



Sustainability in Indonesia



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Executive Summary

When understanding the importance of sustainability amongst Indonesian consumers, it is important to recognize and understand the concept of Good for Me, Good for the Earth. Consumers can often feel that the issues of health and sustainability are interlinked and impact on each other. For instance, consumers can feel that chemicals used in crop production do not just impact the surrounding landscape, but also the health of the individual. Currently, consumers are looking to lead a healthier lifestyle (something that will have intensified in 2020 as a result of COVID-19) and this is a key reason why they are looking to address the state of the environment.

Consumers in Indonesia are concerned about the state of the environment and a wide range of issues, many of which can be linked to globalization and industrialization over the last couple of decades. This is resulting in consumers feeling that damage done to the environment is irreversible, something that will impact their quality of life and that of future generations. As a result of this, consumers want brands to be taking a more proactive approach to sustainability pledges, especially when it comes to issues such as recycling. At the same time, they also want brands to be more transparent with environmental pledges, something that has been brought about by examples of greenwashing before. However, consumers recognize that protecting the environment is not just the responsibility of big businesses and instead is a collective effort that also involves the individual.

This is resulting in consumers wanting to make changes to their diets and overall lifestyles in order to act in a more environmentally friendly manner. As a result of this, consumers are researching about environmental issues and engaging in activities such as reducing water usage and avoiding unnecessary food waste. They are also making changes to their diets, such as looking to turn to only local produce as well as adopt plant-based diets. However, whilst consumers want to lead a more sustainable lifestyle, they admit they can struggle to do so, something that raises questions about the longevity of such behavioral traits.

Indeed, consumers feel that several barriers exist when it comes to leading a sustainable lifestyle in general, such as finding recycling to be time consuming and difficult and associating environmentally friendly products with a premium price. Barriers can also exist when it comes to leading more environmentally friendly diets, such as the difficulty giving up meat in the long-term and the perceptions from some that plant-based food and drink products are bland and boring. As a result of this, the food, drink and supplement industries need to look for ways to help make sustainable living to be as effortless and convenient as possible.

Something touched upon earlier, consumers can often be skeptical about sustainability claims made by the industry. This is because they feel that brands do not have their best interests at heart – or those of the wider environment – and can often make misleading claims in order to charge a premium price. As a result, brands need to look for ways to offer maximum transparency along the whole of the supply chain. One way to do this is to become an early adopter of blockchain technology, especially as a high proportion of consumers say they would be likely to use such technology.

Introduction

This report examines the topic of sustainability in Indonesia, examining consumer attitudes and behavior when it comes to the environment, and how this is impacting on their shopping habits when it comes to brands. The report focuses on how consumers believe that the environment is at a tipping point and that a variety of issues – such as global warming and animal extinction – means that damage done to the environment is irreversible. This is resulting in consumers taking a more proactive approach to addressing the environment and wanting brands to help facilitate this, especially as they feel that brands should be doing more to protect the planet.

As a result of this, consumers are looking to make changes to their diets and lifestyles as they look to live in a more sustainable manner. This is resulting in consumers having more favorable perceptions of brands that mirror their attitudes and outlook on life. However, when it comes to leading a more sustainable lifestyle, barriers can exist – both from a consumer perspective and an industry perspective.

For instance, trust and transparency can be major issues when evaluating if a brand is environmentally friendly or not, whilst consumers admit that they can find it a challenge to maintain a sustainable diet, because of issues such as affordability and sensory appeal. This is something that can impact on the longevity of consumers making changes to their lifestyles and adopting alternative diet plans.

Consumers are adopting the notion of Good for Me, Good for the Earth, believing that the issues of health and sustainability are interlinked. As consumers become more concerned about both their own health and that of the planet, brands need to help consumers lead a more sustainable lifestyle in a hassle-free manner.

Methodology

This presentation has been compiled based on the following surveys:

- FMCG Gurus Sustainability survey – 1,000 consumers surveyed in Indonesia in Q3 2019
- FMCG Gurus Blockchain survey -1,000 consumers surveyed in Indonesia in Q3 2019
- FMCG Gurus Active Nutrition survey – 1,000 consumers surveyed in Indonesia in Q3 2019



Growing demand for 'sustainable products' in Indonesia

To understand sustainability trends in Indonesia, brands also need to understand attitudes to health

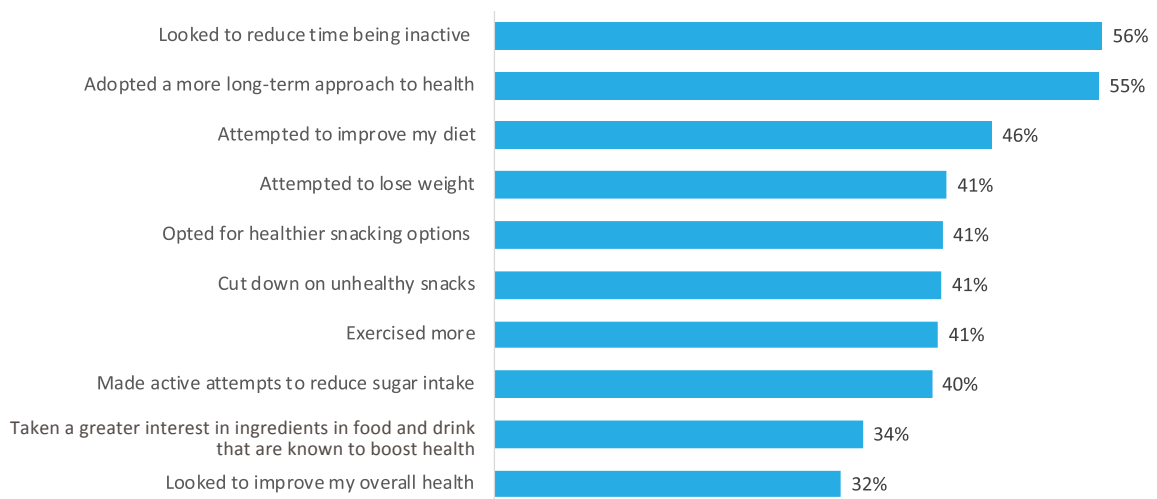
• Consumers feel that the issues of health and sustainability are interlinked

Increasingly, it is important not just to analyze sustainability trends in isolation. Consumers have been concerned about the environment for many years, however in recent years these trends have intensified. At the same time, whilst consumers attach importance to sustainability claims when buying food, drink and supplements, they will often attach greater priority to product attributes that benefit them immediately, such as taste, convenience, price and health benefits.

The latter point is important and a key reason why consumers are becoming more concerned about the environment. This is because consumers are adopting the notion of Good for Me, Good for the Earth. This links to consumers believing that the state of the environment has a direct impact on their health.

In Q3 2019, FMCG Gurus surveyed 1,000 consumers in Indonesia as part of its 'Active Nutrition' survey series. The research found that consumers are taking an increasingly proactive approach to health.

