

WHY5

research

IT'S ALL ABOUT PEOPLE



SafeShops.be

Belgian online sustainability barometer 2021

In collaboration with these partners:



Report

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01. Objectives & Method



01 BACKGROUND & OBJECTIVES

IMPORTANCE OF SUSTAINABILITY FROM THE PERSPECTIVE OF BELGIAN ONLINE SHOPPERS

The Belgian Online Shopper Survey, taught us that **75%** of online shoppers **cannot name any webshop** that is **sustainable**.

However, **45%** of the online shoppers **expects** from a **webshop to have an eye for sustainability**. Above all, it is the **packaging** that is connected to sustainability in online shopping. As to **delivery** and **transport**, there is still a lot of **ignorance** and **misunderstanding** when it comes to most sustainable solutions.

WHERE DO BELGIAN WEBSHOPS STAND WHEN IT COMES TO SUSTAINABLE E-COMMERCE?

In order to support Belgian e-commerce in the striving for **more sustainability**, **Safeshops** and its **partners** want to have insights in the current attitudes and behaviour of **Belgian webshops**.

Questions at hand are:

- Which solutions are **known**?
- What is **already implemented**?
- What are the **intentions** for the **future**?
- Who is seen as **responsible for further development** of sustainable efforts?
- What are the experienced **barriers**?



01 SCOPE

- Sustainability is a very broad concept. In this research aspects of sustainability are focused on sustainability in the **context of e-commerce** and **limited to**:
 - **Packaging choices**
 - **Transport & logistics**
 - **Returns**
 - **Product offer**
- **Social responsibility** or **economic viability** aspects in the context of sustainability were **not** included in the research scope.



01 METHOD

- **Method:** Online quantitative survey among Belgian webshop holders
- **Recruitment:** Via e-mail invite among member/customer database of Safeshops, bpost, PostNL, DPD and BdLogistics & CityDepot
- **Field period:** August-October 2021
- **Selection criteria:**
 - All sell tangibles on their webshop
 - No other selection criteria
- **Sample structure:** Collection of different webshop profiles – spread on:
 - Sector
 - Size: large – medium – small – micro (based on yearly e-commerce revenue)
 - Region: North vs South
 - Experience: number of years in business with webshop
- **Questionnaire:** length of questionnaire was limited to 5-10 minutes, not all respondents finished the entire questionnaire.
- **Analysis:** Analysis is done on number of completes per question. Error margins are indicated per question. Assuming a population of +/-30K Belgian webshops



02. Sample description

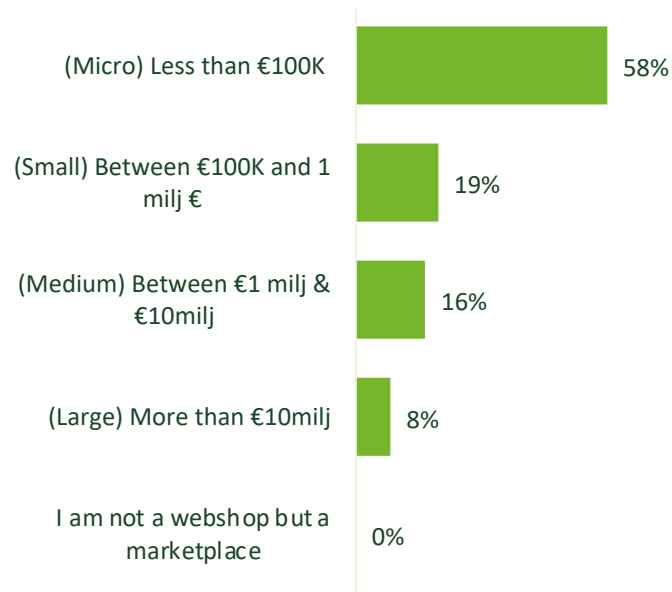


02 Sample description

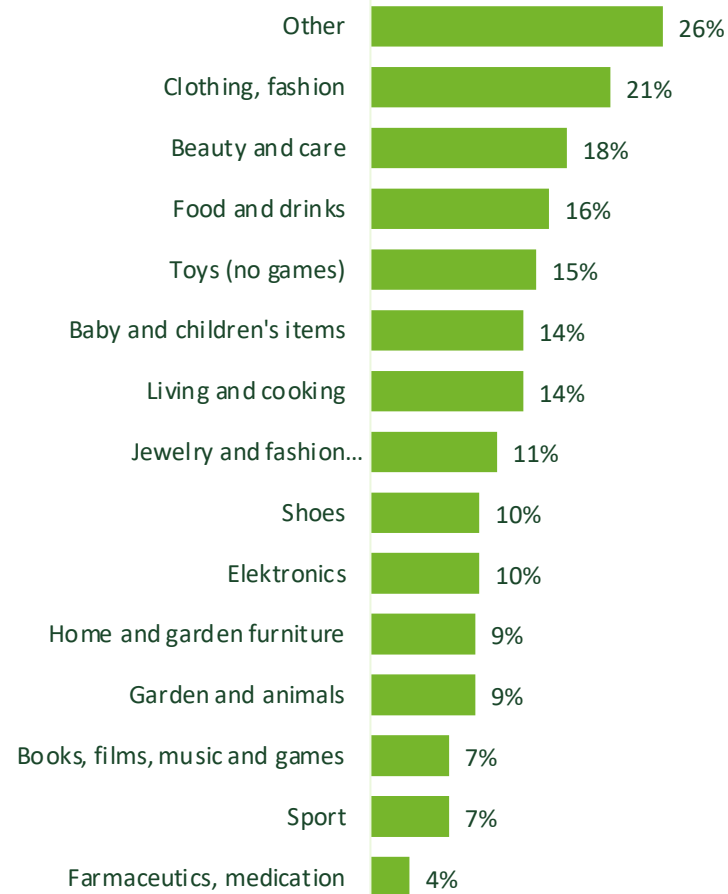


Size

(based on annual webshop revenue)



Product categories



279

**Belgian webshop holders
included in the research**

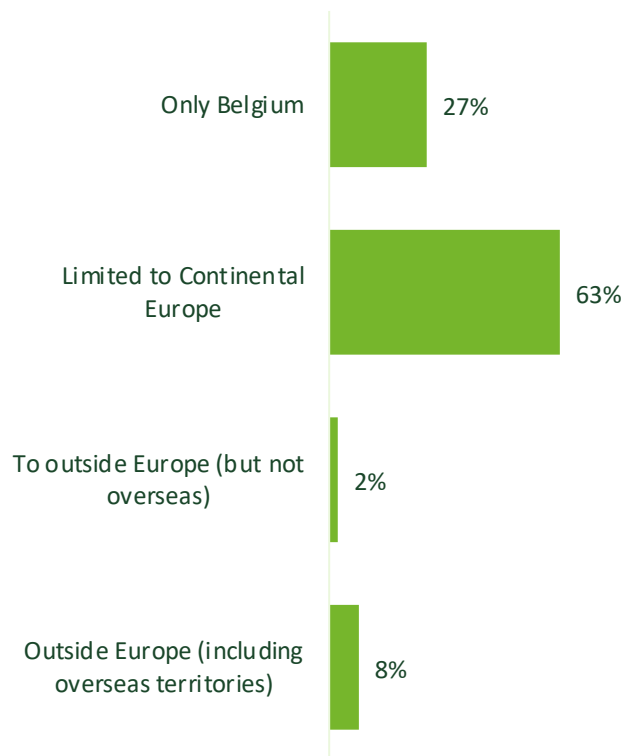


02 Sample description

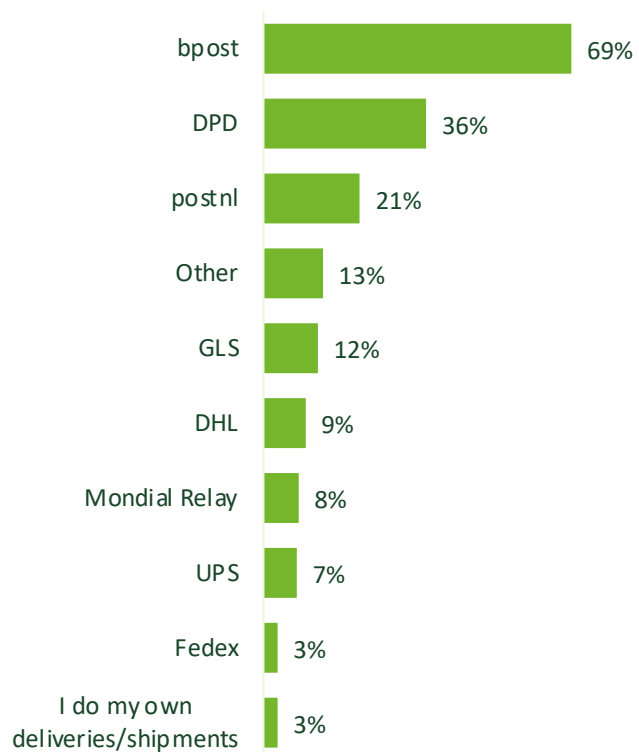
Delivery



Delivery reach



Logistics partner



279

Belgian webshop holders included in the research

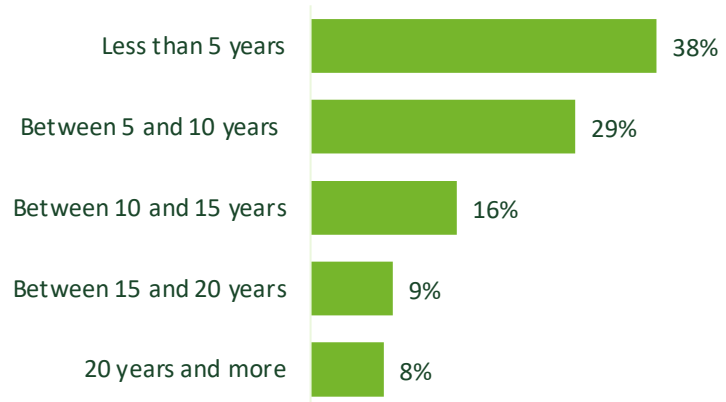


02 Sample description

Webshop



Webshop age



Physical shop(s) in addition to webshop?



