



The  
global  
retail  
agency

# Sustainability Insight Report

Why does sustainability  
matter in retail?

# Contents

1. Why does sustainability matter in retail?
2. Full circle sustainability: where is retail falling short?
3. UN 17 Sustainable Development Goals (SDG's)
4. How will 100% work towards these goals?
5. Which brands are leading the way in sustainability?
6. Brands sustainability checklist
7. What should this look like for retail experience?
8. 100%'s 6R Framework
9. Rethink checklist

# Introduction

The focus on sustainability in retail specifically has been increasing significantly since 2014, with globally sustainable and environmentally responsible investment up by 60%, topping \$30 trillion (1).

While earlier the 'Boomer' generations believed in using and reusing products, millennials and generation Z have grown up in the 'disposable era' of fast fashion. Despite this, sustainability appears to be gaining more traction with these younger consumers, as they're becoming more conscious of the effects fast moving consumer goods have on the environment, and the more sustainable shopping habits they can adopt to minimise this impact. This 'back to basics' mindset and step-change in habit is often attributed to the 'Attenborough effect' (2) and international recognition of Swedish environmental activist, Greta Thunberg.

A report by IBM (3) found that over 70% of consumers say it is important that brands offer clean products, are sustainable and environmentally responsible, support recycling and use natural ingredients. In addition, nearly six in 10 consumers are willing to change their purchasing habits to reduce the overall impact on the environment, and more than seven out of 10 are willing to pay for premium brands that support recycling, practice sustainability and are environmentally responsible. The circular economy is also having an impact on consumer buying habits, offering new ways to attain products such as renting or buying pre-owned goods. Most people who have purchased products in this way plan to continue to do so and renting has seen a real renaissance in recent years, despite a comparable reduction in new product pricing.

This consumer behaviour has also had an effect on share prices, particularly for larger companies. A report from Deutsche Bank (4) revealed that companies with positive press around the issue of climate change saw their share prices outperform by 26% year on year.

Sustainability can no longer be glossed over by brands as being something they pay lip service to. Consumers are voting with their feet and it is up to brands to improve their ability to meet the needs of the majority of consumers when it comes to sustainability. This report will explore the wider issues around sustainability in the 21st century, how these are affecting the retail sector, and what retail professionals can do to address sustainability in a full circle capacity.

# 1: Why Does Sustainability Matter In

## Retail?

There are a range of reasons brands should be investing in sustainability, in addition to winning consumer hearts and minds and increasing share prices. These include:

### 1. Climate Emergency:

In 2008 the UK government implemented the Climate Change act which now commits the country to a net zero carbon target (5). However, in May 2019 they declared a Climate Emergency formally recognising the big challenges that we face and all businesses must play their part in helping out.

### 2. Waste:

Brands and retailers must look to reduce the huge amount of waste that the retail industry contributes to. Globally 300,000 tonnes of clothing every year are incinerated or sent to landfill and around 269,000 tonnes of plastics are floating in the world's oceans. All businesses have to help reduce over-consumption of resources.

### 3. Ethical responsibility:

The whole of the human race is responsible for reducing carbon emissions, building a fairer society with better health and wellbeing for all and creating a greener planet.

### 4. Digitalisation:

Digital marketing means that brands are having to react quickly to global issues and crises. Recent global events shone a light on which brands were authentic in their communications, and which were not. Customers are savvy and catch on quickly to brands that talk the talk but don't walk the walk.

### 5. A younger market:

There is a difference in values between gen Z, millennials, gen X and boomers. Sustainability is becoming more of a concern for each generation, and with an abundance of choice, customers are increasingly looking for brands that they have a connection with, and those that reflect their values.

### 6. Staying ahead of the competition:

With so many options for consumers, brands need to think of ways they can stand out from the crowd. Brands that are to demonstrate sustainable practices will keep a competitive edge. This is something that our own research reinforced.

# An Upward Trend

In 2018, we surveyed 200 retail professionals (6) with responsibility for the creation, manufacture, management or implementation of brand retail displays. 85% of respondents said sustainability is important to their brand, and 86% ranked sustainability as an important factor to customers when making a purchasing decision.

