As incomes continue to be squeezed, brands can guide consumers towards everyday sustainable behaviours by communicating the cost-saving benefits.
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Despite the cost-of-living crisis and price being at the forefront of consumer decisions, an overwhelming majority, 82%, of adults perceive their lifestyles to be environmentally friendly, and 25% say their lifestyle is more environmentally friendly compared to a year ago.
Key issues covered in this Report

• Overview

EXECUTIVE SUMMARY

Opportunities

• Communicate savings potential of sustainable living
• Tap into younger generations' interest in social media and technology to encourage sustainability
• Engage apathetic males in sustainability through their interests and hobbies

Market dynamics and outlook

• Inflation has driven a more economical and sustainable consumer mindset
• The economic environment has not dampened consumer sentiment towards sustainability
• The severity of climate crisis is growing, but some progress is being made

What consumers want and why

• The overwhelming majority of Brits are at least somewhat sustainable
  - Graph 1: consumer perception of own environmentally friendly lifestyle compared to a year ago, 2023
• The accessibility of sustainable products needs to be addressed
• Consumers consider sustainability the most in food and drink purchases
  - Graph 2: consideration of sustainability when shopping across selected categories, 2023
• Consumers are reacting to rising energy and food prices
  - Graph 3: attitudes towards sustainability and greenwashing, 2023

MARKET DYNAMICS

Macro-economic factors

- Graph 4: CPI inflation rate, 2021-23
• Interest rates will rise in importance over the remainder of 2023 and into 2024
  - Graph 5: the financial wellbeing index, 2016-23
• Sustainable living has remained a priority...
• ...while inflation has helped drive some sustainable behaviour

Social, environmental and legal factors

- Graph 6: Annual mean of maximum air temperature, 2010-22
- Graph 7: estimated territorial greenhouse gas emissions, 2012-22
COP27 falls short on making significant climate progress

Significant push is needed to hit household recycling target by 2025

A number of barriers to effective recycling in the UK need to be addressed

UK government plans to address low recycling rates

The rise of greenwashing hinders sustainable action

Regulatory bodies ramp up efforts to tackle greenwashing

WHAT CONSUMERS WANT AND WHY

Consumer perception of own environmentally friendly lifestyle

- Graph 9: consumer perception of own environmentally friendly lifestyle, 2023
- ...but more effort is still required by all to achieve positive climate action
- Graph 10: consumers who claim to lead a somewhat or very environmentally friendly lifestyle (NET), by financial situation, 2023
- Graph 11: consumers who perceive their lifestyle to be very environmentally friendly, by area, 2023

Changes in sustainable living

- Graph 12: changes in sustainable living compared to a year ago, 2023
- The very sustainable are committed to progress
- Graph 13: consumer perception of own environmentally friendly lifestyle compared to a year ago, by generation, 2023
- Support young adults to create a more sustainable future...
- ...while encouraging older adults to expand their repertoire of behaviours

Barriers to sustainable living

- Sustainable living is perceived to be expensive
- Graph 14: barriers to leading a more sustainable lifestyle, 2023
- Graph 15: 'Buying environmentally friendly products is too expensive', by gender and age, 2023
- Graph 16: 'Buying environmentally friendly products is too expensive', by financial situation, 2023
- There is a need for more affordable, sustainable products
- Use social media to promote local facilities and services to Gen Z
- Prove to consumers they can make meaningful environmental impact...
- ...and target men through their interests and hobbies
- Currys offers instant payments for trade-ins

Sustainability considerations when shopping

- A third of consumers consider sustainability a high priority when buying food and drink
- Graph 17: consideration of sustainability when shopping across selected categories, 2023
- Graph 18: consideration of sustainability when shopping for food and drink, by age, 2023
- Graph 19: proportion of launches carrying ethical/environmental claims, by sector, 2019-23
- Graph 20: consumers who consider sustainability a high priority across selected categories, by age, 2023
  - Sustainable holidays need to be accessible and compromise on quality

**Cost-saving sustainable behaviours**
- Engage financially motivated consumers through money-saving sustainable behaviours
  - Graph 21: cost-saving sustainable behaviours consumers have done in the last 12 months, 2023
- Rising energy costs have driven sustainable household habits
- E.ON pushes the message that time is running out
  - Graph 22: proportion of consumers who have reduced their energy usage at home in the last 12 months, by age, 2023
- Reducing food waste becomes a higher priority to consumers
- Supermarkets ramp up efforts to tackle food waste
- Oddbox’s fight against food waste message is clear
  - Graph 23: consumers who have bought an item second-hand or repaired an item in the last 12 months, by how much they consider sustainability a priority when shopping for clothing, 2023
  - Graph 24: proportion of consumers who have rented an item instead of buying a new one in the last 12 months, by generation, 2023
  - Graph 25: proportion of consumers who have rented an item instead of buying a new one in the last 12 months, by lifestage and age, 2023
  - Graph 26: ‘Being sustainable saves people money in the long term’, by consumer perception of own environmentally friendly lifestyle, 2023

**Attitudes towards sustainability**
- Graph 27: attitudes towards sustainability and greenwashing, 2023
- Patagonia makes headlines with serious commitment to the planet
  - Graph 28: attitudes towards sustainability and transparency, 2023
- Young, sustainable adults want easy-to-understand environmentally friendly product claims
- Digital passports provide transparency and help close the information gap...
  - ...and can help foster a community of conscious customers
- Consumers are undecided on third-party certifications

**APPENDIX**

**Report scope and definitions**
- Market definition
- Abbreviations and terms

**Methodology**
- Consumer research methodology