279

Belgian webshop holders
included in the research



03. General assessment sustainability



03 General assessment sustainability

Estimated importance of sustainability in their e-business

73% finds it important to strive for sustainability in their e-business.

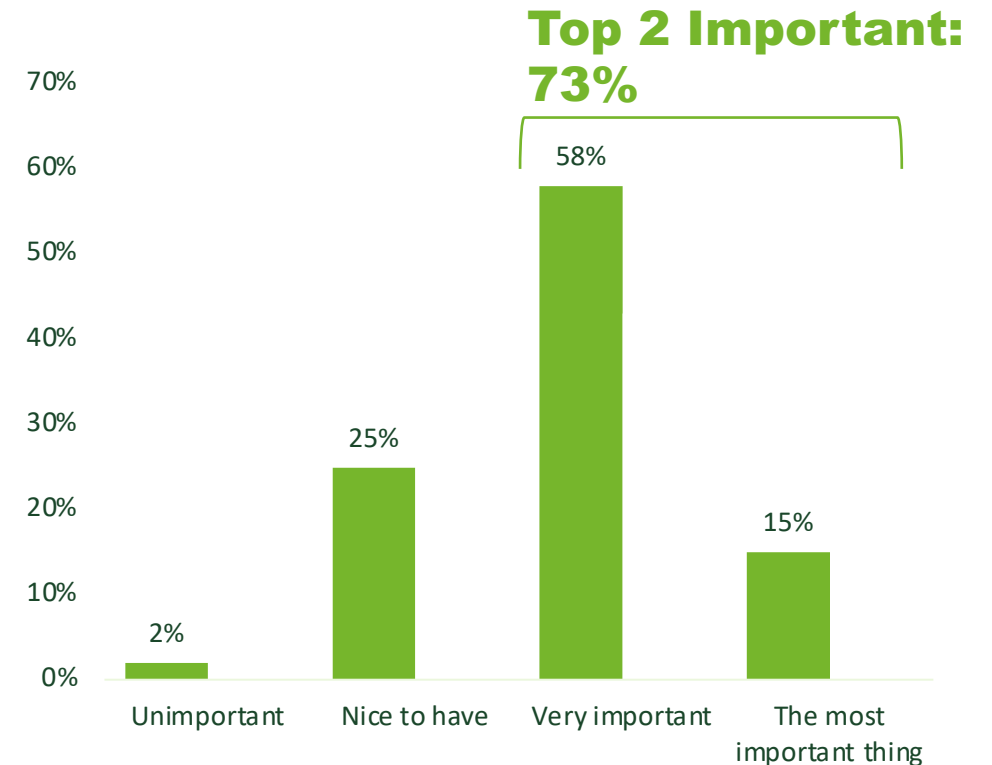
Some differences:

- Higher importance among French speaking
- Some indication that there is more awareness in the 'soft' sectors (beauty, baby & kids)



How important is it to have an eye for sustainability in your webshop?

■ How important is it to you?



Q4 - How important do you think it is to have an eye for sustainability in your webshop activities? (SR)
N= 237 (error margin with confidence interval 95%: 6,3%)

03 General assessment sustainability

Estimated importance from the customers' point of view

Webshop holders are well in touch with their customers. Their estimation of how customers evaluate the importance of sustainability is at par with how customers feel themselves.

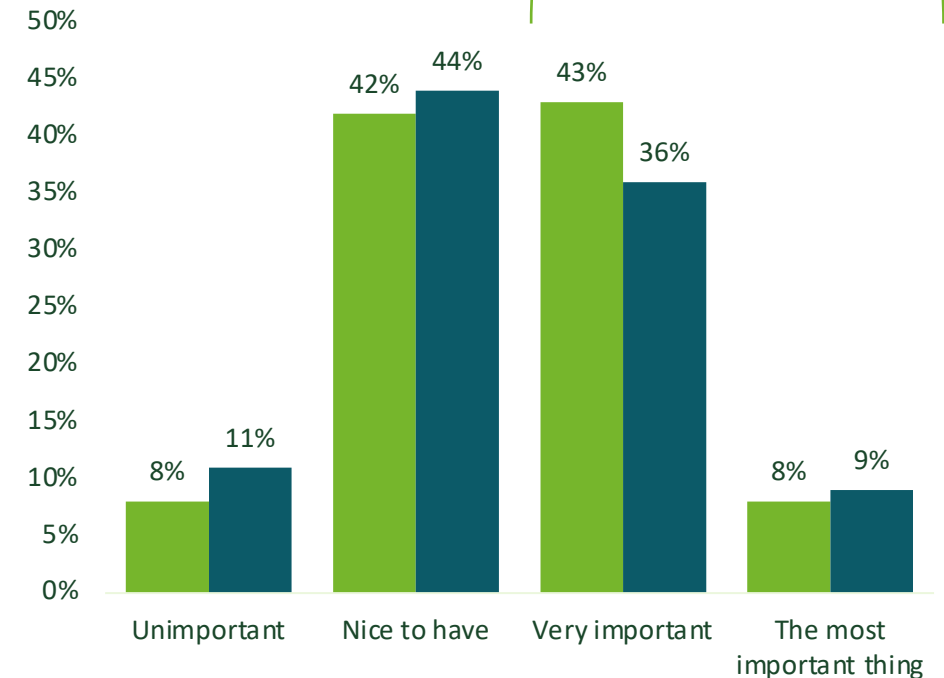


How important is it to have an eye for sustainability?

■ How important do you think it is for your customers?

■ Data from Belgian online shopper survey: How important is it for online shoppers?

Top 2 Important:
Estimate by webshop holders: 51%
Belgian online shoppers: 45%



Q5 - How important do you think it is for your customers that your webshop has an eye for sustainability? (SR) N= 237 – Webshop owners (error margin with confidence interval 95%: 6,3%)
From Belgian online shopper survey: To what extent is 'Has an eye for sustainability' important when thinking about your ideal webshop? N=405 Belgian online shoppers (error margin with confidence interval 95%: 4,9%)

03 General assessment sustainability

Self-assessment

Belgian webshops have high ambitions for the coming 3 years to improve on the the level of sustainability. 78% thinks its webshop will improve in the coming years.

Average self-assessment score on sustainability:
CURRENTLY

6,5 /10

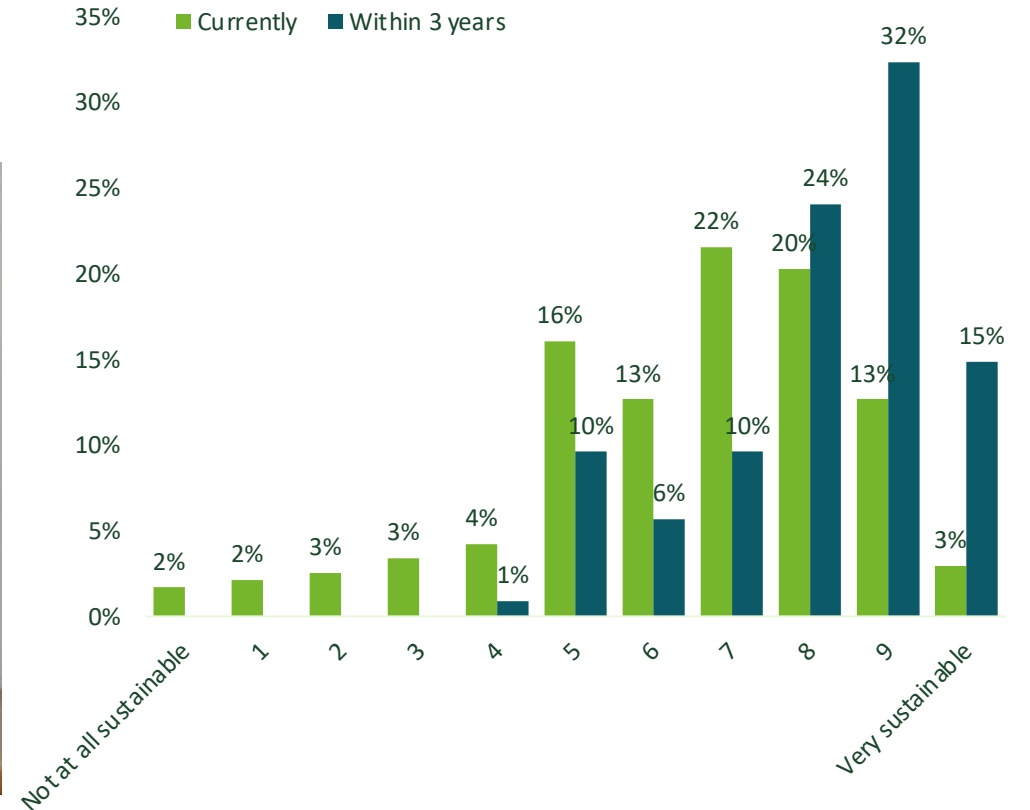


Average self-assessment score on sustainability:
WITHIN 3 YEARS

7,9 /10



How do you think your webshop currently scores in terms of sustainability? And how would this be like within 3 years?



Q6 - How do you think your webshop currently scores in terms of sustainability? (SR) N= 237 (error margin with confidence interval 95%: 6,3%)

Q7 - And where do you think your webshop will be in terms of sustainability within 3 years? (SR) N=234 (error margin with confidence interval 95%: 6,4%)



03 General assessment sustainability

Self-assessment

Micro to small webshops attribute higher sustainability scores than the medium to large sized webshops.



MICRO TO SMALL WEBSHOPS

Average self-assessment score on sustainability:
CURRENTLY

6,9 /10



Average self-assessment score on sustainability:
WITHIN 3 YEARS

8,3 /10

MEDIUM TO LARGE WEBSHOPS

Average self-assessment score on sustainability:
CURRENTLY

5,3 /10



Average self-assessment score on sustainability:
WITHIN 3 YEARS

7,2 /10





According to Belgian webshop holders, their involvement with sustainability exceeds consumer's expectations.

