

## Engaging the Process Chain – Retail

- Ensure that **Retailers** provide products and services in Hampshire that have been designed to maximise material resource efficiency and reduce waste.

The retail sector is the interface between the producer and the consumer and so has the power to influence consumer choice and raise consumer awareness both at the till and throughout the premises.

Retail has a major impact on the UK economy – over a third of consumer spending is through shops, this amounts to £230billion (2002)<sup>1</sup> per annum. Retail is also a major employer providing jobs for over 2.7M people (1 in 9) or 11% of the UK workforce.

The retailing sector has fundamentally changed over the last 50 years with the switch from small, independent stores to a market dominated by multi-national and national chains. The traditional high street retailer dominance has changed so that out of town retail parks and to a much lesser extent internet shopping have also developed and changed consumer buying methods etc.

Retailers respond to consumer requirements, not all of which relate to cheapest prices – consumer interest in green or social/ethical practices related to the products may also influence retailers in how to conduct their business.<sup>2</sup>

As a result there is a mix of retailer style from those that “pile ‘em high sell ‘em cheap” who are out to sell the cheapest option regardless and those who trade on their corporate social responsibility image, Fairtrade (ethical) buying and responsible packaging that does the job with the minimum of environmental impact – these examples represent the two extremes between which most retailers fit.

There are examples of retail good practice; this is often confined to the large multinational companies that can commit resources to enable change, but there are also increasing examples of smaller retailers playing the ethical goods card and this trend is likely to continue.

Recent changes in the law have provided legal and financial incentives for retailers to change how they manage the impact of their business, especially in terms of packaging. Innovation in packaging and product presentation, may reduce waste or enable easier final disposal and to make real change, this issue needs to be tackled nationally, but could be initiated in Hampshire through pilots, trials and publicising best practice.

Retailers have traditionally needed continual and increasing consumption to maintain or improve the prosperity of their businesses. There may be ways of reducing consumption whilst ensuring a thriving retail sector, but this is not something that can be progressed in isolation in Hampshire. Work in partnership with the major retailers and government, would be needed, to make progress on this agenda.

Opportunities for change in Hampshire have been identified as follows:

### Raising Awareness

In order to create more sustainable and responsible consumption, people’s minds and practices need to be changed. Advertising provides an opportunity to promote specific products/schemes/concepts and so influences consumer choice, advertising on more

<sup>1</sup> BRC, 2004. [www.brc.org.uk/latestdata](http://www.brc.org.uk/latestdata)

<sup>2</sup> Hines, C and Ames, A, 2000. Ethical Consumerism – A research study conducted for Co-op bank. MORI

sustainable goods and services creates better informed consumers and provides growth opportunities for business.

The main opportunity for influence in this sector is to work in partnership with the retail sector to promote, through awareness campaigns, 'consumer responsibility'. This should include the concept of avoiding unnecessary waste through not buying more than is required, and linking to other issues such as health, obesity and consumer debt and material consumption. Such initiatives should be progressed as part of an integrated life-style change/awareness programme.

- › Work in partnership with organisations such as the Waste and Resources Action Programme (WRAP), British Retail Consortium and retailers to devise and implement direct consumer awareness raising campaigns relating to consumption, energy efficiency, resource efficiency

Awareness raising programmes should also be targeted at retail staff (and subsequently consumers). By working in partnership, both the retailer and community will benefit, adding value to the messages provided to the consumer, and influencing consumer choice.

- › Devise thematic campaigns that target specific retail sectors with related sustainable concepts e.g. energy efficiency – white goods retailer.
- › Contact and work in partnership with relevant organizations to develop and promote a 'better shopping' guide to ensure "responsible consumer" education.

### **Formal Education and Training**

Sustainable living messages should be promoted at the retail workplace for the benefit of staff and consumers alike. These members of the Hampshire workforce will then take these ideas home and increase the likelihood of achieving responsible domestic consumption. Retailers could benefit from increased staff enthusiasm and pride in their employer, if staff were informed of their companies sustainable activities.

- › Disseminate sustainable development good practice within retail industry training by working in partnership with BRC and retail sector training groups to identify and influence opportunities.
- › Utilise this work in influencing course content in retail- related college / university / vocational training courses

### **Influencing**

Several companies have developed corporate social responsibility (CSR) reporting within their organisation and this good practice, especially in relation to material resources should be promoted and disseminated within both the private and public sectors.

- › Promotion of CSR reporting to businesses and public sector organisations based on models taken from retail companies.

Combining municipal and commercial waste also means overcoming current legislative frameworks that still operate on the basis of categorising waste by origin rather than by resource stream. In addition, systems such as the packaging obligations and recycling credits may actually hinder the change of waste stream management to resource type rather than by origin.

- › Identify any legislative barriers to joint waste stream working and devote lobbying expertise to overcoming these with a view to progressing the aims of the Material Resources Strategy.

National retailers like to get involved in Local Authority initiatives but find it difficult to engage independently with every UK Local Authority. Recycling schemes and awareness campaigns have been started but tend to encounter difficulties due to the nature of the Local Authority system and the lack of economies of scale. Consumers get confused by multiple and mixed messages from different authorities and if consumers don't show interest in a campaign then the retailer will stop giving it store space. In addition, the management of lots of different initiatives with various Local Authorities is complex for the retailer concerned. More generic messaging shared across Local Authority boundaries would add strength to campaigns and simplify the issues for consumers. Hampshire is already well placed via the Project Integra partnership to offer a single point of contact for negotiation and influencing

- Use existing networks to promote joint working with other Authorities on resource efficiency schemes and awareness campaigns.

### **Maximising Material Recovery**

**(note: several of the opportunities for change developed from the Material Resources Strategy consultation are not related to the process chain, but are end-of-pipe solutions, however they are included here for completeness)**

Expand current projects on recycling to other locations (out of town retail parks, large shopping malls and 'the high street') providing a single collection service for recyclables at these locations, resulting in economies of scale, savings to the retailers. There is also the opportunity to develop local processing options for this material.

- Exploit opportunities to work with retailers to facilitate collection of recyclates and ensure that material is processed locally.

Separate waste collection infrastructure already exists for household and commercial waste, householders also benefit from an established recycling infrastructure, such as kerbside collection. Retailers arrange individual recycling collections which may be more costly, however where national contracts are employed by the larger companies economies of scale may mean that the collection costs can be reduced or eliminated. The law currently distinguishes waste by origin, (between household and commercial), which can sometimes act as a barrier to dual collection and processing.

Combined collection facilities could benefit both Local Authorities and retailers, the community could recycle more material based on the waste stream composition rather than origin and the retailers could save on landfill costs. The collection of recyclable materials from retailers may also enable viable collection of new waste streams for recycling, for example, cardboard and expanded polystyrene.

- Instigate mapping exercise of current resource collection systems and infrastructure across Hampshire (Household/Commercial/Industrial).
- Investigate alignment opportunities for collection contracts for both household and commercial waste and recycling.
- Facilitate combined local recyclate collection (High Street and Retail Park) in partnership with BRC, local chambers of trade/commerce, SEEDA etc.
- Implement and evaluate pilot scheme for combined household and commercial collection of recyclate and waste.
- Investigate opportunities for the co-location of a 'new' Civic Amenity site on a Retail Park, working with retailers, land owners and Local Authorities to develop a pilot site.