Plastic promises

What the grocery sector is really doing about packaging

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This report was produced by Green Alliance as part of our work programme for the Circular Economy Task Force. This policy focused business forum aims to develop ambitious thinking on the better management of resources.

Circular Economy Task Force members include:

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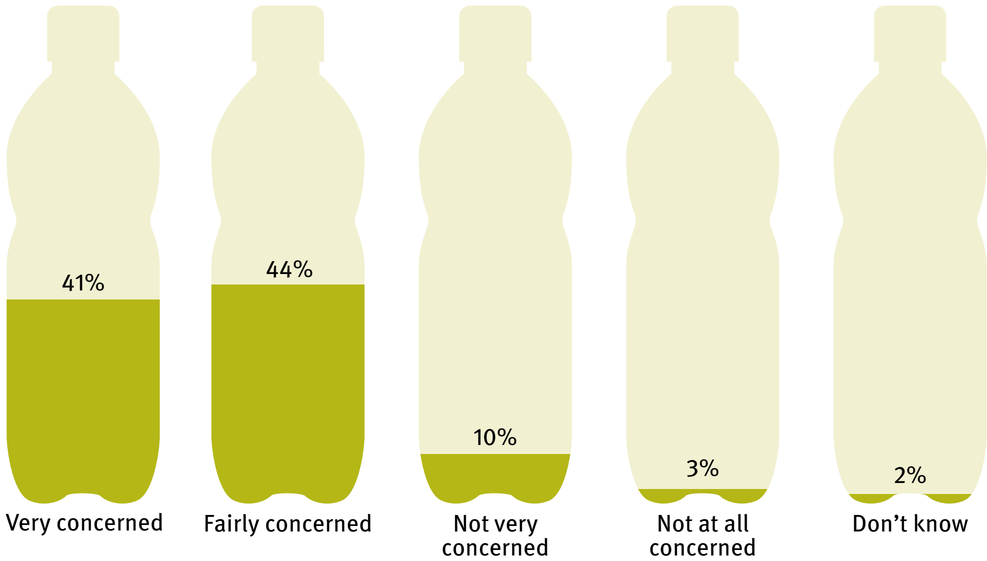
Companies are under pressure to act on plastic

Plastic pollution is one of the biggest environmental problems of our age. Solving it without increasing other environmental burdens will require an approach that tackles wider concerns around unsustainable resource use. It is a challenge that businesses, government and the whole of society must jointly face.

At the sharp end of the current debate are companies, particularly in the grocery sector, that use plastic packaging. They are now under great scrutiny, and often public pressure, to stop using the material. Given the demand for change since the BBC's Blue Planet II aired in 2017, and the promises that have been made since, one might have expected a considerable market shift away from plastic by now, at least for packaging in the grocery sector.

People are concerned about plastic[1]



There have been some minor changes, for the most part switching from one single use option to another. These include the use of new types of material to replace some plastic in the bottled water market and moves away from plastic straws and stirrers ahead of the forthcoming ban in England in 2020.[2] But, overall, the proportion of plastic packaging seen on most supermarket shelves, and the amount collected as waste and reported to the Environment Agency, has not altered significantly.[3]

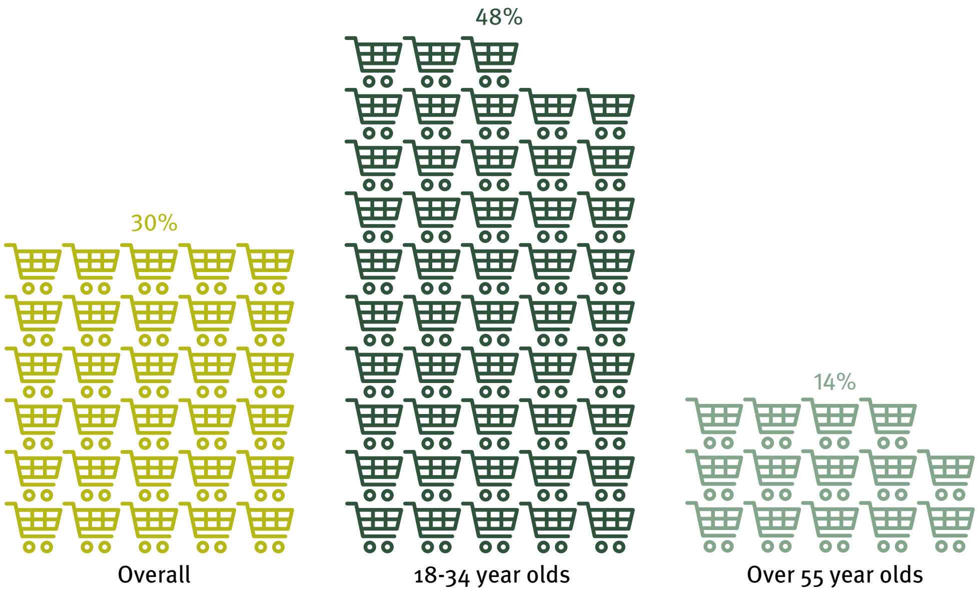
To find out what is happening, as part of our work for the Circular Economy Task Force, we interviewed representatives from five of the UK's major supermarkets as well as representatives from major consumer goods and beverage companies.[4] Our aim was to understand the public pressure companies are under and how they are reacting to the joint challenges of plastic pollution and packaging sustainability. The interviews were confidential and we have anonymised the responses to ensure respondents could be as candid as possible in revealing information, opinions and plans.

