# WHY PRODUCT LONGEVITY

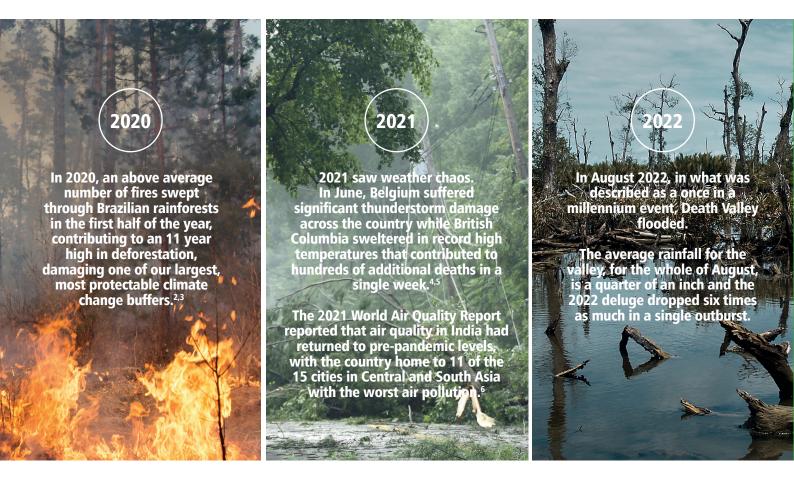
IS A POWERFUL FIRST STEP TO IMPROVING COMMERCIAL SUSTAINABILITY



Let's do this together

## CLIMATE CHANGE POSES A SERIOUS THREAT. TO EVERYONE, EVERYWHERE<sup>1</sup>

Every year it seems we see large ecological disasters that set new records for disruption and devastation.



# What will happen in 2023 that further pushes the needle on climate change's devastating impact?

Just as the outcomes of climate change transcend our commercial operations and geographic boundaries, our efforts to tackle the causes of climate change should be of the same magnitude.

When the definition of sustainability centres around "avoidance of the depletion of natural resources in order to maintain an ecological balance" it may be that no business can ever achieve purely sustainable operations.<sup>8</sup>

No one company can turn this around, it will take the efforts of many businesses in concert to start making changes.

Rubbermaid Commercial Products (RCP) recently undertook a global research initiative to gather data on where businesses are struggling to couple ideas with action on sustainability, what they see as future challenges to implementation and what they need in order to start improving operational and systemic sustainability.

Perhaps one of the most intriguing findings from our results was that the number one issue our participants cited as a barrier to improving their business' sustainability was a lack of sustainable products.<sup>10</sup>

## That makes it even more important that businesses are able to fully assess the impact their purchasing decisions will have.

We've also seen some progress on the myths surrounding the efficacy and cost of sustainable products.

**52%** OF CONSUMERS FEEL BUSINESSES AREN'T DOING ENOUGH ON CLIMATE CHANGE.

So, we must make sure that the actions we take as commercial entities are as effective as they can be so that we continually make sustainability gains. From our participants, in the survey we conducted



DISAGREED THAT MORE SUSTAINABLE PRODUCTS COST MORE.<sup>11</sup>



OF DECISION MAKERS DISAGREED THAT SUSTAINABLE PRODUCTS ARE LESS EFFECTIVE.<sup>12</sup>

You can find full details of the research and our methodology at the end of this document.

This document brings together that information with other research findings to create an overview of what the immediate challenges are to commercial sustainability and provide recommendations as to how you and your business can create continual sustainability improvement through the decisions you make.



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**Emilio Capelli** VP Sales & Marketing International, Commercial Business, Newell Brands



## BETTER SUSTAINABILITY THROUGH BETTER CHOICES

# A staggering 95% of decision makers that we surveyed said their company would like to do more on sustainability.<sup>13</sup>

#### And where do they want to focus?

The top four factors going into sustainability investment are:



### So when it comes to taking waste management action, what sort of choices do businesses face, and how should they assess them in terms of their sustainability value?

Let's say that we're going to replace the waste containers in our facility. Broadly speaking, we have two choices.

A freshly manufactured container that uses virgin materials, or one that has been remanufactured using recycled material. Our intuition might be to choose the recycled container over the new container, after all, products made from recycled materials are *always* ecologically better than virgin products.

**Right?** 

When we make our decision, we need to consider that recycled material comes from somewhere, it's had a previous life and overall can have a larger ecological cost when combining consumption from production and remanufacturing.

But that's not the only factor to consider.

# Recycled materials suffer degradation over time, creating less durable products that will be disposed of or come round for remanufacture sooner.<sup>16</sup>

Once you start to recycle plastic, you have to recycle it more often, creating a downward spiral of increasing resource use. So the two containers we're choosing between are not equal, we must consider a product's longevity as well as its material's origins.

If the life expectancy of the new container is multiple times longer than the recycled container then, over time, the new container may well be the more sustainable option. This is not to say that recycled products, or products remanufactured from post-consumer resin (PCR) aren't a valuable part of a circular economy. **They very much are**.

## It's more that when we buy passive products, we must do so smartly.

### WHAT IS A PASSIVE PRODUCT?

A product that does not require energy usage, or supplementary materials during its life cycle, is a passive product.

