**Topic: Why is sustainability relevant for companies today?**

**Exercise 1 - Rotating roles**

Work in groups of 4 (= 2 x 2 partners). In groups, you are to read the text below and while doing so, you will have a specific task that you need to perform. The tasks for each section are as follows:

* 1. Student 1: Read the text of the first section out loud and look up words you don’t understand (make a list of new words).
	2. Student 2: Retell what you have just heard (use some of the new words).
	3. Student 3: Find an appropriate heading to the section.
	4. Student 4: Identify 2-3 important points (add these points to your list).

The text below has been divided into 4 sections (marked in 4 different colours). Use the above procedure when you read the first section, and once you have completed that section, you change roles and move on to the next section.

[Global Trade Daily](https://www.globaltrademag.com/global-trade-daily/)

 *13 September 2022* | *Written by Francois Moreau*

**Why Consumers Want More Action on Sustainability**



Earlier this year, CGS, a global business applications provider, unveiled its latest annual 2022 Retail and Sustainability Survey. The [survey examined](https://www.cgsinc.com/en/news-events/third-annual-cgs-survey-reveals-sustainability-resurgence-after-popularity-waned-during) different aspects of sustainability from a consumer perspective to gauge sustainability adoption and consumer perspectives, among other things. Surprisingly, despite economic uncertainty in the past, present, and looming on the horizon, consumers seemed [eager to embrace sustainability](https://www.globaltrademag.com/does-your-company-care-about-the-environment-as-much-as-consumers-do/) and demand it from legislators and companies alike. This article will look at the survey and how sustainability is impacting consumer goods.

What’s the sustainability movement?

Despite current world events and inflation, consumers are more interested than ever in shopping for sustainable products. The United States Environmental Protection Agency (“EPA”) defines sustainability as the pursuit of creating conditions where humans and nature can coexist and support present and future generations.

Sustainability is important because it enables us to fulfill our social and economic needs without jeopardizing our society. CGS’s latest 2022 Retail and Sustainability Survey explored how consumers view sustainability today.

Sustainability interest is surging after the Covid-19- pandemic

The interest in sustainability briefly dropped during the pandemic as countries turned towards trying to stop the spread of Covid-19 at any cost. Global supply chains came to a grinding stop, and consumer desire for goods evaporated overnight. In 2020, only 51% of respondents indicated that sustainability was at least “somewhat important.” Today, however, 79% of U.S. consumers report believing that sustainability is “somewhat important” when [looking for fashion](https://www.globaltrademag.com/post-covid-19-slowing-down-fast-fashion-and-the-retail-sector/), apparel, and footwear. For younger generations, 33% of Millennials believe that purchasing sustainable products is “very important,” and 27% of Gen Z believe the same, which is key when it comes to eco-friendly initiatives.

Importantly, past surveys demonstrate that consumer concern for sustainability has only risen. In 2019, 68% had responded that sustainability was “somewhat important.”

Sustainability at any cost?

Sustainability often comes at a price, but despite inflation and other global disruptions, many Americans are open to shopping sustainability. Among those surveyed, 68% indicated they would pay more for sustainable products. This increased from 56% in 2020 to 47% in 2019. Gen Z stood out again when it came to spending and reported that they were [the most likely to pay](https://www.forbes.com/sites/gregpetro/2021/04/30/gen-z-is-emerging-as-the-sustainability-generation/) up to 100% more for a sustainable product.

Related to cost is also where consumers are shopping. Sustainability is driving consumers to change the brands they shop from based on whether they make sustainable offerings. 50% of U.S. consumers have changed where they purchased goods in the past year, and 14% are purchasing from businesses with sustainable practices.

Can fast fashion clean up its act?

These trends can also be seen when it comes to some of the world’s biggest startups, like Shein. Shein is best known for turbocharging the fast fashion business model and producing clothes at unbelievable prices. In the U.S., environmental and social good can hugely impact a company’s ability to attract capital in today’s market.

Shein and other fast fashion startups mostly ship their products via the mail. However, Millennials and Gen Zers both reported making more purchases in-store over the past year, with 45% and 43%, respectively. In the end, cheap clothing may be convenient, but it is [not necessarily driving](https://www.bloomberg.com/opinion/articles/2022-04-08/shein-china-s-fast-fashion-startup-has-a-lot-going-for-it-for-now) consumer demand.