General assessment of sustainability Take-outs

- **7 out of 10** webshops state that **sustainability** is important.
- **On average** they attribute a **6,5/10** score to their current **sustainability level**.
 - **Smaller** webshops attribute **higher scores** than larger sized webshops.
- 78% has **ambitions to improve** in the coming 3 years.
- Their **motivation** does **not** seem to be **solely driven** by **meeting up** with the **expectations** from the **customer**: they accord a higher importance to sustainability than they expect their customers find it important.

04. Efforts on sustainability





Packaging

04 Efforts on sustainability

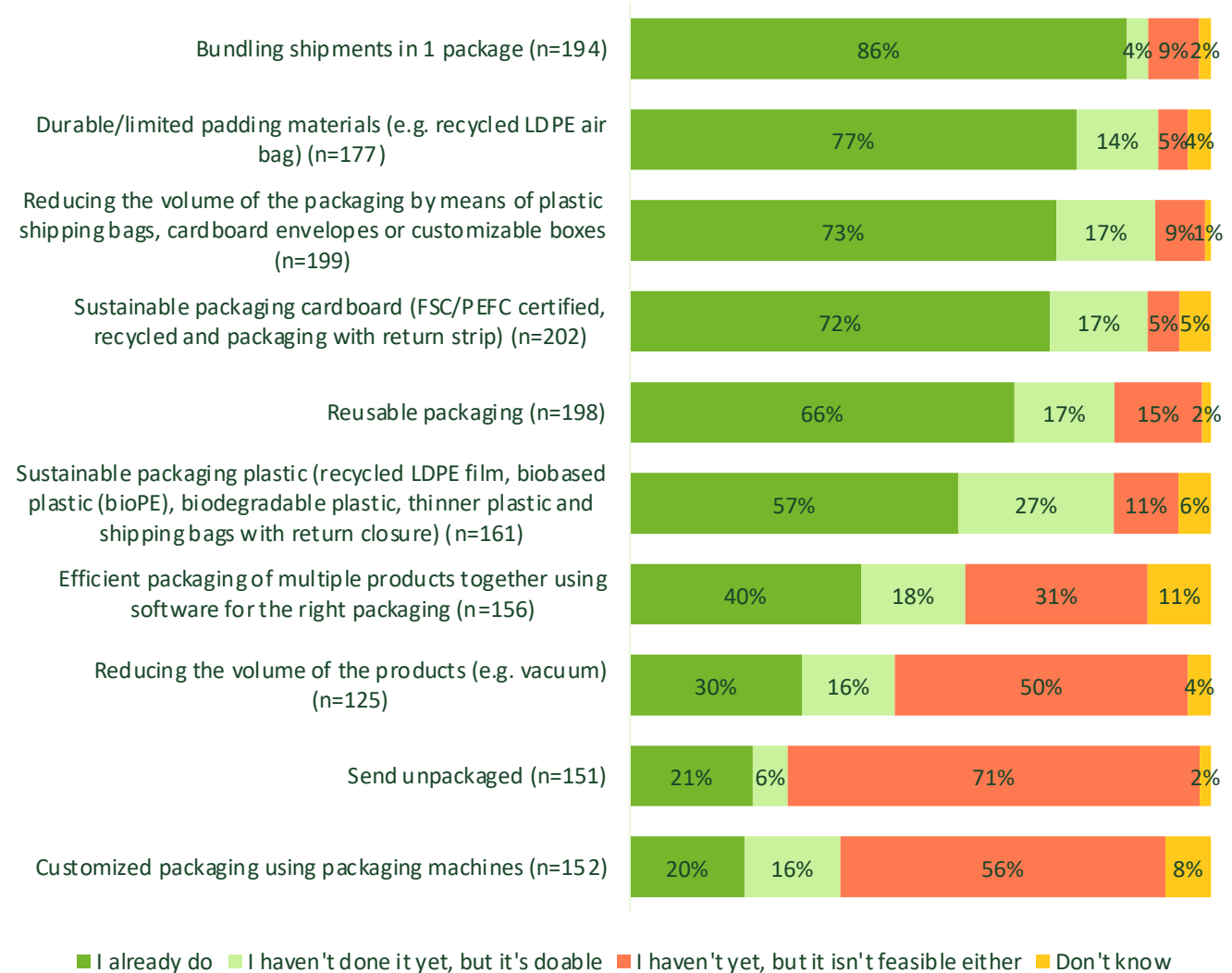
1 Packaging

Most webshops already try to bundle their shipments in 1 package, use durable/limited padding materials and reduce the volume of the packaging.

- Unpackaged sending, customized packaging using packaging machines and reducing the volume of the products are not feasible according to most webshop



To what extent are you already making efforts in the field of sustainable packaging?



Q8 - To what extent are you already making efforts in the field of sustainable packaging? (SR per item)
 N= see graph (error margin with confidence interval 95%: between 6,9% and 8,8%)



Transport & logistics



04 Efforts on sustainability

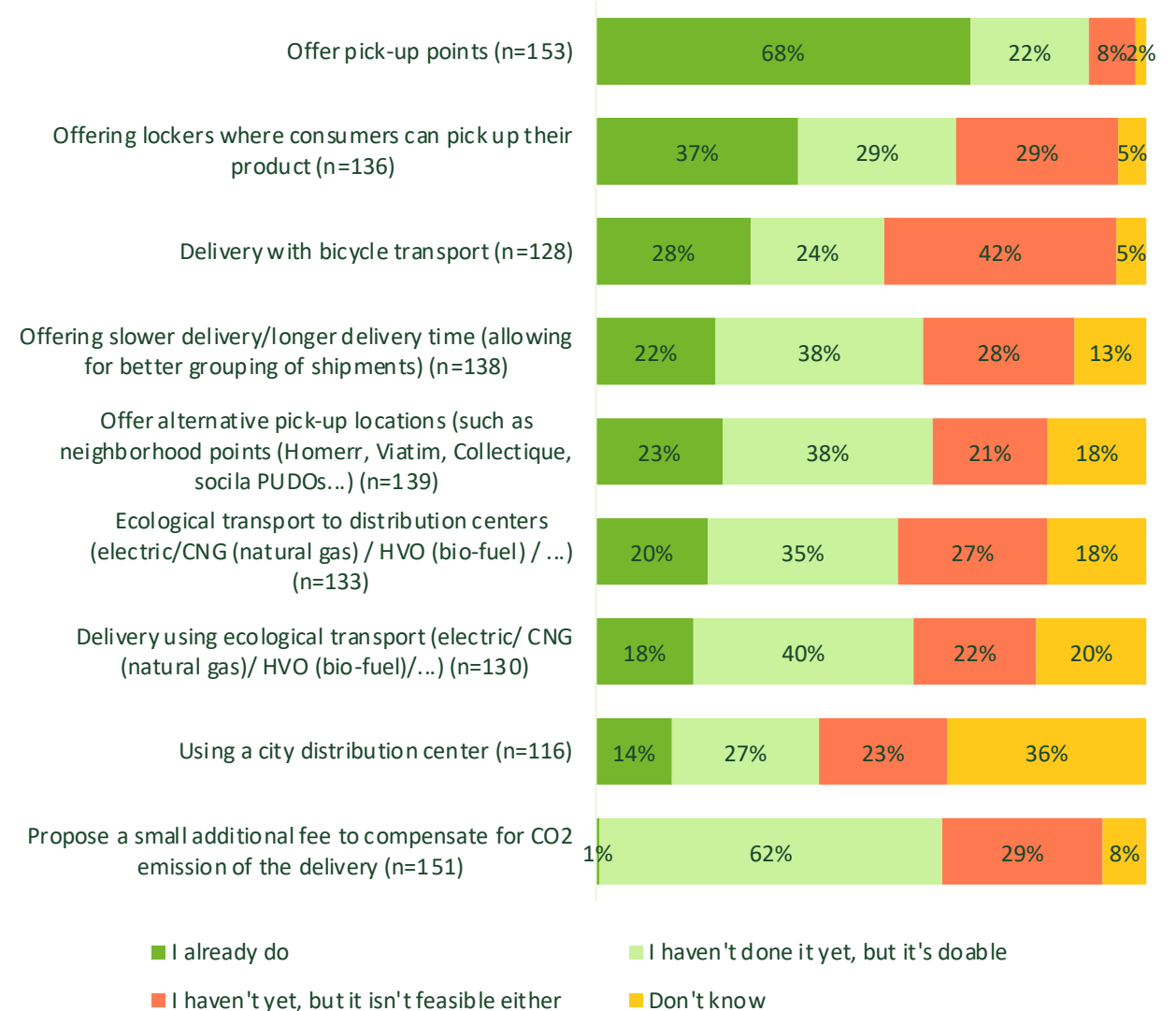
2 Transport & logistics

Apart from offering pick-up points, current use of sustainable solutions for transport & delivery is limited. But there is definitely openness to consider.

- Especially the **CO2 compensation fee** resonates.
- Looking at the **lower awareness of city distribution centers**, indicates that there might be a **need for some education** on this option.



To what extent are you already making efforts in the field of sustainable delivery?