And while brands find that sustainability programmes come at a cost, incurring an average increase of 18%, the decision appears to pay off. Respondents estimated that a having a sustainability policy in place contributes to

We expect that, if we asked the survey sample the same questions today, these percentages would have increased even further.



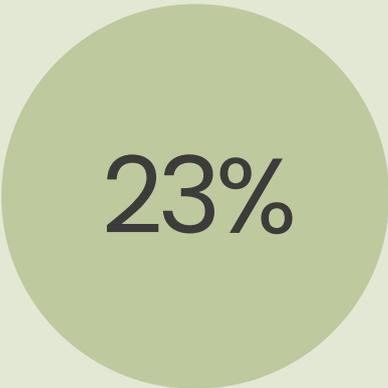
20%

increase in footfall in stores



21%

increase in profits



23%

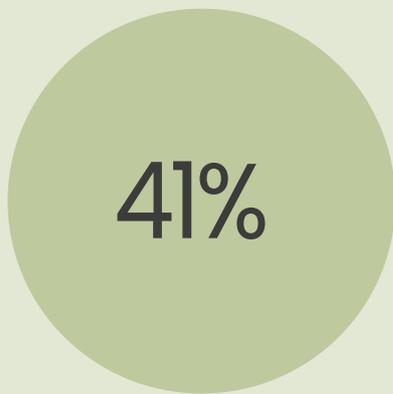
increase in sales

## 2: Full Circle Sustainability: Where Does Retail Fall Short?

Although brands appear to be making a conscious effort to improve sustainable practices, our research suggested that they aren't going quite far enough.

Despite 85% of retail professionals identifying the sustainability of retail displays as important, only 68% said they had a sustainability policy in place, and just 61% thought that their displays were sustainable.

And it seems that many aren't applying sustainability in a full circle capacity while retail display (72%) and packaging (61%) are the two areas where sustainability is taken into account most.



only address it at product  
end-of-life

This means that at best, displays are recycled when they reach end of life, while many are simply disposed of and could end up in landfill.

Another problem comes with how brands are measuring their progress against goals and policies - of the 69% of retail brands that said their brand had an environmental sustainability policy, over half use recycling targets to manage it, while others focus on material reduction targets (45%) and energy consumption (41%).

Does this indicate that they are all talk but little action? Or, more likely, that they need guidance on how to implement sustainable practices and the regulations they need to be guided by for a truly comprehensive, full-circle policy.

# 3: UN 17 Sustainable Development Goals (SDG'S)

As our 2018 research shows, sustainability as a concept is much more wide ranging than lots of people think. It's not just about recycling or reducing our carbon footprints.

At a macro level the United Nations launched the Sustainable Development Goals (7) back in 2015 which are the blueprint to achieving a better and more sustainable future for everyone. Agreed by 193 world leaders, these goals address the global challenges we face, including those related to poverty, inequality, climate change, environmental degradation, peace and justice. The 17 goals are all interconnected, built on the principle of 'leaving no one behind' and the aim is to achieve all 17 by 2030 – just 10 years from now.

For brands and organisations to make as much as a positive impact as possible, sustainability policies need to be truly holistic and comprehensive, and address as many of the different UN sustainable development areas as possible.

<https://www.un.org/sustainabledevelopment/sustainable-development-goals/>



# 4: How Will 100% Work Towards These Goals?

At 100% Group, we're committed to reducing the impact of retail marketing campaigns on the environment and the planet as a whole. Our vision is to become the most sustainable retail installations expert and promote change across the industry through collaboration and partnerships.

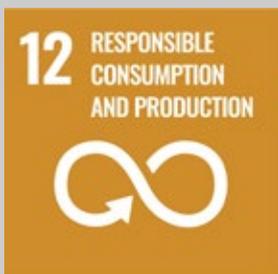
We understand that sustainability is a journey, not a destination and our work has only just begun. Before we start to address the key sustainability challenges and issues in retail, we have first had to establish our own sustainable approach to cover all areas of the organisation including a range of services, operations across all facilities, and involvement in charity and community initiatives.

