFS

PFS (NASDAQ: PFSW) is the premier eCommerce order fulfillment provider. We facilitate each operational step of an eCommerce order in support of DTC and B2B retail brands and specialize in beauty & cosmetics, fashion & apparel, jewelry, and consumer packaged goods. Our scalable solutions support customized pick/pack/ship services that deliver positive brand experiences with each order. A proven order management platform and high-touch customer care reinforce our operation.

With 20+ years as an industry leader, PFS is the BPO of choice for brand-centric companies and household brand names such as L'Oréal USA, Champion, Pandora, Shiseido Americas, Kendra Scott, the United States Mint, and many more.

The company is headquartered in Dallas, TX with additional locations around the globe.

For more information, visit www.pfscommerce.com



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