

MOOD:MEDIA

SUSTAINABILITY IN RETAIL

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Mood Media recently looked at post-pandemic consumer expectations, and the result is clear: brands must be environmentally friendly, and stores should be designed in accordance with sustainability standards.

Mood Media has created a network of partners to support brands in this process.

OF CONSUMERS WORLDWIDE EXPRESSED IT WAS IMPORTANT THAT STORES BE ENVIRONMENTALLY FRIENDLY

66%



Customers expect more engagement and change from brands, across the line. According to a 2021 Mood Media survey, 67% of consumers worldwide declare it is important to them that the brands they support are committed to being environmentally friendly. Shoppers expressed it was equally important (66%) that the stores themselves be environmentally friendly, with consumers aged between 35 and 44 feeling especially strongly about this.

As we move further into 2022 and businesses across the globe define their post-pandemic strategies, it's clear that their sustainability claims will be very much under the spotlight with consumers no longer willing to give their favorite brands the benefit of the doubt.

Consumers are demanding it, and it's great for businesses, but where to even begin on a brand's sustainability journey? What to do when it comes to the point of sale?

THE GREAT CONSUMER MENTALITY SHIFT

Sustainability may have been the buzzword for a while, but with COVID forcing its way to the forefront of everyone's nightmares in 2020, many brands turned their full focus to simply trying to limit financial loss and are only now putting the topic back to the top of their agendas.

For consumers, 2020 was a time of reflection. According to a report by Garnier, 73% of UK consumers want to be more sustainable. Of those who said that the last few years have made them think differently about their behavior, almost half agreed that 2020 was a "wake up call" to protect the environment¹.

As consumers increasingly embrace social causes, they seek products and brands that align with their values. A 2020 study by IBM showed that nearly 6 in 10 consumers surveyed were willing to change their shopping habits to reduce environmental impact. And for those who saw it as very/extremely important, over 70% said they would pay a premium of 35%, on average, for brands that are sustainable and environmentally responsible.

A recent Deloitte report revealed that consumers want businesses to take the lead in helping them adopt a more sustainable lifestyle, with 64% wanting brands to reduce packaging, 50% wanting information on how to recycle, and 46% wanting more clarity on sourcing of products².

Skeptical and more sustainability-savvy consumers are also increasingly demanding that brands back up their claims with evidence and data. Only 1 in 5 trust brand claims, and 83% would be more likely to trust a product's sustainability claims if they had been verified by a third party³. It is therefore becoming increasingly important that brands seek third party accreditation to evidence their claims.

From blockchain technologies that allow for greater transparency over supply chain processes to startups that offer real-time carbon accounting, there are a growing number of tech tools to help companies track their sustainability efforts. And with brands from Microsoft to Starbucks announcing steps towards 'climate positivity,' these technologies will become increasingly important for brands to leverage in order to stay relevant and competitive⁴.

Evidence indicates that sustainability initiatives can help to create profits and business opportunities. The Carbon Disclosure Project found that companies in its Carbon Disclosure Leadership Index and Carbon Performance Leadership Index, which are included based on disclosure and performance on greenhouse-gas (GHG) emissions, record superior stock-market returns⁵. Additionally, the McKinsey Profits with Purpose report found evidence that being more efficient at using resources is a strong indicator of superior financial performance overall⁶.

1. <https://www.ipsos.com/en/global-survey-unveils-profound-desire-change-rather-return-how-life-and-world-were-covid-19>

2. <https://www2.deloitte.com/uk/en/pages/consumer-business/articles/sustainable-consumer.html>

3. <https://compareethics.com/building-trust-sustainability>

4. <https://premium.trendwatching.com/trend-report/>

MORE SUSTAINABLE PHYSICAL SPACES

Customer expectations around sustainability are increasing, **so what can brands do in their physical spaces as part of their pledge to being more sustainable?** Aside from the obvious changes such as **minimizing paper usage and switching to sustainable packaging alternatives**, businesses should be looking more closely at the **appliances and equipment they are using**.

With the need to create consistent omnichannel experiences in-store more prevalent than ever, more and more businesses are shaking up their retail spaces and transforming them into community hubs or 'physical' focused stores, where they are able to offer the consumer an experience beyond the purely transactional. **But with this comes greater responsibility in ensuring these high-tech digitalized environments are in-line with sustainability standards.**

When it comes to in-store sustainability in the retail industry, there is a clear sense that **consumers are underwhelmed by the pace of change they are seeing as they pay closer attention to the sustainability initiatives of the retail organizations with whom they engage on a daily basis**. A 2020 study by CapGemini revealed that **only 35% of consumers taking part in the survey recognized retailers as taking visible measures to reduce losing energy in stores⁷**.

