



Sustaining Singapore Executive Summary



The Research Approach

The Qualitative Approach

- There were two Focus Group Discussions (FGDs) conducted between Grocery shoppers and Household Appliance buyers.
- At the same time, we interviewed the trade, six in-depth interviews (IDIs) (fresh food and household appliances) for their opinions on the same topic.
- FGDs and IDIs were conducted from 6th to 9th November 2008

The Quantitative Approach

- Methodology:
 - 500 completed surveys
 - In English, Online
 - Interviews lasted approximately 15-20 minutes
 - Interviews were conducted from 11 - 24 December 2008
- Target Respondent :
 - Males and females aged 25 to 49 years
 - belonging to households than are in the top 50% income range (i.e. SGD 4,000 and above)



Executive Summary

- Overall, water quality; worker welfare; and, nutrition and obesity are the top 3 concerns of Singaporean's
 - For 52%, the level of concern for the environment is high (rated as 8 or more out of 10)
- Consumers mostly define sustainability as 'economic (55%) or environmental (53%) sustainability' followed by 'recyclable' (48%) i.e. a recyclable product
- Consumers are aware of multiple sustainable activities (that the 'general population' can do); the majority (81%) are actively involved in such actions as:
 - Turning off lights when leaving a room (61%)
 - Switching off appliances when not in use (58%)
 - Efficiently using resources (water, electricity) (56%)
 - Using energy saving light bulbs (53%)
 - Recycling (52%)

Executive Summary

- Companies claiming to be sustainable are expected to:
 - Minimise waste and pollution (68%)
 - Increase resource efficiencies (water, electricity etc) (66%)
 - Use recyclable/ biodegradable packaging (58%)
 - Manufacture products that are recyclable (56%)
- The internet (72%) and word of mouth (59%) are both the main source of information for consumers, and most widely received medium when consumers are making purchase decisions
- Word of month (37%) is not the most trusted source however, Government agencies (57%) and the Consumer Association of Singapore (CASE) (38%) are considered as being more reliable



Sustainability: show end consumers what's in it for them!

- Environment is a concern but not a concern *strongly* felt by the majority (just over half claim to be concerned to some extent)
- Bread and butter issues are mentioned as most important concerns
 - Cost of living, worker welfare, transportation, economic growth, water quality and nutrition & obesity.
- Sustainable activities that Singaporeans claim to conduct are primarily related to cost savings in power and water supply bills
 - Buying natural/organic products is lower down the activity list

Implication:

Any communication related to 'sustainability/ environment friendliness' will have to be conducted in the context of financial benefits or health benefits to the end consumer.

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Key Findings – Singapore Consumers



Purchase Criteria

Fresh Produce

- Must-have
 - credibility (approval from recognised authority and country of origin)
 - visual appeal (looks fresh/appealing/ready to eat)
- Delighters
 - value for money i.e. a high quality produce at a 'reasonable' price

Home Appliances

- Must-have
 - brand reputation (reliable, approval from recognized organisation),
 - design (fits in with style of home),
 - service (good customer service, after sales service)
- Delighters
 - Product Pricing and being energy/water efficient
 - Extended warranty

Implications:

For a company/brand to communicate a stamp of approval from a recognised authority just works at reassuring consumers. They anyway expect that.

A value for money positioning (high quality at a reasonable price or saving energy/power) is what is likely to attract their attention and delight them.



Concerns of Singaporeans

- Overall, cost of living is the most important concern for Singaporeans
 - The cost of living is perceived to have increased over the past few years and this limits expenditure as Singaporeans would still like to save the same amount of money they have saved in the last few years
- The society strongly feels that the Government plays an important role in creating awareness and educating people in terms of environmental friendly activities
 - Consumers believe that stringent steps need to be imposed as many consumers are taking this too lightly
 - Consumers also believe that educating Singaporeans about the environment is important and they consider it to be the Government's responsibility

