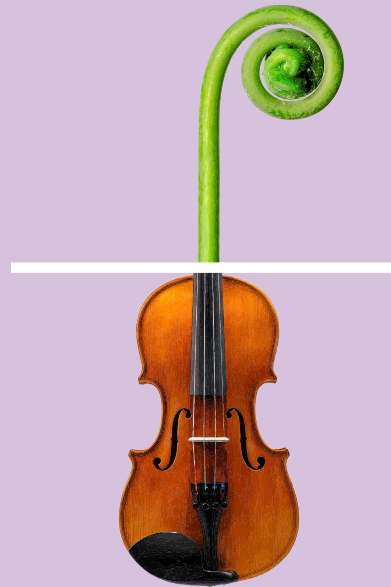


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# Project Loop

## Debrief

*June 2021*

Pollinate



# Contents

- 1 Background, objectives & methodology
- 2 What we will show you today (VIDEO)
- 3 Pain points in mattress purchase experience
- 4 Response to Recycle my Mattress
- 5 Willingness to Pay
- 6 Impact on Retailer
- 7 Ideal business model

1  
Background, objectives  
& methodology

## Overall objective

Collect consumer information on key issues to inform the development of a value proposition and model to support the '*Recycle My Mattress*' scheme

Develop compelling video evidence for *Recycle My Mattress*

## Research objectives

- 1 Which environmental, social and circular economy outcomes do consumers value with regards to mattress recycling?
- 2 What are consumers' expectations in terms of how a scheme contributes to funding collection and recycling costs?
- 3 What are consumers' expectations in terms of how a scheme reduces the cost to the consumer of recycling their mattress?
- 4 What are consumers' expectations in terms of how a scheme improves the convenience of recycling their mattress?
- 5 If consumers were made aware that a small proportion of their purchase price would contribute to the scheme outcomes, how would this affect their purchase decision, if at all?
- 6 How does the amount of contribution influence any of the above findings?

## Who we spoke to

#	<u>Location</u>	<u>Mattress cost</u> Low \$250-\$700 Mid \$700-\$1,200	<u>Shopping focus</u>	<u>Gender</u>
1	Regional NSW	Low	Neutral	Female
2	Regional NSW	Low	Neutral	Female
3	Regional QLD	Low	Environmental	Female
4	Melbourne	Low	Environmental	Female
5	Sydney	Mid	Environmental	Male
6	Sydney	Mid	Environmental	Female
7	Sydney	Mid	Neutral	Male
8	Sydney	Mid	Neutral	Female
9	Melbourne	Mid	Neutral	Female
10	Brisbane	Mid	Environmental	Female

All had purchased a new mattress in order to replace an old mattress, within the last 3 months

Those with a Neutral focus do not tend to prioritise sustainability, or the environment when making shopping and purchase decisions

2

What we will show you today

# Recycle My Mattress

Video placeholder

3

Pain points in mattress  
purchase experience





## Mattress shopping can be an overwhelming purchase decision

Infrequent purchase

Innovation in the category with complex technology

High risk - expensive and important ie the decision can impact on sleep and general wellbeing

Requires some time to research, often joint shopping and decision making

Oftentimes people make the decision to purchase when need become 'urgent'

Want to come away from the store with a mattress..

## Shoppers don't differentiate between mattress brands

Tend to differentiate on mattress type ie spring, foam, soft, hard etc

Price range as an indication of quality

Personal 'feel'

Rely on 'advice' of store staff to help make purchase decision



## Shoppers differentiate mattress retailers based on criteria they understand

Specialists (Forty Winks) vs generalists (Harvey Norman) sales staff

Online only vs Showroom + Online

Convenience/location of store

Special offers- sales, trial periods, warranties

Retailers have an opportunity to differentiate on service experience





## Removal of old mattresses is a key pain point that often surfaces at time of delivery

Even the most organised person seems to forget they need to remove the old mattress

Disrupts the joy of buying a new mattress

Time, effort, money they need to spend out of their own life to organise and manage

