

2021

GLOBAL BUYING GREEN REPORT

Sustainable Packaging in a
Year of Unparalleled Disruption



TRIVIUM
PACKAGING

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How Sustainability Shapes Consumer Packaging Decisions

Trivium Packaging offers customers around the world innovative and sustainable metal packaging solutions. As the partner of choice for quality sustainable packaging, Trivium is committed to continuously delivering objective data and insights to the packaging industry. The Buying Green Report is a study published by Trivium based on consumer research conducted by the Boston Consulting Group.

Capturing Consumers' Perceptions on Sustainable Packaging

The 2021 Buying Green Report is based on a survey of more than 15,000 end consumers across Europe, North America and South America. Within each region, the sample of respondents was representative of the overall population in terms of age, gender and income distribution. Survey questions explored participant behaviors related to sustainable packaging, including their willingness to pay more for eco-friendly packaging, and perceptions of different packaging materials.

In early 2020, the Global Buying Green report revealed that consumers consider themselves as environmentally aware of sustainable packaging. Now, a year later, the COVID-19 pandemic dominates the landscape and tests the durability of consumer attitudes and behaviors around sustainability.

Would consumers abandon sustainability as a key packaging attribute, or do they seek to balance sustainability in the light of COVID-19?



How Sustainability Shapes Consumer Packaging Decisions

Takeaways for Brands

Despite the massive disruption that occurred in 2020, consumers did not abandon their commitment to sustainability. A significant majority continue to identify as environmentally aware, and younger consumers, in particular, are willing to pay more for products in sustainable packaging. While other priorities emerged during the pandemic, the data indicates that consumers not only continue to value sustainability but also are putting those values into action when making purchasing decisions.

83%

of consumers among younger generations showed a willingness to pay more for sustainable packaging

As in the previous Buying Green Report, more than 70% of participants expressed a willingness to pay more, with notably higher interest among younger consumers

67%

of consumers still find themselves environmentally aware

Sustainability remains at the forefront of consumer minds

FEWER THAN

1 in 3

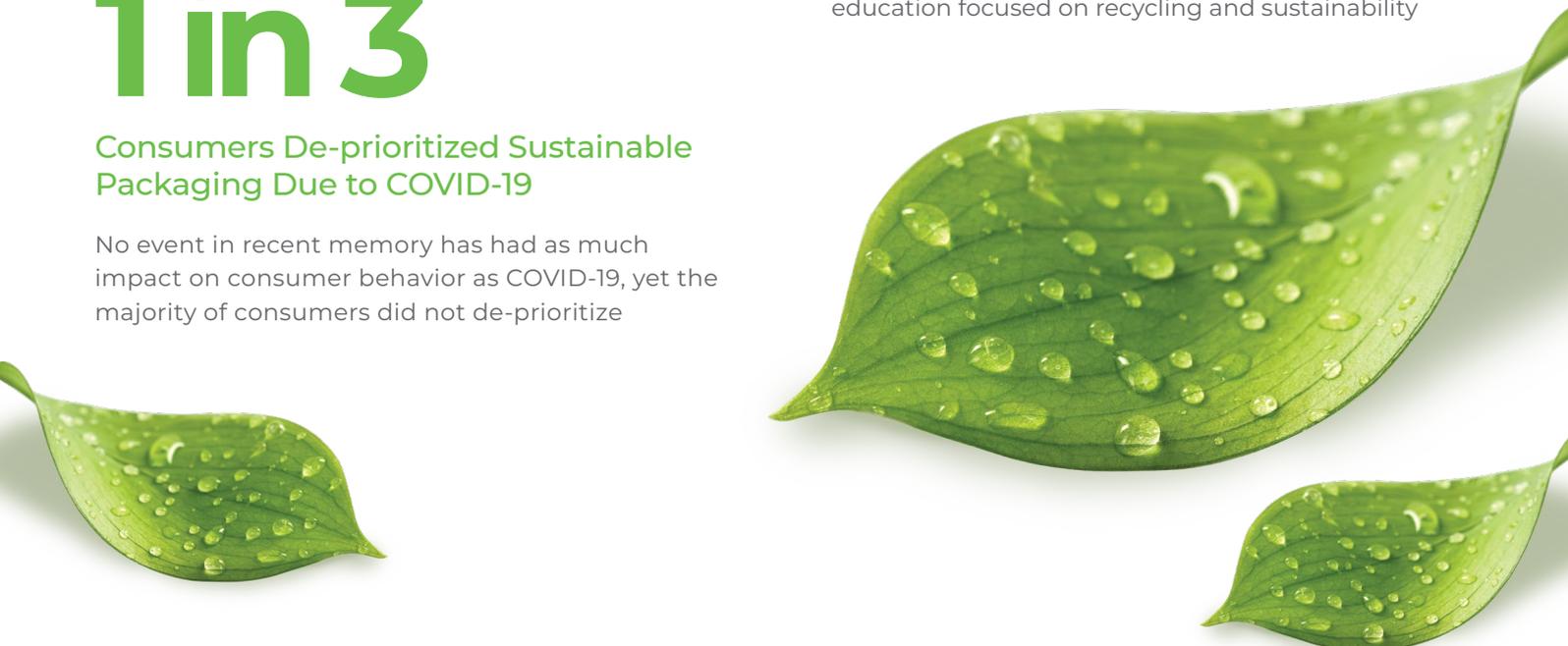
Consumers De-prioritized Sustainable Packaging Due to COVID-19

