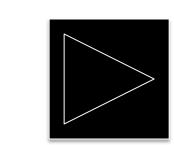


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# "The Green Button" Consumer Demand for Green Logistics



MIT GLOBAL SCALE NETWORK

January 2018 Poster Session

# **Motivation / Background**

Advisor: Josué C. Velázquez Martínez, Karla Gamez Perez

The Company is looking for sustainable delivery options that

Sponsor: Coppel (Mexican department chain with approx. 1300 stores)

- Satisfy customer needs
- Appeal to Millennials and Gen Z



7 out of 10 Millennials and Gen Z will

pay more for green products\*

## **Key Question / Hypothesis**

1. Would consumers choose a "green button" option for ecofriendly delivery?



Longer delivery time



24

Green Delivery



Incentive

2. What are the preferences by demographic clusters?

### **Relevant Literature**

- 1. Nielsen Company, 2015. Global Sustainability Report.
- 2. McKinnon, A.C. et al, 2010. Green Logistics: Improving the Environmental Sustainability of Logistics.
- 3. Demir, E. et al. 2014. A Review of Recent Research on Green Road Freight Transportation.



Source: left image(Coppel).

### **The Problem**

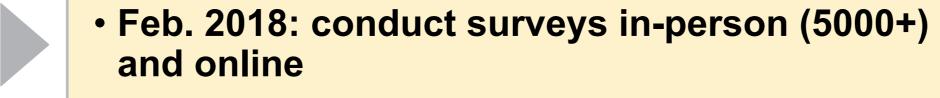
- Currently, Coppel offers a one-day delivery option resulting in more trips for less cargo.
- How should the Company provide a green delivery option for the customer?

#### Methodology

Design

Design mobile app survey and Facebook survey

Survey

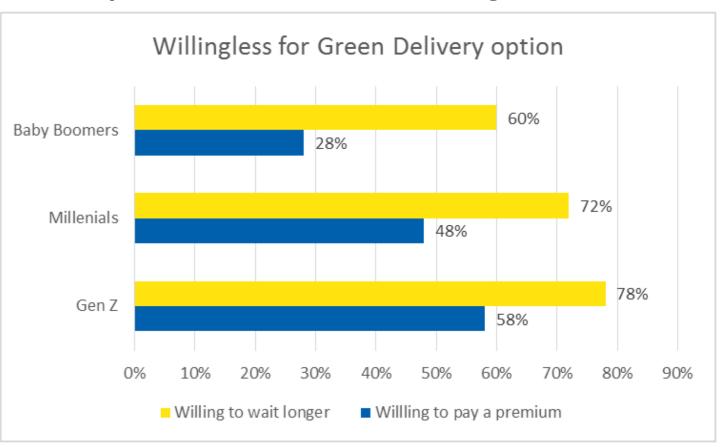


Analyze



#### **Initial Results**

Sample Results (We will run the surveys in Feb. 2018):



**Partners:** 





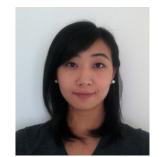
#### **Expected Contribution**

- 1. Identify Mexican consumer attitudes towards retail companies that are eco-friendly.
- 2. Quantify time and price sensitivities for green button delivery option.
- 3. Demonstrate the impact of introducing such green delivery options on Coppel's current delivery network.
- 4. Establish a framework for possibly extending survey to the United States.





Mina Sait



\*Source: Nielsen Global Sustainability Report, 2015.