Possible. Plausible. Potential.

Scenarios *for* adoption of sustainable products

Whitepaper by ***Out of Syllabus***, December 2024

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Context

- Why, How & What of the study
- Framework, Objective & Outcomes

Context

The adoption of Sustainable products at scale could take different pathways. This would depend upon growth drivers, favorable conditions and advancement in technologies. In our last study we looked at the current state of sustainable products in urban India . The focus was on attitudes formation towards sustainable products among Urban Consumers.

In this whitepaper, our objective is to enable brands to explore the plural scenarios that adoption of sustainable products could take. The futuristic view could help brands plan their strategies and decide on the narrative that would fit their brand the best.
For any futuristic scenario planning,the variables are trends in consumer behaviour, social,economic,cultural, technological growth drivers.

We use the three horizon framework(1) to present how the amalgamation of these variables could cause one scenario over the other.

Our evidence is rooted in primary research, among Urban Indians to uncover their motivations, benefits sought. Our market intelligence methods include social listening, google search trends and secondary reports to corroborate our findings.

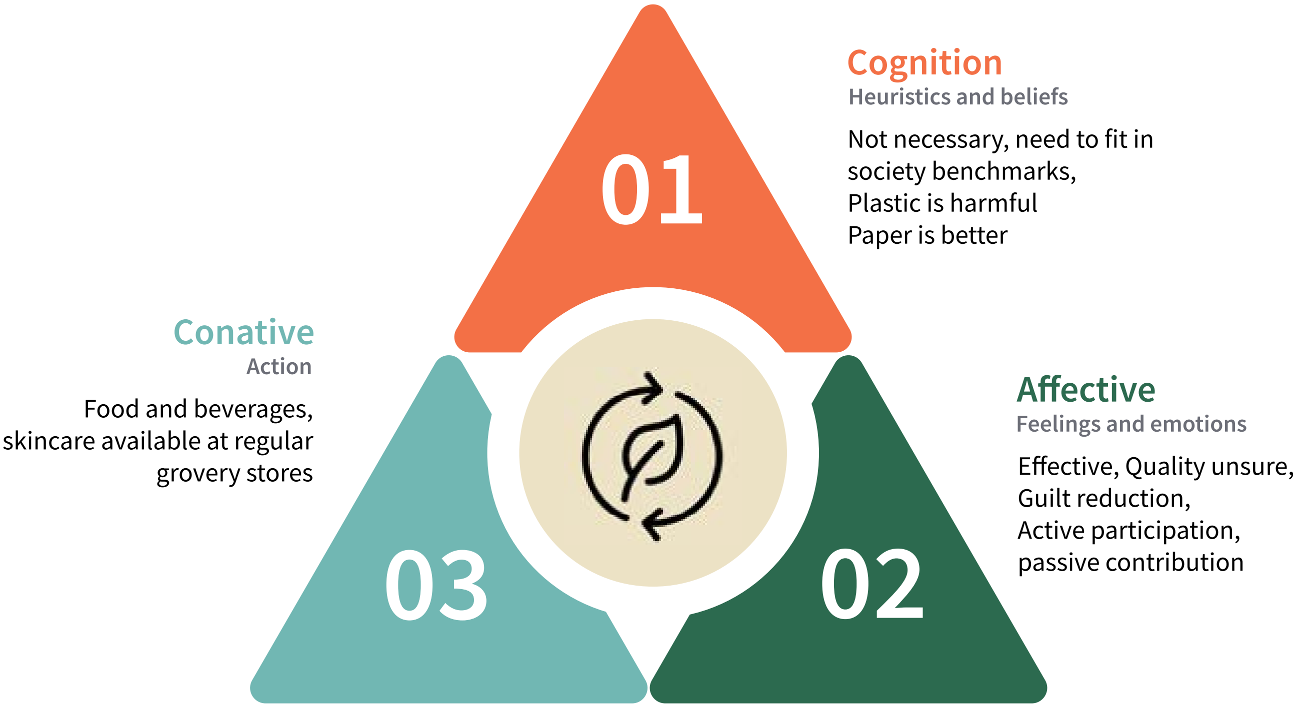
We explore shifts in social, cultural landscape, advancements in science and technology and changes in political narratives. Each horizon is defined by dominant consumer patterns, what is called as prevalence,catalysts and roadblocks to that horizon.

In chapter 3, we recommend brand strategies for legacy brands and new age brands. We propose how highlighting functional benefits would work better for new age brands than building a narrative based on emotional benefits of buying sustainable products.

" In the 3 horizon framework, We have a way to look at the processes of change, that encourages us to see deeper patterns of behaviour beneath surface events,we have made the future accessible in the form of intent and actions that are bringing it about "

Bill Sharpe *,'Patterning of Hope'*

Consumer attitude towards sustainable products



Ref: The Tricomponent model of Attitude formation. (2)

Cognition

Trigger to trial and adoption for sustainable products is an attempt to lead a holistic life accompanied by search for healthy food. Even leading skincare brands which are commonly advertised as natural,were met with questions about their efficacyand compliance to being 'natural', chemical free. Among the consumers who did not buy a product with any of the claims, 1 in 2 stated that they did not buy because they did not understand the claims on the 'sustainable' product.Confusion about the claims and a certain resistance to switch from existing solutions are significant barriers to greater adoption.
Confusion about the claims and a certain resistance to switch from existing solutions is a big barrier to loyalty.

Affective

Among Urban consumers we observe two major mindsets- Active participators and Passive contributors. Active participants are those who want to be involved in making the environ-ment a better place (functional benefit) and passive contributors are those that buy sustainable products to reduce their guilt. (emotional benefit)

Conative

Products which claim to be organic, natural are being bought, verified by claims on packaging and any authentic source online. More than 80% of our survey respondents stated that they had bought a product which claimed to be organic, plant based. A lot of the discovery for these products happens at the grocery stores. For Early adopters who are seeking sustainable products, claims like 'organic', plant based'
'Eco-friendly', especially food products are triggers to purchase.

02

Scenarios

- H3 (Plausible) : Mapping a collective
- H2 (Preferable) : Figuring out DIY Solutions - Macro & Micro
- H1 (Possible) : Managing my guilt

The Framework

We are using the three-horizon framework, this is a strategic foresight tool developed by Bill Sharpe. Emerging changes will challenge our current assumptions and over time today's decisions, policies and products will become obsolete. How can we future- proof our thinking and planning? The Three Horizons Framework (3H) helps by asking people, first to make their assumptions explicit and then to explore emerging change to reframe what they think, what they want and what they do. The final step looks back at history, forward at the 3H maps overlapping waves of change visible in the present as mindsets: managerial, visionary, and entrepreneurial. In essence, it helps us characterize present trends as promoters/detractors of different narratives. Pockets of the future, declining consumer patterns which could lead to a future.

Our Intent:

We use the framework to instigate thinking on the possible, potential and preferable scenarios for Sustainable products in urban India.
Each scenario is characterized by dominant, emerging consumer patterns,growth drivers, catalysts to the pathway and roadblocks to the horizon.

The pace of each horizon would depend upon the growth drivers all coming together. If social, economic, cultural, technological drivers all come together at a given time, then we will see that scenario outplaying others.