Why has the market been so slow to change?

All respondents were under some pressure from the public to act on plastic, although the level varied considerably depending on the business, with the supermarkets generally reporting greater customer interest and more complaints.

One supermarket representative said their company had received relatively few complaints, but many inquiries over recyclability, while another noted: "It's been mostly complaints, saying that plastic is evil and has no place, regardless of any positives it might have in addressing food waste and what not… It's been ferocious. We've seen an 800 per cent uplift in customer queries in the last year alone."

Percentage of shoppers claiming to have switched their regular food brands because of their attitude to packaging[5]



"It's been ferocious. We've seen an 800 per cent uplift in customer queries in the last year alone." Supermarket representative

But this outrage is not necessarily translating into changes in purchasing habits. Several of the brand representatives that offer products in multiple materials, and which often claimed to be 'material agnostic', noted that customers' concerns over plastic pollution are not yet evident in what they are buying. One observed: "A lot more consumers are saying that they are already avoiding what they understand as single use plastics – that is a clear and consistent trend coming through our research. The challenge is that's claimed behaviour and is not necessarily coming through as actual behaviours from consumers yet." Another was far more blunt: "When it comes down to real consumer behaviour, they ain't changing yet."

An exception to this trend, noted by several interviewees, was trade customers, including "certain upmarket cafes, food-to-go outlets, workplace environments". These are more often making unilateral decisions to ditch plastic altogether. This corresponds with the results of a BRITA survey of 355 hospitality businesses in 2018, which found that 61 per cent were already aiming to cut down on single use plastic. No other types of single use containers were being specifically targeted for reduction.[6]

Often, according to our interviewees, these decisions are driven by consumers' attitudes towards plastics and corporate strategies combined with a desire to be seen to be acting quickly on concerns about plastic. According to one, such moves are most common "in some of the major cities and in the well paid white collar workplace environments. In the City, in London, we get a fair bit of this now, and we see the same in Dublin and a bit in Manchester and Newcastle… we certainly don't see it in factories or retail at the moment."

