



Life Cycle-based Ecolabels Build Consumer Loyalty with Retailers

14 December 2020 - Can eco products move from a niche segment to a mass market, helping to reach the UN Sustainable Development Goals (SDG)? Retailers, ecolabels and sustainability experts addressed this question in a workshop hosted by the Global Ecolabelling Network.

On 25 November over 180 people registered for the virtual webinar *Ecolabels as Tools for Retail and Consumer Power* which covered how products certified by credible ecolabels can help stores strengthen their competitiveness and accelerate the move towards the UN Goal 12– Responsible Consumption and Production.

Retail chains are in the spotlight because they direct supply and demand for products, connecting producers and consumers and influencing the behaviour of both.

The webinar was hosted by the [Global Ecolabelling Network](#) (GEN), [Ecological Union](#) (ecolabel Vitality Leaf) and the [Swedish Society for Nature Conservation](#) (ecolabel Good Environmental Choice") and brought together participants from Europe, America, Russia, China and Asia. More than half of the participants represented retailers and manufacturing companies.

Experts from global organisations and retailers shared their views and case studies. The group presented the following conclusions:

1. Retail is an agent of change for the sustainable consumption and production goals. Stores can simultaneously influence the behaviour of manufacturers and buyers: they can inspire the creation of greener products with their environmental requirements and through marketing, mobilising customers to select them.

“Retail plays a key role in achieving sustainable consumption and production, as it is the link between the consumer and the producer. If retailers buy more ecolabel products, it will signal to manufacturers that both stores and consumers are interested in ensuring that products meet the requirements of sustainable consumption and production.”

- Nils Heuer, UN One Planet network Consumer Information Programme

2. Environmental certification and life cycle-based ecolabeling play an important role in ensuring transparency of the production processes of goods and informing consumers. Independently verified claims are trusted more by consumers than green self-declarations from manufacturers.

“More and more manufacturers are making their own green product claims, but it is important for us to demonstrate best practices and a scientific approach to proving environmental benefits.”

- Ekaterina Ivanova, Head of Social and Environmental Responsibility at Leroy Merlin, Russia

“11 years ago, there was no trust in green claims, and this pushed us to work with life cycle ecolabels (Type 1) rather than producer green claims. We understand that ecolabels make it easy for consumers to make green decisions.”

- Elisabeth Konrad, Sustainability Manager at Willys, Sweden

“Our company's approach is that the goods carried in our stores must be from providers that implement sustainable production practices. Three types of ecolabels are taken into account in the procurement policy: Type 1 ecolabels based on life cycle (for example, EU Ecolabel, Nordic Swan, Blue Angel, ECOLOGO), labels indicating the sustainability of raw materials (FSC, PEFC, GOTS, Responsible Wool Standard, etc.), and water and energy saving (scale of water and energy efficiency, Energy Star).”

- Pauline Toulemonde, Project Manager at Adeo Group, France

3. Sustainable store assortment and processes equals competitiveness.

The purchase of products with ecolabels, as well as comprehensive environmental certification of the store's operations, not only allows moving towards SDG 12, but also ensures the loyalty of investors, employees and customers.

“As part of the retail awareness programme, we talk about the risks associated with non-compliance with sustainable consumption and production practices, about the environmental principles of waste management, communications with buyers and purchases without harming the environment, as well as approaches to working with manufacturers-greening procurement policies by obtaining ecolabels in order to reduce the impact on the climate.”

- Mikhail Babenko, Ph.D., Green Economy Program Director at World Wildlife Fund, Russia

“In 2009 we achieved the ecolabelling of our chain (there are more than 200 outlets). We track how many ecolabelled products we sell each month. And we try to grow every year in this direction. Since we started working with sustainability issues, we have strengthened the positioning of our brand.”

- Elisabeth Konrad, Sustainability Manager at Willys, Sweden

4. For sustainability to become a competitive advantage in retail, it is important to educate staff, suppliers and buyers.

This is especially important in markets where the demand for sustainable practices and ecolabels is still evolving in the context of greenwashing.

“One Planet experts have developed [guidelines for manufacturers and retailers](#) on how to communicate about sustainable products, and its ten principles can be fully demonstrated through ecolabelling. ”

- Nils Heuer, UN One Planet network Consumer Information Programme

5. Environmental consumer education and environmental transformation in retail must go hand in hand.

To do this, it is important to track trends and work to stay ahead of demand by offering products that meet environmental standards and whose sustainability is guaranteed by ecolabels.

“The usual business logic in retail can limit the manifestation of consumer will, for example, in a situation when the desired product is not in the store or on the market. After all, we cannot stop buying food because there is a lack of a sustainable option. Therefore, it is important for retailers and manufacturers to regularly assess what the consumer prefers and propose alternatives in line with trends in sustainability, fair trade and animal welfare.”

- Eva Eiderstrom, Director, Head of Department of Ecolabelling and Green Consumption, Swedish Society for Nature Conservation

“We recommend that stores take five steps to develop a responsible assortment. Compile a list of reliable ecolabels; train personnel from procurement, marketing and communications departments; set KPIs for the procurement of environmental products; use private labels to form a green assortment at an attractive price; and provide a mandatory marketing programme for such goods.”

- Yulia Gracheva, Ph.D., Director, Head of Central Certification for Vitality Leaf at Ecological Union, Russia

“Together with Ecological Union, we have launched work with our own trademarks- environmental certification of Russian manufacturers. When we started our project, we saw how much we can influence the market in terms of sustainable consumption and production, using our own brand. We certify the most popular products for our customers, and the price does not change significantly, which is very important. Today the share of products with the Vitality Leaf label in the total assortment of paints and varnishes is 4.2%, while the turnover is almost 17%.”

- Ekaterina Ivanova, Head of Social and Environmental Responsibility at Leroy Merlin, Russia

In summary, Eva Eiderström noted that one of the goals of the [One Planet programme](#) is to ensure that at least 50% of products with verified environmental characteristics are offered in retail. The experts were asked the question, is it possible that green products will move from a niche to a mass market? According to the retailers participating in the seminar over time it is possible, as buyers are increasingly concerned about environmental issues the importance of ecolabel products and ecolabels will grow. The presented cases showed that after the certification of goods prices do not skyrocket, and even discount stores like Willys can offer goods with ecolabels in each product category.

Recordings of the webinar are available in [English](#) and translated into [Russian](#). And a version of this press release translated into Russian can be found [here](#).

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About GEN: The Global Ecolabelling Network is a non-profit association of leading ecolabel organisations worldwide. Network members follow ISO 14024 Principles for Type 1 ecolabels, awarding certification to products and services that meet multi-attribute, life cycle-based criteria. GEN was founded in 1994 to help protect the environment by improving, promoting and developing ecolabelling. Learn more at www.globalecolabelling.net

Presenting organisations:

[UN One Planet network Consumer Information Programme](#)

[Leroy Merlin](#)

[Willys](#)

[World Wildlife Fund, Russia](#)

[Adeo Group](#)