

Food delivery

Promoting sustainability throughout the food delivery value chain

This case study demonstrates market-based solutions towards “**less plastic wasted**”, exemplary solutions for transformational changes in the way plastic is managed in the value supply chain. Circular Economy approaches, including business incentives for plastic reduction and recycling, are used, leading to increases in plastic re-use and recycling, and to the reduction of single-use plastic packaging.

Plastics are widely used as packaging due to their convenience and aesthetic appeal, and as a result of sanitary concerns. With social distancing and the restrictions imposed in response to the COVID-19 pandemic, online purchases with quick deliveries have skyrocketed and the food delivery service and e-commerce sectors have inadvertently become even bigger contributors of plastic waste in South-East Asia.

Background

Since it was created in 2010, ride-hailing giant Gojek has been serving millions of consumers and partners across South-East Asia. With courier delivery and two-wheel ride-hailing services, the privately owned on-demand multi-service platform has enabled the movement of documents, digital payments, people, and goods. Mindful of the opportunity it has to operate with sustainability, impact, and business longevity in mind, the company believes it can play an active role in addressing and prioritizing the issue of plastic use and disposal, while continuing to support the sustainable livelihoods of its drivers, merchants, and employees, ensure diversity and inclusion, and contribute to socio-economic development in Indonesia and the other countries in which it operates.

A young, driven, and passionate workforce (the average age at Gojek is 30 years old) provides the backdrop for resource-efficient and sustainable thinking in all of Gojek's service departments and highlights the importance that the company founders and managers place on operating with environmental sustainability in mind, as well as financial success. Of its many services, GoFood, GoBox, and GoMall are those that have the greatest direct impact on the plastic value chain.



To ensure that sustainability sits at the core of its businesses, a dedicated Sustainability Department was formalized in 2020 and now provides the firm and structured approach the company needs to effectively achieve its economic, environmental, and social objectives. Under the banner of the #GoGreener campaign, Gojek is focused on limiting its environmental impact and enabling its stakeholders to live in an environmentally responsible manner.

In its work with its ecosystem, Gojek uses its popular mobile app platform, which has been downloaded 190 million times since 2015. With 900,000 merchant partners and over 2 million registered driver partners, Gojek uses this digital platform as a means to oversee its ecosystem and provide superior customer management, including encouraging its stakeholders to place importance on resource efficiency and sustainability.



The problem

In 2020, with nationwide hospitality closures and “stay at home” orders issued in response to the health risks posed by COVID-19, many more consumers began using digital channels to order food and products, which has resulted in a rise in the use of plastic employed as packaging.

Deliveries reigned in 2020 and new research suggests that this sector is increasing and evolving. With the convenience of online ordering for everything from meals and groceries to clothes and household items, this pandemic-era behaviour is likely to remain — bringing with it this increase in single-use plastic.

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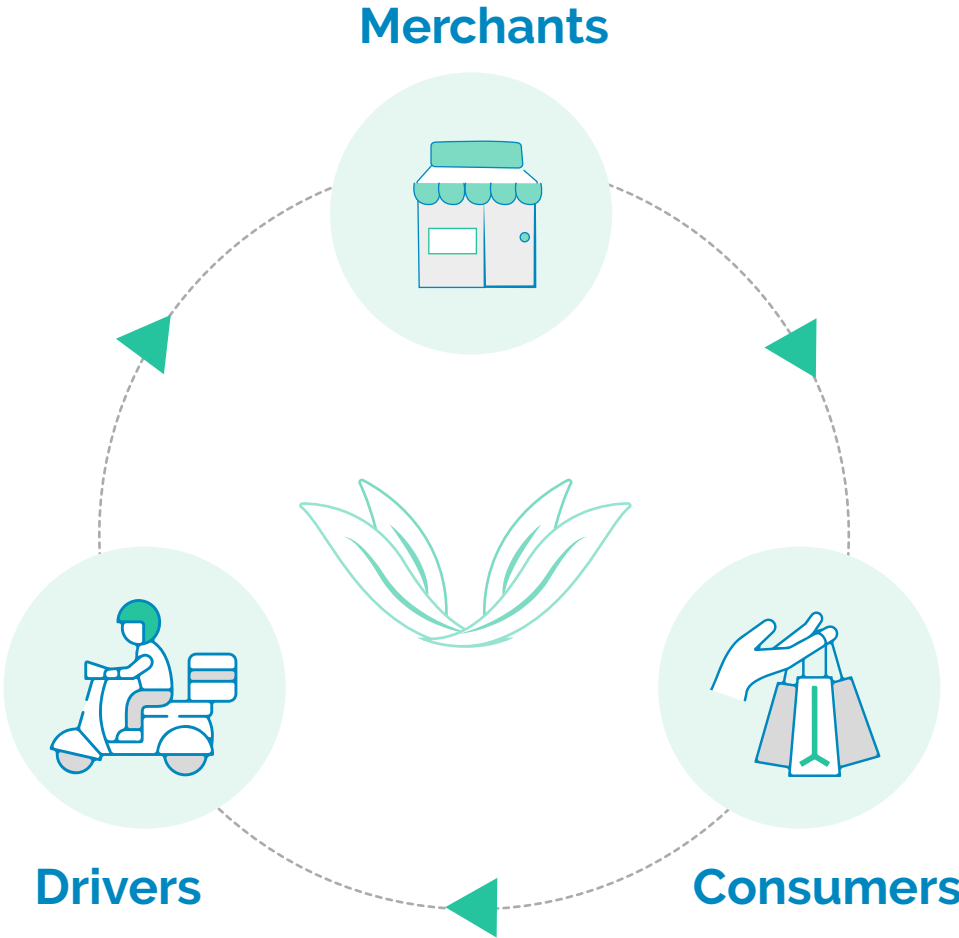
a rise in the use of