Q10 - To what extent are you already making efforts in the field of sustainable shipments? (SR per item)
 N= see graph (error margin with confidence interval 95%: between 7,9% and 9,1%)

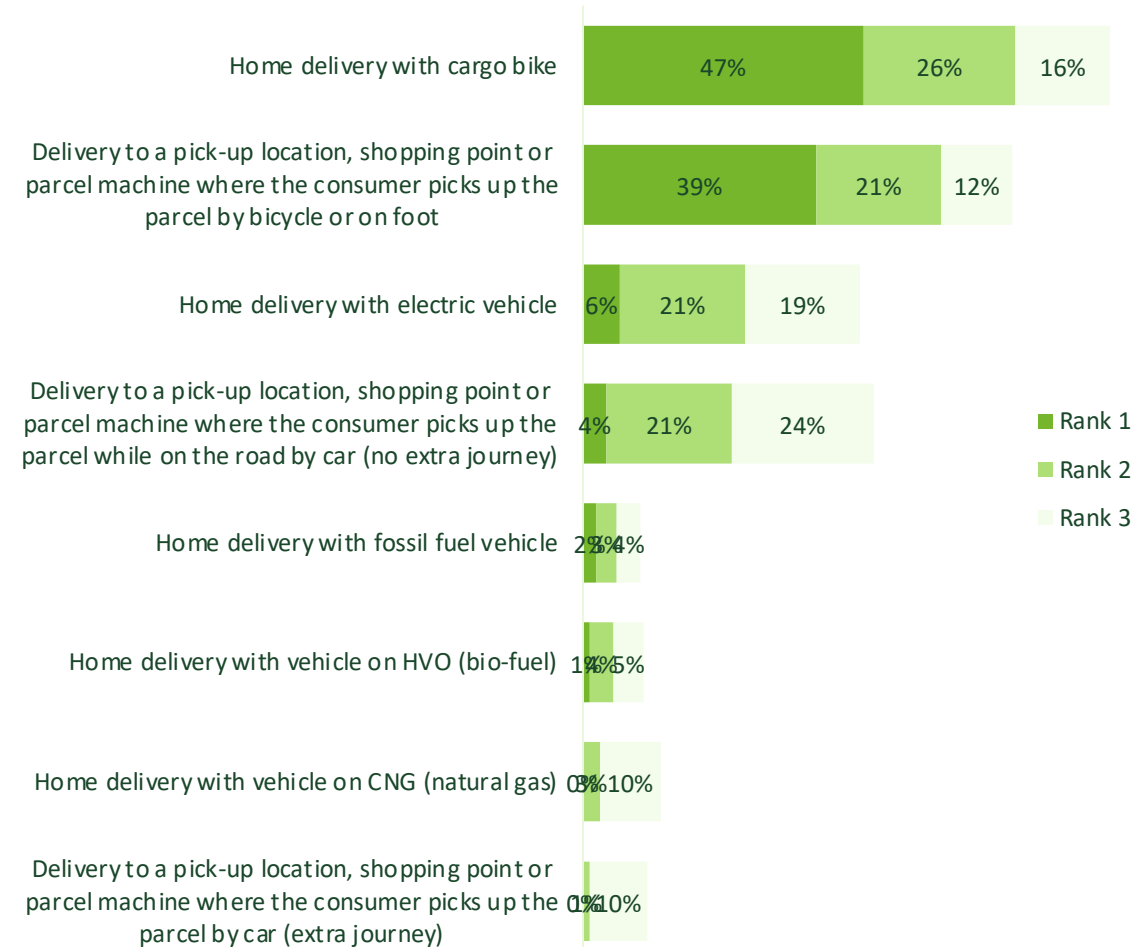
04 Efforts on sustainability

2 Sustainable delivery methods

Home delivery with a cargo bike and delivery at a pick-up location where the consumer picks up the parcel by bicycle/foot are estimated to be the most sustainable delivery methods.



Which delivery methods do you think are the most sustainable?



Q12_Top3 - Which delivery methods do you think are the most sustainable? Please rank the different delivery methods from 1 most durable to 8 least durable.
N= 176 (error margin with confidence interval 95%: 7,4%)

04 Efforts on sustainability

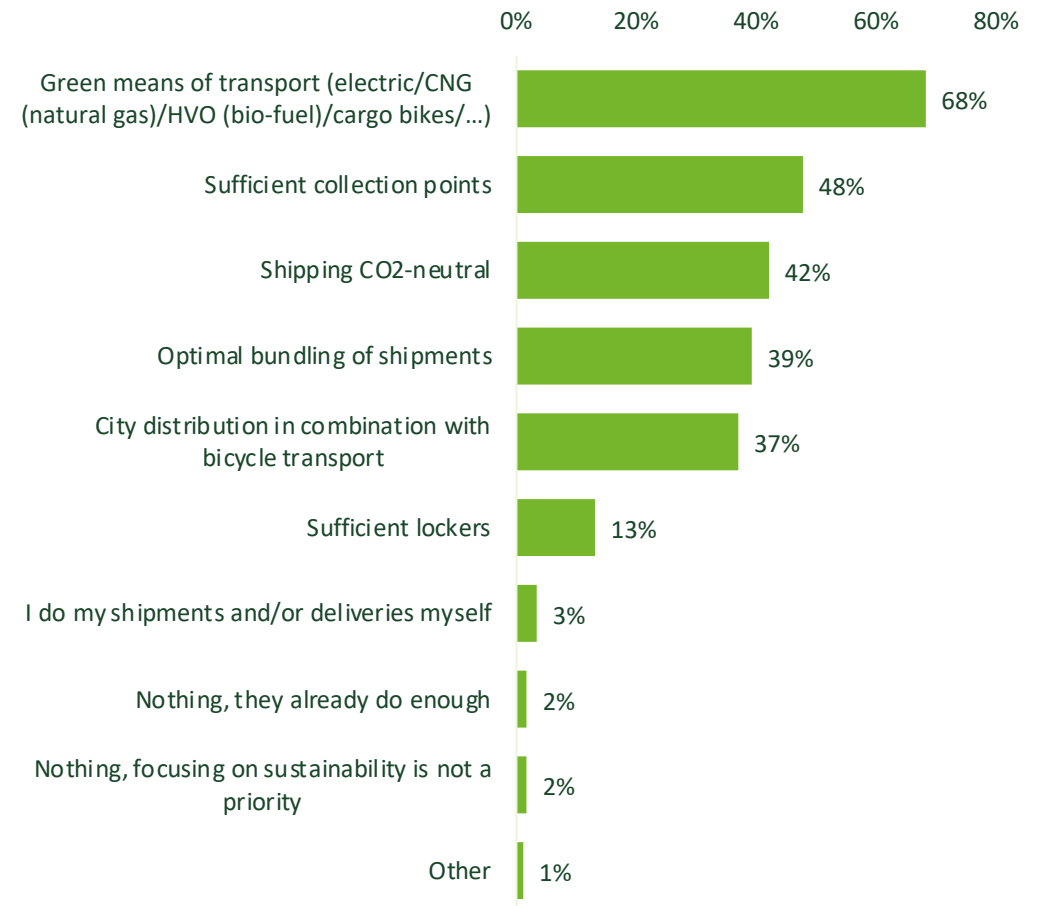
2 Expectations from logistics partners

The main focus of logistics partners should be on green means of transport.

Followed by sufficient collection points, CO2 neutral shipment, bundling and where possible, city distribution with bicycle transport.



What do you expect from your logistics partner in terms of sustainability?
% Top 3 importance



Q13 - What do you expect from your logistics partner in terms of sustainability? What should it focus on as a matter of priority? You can indicate a maximum of 3 answers. N= 176 (error margin with confidence interval 95%: 7,4%)

Returns



04 Efforts on sustainability

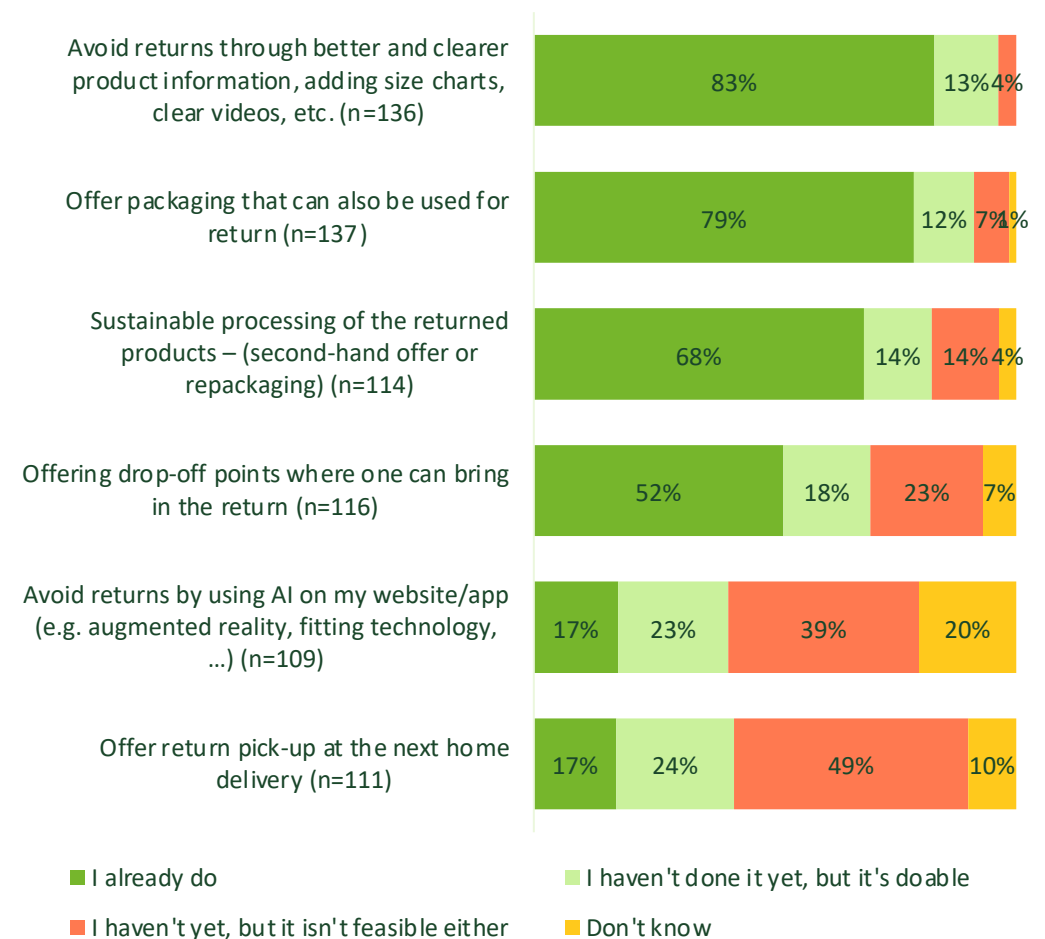
3 Returns

Avoiding return through better product information, offering packages that also can be used for return and sustainable processing of the returned products are things that are already done by most webshops.