Extending the life cycle of passive products significantly reduces environmental impact by up to 72% and reduces commercial cost by up to a third.



Manufacturing and distributing a product every 10-15 years is ecologically better than multiple remanufacturing processes during that time.



When looking at purchases, it's important to understand that the majority of a product's global warming potential is created during production.

The longer the life of a product, no matter what it's made of, the less global warming potential it has as long life eliminates production cycles where the majority of the warming potential is created.

For Millennial consumers, reducing consumption is far more important for environmental and financial gains than an increase in 'green' purchasing.<sup>18</sup>

### **MATERIAL CHOICES MATTER.**

A 'new container' in this context is a freshly manufactured container that's at the start of its material life with originally sourced material vs. a recycled container made of post-consumer resin (PCR) which may have been through one or more remanufacture processes.

# The longer a freshly manufactured container lasts, the longer the delay before additional resources are needed for remanufacture.

## **DURABLE VS. RECYCLED**\*





### A BIN THAT LASTS 15 YEARS IS MORE ENVIRONMENTALLY SUSTAINABLE THAN A BIN THAT IS REMANUFACTURED 3 TIMES IN THE SAME PERIOD



### Rethink how you define sustainability.

With 96% of the global warming potential of recycling container coming during it's production<sup>15</sup>, manufacturing a durable container once should be considered better for the environment than a recycled one three times.

#### Buy Better, Waste Less.

If you buy better your products last longer. If your products last longer, you waste less. **When you waste less, you support sustainable practices.** 

## THE COMPLEXITY OF COMMERCIAL SUSTAINABILITY DECISIONS

When we look at the parties generally involved in the sustainability process, there are three essential groups: businesses, consumers and authorities such as governmental agencies.

While consumers can make choices and governments implement incentives and regulations, the group with the most sustainability influence are the businesses.

When consumers identify "reducing waste and increasing recycling" as one of the most important areas of focus, it is businesses that have the largest capability and capacity to improve.

When a business reduces the plastic packaging on one product, they reduce the packaging waste for every consumer that purchases that product.

When they install 400 waste containers that last three times longer, they delay the remanufacture of 1,200 recycled waste containers.



As noted in the last section, even the sustainability factors that go in to making a commercial decision can be complex. If you then factor in the needs and aims of the business, its shareholders and its customers, decisions become more difficult and can be further frustrated by a lack of information.

Shareholders want to ensure that profitability is maintained.

# The perceived investment and increase in ongoing costs for more sustainable practices is cited by 60% of businesses as being a barrier to implementation.<sup>21</sup>

In an economic situation where inflation, rising energy and supply costs are prevalent, businesses have to be judicious with the money they spend.

80% of our survey respondents told us that rising costs and inflation were the most significant challenge they face in coming years.<sup>22</sup>

Which is where the durability of the products a business buys comes back into focus.

# Surprisingly, the costs for fresh resin are lower than post-consumer resin (PCR) that is used in recycled materials.<sup>23</sup>

So if we buy a product once a decade, or less, it's not just the remanufacture and production costs that are lowered, it's the actual cost that is reduced too. Alongside this, businesses need only purchase a new container once vs. potentially several times for products made with or from PCR, further saving valuable budget.

### Further, the system efficiency that's created within a facility by long-lasting products allows time to be spent elsewhere, rather than managing declining unreliable products.

Eliminating the need to frequently replace products, that are made from more expensive materials, reduces replacement and operational costs as well as resource use.



**57%** OF CONSUMERS SAY "REDUCING WASTE AND INCREASING RECYCLING" IS VERY IMPORTANT.<sup>24</sup>

Customers continue to prefer brands that demonstrate their commitment to sustainability.<sup>25</sup>

They recognise that the durability of a product is an essential part of their sustainable commercial decisions.

As the previous references in this section show, demonstrating to customers that you share those values can grow your brand loyalty, in turn creating commercial benefits.



*Recycling is a visual indicator you take sustainability seriously.* Doing it with durable containers that need less replacement further support your sustainability credentials as well as your budgets.

*Effective recycling and durable containers bring with them cost savings*; coupled with increased loyalty from sustainability-hungry customers, your business can't afford to not focus on effective waste management.

## WHY ARE WE DOING WHAT WE'RE DOING?

The majority of business want to be more sustainable.

In seven of the eight regions we surveyed, company focus on sustainability was ranked highly.<sup>26</sup>

But why?



### There's the essential human element.

People across the world are suffering already from climate change and in order to temper that, we all need to change how we do what we do in our professional and private lives.<sup>27</sup>



# Then there are the commercial considerations.

A business needs to work for its owners, its staff and its customers. The very exacting nature of purchase decisions, ROI and financial reporting provides great commercial scrutiny on the purchases and policies that are undertaken.



#### There are operational considerations.

Such as system efficiency also should be factored into these wider commercial considerations. Less disruption to the waste flows in a facility can create time and resource that could potentially be used to focus on other tasks.



### And last but not least, cost assessments.

Businesses need to take in product longevity and systemic benefits as investment in products that last decades can potentially reap better financial rewards.