H1:
Possible Scenario (Now)

Managing the Status Quo
Anti-Plastic: More of the same Early majority consumer mindset

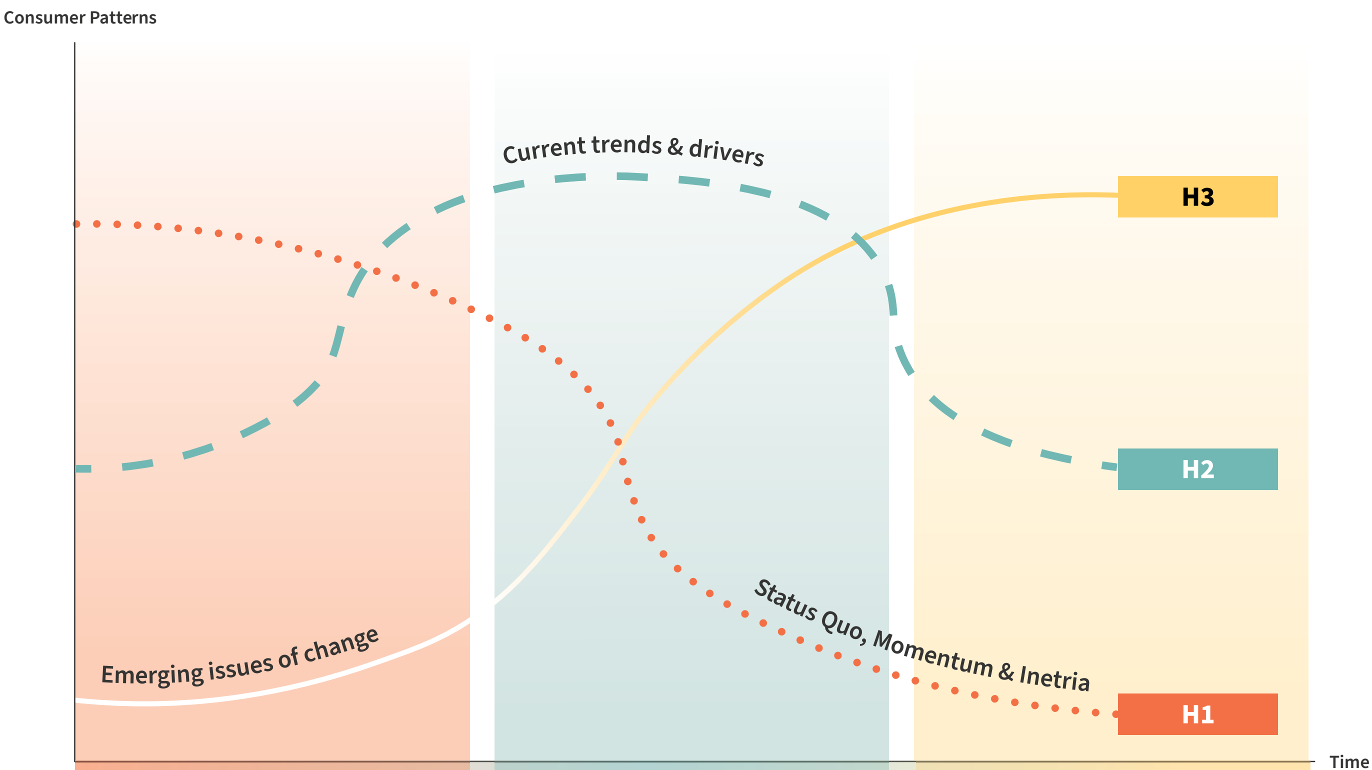
H2:
Preferable Scenario (Near)

Taking the situation in a DIY mode
Active participation: More of niche mindset grows and a more functional approach

H3:
Plausible (Credible) Scenario

(Far near) - Drafting a vision for Sustainable consumption
Water, Air, trees: A new disruptive mindset grows among the Urban Indian Society.

Plural futures of sustainable products



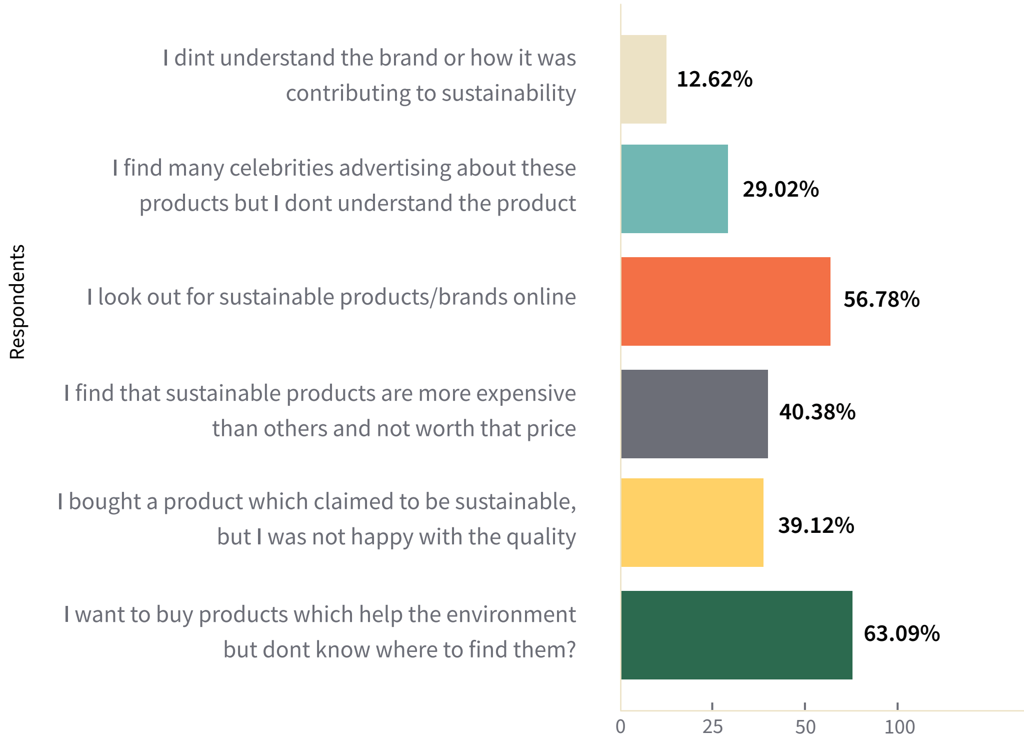
NOW H1 : MANAGEMENT	NEAR FUTURE H2 : INNOVATION	FAR FUTURE H3 : DISRUPTION
Technowise	Atomic Habits	Passive Contribution
Radical Transparency	Active Participation	Well Being
Label Economics		Organized Chaos
Default Purchase		
Being Indian		

Scenarios

H3: THE PLAUSIBLE SCENARIO

Led by a Vision for Water, Air, Trees. Narratives shaped by vision and exploration focused on Macro challenges to Sustainability as a need.

Pockets of the future visible today as intent and impacting cognition



Source: Primary research, Survey conducted among 300 Males & Females Aged 25-40 yrs, Lifestyle Urban Consumers, Metro cities, Period of research November 2023 - February 2024

*Table 1 - **Intent & Beliefs***

Dominant Consumer pattern: **Consumers would be led by cognitive biases and not by emotions. Consumption itself will transform across lifestyle. Consumption of sustainable products would have moved to the society level, where choices will reflect a collective and shared need to preserve natural resources. We would have moved into the Late majority stage on the Diffusion of Innovation curve.**

This horizon is characterised by consumption moving from personal care products to household use products.

This scenario or pathway is a possibility if collaboration happens among Climate change organizations, and commitment by government.

Brands that are willing to invest in technology that enables transparency & authenticity.

It's about starting from the premise of NET ZERO and wanting to conserve resources and not reduce consumption or adhere to guidelines.

Technowise

As wisdom grows about the impact of consumption and human behavior on climate, we would observe a shift at the society level about purchase choices. Consumers would have attained wisdom about materials and adopted practices that enable lesser long-term impact. More brands in India take up similar initiatives like Corona.

Corona has created ***Plastic Reality***, an augmented reality experience that allows people to see their annual plastic footprint in their own home. Seeing your full years' worth of plastic in your living room is truly eye-opening and hopefully will inspire people to reduce their personal plastic use and their impact on the environment.

Plastic Reality users get an estimate of their annual plastic footprint after answering some basic questions about their consumption habits. That footprint is then visualized through colorful AR pieces of plastic that splash across the user's physical world like seawater washing ashore. From there Plastic Reality opens a virtual portal to a polluted beach paradise that shows how plastic affects nature while prompting users to take action to reduce their plastic footprint.

This is one of the biggest drivers of sustainability – A social impetus and narrative that recognizes that as a community we need to adopt practices for the long run. This is one of the pockets of the future that we see happening today which could leap to the 3rd Horizon.

"In developed markets, consumers feel threatened by the loss of status in declining economies.
In emerging markets, consumers feel threatened by a relentless push into an unknown future because of rapidly growing economies.
In both cases, consumers want reassurance, guidance and encouragement."

Macroeconomics foresight, *The Futures Company (4)*

Radical transparency
We see a lot of brands in the west where origin and even production process is now being talked about.
Brands invest in vision and creating exploration for the Consumer.

HP global is using Radical transparency to connect with consumers: Their senior leader described how they use storytelling and transparency to communicate the same to consumers.