- Some education needed on possibilities of using AI on website.
- Offering return pick-up at the next home delivery does not seem to be feasible for a lot of webshops.



To what extent are you already making efforts in terms of sustainability in your return policy?



Q14 - To what extent are you already making efforts in terms of returns? (SR per item)
 N= see graph (error margin with confidence interval 95%: between 8,4% and 9,4%)

04 Efforts on sustainability

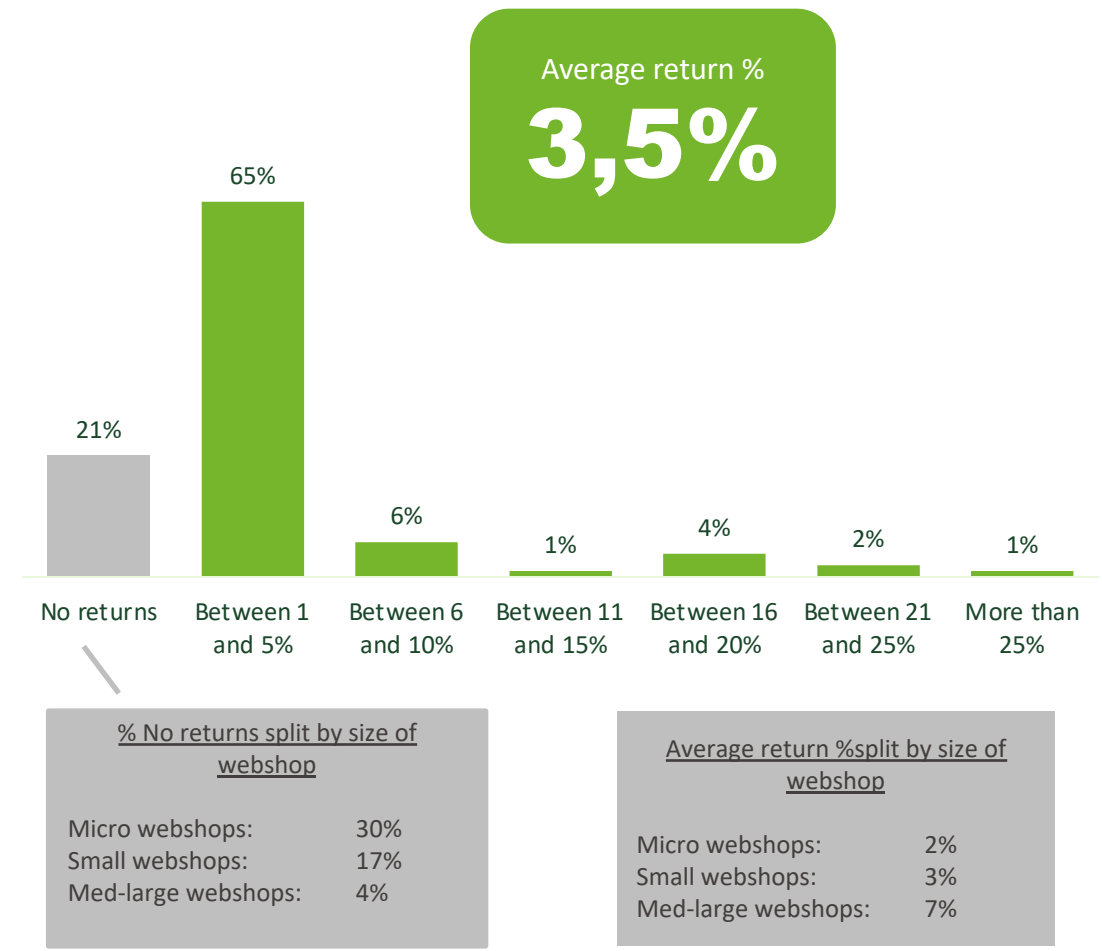
3 Estimated annual return

Proportion of return is limited among micro and small webshops: on average between 2 and 3% on a yearly basis.
Medium to large webshops deal with higher return rates: 7%

- Return rates are **sector-dependant** (see tables on next pages):
 - Higher** return rate in **fashion** (clothes & shoes): 8 to 12%
 - Lower** return rate in **food and entertainment** (books, games, toys): 1 to 2%



Can you *estimate* the proportion of your orders that are returned (on an annual basis)?



04 Efforts on sustainability

3 Estimated annual return – split: product category & size

Can you estimate the proportion of your orders that are returned (on an annual basis)?

ALL WEBSHOPS	Clothing, fashion	Shoes	Beauty and care	Jewelry and fashion accessories	Food and drinks	Books, films, music and games	Toys (no games)	Elektronics	Sport	Farmaceutic s/ medication	Living and cooking	Garden and animals	Home and garden furniture	Baby and children's items
N=	30	17	32	19	27	10	23	8	9	5	21	13	14	26
No retour	7%	12%	19%	5%	41%	30%	17%	0%	0%	0%	14%	23%	14%	19%
Some retour	93%	88%	81%	95%	59%	70%	83%	100%	100%	100%	86%	77%	86%	81%
Estimated proportion of retour	8%	12%	2%	6%	1%	2%	2%	5%	4%	3%	2%	2%	3%	2%

MICRO TO SMALL WEBSHOPS	Clothing, fashion	Shoes	Beauty and care	Jewelry and fashion accessories	Food and drinks	Books, films, music and games	Toys (no games)	Elektronics	Sport	Farmaceutic s/ medication	Living and cooking	Garden and animals	Home and garden furniture	Baby and children's items
N=	16	5	23	10	22	6	13	3	4	0	13	7	5	18
No retour	6%	20%	26%	10%	41%	50%	31%	0%	0%		23%	29%	20%	28%
Some retour	94%	80%	74%	90%	59%	50%	69%	100%	100%		77%	71%	80%	72%
Estimated proportion of retour	4%	7%	2%	4%	1%	1%	1%	3%	2%		2%	1%	3%	2%

MEDIUM TO LARGE WEBSHOPS	Clothing, fashion	Shoes	Beauty and care	Jewelry and fashion accessories	Food and drinks	Books, films, music and games	Toys (no games)	Elektronics	Sport	Farmaceutic s/ medication	Living and cooking	Garden and animals	Home and garden furniture	Baby and children's items
N=	8	7	4	3	1	3	7	4	4	4	3	3	4	3
No retour	0%	0%	0%	0%	0%	0%	0%	0%	0%	0%	0%	0%	0%	0%
Some retour	100%	100%	100%	100%	100%	100%	100%	100%	100%	100%	100%	100%	100%	100%
Estimated proportion of retour	14%	15%	1%	8%	2%	3%	2%	7%	6%	4%	2%	2%	2%	2%



Q15 - Can you estimate the proportion of your orders that are returned (on an annual basis)? What percentage of your orders are returned?

N= see table, remark: low sample sizes, **results are only indicative**

04 Efforts on sustainability

3 Estimated annual return – split: fitting vs non fitting & size

Can you estimate the proportion of your orders that are returned (on an annual basis)?

Retour is higher in ‘fitting’ categories

- Estimated proportion of return among micro to small webshops in the ‘fitting’ category is around 4% versus 11% among medium to large webshops.

	FITTING CATEGORIES	NON-FITTING CATEGORIES
Clothing, fashion	x	
Beauty and care		x
Food and drinks		x
Toys (no games)		x
Baby and children's items		x
Living and cooking		x
Jewelry and fashion accessories	x	
Shoes	x	
Elektronics		x
Home and garden furniture	x	
Garden and animals		x
Books, films, music and games		x
Sport		x
Farmaceutics, medication		x

ALL WEBSHOPS	FITTING CATEGORIES	NON-FITTING CATEGORIES
N=	49	103
No retour	6%	22%
Some retour	94%	78%
Estimated proportion of retour	6%	2%

MICRO TO SMALL WEBSHOPS	FITTING CATEGORIES	NON-FITTING CATEGORIES
N=	24	72
No retour	8%	28%
Some retour	92%	72%
Estimated proportion of retour	4%	2%

MEDIUM TO LARGE WEBSHOPS	FITTING CATEGORIES	NON-FITTING CATEGORIES
N=	12	14
No retour	0%	0%
Some retour	100%	100%
Estimated proportion of retour	11%	4%

Q15 - Can you estimate the proportion of your orders that are returned (on an annual basis)? What percentage of your orders are returned?

