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"Green" a Long-Term Branding Strategy for Retailers, Survey Finds

A new survey from RSR Research finds that better performing retailers are retooling their brands now to meet consumers' desires for more green options. Despite the fact that many survey respondents don't yet see a big shift in consumer spending toward "green" products and services, retail winners anticipate that green initiatives now will pay off later in the form of increased sales.

MIAMI, FL (PRWEB) May 7, 2008 — According to a new RSR Research report, *What Can Green Do For You? Benchmark 2008*, released today, despite much higher awareness among consumers about green issues, 62% of retail survey respondents said that consumers are not yet spending on "green" products. The report is available for download from RSR's website, at

http://www.retailsystemsresearch.com/ document/summary/518

Despite concerns that consumers aren't putting their money on the table to support greener practices, retailers are investing in green initiatives: 44% said that green practices are a strategic initiative in their company. The survey found that motivations behind green initiatives are strongly related to retail performance: while 67% of better performing retailers ("retail winners") cited ethical obligations behind their green initiatives, 76% of lagging retailers cited only cost concerns.

Retailers anticipate that actions taken now will reap future benefits in the form of increased sales. The difference in perspective leads retail winners to believe that they will reap ROI on their green initiatives in 2-3 years, while laggards are unable to put a timeline to expected benefits.

While supply chain investments and fuel-related expenditures pose big opportunities, the benchmark report also reveals that packaging and material costs, often overshadowed by concerns about fuel prices, are highly valued opportunities for retailers, along with reducing costs in stores.

"We were pretty cynical when we launched this survey. We thought that retailers would be in it only for the potential cost savings," said Steve Rowen, Partner at RSR Research and author of the report. "It turns out that better performing retailers see this as both a cost initiative and a brand-building opportunity. They believe consumers' desire for green options is not just a fad and are investing now to transform themselves into green brands – even though they don't yet see consumers directing a lot of spending toward green brands."

"From the products on the shelves to the labeling of environmentally friendly hardware and equipment in stores, retailers are positioning themselves now to take advantage of a trend they believe will only grow in importance," adds Paula Rosenblum, Managing Partner at RSR and editor of the report.



RSR's new publication, *What Can Green Do For You? Benchmark 2008*, sponsored by DigiPos and IBM, finds that retailers are beginning to turn consumers' desires for green solutions into criteria that retailers also use in evaluating their own vendors, and are looking for green solutions that address packaging, supply chain costs, and store operations costs.

To obtain a complimentary copy of the report, click <u>here</u> or follow this link: http://www.retailsystemsresearch.com/_document/summary/518

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About Retail Systems Research

Retail Systems Research ("RSR") is the only research company run by retailers for the retail industry. RSR provides insight into business and technology challenges facing the extended retail industry, and thought leadership and advice on navigating these challenges for specific companies and the industry at large. To learn more about RSR, visit <u>www.rsrresearch.com</u>.

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