

WWF

RATING OF DO IT YOURSELF STORES IN SWITZERLAND SUMMARY

Summary

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SUMMARY

ANALYSIS

For some years now retail trade has been subject to great dynamics in the do-it marketing and gardening areas. A result for example is the increasing sales areas of the wholesale distributors in this segment or the expansion of foreign do-it-markets in Switzerland.

In contrast to other product lines such as foods, the development of offering an ecological product range in home improvement stores is still in the fledgling stages. For the first time the current rating systematically includes the state of affairs and evaluates the product range of the retail market in regard to its ecological quality.

Rating methods

The rating includes the retail traders Bauhaus, Coop Bau+Hobby, Do it Baumarkt, Hornbach, Jumbo, Migros Do it + Garden and Obi¹. The product lines wood, dyes and paints, building materials and gardening products are evaluated. Besides the product range, the overall strategy of the enterprises with respect to the demand of purchased and marketed ecological products is also taken into consideration. Overall 83 individual criteria were evaluated in five areas of performance.

The rating is based on entrepreneurial internal and external sources as well as a review of the statements in selected sales outlets. The most important source is a detailed questionnaire which was filled out by Coop, Do it Baumarkt, Hornbach, Jumbo, Migros and Obi. Only one of the enterprises which were asked, Bauhaus, did not fill out the questionnaire. Therefore the rating of Bauhaus is only based on entrepreneurial external sources and a review at the presently only subsidiary in Switzerland.

Results

The evaluation of the results shows considerable differences between the individual product ranges (see Figure I) as well as between the different enterprises (see Figure II and Figure III).

1 For easier readability we will use the terms "Coop" instead of "Coop Bau+Hobby" and "Migros" instead of "Migros Do it +Garden" in the following.

RESULTS CLASSIFIED ACCORDING TO PRODUCT RANGES

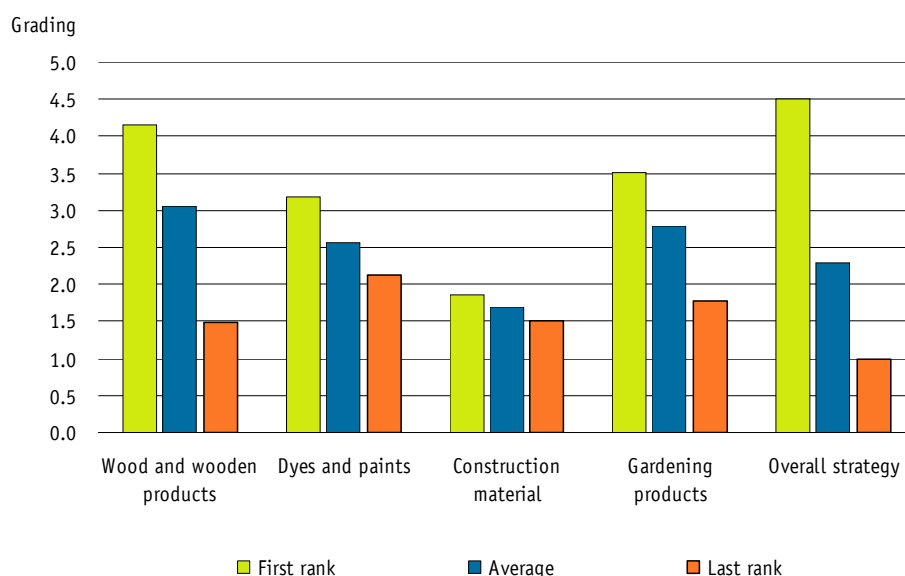


Figure I Results classified according to individual product ranges offered. Minimal grading: 1.0, Maximal grading: 5.0. The averages of all seven evaluated enterprises of Bauhaus, Coop, Do it Baumarkt, Hornbach, Jumbo, Migros and Obi are shown.

The trade branch of *wooden products* achieves a relatively high level. The enterprises predominantly offer either solid wood products or tools with wooden handles in all product ranges; that is at least some products originating from long term forestry. The long-time work of WWF to publicize the FSC label, which supports long term forestry seems to bear fruit here. In the other product ranges, the level is noticeably lower. For instance, the ecological requirements for *construction material* in all evaluated enterprises are quite low. Hardly any products have natureplus, the emerging label for long term construction material. And none of the enterprises pursues a specific ecological purchasing policy or specific marketing strategy in this area. The industry is more heterogeneous in the area of *dyes and paints* as well as in the area of *gardening products*. Here the level is also lower than for wooden products. The greatest differences can be seen in the *overall strategy*. On one hand there are enterprises which pursue a coherent and comprehensive strategy to enhance the ecological quality of the products and to improve their marketing. On the other hand there are enterprises which only selectively incorporate ecological aspects in regard to purchasing

and marketing. Complying with the large heterogeneity of the industry large differences are manifested between the individual enterprises.