Proportion of consumers who say that they have done the following in the last two years Top ten answers



The research shows that the top three actions taken by consumers in the last two years were to reduce time being inactive, adopt a long-term approach to health and try and improve dietary habits. This highlights how consumers are taking a holistic approach to health and evaluating all aspects of their lifestyle. This is a key reason why consumers are taking a greater interest in the environment, as they believe it is something that will have an overall impact on their health.

Whilst this report does not cover COVID-19 data in Indonesia, it must be stated that both concerns around health and the environment will have intensified in the country as a result of coronavirus. As such, sustainable living will be more important than ever before.

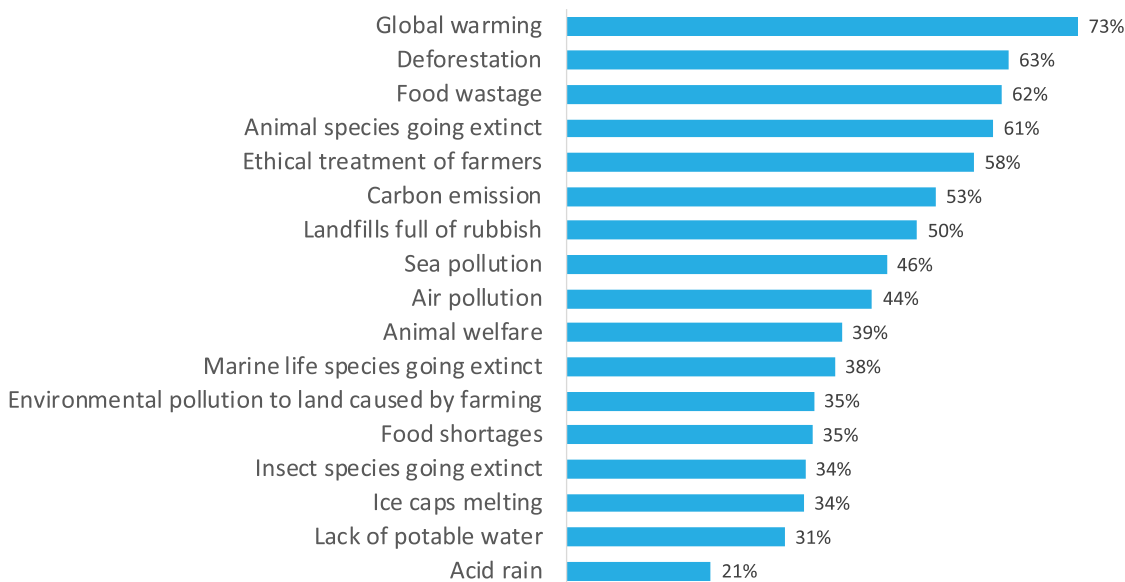
Consumers in Indonesia are concerned about the state of the environment

• Consumers are concerned about a variety of issues

The state of the environment is a major worry for consumers in Indonesia, with many feeling that the impact of globalization is something that means it is damaged beyond repair. In Q3 2019, FMCG Gurus surveyed 1,000 consumers in Indonesia on the topic of sustainability. The research found that 66% are concerned about the state of the environment, whilst 35% believe that it is something that has worsened in the last two decades. Somewhat pessimistically, a total of 50% believe that damage done to the environment is irreversible.

Such concerns are brought about by consumers witnessing the impact of changes to the environment, such as deforestation, animal species going extinct, and more disruptive weather conditions. As consumers become more concerned about the impact that environmental damage will have on the quality of their life and future generations, they want brands and the individual to take a more collective approach to protecting the environment. For instance, a total of 80% of consumers say that they research the environmental pledges of brands and manufacturers, whilst 49% of consumers say that they feel that food, drink and supplement brands should be doing more to protect the environment. In comparison, a total of 48% say that retailers should be doing more.

Are you concerned about any of the following?

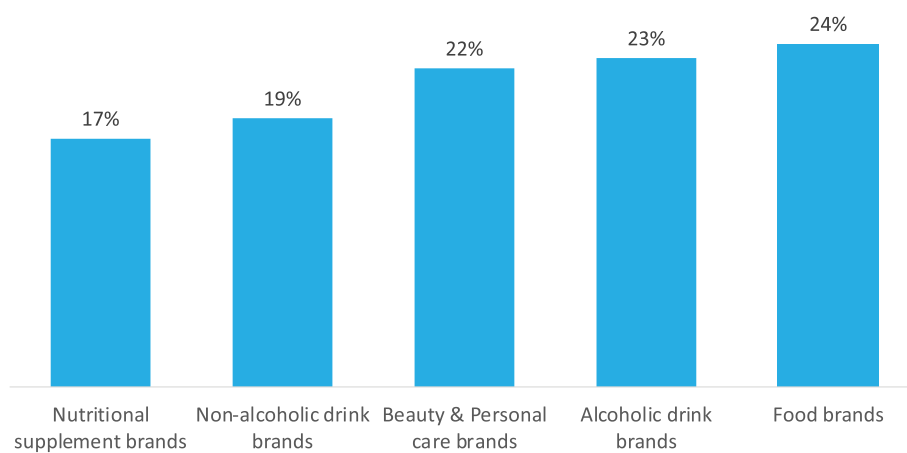


As highlighted in the graph, consumers have a myriad of environmental concerns, with global warming the number one worry. This is because consumers will worry what impact this will have on ecological systems as well as food supplies and crops, a concern at a time when population growth puts more pressure on food suppliers than ever before. However, the fact that consumers are concerned about such a wide range of issues means it is crucial that brands are seen to be putting corporate and social responsibility at the forefront of strategy.

- **Consumers can be skeptical of sustainability claims made**

Sustainability claims are something of high importance to consumers in Indonesia. However, they are also something that can be met with distrust. This is because consumers have been subject to greenwashing in the past, where claims towards environmental commitments have later proved to be unfounded or misleading. For instance, across all categories, around two in ten consumers say that they do not trust environmental claims made by brands. This is something that will shape buying behavior in the country, especially at a time when 44% of consumers are researching how to lead a more environmentally friendly lifestyle.

Proportion of consumers who say they do not trust environmental claims made by the following types of brands



Consumers are adopting the notion of Good for Me, Good for the Earth, meaning they are taking steps to try and make their lifestyles and diets more environmentally friendly. This in turn means that they will be making greater efforts to seek out brands that they deem to be sustainable. Something that will be discussed later in the report, brands need to look for ways to maximize perceptions of trust amongst consumers. One way of doing this is through leveraging blockchain technology so that information can be obtained from a neutral source about information across the whole of the supply chain. This is important at a time when a Blockchain survey of 1,000 consumers conducted in Q3 2019 found that 59% of consumers say that brands should also monitor the supply chain of their suppliers. This is to avoid any situation where brands make claims about environmental commitments, only for these to be unknowingly undermined by the practices and policies of suppliers.