N= see table, remark: low sample sizes, **results are only indicative**



04 Efforts on sustainability

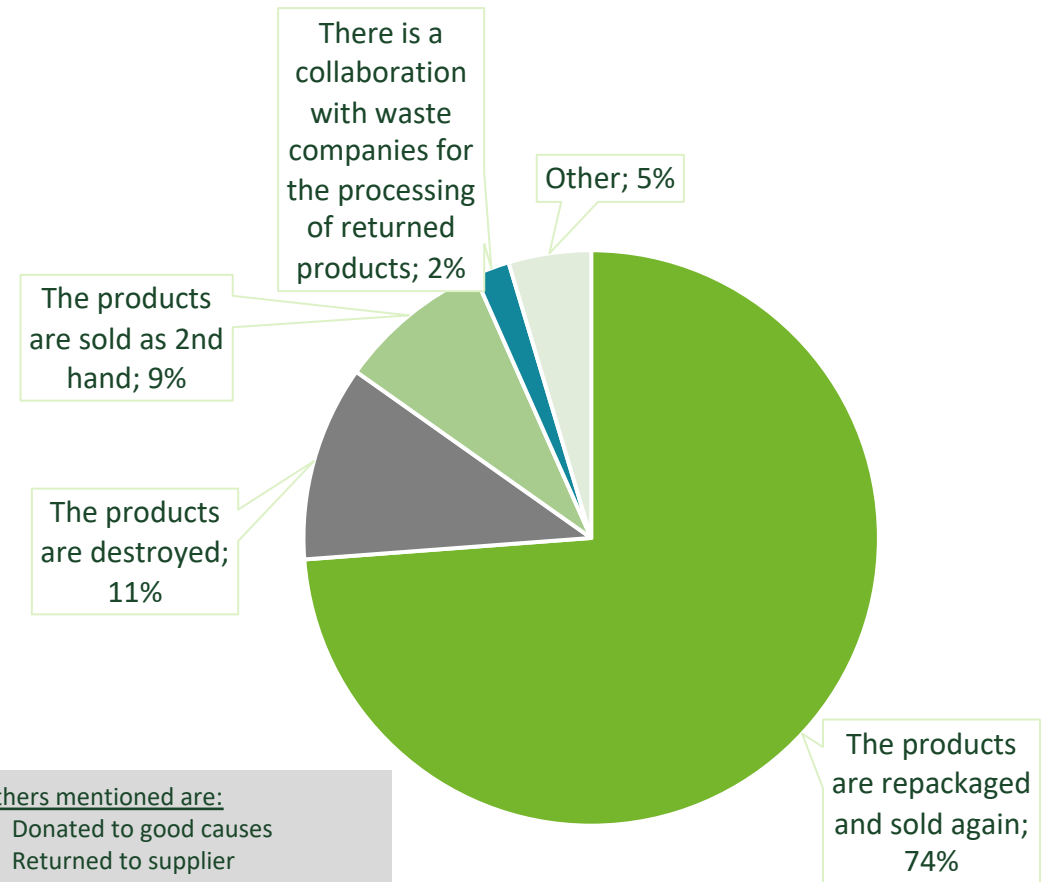
3 Returns

82% of returns are recuperated

- Either by reselling 74% or by reselling as 2nd hand (9%)
- Destruction is limited (11%) – evidently higher in food category



How do you handle return?
Base: webshops with return



- Others mentioned are:
- Donated to good causes
 - Returned to supplier
 - Resell during stock sales
 - Donated to own personel

Q16 - How do you handle returns? Indicate what percentage of returns are processed according to each of these methods.
Base: webshops with return N=120 (error margin with confidence interval 95%: 8,9%)





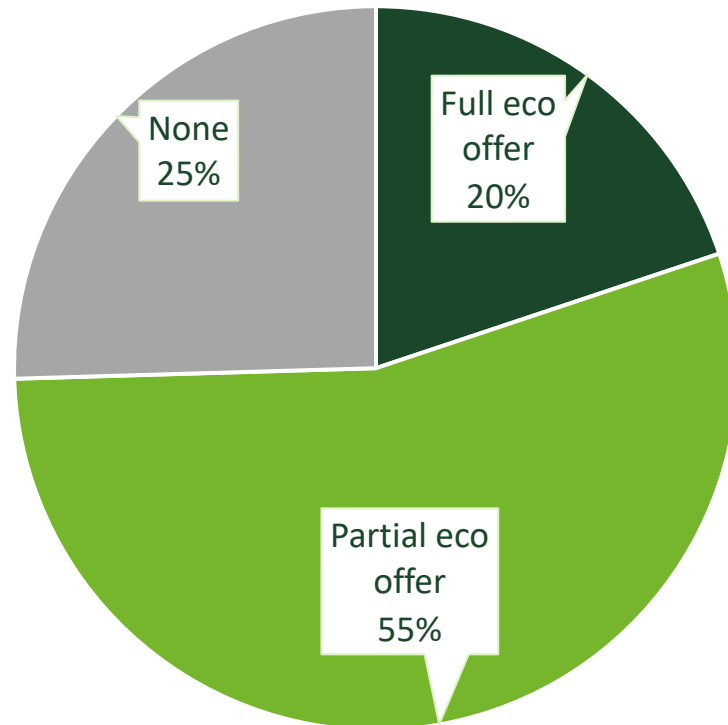
Offer



04 Efforts on sustainability

4 Eco offer

Do you offer eco products in your webshop?



75% of webshops have some eco products in their offer

- Webshops in the **beauty & care** and **baby and children's** categories are more prone to have a **full eco offer**



Q18 - Do you offer eco products in your webshop?
N= 161 (error margin with confidence interval 95%: 7,7%)

04 Efforts on sustainability

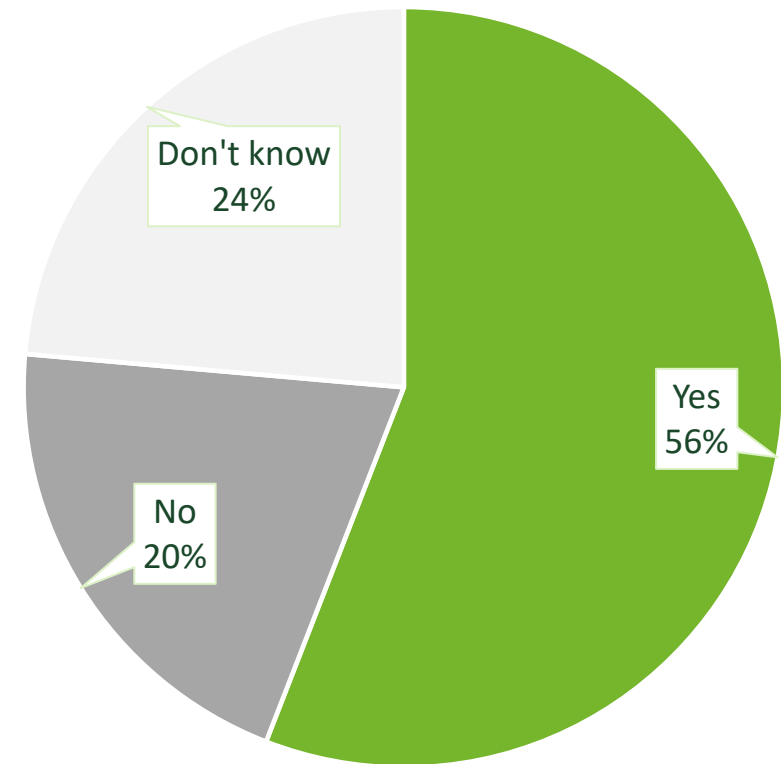
4 CO2 neutral business

56% of webshops are making efforts in the field of CO2 neutral business operations.

- Among medium to large webshops the level raises to 70%
- Around 55% among micro and small webshops
- What is meant by CO2 neutral business operations is not clear for 1 in 4 micro / small webshops



Are you making efforts in the field of CO2 neutral business operations?



Q19 - Are you also making efforts in the field of CO2 neutral business operations?
N= 161 (error margin with confidence interval 95%: 7,7%)

Communication



04 Efforts on sustainability

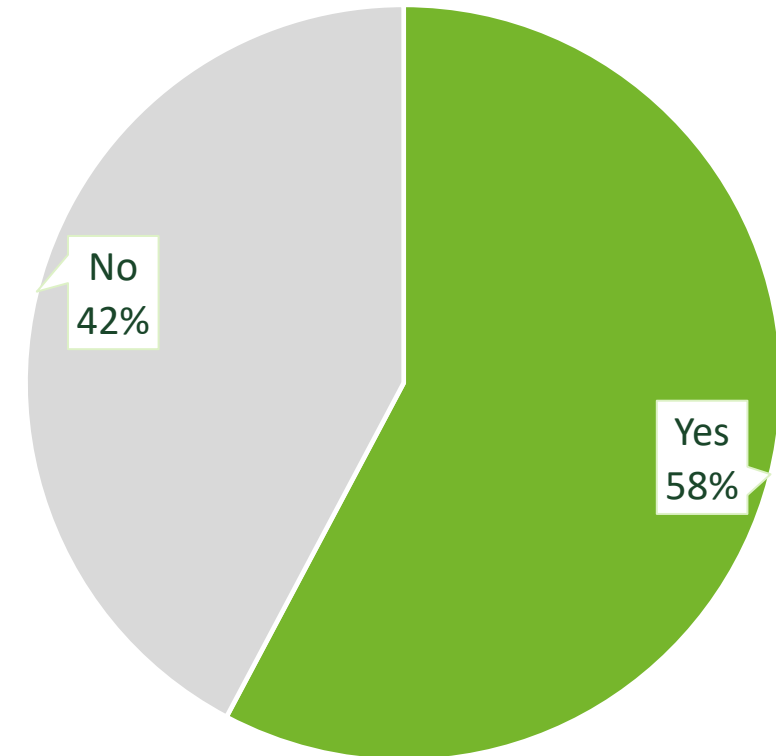
5 Communication

Only 6 out of 10 webshops communicate their efforts to customers.

- Among those webshops with a high self-assessment score (8+) on sustainability, 78% states to inform customers about their efforts in the field of sustainability.



Do you communicate to your customers about your efforts in the field of sustainability?



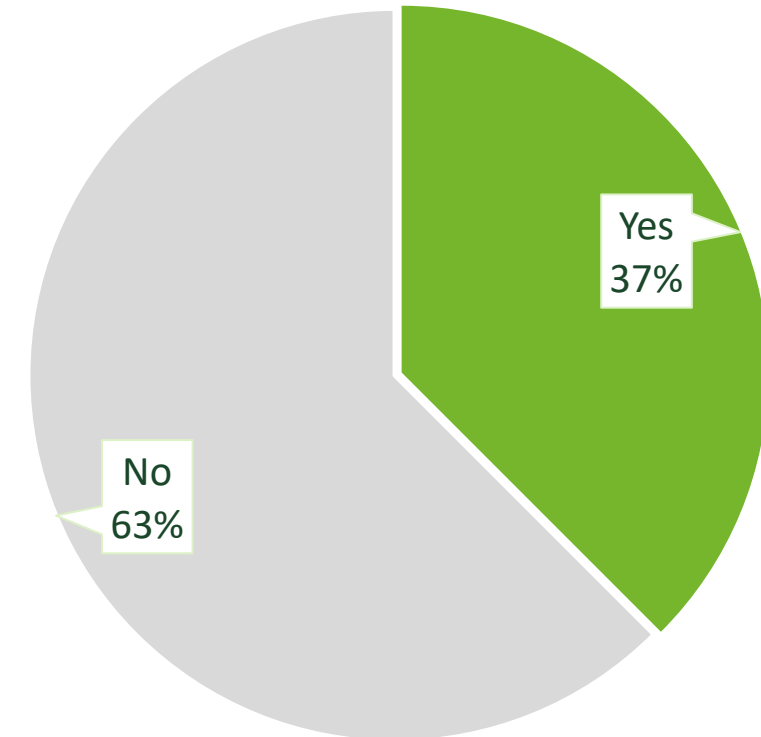
Q20 - Do you communicate to your customers about your sustainability efforts?
N= 161 (error margin with confidence interval 95%: 7,7%)

Most webshops are not encouraging customers to make more sustainable choices during the online purchase

- Micro and small webshops state to do more efforts on this level compared to medium and big webshops.