{Then, what the customer really wants—which is something we are building right now—is a kind of passport or DNA on that machine that says,
"This is the third life of this PC. Here is its ancestry and what has happened to it over time, and here is what you are doing to help the planet by buying this used PC." That information is all being created from scratch, but that is exactly what the ecosystem needs to be successful. Customers need to understand, "Here are the benefits of a used PC. And it is new: it has been refurbished, it's been certified, we have checked the memory, we've checked the hard drive." Customers want an HP warranty on it. And, of course, there's discount.

From a corporate culture perspective sustainability is a great thing, but it doesn't always drive behaviour day in and day out unless you can directly tie it to to your business benefits as well. So it's a longer term horizon - we're managing it like a business with a three year time horizon say instead of three months. }

Being Indian

A wave of patriotism backed by hindsight of ancient Indian wisdom in Ayurveda and other practices being better for you and the environment.

We believe that the Being Indian wave would have spread and materials like brass, copper, steel would make a comeback in Indian households. Fundamentally, focus on aesthetics and materialism would decline and a more rational approach in evaluating consumption choices would take over. The decline of Tupperware as kitchen favorite also points to the decreasing popularity of plastic

Our research shows that there is a growing realisation among Early Adopters.

A growing realisation among Early adopters (*) that Indians had always used sustainable, eco-friendly practices in the kitchen. From setting curd in steel utensils to taking milk in containers to consuming homemade juice. Urbanization, time constraints and a higher disposable income have made the switch to packaged, organic sustainable alternatives.

Urban Indians are conflicted in their choices, wanting to adopt healthier 'sustainable' choices in food and beverages so they seek out solutions which reduce guilt and attain the same benefit for them- healthier life. Home-made, 'desi' products in a packaged form which are 'sustainable' in their view.

A significant cultural growth driver is the wave of 'Buy Indian' which fits very well with early adopters' perception of equating Indian products with being sustainable, especially in kitchen

According to new research from Mintel, consumers* prefer to choose Indian brands over imported brands in various product categories such as clothing and/or accessories (**42% vs 19%**), personal care products and packaged foods (**45% vs 19%** each).

Even for beauty and/or cosmetic products, only **23%** of Indians purchased imported brands in comparison to domestic brands (**36%**).

Attributes such as 'value for money,' 'good quality' and 'healthy' drive consumer interest towards local brands

50% of E-commerce consumers agree they would pay more for Ayurveda-based food products. -Source-Disruptors and Drivers for E-commerce

56%

respondents stated that they would buy packaged alternatives of home made solutions

We feel as this conflict grows, growth drivers would enable a leap for this horizon

Many skincare, skin cleansing products built on the principles of Ayurveda or advertising as packaged versions of home-made rituals are also gaining intrigue among consumers. The Indian brands of which some are new-age, and some legacy brands are claiming to be sustainable via their ingredients.

For example - using Ayurveda as the science behind the formulations, home-made traditions using natural ingredients like besan, turmeric. Most of the new-age brands have the claims of 'PETA' certified, cruelty free on their offerings. Most of the brands are extrinsically sustainable via their packaging.

LABEL ECONOMICS

Brands invest in being transparent via their labels. Pockets of this behavior are already visible with consumers checking labels for claims, ingredients. Advanced technology can be a game changer for sustainable products where product labels are the only way of displaying authenticity.

Product labels enabled by technology and third party apps where consumers can scan the product to know the environmental debt of the product = Pollution caused by manufacture,use and disposal.

Currently early adopters state that they verify claims online for information that is displayed on the pack.

Harmful warning on cigarette packets has created wisdom about the harmful effects of the 'habit' so similarly displaying impact on environment, could influence consumption choices.

While, what will shift consumption would be a label about the ingredients, we believe similar technology can be adopted about the product design, manufacture details.

American Airlines is one such company. AA has paired with Cool Effect to give its flyers a direct opportunity to offset the carbon footprint of their commercial flight.

We feel more companies in India can adopt this once the Label mania becomes more mainstream.

BRAND OPPORTUNITY

Take a cue from harmful warning on cigarettes packets- Carbon credits are already visible. Pockets of this behaviour are already visible with consumers checking labels for impact on their health

"I feel brands should tell us how they are sustainable, what are they using and I need to be able to trust them"
30 yrs old Female, Mumbai, Early Adopter

"Even if I want to there is no place, I can verify claims made by brands, there should be a third party organization which helps in verifying claims made by these brands"
35 yrs, male, Hyderabad , Early Adopter

"I go and check online, like who is what Corp certified, no legal laws are governing this so we need to be sure; we want to care about the planet. And find brands which care about the ethics"
25 yr, male, Bengaluru, Early Adopter

81%

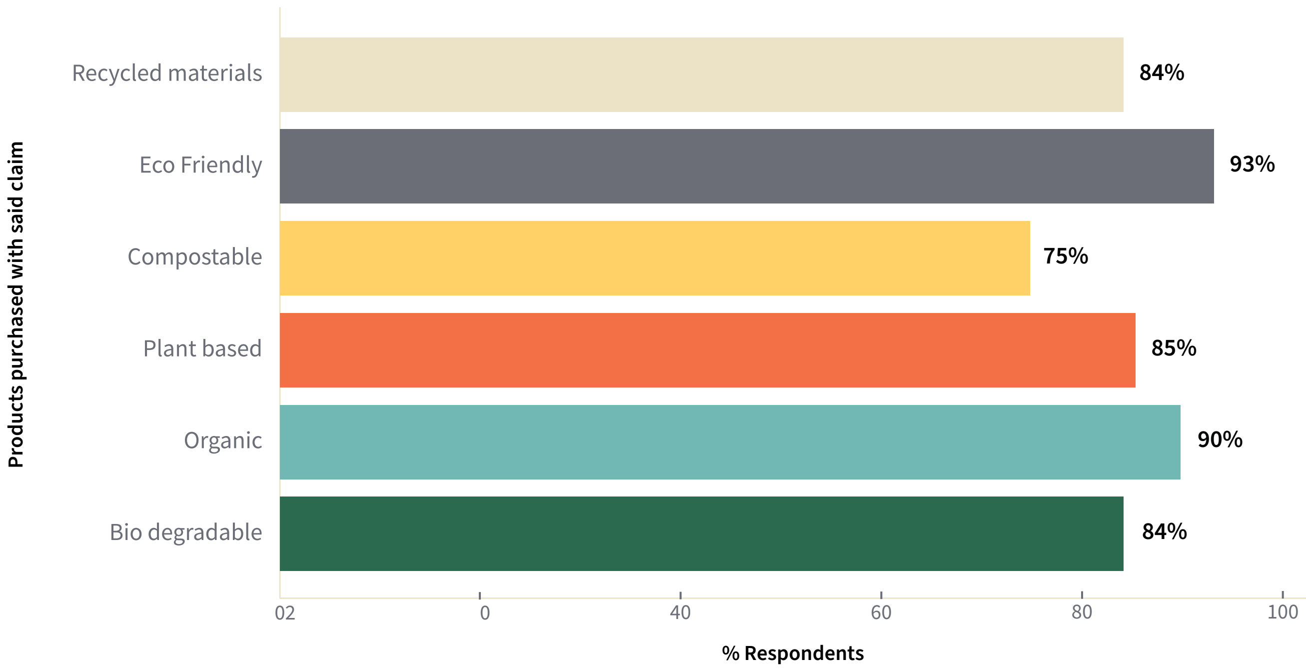
respondents stated that knowing the carbon impact of a product is an important attribute for buying a sustainable product.

Default buy

Shift to household consumption products from personal consumption.
Food and Skin are two categories where the maximum impact is on the self, consequences can be experienced in short term (3-6 months), the more the narrative around measuring and calculating what they eat and apply on themselves increases, the Need for evaluating Claims and Labels on products will increase and thus the demand for 'Sustainable products' .
In that scenario, the Critical mass of Early Adopters will move to Early majority.
Using the law of adjacent catergories, our analysis envisions that consumers will start evaluating the impact of all products and sustainability will become category agnostic. The next big pull would be from the apparel category and as the demand for sustainable clothing rises, we can say that the Critical mass has moved to Early Majority.

Eco-friendly & organic are now almost synonymous with 'sustainable'

Popular claims among Early adopters



Source: Primary research, Survey conducted among 300 Males & Females Aged 25-40 yrs, Lifestyle Urban Consumers, Metro cities, Period of research November 2023-February 2024

Revant Himatsingka is leading India's label revolution.

