Green Generation

Together for the Earth
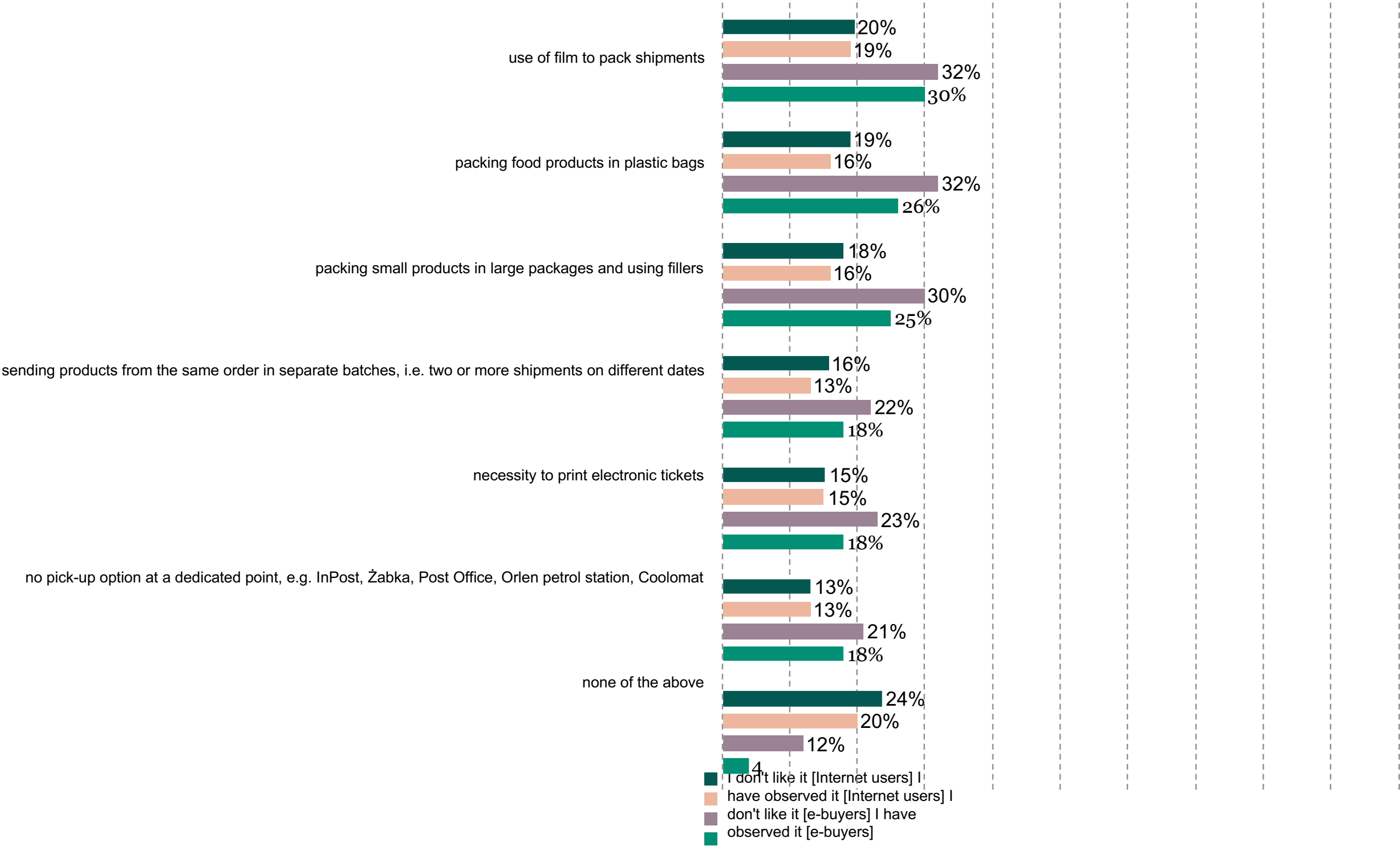
Green
e-commerce

Green e-commerce

HIGHLIGHTS

1

Out of more than 2,000 consumers surveyed, only 24% (and 14% among the youngest respondents) do not observe any environmentally-unfriendly behaviour of sellers - brands, shops, manufacturers or suppliers - when shopping online. The others consider using film for packing shipments (20%), packing food products in plastic bags (19%), packing small products in too large packages with fillers (18%) as harmful. One in seven respondents indicated that sending products from the same location in separate batches and not providing an ability to collect parcels from a dedicated point, e.g. a parcel locker or Coolomat, were environmentally-unfriendly practices. Consumers also do not like the obligation to print out air tickets. In fact, the same number of people who indicate that certain behaviours are not ecological have encountered them in practice. Each of the indicated behaviours has been observed at least by one in eight respondents. Among people who buy online, both the number of observations and the level of disapproval for the indicated activities is much higher.

Chart 1 - Which of the indicated business practices do you consider to be environmentally unfriendly, i.e. environmentally harmful / Have you observed them while shopping? (Mark all relevant answers)
Green Generation 2020 report, all respondents, N=2046

use of film to pack shipments
- 20%
- 19%
- 32%
- 30%

packing food products in plastic bags
- 19%
- 16%
- 32%
- 26%

packing small products in large packages and using fillers
- 18%
- 16%
- 30%
- 25%

sending products from the same order in separate batches, i.e. two or more shipments on different dates
- 16%
- 13%
- 22%
- 18%

necessity to print electronic tickets
- 15%
- 15%
- 23%
- 18%

no pick-up option at a dedicated point, e.g. InPost, Żabka, Post Office, Orlen petrol station, Coolomat
- 13%
- 13%
- 21%
- 18%

none of the above
- 24%
- 20%
- 12%
- 4

I don't like it [Internet users] I have observed it [Internet users] I don't like it [e-buyers] I have observed it [e-buyers]

Looking after the environment, taking care of one's own health and the **changing consumption trends** are the main factors determining the continuously progressing greening process, evidenced, among others, by **increased expenditure on purchase of ecological products.**

The changes taking place in this market segment mean that e.g. tea from organic farms is gaining more and more buyers, most of whom are active young city residents, who often use the Internet.

The birth of e-commerce has led to a change in shopping patterns and virtualization of consumption, and has revolutionised the marketing strategies of many brands and companies. Some companies are already actively working on sustainable development as part of their strategies. This approach is implemented in various areas. Clothing companies strive to produce clothing from recycled materials or other environmentally-friendly sources.

For e-commerce businesses, in the long run, a pro-environmental attitude may be a factor in maintaining or even achieving an advantage in a given market segment. Already today, e-businesses need to invest in building their image as responsible sellers. Responsible development is nowadays one of the factors that appeal to increasingly conscious consumers.

