

Delivering on circularity

Feasibility study for reusable e-commerce packaging in Singapore

On 17 November 2021, TaFF, in conjunction with WWF, organised a virtual roundtable on Delivering on Circularity, with a focus on the feasibility of reusable e-commerce packaging in Singapore. Reproduced below are some of the key points of the WWF feasibility study shared at the roundtable.

The increasing growth of e-commerce in Singapore, hastened by Covid-19, has seen more than 200,00 e-commerce parcels delivered daily. The sector is projected to grow by some 50% by 2025. Invariably, e-commerce packaging is not environmentally friendly and will increasingly add to Singapore's waste pile as e-commerce continues to boom.

With the aim of lowering the environmental footprint of this sector, WWF initiated a circularity project in August 2021 to study the feasibility of implementing reusable business-to-consumer (B2C) e-commerce packaging in Singapore.

Key findings:

For reusable packaging to be sustainable in reducing waste generated by the e-commerce sector in Singapore, two critical drivers need to be addressed:

1. Return rate of packaging must be greater than 75 per cent.
2. Package design must balance between functionality and sustainability.

Critical considerations for implementing reusable e-commerce packaging:

1. Designing a smooth customer journey that maximises opt-in and returns rates.
2. Offering retailers a compelling value proposition to invest in reusable packaging.
3. A seamless operational process that enables retailers to leverage resources such as existing logistics networks in Singapore.
4. Packaging that is thoughtfully designed, balancing durability, cost, and carbon

Footprint.

The study indicated the importance of adopting an iterative approach to implementing reusable packaging. To this end, fashion retailers can explore various drivers such as customer discounts and packaging styles to determine what works best. Retailers can also band together to establish industry-wide standards for packaging service providers and in so doing leverage economies of scale. For reusable e-commerce packaging to take off, it is vital for there to be multi-stakeholder collaboration, including the support of the government and the participation of retailers and logistics providers.