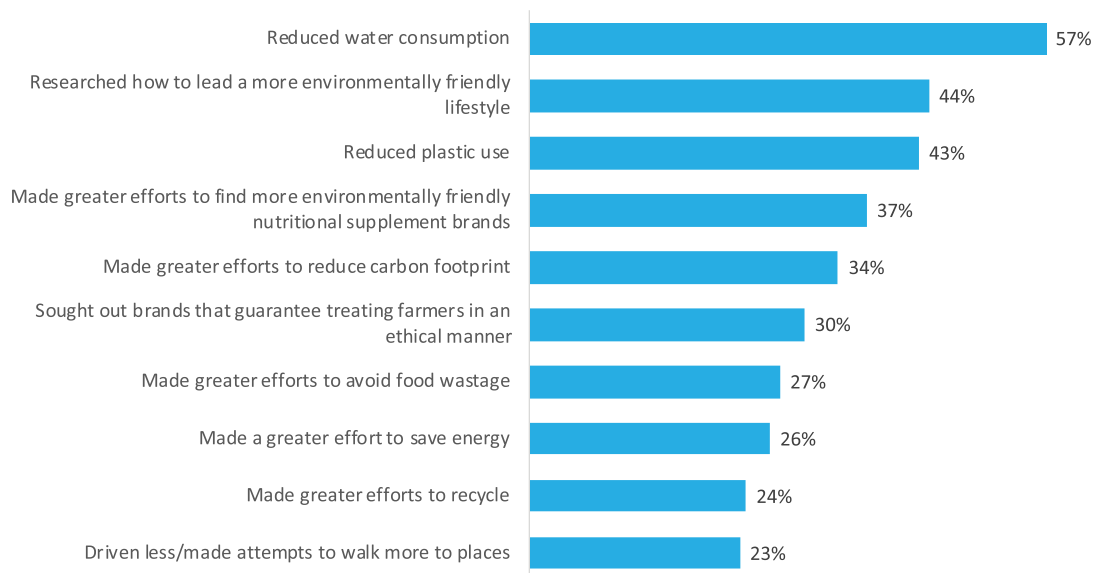


- **Consumers have taken a variety of steps in recent years in order to try and protect the environment**

Historically, protecting the environment is something that was seen as more the responsibility of big businesses, rather than that of the individual. After all, damage to the environment is something that is often associated with corporate greed, whilst consumers can sometimes question what impact they can have on protecting the environment compared to major organizations.

However, these attitudes are now evolving, with consumers recognizing that protecting the environment is more a collective responsibility between brands and the individual, and that even the smallest changes to lifestyles can have a significant impact on the environment. FMCG Gurus asked consumers in Indonesia as part of its sustainability survey, what steps they had taken in the last two years to lead a more environmentally friendly lifestyle.

Have you done any of the following in the last two years?
Top ten answers



The research shows that consumers are most likely to say that they have looked to reduce water consumption in the last couple of years. This will have been driven by concerns about natural resources being depleted because of the impact of excessive consumerism brought about by globalization. As well as researching the topic of how to lead a more environmentally friendly lifestyle, consumers have also looked to reduce their use of plastic. This is a material that consumers tend to have negative perceptions about for a variety of reasons.

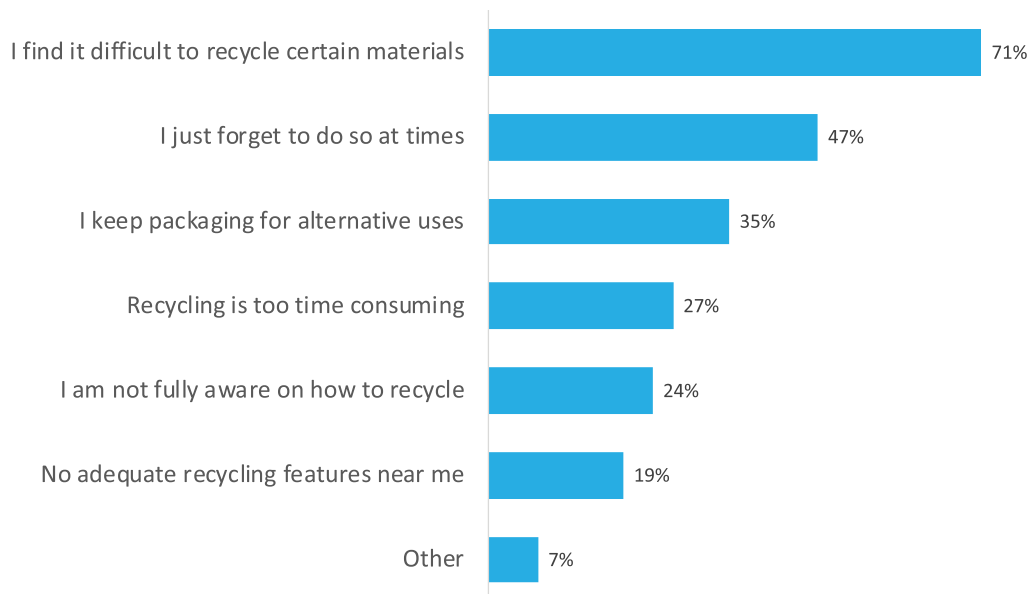
• Consumers find packaging and recycling to have a major impact on the environment

Consumers can often feel that recycling – or a lack of recycling – is something that is having a major impact on the environment and is something that the industry needs to address. For instance, FMCG Gurus Sustainability survey found that:

- 37% of consumers in Indonesia often feel that there is too much packaging on products
- 40% of consumers in Indonesia say that they will put a product back on the shelf if they are concerned about the sustainability of its packaging
- 64% of consumers in Indonesia say packaging should be able to be recycled as much as possible
- 65% of consumers in Indonesia say that people not recycling is a major barrier to the environment

This shows that packaging and recycling are major issues for consumers in the country. The next chapter of this report will highlight how many consumers find recycling to be time consuming and difficult, something that impacts on their willingness to engage in such activities. Currently, FMCG Gurus research shows that only 58% of consumers in Indonesia say that they recycle on a regular basis, with 29% admitting that they rarely do so. FMCG Gurus asked consumers who do not recycle on a regular basis why this is the case.