OVERVIEW OF THE ENTERPRISES' RESULTS

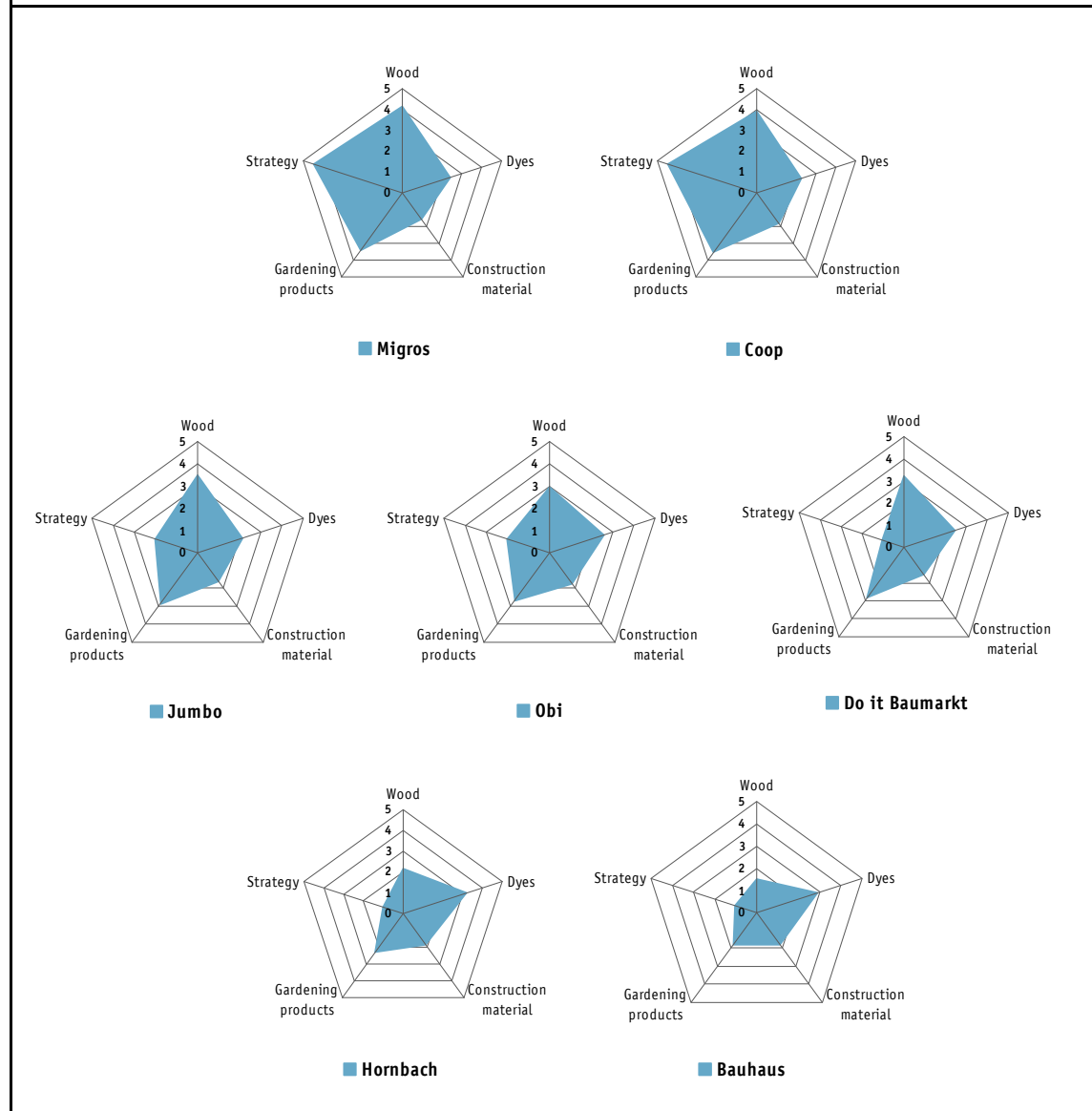


Figure II Overview of the overall results of all evaluated retail trade DIY stores. The spectrum ranges from 1 (insufficient) to 5 (excellent). The five performance areas - wood and wooden products, dyes and paints, construction material, gardening products and overall strategy - were evaluated with regard to the promotion of long term products in regard to purchase and marketing.

Figure II shows an overview of the enterprises' results in the five evaluated performance areas of wood and wooden products, dyes and paints, building materials, gardening prod-

ucts and overall strategy for the promotion of purchased and marketed long term products. It shows that the enterprises set different priorities and exhibit different qualities in the individual areas.

