

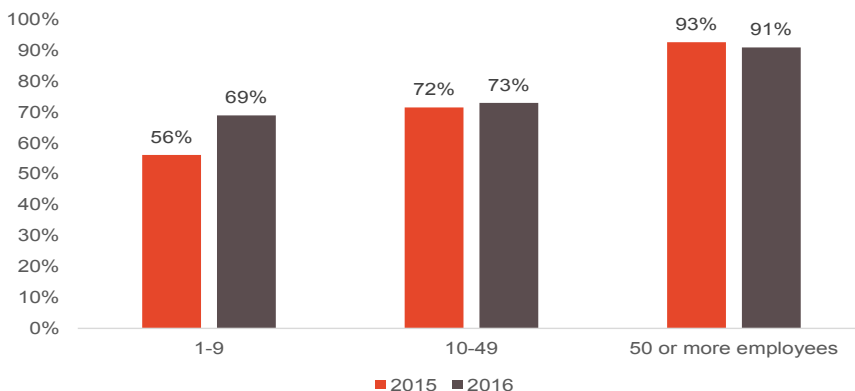
## Sustainability in retail traders' everyday workings

**profitability through small-scale measures;  
use the store more!**



Sustainability is a matter of taking the environment and people into consideration to the greatest extent possible, and at the same time focusing on profitability. Sustainability issues, however, are often sizeable and complex, which means it might seem more appropriate for the largest retail trade companies to take care of them, since these companies have the most muscle and resources. This perception is apparent not least in Svensk Handel's recurring report which has shown over the course of several years that active sustainability work is well established among the large retail trade companies, but less so among companies with fewer than 10 employees. One likely reason for this is that small retail trade companies do not deem that they have the time or resources available to pursue sustainability work actively.

### Share of trading companies per size category (number of employees) that pursue active sustainability work



Source: Swedish Trade Federation's 2016 Sustainability Survey

However — sustainability does not need to imply that everything has to be done all at once. Every individual store, no matter its size, can take small steps. Approaching sustainability on a small scale can give even small companies a big boost in terms of profitability, brand and loyalty. According to analysis company Nielsen, sales of goods whose brand could demonstrate active sustainability work increased by four per cent globally during 2015, while brands that did not demonstrate a focus on sustainability grew by less than one per cent.



Stores are frequently underutilised in terms of sustainability work. Retail traders can actively approach sustainability in a manner so self-evident that many might not even think about it. One way is to recycle packaging materials and boxes. Another is to replace all of the light bulbs in the store with LED bulbs, which lowers electricity bills at the same time that the long-lasting bulbs save on energy and raw energy consumption during production. Cutting down on raw energy consumption during production is a clear example of how environmental and financial sustainability go hand-in-hand.

Stores are also frequently underutilised in direct relation to customers. Supplying and clearly displaying sustainable goods is one way to approach irresolute customers who want to consume without a bad conscience. Another way is to have well-informed employees who both encourage and recognise wise decisions on the part of the customer. One important aspect of this involves quickly perceiving which sustainability-related issues are currently being recognised by the media. The same issues will probably be recognised by consumers and result in queries at stores. Store employees need to be prepared to respond to queries in an informed manner to prevent the customer from going elsewhere to make the purchase.

The market for sustainable items is growing substantially. Ekoweb, for example, predicts that Swedes will purchase organic food for over SEK 27 billion this year. Sustainable goods within the fashion and toy industries are already a successful concept, with organic cotton as a hygiene factor, for example. In order to keep or attract more committed customers, adapting to the sustainable social stream is of utmost importance. Sustainability needs to become a natural part of all retail traders' everyday situation, where they all do their part to the best of their ability.

### **Ideas for active sustainability work on a small scale**

- Boost the environment. Recycle packaging materials and boxes, and use LED light sources.
- Make the customer's decision easier. Clearly display sustainable goods and ensure employees are well informed. It will be even easier for customers to choose if only sustainable products are available, for example by only offering t-shirts made of organic cotton.
- Promote social sustainability at home. Swedish retail traders are in a good position to promote integration by hiring employees who both want and need to get established in the labour market.
- Build your brand and convey that your store focuses on sustainability by communicating this on your website and Facebook, for example.
- Ask if the customer needs a plastic bag. Since 1 June 2017, all stores must inform customers of how plastic shopping bags impact the environment, as well as of the environmental benefits of using them less. Many retail dealers only have information posted in writing, but usage of plastic bags can be more quickly reduced by verbally asking if the customer needs a bag.
- Search for new business concepts that are based on an environmental mindset. Busfrö Nytt & Bytt is a new and exciting second-hand chain in Småland that attracts customers from near and far. Stockholms Stadsmission has launched its own brand, Remake, whose products are produced using donated second-hand materials. Clas Ohlson expresses its sustainability mindset by offering customers the possibility of hiring tools instead of buying them, for example.
- Cut down on food waste. Grocery stores need to keep their shelves neat and tidy so that items that are about to expire can be more easily identified and displayed to help them get sold.