Why do you not recycle all the time? Consumers who do not recycle all the time



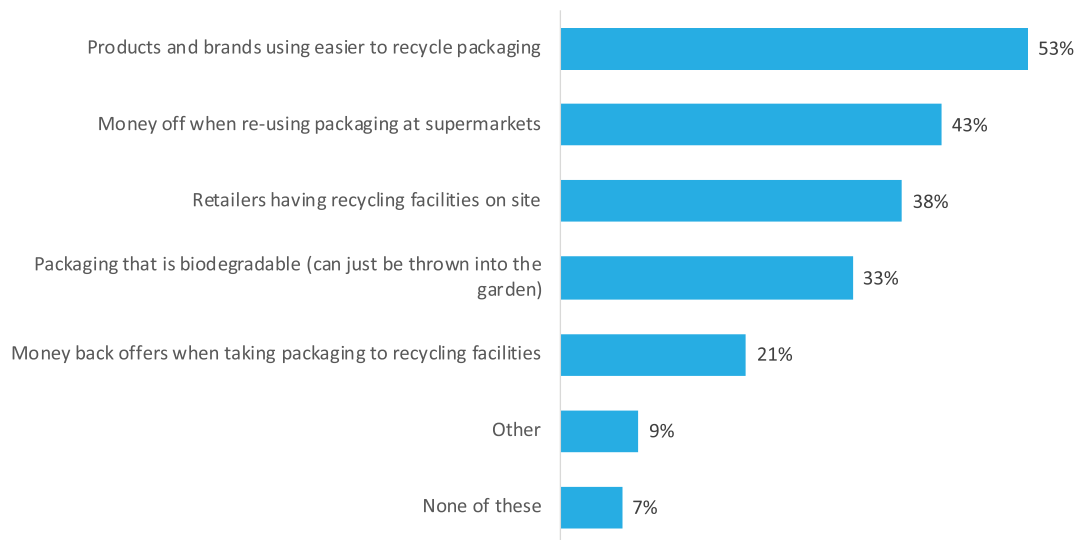
The research shows that the main reason for not recycling regularly is because consumers can find it difficult to recycle certain materials. It is worth noting that when it comes to recycling, the following proportion of consumers say that they find it difficult to recycle the following types of packaging:

- 49% of consumers say that it is difficult to recycle plastic
- 50% of consumers say that it is difficult to recycle glass
- 40% of consumers say that it is difficult to recycle cardboard
- 37% of consumers say that it is difficult to recycle metal

- **Consumers want brands to make it easier or more motivational to recycle**

Something that will be highlighted throughout the report, consumers can demonstrate an attitude/behavior gap when it comes to the environment. This means that whilst consumers want to act in a more sustainable manner, they do not always do so. This is because whilst consumers believe that protecting the environment is important, they also have a variety of other need states that they need to take into consideration when it comes to their day-to-day lives. For instance, consumers can often feel that they lead busy lives and as such are often time scarce. This means that consumers may be reluctant to spend time on recycling if it takes up time they can spend on tasks that are deemed more enjoyable. As such, consumers want brands to either take the hassle out of recycling or incentive doing so.

What initiatives would you like to see to make recycling easier?



FMCG Gurus research for instance shows that consumers want packaging to be easier to recycle and/or money off when re-using packaging at supermarkets. This showcases how even though consumers are concerned about the environment and want to make changes towards their lifestyles in order to behave in a more sustainable manner, they want these changes to either be hassle-free or offer benefits beyond protecting the environment.



Consumers are looking to seek out environmentally friendly brands, but admit that they can struggle to lead a more sustainable lifestyle

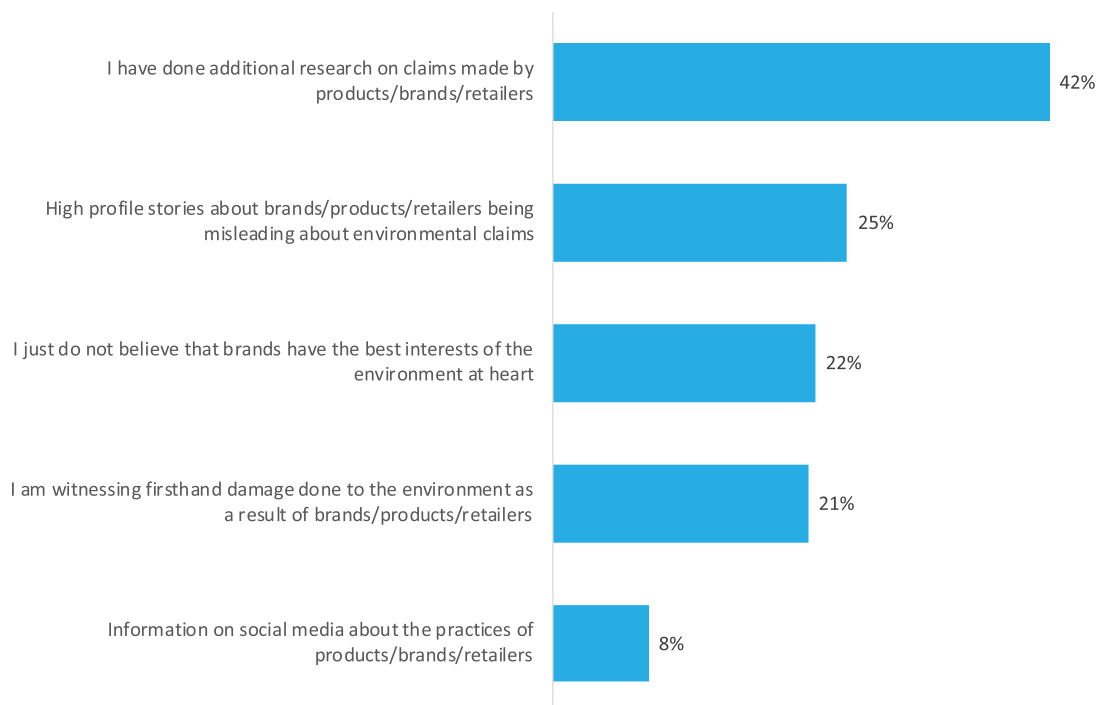
- **A lack of trust is something that can impact on efforts to lead a more sustainable lifestyle**

FMCG Gurus research shows that 80% of consumers say that they research environmental pledges of brands. However, whilst consumers are seeking out such information, it does not necessarily mean that they are trusting of it, something that was highlighted in the previous chapter. Indeed, a total of 39% say that they have become less trusting of environmental claims made by products and brands in the last two years. When asked why they have become less trusting, the most popular answer given by consumers was that they have done additional research on claims made by products, brands and retailers.

This is a further example of how some consumers feel that they are being greenwashed, being informed about environmental claims that they later deem to be misleading after conducting additional research. This shows the importance of offering maximum transparency when it comes to making sustainability claims, so that they are seen as more than marketing claims.

Why have you become less trusting?

Consumers who have become less trusting of environmental claims in the last two years



Misinformation impacting trust

In an age of information, it is crucial that brands take a more proactive approach to communicating about environmental commitments than ever before. Whilst consumers deem exposure to more information via different channels to be a positive, it does increase the risk of consumers being exposed to misleading information. This is especially problematic because of the growth of social media over the last two decades, as inaccurate information can be communicated to millions of people in a matter of seconds.