No event in recent memory has had as much impact on consumer behavior as COVID-19, yet the majority of consumers did not de-prioritize

67%

of consumers find recyclability of packaging important; however, the perceptions do not always match recycling facts

Consumers perceive some materials as more recyclable than global recycling rates indicate. This emphasizes the need for increased fact-based education focused on recycling and sustainability



Consumers Maintain Their Focus on Sustainability

A key insight that emerged from the 2020 Buying Green Report was that consumers are conscious of their day-to-day impact on the environment. We see similar findings in 2021, indicating a durable consumer trend in embracing sustainability-oriented values.

67%

of consumers identify as environmentally aware, the same as last year despite the disruption of the pandemic

67%

of consumers find it important that the products they buy are in packaging that is recyclable

64%

of consumers find it important that the products they buy are in packaging that contains recycled content



How Values Translate Into Behaviors

There is strong evidence that consumers are walking the talk through their buying behavior. Consumers account for the sustainability of a product's packaging before making a purchase, and the majority will refrain from or hesitate to buy a product that they regard as being harmful to the environment.



54%

of consumers say the sustainability of the packaging is a factor in their product selection process

52%

of consumers look for information on the recyclability or sustainability of the packaging of the products they buy

57%

of consumers are less likely to buy products with packaging that is harmful to the environment