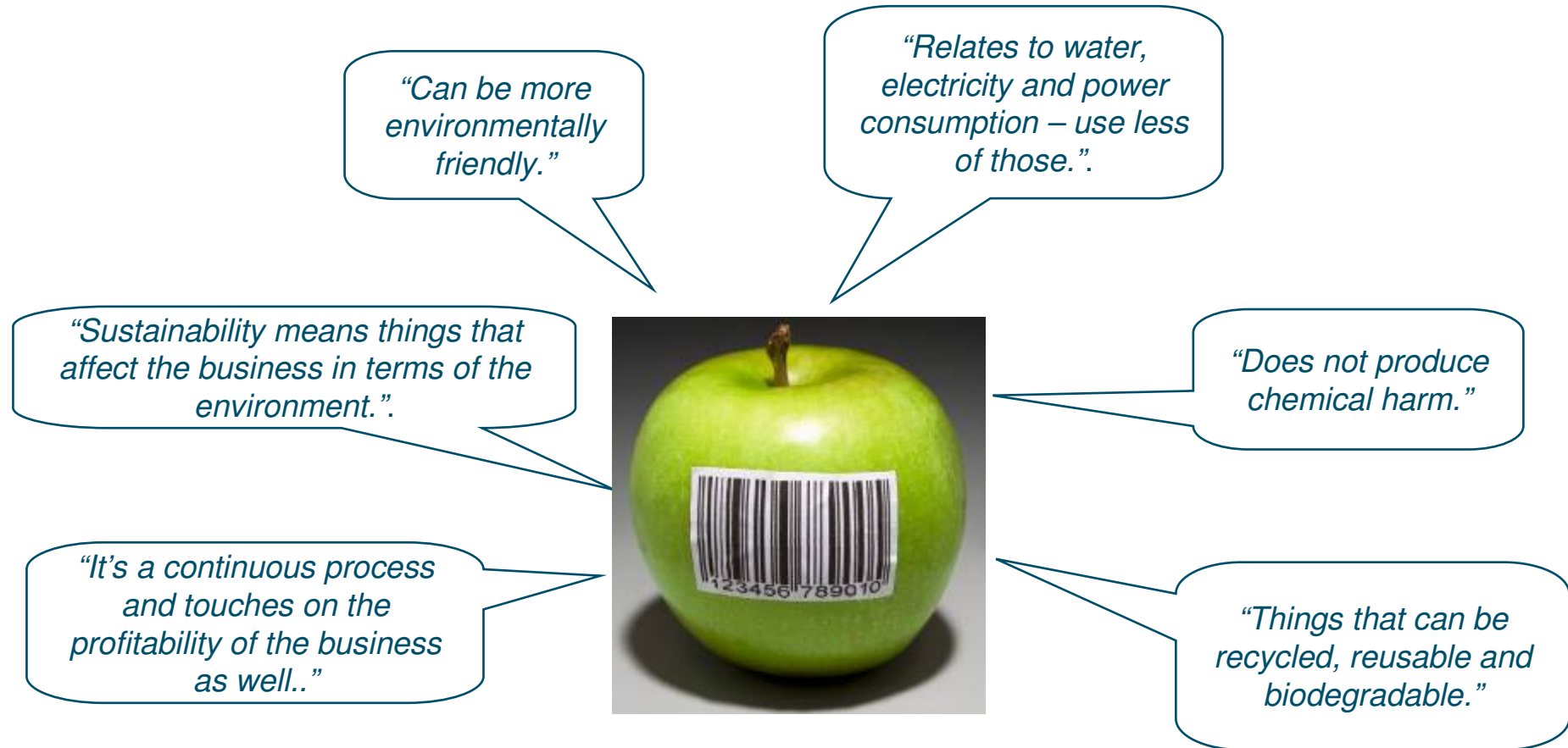
The Government is expected to play a more active role in creating awareness and educating the society regarding environmental issues

Perception of 'Sustainability' - Consumer



Not all understand the word 'sustainability' but when 'environmentally friendly' is used, it is clearly understood by the consumers.