FMCG Gurus Blockchain survey found that 50% of consumers in Indonesia say that they agree that information on the ethical and environmental policies of products and brands communicated by news outlets and social media channels can often be misleading. When trying to make informed decisions about how to lead a more sustainable lifestyle, confusion over what type of information to trust is something that can act as a major barrier.

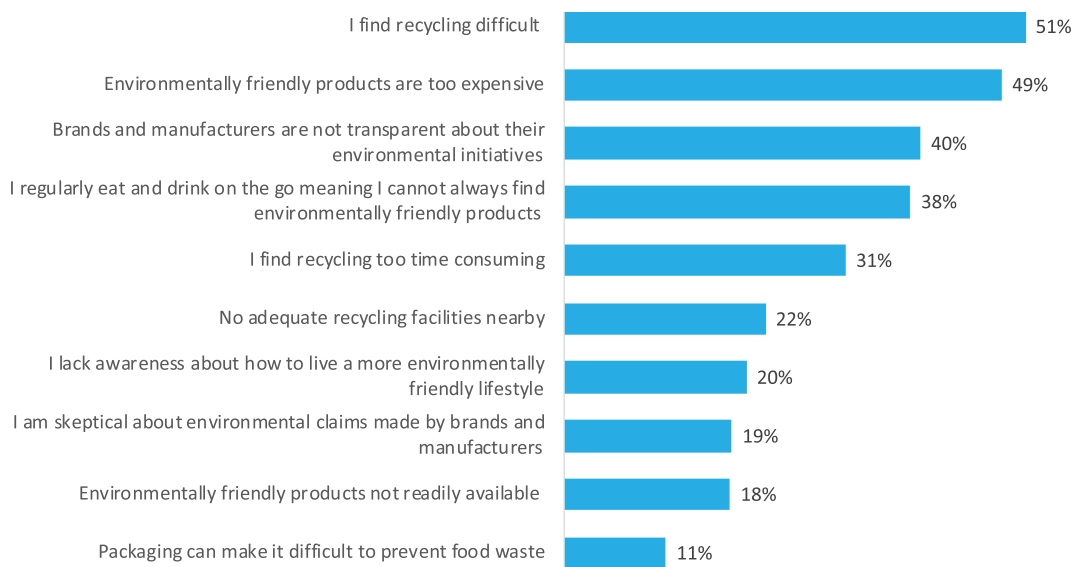
This shows that if ethical and environmentally friendly brands are to target consumers in Indonesia, they need to take a proactive and holistic approach to transparency and communication. This is something that can improve brand image and reduce the risk of brands having to take a reactive approach to negative information that is not accurate but capable of shaping perceptions.

Barriers to sustainable lifestyle

Consumers admit that several barriers exist when it comes to trying to lead a more sustainable lifestyle

Despite their best intentions, consumers in Indonesia can struggle to lead a more sustainable lifestyle. There are several reasons why this is the case.

What challenges do you think exist when it comes to leading an environmentally friendly lifestyle? Top ten answers



Consumers recognize the benefits of recycling and the impact that not recycling has on the environment. However, as highlighted in the previous chapter, many admit that they do not always recycle. When probed, the main reasons were that recycling is time consuming and difficult. This combined with the fact that difficulty recycling is the main reason for not leading a more sustainable lifestyle, shows that consumers want recycling to either be hassle-free or incentivized. Moreover, it shows that irrespective of consumers saying that they want to lead a more sustainable lifestyle, they want brands and retailers to make this as convenient as possible. This also shows that whilst consumers believe protecting the environment is a collective effort, they still expect brands to help take the lead on this.

The second most common barrier faced by consumers when it comes to leading a more sustainable lifestyle is cost. It must be remembered that irrespective of a growing middle class in the country, it is important not to over-estimate the spending power of consumers. Many consumers continue to live either on or below the poverty line. Moreover, food inflation is a genuine concern for many consumers in the country who often feel that rising prices are problematic at a time when they are struggling with everyday living costs. In a time of uncertainty and the risk of a recession because of coronavirus, consumers will be even more conscious about food and drink spend. As such, they will be less willing to trade-up for a product just because it is environmentally friendly. This means that sustainable claims need to be linked to other benefits such as nutritional and taste benefits, or brands need to ensure prices align with other offerings on the market.

The third biggest barrier that consumers believe they face when it comes to seeking out more sustainable brands is a lack of transparency when it comes to environmental claims. This further reflects how consumers can be skeptical about sustainability claims made by brands, often believing that they are deliberately misleading in order to charge a premium price. The later part of this report examines the opportunity for blockchain technology in Indonesia and highlights how brands need to use technological innovations to help enhance trust and validate environmental claims.

The research shows that irrespective of concerns that consumers have about the environment, it is important not to overestimate the extent that they are making fundamental changes to their lives in order to act in a more environmentally friendly manner. From a consumer perspective, time-scarcity, cost and other attributes being prioritized over sustainability claims can be a hindrance. Meanwhile from an industry perspective, issues such as trust and transparency can be a barrier.

Sustainable diet trend in Indonesia

Consumers in Indonesia are also changing their diets in order to lead a more sustainable diet

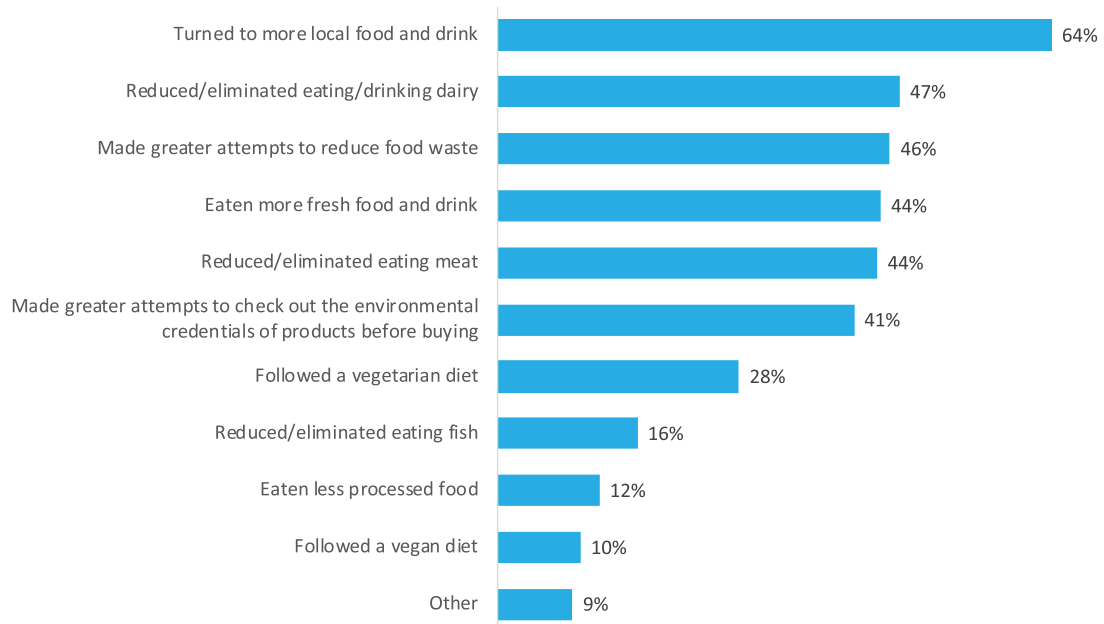
- **Two thirds of consumers have changed their diets in the last two years**

As well as making changes to their lifestyles overall, consumers are also evaluating and adjusting their eating and drinking habits to help the environment. FMCG Gurus Sustainability survey found that in the previous two years, 67% of consumers said that they had changed their dietary habits in order to lead a more sustainable lifestyle.