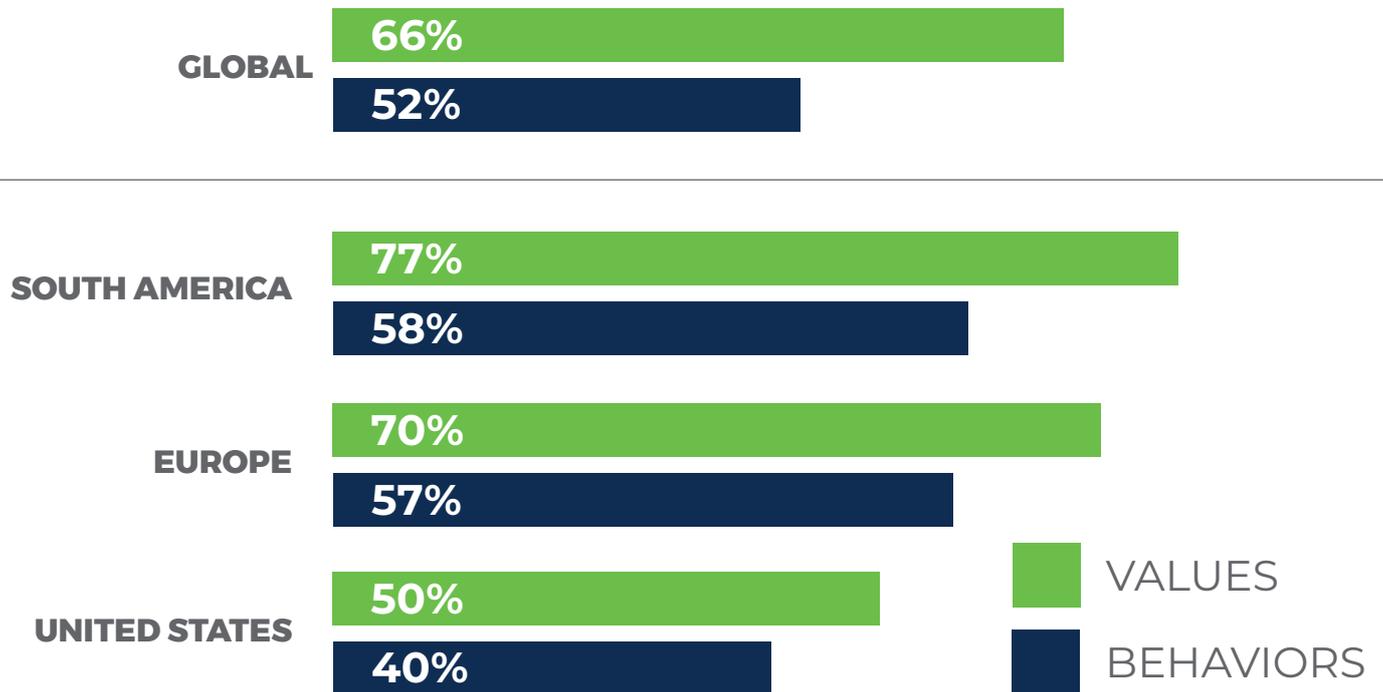


Regional Variations in Perceived Values and Behaviors

Across the three surveyed regions, South American consumers retained last year's pole position as the consumer group that is most likely to adopt sustainability-oriented values. They are also the most likely to take active steps to curb their environmental footprints, including through their information-gathering and purchasing behavior.

In Europe, sustainability continues to be a key determinant of purchasing intentions for the majority of respondents, while the United States lags behind on both sustainability values and behavior.

Regional Differences Follow the Same Global Trend

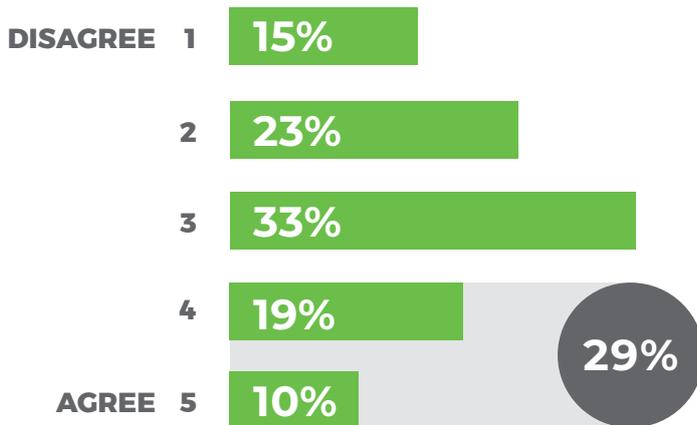


MANY REGIONS. ONE PLANET.

The Impact of COVID-19 on Consumer Perceptions

COVID-19 has impacted the way we work, live and engage with one another. Consumer perceptions of packaging have similarly been affected. When asked about their perceptions of sustainable packaging, nearly one in three consumers stated that COVID-19 caused them to lower the importance placed on sustainable packaging.

