

AUSTRALIA IS PERPLEXED BY PLASTIC

Suppliers have a role to play in helping to close the gap between consumers' sustainability ideals and practice.

By IRI Senior Consultant Rick Colella.

At the end of 2019, the term 'zero waste' was being searched on Google four times more often than it had been five years earlier, a clear demonstration of a shift in our social conscience. So, let's consider: what is the ecological impact of our consumption?

HP Australia's 2018 environmental sustainability study found that more than nine out of 10 consumers interviewed were concerned about sustainability, with the single biggest issue being "plastic ending up in oceans". While concern grows and consumers do what they can, four out of five of respondents expected manufacturers/brands to take responsibility for this.

Right or wrong, in the eye of the consumer the onus is on suppliers to do more about sustainability. When looking at the categories that contribute the most to plastic consumption, IRI MarketEdge data reveals:

- PET beverage bottles are up 2.7 per cent in grocery and convenience, when glass and can options are abundant.
- Plastic-heavy multipacks are the fastest growing pack-type in salty snacks, up almost 10 per cent.
- The almost exclusively plastic-wrapped chocolate segment is driving the biscuits category, up 5.6 per cent.

Therefore, while shoppers remain anxious about plastic's impact on the environment, they are unwilling to abstain from the products they love. Plastic, for all intents and purposes, is regarded as simply a necessary evil.

Fortunately, it's an evil that can be assuaged easily.

The federal government's 2017-18 Australian plastics recycling survey sheds some light on the challenge. It revealed that 44 per cent of plastics consumed in FMCG are PET or PE-HD. These are better known to some as the packaging with the '1' or the '2' in the triangle, respectively, meaning your local council will collect them for recycling.

So, 346,400 tonnes of consumer products can be reused with minimal effort through municipal collections. But the reality is that only 131,700 tonnes are reused.



When consumers claim to be concerned about plastic consumption, yet still choose not to reduce it, and throw 62 per cent of their recyclable plastics in the garbage bin, is their concern genuine?

While we can't claim to know the answer to this, recent history suggests shoppers usually need just a little push from the industry.

Worry was widespread about single-use plastic bags, but shopper consumption didn't change until bans were enforced.

When carbs became the devil, the pasta category remained unaffected until suppliers introduced low-carb wholemeal options, slightly shifting the mix. Much like the examples of plastic-wrapped beverages, salty snacks and biscuits, they were regarded as necessary evils.

If we are to assume that the most simple explanation is probably the correct one, the most likely reason for the disconnect between shoppers' plastic consumption and their recycling rate is education. How many people know which plastics can be placed in the recycling bin? The opportunity for suppliers lies here.

How can manufacturers encourage sustainability?

With modest investment, any manufacturer with an undesirable amount of plastic in its packaging can educate its consumers about how to send an 'empty' on its way to become reused, instead of landfill.

In the same way that brands have beaten competitors with equal amounts of protein just by promoting content as being 'high in protein' on-pack, or that naturally gluten free products fail to

attract sales growth until the message is overtly communicated, the opportunity also exists in dealing with plastic.

The fact that only 38 per cent of plastic consumer packaging gets recycled would be alarming to any of the 90 per cent of us that worry about sustainability. There is mass appeal, equity and goodwill on offer to the brands that can help close the 52 per cent gap.

References

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