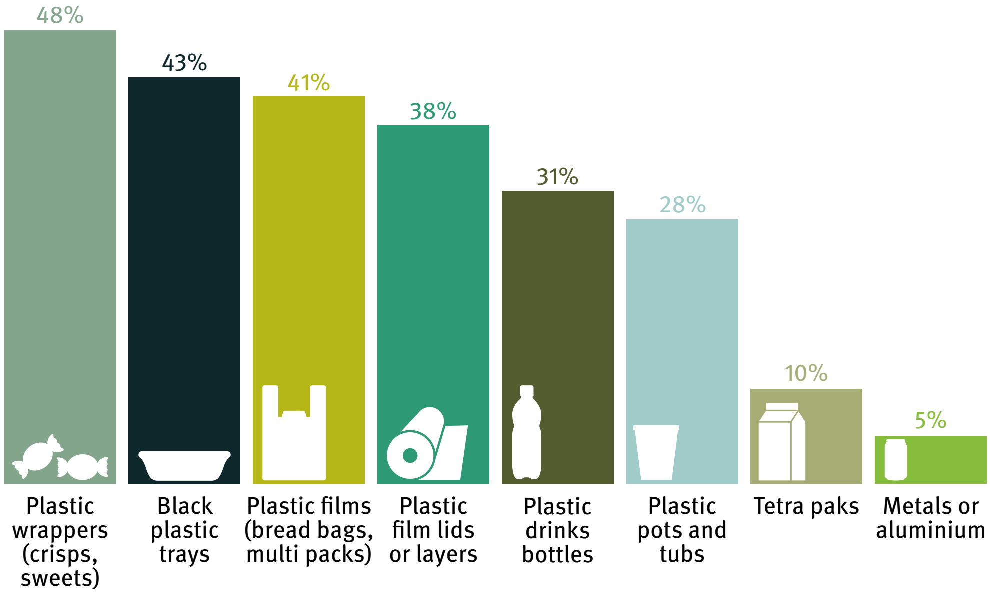
Concern about unintended consequences

Worryingly, the brands report that decisions to switch away from plastic are often made without considering the environmental impact of the substitute materials chosen, or whether or not there is adequate collection and treatment infrastructure in place for them. One respondent called the process "fairly quick and fairly cut and dry", prompted by a mandate to office managers to "be more environmentally friendly" which results in "a kneejerk reaction to exit plastic".

Another described a change at a prominent festival where several suppliers unsuccessfully tried to dissuade organisers from a simple move to eliminate plastic (but not other single use packaging). The same respondent did say, though, that the desire to get rid of plastics in such environments can sometimes lead to "quite positive discussions" about packaging choices and the environmental consequences of alternative materials and systems.

"There's a lot of pressure to move to alternatives, which aren't necessarily better from an environmental and climate impact point of view."
Supermarket representative

Types of food packaging that people worry about[7]



Several supermarkets also reported that customer complaints or enquiries about plastic can similarly lead to positive discussions around the impacts of different materials and packaging choices. This includes when they are asked to switch to other materials, which is happening frequently.

One supermarket representative said: "There are people who would like us to take plastic out of the soft drinks section and replace it with something else like glass and Tetra paks, which aren't recycled [in the area]." The same respondent added: there is "not a lot of joined up thinking going on". Another noted: "I think there's a lot of pressure to move to alternatives, which aren't necessarily better from an environmental and climate impact point of view."

A brand representative bluntly complained about misinformation being spread about the environmental credentials of non-plastic single use packaging formats: "The past year has just really pissed me off no end with companies coming out and boasting about not using plastic, even when they're in single use glass, and their carbon emissions are going to be off the scale."

This awareness of potential unintended consequences is perhaps one reason why the shifts have been slower than might have been expected. Multiple interviewees indicated the desire to avoid "kneejerk reactions", suggesting that, while they know they need to have a better approach to plastic and packaging, they "need to have time to get that right solution in place."

The risk of misleading consumers

“The lack of sources of recycled content causes a bottleneck and drives the price up significantly.”
Brand representative

There have been some changes, though, with many focused on increasing recyclability and recycled content. The speed this can happen is currently constrained by problems with the supply of adequate amounts of recycled material. One respondent bemoaned “the lack of sources of recycled content [which] causes a bottleneck and therefore drives the price up significantly” and expressed concern over the quality and working conditions associated with material sourced from abroad.

Others reported an approach focused on eliminating plastic “where we can”, notably in some fresh produce lines. There also have been a number of shifts away from plastic in niche areas like fruit bags (in some cases moving from single use plastic to single use paper), frozen foods or ready meals (often shifting towards fibreboard) and single use cutlery (in most cases moving from single use plastic to single use wood or compostable plastic). This reflects a trend seen around the world, with a recent Greenpeace International report listing examples of multinational companies shifting away from single use plastic towards single use paper or bio-based or compostable material.[8]

UK supermarkets, including Morrisons, Tesco and Sainsbury’s, have recently switched from single use plastic bags for loose produce and bakery items, for example, replacing them with single use paper bags in some instances. This is a worrying trend, as paper bags, which are often just as unnecessary as their plastic counterparts, can have much higher carbon impacts, though this can depend on material sources and product specification. A 2011 study for the Northern Ireland Assembly found that paper bags generally require four times as much energy to manufacture as plastic bags.[9] A more recent study in Denmark concluded that while paper bags can be similar to plastic in terms of climate impact if they are reused as bin liners, they do not perform as well on other indicators. When factors like ozone depletion, human and ecosystem toxicity and water and air pollution are accounted for, a paper bag would need to be reused 43 times to have a lower impact than the average plastic bag.[10]