Mattress removal is a key tension in shopper's purchase decision & in their lives overall

*“It does, it kind of ruins the excitement of the new mattress, you have to get rid of the old one before I can fully enjoy the new”*  
Sydney

## Options for removal are not satisfactory

### Council pick up

Time and effort to organise and manage

Can be unreliable

Embarrassment

No information of what happens to old mattress

### Waste removal services

Time and effort to organise and manage

Expensive

Lacks environmental credibility

Assume old mattress goes to landfill

### Pay an independent provider (e.g Airtasker)

Time and effort to organise and manage

Giving personal details to a stranger

Out of pocket expense

Little faith old mattress is disposed of ethically

Key tension across all solutions is the time, and effort shoppers need to put into organising and managing, what happens to the old mattress is a latent concern across solutions

At this point, the problem  
of landfill is swept under  
the carpet

*“I have no idea what happens to mattresses, I’d never even thought of it honestly...”*

Brisbane

*“Don’t they go to ‘mattress heaven’?”*

Melbourne

*“What can they do with old mattresses? I assume they just burn them, which isn’t good now I think about it”*

Sydney



Shoppers there is no good decision to make, so try not to think about it

4

Response to *Recycle My  
Mattress*

Recycle My  
Mattress is  
unanimously seen  
as an ideal solution

Among metro and regional  
consumers

For those purchasing both  
low and mid price products

For all consumers – whether  
“highly environmental  
conscious” or not





## In their own words

*“I feel like I’m not just reducing my negative impacts, I’m also doing something positive”*

---

*“I didn’t even know you could recycle any parts of the mattress”*

---

*“It’s stressful trying to get rid of a mattress, Recycle My Mattress means there’s one less thing for me to have to think about”*

---

*“To have the retailer provide the solution for me, so I can just look forward to my new mattress!”*



Recycle  
My Mattress  
offers a  
multi-level  
value  
proposition  
to shoppers

Environmental and  
economical causes

Contributing to  
a good cause

Appealing and  
relevant to  
environmentally  
conscious  
shoppers

Assurance shopper is not  
contributing to environmental  
degradation/landfill

Guilt relief

Growing  
prevalence  
among neutral  
shoppers

Saves time, effort  
"One less thing to think about"

Stress relief  
in their lives

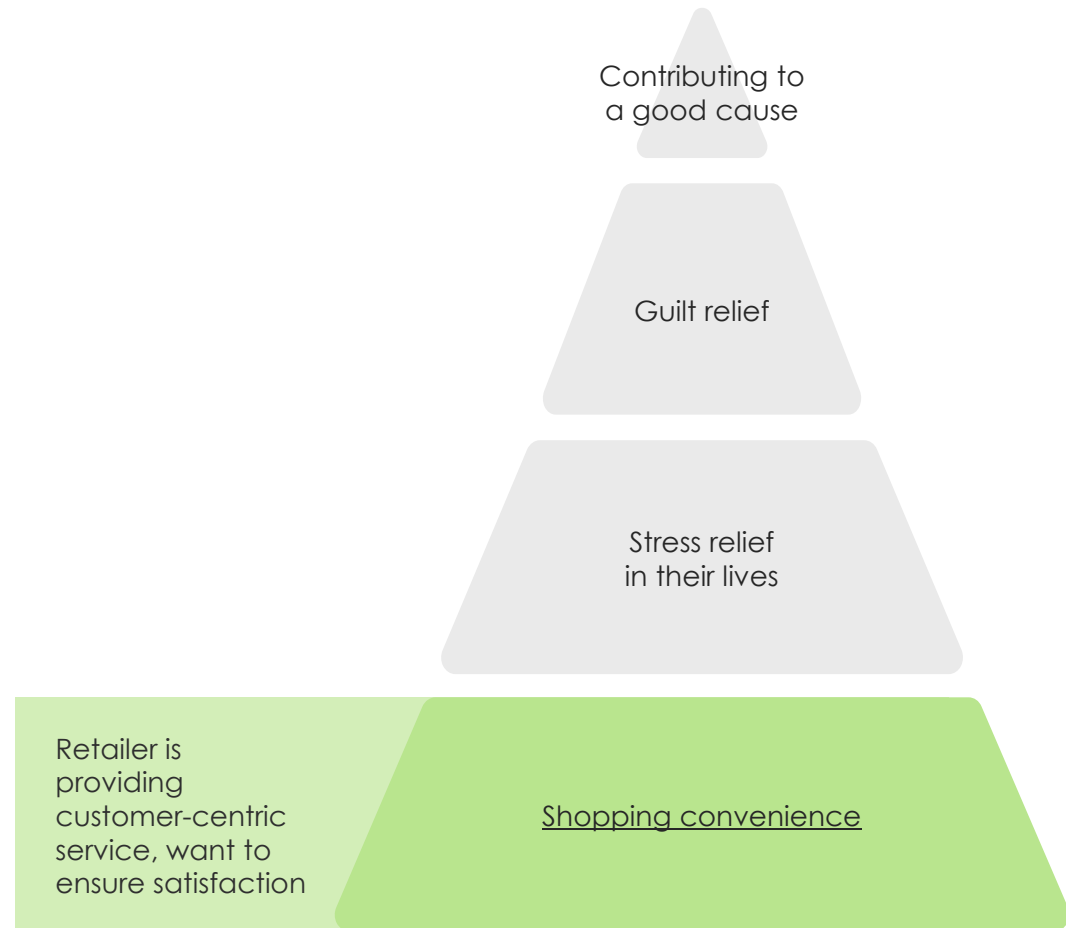
Appealing and  
relevant to all  
shoppers