Do you encourage your customers to make more sustainable choices during the purchase process in your webshop?



05. Responsibilities



05 Further development of sustainability in Belgian e-commerce

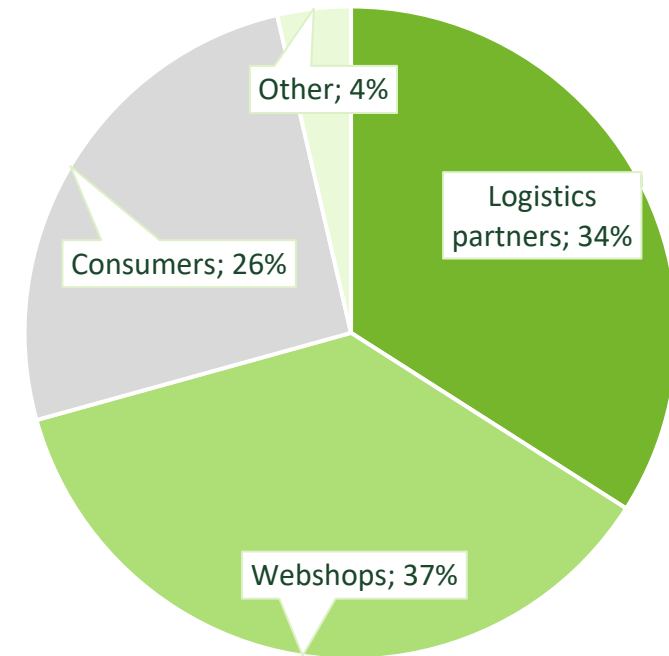
Who is deemed responsible?

Webshops consider it a shared responsibility of all actors involved.

Where webshops consider themselves and the logistic partners as bearing even somewhat more responsibility in the task.



If the responsibility of further development of sustainability in the Belgian e-commerce would be 100%, what percentage of this responsibility would you attribute to each of these actors?



Others mentioned are:

- Producers of packaging material
- Producers of products that I sell
- Transport from producers to webshop
- Government
- Large webshops ("stop framing clients with 'free delivery' promises")

Q22. Finally, we would like to get an idea of who you think has the greatest responsibility when it comes to sustainability in e-commerce. If the total responsibility is equal to 100%, what percentage of that responsibility goes to each of the actors?

N=123 (error margin with confidence interval 95%: 8,8%)

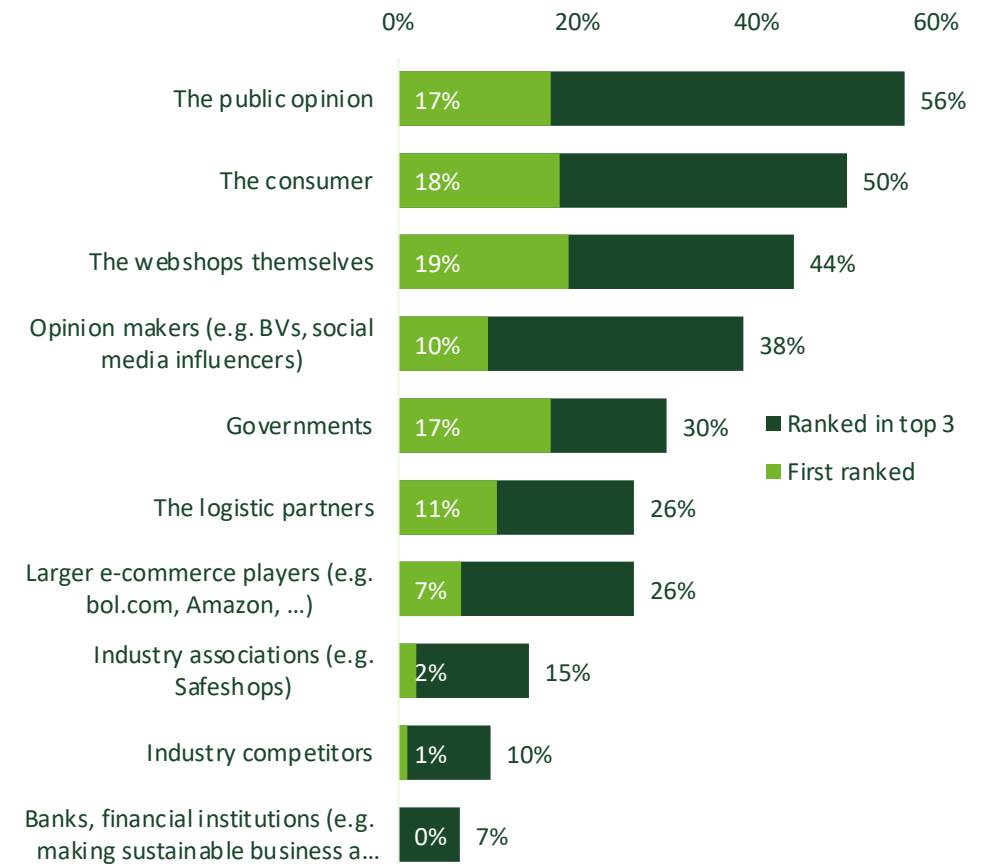
05 Further development of sustainability in Belgian e-commerce

Instigators of sustainability in e-commerce

The public opinion, the consumer and the webshops themselves are considered as the main instigators for future sustainability developments in the sector.



Which of these actors do you think are the main instigators of the further development of sustainability of Belgian e-commerce?



Q24_Top3 - Which of these actors do you think are the most encouraging for the sustainability of Belgian e-commerce? (Ranking)
N=120 (error margin with confidence interval 95%: 8,9%)

06. Barriers

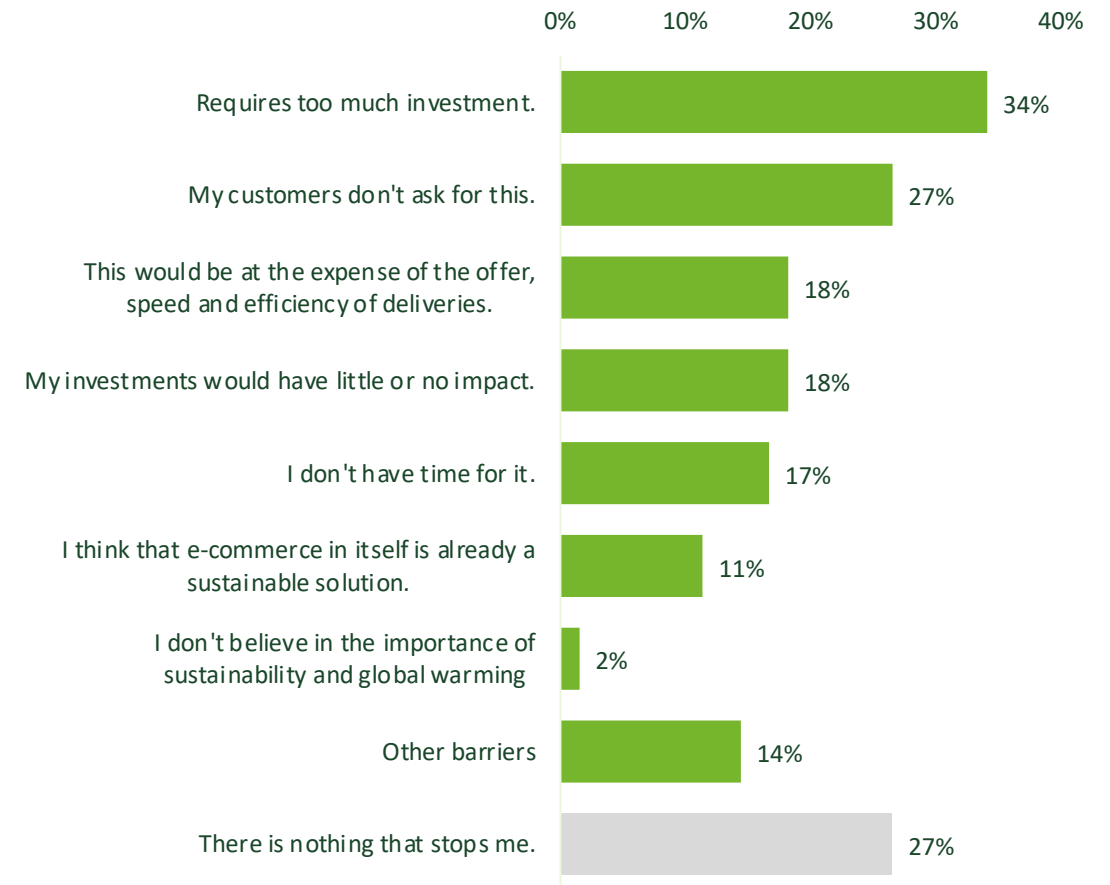


06 Barriers

The most important barrier for not investing in sustainable e-commerce is because of the high costs / investments.



Are there things that are stopping you as a webshop from investing (even more) in sustainable e-commerce?