The EU Commission has already realised how important it is for customers, media, companies and organisations to be aware of what environmental action can and should be taken. This is why regulations, for example on waste and packaging management, are being introduced. The regulations which entered into force on 24 January 2018 force enterprises to develop and implement waste disposal procedures, as well as to keep full records of waste and packaging in the ICT system and to develop and implement a reporting system in that regard; moreover, the act sets out detailed requirements for waste transport.

The environmental impact will be enormous and it is time for companies to act responsibly and to strive for green e-commerce.

Justyna Skorupska

Board Representative & Omnichannel Expert
e-point SA
Vice-President of the Council of
the Chamber of Electronic
Economy

IZBA
GOSPODARKI
ELEKTRONICZNEJ

Is organic trade less harmful to the environment than traditional trade?

The e-commerce market follows trends and expectations of consumers, who are increasingly aware. One of the most important trends nowadays is projects that do not have a negative impact on the environment. This is reflected in the recent activities of multi-channel giants, e.g. Carrefour, Lidl, which have gone for environmentally-friendly packaging. The trend is also followed by e-commerce companies, both large ones such as Zalando and smaller entities operating on the Internet. In the e-commerce market it is not easy to operate in an ecological manner because it involves sending single parcels delivered to customers all over the world. This unfortunately results in a high level of plastic used throughout the supply chain. However, gradual changes can be made, among others, by using means of transport that are environmentally friendly (e.g. electric cars, drones). It is worth giving up bubble wrap in favour of recycled paper. These are simple actions that are easy to implement.

Whether or not e-commerce will become greener depends on many factors. Consumer pressure and reverse logistics, i.e. cooperation between logistics operators and carriers, are of a great importance. It is worth noting that ecological changes bring benefits for online stores, i.e. savings in labour (shorter packaging time) and use of materials (lower consumption). A positive image is also an important benefit. Stores demonstrate that they are environmentally friendly, and consumers value it a lot.

For e-commerce businesses, in the long run, a pro-environmental attitude may be a factor in maintaining or even achieving an advantage in a given market segment. Already today, e-businesses need to invest in building their image as responsible sellers. Responsible development is nowadays one of the factors that appeal to increasingly conscious consumers.

What do you think is the most glaring practice of e-commerce stores that has a negative impact on the environment?

In my opinion the areas that need improvement are logistics and packaging. Plastic should be eliminated as soon as possible in favour of recycled materials. I'm definitely most annoyed when shops still use bubble wrap to fill packages. Often shops use too much of it and even overdo it. In my opinion, using bubble wrap is no longer acceptable. When ordering products on the Internet to be delivered to my home I have noticed that couriers deliver packages every day. The same courier comes every day with one or two parcels, and they could deliver them all in one day. The environmental footprint of one order is unnecessarily increased because the courier could deliver all orders during one trip. I think that this kind of behaviour is a waste of money and an environmentally-unfriendly practice.
Recently I have found a very good example on the web showing that not only giants are becoming greener. Small shops also see the need for ecological change. It turns out that such changes often do not involve large financial outlays. What small e-commerce businesses fear is cost. In their opinion, environmentally-friendly changes require a large financial effort. However, more and more smaller shops are starting to use grey paper instead of bubble wrap, or paper tape instead of foil tape. They swap printing paper for recycled paper and invoices for orders are sent electronically.

Expert View

IZBA
GOSPODARKI
ELEKTRONICZNEJ

A very good example of using ecological solutions is shown by the laplander.pl online store, which ships out orders in recycled cardboard boxes. Organic packaging also includes biodegradable fillers. In terms of logistics, the store uses DHL Green Logistic. The aim of this service is to reduce negative environmental impacts (emissions, waste, etc.) associated with transport at all stages of delivery. The CCC Group has also introduced environmental measures, as it only uses ecological methods of transport for its shipments.

The results of the survey confirm that ¾ of consumers see various environmentally-unfriendly solutions used by stores. Are consumers in Poland ready for changes in e-commerce that are more environmentally friendly? (e.g. longer waiting time for a shipment, choosing green suppliers)

In my opinion, consumers in Poland are ready for such changes. We are all more and more aware as customers. Caring for the environment is very important for the life of future generations. I think it will not be a problem for consumers that their products will be received 1-2 days later if it reduces negative impact on the environment.

How does the issue of reducing negative impact of the e-commerce market on the environment look from a legal perspective?

In the European Union, 26 million tonnes of plastic waste are generated annually. Therefore, the European Commission has decided to ban disposable plastic items from 201 onwards and to recycle all plastic products by 2030. This will certainly have an impact on the development of e-commerce and a more ecological approach.

How does the issue of reducing negative impact of the e-commerce market on the environment look from a legal perspective?

In the European Union, 26 million tonnes of plastic waste are generated annually. Therefore, the European Commission has decided to ban disposable plastic items from 201 onwards and to recycle all plastic products by 2030. This will certainly have an impact on the development of e-commerce and a more ecological approach.

Which country is the leader in introducing pro-ecological solutions on the e-commerce market?

It's definitely Scandinavia. The awareness of consumers from that country is extremely high. The country takes great care of the environment. In Scandinavia, Zalando is currently testing delivery of its products in reusable return envelopes. The action is being conducted in cooperation with UPS. You will be able to return the box for it to be recycled and reused for delivering other products. In my opinion, it may be a big success with a huge benefit for the environment and a financial benefit for companies.

IZBA
GOSPODARKI
ELEKTRONICZNEJ

How do you see the role of the Chamber of Electronic Economy in promoting pro-ecological attitudes?

We are currently working on the European Circular Economy Stakeholder Platform. The first item on our agenda is a conference we are organising together with the Mobile Institute, where we will present the results of the Green Generation study and demonstrate environmentally-friendly practices on the Polish e-commerce market. But we don't stop there. There are also plans to prepare a guide for online stores on how to be greener. We are also planning a series of training courses for online shops, platforms and multi-channel stores to raise their environmental awareness and help shape the ecological trend on the Polish market. In addition, in cooperation with the Consumer Federation, we are planning a series of training courses for consumers in order to broaden their knowledge of ecological solutions and increase their awareness.

Can you give us an example of an eco-friendly e-commerce solution that has surprised you as a consumer?

I believe that Zalando is a store that positively surprises consumers in Poland with its pro-ecological solutions. They deliver shipments in cardboard boxes, without unnecessary fillers. This is a really good course of action, which is consistently pursued by Zalando. Another example is Sephora and Douglas, which use organic packaging. It is also worth mentioning the CCC Group, which is a leader both in the use of new technologies and in conducting green projects. The Group uses electric cars to deliver shipments and uses recycled cardboard boxes.