We've chosen the following four UN sustainable development goals to build the foundation of our mission:



## **Decent work and economic growth: 100% strives to build a fair and respectful business for all stakeholders:**

The company aims to create jobs, provide full and productive employment for all with equal opportunities and pay for women and men. Training and development will be offered at all levels including apprenticeships.



## **Responsible consumption and production: 100% is committed to reducing POP waste generation through reduction, repair, reuse & recycling:**

We promote the repair and refresh of retail displays, to prolong their life in-store. Display materials should be re-used or re-purposed wherever achievable and we will maximise the recycling of materials that cannot be re-used.



## **Climate action: 100% will build climate change measures into strategic planning and reduce its carbon footprint:**

The company will measure its environmental impact and set targets for ongoing improvement. We will minimise carbon emissions & greenhouse gases through careful selection and use of logistics options. Energy usage will be monitored and will come from renewable sources wherever possible.

**17** PARTNERSHIPS  
FOR THE GOALS



**Partnerships for the goals: 100% will develop partnerships to extend the reach and share the benefits of our work:**

We aim to kick-start the conversation within the POP industry and encourage collaboration with others. The company will advise partners and suppliers to embrace sustainability and will continue to create & build relationships with charities, NPOs and local communities.

**From here, we've been able to build out our strategic objectives:**

- **To work towards and measure performance against 4 UN SDG's**
- **Build an open and respectful organisation for everyone involved**
- **Create equal opportunities, employment, development & training**
- **Maximise repair and re-use of display materials**
- **Minimise waste from POS displays**
- **Maximise recycling**
- **Measure the environmental impact and minimise GHG emissions**
- **Source sustainable goods & materials**
- **Net zero carbon footprint**
- **Build partnerships and encourage collaboration within the industry**
- **Encourage the adoption of principles by partners and suppliers**
- **Increase our work with charitable partners**

# 5: Which Brands Are Leading The Way In Sustainability?

There are numerous retail brands across a range of different sectors leading the way with innovative sustainability ideas and concepts. As well as showcasing sustainability credentials to consumers, these creative and resourceful ideas can work as USP's and also create memorable and engaging in-store experiences for customers.

Each of these brand examples are making strides forward in becoming far more sustainable and should rightly be proud of what they have achieved so far. But sustainability is an on-going journey where the end is a moving feast and to make a real impact some brands may need to adopt different operating models, practises, and policies. 100% understands that brands are making great progress on their sustainability journey but there is still a long way to go. We are all moving along the same road together at different speeds but with the same goal in mind. There will certainly be challenges along the way for any brand that chooses to place sustainability at the heart of what it does but these challenges can be overcome with the right partners on board from the outset.



The company uses more than 20 water-saving finishing techniques and has shared them with the industry. The brand pledged to achieve

90%

reduction in greenhouse gas emissions

as well as reducing greenhouse gas emissions by 40% throughout its global supply chain by 2025.