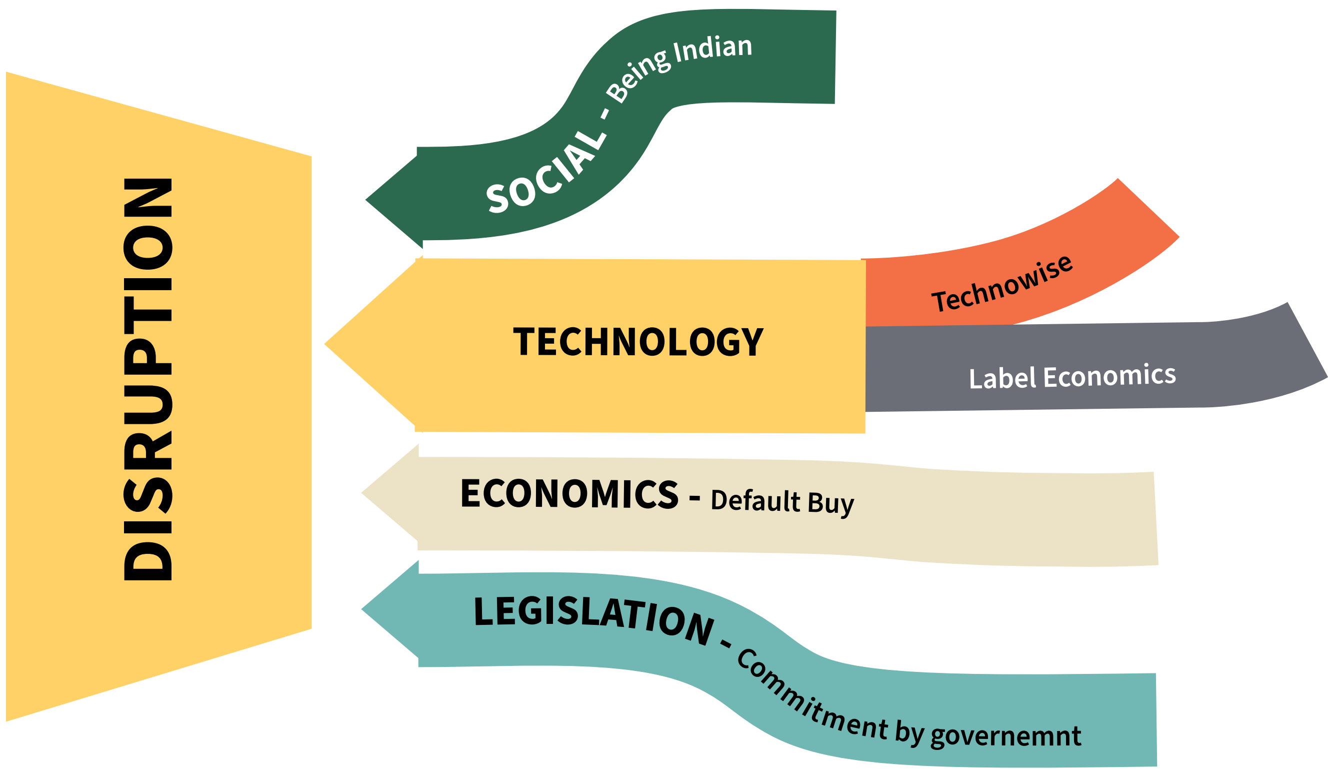
What's interesting is that his posts on label padhega India have been shared 1214 times on linkedin, he has more than 6 lakh followers on instagram and has managed to get many MNC companies to become transparent about their labels.


Label Padhega India can become the 2nd largest consumer campaign after "Jago Grahak Jago" in India.
- ET The Economic Times

What global futurists are saying about return to roots & its timing: Provenance and heritage give brands an edge and people a sense of belonging. Local craft ,storytelling and specialities will grow in value as a commodity,in tangent with an emerging need to reconnect to narratives rooted in locality. People will seek out a guide or a partner, a 'familiar anchor',in an increasingly fragmented, mobile and globalised world.

Published in MacroeconomicForesights, The Futures Company (4)

DISRUPTION
Coming together of



'Mindful consuming informs 21st-century business models. Cultural storytelling, authenticity and craftsmanship are in demand as we return to local sourcing and manufacturing. Businesses and individuals will join forces to practice 'Betterness', such as radical openness and social responsibility and make a positive impact for the greater good of all.'

Futurist Anne Kjaer on trends in 2030+

SCENARIO VARIABLES

Roadblocks

Innovation in technology does not progress as per consumer demand. We donot observe collaboration among different organizations for creating a social narrative around macro challenges. Brands are unable to provide transparency around their sustainable impact and thus wisdom does not grow beyond a few individuals.

In some of the Early Adopters we observe a high level of cognition in evaluating skincare products and their claims. Even leading skincare brands which are commonly advertised as natural, were met with questions about their efficacy and compliance to being 'natural', chemical free. Early adopters communicate to Early majority reasons for consuming sustainable products as only for personal consumption.

50%

Agreed that they wanted to buy sustainable products but were not sure of the quality (4)

50%

Agreed that they did not buy a sustainable product because they dint understand the claim..

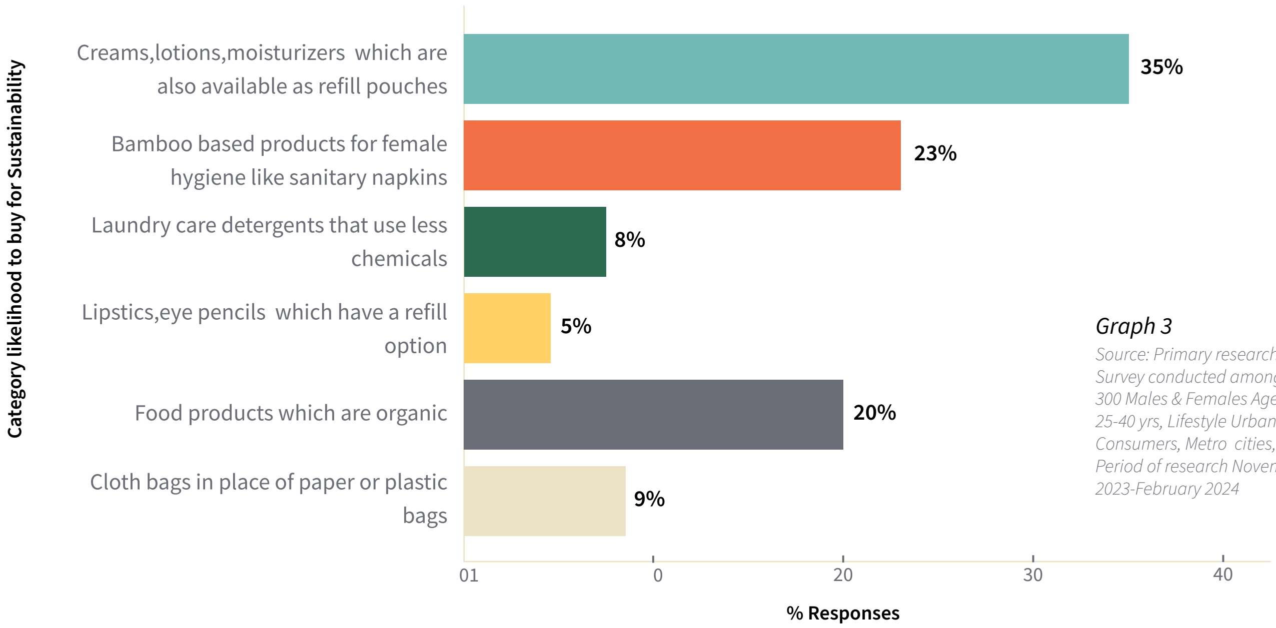
Catalysts

This near future horizon would depend upon the wisdom attained around sustainability. To observe the consumer patterns, change from anti-plastic to for nature would happen if consumers can visualize the impact of all their actions on the environment. If more brands take on a functional-rational approach beyond targeting the emotional benefits this scenario would take great leaps. The law of platform impetus would be a big impetus to this scenario. Sustainability gets a boost from the government and the organizations. If policy makers can create the narrative around what we leave for future generations, then early adopters and early majority will start actively participating in buying and consuming products that are better for the 'Community' and not just themselves.