Patrycja Sass-Staniszewska

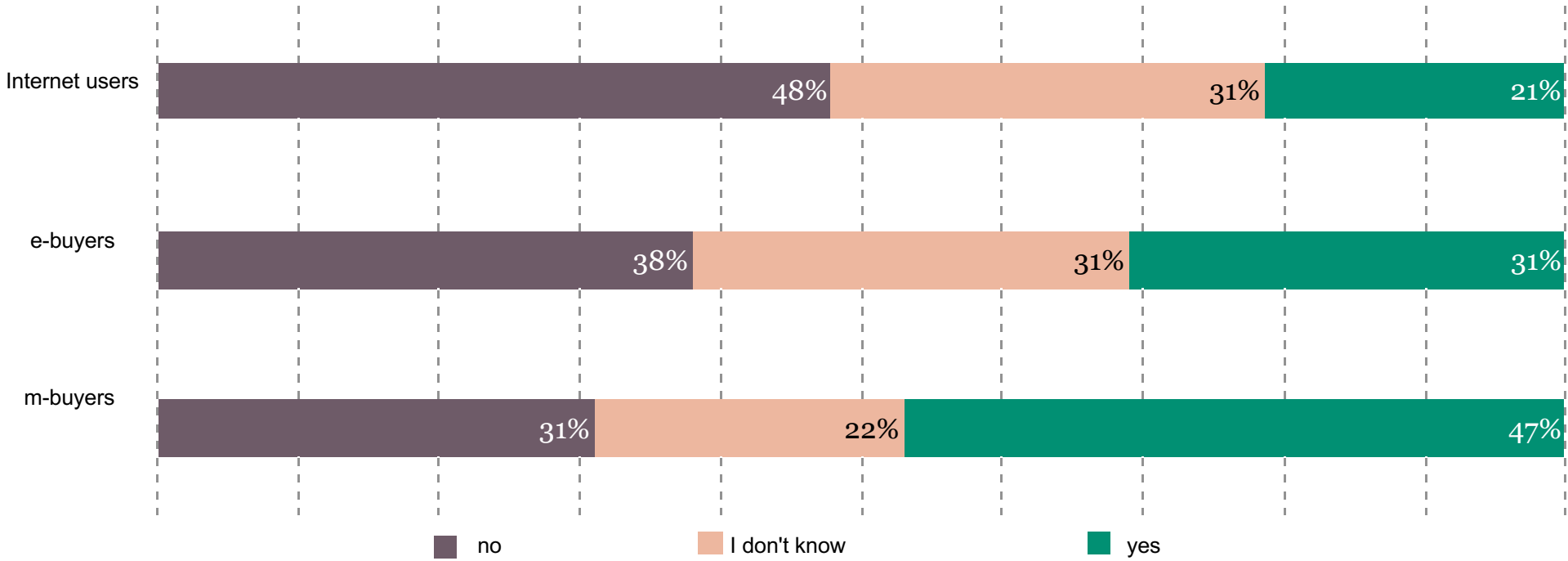President
Chamber of Electronic Economy

Green e-commerce

HIGHLIGHTS

2

As data show, consumers generally spot environmentally-unfriendly behaviours of retailers. On the other hand, they do not quite want to take responsibility for making e-commerce less harmful to the environment. In particular, it is about financial responsibility, e.g. extra charges for more ecological packaging or deliveries, because they already engage in some environmentally-friendly practices, such as collecting parcels from dedicated points. 16% of respondents, 31% of e-buyers and as much as 47% of mobile buyers are willing to pay more for the supplier to pack products without foil or plastic bags. Looking at demographic characteristics, these are more often women (26%), mature consumers, over 25 years of age and residents of villages and large cities, as well as parents.
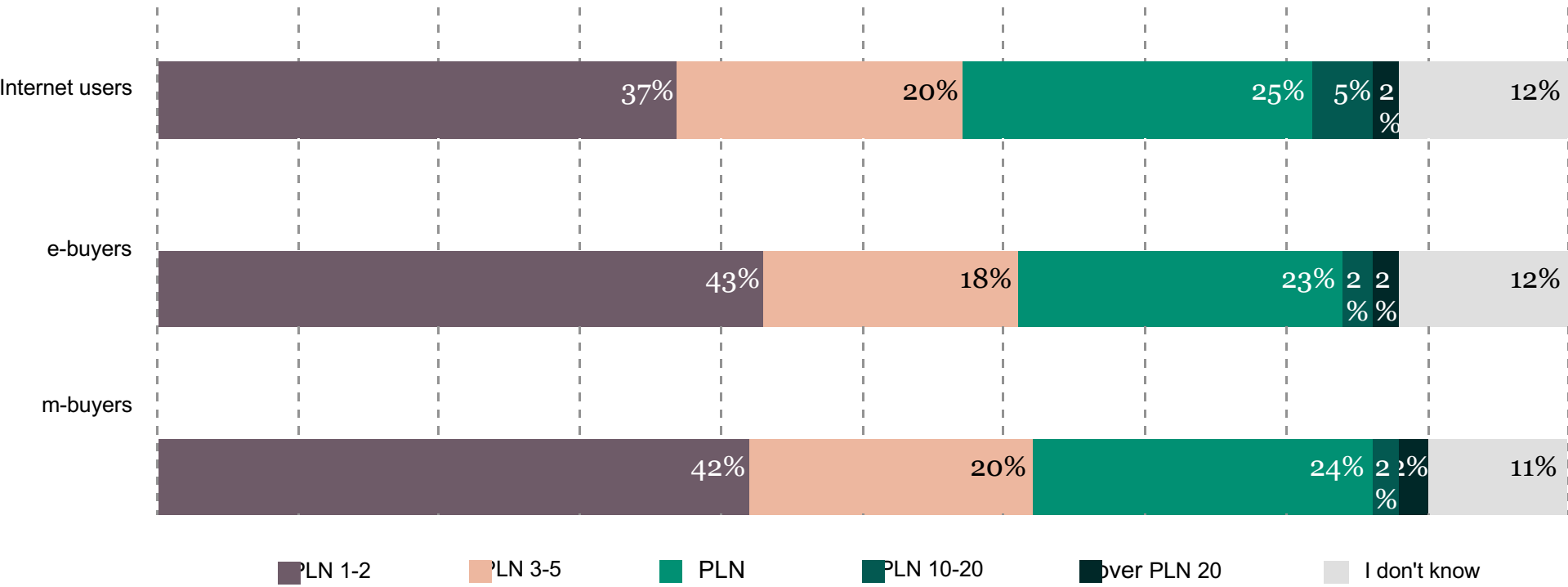
Chart 2 - Are you able to wait longer for your goods to be shipped so that the supplier can send all your products as part of one delivery? (Mark one answer) Green Generation 2020 report, all surveyed, N=2046

Internet users: no 48%, I don't know 31%, yes 21%
e-buyers: no 38%, I don't know 31%, yes 31%
m-buyers: no 31%, I don't know 22%, yes 47%

Legend: no | I don't know | yes

3

Most often consumers are willing to pay PLN 1-2 extra to receive such a package (37%), although one in four declare that they would pay extra PLN 5-10. It is worth noting that online and mobile shoppers are more often willing to pay extra, but on the other hand, the amounts are slightly lower.

