

# Promoting conscious retail

Innovation, technology and creativity  
aimed to create circular supply chains



In partnership with:



# A new market paradigm



As we already know, and regardless of the market type, consumers are constantly changing, and more and more we see how the new generations become more demanding regarding brands and products.

They no longer demand and analyze costs and quality only, but also value aspects related to ethics, sustainability and community support, thus managing to revolutionize purchasing criteria, and consequently, drive a more responsible collective consumption.

In recent years this growing trend has crossed the consumer line, revolutionizing the entire retail sector and the way of facing and adapting to the continuous market challenges. From large companies to emerging start-ups, we see how business models are embracing a new ethic, making economics only one of the things that matter when doing business.

**Brands are becoming more critical of themselves, so they work to achieve a more sustainable, conscious and responsible activity towards the environment and society.**

The plan was to take this first success to a massive level, thus achieving a deeper impact on consumers, markets and the world.

## Algramo: Revolutionizing smart consumption

Against this background we find the company Algramo, which since 2013 has been working constantly to implement a new business model capable of promoting sustainability and social welfare alike, while achieving a comfortable, innovative and circular consumer interface.

Since its inception, Algramo has set out to make a radical change in the way people access products. Its founder Jos Manuel Moller has discovered how the most vulnerable consumer sectors were bound to spending more money just because they could not access “wholesale” products. He called this phenomenon a “poverty tax”, and promised to arrive at a buying / selling system capable of bringing better costs to the most needy sectors.

At first, the system was based on the creation of own-brand products using a form of returnable packaging.

This initiative not only reduced the final consumer expenses, but also increased recirculation of returnable containers. In addition, the company also designed a dispenser prototype that offered food such as rice, lentils and beans in the right amounts that the customer required according to what he paid; thus eliminating unnecessary spending in vulnerable economies.

Although in its first stage, results showed an 80% reuse rate by consumers, and the company intensified its efforts to promote a change that goes beyond the already established network of shops and small stores.





This new model was based on **3 main pillars:**



A smart reusable container integrated with an Avery Dennison RFID label.



An Algramo app whereby consumers can request the purchase of products and manage their recharges, their virtual wallet and be aware of the environmental impact associated with their consumption.



A new “door-to-door” distribution structure made up of electric vehicles equipped with supply pumps and an RFID / NFC reader system which, together with the container, closes the consumption circle proposed by the company.



Algramo intends to scale its technology globally so that we can catalyze reusable packaging on a globally significant scale. By doing this, we can help our FMCG partners keep their packaging in the economy and out of the environment. This requires a technology partner like Avery Dennison, who shares our passion for using innovation to turn linear supply chains into smart, resource-efficient circular supply chains.”



Brian Bauer, Head of Circular Economy & Alliances, Algramo

## Avery Dennison and Algramo 2.0

Once breakeven was achieved, when the operation became self-sustaining and recognition was already established, the Algramo team began working on the need to expand its marketing network in order to increase its impact through different sales channels.

The idea was to evolve the functioning of the system, until now organic, using new technologies capable of mass implementation. For this, the company worked together with Avery Dennison to launch an interface capable of taking this commercial concept to a higher level.

Then, and delving into concepts related to the circular economy, the product distribution and acquisition modality was completely redesigned, implementing state-of-the-art RFID technology and mobile solutions that enabled a new consumer / product interaction.

The benefits of this commercial scenario are many and impact the brand, the user, the points of sale and the stakeholders alike.

The brand obtains product traceability and direct contact with the customer; the user has the security of storing money in a controlled account wallet, and the transparency of knowing the environmental impact of its operation; and the retailer benefits from a self-service, “cashless and touchless” solution whereby the consumer places his smart container in the dispenser, the dispenser “reads” it, identifies the user and sends a notification to his cell phone so that he can start the operation.

**In a nutshell: a fast, reliable, innovative system with great ecological / social value.**

## Linking the consumer to the package

One of the main protagonists of this buying / selling system is Avery Dennison's RFID technology attached to the packaging. Its objective is to link the packaging to the consumer profile in Algramo's mobile application.

By linking the container with the user through the App, the consumer can schedule delivery and specify the amount of product he wants to buy. All this is achieved while driving sustainability awareness.

The RFID tags used by Algramo have state-of-the-art technology designed specifically to meet application and end use requirements. These are developed with materials that provide great durability and guarantee good functionality.

These advantages include a more robust RFID chip and longer package life cycle, which translates into smooth circularity and a positive impact on the environment.

At Avery Dennison we have the largest portfolio of smart tag products in the region.

We also have teams of experts who have a deep understanding of the challenges that come with the implementation of these technologies. That is why our solutions drive the value chain from the very first step onwards and into the future, contemplating every detail along the way.

## An idea in constant expansion

Although Algramo already has a consolidated brand story and important allies such as Nestlé, Colpal (Colgate-Palmolive) and Unilever, the company aims to open borders and take this idea to other regions of the world.

Under this scenario, Algramo already has a pilot program in New York which offers fixed dispensers at different points of sale in Brooklyn and Manhattan, where users can purchase products from well-known brands such as Pine-Sol and Clorox.

In addition, they are beginning to position the initiative in the city of Jakarta in Indonesia, where cleaning products will be offered in places with high human traffic, and pilot tests will begin in Europe and other Latin American countries in the second half of 2021.

This expansion plan will allow them to be positioned "on the world stage of the circular economy", which represents an ideal window to demonstrate how creativity, driven by technology, can generate a substantial change around the world.



“ We found in Avery Dennison's material the reliability we need to implement our systems with the best market standards, not only locally but also internationally. In addition to the products, we have built a relationship with Avery Dennison which allows us to face challenges collaboratively, swiftly replicating processes to our different projects.”

” Magdalena Garibaldi, Technical Project Manager, Algramo

## Technology, a strategic ally

The digitization of companies is already a reality. Thanks to technology, companies can be more sustainable in their day-to-day activities and at the same time, can have a closer relationship with customers by offering them more exclusive and personalized attention.

Such deployments and the technology involved in these processes demonstrate how innovation plays a key role in improving user experience, by providing a much more personalized service, unparalleled shopping experience and increasing the end value of the product.

Avery Dennison offers smart tags for a wide variety of end-use applications, including on-metal applications, liquid resistant, chemical resistant, functional for contact with food and beverages, and capable of withstanding microwave emissions.

All these solutions can offer different benefit levels which include high inventory visibility throughout the supply chain, reduction in labor costs of up to 50% for retailers, and product traceability and touchless experiences, something that consumers are beginning to demand more and more, especially due to COVID-19.



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## Avery Dennison

Avery Dennison RFID solutions provide a suite of digital ID technologies that authenticate product history, provide tracking and inventory solutions and enable richer consumer encounters. With a unique combination of materials expertise, innovative, end-to-end technologies and global capacity for supporting customers, the Avery Dennison Smartrac division partners with companies across industries (from Food and Apparel, to Beauty, Automotive and Healthcare), introducing transformative benefits through connecting the physical and digital worlds. Supply chain visibility and operational performance; traceability and tracking; inventory management; brand safety, ingredients and storage integrity: all can be improved and made possible through the introduction of RFID technologies.

[rfid.averydennison.com](https://rfid.averydennison.com)

## Want to know more?

We invite you to contact your sales advisor to learn more about how we can help you achieve these benefits. If you have any questions, or need more information about RFID technology and the different offers it has for you, write us! We will be happy to advise you to achieve the same results.

[CONTACT OUR DIGITAL ID EXPERTS](#)