100%

renewable energy throughout its facilities

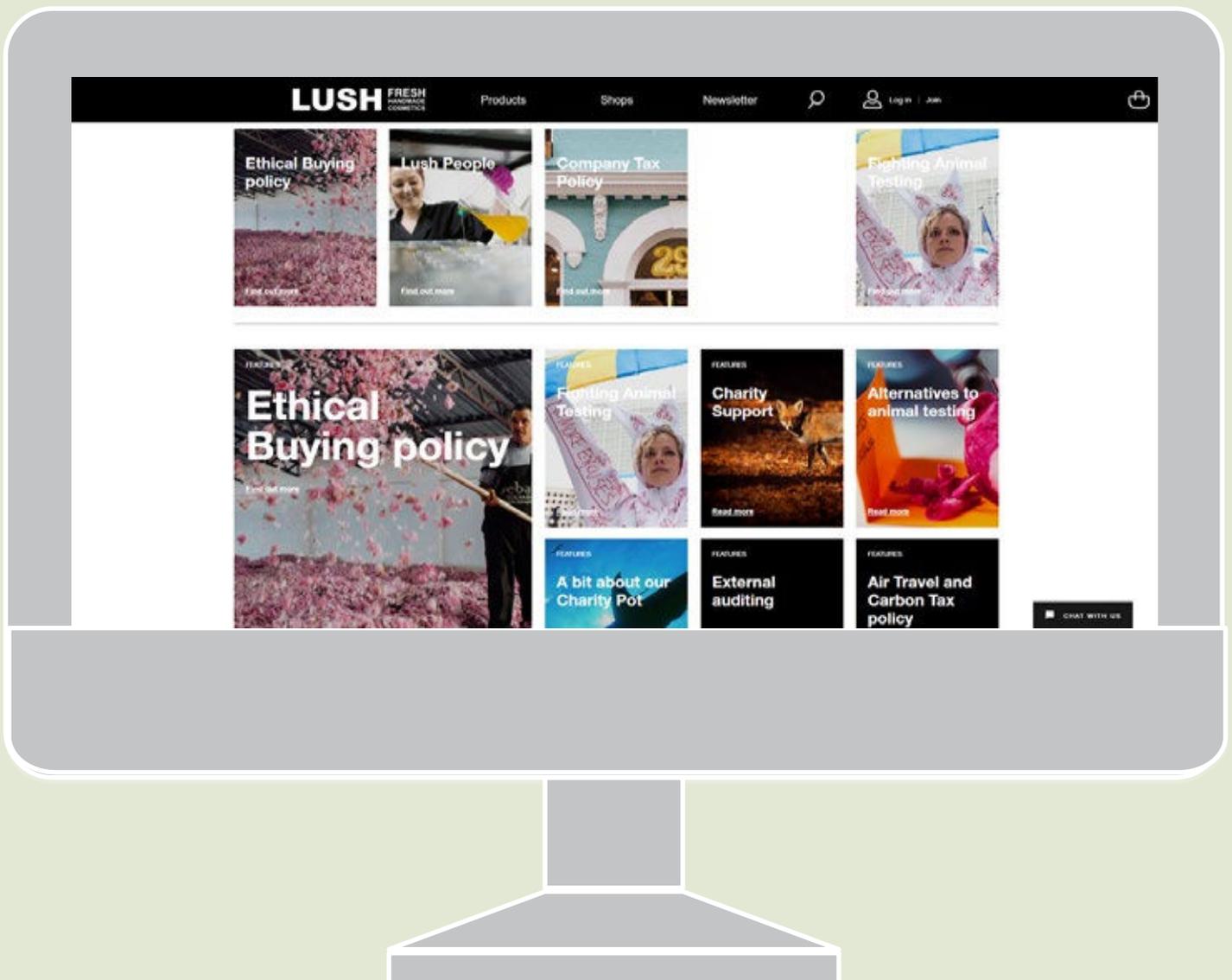
# STELLA McCARTNEY

The London store echoes the brand's sustainable positioning and is lined with recyclable foam and waste paper from local offices, not to mention the biodegradable mannequins by Bonaveri. It also uses an air conditioning system by Copenhagen and London-based company, Airlabs, that cleans the air using nano carbon technology.



Photo courtesy of Stella McCartney ©Hufton+Crow Store\_Old Bond Street\_London\_

The handmade cosmetics company sets the bar for sustainable beauty through its naked or plastic-free stores that remove the need for packaging. Not all their products can be served up naked, so the brand calls on its range of notably plain black pots, made from a mix of purchased recycled plastic and recycled black pot material, to safely house customers favourite creams, gels and lotions. The company has a scheme for pots to be returned to contribute to their in-house closed loop recycling scheme, meaning they can melt down and reformulate the black pots again and again. In fact, the recycled material is used not only to make black pots, yet also bottle tops, lipstick tubes, powder make-up containers and some of the lids you'll see dotted around their shops.