H2: THE PREFERABLE SCENARIO INNOVATION

Led by Entrepreneurship by Individuals, Micro solutions to Being Sustainable

Category preference for sustainable products



Graph 3

Source: Primary research, Survey conducted among 300 Males & Females Aged 25-40 yrs, Lifestyle Urban Consumers, Metro cities, Period of research November 2023-February 2024

Dominant Consumer pattern:
Consumers will adopt solutions that are a mix of active participation and passive contribution- on the bridge from Early adopters to Early majority.

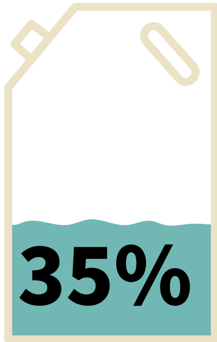
This is characterised by innovation, driven by consumers and matched by producers in response.

Sustainable products in the Indian marketplace will continue to cater to distinct value propositions. Some will change the way the consumer uses the product (Gel versus powder in skincare), while others will claim to be sustainable because of their production process and therefore the ingredients. The dominant consumer pattern that will emerge will be about early adopters adopting atomic habits, buying personal sustainable products all focused on active participation led by consumers and supplemented by innovation in packaging, product ingredients.

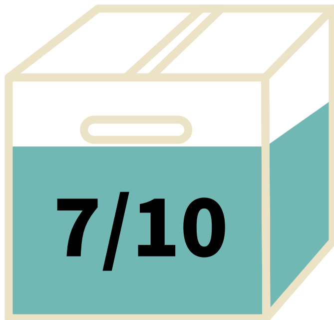
Active Participation

The Circular economy would have integrated completely with the consumer economy with the government executing compliance via penalties for non-adherence.

We have witnessed many paradigms shifts in shopping habits. Digital payments and quick commerce to state a few. Initial hesitation in adopting digital payments has now become a growth driver among small businesses. Like the electronic payment systems have seen mass adoption especially at low value transactions, we foresee the retail store changing completely with refill stations. There are companies like Beauty Pie, who are transparent about the cost of their products- everything from the bottle to the packaging.



Want to buy Creams, lotions, moisturizers available as refill pouches



stated that they re-use the cardboard boxes that they get from Amazon

We find that most of the brands are advocating 'Recycle'. Offering products on return of used products to their physical stores. Very few brands have refills available in body wash, face wash, lotions. Almost all personal care brands have refills for the hand wash category.

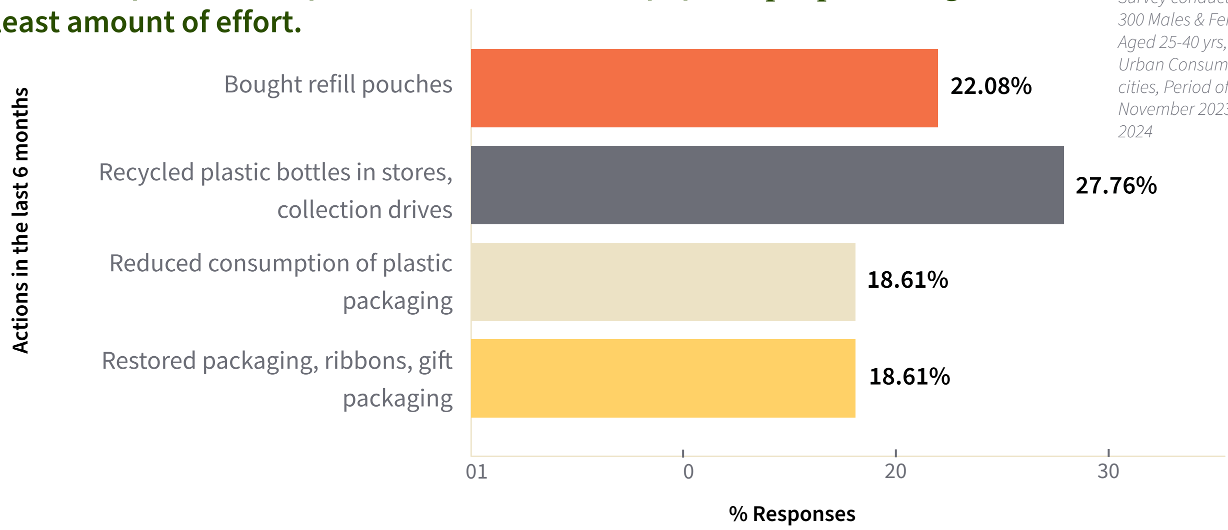
Repurpose is advocated by new-age brands, where in most claim that they will plant trees on purchase of their products.

Reduce, while least preferred by the companies, has been implemented by some international brands who have experimented with the 'design' of their bottles to reduce their plastic use.

Impact of government and brand initiatives makes recycle the most preferred post consumption and refill the most popular-pre purchase given least amount of effort.

Graph 4

Source: Primary research, Survey conducted among 300 Males & Females Aged 25-40 yrs, Lifestyle Urban Consumers, Metro cities, Period of research November 2023-February 2024



Active Participation : Supplemented by brands

UNIQLO with its UV protective clothing –
This is a perfect example of consumers accepting the harmful effects of their existing purchase decision and trying to minimize it or circumvent it by buying products which fight against its existence.

Products with health benefits for the individual at the micro level and contribution to society at the macro level are gaining popularity among the Early adopters. Early adopters are seeking out brands that are prioritizing authentic, effective forms of sustainability. Further, because the trigger for using products from the category is because of the perceived product benefits, ‘the how’ it is sustainable is important. This consumer segment wants to actively participate in buying and using a sustainable product.

UNIQLO,the Japanese brand sells UV protection clothing which is also made from recycled materials.

Atomic Habits

Products which aid self-improvement and solutions which enable atomic change at an individual level. We observe increased demand for sustainable products targeted at an individual's health. A significant part of demand for sustainable products is being led by the food category and supplemented by the adjacent category of skin care. Products which promise health benefits are perceived as sustainable and are high in demand.

We observed trends where Early adopters have started growing their own food. The trend of growing MICRO GREENS is very popular in Bengaluru.

In our research, we found societies in Bengaluru which are completely waste-free and in 2017, the residents of a housing society in Kengeri began to take charge of their own waste management. They researched how to segregate waste, compost, and treat wet garbage. They now use their waste to grow fruits, vegetables and flowers.

We observe consumers becoming more rational about their purchases in food and beverages, skincare and cosmetics – personal consumption categories. They are being practiced as wisdom grows about negative effects of existing choices. Products which enable them to minimize the impact of climate change without them having to change existing consumption choices in travel, gifting, and celebrations.

Products using natural materials, made up of ecofriendly ingredients, products like plantable Rakhi's, cloth bags would augur well in this scenario as we observe greater acceptance for these.

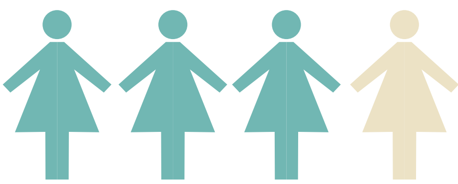
Changing one's habits for one's betterment one step at a time

BRAND OPPORTUNITY: Catering to the Active mindset and personal consumption items:

Consumers can be charged for not carrying their refill bottle. In the pandemic- Get your own bottle had been started by many corporate organizations and was followed by fear of infection.

This preferable scenario, or what is called the 2nd Horizon is about early adopters being entrepreneurial and building habits and rituals which enable a better lifestyle for themselves. The internal pressure by government and external stimuli (of consumers) will push brands to innovate in packaging and ingredients. We foresee the status quo changing because of these systemic changes.

As the fight for resources intensifies, innovation in materials will take the forefront. Law of Collaboration should ideally evolve. The thinking moves to how plastic, glass and paper can be replaced, minimized. Design innovations take center stage driven consumption.



Want to try Bamboo based sanitary napkins

Early adopters are looking for products which enable more permanent changes in their life.

A shared challenge among the early adopters are personal health/skin incidents that have triggered confusion about existing product usage. Status quo is being challenged in food and beverage and skincare categories and therefore change in behaviour is now being accepted.

We found a lot of interest and intrigue among consumers for bamboo products which signals a willingness to change category.

