

SUSTAINABILITY IN THE FINAL MILE

Meeting consumer expectations for speed, affordability, and sustainability



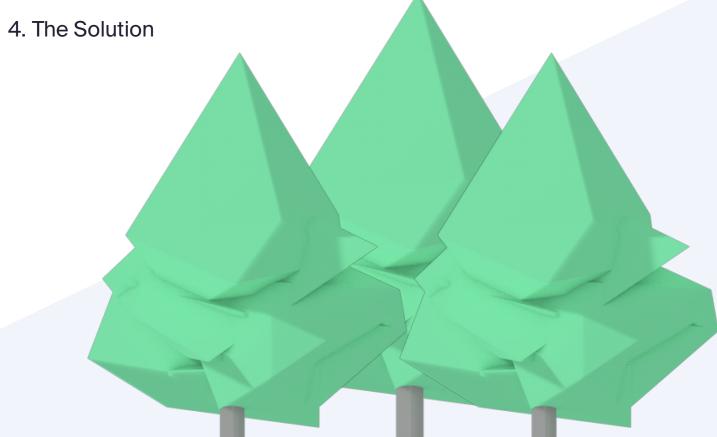
About the Report

Ware2Go surveyed consumers to learn more about how sustainability affects their ecommerce shopping habits. The following report explores the environmental impact of the ecommerce boom, consumer expectations, and best practices for a more sustainable final mile.

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The Environmental Impact of Final Mile Delivery

Consumer preference for ecommerce began trending upward long before 2020, but stay-at-home orders propelled that growth forward at a staggering pace.

McKinsey <u>estimates</u> that Q1 2020 saw 10 years worth of ecommerce growth packed into 3 short months.

The result was an exponential growth in small parcel residential deliveries, which, in turn, meant more delivery vehicles on the road.

According to the World Economic Forum, by 2030 the ecommerce boom will:

Increase final mile delivery vehicles on the road by

36%

Increase carbon emissions by over

30%



Consumer Sentiment

Our 2021 consumer survey revealed that shoppers are aware of the environmental impact of their shopping habits.

88%

of shoppers reported that sustainability was important to their purchasing decisions

61%

indicated that sustainability had become more important to them as a result of the pandemic

Consumers' top concerns around sustainability were directly related to shipping:



30%

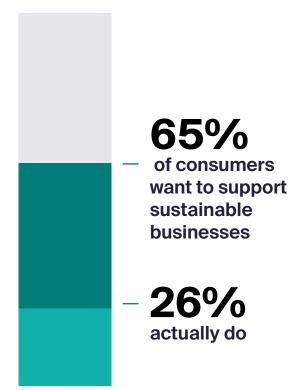
Promoting sustainability conversations on social media

30%



The Disconnect

A study from the <u>Harvard Business</u>
<u>Review</u> uncovered a disconnect
between the intentions and behaviors
of eco-conscious consumers. They
found that:



What is the disconnect, then?
According to a report by Shopify:

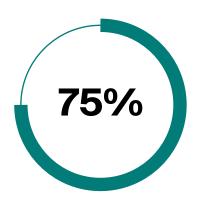
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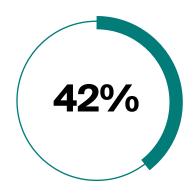


Shopify's study revealed that shoppers who were willing to pay extra for sustainable shipping were also more likely to choose expedited shipping when it was available.

1- to 2-day delivery is the expectation of most online shoppers. Our consumer survey found that:



of consumers are more likely to purchase from a brand that offers 2-day shipping



expect a 2-day shipping option for every online purchase they make

However, expedited shipping often means a greater reliance on air shipments, which our data analysts found result in **6 times higher carbon emissions** than ground shipments.

The Solution

With this disconnect in mind, the challenge for merchants is to offer the speed and convenience ecommerce shoppers have come to expect while pursuing the sustainable business practices they want to support.

Ware2Go's solution is 2-fold:



A. Decrease time in transit

Our network is purpose-built to decrease the time each shipment spends on the road to its final destination. Less time in transit = fewer carbon emissions.





B. Offset carbon emissions

Our carbon offset partner, Pachama, supports and monitors a varied portfolio of reforestation and forest preservation projects to ensure the maximum impact of carbon credits.

We fully fund carbon credits on behalf of our merchants to offset all emissions within our network.

This 2-fold solution enables our merchants to offer their customers the convenience of 1- to 2-day delivery with the peace of mind of sustainability.

To learn more about Ware2Go's carbon offset program, read more about our partnership with Pachama <u>here</u>.