Chart 3 - How much would you be able to pay for ecological packaging of your shipment? (Mark one answer) Green Generation 2020 report, all respondents , N=2046

Internet users: PLN 1-2 37%, PLN 3-5 20%, PLN 25%, PLN 10-20 5%, over PLN 20 2%, I don't know 12%
e-buyers: PLN 1-2 43%, PLN 3-5 18%, PLN 23%, PLN 10-20 2%, over PLN 20 2%, I don't know 12%
m-buyers: PLN 1-2 42%, PLN 3-5 20%, PLN 24%, PLN 10-20 2%, over PLN 20 2%, I don't know 11%

Legend: PLN 1-2 | PLN 3-5 | PLN | PLN 10-20 | over PLN 20 | I don't know
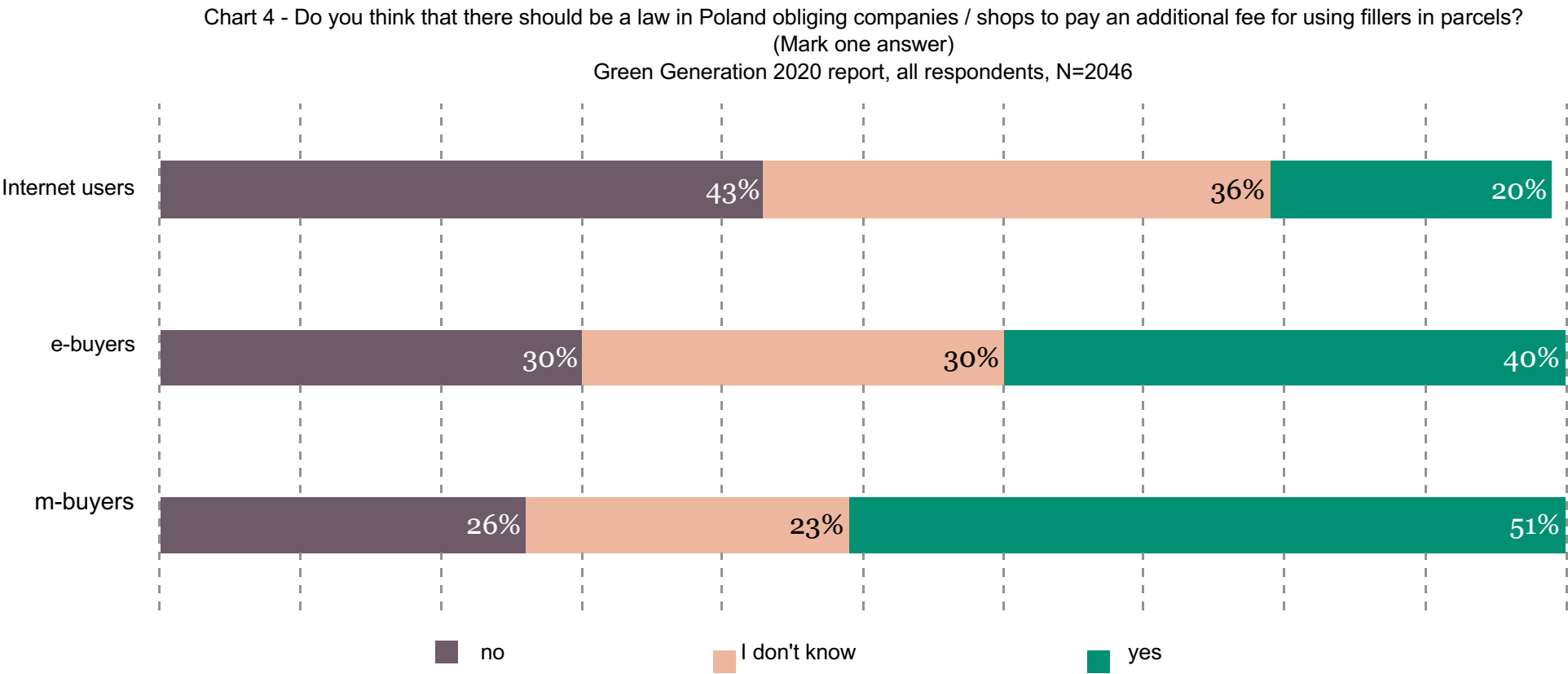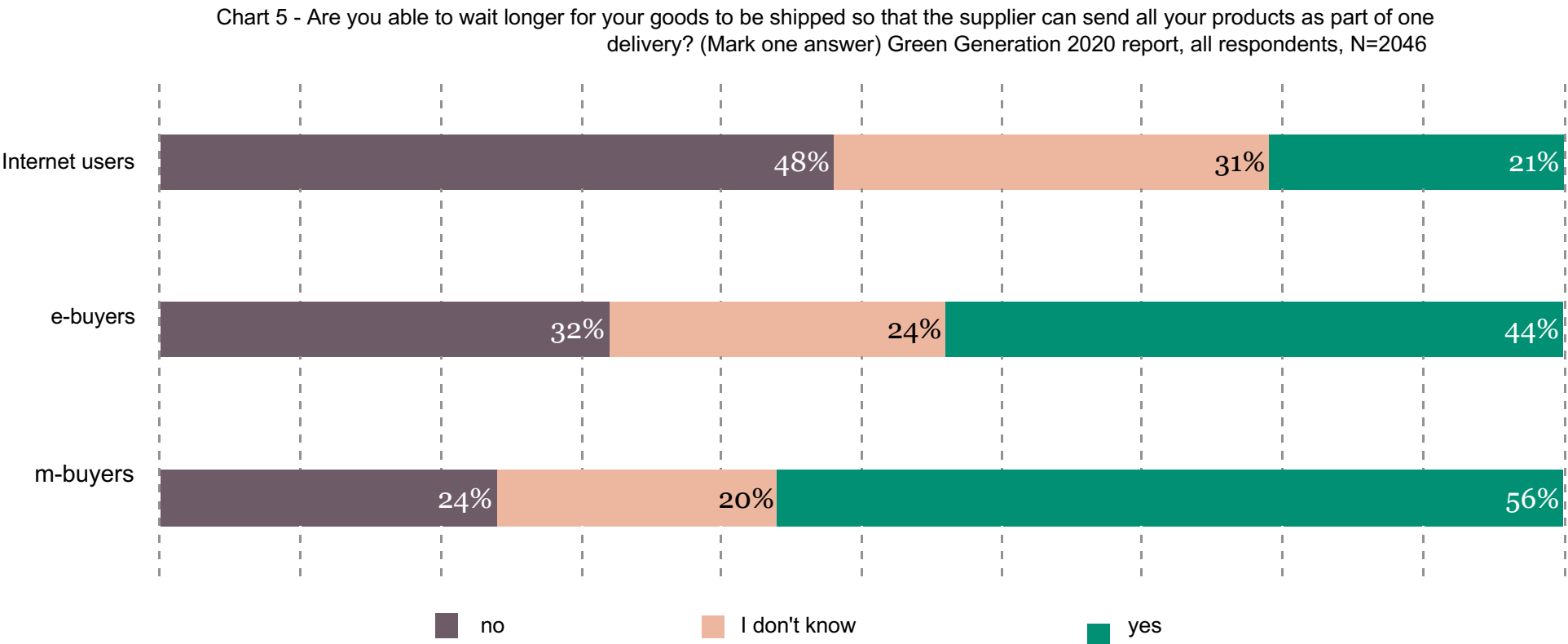
4

Green e-commerce

HIGHLIGHTS

4

When asked whether companies / retailers / brands / manufacturers should be charged an additional surcharge for fillers in parcels, Polish consumers are not in favour of such a solution either. Only 20% of the respondents would charge them with additional fees. Among e-buyers, this percentage is higher, at 41%, and among mobile consumers it exceeded 50%.