Factors such as pollution, poor sleep and stress are recognized as major influences on their appearance. Notably, 26% of Gen Z also acknowledge the significant impact of hormones on their skin. (4)

Even the increased purchases of Organic food products, Ayurvedic skincare are being rationalised by the consumer as sustainable consumption and seeing a lot of traction among this consumer segment. Reusable Diya's, plantable Rakhi's, refill solutions and even flights which are low on carbon emissions are some of the preferred solutions.

We did observe weak signals of lead users stating their increasing usage of homegrown aids, learning toys and an attempt to be sustainable in whatever way they can.
For them, a product's ingredients to be sustainable is important and it helps if the bottle and the box are made of sustainable materials.also. - 'A whole and soul sustainable product.' Sustainable ingredients are those labelled as 'Organic' 'eco-friendly' 'chemical free' in food and beverages and skincare/ personal care category.

We observed an increased knowledge about labels and an accompanied evaluation of the 'label' on any packaged food product among our Early Adopters. More than 60% of Early Adopters were aware of claims and what they meant. An informed consumer- *Building wisdom about what is truly 'Sustainable' and what is not*.

Respondents from small towns who have moved to urban areas stated their dissatisfaction at the state of their hometowns.

Respondents from urban cities spoke about their increasing health disorders and how they were now being conscious of what they buy.

Discomfort folllowed by exploration and a DIY mindset to problem solve:

Characteristic of Entreprenurial and the H2 pathway - THE INDIVIDUAL

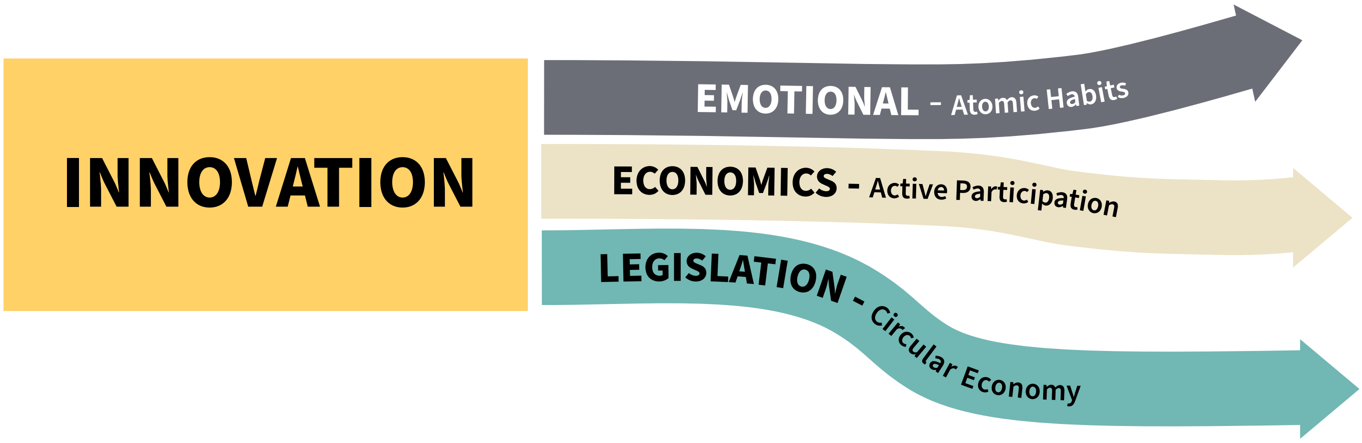
Wisdom about definition of sustainability is high among Early Adopter consumers. Global narratives create greater resolve. They shared examples of global efforts in combating Climate change and other concerns. A certain section of Early adopters also shared their views on carbon footprint calculations and observing refill stations and recycling centres in Europe.

The new-age brands are using paper packaging,making refill easier and innovating in the USE part of the Customer Journey.

Societies in Bengaluru are taking matter in their own hands. Literally. Waste management is now being done by them at an individual society level.

INNOVATION
Coming together of

Discomfort folllowed by exploration and a DIY mindset to problem solve: Characteristic of the Entreprenurial mindset and the H2 pathway - THE INDIVIDUAL BENEFIT



The second horizon is the transition and transformation zone of emerging innovations that are responding to the shortcomings of the first horizon and anticipating the possibilities of the third horizon.

Bill Sharpe, *The Patterning of Hope*

SCENARIO VARIABLES

Roadblocks

Entrepreneurial mindset does not grow but VISION or MANAGEMENT does.

Sustainability is not seen as an opportunity by legacy brands to innovate as per evolving consumer needs. We observe more of a compliance led solution. Passive contribution becomes the dominant consumer pattern or even collaboration leads to disruption and producers rethink how products are made and consumed.

If emotional narratives like purpose led brands become more popular, then the Early majority consumer will more willingly buy brands which use passive contribution as a hook since effort is lowest.

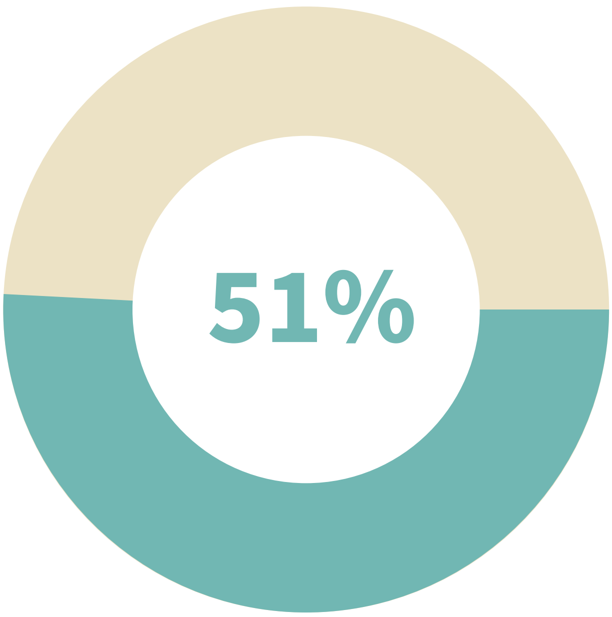
Catalysts

Friction with existing consumption choices grows at the individual level.

This Horizon will leap if we observe more strategic changes by brands to cater to Active participators as a consumer segment. Consumers demand solutions which donot take away from their social-cultural context but still contribute to the environment. CONSUMPTION WITH COMMITMENT.

BIG PUSH by consumers rejecting brands which use plastic and do not comply with any of the ESG norms, aggressive marketing by brands about their compliance and innovation, Growth of Rituals, Atomic habits.

The growth drivers of this horizon are working in opposite ways - The triggers could be emotional and hence slow the pace of this horizon or could be taken as an opportunity by brands and fasten its pace.

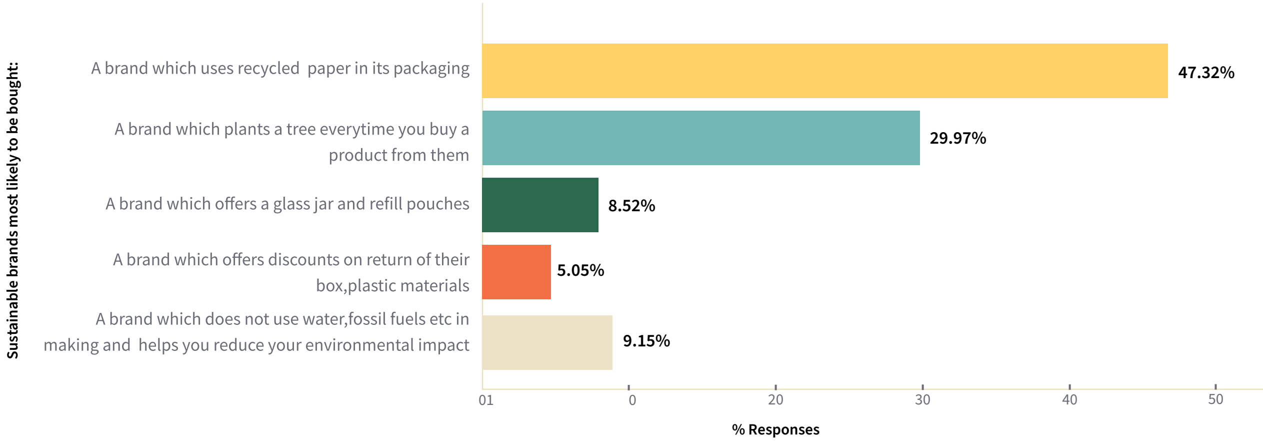


Respondents stated that they donot get to know that much about the brand story about the sustainable product.