I De-prioritize Sustainable Packaging Due to COVID-19



This finding is consistent with broader research indicating that for many customers, food safety and hygiene became exceptionally important during 2020.¹ However, around the world, concerns about the environmental footprint of packaging and the pursuit of more sustainable packaging are expected to be a profound part of the new normal. The Sustainable Market Share Index™ even indicates that sustainability is a firm foundation for growth.²

Sustainable Marketed Products

CONTINUE TO GROW

despite the COVID-19 pandemic²

GREW 7.1X FASTER

than products not marketed as sustainable (2015-2019)²

OUTPACED THE GROWTH

of their individual categories by 90%²

¹ McKinsey & Company. (2020). Sustainability in Packaging: Inside the Minds of Global Consumers. <https://www.mckinsey.com/industries/paper-forest-products-and-packaging/our-insights/sustainability-in-packaging-inside-the-minds-of-global-consumers>

² NYU Stern Center for Sustainable Business. (2020). Sustainable Market Share Index™ <https://www.stern.nyu.edu/sites/default/files/assets/documents/2020%20Sustainable%20Market%20Share%20Index.pdf>

Younger Generations Recognize the Value of Sustainable Packaging

When asked whether they would be willing to spend more for eco-friendly packaging, consumers demonstrated their strong commitment to sustainability. Overall, results are broadly consistent with 2020's figures and provide further encouragement to brands considering a move to more sustainable packaging.

The majority of respondents said they would pay a premium for sustainable packaging, and many indicated a willingness to pay an additional 10% or more of the product's price if the packaging was eco-friendly. However, a downward shift in the premium compared to 2020 results can be observed.

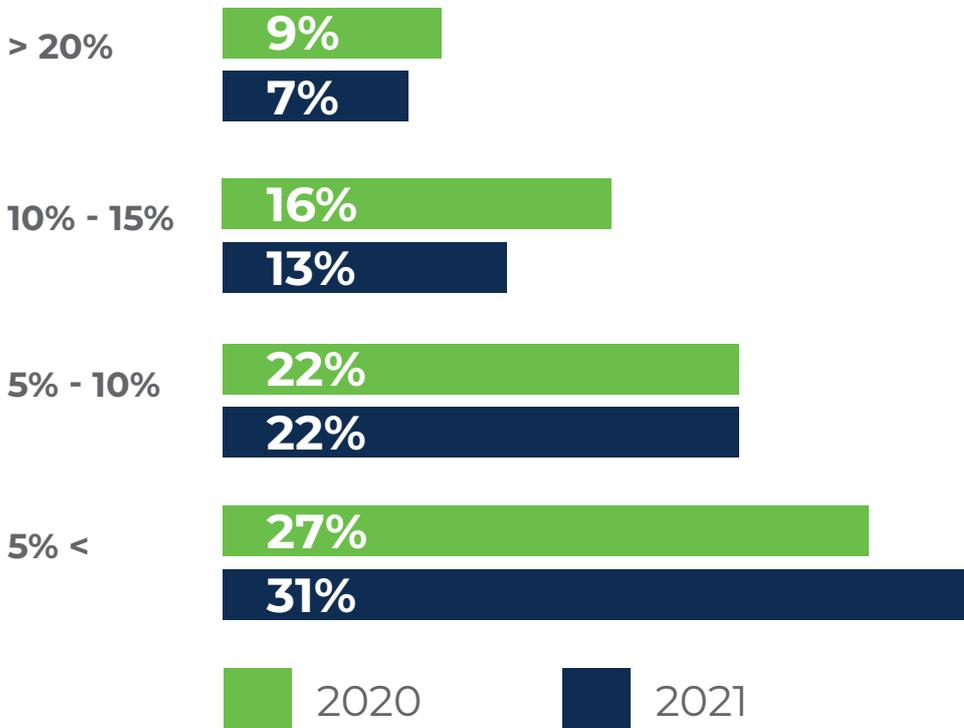
73%

of consumers are willing to pay more for eco-friendly packaging

20%

of consumers are willing to pay over 10% more (reduced from 25% in 2020—this shift could be COVID-19 related)

