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Business at its best

RETAIL

Brands should incentivize consumers to go green

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The pandemic has changed life as we know it. Every day seems to bring a new normal that once seemed unfathomable, but one thing is for sure: the path ahead will look wildly different than the previous track.

At the forefront of the change is sustainability.

While eco-consciousness has been growing amongst consumers for some time, especially with the younger millennials and Gen Z generations, the global health crisis has put environmental awareness into the glaring spotlight for all generations.

According to a recent Accenture survey, 45 percent of consumers said that they are making more sustainable choices when shopping and will likely continue to do so in the future in response to the pandemic.

This green consumer movement is even more amplified given that an increasing number of consumers expect brands to help fill the void when it comes to fixing sustainability and social issues.

This movement, coupled with the economic woes due to COVID-19 shuttering businesses, means that brands need to innovate and expand their environmental efforts.

The best way to combat both climate change and the weakened economy is to incentivize consumers to go green.

While this may seem like an odd suggestion, the truth is that there has never been a better time to add a little cash to consumers' pockets while championing the environment.

Eco-conscious shipping

Let us start by examining some possible environmentally friendly enticements.

Retailers, some of which have seen their sales significantly accelerate during this time yes, we are looking at you Amazon can start by taking an inventory of their packaging and carbon footprint.

How many times have you ordered multiple items from an online store only to have each item shipped separately? This is common practice in retail because the urgency has been on delivering items promptly, but what if customers could simply click a box at the checkout and ask that all items ship together to lessen the environmental impact?

Of course, the customer would have to be advised that doing so will notentially delay the shipping of the items, but

when it comes to protecting the earth, many consumers will likely feel it is worth the wait.

A recent Nielsen study confirms, that 73 percent of consumers say that they would definitely change their consumption habits to reduce their environmental impact.

As such, consumers would likely cheer this initiative because the retailer modification makes it easy to go green. This would be fairly seamless to implement, and brands could offer a small eco-friendly discount to the customer for agreeing to wait patiently for all items to ship together in one or fewer boxes.

Eco-friendly moves like this would make the customer feel good about the brand's environmental commitment, while reinforcing their values in shopping more sustainably. It would give the retailer the opportunity to move beyond eco-slogans, gestures and far-off-in-the-future environmental strategies and into immediate action. It would also eliminate the unnecessary environmental impact of receiving your flour in one box on Monday, your laundry detergent in a separate box on Tuesday and your ketchup in a third box on Wednesday.

And if we are being real, who needs any of these items so urgently that they must be shipped separately?

Recycle for cash back

Sustainable brands such as Patagonia and the North Face have been encouraging their customers to recycle clothes from a while now.

Levi's and Madewell also support recycling. They offer discounts off of future purchases when customers drop off old clothes at their stores for recycling.

While these programs are excellent in their own right, they should not be used by just a handful of companies.

Large clothing retailers such as Macy's, and even luxury brands such as Chanel, should follow suit and offer customers the opportunity to recycle clothing.

These brands can differentiate themselves by taking it a step farther by offering cash back instead of just a discount off of a future purchase.

Alternatively, they could offer a hybrid with some items being offered a discount and other higher-value items receiving cash back for recycling garments.

The pricing could be modest, such as a few dollars back for every recycled sweater, jacket or pair of pants. This will require a larger strategy, but customers and landfills will thank them for their effort.

This approach would also breathe new life of relevance into large brands when they need it most.

As it stands now, encouraging consumers to recycle is largely under-utilized. This initiative would have the added benefit of making recycling more accessible and top-of-mind. It will also give customers a reason to shop more from brands that make them feel good by supporting sustainability.

Brands could also switch to reusable shopping bags that give the luster of a beautifully branded bag while reducing plastic in their store.

Instead of offering reusable bags at a cost to the customer, these brands could simply include a reusable bag based on the purchase amount. For instance, spend \$100 and receive a free and stylish reusable bag.

Brands could also offer a small discount when customers bring their reusable bags back to the store. These seemingly small incentives can have a huge impact on changing consumer perceptions about brands that can feel like dinosaurs in the age of new sustainable fashion and lifestyle brands.

A little incentive goes a long way

The truth of the matter is that environmental awareness is not going away. It will become a larger driver of consumers' purchasing habits in the future.

Of equal importance, consumer confidence and spending is decreasing based on the current health crisis.

Giving customers eco-cash back and new eco-friendly discounts now would be both welcomed and aptly timed.

Brands would be wise to get in front of these changing consumer trends by innovating and expanding their sustainability policies and practices today.

This is not about combating environmental degradation alone.

These efforts will improve their ability to connect and engage younger generations as well as older generations who are also experiencing an eco-awakening and give consumers incentives to buy.

Motivating customers to think and act green will create brand loyalty, affinity and purchasing while also giving the environment a much-needed boost. How is that for a true win-win?

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