Q25 - Now that we have discussed various initiatives on (environmental) sustainability, we would like to know whether there are things that are stopping/braking you as a webshop from investing (even more) in sustainable e-commerce?
N=132 (error margin with confidence interval 95%: 8,5%)

06 Barriers

Spontaneously mentioned by webshop holders

"Klanten willen het wel, maar als het er op aan komt willen ze vooral heel snel hun producten."



"SPEED OF DELIVERY IS MORE IMPORTANT TO MY CUSTOMERS THAN ECOLOGY"



"Verpakken en verzenden zou nog duurder worden en klant wil hier helaas niet nog meer voor betalen. Wij vragen bijdrage in verzendkosten en bieden geen gratis retour aan. Maar zo lang grote spelers die wel doen, is er weinig begrip bij veel consumenten voor betalend verzenden en retourneren"

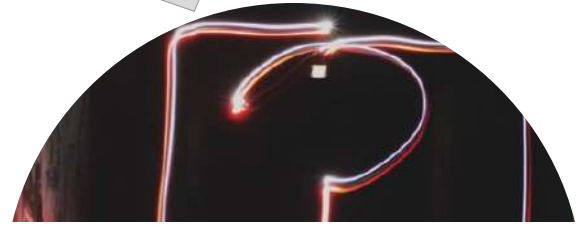


"Klant is niet bereid om extra te betalen"

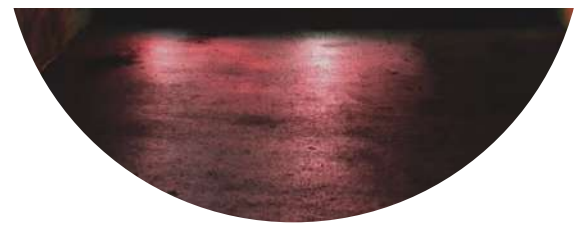
"MY CUSTOMER IS NOT WILLING TO PAY MORE"



« Je ne sais pas quoi faire, les outils disponibles et l'impact de chaque mesure »



"I DON'T HAVE ENOUGH KNOWLEDGE"



06 Barriers

Spontaneously mentioned by webshop holders

"De webshop maakt deel uit van een complexere bedrijfsstructuur, waardoor je aan 1 dingetje wijzigt en dat invloed heeft op zoveel meer. maar we zijn er wel mee bezig."

"Teveel andere prioriteiten in ontwikkeling en focus op groei/marktaandeel/concurrentie"



"I HAVE OTHER PRIORITIES FOR MY BUSINESS"



"er zijn geen duurzame producten / alternatieven"

"slow delivery is voor planten eigenlijk geen optie"

"onmogelijkheid, geen fietskoerierbedrijf in de buurt"

"Mocht er een mogelijkheid zijn om een externe fietskoerier te gebruiken, doe ik dat zeker. Echter is dat niet mogelijk aangezien ik op het platteland woon en er geen fietskoerier service is die een dergelijke service aanbiedt."



"I WOULD LIKE TO BUT I'M RESTRICTED BY EXTERNAL FACTORS"



07. Conclusions





The results of this survey provide a **baseline of how **Belgian webshops are dealing with sustainability anno 2021****

The results provide insights in:

- **Current** dealings with sustainability
- Intentions for the **future**
- **How** can webshops be **supported** in order to become more sustainable?

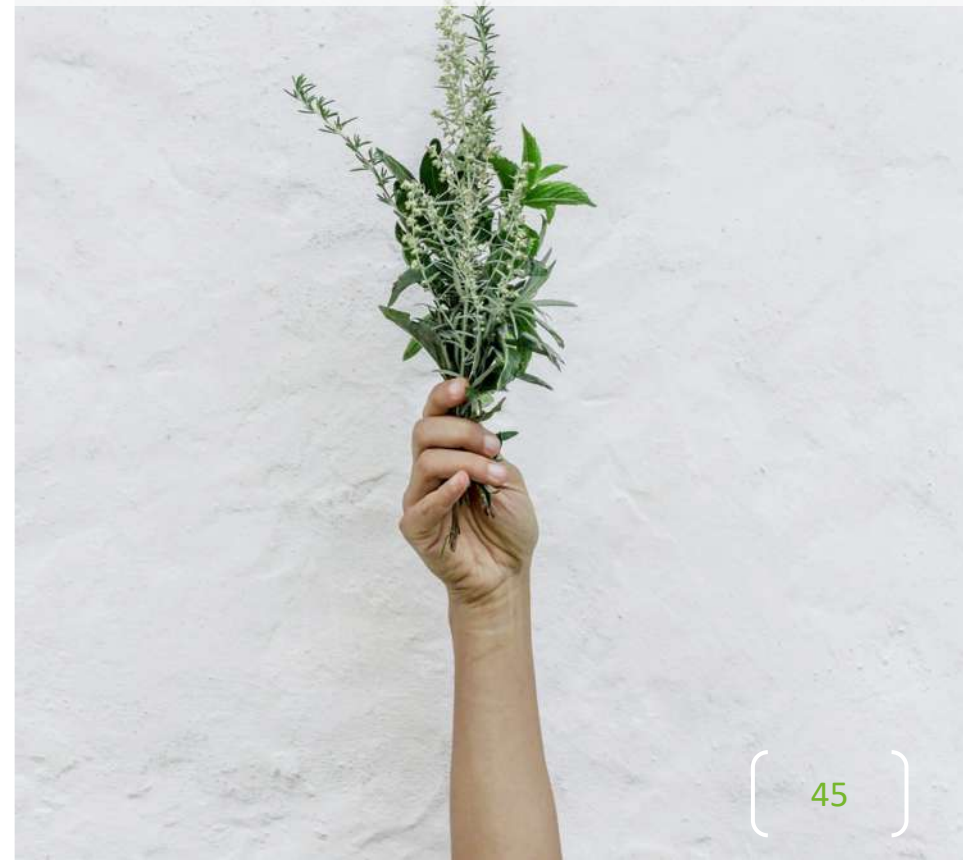
07 Conclusions

Current dealings with sustainability

- **73%** of Belgian webshops consider sustainability to be **important** in their webshop activities; more than just a nice-to-have
 - 25% is still at the level of considering it as a nice-to-have, but practically no one (a mere 2%) perceives it as completely unimportant.
- According to Belgian webshop holders, **their involvement with sustainability even exceeds consumer's expectations.**
 - They estimate that 51% of their customers find sustainability important, whereas 73% of webshop holders stat that sustainability is important.
- On average, Belgian webshops attribute a **6,5/10** score to their **current sustainability level.**
 - Smaller webshops attribute higher scores than larger sized webshops.

Out of all the sustainable options that were assessed in this survey:

44% is already implemented
22% is doable for the future
25% not feasible
9% unknown



07 Conclusions

Current dealings with sustainability

- Most of the sustainability efforts **already done** by Belgian webshops concentrate around **packaging** and **avoiding returns**.
 - **On the level of packaging:**
 - 86% already tries to **bundle** shipments
 - 77% uses as little **padding materials** as possible or uses durable padding materials
 - 73% tries to **reduce** the **volume of packaging** (by using plastic shipping bags, cardboard envelopes or customizable boxes)
 - 72% uses **sustainable cardboard** packaging
 - 66% uses **reusable packaging**
 - **On the level of avoiding returns:**
 - 83% tries to avoid this by providing **clear product information**
 - 79% offers **packaging** suitable for **return**
- On the level of **logistics and transports**, offering more sustainable options to the online shopper is rather **limited**.
 - **On the level of packaging:**
 - Offering **pick-up points** is the **only widely used option** (68%) that is offered.
- **75%** of webshops has some sort of **eco-offer** in their product range.



07 Conclusions

Intentions for the future

- **78%** show an **ambition to improve** on sustainability in the coming years.
 - The common goal is evolve from 6,5 to 7,9/10
- The options with **most potential to improve** (perceived as doable) are mainly situated **on the level of transport & logistics**:
 - **On the level of transport and logistics**:
 - Proposing a small additional **CO2 compensation fee** (62%! is willing to try; only 1% is already doing this)
 - Delivery with **ecological transport** (40%)
 - **Alternative pick-up locations** (neighbourhood locations, Homerr, Viatim, Collectique, ...) (38%)
 - **Slower delivery allowing for better grouping** of shipments (38%)
 - Other areas of potential improvement:
 - **On the level of packaging**:
 - Using **sustainable packaging plastics** (27% is open to try)
 - **On the level of returns**:
 - **Pick up** of return at moment of **next delivery** (24%) - although limited feasibility for many
 - Using **AI** or **augmented reality** (23%) – but many deal with a knowledge gap in this area



07 Conclusions

Intentions for the future

- **Majority** (63%) is not **encouraging customers** to make more sustainable choices during the online purchase.
- **Although** they consider it a **shared responsibility** between webshops, logistic partners and consumers, there's still a **fear to scare off** some customers when trying to push them into more sustainable choices.
- Since they think that **sustainability in consumers' minds** is still linked to:
 - higher **cost**
 - longer **delivery time**
 - more limited **offer**
 - more **hassle** (pick up yourself, put more effort in returns, ...)



How can Belgian webshops be supported?

Coming from this research, some **opportunities** can be identified in order to **support** the **Belgian webshops** in their efforts to become more sustainable:

1. Provide digital support:

- Software to support efficient packaging and logistic planning
- Education on possibilities to implement AI and augmented reality in webshops in order to trying to avoid returns

2. Provide clear insight in the sustainability of all transport options:

- Provide simulation tools with enough room for different scenarios – taking all factors into account.

3. Make the consumer feel more responsible:

- Educate consumers in their role for taking up more responsibility in choosing for more sustainable
- Influence public opinion and educate on the impact of fast delivery choices, heavy return rates ...

4. Help webshops in prioritizing and making up a long-term sustainability plan:

- By e.g. providing simulation tools (simulating eco-impact of each of the actions)
- Provide personalized year on year sustainability goals with a hands-on plan to realize these goals
- Develop a common sustainability roadmap for the sector



Thank you!



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