“We are aware that [by switching from plastic to other materials] we may, in some cases, be increasing our carbon footprint.”
Supermarket representative

Percentage of the top ten UK supermarkets with plastic reduction targets[11]

Worryingly, our interviewees indicated that not all the changes made have been assessed properly for environmental impact and some decisions have been taken knowing it could actually increase some environmental burdens. One supermarket representative was frank: “We are aware that [by switching from plastic to other materials] we may, in some cases, be increasing our carbon footprint.”

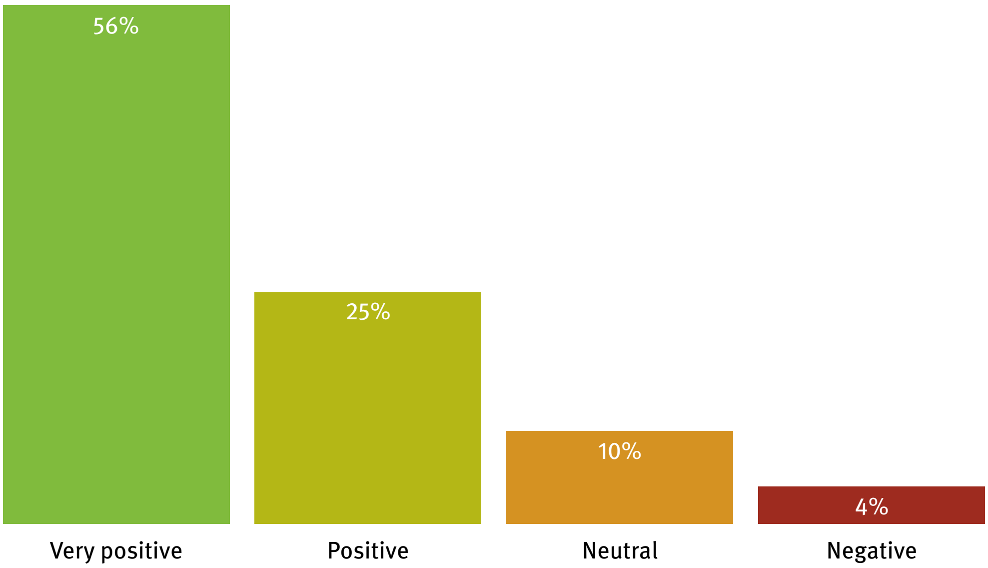
Another lamented that, currently, opportunities for baseless greenwashing are rife: “One of the challenges that we have as a retailer is that there is no agreed methodology for assessing the impacts of materials. We would like to see people working together to come up with a consistent methodology that would stop any sort of misleading claims to consumers.” Several interviewees shared this desire for a more standardised and transparent approach to lifecycle assessments, which could help them make better informed decisions to avoid unintended consequences.

Switching to new materials could confuse consumers

One repeated concern by the businesses we spoke to was around the use of bio-based and compostable material for packaging. A *Grocer* survey of more than 1,000 individuals in 2019 found that consumers think that plant-based compostables are the most environmentally friendly packaging materials, ahead of paper, glass, cardboard, conventional plastic and aluminium, in that order.[12]

"We trialled doing a fully biodegradable bottle … it was just a disaster...no one knew where to put it. It didn't really biodegrade very well."
Brand representative

Public perceptions of 'biodegradable packaging'[13]



But the retailers and brands we interviewed were wary about replacing conventional plastic with these novel plastics in their packaging. Some of this came down to cost, with one supermarket representative suggesting: "It's difficult to see how that can get to a realistic cost position."

More often, the companies expressed concern about the suitability of the material, some because of previous attempts to introduce it. One noted: "We trialled doing a fully biodegradable bottle … and it was just a disaster and we had to pull it and no one knew where to put it. It didn't really biodegrade very well." Others were worried about public confusion, not least around the use of the term 'biodegradable'. It was thought that a lack of public understanding could result in the mismanagement of used packaging: "In terms of consumers, there are huge confusion concerns, and I'm far from convinced if it's better. When we talk to consumers, they're hugely confused about what bio-based, compostable and biodegradable mean."