Retailer is providing  
customer-centric service,  
want to ensure  
satisfaction

Shopping convenience and low  
cost

Shoppers want  
retailers to make  
purchase experience  
as simple and  
convenient as  
possible

*Recycle My Mattress* is  
key an opportunity to  
improve post  
purchase/service  
experience..



*Key tension:*

'All' current solutions to remove a mattress rely on shoppers effort

*"I have to organise it myself"*

Don't want to have to be responsible, undermines the shopping experience

Do not consider as an option with retailers currently





## Shoppers see a definite role for retailers to help manage this pain point

Sense that retailers should be aware and looking for ways to ease this conflict for their customers

Compare to the removal of other white-goods retailers who do this as part of the service

Easier for the retailer, than for shoppers to do



Across shoppers, the assumption is that all removal options end with the mattress as landfill

Try not to think about it, or have a loose, undefined idea of a 'mattress heaven'

Recycling a mattress is not a known option for old mattresses across shoppers

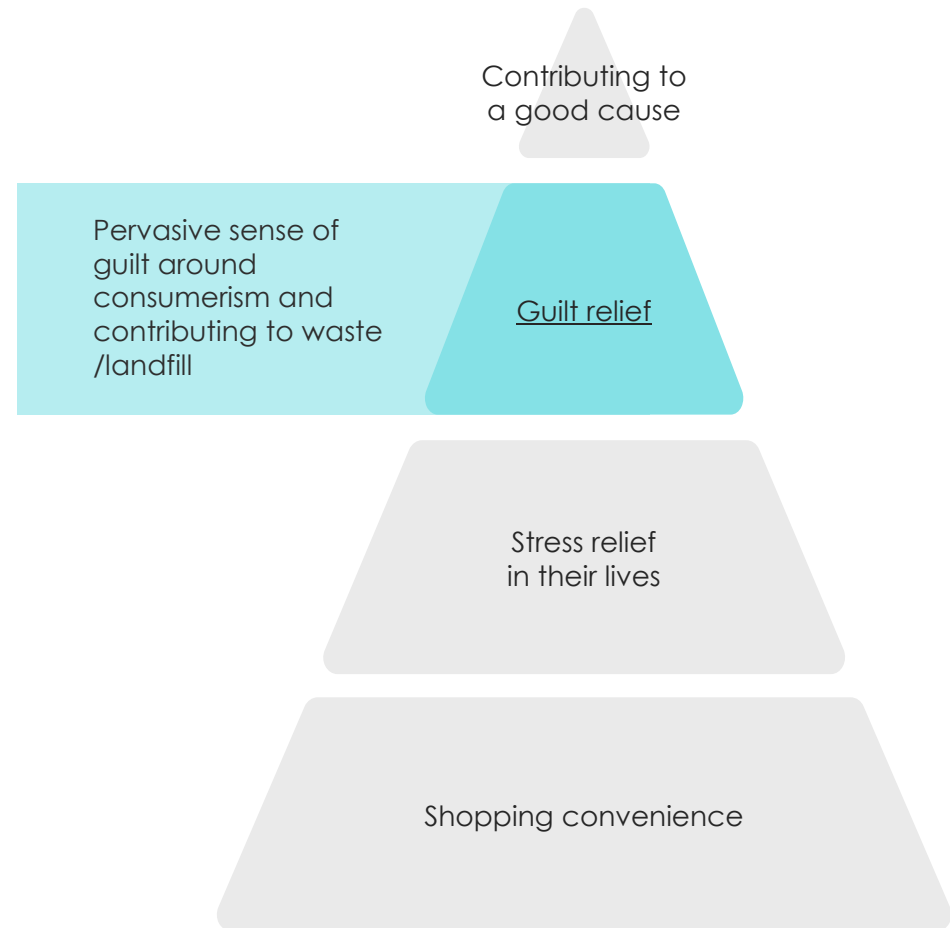
Current removal solutions trigger guilt in shoppers that they have contributed to land fill

## Shoppers want to reduce 'guilt' when triggered to think of landfill

All consumers can visualise the significant impact mattresses have on landfill

Reducing guilt and “waste” is relevant for everyone

*Recycle My Mattress* can assure responsible recycling, against other ‘recycling’ services



For environmentally  
conscious consumers,  
RMM provides an  
opportunity to do  
something positive

Many unaware of recycling  
option for mattresses

Resent having no option – tend  
to blame the industry

Interested in the positive impact  
of the program to planet,  
economy and people



*“I didn’t even  
think of it as an  
option,  
something I  
could look for!  
I feel so bad!”*

Melbourne



Recycle My Mattress offers a multi-level value proposition

Across shoppers

With a unique difference