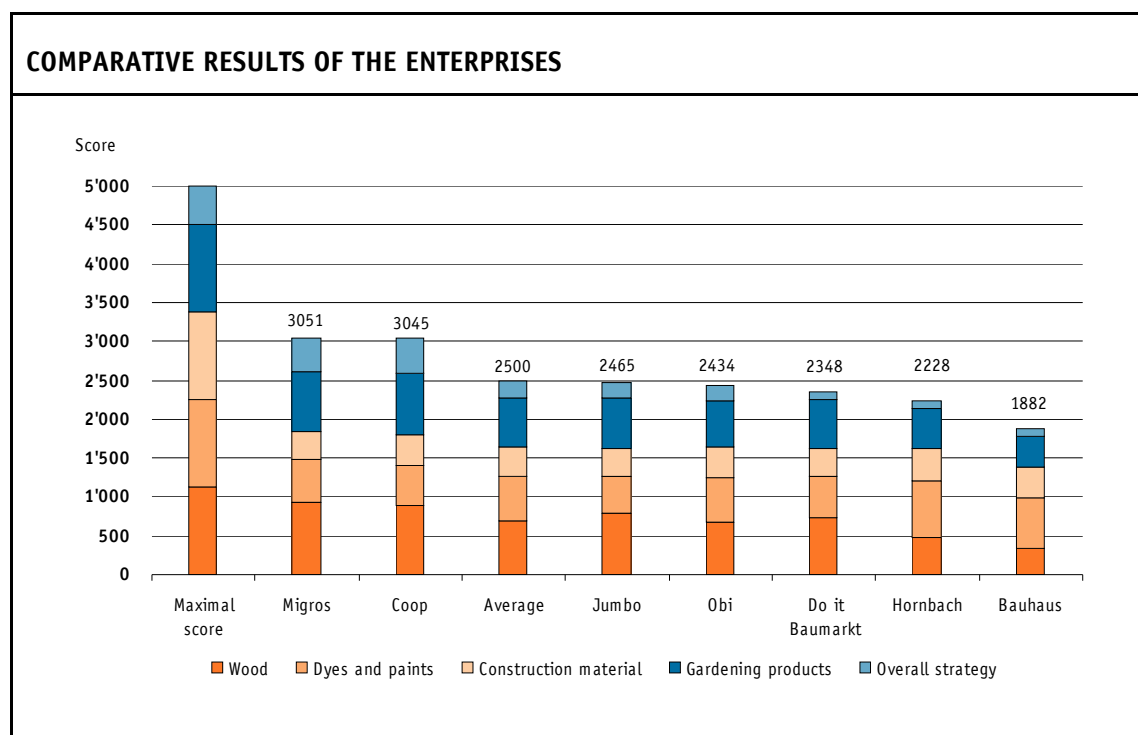


Figure III Comparative results of the evaluated DIY stores. The column “Maximal score” represents the maximum amount of points which can be achieved in the individual areas.

Of all evaluated enterprises *Migros* and *Coop* are situated at the peak far ahead of the others. In fact both do not achieve top results in all performance areas; in the case of dyes and paints they are even situated below the average mark of the evaluated enterprises. However, as to wood products and the overall strategy to promote long term products for purchasing and marketing both enterprises are clearly on their way upwards.

Jumbo ranks third best in the test results. Its overall performance is slightly below the average of the evaluated enterprises. *Jumbo* is above the average mark with wood products while the range of ecological dyes and paints is situated beneath the average mark.

Obi and *Do it Baumarkt* are situated at the average mark or as the case may be assessed slightly below average. They also mostly obtain average results in the individual performance areas.

In general *Hornbach* is evaluated as below-average. However in the case of dyes Hornbach is clearly situated at the top of the evaluated enterprises which is mainly due to the large supply of environmentally friendly dyes and paints labelled with “Blauen Engel”. In general *Bauhaus* receives the worst result. In the case of dyes and paints as well as construction material Bauhaus is situated well above the average mark of the evaluated enterprises. But the enterprise comes off worst in the area of wood and wooden material as only a few FSC-certified as well as wood products which are declared as such are offered.

WWF REQUIREMENTS FOR THE DIY STORES

General Requirements

- › The result of the rating shows that an entrenchment of the ecology in a superior purchasing policy improves the performance in most product segments. Selective measures alone are not sufficient.
- › The declaration of the contents, its origin as well as the production location of products is an important decision-making criterion for consumers or as the case may be for the declaration of the respective environmental relevance of the products. In order to increase the environmental performance and customer-friendliness of an enterprise, a clear, transparent declaration is required. This also applies to the exposure to labels.

Product Line Related Requirements

Labelled products provide consumers with the possibility of seeing the ecological offer. Indeed, labelled products are on the market however their percentage is still very low. Recommended are products with the following labels: FSC, natureplus, Blauer Engel, Umweltzeichen Österreich (Austrian Environmental Signs), as well as biological products in the gardening area.

- › Wood: Recommended is the development of the supply of FSC-certified wood products. This reduces the enterprise's risk of having illegal wood products in their product range.
- › Dyes/paints: Here health issues remain most important for consumers. The performance of the enterprises in this area varies a great deal. Individual enterprises settle on the Blauen Engel and show that a high quality standard would also be possible for dyes and paints. Here products with the labels Blauer Engel, natureplus and Österreichs Umweltzeichen (Austrian Environmental Signs) are recommended.

- › Building materials: Here an enormous backlog demand exists for all DIY stores. This applies to both the purchasing policy as well as the products offered. Labels such as nature-plus and Blauer Engel are hardly obtainable.
- › Gardening products: Wooden products such as garden furniture are generally at a relatively high level and are labelled with FSC label. For the remaining products lines such as plants, fertilisers or soil it is recommended to expand the product line with ecological alternatives (biological products). Here individual enterprises show that this is possible.