plastic employed as packaging.



Interventions

Gojek's approach to managing single-use plastic waste involves providing education on (raising awareness), facilitating (enabling access to more sustainable alternatives), and accelerating (or leveraging innovation) its value chain's transition towards sustainability. For its merchant partners, driver partners, and consumers, these include the following interventions:



The process

• Drivers

• Instilling a set of values that includes sustainability among its almost 2 million registered drivers requires education and onboarding modules that give these partners a shared understanding of their role in Gojek's customer-facing arm. Before any driver partners are accepted, they are assessed by the company's Driver Engagement Team on their knowledge of topics ranging from interacting with customers to eco-friendly practices. It is important that Gojek's large mobile workforce have the same level of understanding and act with these values in mind so that the company's objectives can be achieved.

• Gojek provides its partners with delivery bags and tote bags that are reusable and easy to maintain. It has also promoted innovative solutions to support contactless delivery and social distancing with its temperature cards, which ensure that those handling orders (preparation, packing, and delivery personnel) do not have a fever.

• Drivers also undergo continuous education through the Gojek app, which the company uses as a messaging and information portal to provide learning and helpful tips. As an example, drivers are reminded to pay attention to customers' preferences for no plastic cutlery; drivers often default to adding plastic cutlery to online orders even when customers have opted out, so they are prompted to deliberately refrain from adding it when it's not required.



• Merchants

- Gojek continues to support its merchant partners by giving them access to information that will allow them to reduce the use of plastic in their packaging and in takeout deliveries. As a platform, Gojek understands the role it can play in increasing volumes with more restaurants having access to more sustainable and eco-friendly packaging options. Gojek's business development teams maintain formal and informal communication lines with merchants (using SMS and even WhatsApp) and with suppliers that provide these packaging options.
- The company enables its merchants to purchase eco-friendly shopping bags.
- Of all Gojek's restaurant and food merchant partners, 96 per cent are small and medium-sized enterprises that would benefit from information on alternatives to plastic to fulfil their packaging requirements. One programme that was launched was making no cutlery the default setting in the app, so customers have to specifically indicate that they want plastic cutlery included with their food order or they don't receive any. Coupled with efforts to educate consumers and remind them that plastic cutlery is not essential (campaigns with several nongovernmental organizations (NGOs) such as PlastikDetox and the Plastic Bag Diet movement), this approach resulted in cost savings for merchants with a reduction in the amount of plastic cutlery delivered.
- More recently, a business-to-business waste collection pilot was launched with Gojek's cloud kitchen merchants* in Jakarta, Indonesia in order to trace food and plastic waste. The information collected allows the company to calculate its waste footprint and assess the waste collection system in use, and, when shared, enables merchants to identify the most suitable way for them to improve their plastic and waste footprints.
- These cloud kitchen merchants are also taking part in a pilot for alternative packaging to determine consumer appetites for compostable options.

*Cloud kitchen merchants are partners that use centralized kitchen facilities owned by Gojek instead of setting up their own. This is especially useful for start-ups as they do not need to invest in their own kitchen facilities.

• Consumers

- Gojek reaches out to its merchant partners' and its own direct customers through dedicated online communities that facilitate the exchange of knowledge and tools. The KOMPACT app allows people to share best practices and alternatives to plastic through online sharing sessions and organized webinars, enabling consumers to make more sustainable choices.
- To ensure maximum consumer outreach opportunities, Gojek also uses other partners' and influencers' networks. Lessons learned from a previous successful campaign that asked consumers how they calculate their carbon footprint have given rise to a new programme that supports the company's plastic footprint determination plan and is now asking consumers how they calculate their own personal/plastic footprint.



Challenges

- Keeping everyone on the same page

Since Gojek's Sustainability Department was formally established in 2020 and the company published its sustainability commitments, work is ongoing to get almost 5,500 employees in Indonesia, Singapore, Thailand, Vietnam, and India on the same page. Keeping onboarding programmes robust and ensuring that company values are effectively instilled on a wider scale remains a challenge.