In recent years, much attention has been given to changing dietary habits as a result of concerns about the environment. This has seen a high level of attention given to plant-based products, as more consumers adopt vegan, vegetarian and flexitarian dietary habits. Whilst this is the case in Indonesia, with a significant proportion of consumers looking to reduce/eliminate intake of meat and dairy and increase intake of plants, consumers are also associating sustainable diets with more practical measures. For instance, consumers are looking to turn to more locally sourced food and drink and make greater attempts to reduce food waste. This means consumers are not necessarily changing what they eat and drink but are changing the products they purchase and how they utilize such products.

This is important when it comes to addressing sustainable dietary habits in the country. Indeed, sustainability initiatives can be wide ranging and are not just limited to more contemporary dietary plans.

What changes have you made? Consumers who have changed their diets to lead a more sustainable lifestyle



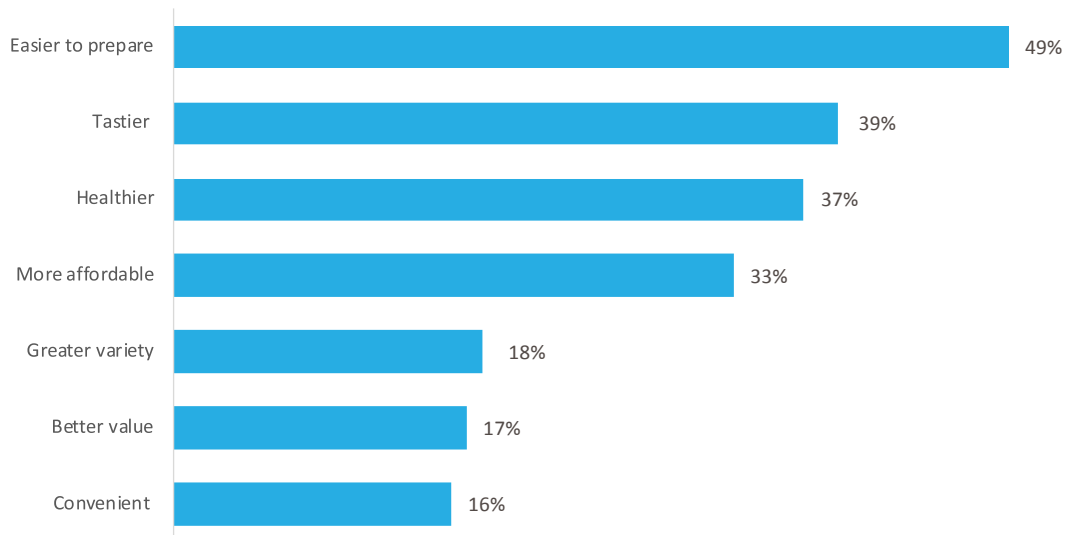
• Consumers associate sustainable dietary habits with a variety of other benefits

When it comes to changing their diets in order to lead a more sustainable lifestyle, consumers in Indonesia say that they were most likely to do so because of concerns about the treatment of animals/marine life (56%) and because they were concerned about specific environmental health issues such as global warming (54%). However, as well as addressing concerns about ethical and environmental issues, consumers also associate sustainable dietary habits with other benefits.



Did you associate these dietary changes with any other benefits besides helping the environment?

Consumers who have changed their diets to lead a more sustainable lifestyle



For instance, the top three additional benefits that consumers associate with such dietary plans are ease of preparation, taste and health. These are important factors to consumers, and the fact that sustainable dietary plans are seen to align with these attributes will increase the likelihood of consumers maintaining such dietary plans in the long-term:

1. Consumers feel that they are leading increasingly busier lifestyles than ever before, meaning time-scarcity and convenience have a significant influence on day-to-day behavioral traits in the country. For instance, as highlighted in the previous chapter, a perceived lack of time is something that can impact on ability/willingness to recycle. From a food and drink perspective, time-scarcity is something that is impacting on mealtime and snacking habits in the country and the channels in which consumers eat and drink, such as out-of-home. If sustainable diets are also associated with easy preparation, this will appeal to time-scarce consumers.
2. Irrespective of any concerns that consumers have about issues such as sustainability and health, consumers will prioritize indulgence when it comes to selecting food and drink products. If there is a situation where consumers feel that they have to trade-off between taste and nutrition, they will often turn to the less healthy option. This is because consumers have high levels of self-entitlement and like moments of indulgence daily for reward and escapism purposes. This is something that will intensify in 2020 and beyond because of the coronavirus crisis. If sustainable products are associated with good taste, it will eliminate any feelings of compromise and sacrifice associated with adopting different dietary habits.
3. As mentioned at the beginning of the report, one of the many reasons why consumers have become more concerned with the environment in recent years is because they recognize the link between sustainability and health. Consumers believe that the state of the environment is something that has a direct impact on their physical and mental wellbeing and something that influences their vulnerability to illness. At a time when consumers are simultaneously concerned about their health and the environment, they will be motivated by products that are seen to address both issues simultaneously.

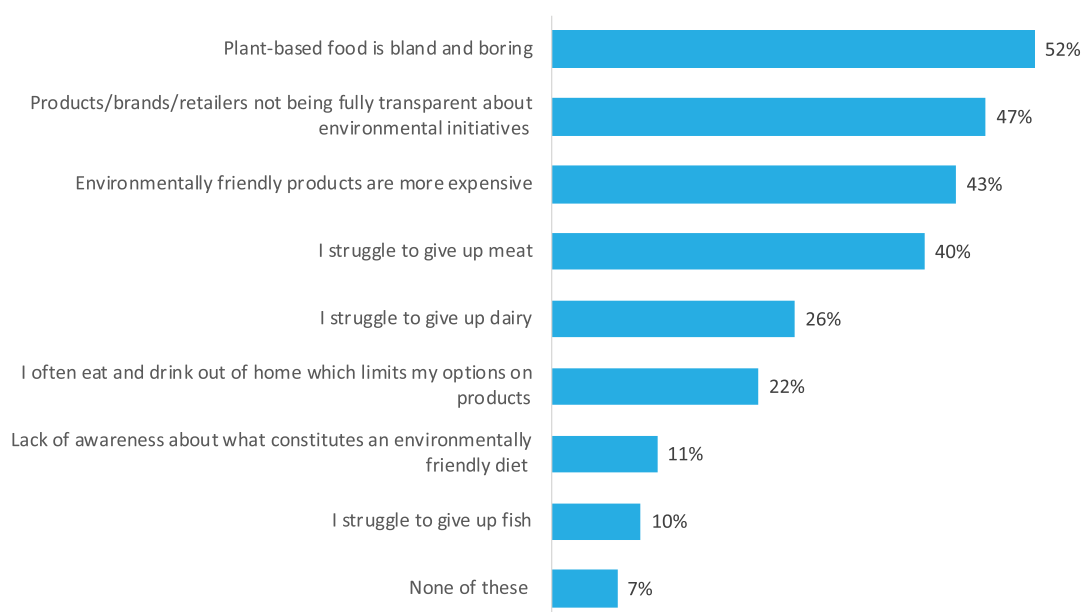
• Barriers exist when it comes to sustainable dietary plans