Putting a Price on Sustainability

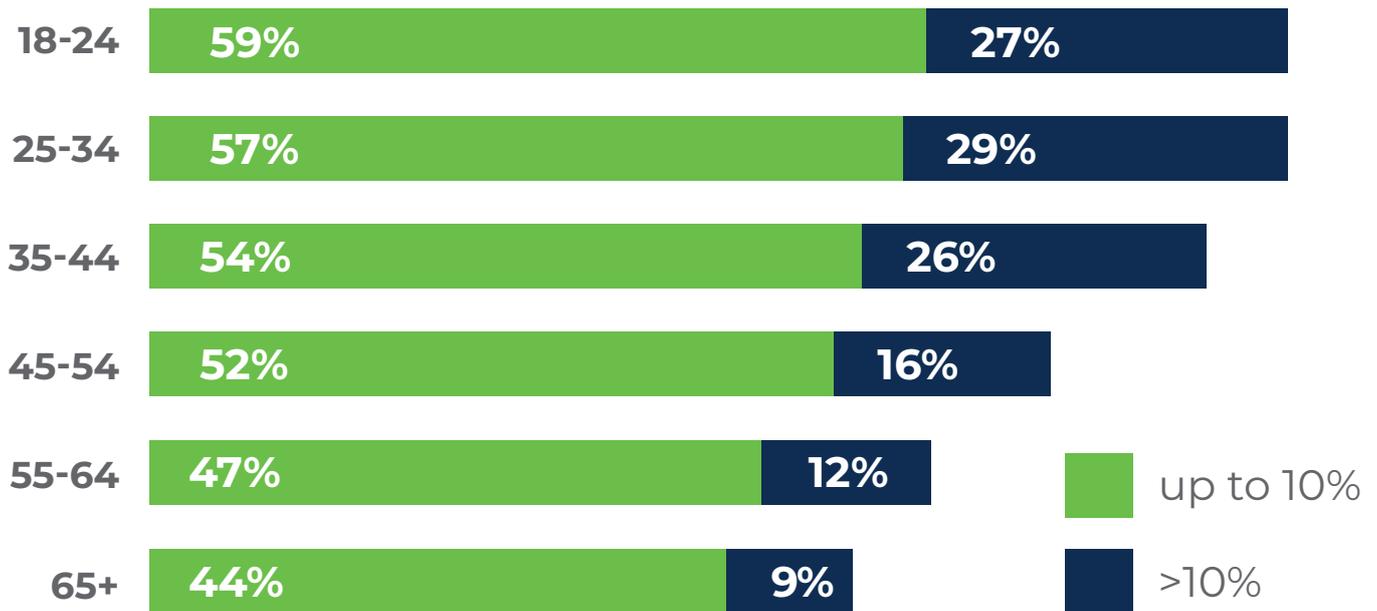


Based on a \$5.00 product.

Correlating Willingness to Pay with Age

Crucially, results of the survey indicate that younger consumers <44 years are 23% more inclined to pay for sustainable packaging than older generations. Additionally, among younger consumers, we observe no significant differences in willingness to pay between Millennials and Generation Z, or between different income brackets. This suggests that younger age groups in general are putting their values into action when making purchasing decisions.

Willingness to Pay by Age



**FUTURE CUSTOMERS RECOGNIZE
VALUE IN SUSTAINABLE PACKAGING.**

Willingness to Pay Regionally Edges Up

The Buying Green survey noted an increase in willingness to pay more for sustainable packaging in both the United States and South America, though consumer preference slightly decreased in the overall amount they are willing to pay compared to 2020. For example, in South America the willingness to pay is the highest globally with about 84% of consumers willing to pay a premium for eco-friendly packaging. The portion of consumers willing to pay premiums of 10% or more, however, decreased from 37% to 23%. This is likely due to the changes in sustainability prioritization imposed by the pandemic.

The findings clearly show that the appeal of sustainable packaging is universal and that the majority of younger consumers are willing to pay more for packaging that they consider to be eco-friendly.



Materials Matter

When asked about what they view as the most sustainable packaging materials, consumers around the world could not reach a consensus. For example, glass was identified as most sustainable in two of three regions, but registered a decline in favorable perceptions compared to last year.