# **89%** OF SURVEY RESPONDENTS IDENTIFY THAT LONGER LIFE PRODUCTS ARE BETTER FOR THE ENVIRONMENT<sup>30</sup>

Staff too want to feel aligned with their employer. Research by Washington University indicates organisational higher purpose (including community, social and environmental initiatives) appears to be a factor in creating pride and trust.<sup>29</sup>

A key support for continually maximising sustainability has to be products that last increasingly longer lengths of time so that resources are protected, but also recommitted to other endeavours. Once we no longer unnecessarily reduplicate product purchases, those resources can be recommitted to further innovation and potentially additional improvements in sustainability.

# Durable products are a critical element of how we build a more sustainable future, responsibly and commercially.

# Sustainable products that are certified by third-parties play a significant factor in a business's decision to make intentional sustainability purchases.

## The research participants we surveyed (88%) told us it is important for businesses to have third party accreditation.<sup>31</sup>

Transparency is important, when a business commits money, time and resources to being sustainable, they want to see significant credibility in the businesses they work with.



### **OUR METHODOLOGY**

In undertaking our own research into commercial sustainability intentions and actions, we engaged with 550 professional decision makers across multiple regions.

US 150 Participants | UK 100 Participants | ANZ 50 Participants | MEXICO 50 Participants | CHINA 50 Participants GERMANY 50 Participants | COLOMBIA 50 Participants | FRANCE 50 Participants

FULL RESULTS ARE AVAILABLE FOR DOWNLOAD.



Staff and customers are increasingly looking for brands that reflect their concerns about what is happening to our planet.<sup>28</sup>

The chances are, if you don't take sustainability seriously, your customers will go and purchase from a business that does.



RCP's parent company, Newell Brands, launches its Corporate Citizenship Report<sup>32</sup> on a yearly basis. In alignment with the wider organisation's approach and goals, RCP began its own transparent sustainability journey in 2022, looking at what we can do to make sure we are continually making the changes that will make our company increasingly sustainable over the coming decades.

We created a set of initiatives that cover areas of the business where we can make initial gains increasing the sustainability of our business, areas such as product development, operations, packaging, culture, and education.

We're ensuring the changes we implement over the coming decades don't just create tick-box sustainability, but that they go further and redefine what sustainability improvements look like and create space for further innovation.

We believe that creating more sustainable products lifts the sustainability of every partner we work with.









Across our washroom, waste and recycling ranges, our products carry warranties of 5 and 10 years, and up to lifetime, that give you confidence in their longevity and greater control over the sustainability impact of your purchase decisions now, and during the lifetime of those products. BUY BETTER, WASTE LESS.



## WANT TO UNDERSTAND HOW MUCH MORE YOU COULD RECYCLE AND REDUCE YOUR WASTE MANAGEMENT COSTS?

Visit loverecycling.com and take the simple 6 question audit.

## LEARN RECYCLING

As part of our ongoing Love Recycling research work with over 1,000 European businesses, many have told us that they lack access to clear, basic information about recycling.

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To help support businesses in their drive to know more, we created Learn Recycling, a short recycling course that was developed and designed to give any employee the basics of commercial recycling best practices.

**Visit lovetolearnrecycling.com** for further information.



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<sup>1</sup> UN Climate Crisis. <sup>2</sup> Brazil Forest Fires 2019-20. <sup>3</sup> Rainforests Absorb the Most Carbon. <sup>4</sup> Belgian Storm Damage. <sup>5</sup> British Columbia Coroner's Report. <sup>6</sup> World Air Quality Report. <sup>7</sup> National Parks Service Report on Death Valley Floods. <sup>8</sup> Oxford University Press Learner's Dictionary (2022) Available at: https://www.oxfordleamersdictionaries.com/definition/english/sustainability (accessed 26 January 2023). <sup>8</sup> Kantar / Global Download on Sustainability / August 2022. <sup>10</sup> RCP Research - Question 15. <sup>11</sup> RCP Research - Question 15. <sup>11</sup> RCP Research - Question 25. <sup>12</sup> RCP Research - Question 25. <sup>12</sup> RCP Research - Question 3. <sup>10</sup> HCP Research - Question 10. <sup>10</sup> Global Warming Potential from Production (section 4.2.2). <sup>10</sup> Material Degradation in Recycling Processes (section 3.1). <sup>17</sup> https://www.rubbermaid.eu/ en/resource-centre/91378b331327b40e564390c43cd6b2be/slim-jim-competitive-analysi/ <sup>10</sup> University of Arizona - Materialist values, financial and pro-environmental behaviors. <sup>10</sup> The Benefits of Extending Passive Product Lifespans. <sup>20</sup> Kantar / Public study on dimate change / September 2021. <sup>11</sup> RCP Research - Question 15. <sup>21</sup> RCP Research - Question 6. <sup>21</sup> The Higher Cost of RCP. <sup>24</sup> Kantar / Public study on climate change / September 2021. <sup>11</sup> SCP Research - Question 15. <sup>21</sup> RCP Research - Question 15. <sup>21</sup> PCP Research - Question