Plastics and packaging

How much are consumers prepared to compromise?

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With plastics and packaging high on both the public and corporate agendas, we explored the difference in attitudes towards plastics and recycling between millennials and the over 35's. Our objective – to determine the extent to which consumers are willing to compromise lifestyle or pay more for a product with better environmental credentials, as well as uncover opportunities for NPD and innovation.

The plastic issue is well-known to consumers and businesses alike

In recent months there have been many stories and articles regarding the recycling of plastics. In December 2017 the BBC released a piece outlining six simple ways that we can cut back on our plastic consumption. In January 2018, supermarket chain Iceland declared its plans to eliminate or drastically reduce the amount of plastic used in its own-label products by the end of 2023. And in August 2018, Walkers featured in the news with campaigners demanding a swift improvement in the sustainability of their crisp packets. Add onto this the globally respected voice of Sir David Attenborough with his impassioned plea at the end of his recent Blue Planet series, and it is clear that this is a problem that needs to be solved one way or another.

Big business appears more committed than ever to reduce single-use plastics

Our industry appears to be committed to finding an answer. At the time of writing (August 2018) 96 businesses, including the 'big four' UK retailers and giants like Coca-Cola and Unilever, have signed up to the charity group WRAP's (The Waste and Resources Action Programme) UK Plastics Pact. Among other things, the pact aims to make 100% of all plastic packaging 'reusable, recyclable or compostable', and to eliminate unnecessary single-use packaging by 2025.

But what is the consumer take on this?

We asked whether consumers were really committed to reducing plastic waste

For corporate intentions to become reality, consumers must be on-board. In March 2018 we carried out a survey of 1,594 consumers to discover their recycling habits and learn their opinions on the plastic issue. A further survey of 1,393 consumers was then conducted in May 2018 to delve further and determine just how far people are willing to go to help out.

83%

of consumers recycle leftover food packaging where possible

Awareness and positive sentiment exists across all consumers, but age matters

Generally, consumers were keen to help: 91% of those surveyed recognise the importance of recycling and 83% claim to already recycle their leftover food packaging whenever possible. However this drops to just 64% of millennials, compared with 86% of over 35's.

The over 50's are more plastic conscious than millennials

Millennials aren't seeking to curb their plastic consumption (but the over 50s are)

79% of over 50s are consciously trying to reduce plastic consumption compared to only 67% of those aged 50 and under. Surprisingly, out of the 34% of millennials that are not so plastic-conscious, a third (33%) of them hadn't even considered it as an issue.

Pricing incentives seem to work

Of the 74% that try to cut down the amount of plastic used in their household, almost everyone (98%) said using reusable bags-for-life when shopping was one of the methods they practised, emphasising the success of the 5p plastic bag charge across the UK. We have also seen coffee shops offering discounted coffee prices if you bring your own cup – pricing is a key mechanism to drive change in consumer behaviour.

So we asked…

How much would you pay for sustainability?

How much more would people be prepared to pay for a product if it came in sustainable packaging?

Convenience is important to everyone, but millennials would be prepared to pay more to keep it

Two thirds (67%) of those surveyed would be willing to pay more for sustainable packaging across a whole range of product types, and this was most pronounced within the millennials group – more than a third (34%) of 16-35 year olds say they would be more than happy to spend over 10% more on a product. This dropped to just over one fifth (21%) of consumers aged 35+, who tended to see 10% as the limit of any additional costs.

This assumes the products would be available in our consumer's current shopping arrangements, but with increasing prevalence of e-commerce and alternatives to the traditional retailer experience, how open are consumers to alternative options?

67%

willing to pay more for sustainable packaging

New business models would be embraced if sustainability credentials stacked up, but the need for convenience remains high; consumers don't want to shop around

72% of our respondents say they would be happy to receive a separate delivery of their shopping or travel to a specialised store in order to get sustainably packaged goods.

93% of these people would be willing to do this for all of their shopping. However more than half of them (52%) would only do so on the condition that they could source their shopping from a single store, avoiding the burden of shopping around, again indicating the power of convenience.