Chart 4 - Do you think that there should be a law in Poland obliging companies / shops to pay an additional fee for using fillers in parcels?
(Mark one answer)
Green Generation 2020 report, all respondents, N=2046

	no	I don't know	yes
Internet users	43%	36%	20%
e-buyers	30%	30%	40%
m-buyers	26%	23%	51%

■ no   ■ I don't know   ■ yes

5

One in five consumers and almost one in two online shoppers are able to wait longer for their shipments. Among mobile buyers, the proportion of patient green consumers reached 56%. Women (33% compared to 13% of men), consumers over 25 years of age (25% and more compared to 8% for 19-24 year-olds and 13% of teenagers) and rural residents (34%) are more willing to wait for one combined shipment.

Chart 5 - Are you able to wait longer for your goods to be shipped so that the supplier can send all your products as part of one delivery? (Mark one answer) Green Generation 2020 report, all respondents, N=2046

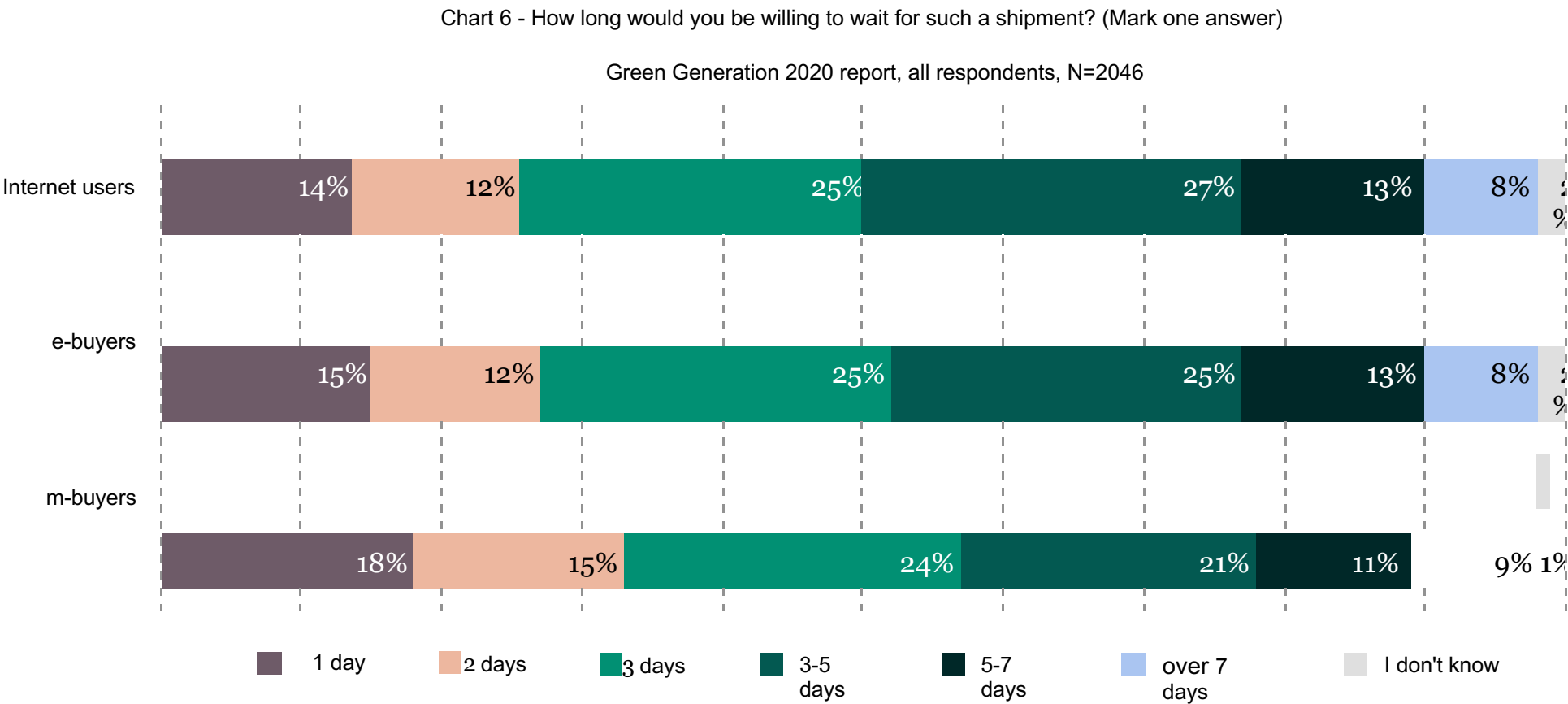|	no	I don't know	yes
Internet users	48%	31%	21%
e-buyers	32%	24%	44%
m-buyers	24%	20%	56%