Perception of 'Sustainability' - Trade



Sustainability is closely linked to the environment and at the same time, to the ability of the business to sustain

Examples of Companies Carrying Out Sustainability Activities

Trade

- There is some knowledge about sustainable activities done by other companies..
 - Body Shop: Against animal testing and uses recyclable bottles
 - Sharp (Japan): Uses solar power (50%) to run their factories
- Retailers also associate their companies with sustainability
 - *“We try to promote an environmental friendly image by giving out environmentally friendly bags instead of plastic bags.”*

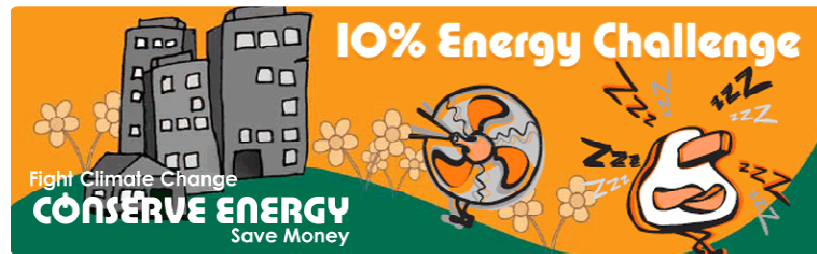
Consumers

- Consumers tend to look at things closer to their every day lives – office policies of going green to recycling.
- Companies who carry out sustainable activities are seen to be responsible and at the same time, these companies are able to save money.
 - Ikea: Promotes energy saving appliances and the packaging of their products is recyclable
 - NTUC and Cold Storage: promote using cloth bags

Positive impression of the companies that follow ‘sustainable activities’
- Good for the image as well as reduces cost

Impact of Government Activities- A context to consumer behavior

- The activities and communication carried out by the NEA (National Environment Agency) has had a big impact on the consumer perception of 'sustainability'



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Key Findings – Food Products

Executive Summary – Food

- Buying sustainable food is very important for 53%, and can be defined as:
 - Produced by a company with environmentally friendly production processes (49%)
 - Natural (46%)
 - Produced by a company that minimizes waste output (45%)
 - Organic (44%)
- Fresh Vegetables (61%) and Fruit (58%) are the most common 'sustainable' food varieties available
- Of those whom are aware of sustainable food items, 92% buy these sometimes or all the time



Executive Summary – Food

- Information on sustainability is important to consumers when buying food - 95% actively looking some form of information
 - Approval by a recognized organisation (66%)
 - Country of origin (56%)
 - Information on the nutritional attributes of the product (47%)
 - Information on traceability that informs about the origin, production and supply of the product (46%)
- New Zealand is second only to Australia as being seen as a sustainable food producing country



Environmentally sustainable food products according to..

Trade

- Sustainable food is associated with 'Organic' food
 - Fruits
 - Vegetables
 - Eggs (few)
- According to trade, organic food has been experiencing positive growth among the higher income consumers (estimated MPI of \$3000 and above)