Recycle My Mattress difference

Environmental and economical causes

Contributing to a good cause

Assurance shopper is not contributing to environmental degradation/landfill

Guilt relief

Saves time, effort  
"One less thing to think about"

Stress relief in their lives

Retailer is providing customer-centric service, want to ensure satisfaction

Shopping convenience and low cost

Appealing and relevant to environmentally conscious shoppers

Growing prevalence among neutral shoppers

Appealing and relevant to all shoppers

5

Willingness to pay



*“\$20, you can’t even  
get a dinner for 2 from KFC for that”*

Regional NSW

\$20 is a  
*completely fair*  
asking price

Across all spends, and  
against all other removal  
options including free  
council pick up

*Recycle My Mattress*  
service and impacts may  
be worth more than \$20 to  
shoppers..

## Shoppers are currently paying more than \$20 for other mattress removal services

Expectations for this price are set higher:

- \$60 *AirTasker*
- \$120 for *1300BinGo* (not including other waste)

Worth paying for the time, effort, and costs of someone else removing their mattress so they don't have to themselves

Cost is associated with a sense of relief, 'just happy to see it go'

Shoppers are trained to pay more than \$20 for mattress removal





## Council pickups are not a complete value for money solution

Council pick-up does have its negatives

- Spend their own time to go on council website and organise
- Unreliable or inconsistent service
- Embarrassment seen putting it out, of having it in front of the house for days
- Start accumulating other people's waste on your lawn

Among shoppers who used free, council pick up services \$20 is considered a *completely fair* asking price

Recycle My Mattress  
could look at  
charging \$50 for the  
service

In-partnership with,  
or independently  
from retailers



6

Impact on Retailer



## FAQ:

### Who can be a Recycle My Mattress member?

Supply chain, manufacturers, retailers and recyclers who agree to our terms and ethics.