■ no   ■ I don't know   ■ yes
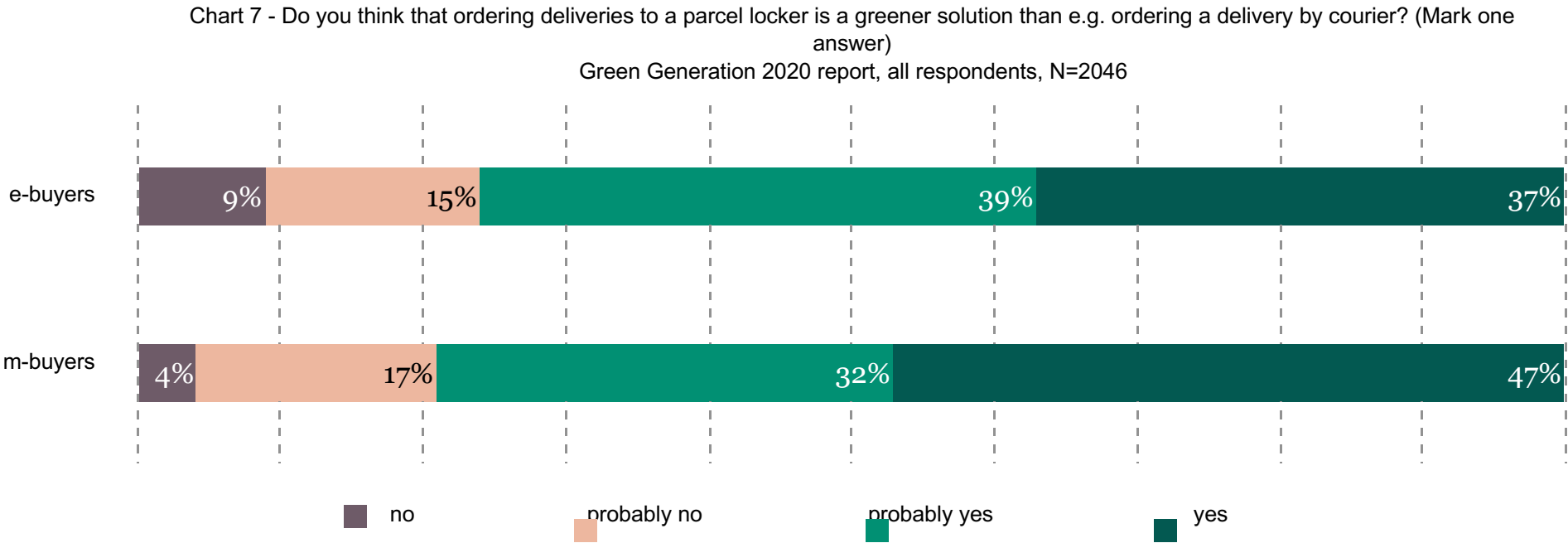
Green e-commerce

HIGHLIGHTS

6

However, although consumers declare their willingness to wait for a parcel, they do not give the supplier much flexibility in terms of the length of such delivery times. Most Poles would wait 3-5 days for a parcel, but about 1/3 of the respondents give the supplier only 1-2 days of delay.

Chart 6 - How long would you be willing to wait for such a shipment? (Mark one answer)

Green Generation 2020 report, all respondents, N=2046

	1 day	2 days	3 days	3-5 days	5-7 days	over 7 days	I don't know
Internet users	14%	12%	25%	27%	13%	8%	
e-buyers	15%	12%	25%	25%	13%	8%	
m-buyers	18%	15%	24%	21%	11%	9%	1%

7

Parcel lockers are used by 57% of e-buyers and 3/4 of mobile buyers. More than half of Internet users consider parcel lockers a more ecological solution than ordering a courier delivery. In the case of e-buyers this opinion is shared by as much as 76, and among m-buyers
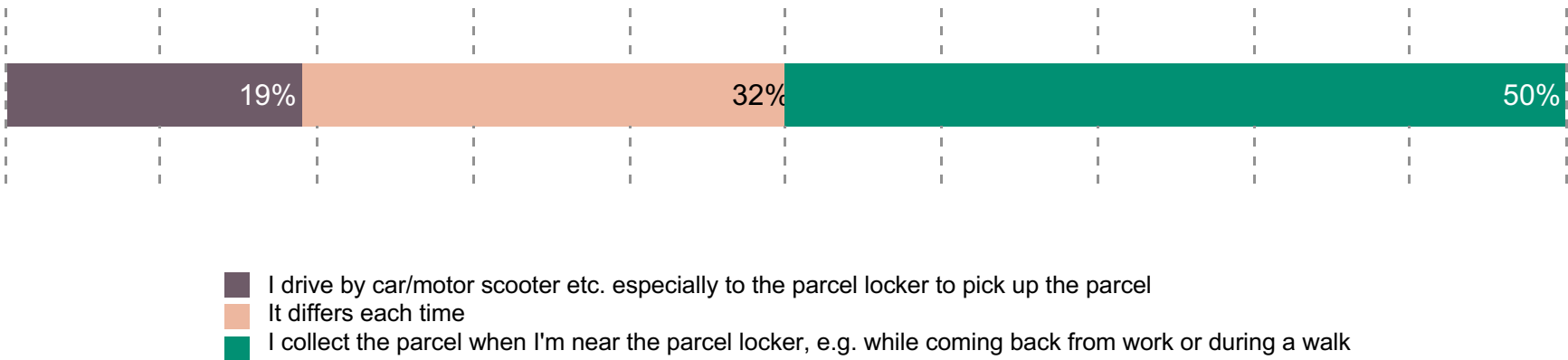- 80%.

Chart 7 - Do you think that ordering deliveries to a parcel locker is a greener solution than e.g. ordering a delivery by courier? (Mark one answer)
Green Generation 2020 report, all respondents, N=2046

	no	probably no	probably yes	yes
e-buyers	9%	15%	39%	37%
m-buyers	4%	17%	32%	47%

Green e-commerce

HIGHLIGHTS

8

Poles are correct to think that pick-up points, including parcel lockers, are an ecological solution, as half of the people who use them pick up their parcels on the way to another location, e.g. when they are in the area, when they're coming back from work or university or going for a walk. Such behaviour does not generate additional mileage that the delivery driver has to travel when delivering the parcel to the buyer's house (so-called last mile).
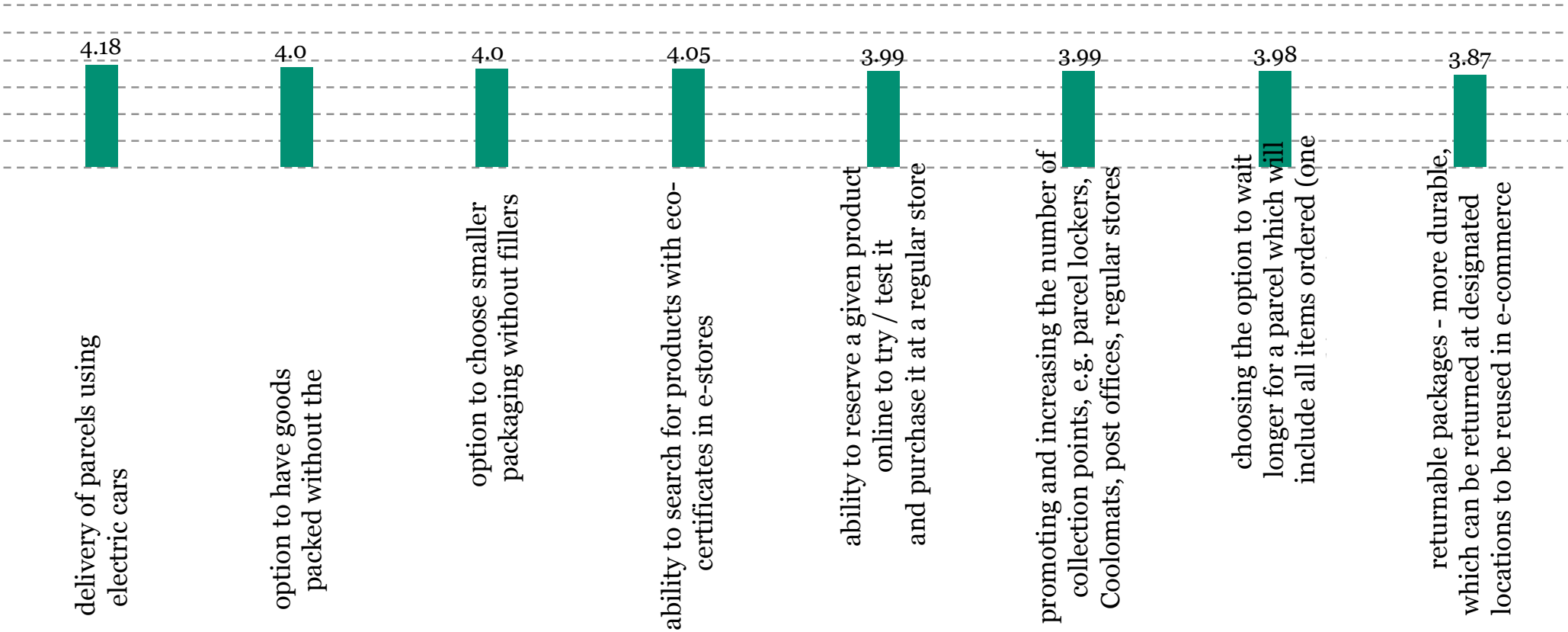
Chart 8 - How do you usually collect parcels from parcel lockers? (Mark one answer) Green Generation 2020 report, all respondents using parcel lockers, N=591