Even those already using compostable plastic for some lines expressed concerns. One business that has introduced it for limited applications noted: "We need to work together as a waste value chain to decide what we do with compostable packaging, where we should use it and how we should mark it so that it can be identified readily."

"When we talk to consumers, they're hugely confused about what bio-based, compostable and biodegradable mean."
Brand representative

Changes will speed up

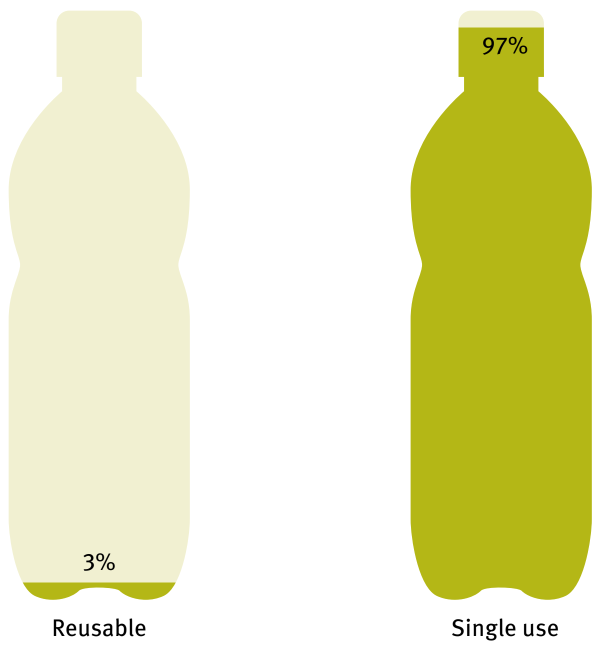
"A lot of the new product development in the market tends to be focused around cans and glass rather than plastic."
Brand representative

Whether or not more whole value chain thinking materialises, it is likely that the shift away from plastic will accelerate. It can take a surprisingly long time to implement changes according to natural retail and production line cycles, rather than mandated changes. One supermarket interviewee, for instance, described a four year process to switch from unrecyclable expanded polystyrene pizza bases to cardboard alternatives. (This is not to say change could not happen faster if it were mandated along the lines that some environmental campaigners are calling for.)

More broadly, while some are focusing on developing increasing recyclability and recycled content, in line with initiatives like the UK Plastics Pact, others are concentrating their research on switching to other materials, as well as using different delivery systems, more of which later. The representative of one brand, which has so far not shifted away from plastic, noted: "A lot of the new product development in the market tends to be focused around cans and glass rather than plastic."

One reason for the slow pace of change on the public's part, meanwhile, could be that single use packaging – and plastic in particular – still dominates supermarket shelves. According to 2018 and 2019 surveys by Greenpeace and the Environmental Investigation Agency, UK supermarkets put at least 59 billion items of single use plastic packaging on the market a year.[14] That works out at nearly 900 pieces of plastic for every person living in the UK. What's more, a recent New Plastics Economy survey of more than 200 global members, including six of the ten biggest plastic packaging producers, revealed that only three per cent of the businesses' packaging is designed for reuse.[15]

Percentage of reusable plastic packaging versus single use produced by company signatories to the New Plastics Economy[16]



Brands and retailers are increasingly considering how they can incorporate more refill models into their businesses. Nearly all interviewees brought up reusables and refillables unprompted, expressing sentiments including that the "case was clear" for their introduction.

Several supermarkets are already offering some refill options in their stores. These include Waitrose's high profile 'Unpackaged' trials, hailed as a major success and extended

"We need to take people on that journey... [and get] people bought into this concept that refillable's cool and it's desirable."
Brand representative

after an overwhelmingly positive response. Other chains, including Asda, Morrisons, Sainsbury's and Tesco, already allow shoppers to bring their own containers to the delicatessen counters, for instance.

Amongst our interviewees there was a sense of caution around seeing in-store refills as the 'holy grail', with several noting the need to explore other refill models. Part of the concern with the in-store refill model is the reduction in shelf life for some products, with one noting that some fresh drinks would last just two days if poured into a customer's own bottle, compared to 20 to 30 days in a factory sealed container. For such products, other refill options might be better, many respondents suggested. One would be a deposit return scheme designed around returning and refilling bottles, rather than recycling. Another is home delivery, such as the Loop system, which operates in parts of the US and in Paris on a 'milkman model', whereby used containers are picked up when new products are dropped off. The empty bottles are then cleaned and reused by the supplier. There are plans for international expansion of this model, including to the UK.[17]

A more general concern was the need to "take people on that journey" and get "people bought into this concept that refillable's cool and it's desirable". Embedding behaviour change, and addressing other factors including limiting losses, breakages and emissions from transport, will be vital to ensuring any such systems are environmentally beneficial, including offering carbon savings and resulting in less waste and leakage than single use. This is because refilling generally requires more durable packaging that is heavier and more material intense than single use options.