There is an expectation across all shoppers that mattress retailers should be on-board with Recycle My Mattress as a retail partner

*“They would all be doing this, or should be....”*

*“Why wouldn’t they get involved?”*

*“For that price point...it would cost them if they didn’t”*





*“It would say they’ve thought about the end-to-end experience for me, it’s not just a ‘sell it, and get them out the door’ type shop which a lot of them are” Sydney*

Shoppers expect mattress retailers to partner with *Recycle My Mattress* as a heightened service experience

Added convenience to their overall shopping experience

Reduces the stress in their lives of having to manage the removal process themselves

Retailer is focused on the customer’s satisfaction of a long-term, expensive purchase

# Shoppers want companies to take a bigger role in combating climate change

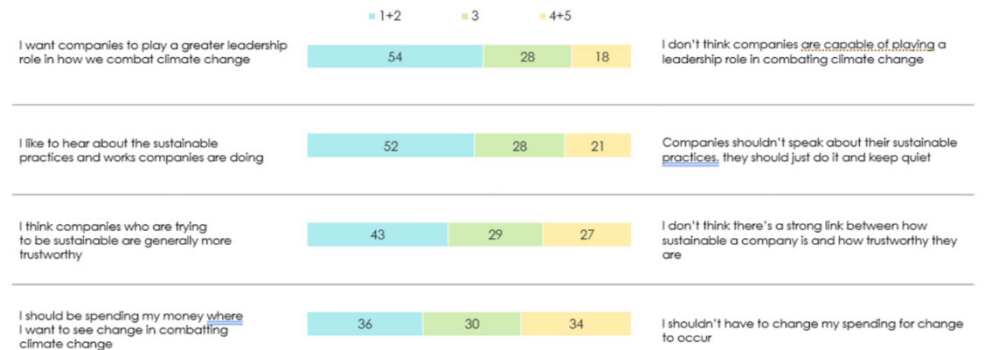
Consumers expect industry to be part of the solution

Consumers look for environmental credentials as a point of comparison between companies/brands

The Pollinate Pulse report  
Australia's attitudes across people, planet and prosperity – March 2021

## Consumers want companies to help lead sustainability efforts – and for them to shout out about it

Expectations of companies within sustainability (%)