| 19% | 32% | 50% |

■ I drive by car/motor scooter etc. especially to the parcel locker to pick up the parcel
■ It differs each time
■ I collect the parcel when I'm near the parcel locker, e.g. while coming back from work or during a walk

9

Consumers believe that there are many solutions that could make online shopping more eco-friendly. In particular, according to the respondents, the negative impact of e-commerce may be reduced by delivering parcels by electric cars (score of 4.18 on a scale of 1-6), an option to have parcels packed without foil and plastic (4.08), an option to choose the delivery method. Smaller packaging (4.06) and an ability to search for eco-certified products in the store (4.05). In general, the respondents gave positive feedback on all the proposed solutions. Such environmentally-friendly changes are of interest especially to consumers over 25 years of age as well as inhabitants of large cities, i.e. over 200 thousand inhabitants.

Chart 9 - How would you rate the following ideas for reducing the negative environmental impact of e-commerce/online shopping? (Rate them on a scale of 1-6, where 6 means that you like the idea very much and 1 means that it does not appeal to you at all) Green Generation 2020 report, all surveyed, N=2046
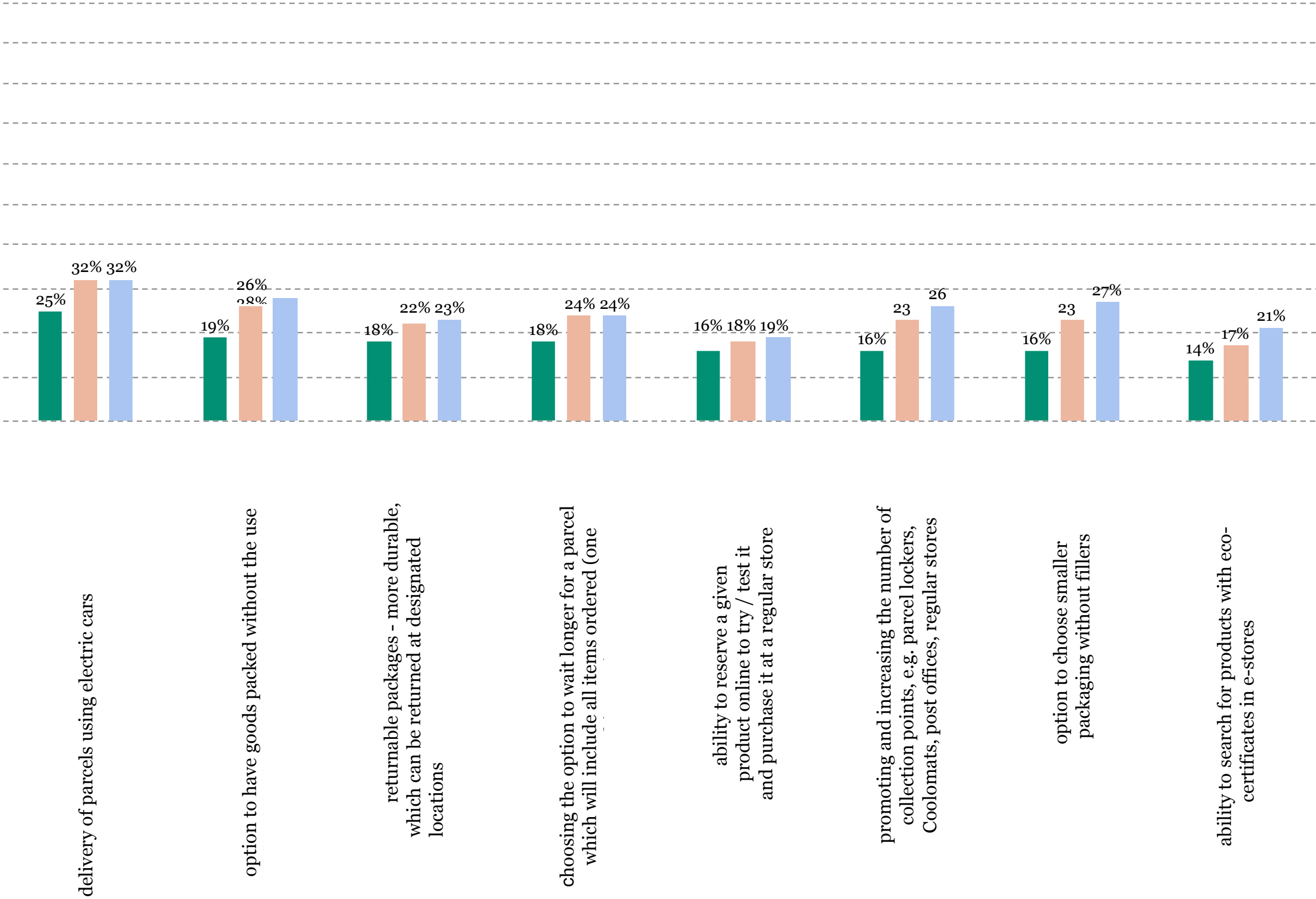
| 4.18 | 4.0 | 4.0 | 4.05 | 3.99 | 3.99 | 3.98 | 3.87 |

- delivery of parcels using electric cars
- option to have goods packed without the
- option to choose smaller packaging without fillers
- ability to search for products with eco-certificates in e-stores
- ability to reserve a given product online to try / test it and purchase it at a regular store
- promoting and increasing the number of collection points, e.g. parcel lockers, Coolomats, post offices, regular stores
- choosing the option to wait longer for a parcel which will include all items ordered (one
- returnable packages - more durable, which can be returned at designated locations to be reused in e-commerce

Green e-commerce

HIGHLIGHTS

---

10 Poles would most willingly choose the option of having parcels delivered by electric cars and the option of having parcels packaged without plastic or foil. They also declare that they would wait longer for parcels and use returnable packaging, i.e. return packages at designated places such as parcel lockers. However, it can be seen that preferences regarding the different solutions are quite evenly distributed. The same is true for online buyers and m-buyers, although they would definitely try out more solutions. The aforementioned groups, apart from delivery by electric cars and packing without foil, focus especially on increasing the number of available collection points and the option of having goods delivered in a smaller package.