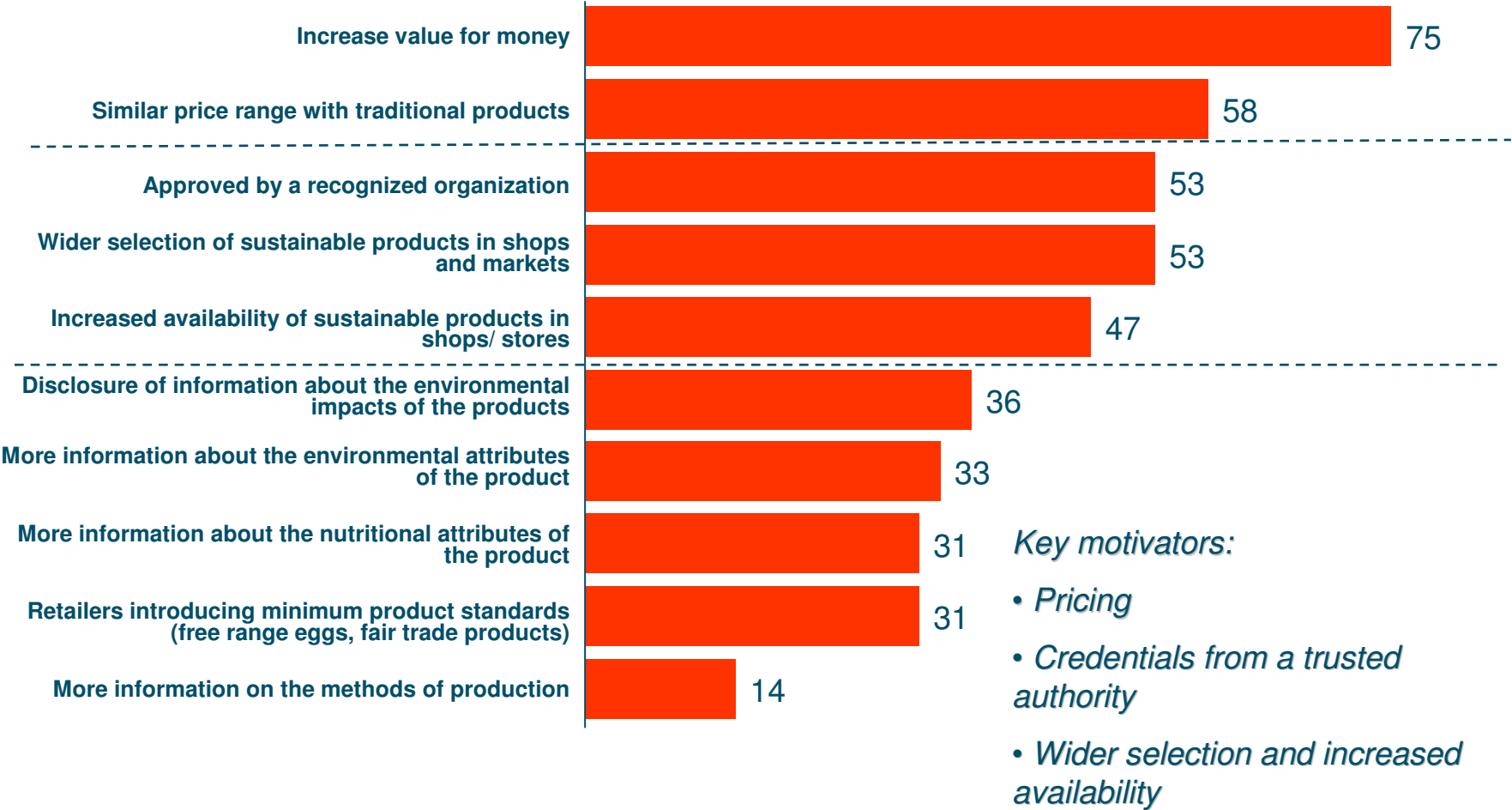
Consumers

- Even for consumers – at a spontaneous level sustainable food is equivalent to 'Organic' and is related only to fruits and vegetables
- Organic products are perceived to be expensive by consumers.
 - "The price will tell you the difference. The packaging itself is also much neater and smaller because people do not buy bulk.."* – Consumer
- The desire to go green is not just limited to food products but it is also reflected in other areas of food shopping
 - For example consumers would prefer to carry a 'cloth bag' instead of plastic bags and would also prefer goods to be packed in an environmental friendly packaging

Sustainable food has a narrow definition in Singapore. It is perceived only to be 'Organic' and is associated only with fruits and vegetables

Encouraging shoppers to buy more

[Unit: %]



Q12: What would encourage you to buy more 'sustainable food products' or buy them more often?
Base: All respondents who never or not very often buy 'sustainable food' items, n=36

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Key Findings – Home Appliances

Executive Summary – Home appliances

- In the eyes of consumers, appliances that are recyclable (46%) and are resource efficient (42%) are deemed as 'sustainable'
- Importance of buying sustainable home appliances is again high (55%)
- As a country New Zealand sits behind Japan, USA, UK, and Australia in terms of awareness of a sustainable appliance producing country.

Environmentally sustainable appliances are.....

- Appliances that indicate energy savings are considered to be sustainable by both the trade as well as the consumers
- Although consumers prefer appliances that are energy saving, they might not purchase these appliance for the sake of the environment but to save money in the long run
- The government too plays an important role in creating this perception through media
- It is also mandatory for appliance manufacturers to have stickers on their products indicating the level of energy saving
- Consumers can easily identify these stickers due to the extensive media campaign by the government



For Singapore consumers,
Energy Saving Appliances = Sustainable Appliances