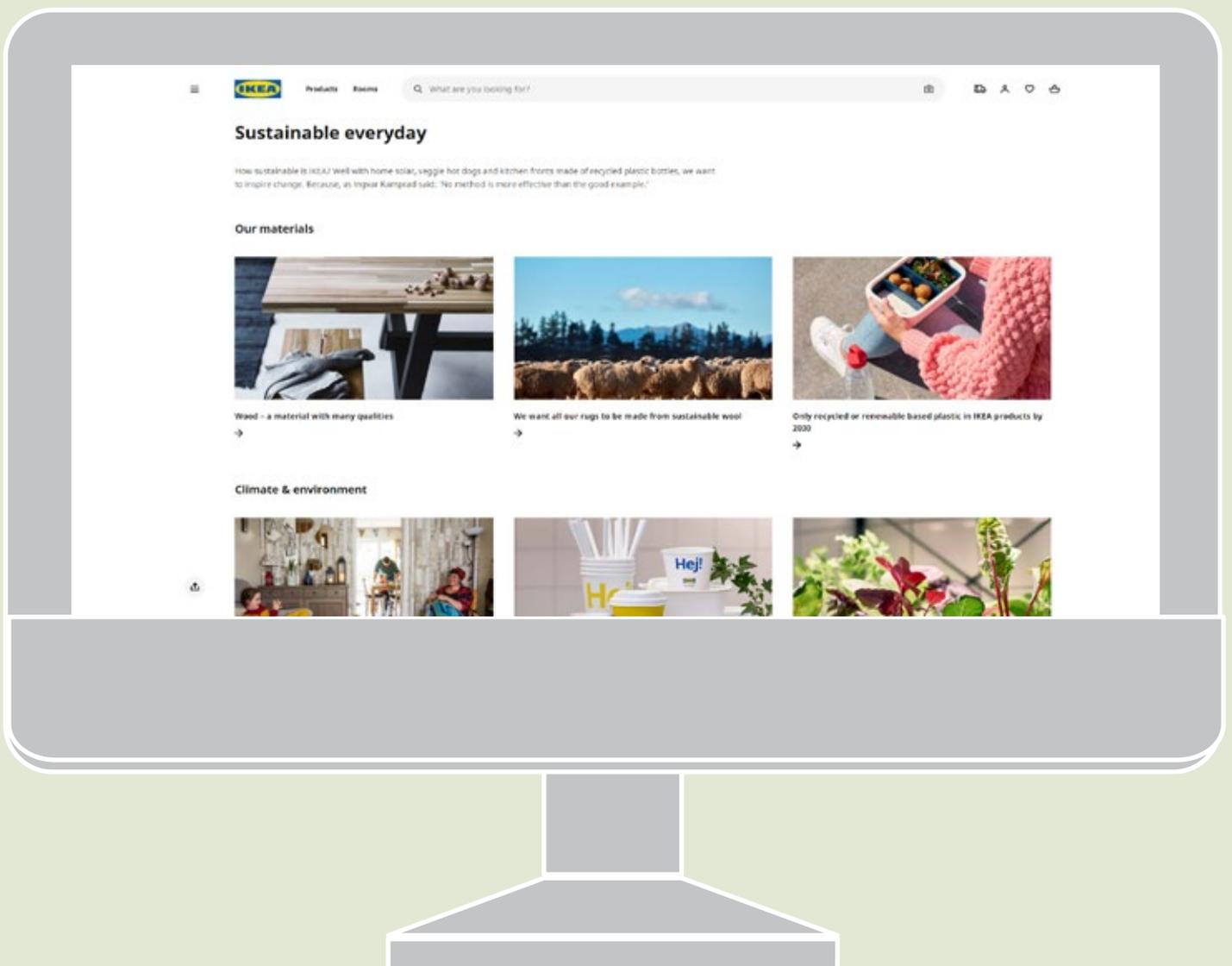
The conscious collection green hang tags highlight product containing at least 50% sustainable materials, while 2014 saw the retailer launch its clothes recycling scheme, 'The H&M Garment Collecting programme'. This global initiative works to prevent customers unwanted clothes and textiles from going to landfill. The scheme allows consumers to donate unwanted clothes by any brand, in any condition, at any H&M store, every day of the year. Customers are then rewarded with a £5 voucher to use in store or online. All clothes collected by H&M are either reused, reworn or recycled with 0% going to landfill.