Those with strong sympathetic leanings towards sustainability are willing to part with cash for the cause

Of those that would be willing to go this extra mile, well over half (54%) would be prepared to pay between 1% and 10% more. In fact, 43% of 16-35 year olds claim they would be willing to pay over 10% extra for products sourced this way, implying there is a dedicated tranche of consumers offering a substantial opportunity for the right proposition.

Once again however, the divide between millennials and over 35's was evident, with less than a quarter (24%) of those over 35 prepared to spend more than an additional 10% on a product.

Time, convenience, cost and knowledge were all barriers to consumer action

There were of course those that were not happy with the thought of paying more or having to change their ways at all. Time, convenience and money were rather unsurprisingly big concerns for most of these people. There was also a lot of uncertainty over which of the more than 50 types of plastics can be recycled, and which cannot. When asked which of the plastic recycling symbols were safe to use and recycle, 88% fully admitted they had no idea.

The issue that stood out the most was the feeling that it is not the consumer's problem to fix.

Consumers feel there are just so many products out there that contain plastic that any change they made as an individual would be drowned out. Instead, consumers believe it should be up to the suppliers to change their ways, to make it easier for the consumer and drive a scaled impact.

88%

don't know what the plastic recycling symbols mean

While this is a step that many retailers are beginning to take, as many of the consumers are pointing out, it feels there is still a long way to go. Consumers want to stop being made to feel guilty for buying something with plastic in it when in reality they have very little choice a lot of the time.

So where does this leave us?

Intentions are good but action is needed

The results of these surveys have shown that despite the differences in generations, people across all ages really do want to do their bit, they just may not all fully understand how to, and often feel it is not their problem in the first place. While the promise from retailers to assist WRAP in their goal of a complete eradication of unsustainable plastics on our supermarket shelves is a welcome vision, it will clearly require input from more than just manufacturers.

At the end of the day, consumers will always have the last word; it is their money that keeps the food industry going, and as such it is their voice that will need to be heard.

Insight such the findings discussed in this paper, can help guide us on how to work with the different consumer groups, all of whom have varying but strong feelings and attitudes towards the plastics and sustainability issue.

While this could be seen as a challenge to the supplier, perhaps it should be seen more as an opportunity. The results have shown that if a product were to have fully sustainable packaging, the majority of all consumers would be willing to pay at least a little extra.

Furthermore, those products aimed more at the millennial group could even be charged at a higher rate still, provided the message and reasoning was clear. Although not all would accept this, there is a definite chance here to introduce new business models to the market.

Ultimately, this is an issue that is not going to go away. As global anti-plastic sentiments increase, this will only become an ever more important topic to be discussed, not only for the sellers and manufacturers of our food, but for the public that buys it.

How Leatherhead can help

Leatherhead has an experienced consumer research team who would be happy to assist with resolving any packaging dilemmas you may face, whether it be pack integrity and subsequent product quality issues, consumer acceptability of packaging format, consumer insight on the new offering, or the consumer view on the proposed sustainability credentials.

About the author

Rhys Watkins is Principal Consumer Technician within the Consumer, Sensory & Market Insight team at Leatherhead Food Research. He organises and runs fieldwork on behalf of clients, and undertakes the subsequent analysis. A key part of Rhys' role is delivering online consumer surveys and analysis on behalf of the Science Group and clients. He holds a Certificate of Achievement in Sensory Evaluation at Foundation Level (IFST). Rhys graduated from Bangor University with a BA (Hons) in History and joined Leatherhead in 2010.

About Leatherhead Food Research

Leatherhead Food Research provides expertise and support to the global food and drinks sector with practical solutions that cover all stages of a product's life cycle from consumer insight, ingredient innovation and sensory testing to food safety consultancy and global regulatory advice. Leatherhead operates a membership programme which represents a who's who of the global food and drinks industry. Supporting all members and clients, large or small, Leatherhead provides consultancy and advice, as well as training, market news, published reports and bespoke projects. Alongside member support and project work, our world-renowned experts deliver cutting-edge research in areas that drive long-term commercial benefit for the food and drinks industry. Leatherhead Food Research is a trading name of Leatherhead Research Ltd, a Science Group (AIM:SAG) company.

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