The increase in the use of so-called 'bags for life' that has accompanied the five pence single use carrier bag charge in England is a case in point. Shoppers are often using bags intended for multiple use like single use bags, purchasing an average of 54 a year, resulting in an overall increase in material use.[18] This demonstrates the need for the right incentives, logistics and systems to ensure reusable options are used as intended.

Other materials and impacts need urgent attention

“If I could have a magic wand, I’d like to see more joined up, top-down government intervention… We would like to see government be braver.”
Brand representative

Several interviewees expressed concern that an exclusive focus on plastic detracts from work on other materials and impacts. One noted: “As a retailer, a lot of time is spent on responding to media and public perception of the plastics issue. This can detract from the more rigorous work required to develop longer term, systematic, sustainable solutions that have the potential to positively transform consumption patterns.”

Overall, most indicated that they would like to see more strategic direction, and often direct intervention, from government. Without it, one cautioned, individual companies’ policies around plastic could develop in incompatible ways. Although they say they want to share information and results with competitors, one supermarket representative noted that the current approach does not always encourage this: “Packaging technology innovations can be quite the competitive advantage in the current climate.”

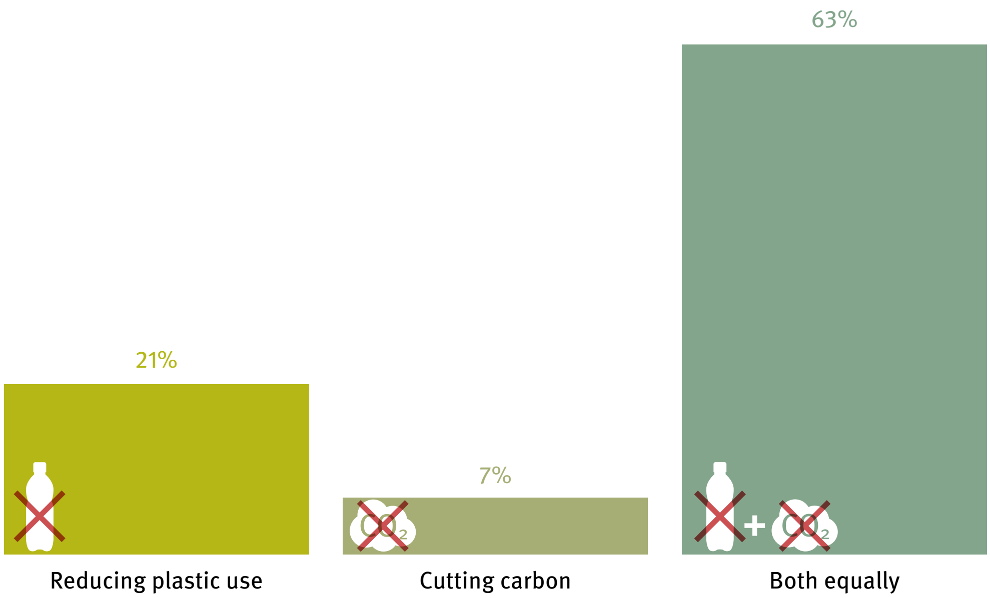
One of the brands indicated that, in contrast, a useful intervention has come from a major supermarket setting standards that all suppliers need to meet: “They’ve been very clear with their suppliers in terms of the kind of materials that they believe are acceptable and have a future and the ones… that are problematic and potentially should be eliminated. That sends a much broader signal through the value chain which impacts everyone.”

Of course, the government would have more power than anyone to influence the industry if it chose to take a more active role. Some indicated a desire to see this. In relation to targeted interventions like the promised deposit return scheme, a brand representative noted: “If I could have a magic wand, I’d like to see more joined up, top-down government intervention…We would like to see government be braver.”