THE BIG QUESTION IS: WHAT MAKES A POINT OF SALE MORE SUSTAINABLE?

The digital signage and media solutions industry is traditionally built on energy-hungry products that use scarce resources and are built and distributed via a global supply chain. But things are changing. **By assessing the existing situation and setting up efficient processes and services through responsible business practices to implement efficient technological solutions, retailers can overhaul the technology life cycle.**

A great starting point is simply **opting for appliances, lighting, and equipment that save energy**. For example, consider swapping out traditional incandescent light bulbs with energy-saving options like CLF and LED lighting, which not only require less energy (in turn leading to lower greenhouse emissions), but also help save money in the process.

Another quick win is to **revise your content strategy**. It is commonly known that certain types of content consume more power than others. For example, white content consumes more power than dark content. **The darker the image content and the lower the white, the lower the power consumption.**

For Jonathan Wharrad, VP Global Retail Brand Experience at Mood Media,

"Our role is to help brands create an emotional experience with their customers. This includes evaluating and setting up solutions and processes to support them in reducing the environmental impact of their points of sale and to assess how to improve their efficiency and optimize their technological solutions. Finally, it's about supporting them throughout the life cycle of their technical solutions. All of this is to ultimately ensure the best in-store experience for their customers."

5. <https://www.mckinsey.com/~/media/McKinsey/Business%20Functions/Sustainability/Our%20Insights/Profits%20with%20purpose/Profits%20with%20Purpose.ashx>

6. *ibid.*

7. Source: Capgemini Research Institute, Sustainability in Consumer Products and Retail Survey, March 2020, N=7,520 consumers. https://www.capgemini.com/wp-content/uploads/2020/07/20-06_9880_Sustainability-in-CPR_Final_Web-1.pdf

MOOD MEDIA SUPPORT THROUGHOUT THE TECHNOLOGY LIFECYCLE

ASSESS

ASSESSING AND IMPROVING
STORES' SUSTAINABILITY
STANDARDS & THE CIRCULAR
ECONOMY OF TECHNOLOGY

REDUCE

ONLINE CONNECTIVITY, REMOTE
MONITORING, DASHBOARDING

AVOID UNNECESSARY LOCATION
VISITS

IMPROVE

MORE CONTROL, REDUCE
CD-UPDATES, PROGRAMMED
ON/OFF TIME

REDUCED WASTE & MINIMIZED
POWER CONSUMPTION

THROUGH OUR ECOSYSTEM OF PARTNERS

SAMSUNG
BUSINESS

BOSE

LG Business
Solutions



CHG
Efficient Technology Management®

THROUGH OUR PROPRIETARY PLATFORM

MOOD HARMONY™

To achieve this, **Mood Media relies on proprietary solutions and pioneering partners: its point-of-sale multimedia solutions distribution platform** (music, digital signage, messaging), **Mood Harmony™, is designed with energy efficiency in mind**, using fewer than 10 watts of power with few in-person updates necessary.

Additionally, there are new ways brands can promote their sustainability efforts. Design Conformity is an independent design mark used by retail display manufacturers and suppliers to report carbon savings. "We've been championing carbon assessment for a number of years, but recently we've seen a real change within the industry. **Europe is leading the way and pushing their companies to provide accurate, verified carbon efficacy data which they can report to customers and shareholders,**" says Adam Hamilton-Fletcher, MD at Design Conformity. **They're working with global brands, retailers and interior specialists like Mood Media to provide Life Cycle and Carbon Assessment to ISO standards, so companies can report improvements.** "In the past, sustainability was a 'nice to have.' Now carbon is becoming a currency".

Europe is introducing future regulations for businesses to report carbon investment, so investors understand a company's commitment. 'Taxonomy' is set to become more widespread as investors seek to understand investment and commitment, and the ability to report these commitments is already showing dividends. Reports from all the major consultancy firms are now highlighting the increased value sustainability brings.

To assess the level of sustainability of the point of sale, Mood Media is working with Design Conformity (DC) and also CHG, who promotes the circular economy around store equipment to manage technology throughout their life cycle (recycling in particular). And finally, by installing equipment that consumes as little energy as possible without compromising on quality, Mood Media relies on collaboration with innovative brands such as LG, Samsung and Bose.

Shoppers moving forward will expect brands to make bigger environmental commitments, demonstrating these via third party verification and by being more transparent in the information they make accessible to consumers, all in all helping to inform purchasing decisions.

In 2022, sustainability is a standard expectation, not a niche selling point.

**Contact Mood Media to discuss
how to improve your on-premise
sustainability efforts at:
[moodmedia.com/gb/resources-
gb/sustainability-in-retail/](https://moodmedia.com/gb/resources-gb/sustainability-in-retail/)**