Chart 10 - Which solution would you like to use? (Mark all relevant answers) Green Generation 2020 report, all respondents, N=2046

25% 32% 32%	delivery of parcels using electric cars
19% 26% 28%	option to have goods packed without the use
18% 22% 23%	returnable packages – more durable, which can be returned at designated locations
18% 24% 24%	choosing the option to wait longer for a parcel which will include all items ordered (one
16% 18% 19%	ability to reserve a given product online to try / test it and purchase it at a regular store
16% 23 26	promoting and increasing the number of collection points, e.g. parcel lockers, Coolomats, post offices, regular stores
16% 23 27%	option to choose smaller packaging without fillers
14% 17% 21%	ability to search for products with eco-certificates in e-stores

If you want to win eco-consumers over:

1 Think about your strategy and start taking environmentally-friendly actions, because only 24% of consumers don't notice when e-commerce brands harm the environment, e.g. use film to pack their shipments or a lot of fillers in packages that are too large.

2 Offer an option to have parcels delivered to a dedicated location rather than just to the consumer's apartment or house. The respondents believe that parcel lockers, Coolomats, pick-up points located at supermarkets or at petrol stations are more ecological than sending a courier to do a home delivery.

3 One in five consumers is willing to wait longer for a shipment for it to be delivered in a more environmentally-friendly manner, e.g. all products shipped at once. Only 8% of customers would wait 7 days, but 25% would wait 3 days.

4 If you have to use packaging fillers, use eco-friendly, biodegradable fillers. Try to pack cosmetics etc. in glass packaging, preferably returnable. 16% of the respondents would pay extra for packaging without the use of foil.

5 Especially in the fashion industry, e-commerce has to deal with a large number of returns. Offer an option to reserve a product online in the colour and size of choice for the consumer to try it in a regular store. 18% of e-consumers are interested in such an option.

6 In your e-store label eco-friendly products manufactured in an environmentally-friendly way, products with eco-certificates or ones that support ecological activities. 17% of e-consumers are interested in such labelling.

7 Pay attention to how the company that delivers your products to your customers works. As many as 32% of e-consumers would like the delivery to be made with electric means of transport.

Marta Wyglądała
e-com.house

Agnieszka Bukowska
Less Waste Poland

Ecology in E-commerce, or how tomake your e-business friendly to the planet?

Raw material

1

Less waste in e-commerce starts with raw materials used in production. Select materials that can be reused. Do you know that glass can be melted an infinite number of times, while plastic only 4 or 5 times? Go for raw materials of plant origin, such as wood, hemp, bamboo fibres and make subsequent products using residual materials. Follow the example of *Adidas*, which markets sports shoes made of plastic collected from the ocean and of used fishing nets, and swimsuits made of nylon yarn from waste. You can also follow in the footsteps of the Ukrainian glasses brand, *OCHIS* and the Berlin-based manufacturer of reusable cups, Kaffeeform, who make their products from... coffee grounds.

Production

2

The next step is to minimise the carbon footprint during production. This means, above all, use of renewable energy sources and production that is as local as possible, reducing the negative impact of transport on the environment. Of course, this does not mean that every material has to come from your neighbours, but maybe it is worth looking for alternatives to Asian or American solutions in Europe?

Raw material

3

Pack parcels in reusable, biodegradable or recycled materials. Ideally, these materials should be produced with minimal use of water, electricity and other raw materials, and the finished packaging should be reusable. Sounds hard and expensive, but it's the goal we have to strive for.

To the great satisfaction of its customers, *Coffeedesk*, a coffee and accessories store, has started to send out parcels in boxes that have already been used. Packaging is not only a box, but also everything inside it. We say no to foil and polystyrene, and yes to cardboard and fillers made from post-production waste. For example, *IKEA* uses cardboard bubble wrap, and the Polish *Coffeelab* roaster fills packages with jute bags in which green beans are delivered to the company. The less additions inside the package, the better. Let's eliminate leaflets and try to digitize invoices, receipts and labels or at least print on recycled paper. The future of e-commerce can be reusable packaging, such as packaging produced by the Finnish startup *RePack*, used by the *Ganni* brand and currently tested by *Zalando*. It is also worth monitoring the development of plant packaging (Polish company *Make Grow Lab* is prototyping packaging produced by... bioorganisms).

Communication and education

4

Polish e-buyers are becoming more and more aware and want us to change the world for the better together. According to a survey of Poles' shopping habits conducted by e-com.house* in 2019, online shoppers are bigger enthusiasts of organic products than the general public (22% vs. 13%)**.

So let's meet their expectations before they can verbalize them (or put them online). Let's talk openly about the environmental impact of production, about composition and costs. Recently a beloved Polish clothing brand, *Elementy Wear,* has revealed on its website how much it costs to produce clothes. Diagrams placed in the shops show expenses on materials and sewing. Customers want to know and want to be treated as partners. A longer product life may reduce ROI, but increases customer loyalty. Through easy contact and customer service network, facilitate repairs instead of suggesting the need to buy a new item. The example of *Patagonia* should convince you that this solution is right.

5

Less waste office

Once you've cleaned your e-store of plastic and carbon footprint, move onto your own space. Think whether every item in the office works as intended, whether you use it regularly or if it is just another unnecessary item. Check power, ink and paper consumption of your printers. If you are still drinking water from a plastic bottle at the office, replace it with tap water or filtered water poured straight into the glass. And when you order another take-away, write in the comments that cutlery and napkins are not necessary. Bet you have a whole drawer full of them in the kitchen?

Methodology

HOW DID WE CARRY OUT THE SURVEY?

- The "Green Generation" study was conducted by the Mobile Institute.

- It was conducted from 20 September to 15 November 2019.

- The opinions of 2046 Internet users were collected.

- We used CAWI responsive surveys (Computer-Assisted Web Interview) pubished online.

- The structure of the sample has been adjusted using analytical balance and corresponds - in terms of gender, age and size of place of residence - to the structure of the Polish population aged 15 and over who use the Internet.

- Only complete questionnaires were taken into account in the analysis.