Consumers across all three regions were aligned, however, on what they regard as the most unsustainable packaging material on the market: plastic. Plastic was consistently associated with undesirable attributes such as ocean pollution, low quality, wastefulness and harm.

In recent years, we have seen plastic pollution dominating the public's concern for the environment. Governments and corporations have, in turn, responded through new legislation, regulations and pledges aimed at curbing the use of single-use and difficult-to-recycle plastics that hinder circularity. However, the implementation of some of these measures has been temporarily halted due to the global pandemic.

At the other end of the spectrum, consumers associate some materials with "premium," creating opportunities for brands positioning their products in that category. Glass and metal were perceived as premium by more consumers than other materials.

55%

of consumers associate plastic with "harmful"

36%

of consumers associate plastic with "wasteful"

63%

of consumers associate plastic with ocean pollution

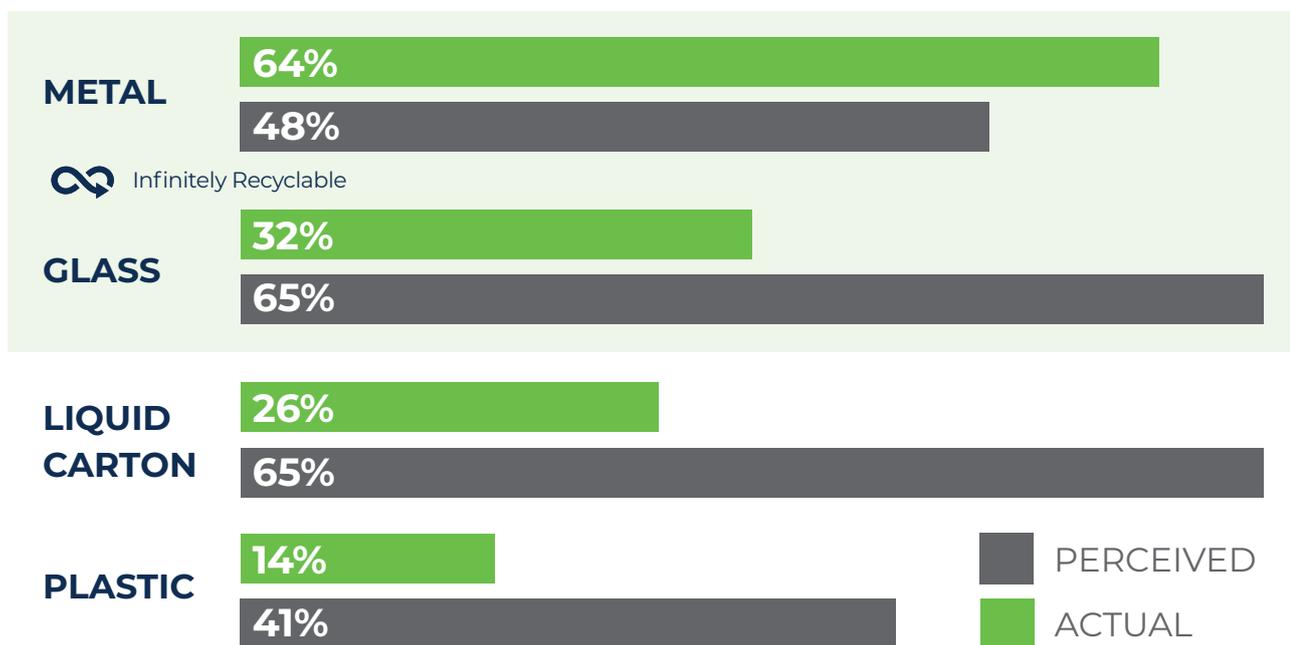


Identifying Gaps Between Perception and Reality

The research findings provide a **clear call to action** for brands as well as local and national authorities who are eager to spearhead the move toward **circularity**:

Promoting sustainable packaging starts with objectively clarifying and communicating the difference in the recyclability and recycling rates of packaging materials.