H1: THE POSSIBLE SCENARIO

Anti -plastic but not necessarily for Environment.
Narratives shaped by managing Micro challenges to Sustainability

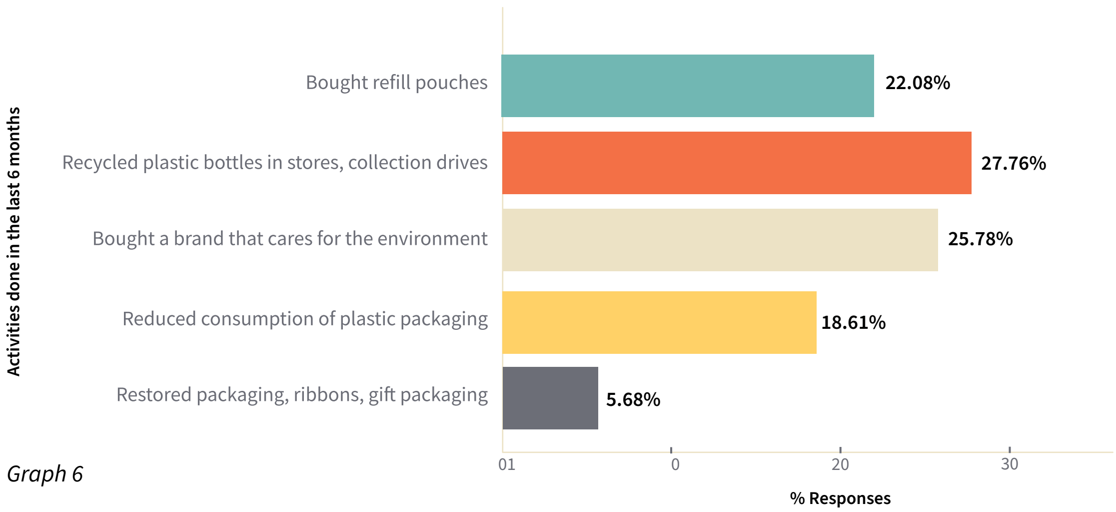
Sustainable brands likely to be bought



Graph 5

Source: Primary research, Survey conducted among 300 Males & Females Aged 25-40 yrs, Lifestyle Urban Consumers, Metro cities, Period of research November 2023-February 2024

Stated consumer intent (last 6 months)



Graph 6

Dominant consumer pattern: Consumers believe avoiding plastic is their contribution to the environment. Brands believe adhering to government rules for waste removal is their way of combating Climate change. This scenario, the baseline scenario, is what could happen if we do not observe any changes or interventions by government or other sources. This is more of the same scenario, a linear progression of more consumers following the existing consumer patterns.

Baseline scenario, which is the possible case, is that the early adopters transfer their beliefs, consumption habits and we move to the Early majority. We see brands taking advantage of organised chaos and pushing products which are perceived as 'Sustainable.' Consumers are motivated by more of passive contribution and bits of active participation.

Early adopters have started championing and telling other people in their networks about reading labels, avoiding plastic as much as possible, being mindful of their purchases, trying to influence those in their households to adopt sustainable products, buying dispensers for hand wash and body wash.

The Grey Area
Want to actively participate but end up passively contributing

Instead of strategic decisions we uncovered tactical changes like recycle programs, design led changes in packaging, skincare, cosmetics and personal care which were being spoken about among majority of the consumers. (Consumers spoke about how they noticed that Colgate changed the design of the cap to reduce plastic.)

These are visible and appreciated by their loyal consumers (especially the Early majority) as their everyday brands making a difference to the environment. What fuels this confusion further is the Macro and Micro solutions challenge to sustainability.

At the Macro level, Early Adopters and Early majority are unable to see an impact of changing everything.

This is evident in our research, where we find a gap in knowledge and wisdom about contributing to environmental concerns.

Since the average consumer can only make consumption changes to lessen their environmental impact, they are seeking out brands that mitigate their environmental impact.

There are multiple myths, preconceived notions about which material is sustainable and that is leading to increased adoption of certain products & materials that are 'considered' to be better for the environment.

The Apple commercial which spoke about Mother nature and being accountable to it was perceived by Consumers as being rife with moral conflict. It does not dispel any myths or steps for consumers.

ORGANIZED CHAOS

Semiotics plays a significant role in driving growth for sustainable products. Brown is associated with paper packaging and considered better for the environment. Materials such as paper, glass are viewed more positively than plastic and consumers are equating them to being more sustainable.

In our research we found paper to be the biggest driver of sustainable products.

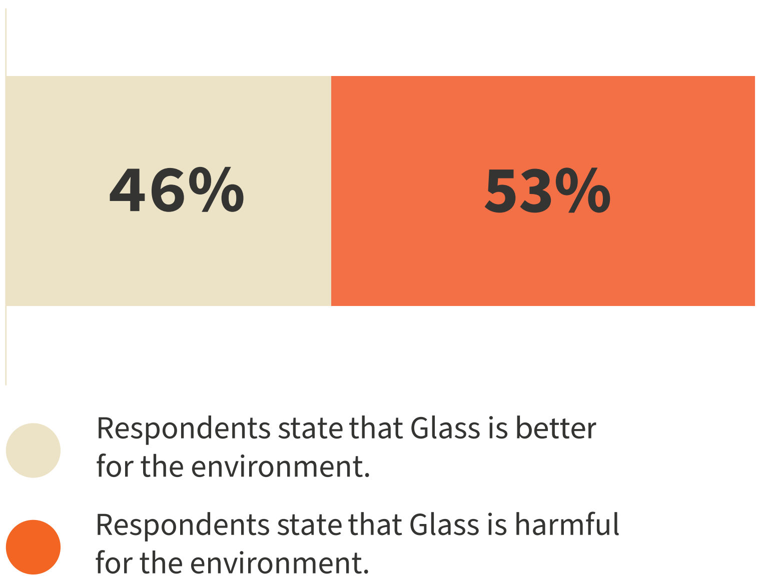
Paper as a material, is being used by multiple brands in food and beverage categories as packaging. Early majority consumers are favorably inclined towards buying products with what is perceived as sustainable outer packaging. An emotional trigger which leads to an end benefit of guilt reduction. We observed that all consumers had doubts about what material is sustainable.

Brown colored packaging carries the perception of being made up of 'recycled paper.' Our research shows that 67% of most consumers would choose a product with a brown color bottle because it is perceived to be better for the environment. There is this perception among Early Adopters and Early Majority consumers that paper can be recycled and hence is less harmful than plastic.

Glass is preferred to plastic and not understood as a material – Harmful, better for the environment?

Divided on glass, clear on plastic, highly favorable towards cloth, Bamboo, paper as being Better for the Environment.

It is intriguing that the newer players are adopting newer forms of packaging.
We observed that all consumers had hunches about what material is sustainable and the eternal debate of whether- Paper was really the better alternative and that cutting more trees or even using electric vehicles was a trade-off. Consumers do not need a sustainable product but participating in purpose driven brands is becoming important and hence we do see early majority users also choosing paper over plastic in some categories.



Passive Contribution

The majority mindset is defined by extrinsic motivation- discounts, offers, guilt reduction- consumers wants to passively contribute. Initiatives like planting a tree on every purchase, using Pet plastic in their packaging are bound to find favor with this segment. Here the need is compliance and the benefit desired is guilt reduction. For Early majority, Re-purpose is a trigger/growth driver as the consumer does not have to apply any additional effort. Since this consumer is driven by circumvention of guilt, they are seeking out brands that make mitigating their environmental impact simpler and more accessible via their purchase decisions and not in behavior change.

This perception is influenced by effort involved in behavior change. For example, using powder-based skin care instead of gels, storing plastic containers and having to physically go to stores for returning used bottles. In our consumer interactions we uncovered that any addition of steps in customer journey, any indication of behavior change is met with resistance.

Therefore purpose led brands are seeing growth among this segment. The company's revenue from operations increased by 29 per cent to Rs 1,920 crore *(ref: India times)*

Phool collects floral waste from temples and mosques in Uttar Pradesh and converts it into incense sticks and organic fertilizer.Phool achieved success during the Amazon Great Indian Festival, generating ₹7 lakh in sales.