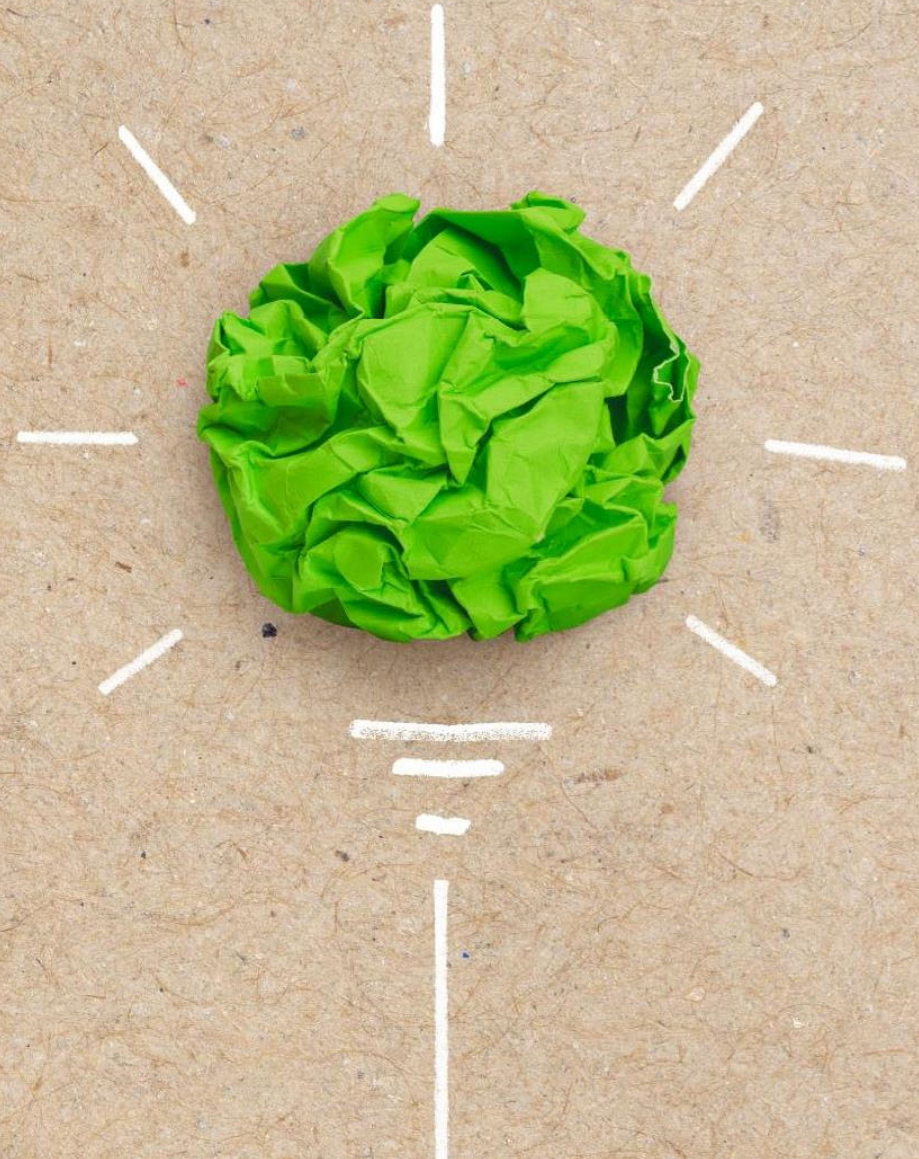


E14 - Thinking about brands and companies, where do you sit on the following? Base: Total sample, Australians aged 14-64, Sep '20 n=1000

Pollinate 41

Shoppers want to see their preferred/ current retailers step up the to challenge of climate change

Companies  
and retailers  
do best when they  
give their customer  
a choice to be  
sustainable,  
environmental  
in their purchase



Recycle My Mattress  
partnership is expected to  
become the category  
norm for mattress retailers  
amongst shoppers

A service offering that reflects  
the importance of their purchase

And as part of a greater focus on  
climate change & sustainability  
by companies

Shoppers see the decision as a  
'no brainer' for the retailer





Shoppers believe retailers who do not partner with *Recycle My Mattress* in the future will be 'left behind'

Negative impacts are in-focus amongst current shoppers & will be a key influencer Gen Z shoppers of the future

Retailers seen to become outdated because they are out of touch with shoppers by not partnering

At best, Recycle My  
Mattress motivates more  
frequent purchasing of  
mattresses

*“If I knew this service was out there,  
and my mattress wasn’t contributing to  
waste and was doing some good I  
would probably change my mattress  
more often...sometimes 10 years just  
feels like too long.”*

Brisbane metro, high price point



However shoppers  
need to be made  
aware of *Recycle  
My Mattress*

And mattress  
recycling overall

Even among very  
environmentally  
conscious shoppers

*“I didn’t even know  
they recycled the steal”* Sydney

*“I didn’t even think to search  
about that [mattress recycling] or  
look for that as an option”*  
Melbourne




7

Ideal business model



# Consumers were presented with three options

<u>Payment Option</u>	<u>Pros</u>	<u>Cons</u>
<b>A</b> (included in purchase price)	<ul style="list-style-type: none"> <li>• Automatic – don't have to think about it</li> <li>• Strong commitment by retailer to sustainability</li> <li>• Pre-empting customer needs</li> </ul>	<ul style="list-style-type: none"> <li>• Invisible &amp; don't see the benefit – needs to be separate item on receipt</li> <li>• Less control</li> <li>• Not relevant for all old mattresses</li> </ul>
<b>B</b> (opt-in on purchase)	<ul style="list-style-type: none"> <li>• Made aware of initiative</li> <li>• Feel in-control of purchase decision</li> </ul>	<ul style="list-style-type: none"> <li>• Conflates with delivery service – some confusion 'if I don't tick the box'</li> </ul>
<b>C</b> (opt-out at purchase)	<ul style="list-style-type: none"> <li>• Benefit of automatic service offering with the added benefit of choice</li> <li>• Retailer commitment &amp; considered shopper experience</li> <li>• Suits various needs</li> </ul>	



