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Sustainability in E-commerce: How can E-commerce Start its Sustainability Journey?

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Our modern society is beginning to place more importance on sustainability, and many corporate worlds are moving towards more sustainable operations, and e-commerce is no exception. A key idea in sustainability is how to satisfy current requirements while also providing for those of future generations. The three pillars of sustainability include people, the environment, and the economy. Sustainability is frequently linked to actions like lowering carbon footprint, decreasing waste, the concept of 3R, eco-friendly products, and engaging in fair trade.

As the COVID-19 pandemic has accelerated e-commerce worldwide, more consumers are becoming conscious of sustainability issues such as how products are packaged and delivered, and how returns are sent back to the retailer. Each of these aspects encompasses overall cost, time, materials, and greenhouse gas emissions (Von Abrams, 2021).

According to Virstiuk (2022), sustainable e-commerce entails conducting online retail in a way that does not exhaust natural resources and aims to satisfy the demands of the current generation without compromising the future ones. It includes ecological manufacturing, eco-friendly shipping, and sustainable retail management, as well as sustainable consumption on the part of a buyer. Rock (2022) provides a similar but simpler definition of sustainable e-commerce, which is defined as businesses that provide goods and services without harming the environment or harming other people. He added that it does not necessarily mean that the businesses are eco-friendly.

Sustainable Practices in E-commerce

According to McLeod (2021), most business executives found that incorporating sustainability initiatives into their businesses helped increase customer loyalty. A survey by Forrester revealed that 57 percent of consumers intend to purchase from companies that contribute more often to sustainability. In an age when companies cannot expect customers to automatically return to their business, sustainable products and business practices help your business stand out, create customer loyalty, and appeal to conscious consumers (MIVA, 2022).

E-commerce can implement a number of sustainable practises as part of their new business strategy to appeal to the more ethical market. The following are some examples of sustainable practises that can be embraced by e-commerce players:

1.　Offer eco-friendly products made from recycled materials; reduce the number of natural resources in the products; utilise fewer hazardous components; and collaborate with suppliers and manufacturers who already apply sustainable methods. By doing so, e-commerce companies may gradually introduce sustainable products and services while showing off their efforts to the customers.

2.　Create recycling policies by using sustainable packaging and eco-friendly shipping practices. E-commerce businesses can choose recycled or sustainable packaging and ship in bulk to reduce the carbon footprint of the products. Customers should be encouraged to send back or reuse any product containers. (Offering prizes or discounts on future orders to consumers who return items might encourage return purchases and lower container expenses). Another practise is to use email-only receipts and paperless invoicing.

3.　Running an e-commerce business by recycling and reducing energy waste through investing in low-energy lighting, unplugging equipment when not in use, utilising recycled office supplies, and keeping office temperatures low.

4.　Systematic and optimised product inventory and shipping services can minimise the amount of greenhouse gas emissions caused by product transportation. E-commerce can deliver goods to clients efficiently and sustainably by using a well-managed and intricate system of strategic warehouse sites and order tracking.

5.　Provide several payment options and move to an eco-friendly hosting provider to reduce energy use. Choose hosting providers that make every effort to reduce electricity waste or devote a portion of their income to environmentally friendly projects that benefit the world, and streamline their businesses by speeding up their websites to save customers' time and money.

6.　Stock eco-friendly products especially for e-commerce merchandisers. This can be done by reducing the number of imported products (to reduce the carbon footprint) and offering more local eco-products.

7.   Join carbon-offset programs. By investing in a project that reduces greenhouse gas emissions, carbon offsets enable e-commerce companies to balance the amount of carbon dioxide generated when the products are manufactured, sold, and shipped. Brands can cover the cost or allow shoppers to pay an optional offset charge during checkout.

8.   Reduce returns and exchanges, as returns are unsustainable and costly. Some simple actions include selling high-quality products to minimise breakages and maximise customer satisfaction; writing clear, accurate, and detailed product descriptions so customers know what they are ordering, or actively monitoring feedback so e-commerce can address the issues that lead to returns.

In summary, e-commerce and sustainability go hand in hand. Eco-conscious customers are building up the current market as they spend more on online purchases. E-commerce companies must adapt to more ethical and sustainable business strategies that reflect the preferences of consumers, especially Generation Z and Millennials.

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