When questioned about how they have found switching to a more sustainable dietary plan, consumers in Indonesia are just as likely to say they found it difficult (34%) as they have easy (34% - with the rest of consumers saying that they are currently unsure). This shows that even though consumers are concerned about the environment – and associate sustainable dietary plans with other benefits relating to taste, convenience and health, they can still find such dietary plans a challenge to maintain. This is something that raises debate about the longevity that consumers stick to such adjusted eating and drinking patterns and whether they are long-term changes or a fad.

FMCG Gurus asked all consumers in Indonesia (irrespective of whether they had recently changed their dietary plans) about what barriers they believed existed when it comes to sustainable dietary habits. The main reason cited by consumers is that plant food is bland and boring (52%). This is an issue that the wellness market has been trying to address for decades. Although there has been some success, a high proportion of consumers continue to associate better-for-you food with being bland and boring, and plant food is no exception to this. Consumers can feel that plant products are a poor substitute for meat products for instance or that they may lack in taste or have a lack of variety when it comes to different flavors.

As previously stated, irrespective of any concerns that consumers have about the issues of sustainability and health, they will continue to prioritize indulgence. This is especially true at a time when levels of disposable income continue to rise, and consumers are exposed to more product choice than ever before. This means that it is not just enough to position sustainable products as being better for the environment and the individual. Instead, products need to reassure consumers when it comes to sensory appeal and that plant-based products can be a satisfactory substitute for animal produce.

What barriers do you think exist when it comes to leading a more environmentally friendly diet?



Blockchain technology can be used to validate sustainability claims in Indonesia

- **Consumers are not overly aware of blockchain but admit that they would be likely to use it when explained what it is**

As mentioned throughout the report, consumers can be skeptical about the practices and policies of brands. This is something that impacts on the influence that sustainability claims can have on consumption habits, especially if sustainability claims are deemed to be subjective or if the product carries a premium price. To respond to this, brands need to look for ways to offer maximum trust and transparency in order to make such claims as influential on purchasing as possible.

FMCG Gurus Blockchain survey conducted in Q3 2019 showed that only 11% of consumers have heard of blockchain technology. Of these one in ten consumers, 60% say that they associate such technology with the food and drink industry. This means that currently, only one in twenty consumers in Indonesia have heard of blockchain technology and associate it with the food and drink industry.

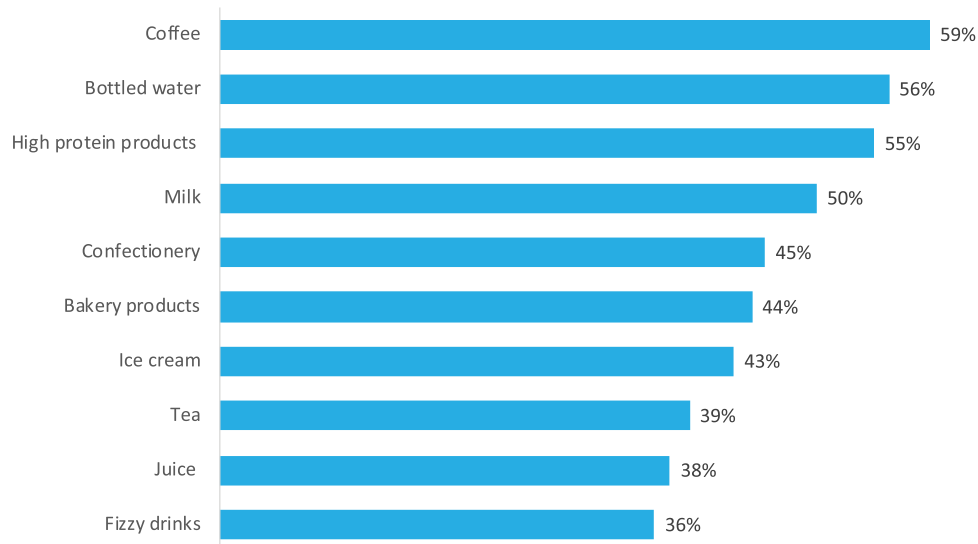
FMCG Gurus gave consumers the following definition when it comes to blockchain technology:

Blockchain is a source of information that is centrally stored that allows food, drink and supplement manufacturers and brands to store all product information onto a database that can be accessed by consumers for research purposes. Such information includes information on farming and treatment of animals, factory information around production, expiry dates and how products are transported. This technology allows to add information by anyone, and no one can further delete or change anything without permission from all participants.

When given the definition, a total of 56% of consumers said that they would be likely to use such a database. The reality is that consumers would not use such technology to check every single product. This is something that would simply be too time-consuming. However, they would likely use it for products and brands where ethical issues are more contentious. For instance, when asked what product categories they would be most likely to research, consumers who say that they are likely to use such technology say coffee and bottled water. These are two categories where serious attention has been given to ethical and environmental credentials in the past, something that appears to resonate with consumers.

In comparison, consumers are less likely to use such technology when it comes to product categories inherently associated with indulgence. This implies that when it comes to indulgent products, consumers may be less attentive to environmental claims. This may be because they do not want to have to make the trade-off between sustainability and indulgence traits when choosing what product to select.