50%

respondents stated that they had bought a brand in the last one month which advertised as caring for the environment

Well Being

A shared concern among Early adopters was the harmful effects of chemicals on skincare, food.

We see increased demand for sustainable products targeted at an individual's health. A significant part of demand for sustainable products is being led by the food category and supplemented by the adjacent category of skin care categories. Products which promise health benefits are viewed as sustainable and are high in demand

A shared impact on the affective component (feelings) for the early adopters are personal health/skin incidents that have triggered a trial and led to adoption of products in food and skin care which claim to be sustainable. We do observe a trickling of the same parameters of evaluation in other sectors, but it has not reached the level of friction with existing solutions yet and has not become mass. In broader categories like apparel, fragrances, cosmetics, the early majority, and early adopters stated being satisfied with their existing products.

Plastic is viewed as a regrettable necessity. But beyond plastic what is harmful, there is no education. Thus, products which dont use plastic, but are Indian, Ayurvedic, labelled 'chemical free', purpose driven is being perceived as 'Sustainable'.

Compliance
The impact of collection drives is creating an unexpected realization- the amount of plastic generated in a house. We do observe consumers speak of changing consumption habits in small steps.

Consumers are looking for solutions which are not plastic, are organic & packaging is made up of paper.

Respondents stated that they believed organic foods are better for the environment

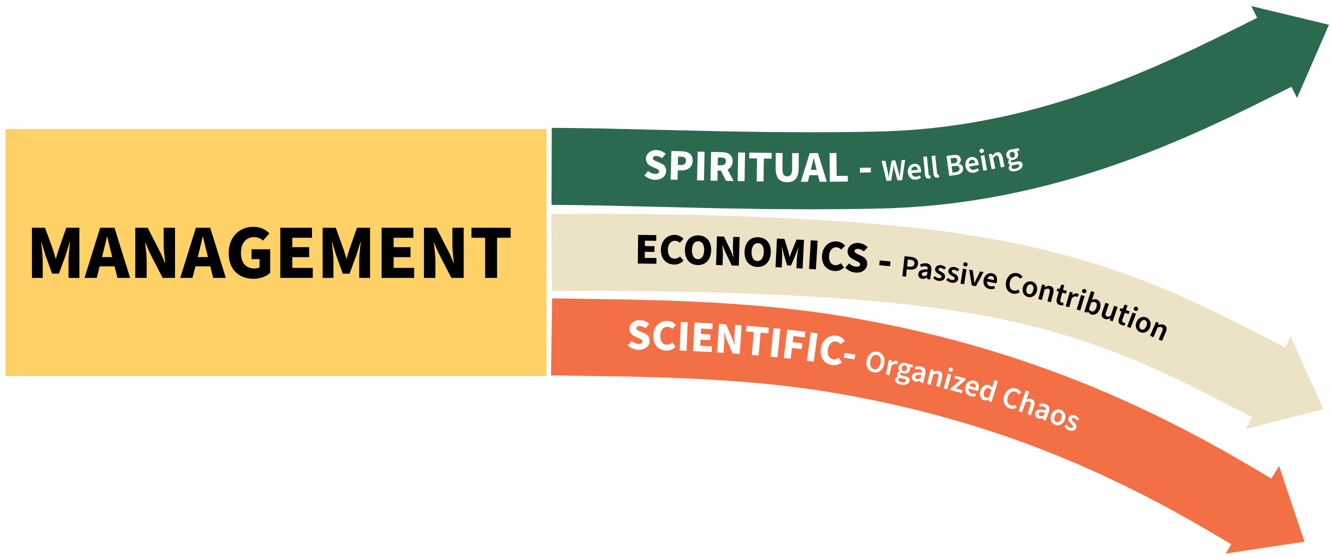
Respondents stated that Plastic is harmful for the environment

Respondents stated that cloth and paper are better for the environment

MANAGEMENT
Coming together of

Polarised views on what is sustainable and what is not among the early adopters :
MANAGEMENTof GUILT

For the early majority, perception of effort involved is high when it comes to recycling and refill. Therefore, we find a greater acceptance for buying brands which vow to repurpose or who state that they are made from recycled materials since it does not involve any behaviour change and the benefit is high - passive participation in caring for the environment.



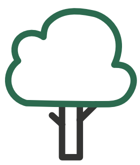
"A general 'law of least effort' (LLE) applies to cognitive as well as physical exertion. The law asserts that if there are several ways of achieving the same goal, people will eventually gravitate to the least demanding course of action. In the economy of action, effort is a cost, and the acquisition of skill is driven by the balance of benefits and costs. Laziness is built deep into our nature."–

Daniel Kahneman (7)

SCENARIO VARIABLES

Roadblocks : MACRO OVER MICRO GAINS MOMENTUM

Early adopters stay as a niche mindset and their thinking does not translate to Early majority. The social narrative of insta ready, visually aesthetic products makes it tougher to believe in ‘less is more’ for early majority users. The social narrative is about ‘Fitting in’ looking good and being filter ready. That makes adoption of any sustainable product which does not fit the category benchmarks on packaging, either the box or the bottle difficult to buy.

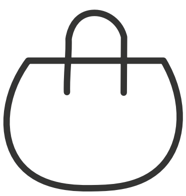


40%

Respondents stated strongly agreed that they would save the trees than the oceans

40%

Respondents stated strongly agreed that more cars on the road are a serious threat



20%

Respondents stated strongly agreed that everyone is using plastic in some way & their actions wont do add/subtract

Catalysts : STATUS QUO AKA CONFUSION REIGNS

Marketing & brand purpose as the pull factors: Brands adopting paper packaging, ayurvedic ingredients in skincare, personal care, and food categories. NGO and government organizations continue to focus on anti-plastic and do not talk about Macro challenges. A penchant for purpose led brands led by Early majority, brands who commit to climate change passively in demand, albeit not changing anything else in their production, usage, or disposable process.

More than 50% of respondents agreed that they were happy with their existing products and that was the main reason to not try a sustainable product of the same category

Consumers are largerly polarised on solving Macro challenges or Micro challenges to Sustainability

03

Conclusion

- For legacy brands
- For Sustainable brands

Conclusion

A.Consumer segments Choose between Active participators & Passive contributors

Brands should stay away from a confused brand story. Which means catering to both mindsets. Demand is largely being led by wants and desires. Early adopters are driving this demand in pockets.
Active participation & Passive Contribution. Choose the space according to your brand proposition but do not try to cater to both functional and emotional benefits as per the different mindsets.
Consumers are largely being influenced by design and emotion led narratives. Legacy brands can benefit by adopting CSR andbuilding a pipeline for innovation.

B.Category- Personal consumption is entry to the sustainable category, though Household will need category creation
I versus We

For brands targeting household consumptionbuilding a narrative around the HOW will be critical. Especially around the personal benefit. As per our analysis, for householdproducts the demand is currently low. In H3, when social,technological, ethical and political narratives all come together fora collective effort towards conservation and not management, demand for household sustainable products will rise.

Food and Skincare are already witnessing innovation, apparel would be the next watchout category for change in consumption. An increased demand for recycled clothing,UV protective clothing, labels on clothesor curiosity linked to apparel would be anindicator of H2.

C. Consumer Journey
Choose what phase of the Customer Journey is effective for your brand to deliver impact

For legacy brands, changing the way the consumers dispose the product is greatest impact.
For new age brands, changing the way consumers use the product/category is trigger to trial & adoption.The way consumers seek and buy would be benefical for both brands, but would be greatest impact for new-age brands to create a longer term impact on purpose- AKA labelnomics
Planning for H3 would be more beneficial as the drivers especially technology driven, force consumer momentum towards H3, which would mean disruption of all phases of the Customer journey.

D. Country-City marketplace

Breaking the stereotypes around Sustainable products and creating social acceptance and rituals around it .Playing on socio-cultural context could enable convincing the elder citizens for whom nostlaigia is a trigger. Building a narrative about how it helps in being Indian would be critical.

As a long term strategy,playing on function would future-proof your brand to face the plausible scenario : Disruption.

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explores the multiple scenarios that categories could take.

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The founder, Aditi Garg, is a seasoned professional in the consumer strategy field.

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Possible.
Plausible.
Potential.

Scenarios *for* adoption of sustainable products