White Paper

How and why to communicate sustainable delivery options in your e-commerce checkout
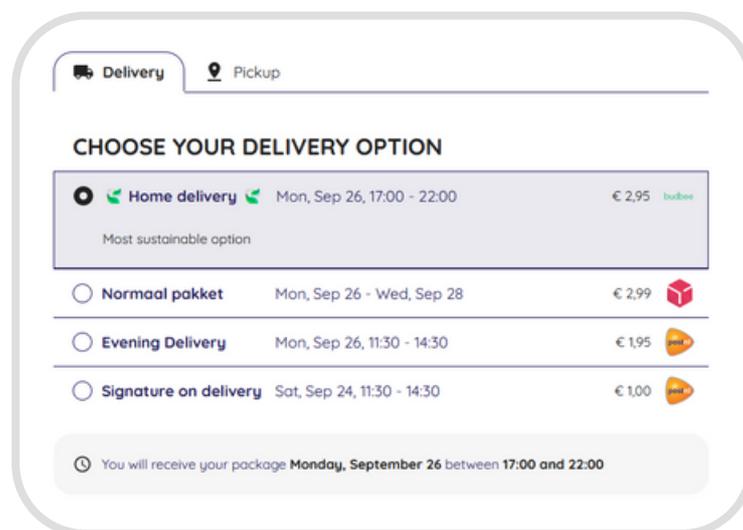
Summary

Sustainability in e-commerce is a large, trending topic. There are many ways to implement sustainable practices within your business, but consumers are increasingly expecting to see sustainable delivery options and information presented during the checkout phase of their online shopping experience. In this white paper we dive into the difference between online and offline, why offering flexibility and choice is of vital importance, how how to best communicate with your consumers during the online shopping experience.

Key take-aways:

- Many consumers are highly engaged in adopting a more sustainable lifestyle. This impacts their e-commerce decision making.

- Carbon emissions from online shopping are on average 36% lower than those produced by in-store shopping.

- Offering a variety of (sustainable) delivery options during checkout provides a competitive advantage in terms of conversion.

- Communicating your sustainable (delivery) practices throughout the online shopping experience can reduce the risk of surprises during checkout, and therefore the risk of cart-abandonment.

Introduction

Sustainability is now a priority for many industries. Although this can partly be explained by an altruistic desire to protect the planet, it is also being driven by consumer choice. According to a recent survey conducted by Deloitte, 32% of consumers are highly engaged with adopting a more sustainable lifestyle. Unsurprisingly, 28% said that they have stopped buying certain products due to ethical or environmental concerns.

Of course, these consumer concerns are related to the types of products being purchased, but they are also affected by how they are purchased. More specifically, consumers want their goods to be delivered in the most environmentally friendly manner. Another survey, this time by Barclays Corporate Banking, revealed that 38% of shoppers were willing to pay more for products if it meant they could select a sustainable delivery option.

Online vs. Offline

Initially at least, the entire concept of sustainable delivery may appear paradoxical.

How can businesses truly promote a green lifestyle if they are encouraging further consumption of the earth's resources through additional purchases?

The first thing to bear in mind when searching for an answer to this conundrum is that many consumer purchases are essential. They are not necessarily frivolous buys made without thought to their environmental impact - particularly in a post-COVID world, where half of all global consumers say they've become more eco-friendly.

Still, although there are more green products and services available for the sustainability-conscious consumer than ever before, they may still be unsure whether shopping in-store or online is better for the planet. Fortunately, recent research has found an answer.

The MIT Centre for Transportation & Logistics recently analyzed the environmental impact of various shopping techniques and found that traditional offline shoppers have a carbon footprint of almost twice that of online shoppers.

Online vs. Offline cont.

While it is true that the carbon footprint of an online shopper does increase when they opt for express delivery, the fact that the online delivery process can be optimized, still means that it is usually more sustainable than shopping offline.

Checkout Choice

In order for online shoppers to make environmentally friendly decisions, they must be given a variety of different delivery options to choose from. Sustainable e-commerce shipping ultimately depends on a variety of factors. If a consumer cycles or walks to a store before purchasing their items, their carbon footprint is likely to be small. If, however, they use a large personal vehicle to go and collect a single product, the carbon footprint of their shop will be relatively large. The growing popularity of electric vehicles further complicates matters.

A similar range of factors has to be considered when consumers are selecting delivery options for their online purchases.

Route optimization is one way of providing a green delivery service, but other sustainable initiatives are also being explored by e-commerce firms. Many retailers are choosing recycled or reusable packaging within their shipments, as well as reducing the amount of plastic they use.

More importantly, studies indicate that one of the most important considerations for consumers looking for green delivery options is choice. If you offer an inflexible delivery process, consumers are likely to switch to a brand that is more in line with their values. So instead of offering shoppers a service that only takes speed or cost of delivery into consideration, explore whether more sustainable options can also be offered at the checkout.

For example, some retailers are asking consumers whether they would prefer their purchases to arrive via more eco-friendly modes of delivery, including bicycles or electric vehicles.

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Checkout Choice cont.

These sustainable delivery options may cost consumers more and they may not be as fast, but for some customers, this is unlikely to be an issue. In fact, retailers are likely to find that offering sustainable delivery options at checkout serves as a competitive advantage.

The power of communication

Although research indicates that many consumers are looking for more sustainable delivery options, this doesn't mean that retailers should simply take this for granted. Communication is key if merchants want to encourage consumers to choose the most sustainable delivery option available.

Businesses should ensure that they communicate their sustainability credentials clearly on their website - including how they are incorporated within the delivery process. Include statistics around carbon emissions, recycled materials, and efficiency improvements, to demonstrate to your consumers that sustainability is more than just a buzzword to you.

As well as including a dedicated sustainability page on your website, it can be a good idea to reiterate your green values at checkout.

The average documented online shopping cart abandonment rate is 69.80% - a figure that demonstrates that no sale can be taken for granted - even once a consumer reaches the endpoint of their journey. As a result, communication is essential all the way up until an individual has finally completed their purchase. Offering sustainable delivery may well be the factor that converts that shopping basket into a sale.

What's more, good communication can actually help businesses to live up to their sustainable delivery promises. Regular contact with the purchaser can be used to keep them up to date with likely delivery times and reduce the likelihood of missed deliveries. Incredibly, up to 60% of customers miss their first delivery attempt, which means delivery vehicles have to run repeat trips - increasing their carbon emissions and adding to consumer frustrations.

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The power of communication cont.

Living up to promises, of course, also requires authenticity. Customers will see through sustainability claims that aren't backed up by tangible results. Greenwashing can damage trust and lead to long-term reputational damage that consumers will not forgive quickly.

Transparency, honesty and an ongoing willingness to engage with customers is needed if businesses want their sustainability credentials to stand up to scrutiny.

And finally, communication lets retailers personalize their delivery options. The fastest possible delivery options may be demanded for some purchases (like a last-minute birthday present), but for others, a slower, more affordable, and greener delivery may be exactly what the consumer is looking for. But the only way retailers will know this for sure, is if they maintain a healthy dialog with their consumers. The customer is always right, remember, and many of them want a delivery service that balances reliability, speed, cost, and sustainability.

Conclusion

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Is your e-commerce checkout doing enough to cater to your customers' (sustainability) needs?

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Would you like to find out more about how Paazl's Checkout Widget can help improve your webstore's sustainable delivery offering?

Let's Talk!