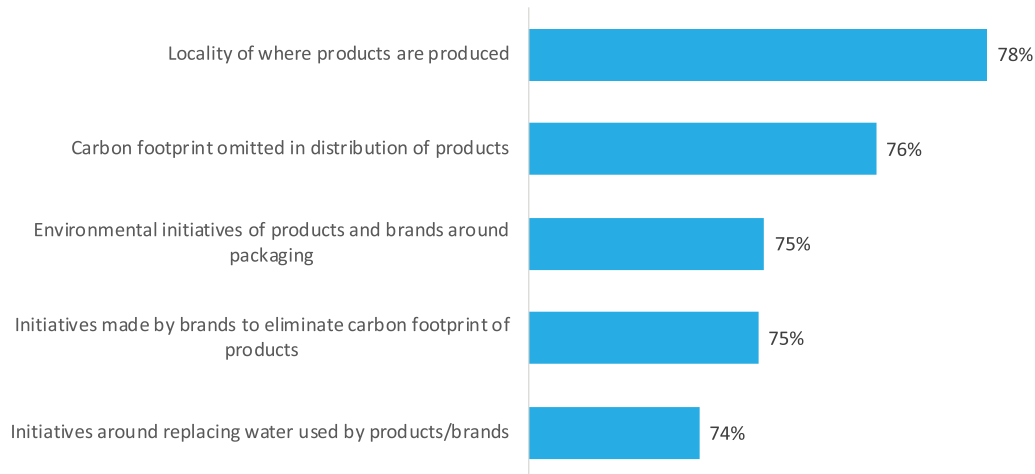
What types of brands/manufacturers would you use such a source for? Consumers likely to use blockchain technology – top ten answers



FMCG Gurus also asked consumers in Indonesia who say they would be likely to use blockchain technology, what kind of information they would seek out. The research shows that the top three answers are based around the locality of products, the carbon footprint omitted through distribution and sustainable packaging initiatives. This shows that consumers want brands to act in an ethical and environmentally friendly manner across the whole of the supply chain. Moreover, they want to be able to access information relating to this.

Although this report has served to highlight how attitude/behavior gaps can exist when it comes to sustainability, the Blockchain survey found that 51% of consumers who said that they would be more willing to purchase a product if the brand had registered such information on the website, whilst 27% said they would be more willing to pay a premium for such products.

What kind of information would you want to see? Consumers likely to use blockchain technology – top five answers



It is worth noting that 44% of consumers in Indonesia said they were either unsure or unlikely to use such technology once it was readily available. When asked why this was the case, the top three answers given were:

- I feel that the information could be altered to the company's advantage – 58%
- I struggle to use large databases to find information – 53%
- I would not be fully trusting of information stored on the database – 52%

This shows the deep level of distrust that some consumers can have to claims made by brands and manufacturers. It must be remembered that in times of uncertainty – such as the current COVID-19 pandemic and potential recession that may follow – consumers tend to be even more scrutinizing of the practices and policies of claims made by brands. This is especially true if consumers see brands recording large profits at a time when they are struggling with day-to-day living costs (irrespective of the corporate and social responsibility initiatives of the brands).



This shows that it is not just enough to adopt blockchain technology and ensure that consumers have full access to information along the whole of the supply chain. Instead, brands need to offer consumers maximum reassurance that such information is robust, valid, neutral and is designed to offer transparency as opposed to simply acting as some marketing platform with misleading information.

Actions

The topics of sustainability and health are interlinked, with consumers believing that the state of the environment has a direct impact on their health. Whilst consumers deem sustainability claims to be important, it also must be remembered that consumers tend to be more motivated by product attributes that offer a benefit beyond simply acting in a sustainable manner. Health is a key area of interest to consumers, who are taking a holistic, proactive and long-term approach to physical and mental wellbeing. As such, where applicable, brands need to make the link between sustainability and health. It is crucial that these links are not seen to be subjective or misleading. A keyway of doing this is through raising awareness about formulation, production and distribution. For instance, claims around organic, natural and chemical-free farming, as well as artisan production methods and locality will appeal to consumers for both health and sustainability purposes. Moreover, they will influence purchasing habits.

When it comes to information around sustainability, **transparency is crucial**. Consumers can be skeptical about the practices and policies of brands. They can also believe that sustainability claims can be deliberately misleading in order to try and charge a premium price. In times of uncertainty, consumers will be even more attentive and scrutinizing of information around ethical and environmental practices. This means brands need to monitor the whole of their supply chains, including the supply chains of suppliers. This is to avoid any situation where brands are making sustainability pledges that are unknowingly misleading because of the practices and policies of suppliers. Moreover, they need to offer consumers access to information about the whole of the supply chain, something that can be done through adopting blockchain technology. Such information needs to be communicated in a simple and transparent manner. It is something that can also be used as a source of story-based marketing to enhance perceptions of the quality and authenticity of products.

Brands need to look for ways to make recycling easier or to incentivize doing so, or switch to alternative packaging materials that are deemed more environmentally friendly and easier to dispose of. Whilst consumer attitudes towards packaging may change in the short-term as a result of COVID-19 and the issue of food safety, in the long-term consumers can believe that there is too much packaging, and this is bad for the environment. Brands must also recognize the attitude/behavior gap that exists when it comes to packaging and recycling. Indeed, whilst consumers recognize the importance of sustainable practices, it is something that they can also deem to be complicated and time-consuming. This is something that impacts on their willingness to do so, irrespective of whether they recognize the benefits or not. As such, brands need to look for ways to take the hassle out of recycling, such as switching to packaging types such as biodegradable and compostable packaging as opposed to traditional materials like plastic, or incentives consumers for recycling.



Do not over-estimate the longevity of consumers making changes to their dietary habits to lead a more sustainable lifestyle. Again, this refers to the attitude/behavior gap that exists when it comes to consumers. Sustainable dietary plans are associated with a variety of other benefits beyond acting in a more sustainable manner, such as health. However, at the same time, consumers admit that many barriers can exist when trying to lead a more sustainable diet. For instance, consumers can associate sustainable diets with being costly and lacking in taste. This is something that will impact on their willingness to stick to such dietary plans in the long-term. To counter this, sustainable diets need to be positioned around being compromise-free. This can be done by positioning such diets as fun and fashionable and offering consumers ways to be creative with such diets in an affordable manner.

Whilst much attention has been given to the rise of plant-based diets in recent years, **consumers tend to be more resourceful when trying to lead a more environmentally friendly lifestyle.** For instance, consumers will turn to food and drink that is locally produced and look to reduce food waste. These are two attitudes that will be intensified as a result of COVID-19. This is because locally produced food and drink is not just associated with reduced carbon footprint but also being healthier. Meanwhile, reducing food and drink waste is not just seen as a sustainable practice, but something that can help save money. This will be of high importance at a time when consumers are concerned about a recession. These two need states are something that brands need to help facilitate. For example, brands need to look to reduce supply chains and offer transparency around supply chains. Brands also need to help consumers avoid food waste, such as developing packaging initiatives around extending the shelf life of products or offering them inspiration and ways to be creative when it comes to food leftovers.

Natural claims will be of paramount importance to consumers. This is because natural claims tie together the two issues of health and sustainability. Indeed, natural formulation is associated with chemical-free farming, the use of real and authentic ingredients that offer nutritional value and local production methods. All of these attributes are associated with being better for the individual and the planet. As such, brands need to reassure consumers where they can that products are 100% natural. This is especially important given that natural is a word that can be subjective in meaning. Again, simplicity and transparency around claims is crucial.

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