## Did you know?

In 2019, H&M collected  
**29005 tonnes**  
of unwanted clothes and  
textiles through their  
Garment Collecting programme  
**40% more**  
than last year,  
the equivalent of  
**145 million**  
T-shirts



By 2030, the fast furniture giant has committed to using only renewable and recycled materials and to reduce the IKEA footprint by approximately 70% per product. 2020 saw the brand announce its partnership with circular economy leader, the Ellen MacArthur Foundation. By doing so, the brand aims to put the home furnishing sector “on the global circular map” and to advance a wider transformation to a circular society.





The brand's London flagship store on Oxford Street comprises over 100 digital touch points – all powered by green energy. Throughout the whole store, consideration has been given to respecting and protecting the environment by using a large range of sustainable and responsibly sourced materials, including recycled plastic, foam and textiles. It also offers free water refill stations, promoting the use of reusable bottles. The brand also aims to use 100% recycled polyester in its products by 2024.





Since 2017, 100% of energy used in the supermarket giant's store has been from renewable sources. The brand has also reduced its carbon footprint through the installation of over 100,000 solar panels in its stores and distribution centres, meaning 15% of a store's energy is produced through solar power. Other environmental goals set out by the store include; 100% recyclable, reusable or compostable own-brand packaging by 2022 and across all products by 2025 and 50% reductions in packaging between 2015 and 2025.



# 6: Brands Sustainability Checklist

So, with the six Rs in mind, what should you take into account?

## 1 **Be transparent and traceable:**

For a consumer to want to remain loyal to your brand they need information. Be transparent and use the latest technologies to demonstrate traceability. Authenticate your commitment to sustainability by providing details on what you do.

## 2 **Consumers who value sustainability might be willing to contribute:**

Paying a premium for a product that addresses all of their environmental concerns is not unusual consumer behaviour. Make sure you offer options that provide trade-offs between supply chain cost, service, and environmental impact. This way you may be able to reduce the additional costs you face as a business by capitalising on the desire of consumers to be more sustainable.

## 3 **Use sustainability to drive change in end-to-end operations:**

Focus your efforts on creating inter-company partnerships that are focused on the key elements of sustainability such as environmental impact and social responsibility.

## 4 **Align sustainability initiatives to your core competency:**

Brands and companies that do this well understand how what they do can be repurposed or realigned to meet the increasingly strict demands of the sustainable consumer. Think about what it is your company does and then how it can be made more sustainable without moving too far away from your core competency.

# 7: What Should Sustainability Look Like For Retail Experience?

## Design Process

- **Modular design:**

This allows aesthetics and fascias to be removed and updated for the purpose of reuse, giving them a longer life through a fresh and renovated look. Modular components promote easy replacement of parts and can be re-used to encourage less waste and cost by extending the display/product lifespan.
- **Design for updating:**

Similar to modular design, products and units that are future-proofed offer updatability when new technologies, materials or features are designed or made available. Furthermore, repair and maintenance are simplified, promoting longevity.
- **Design for longevity:**

This incorporates durability, with products and fittings designed to last significantly longer than similar traditional products. These designs safeguard against general wear and tear and reduce the need for maintenance visits or recall of faulty units.

## Material Sourcing

- **Eco-preferable materials:**

We recommend the use of alternative low-carbon materials, avoiding the procurement of traditionally-specified materials which are often harmful to source. Eco-preferable materials generally include: recycled content, biodegradable, organic, locally-manufactured, lower content of hazardous chemicals, natural fibres, sustainably sourced, high strength-weight ratio, results in minimal waste etc.
- **Minimisation of different materials:**

It is important to reduce the amount of different materials used in an in-store display to simplify recycling at the end of life. Sorting different material types adds complexities to the recycling process.
- **Implementing a Quality Management System (QMS):**

A QMS covers such areas as organisational responsibilities, data management, resource use, continuous improvement, and final product quality. This should be in place prior to sourcing materials.