- Ease of implementation

Gojek is not the direct source of the plastic waste that occurs within its food delivery value chain. The challenge for the company remains changing the behaviour of those using the platform, so that everyone in the value chain moves towards more sustainable actions and practices. Most of its partners are micro-merchants who care about the environment and already want to do better. However, because resources are relatively limited, there are not that many opportunities for these merchants, so Gojek is mindful that any actions to be carried out by small and medium-sized enterprises (SMEs) have to be simple, realistic, and cost-effective. Providing solutions that can be executed as easily as possible is a key factor for success in ensuring support. As such, giving these merchants access to practical and economical solutions remains a priority for Gojek.

- Enabling policies

Current alternatives to sustainable packaging are still considered expensive. Continued education and improved cost-benefit opportunities with options like reusable containers would support the transition away from single-use plastic. However, there is also a need for government policies to promote this and provide a level playing field for all players in the sector.



- Access to innovation and alternatives

The company is always looking out for relevant innovations that can be applied at scale (not just for itself but also for its ecosystem of merchants, drivers, partners, etc.), as well as alternatives to be put forward for market testing.



Results - the impacts

- Since August 2019, almost 13 tons of single-use plastic waste was prevented through a paid cutlery programme.
- An additional 6.3 tons of single-use plastic bottle waste was also collected through various pilot programmes that ran in residential locations and schools in 2019.
- In 2020, almost 97 per cent of consumers opted out of having cutlery included with their food orders, at a saving of 2 grams of plastic per customer.



4000+

merchants signed up
for our GoGreener programme on our platform from August 2019 to March 2020



97%

of consumers opted out of
from having plastic cutlery with their food order from 2019 to 2020²



67,000+

reusable delivery bags
were distributed to driver partners from 2019 to 2020 (before the pandemic, to minimize crowds at Driver Service Units)



6.3+ tons

of plastic bottle waste
was collected in Indonesia from drop-off points such as Trash4Cash at apartments, Sahabat Sekolah in schools and waste collection pilots with partners (Waste4change and Ades) in 2019²



13+ tons

of single-use waste was avoided
through a paid cutlery programme in Indonesia from August 2019 to December 2020³

² Pilot roll-outs in 2020 were halted due to Covid-19 pandemic.

³ Out of the total quantity, 6.6 tons of single-use waste was avoided during 2020. We estimated the single-use waste avoided by multiplying 2 gm to the total number of orders where consumers selected the options of 'no cutlery'. Estimated baseline for the year 2020 would be 6.74 tons of single-use waste in the absence of this initiative.



Moving forward

Aware of the role that it could play as a thought leader in the space, Gojek started by consolidating its various sustainability and environmental initiatives that were scattered among each of its functional services. Learning from its GoGreener Carbon Offset feature (the world's first business-to-consumer carbon-offsetting programme in the ride-hailing industry, which was launched in 2020 and allowed users to measure and offset their individual emissions), the company is now using its platform to enable consumers to do the same for their plastic footprint too. Furthermore, it has also committed to conducting an annual corporate plastic audit, starting this year, to help identify the best strategy for improving its plastic waste footprint. With a clear focus on preventing the employment of single-use plastic, Gojek is aiming to attain zero waste to landfill by 2030.

Gojek is continuously improving its packaging materials options to remove all single-use virgin plastic by 2024. It will do this by engaging all its merchant partners through:

1. The use of scorecards and toolkits that evaluate the sustainability of their packaging;
2. Incentives that give preference to merchants/restaurants that have adopted sustainable packaging; and
3. The implementation of supplier improvement programmes for merchants/restaurants that have yet to adopt sustainable packaging practices.

In all these efforts, Gojek will use its mobile platforms to communicate the successes of its partners in packaging sustainability improvements to consumers, colleagues, and the broader community of merchants and stakeholders. Continued access to digital forums gives stakeholders the opportunity to share best practices within the ecosystem, which can reinforce behaviour change in the way we use and expect plastic to be used in our deliveries.



We thank Gojek for sharing details of their exemplary innovations in the SEA Circular project's series on the plastic value chain.



The SEA circular project – Reducing marine litter by addressing the management of the plastic value chain in Southeast Asia is implemented by the UNEP Regional Office for Asia and the Pacific and the Coordinating Body on the Seas of East Asia (COBSEA), with funding support from the Government of Sweden. SEA circular aims to reduce and prevent plastic pollution and its impact by working with governments, businesses, civil society, academia, and international partners. The initiative promotes market-based solutions and enabling policies to transform plastic value-chain management, strengthens the science base for informed decision making, creates outreach and awareness. The project leverages COBSEA's regional mechanism to tackle the transboundary challenge of marine litter in a harmonized manner.

 www.sea-circular.org

