

Purpose Driven Fuel

convenience.org/Media/Daily/2019/August/13/3-Purpose-Driven-Fuel_Fuels



Sustainability programs focused on carbon reduction bring broad-based success

for retailers.

August 13, 2019

*This interview with Pete Davis, CEO, **GreenPrint Holdings Inc.**, originally appeared in the August 2019 issue of NACS Magazine. It was brought to you with support from **GreenPrint**, a NACS Hunter Club Bronze member.*

ALEXANDRIA, Va.—**With all the media coverage surrounding consumer opinion on climate change, how important is it for companies to adopt sustainability initiatives?**

Simply put, consumer demand makes it important. Consumers are demanding more choices when it comes to sustainable products and services as a result of the climate change debate.

Just like any other business decision, when customers demand products and services, companies evaluate, react and respond. In the retail space, consumers are demanding more fresh food, and we're seeing the industry respond. We are also seeing the industry respond to consumers' demand for more organic and healthy snack options, as well. Companies that are proactively listening and responding to their customers in smart ways are seeing positive impacts to their business and their bottom line.

With environmental regulations a 2020 election topic, it seems like the pressure will be on for companies to invest in sustainability efforts like emissions reduction.

The legislative conversation is definitely increasing—whether it's The Green New Deal, The Paris Accord or Canada's recent Carbon Pricing, the question remains "How will we regulate carbon?" Rather than pressure, it's more of an opportunity for companies to get out in front of forced regulation. We're seeing companies start to self-regulate and pre-empt some of these mandatory measures by implementing programs that proactively reduce or mitigate their carbon footprint.



And there's not just legislative pressure, you touched on consumer demand for more sustainable products and services, can you share more on that?

Consumer demand for sustainable products is a very real thing. There is increasing amounts of research proving that a shift is happening in consumer purchasing behavior toward purpose-driven and sustainable brands. Kantar's Purpose 2020 report showed that brands recognized for their strong commitment to purpose have grown at twice the rate of others over the past 12 years. The shift is especially true for Gen Z and millennials, says Cone Communications, with 91% of millennials stating they would switch brands for one that champions a cause. In the area of sustainability specifically, 84% of consumers consider sustainability when making purchase decisions, according to the Hartman Group. We are seeing companies pivot to embrace this shift in every sector. Starbucks continues to invest and promote its Greener Retail initiative; Adidas introduced a recyclable single-material running shoe earlier this year; and Walmart continues to expand its partnership with Electrify America by installing charging stations at its stores across the country. These companies are embracing sustainability programs not just because they're green but also because they are listening to their customers, and it is positively impacting their bottom line. Just peek at their stock charts over the past year.

Can sustainability programs focused on carbon reduction deliver to the bottom line for retailers?

The retailers that are investing in their brand by introducing sustainability programs focused on carbon reduction are stealing market share from their competitors. Reduced carbon emissions programs provide a cause platform to engage with customers in a new way. Engagement is translating to increased brand loyalty, which we are seeing in improved net promoter scores (one of our clients saw a 30% lift) and increased fuel purchases (the average lift across our retail fuel clients is 2.5% in year one). In a market where most believe fuel volumes will be flat or declining due to improved fuel economies and more EVs on the road, we are seeing the opposite.

Implementing a sustainability program seems daunting. Are there turnkey strategies companies can implement to make their businesses more sustainable?

A reduced emissions program is an option for retailers that want to become more sustainable without disruption to the business model or supply chain. Unlike eliminating single-use plastics or installing hand dryers that require procurement changes and investments, reduced emissions programs don't require any changes to the fuel or installation of new hardware. Tailpipe emissions are simply offset through the investment in certified carbon offset projects and local community programs around your stores. Reduced emissions programs offer a frictionless solution for retailers and a way they can immediately mitigate the negative effects of their carbon footprint.

A reduced emissions program can be just the start of a retailer's sustainability journey. Where is there room to grow?

The growth is in the store. Reducing tailpipe emissions at the pump is typically the first piece, but the customer journey doesn't end at the pump, hopefully it ends in the store. A sustainability program should be available to the customer at every point along their experience. We work with our clients to power their stores with renewable energy and to offset the plastic from packaging materials provided as part of their fresh food services. Our philosophy is not to wait: Implement a strategy like a reduced emissions program; power your stores with renewable energy. We believe in making sustainability convenient.