## Manufacturing Processes

- **Machinery and tooling:**  
Efficient management of machinery and processes is vital, and can be achieved with quality management techniques, preventative maintenance and policies to reduce waste, energy and water usage.
- **Supply chains:**  
Collaboration is critical to achieve transparency, encourage best practise and drive reductions in environmental impact of manufacturing.

## Energy Consumption

- **Low powered/eco-friendly lighting:**  
LED lighting is a great alternative to traditional lighting, reducing energy consumption while putting less demand on natural energy reserves. They have a longer lifespan which reduces the amount of end of life waste. When using digital devices, seek low-power technology, and look to integrate timers for easy shut down avoiding power wastage when stores are shut.

## Maintenance And Repair

- **Maintenance and repair plan:**  
Before displays are deployed to stores, a robust maintenance plan should be put in place to cover repair and replacement of faulty components and damaged elements. Maintenance services can be contracted on-demand or as a preventative service with regular scheduled visits. Any program should incorporate skilled teams, SLA response times, helpdesk and fulfilment processes, spare parts inventory, and transparent reporting. Continuously maintaining a retail display prolongs its life and reduces energy, emissions & financial investment.

## Logistics And Delivery

- **Recyclable packaging:**  
Parts should be transported and delivered in recyclable and sustainable packaging.
- **Low carbon logistics and delivery:**  
Optimising load capacity and using reverse logistics reduces journeys, leading to reduced emissions and a reduction in carbon footprint

- **Eco-efficient vehicles:**  
Vehicles should be selected on their environmental impact, taking into consideration; typical environment for usage, anticipated mileage, anticipated load size, ease of access to re-fuelling stations for alternative energy, tax and other tariff costs, fuel efficiency, maintenance intervals and costs and total cost of ownership.
- **Vehicle emission monitoring:**  
Emissions made by vehicles or other transport methods employed should be monitored with the view of keeping to a minimum. Documents typically used to evidence this include vehicle CO2 calculators, logistics and mileage trackers or literature provided by vehicle manufacturers

## End Of Life

- **End of life plan:**  
At the initial concept design stage, brands, retailers and manufacturers must determine a method of handling display materials at the end of their lifecycle. Steps should be taken to assess the possibility of re-using or refurbishing the displays, repurposing part or all of the display or recycling the parts or all of the display as a last resort.
- **Re-use:**  
Displays can be refurbished to enable them to be deployed into secondary retailers, or repurposed with the substrates being used to make entirely new products that could be used outside retail. Demo products within displays can be regifted to benefit charities, NPO's or schools.
- **Recycle:**  
In instances where reuse isn't an option, products and fittings should be designed to be recycled at their end of life to avoid being sent as waste to landfill.

But first we need to take it back to basics, starting with the crucial 'rethink'.



**The starting point is not design,  
The starting point is sustainability.**

Stella mccartney



# 8: 100%'s 6r Framework

We have developed our own six-step model to help brands address sustainability at every stage of the supply chain, meet the challenges of today's retail environment, and meet consumer expectations of transparency and traceability.



## Rethink



We encourage brands, agencies & manufacturers to rethink the approach to POP design, production & execution. The conversation on sustainability needs to happen during the early stages of display design and considered from end-to-end of the display lifecycle. What is the display's purpose after it has left the store? How can the components be re-used? Which materials can be recycled? 100% can advise & consult to introduce sustainable concepts in development stages including the materials used, to design for disassembly, packaging & logistics. A foundation of our strategy is to encourage collaboration & partnerships to make this happen.

## Reduce



100% aims to reduce the impact retail marketing campaigns make on our planet. In our office, warehouse facilities and field operations we are committed to reducing energy and emissions used to run our business and manage projects for our customers. In delivering our services, we use efficient route planning to minimise travel emissions and optimise distribution planning to reduce the carbon footprint of every project. We aim to achieve zero landfill on waste packaging from displays we implement and maintain.

## Refresh



Refreshing your existing retail display will prolong its life in-store, maximise ROI & cut down on new materials needed for manufacture. 100% offers a range of services to update retail fixtures & refurbish components to be used again and again. Refreshing retail displays reduces energy, emissions & financial investment.