### Recycle My Mattress payment options

Option A <i>included in purchase price</i>	Option B <i>opt-in on purchase</i>	Option C <i>Opt- out at purchase</i>
<p><u>Mattress costs \$400</u></p> <p>(\$350 plus \$50 for removal and responsible recycled of old mattress)</p>	<p>Mattress costs      \$350</p> <p>removal and responsible recycling of old mattress      \$50</p> <p>COMBINED TOTAL      <u>\$400</u></p>	<p>Mattress costs      \$350</p> <p><input checked="" type="checkbox"/> removal and responsible recycling of old mattress      \$50</p> <p>COMBINED TOTAL      <u>\$400</u></p>

Shoppers want the value-add of *Recycle My Mattress* to be highlighted at point of purchase

Separate item on their receipt, in-store signs and information pre-purchase

Adds to their experience and may be a trigger to purchase

Retailer is being transparent & also highlighting a great service and initiative



*“If a retailer had told me about *Recycle My Mattress*, that would be the silver bullet for me to buy from them as well”*

Sydney



## Shoppers prefer to have *Recycle My Mattress* be an “opt out” service

Speaks highly to a retailer's commitment to reducing waste and combating climate change if *Recycle My Mattress* is standard as part of their service offering

However not all old mattresses are gotten rid of entirely once a new mattress is bought

Retailers do best when they provide shoppers the choice to make environmental decisions

Shoppers are  
less focused on  
buying an eco-friendly  
mattress

'Environmentally  
friendly' designed  
mattress is highly  
desirable

However key influencer  
is still comfort, suitability  
of the mattress rather  
than sustainability



The onus is on  
retailers to make  
their experience  
and choice  
offerings to as  
eco-friendly as  
they can

# Thank you

## Pollinate

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[www.pollinate.com.au](http://www.pollinate.com.au)

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Pollinate used third party suppliers to provide sample for this project.

<u>Supplier</u>	<u>Sample N=</u>
ChitChat Research	10

As part of the project you will have on file the final version of the following documents...

1. our Proposal, outlining our approach, sample size and costings
2. the Discussion Guide outlining the discussion flow of the research (if applicable)
3. the Questionnaire (Quantitative) or Recruitment Schedule & Screener (Qualitative), with the questions used to qualify participants and if relevant, a schedule with incentive amounts, research dates and times of the fieldwork
4. our Debrief presentation, the final presentation with our findings from this project

If for some reason you don't have one of these documents or would like us to resend any of them to you, please ask one of the Pollinate team.

As the project is now complete, we'll start our process of closing it. This process involves the following...

1. De-identifying all respondent information (i.e. contact details on all documentation, including but not limited to spreadsheets, pretasks and sign in sheets)
2. Collating all project materials, keeping only those we deem as relevant and archiving these for a period of 12 months. If you have any specific requests in terms of what you'd like us to keep, please let us know within 4 weeks of the date of this Debrief and we will ensure these are included with our archived material (for 12 months).
3. If applicable, we will retain on file all video related to this project for a period of 2 years. After 2 years from the date of this debrief, we will delete any project related video that's not included as part the final debrief document. If you'd like us to retain any video for longer please let us know within 4 weeks of the date of this Debrief date and we will ensure these records are retained for an additional 12 months (for a total of 3 years).

If you have any questions relating to the above, please contact our General Manager, Nathan Saville, on 0410 402 068 or email [nathan@pollinate.com.au](mailto:nathan@pollinate.com.au)