Consumers expect transparency

Sustainable production practices aren’t the only concern for consumers – expectations for transparency have also continued to rise. Demand for increased transparency rose from 2020 when only 23% reported that brands gave enough transparency into their sustainability practices. Today, in 2022, 34% felt that brands were transparent enough. Many global manufacturers are putting planet preservation into their business plans.

At the forefront of sustainability is the practice of ethical labor standards. The survey found that 32% believed that brands should commit themselves to ethical labor practices and that it should be their priority.

Should sustainability be legislated?

However, what should we do when brands refuse to change? The CGS survey also attempted to glean answers on whether consumers thought businesses or the government should be in charge of driving sustainable initiatives. Earlier this year,[in anticipation of New York Fashion Week](https://www.natlawreview.com/article/sustainability-en-vogue-or-newest-staple-what-new-york-s-proposed-fashion), New York legislators unveiled the Fashion Sustainability and Social Accountability Act (“Fashion Act”). The Fashion Act would have forced brands in fashion to adopt sustainability-related obligations.

Following this announcement, 49% of respondents indicated they would like to see more sustainability from different brands. Interestingly, 23% were opposed because they feared it might lead to more expensive goods.

The survey also broke down people by age to determine which age groups were more inclined to support sustainable legislation. 59% of Millennials and 60% of Generation Z were in favor of national/global sustainability laws. In contrast, the older generation of Baby Boomers found only 37% in support of sustainability legislation.

California leads the charge in sustainability legislation

In June, California [passed a similar bill](https://www.voguebusiness.com/sustainability/californias-plastic-law-puts-beauty-and-fashion-on-red-alert) addressing everything from fast fashion and e-commerce packaging to clothing displays and beauty packaging. Among other requirements, the bill will demand producers that sell, distribute, or import into California (basically any company operating in the U.S.) to reduce single-use packaging by 25% by 2032. Of course, the California law is still too new to predict how it will actually impact consumers.

The beauty industry, in particular, faces tremendous hurdles when it comes to reducing packaging. Single-use sachets, which are commonplace to deliver product samples, are almost impossible to produce in recyclable versions. In contrast, some experts view this as an opportunity to establish reuse and refill infrastructure and technology.

In any case, supply chains, retailers, and distributors will all be [forced to adapt](https://www.globaltrademag.com/he-disrupted-the-travel-industry-now-he-advises-others-on-surviving-disruption/) to these industry disruptions. CGS’ survey indicates that consumers are hungry for these changes and willing to encourage legislators to act when companies fail to.

What’s driving the “going green” phenomenon?

Besides legislation, though, what precisely is driving consumers’ motivations for “going green?” Among all age groups, Gen Z was the most influenced by celebrities and other influencers for going green at 15%. However, receiving information about sustainability initiatives and lower pricing ended up being the most influential. 38% of respondents said they would be more motivated to purchase sustainable products if they received more information, and 56% were motivated by lower pricing.

Lower pricing isn’t the only thing consumers appreciate, though. Many buyers also appreciate business updates via texting and SMS, which allows them to[quickly and conveniently communicate](https://www.getweave.com/weave-scheduling/) with the brands they love.

How do consumers embrace sustainability?

Finally, when companies aren’t doing enough and legislators are coming up short, many consumers in the U.S. are taking things into their own hands. 42% of respondents indicated they are waiting longer or choosing longer shipping options for products that are better for the environment. When broken down by generation, 31% of Generation X and Millennials are waiting longer, and only 27% of Gen Z are. In the end, these types of motivations are also shifting business behavior.

The bottom line

Sustainability [isn’t just a throw-away trend](https://www.globaltrademag.com/the-future-of-sustainable-manufacturing-is-a-hybrid-approach/), and “going green” will only become more popular. The CGS 2022 Retail and Sustainability Survey reveals just how much consumers are demanding that companies and legislators embrace sustainability. Today, sustainability isn’t just about “green statements” but about real, lasting change.

<https://www.globaltrademag.com/why-consumers-want-more-action-on-sustainability/>

**Exercise 2 - Comprehension**

In your group, you:

* Write six comprehension questions which capture the main points of the above article.
* Get together with another group, exchange questions and answer them.
* Read your answers aloud to each other.