## Repair



A maintenance program can prolong the lifespan of displays by repairing faulty components and damaged elements. 100%'s skilled maintenance teams can troubleshoot & fix display issues in-store, avoiding the need for fixture replacement. Repairing retail displays reduces energy, emissions & financial investment.

## Reuse



When displays cannot be Refreshed & Repaired and removal is the only option available, 100% works with customers to seek another use for the whole display, its components and/or demo products.

We can provide services to Refurbish displays to be deployed into secondary retailers. Alternatively, we have experience of creating bespoke solutions to Repurpose display materials into entirely new products that could be used outside retail. With many displays containing demo products too we have partnerships to facilitate Re-Gifting to benefit those in need such as charities, NPO's and schools.

## Recycle



The final step & last resort at the end of the lifecycle; where displays or their parts can't re-used, we will recycle materials as far as possible. 100% works with a network of specialist recyclers to maximise the volume of materials recycled, with a target to send zero waste to landfill. We call on the help from brands, agencies, and manufacturers in their design and material decision-making to drive success of this goal!

# 9: The 'Rethink' Checklist

"The majority of the environmental impact that a display will ultimately cause is defined during the design and development stages. It is critical that the full lifecycle is considered. Decisions made during design & development affect all stages and processes, including materials used, manufacturing processes employed, suppliers, installation, logistics and the-end-of-life." – POPAI Sustainability Standard

Materials determined in the initial design and manufacturing processes, for example fixing methods and types of adhesive, all drive the level of recycling possible at end of life. Here's what you need to consider:

- **Ask yourself if you can refresh or reuse or repurpose an old display :**  
reuse should always be the number one aim as it is the best route to achieving a circular economy and generally has zero negative impact on the environment.
- **Use an environmental design strategy :**  
a number of principles can be used simultaneously to optimise the environmental performance of the design concepts.
- **Establish an end of life plan :**  
As detailed in section 8, an end of life plan helps to reduce waste and encourage reuse and recycle.
- **Use only repurposed/recycled materials :**  
avoid the use of raw and traditionally sourced materials that are often harmful to the environment.
- **Use energy efficient lighting and digital features :**  
Power-management and LED lighting is preferable as it will have the lowest impact to the environment.
- **Select an installation supplier that has sustainability as a key policy :**  
your installer should have clear and transparent sustainability policies, aims and objectives that take into account their full supply chain and cover the entire product life.
- **Ensure a comprehensive maintenance plan :**  
As detailed in section 8, a maintenance plan prolongs the lifespan of a retail fitting, saving valuable time and resources and reducing waste.
- **Any display parts that cannot be reused or repurposed should be recycled :**  
avoid the use of landfill at all costs, by following these steps you can make this an easy target to reach.

# References:

(1) McKinsey :

<https://www.mckinsey.com/business-functions/strategy-and-corporate-finance/our-insights/five-ways-that-esg-creates-value>

(2) Global Citizen :

<https://www.globalcitizen.org/en/content/attenborough-effect-plastics/>

(3) IBM Study In Association With National Retail Federation :

<https://newsroom.ibm.com/2020-01-10-IBM-Study-Purpose-and-Provenance-Drive-Bigger-Profits-for-Consumer-Goods-In-2020>

(4) Deutsche Bank Research :

[https://www.db.com/newsroom\\_news/2019/db-research-launches-new-insights-for-corporate-clients-en-11588.htm](https://www.db.com/newsroom_news/2019/db-research-launches-new-insights-for-corporate-clients-en-11588.htm)

(5) Institute for Government :

<https://www.instituteforgovernment.org.uk/explainers/net-zero-target>

(6) 100% Group Sustainability Report 2018 :

[https://www.100percentgroup.com/closing\\_the\\_retail\\_sustainability\\_circle/](https://www.100percentgroup.com/closing_the_retail_sustainability_circle/)

(7) UN Sustainable Development Goals :

<https://www.un.org/sustainabledevelopment/sustainable-development-goals/>