# **Sustainable Loyalty Program**

- Time to reward sustainable shopping -



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## **Purpose**

In Sweden, food is responsible for <u>20–30%</u> of the greenhouse gas emissions (IVL Svenska Miljöinstitutet). Some food products have especially high greenhouse gas emissions; these can be substituted for products with less harming effects. The Sustainable Loyalty Program aims to promote sustainable food choices through financial incentives and nudging.

#### **Procedure**

#### Initial challenges

- Effective incentives for customers and stores
- Measuring the sustainability of different products

#### **Solutions**

Interviews with:

- Professors in economics, retailing and environmental economics.
- Experts on loyalty programs

Questionnaire with 185 responses

## Business idea



#### Shop sustainable

Products are ranked based on their total carbon emissions (RISF database)

#### Earn points

Sustainable products rewards you with bonus points.

#### Compete

View your total emissions. Compete with friends and other shoppers.

#### Save money

Save money and enjoy sustainable consumption. Stores match your contributions with donations.

## How do Stores benefit from the program?

- → Strengthened brand, highly associated with sustainability.
- → New customers; who shop sustainable or wish to shop sustainable
- → Data on customer behaviors in a growing segment and area of research.

#### What is RISE?

RISE has indexed food products based their carbon emissions (CO2/kg). Leasing the RISE Climate Database enables the creation of a bonus system.

Scoring system (CO2/kg)

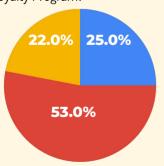
2. Carbohydrate sources (0.1 - 3.1 CO2/kg)

3. Dairy products (0.9 - 8.0 CO2/kg)

4. Protein sources (1.3 - 63 CO2/kg)

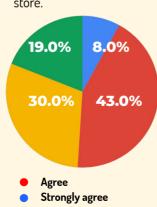
## (**=**) Key Results

How would your consumption change if you were a part of the <u>Sustainable</u> Loyalty Program?



- Would try to consume more sustainable
- Would consume more sustainable
- Would not change my consumption

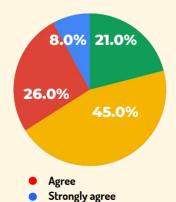
The <u>Sustainable</u> Loyalty Program enhances my perception of the store.



Partially agree

Disagree

The <u>Normal</u> Loyalty Program enhances my perception of the store.



- Strongly agre
- Partially agree

Disagree

Key Results

A sustainable initiative from store is favorable for its brand, the results show 50% more positive attitudes.

Consumers are willing to change their behaviors if they are encouraged

Data from own questionnaire with 185 responses

# Future Challenges

Implementation of the loyalty program in stores, including presenting the benefits of the sustainable loyalty program to a grocery store chain. The idea could be imitated by competitors, however being the "first mover" will increase brand image.