All of the businesses we spoke to agreed that the government, and society as a whole, should not only be thinking about tackling plastic pollution when considering appropriate interventions, but also about other materials and their impacts, not least around climate change. One respondent said: “I’d like to be having a more rounded, well informed debate around plastic… we need to address water scarcity and carbon, too, which are just as important in the long term.” A supermarket representative said: “The whole agenda needs to be more aligned and more encompassing with carbon. We’re so focused on the plastics that we seem to have lost sight of the impacts around climate.”

With most people saying reducing plastic and cutting carbon are equally important, tackling both problems in tandem should be as popular as it is necessary in the long run.[19]

Which is more important, reducing plastic or cutting carbon?
UK adults’ responses in 2018



Conclusion

The interviews we conducted painted a picture of companies under considerable and justified pressure to change. Many of those we spoke to were wary of simply rushing away from plastic towards other single use materials, only to have caused different environmental impacts. Despite this, some shifts are already taking place that may not prove to be sustainable, and the approaches from different companies are sometimes incompatible.

An approach is needed that capitalises on the growing public awareness of plastic pollution and starts to address material use more holistically. As industry, the government and society together decide what to do about plastic pollution, the solutions must address the systemic problems of our throwaway society, to avoid the risk of simply substituting current environmental problems with new ones.

For its part, the Circular Economy Task Force is developing the principles that should be followed to prevent such undesirable changes. Its next report will outline steps to reduce negative environmental impacts from all materials, not just plastic.

Endnotes

[1] Ipsos MORI/King's College London polling, February 2018

[2] Green Alliance, August 2019, *Losing the bottle: why we don't need single use containers for water*

[3] Figures released by the Environment Agency through the National Packaging Waste Database, for instance, reveal increases across all material packaging types handled between 1 January 2019 and 10 December 2019 compared to the same period the year before. The amount of paper and cardboard went up three per cent, glass went up six per cent, aluminium went up 13 per cent and plastic went up 11 per cent. Only steel packaging decreased by 12 per cent, which was expected as drinks containers shift to aluminium.

[4] The brands and retailers involved in these interviews represented a cross section of the grocery sector, including supermarkets as well as branded producers of food and drink and consumer goods like personal care and home cleaning products. They were not limited to companies that are affiliated with the Circular Economy Task Force.

[5] The Grocer Vision, June 2019, 'Beyond plastics: grocery packaging in a sustainable future'

[6] BRITA, June 2018, *Life is better filtered: the planet around you*

[7] INCPEN and WRAP, 2019, *UK survey 2019 on citizens' attitudes and behaviours relating to food waste, packaging and plastic packaging*

[8] Greenpeace International, September 2019, *Throwing away the future: how companies still have it wrong on plastic pollution 'solutions'*

[9] Northern Ireland Assembly, 2011, 'Research and briefing note: comparison of environmental impact of plastic, paper and cloth bags'

[10] Ministry of Environment and Food of Denmark, Environmental Protection Agency, February 2018, *Life cycle assessment of grocery carrier bags*. Note that these calculations are for carrier bags, not produce or bakery bags.

[11] Greenpeace UK and Environmental Investigation Agency, 2019, *Checking out on plastics II: breakthroughs and backtracking from supermarkets*

[12] The Grocer Vision, June 2019, op cit (This contrasts with what some interviewees said, though, with several noting their surveys showing that their customers think glass is the most environmentally friendly packaging, with metal performing somewhere in the middle and plastic performing poorly. One also noted that their customers are "confused" by cartons.)

[13] INCPEN and WRAP, 2019, op cit

[14] Greenpeace UK and EIA, 2018, *Checking out on plastics: a survey of UK supermarkets' plastic habits* and Greenpeace UK and EIA, 2019, op cit

[15] New Plastics Economy, October 2019, *The New Plastics Economy global commitment: 2019 progress report*

[16] Ibid

[17] Loop website, accessed December 2019, 'Frequently asked questions'

[18] Greenpeace and EIA, 2019, op cit

[19] YouGov polling of 1,948 adults in October 2018. Notably, the gap had narrowed considerably in subsequent polling for SodaStream in March 2019, when 16 per cent said reducing plastic was a bigger priority than tackling climate change and 13 per cent expressing the opposite view. Both of these surveys were conducted before the youth climate strikes and Extinction Rebellion protests helped to raise public awareness of climate change, so the balance may have shifted further.

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