Infinitely Recyclable Metal Packaging Leads Global Recycling Rates



As we move toward a circular economy, the true test of sustainability is whether packaging materials can be efficiently recycled following usage by end consumers. Plastics, for example, are widely considered to be difficult to recycle and are subject to downcycling—their quality degrades with every round of recycling, limiting the number of times they can be reintroduced into a circular system. Liquid cartons also face significant challenges in sorting and recycling. Composed of multiple materials, liquid cartons require specialized facilities for efficient recycling; to date, the number of such facilities is limited.³

In contrast, the inherent properties of metals do not deteriorate over time; metals can be recycled endlessly with no loss in quality.⁴ Furthermore, owing to well-established recycling channels, metal packaging has the highest recycling rates globally among all packaging materials.

Notes. Global recycling rates for packaging/containers are used and are based on latest data available. Sources:

- Plastic global recycling rate: [Ellen MacArthur Foundation/World Economic Forum](#);
- Liquid carton recycling rate indication: [Ethical Consumer](#);
- Metal global recycling rates: [Global Recycling & International Aluminium Institute](#);
- Glass global recycling rate: [Recovery](#). Recycling Technology Worldwide.

³ Zero Waste Europe. (2020). *Recycling of Multilayer Composite Packaging: The Beverage Carton*. https://zerowasteurope.eu/wp-content/uploads/2020/12/zero_waste_europe_report_-beverage-carton_en.pdf

⁴ Metal Packaging Europe. (2021). *Metal Recycles Forever*. <https://www.metalrecyclesforever.eu>

Reducing Recycling Complexities with Metal

Nonetheless, our survey points to a mismatch between actual material recyclability and consumer perceptions of it. Consumers did not appear to recognize that metals are 100% recyclable and overestimated the recyclability of other materials, such as plastic and glass. We attribute this mismatch to the confusion caused by inconsistent environmental messages and labels and differences in local recycling processes, as well as a general lack of awareness of best recycling practices.

For example, over 450 environmental labels are currently in use in 199 countries and 25 industry sectors,⁵ causing consumers to often misunderstand, overlook and potentially even mistrust the sustainability credentials of eco-friendly products. In the United States, 38% of consumers stated that they have “no idea” which recycling numbers printed on packaging are associated with easier recyclability.⁶

METAL



GLASS



LIQUID CARTON



PLASTIC



It is evident that consumer perceptions on packaging materials are influenced by a variety of factors, but the goal of the industry should be to move closer to true material circularity. More fact-based information on recycling rates and best practices, along with clearer labels, are an important step in moving in this direction.

⁵ Ecolabel Index (2021). <http://www.ecolabelindex.com>

⁶ Packaging World. (2021). *The Consumer Behavior of Plastics and Recycling in America*. www.packworld.com/issues/business-intelligence/article/21342501

From Ambition to Impact

Trivium offers a variety of metal packaging solutions with innovative shaping and opening options. From the beginning, we have consciously embraced sustainability as a guiding and binding principle for the way we operate. Metal packaging is perfectly aligned with a circular economy, as it replaces a “take-make-dispose” logic with closed material loops. Once produced, metals exist forever and can be used, reused and recycled endlessly without any loss of quality.

But our commitment to sustainability goes further. Every day we pursue new ways to enhance the efficiency of production processes, reduce our environmental footprint, and create innovative products and solutions that deliver long-term value for our customers. Our leadership score in 2020’s Carbon Disclosure Project gives us the confidence that we are implementing best industry practices when it comes to climate change and water security. But we believe we can do even more. With sustainability as an integral part of our business, Trivium is taking science-backed steps to achieve its sustainability goals.

An official commitment to the Science Based Targets initiative (SBTi) underlines the company’s sustainability focus by setting long-term science-based emissions reduction targets along its value chain, in line with 1.5°C emissions scenarios. As part of this commitment, Trivium will establish and communicate a clear pathway to its emissions reduction target, to be reviewed and validated by the SBTi.



WE CONTAIN WHAT MATTERS.

Interested in learning about our survey methodology or our sustainable product developments?

We'd love to tell you more.

Contact us at: sustainability@triviumpackaging.com

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