



ANALYZING NESTLE'S WATERS AND NESPRESSO DIVISIONS: SYSTEMATIC APPROACHES FOR IMPROVING CORPORATE SUSTAINABILITY

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Abstract:

The corporate landscape of Nestle is examined in this investigation, with a particular emphasis on the company's dedication to CSR and environmental preservation. This paper presents Nestle Waters' approach to ethical encounters in extraction of water, focusing on native rights, expired licenses, and security of water. It argues that open communication, compliance oaths and assurance, and community alliance are systematic solutions to these problems. The investigation now turns its attention to Nespresso and the premium coffee industry's waste management and aluminum consumption issues. Nespresso may benefit from a more methodical approach if the company would only establish some definite long-term objectives, encourage more partnerships, educate its customers better, and put more money into environmentally friendly packaging. These initiatives not only address pressing issues, but also help Nestle achieve its long-term sustainability objectives, which will set it apart as an industry leader in ethical business practices.

Keywords: Nestle, Nestle Water, Waste management

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Overview:

More and more people are paying attention to corporate social responsibility (CSR) initiatives throughout the world, which has led businesses like Nestle to reconsider their focus on financial performance alone. (Nyarku & Ayekple, 2018). A more comprehensive strategy that recognizes the social effect of corporate actions is being promoted by this change, which is part of a larger trend in the corporate environment. Stakeholders are increasingly demanding responsible business conduct and openness, regardless of their personal views on the subject.

Socially responsible conduct is difficult to define and measures since it differs by country, market, and industry. (Frynas & Stephens, 2015). Customers may have different opinions on how a company's CSR initiatives are perceived due to its subjective nature. Corporate social responsibility (CSR) questions the conventional wisdom about marketing by expanding its scope beyond the connection between corporations and their customers. (Chou, 2014). The attractiveness of corporate social responsibility (CSR) initiatives to customers has led multinational companies (MNCs) like Nestle to become key players in the provision of public goods on a global scale. (Scherer, Georg, & Palazzo., 2011).

Despite its controversial past, the food and drink giant Nestle is still dedicated to doing good in the communities it serves via CSR and environmental sustainability initiatives. (BDC, 2019). Nestle Waters Canada's water extraction tactics have come under scrutiny, particularly in areas hit hard by drought. This has led some to question the company's commitment to producing shared benefit.

Among the premium coffee industry's efforts to address sustainability problems, Nestle's Nespresso has been in the forefront. But problems still exist, especially with garbage collection and aluminum use, calling into doubt the efficacy of the CSR – corporate social responsibility programs. (Hamann, Luschnat, Niemuth, Smolarz, & Golombek, 2014).

To evaluate the efforts put in by Nespresso for sustainability, the Most Similar System Design (MSSD) is used. In 2003, Nespresso and the Rainforest Alliance created the AAA program, which

aims to source coffee in a way that is sustainable, productive, and of high quality (Nespresso, 2013).

But its credibility and effectiveness are called into question since ethical sourcing does not have a quantifiable long-term objective commitment. Regardless of these obstacles, by modifying existing CSR initiatives, Nespresso can demonstrate its dedication to sustainability and quality while also establishing itself as an ethical and responsible premium coffee brand (Yale University, 2014).

Concerns about society, the environment, and commercial goals all interact intricately in Nestle's CSR initiatives. Case examples highlight Nestle's dedication to tackling problems and handling criticism wisely. Nestle Waters and Nespresso are two companies that have made strides towards more organized answers. A more open and honest discussion on Nestle Waters' licenses, strict adherence to regulations, and joint efforts with affected communities to alleviate water shortages are all possible responses to the company's water extraction techniques coming under fire. To tackle the problems with waste management and aluminum use, Nespresso may step up its research into alternative materials, improve its recycling systems, and come up with more environmentally friendly packaging alternatives. Responsible business practices in today's ever-changing world need constant adaptation and innovation. By relentlessly seeking for methodical answers, Nestle Waters and Nespresso can solidify their dedication to ecological and ethical business practices, becoming the gold standards in the industry.

Introduction:

Here we are in a world where Nestlé's Nespresso is the center of attention due to the growing environmental and ethical concerns surrounding the coffee business. The complex challenges it faces in relation to ethical sourcing and waste reduction are being explored. What is the goal? To find the answers to these problems and, more significantly, to provide a workable, comprehensive solution. It's about helping Nespresso connect with sustainable ideals that resonate on a global scale, not simply about solving issues.

Now let's turn our attention to Nestlé Waters Canada, an important participant in the international food and drink industry. The moral dilemmas that have arisen as a result of water extraction in Canada are now the center of attention. We have a clear mission: to provide comprehensive solutions that address both current needs and the larger sustainability goals set by the world community.

This is more than an introductory statement; it extends an invitation. An invitation to embark on a quest that goes beyond the confines of any one company. We are creating a path map by combining the stories of Nespresso and Waters Canada. One that calls the whole sector to a future characterised by ethical resilience and environmental responsibility, not simply these corporations. In the face of obstacles, we humans must work together to Create long-term resolutions.

Nespresso:**1. Ethical Sourcing Challenges:****Nespresso's AAA Sustainable Quality™ Program:**

The absence of well-defined long-term objectives limits the efficacy of Nespresso's AAA program, despite the fact that the company has achieved progress in ethical sourcing. (Hamann, Luschnat, Niemuth, Smolarz, & Golombek, 2014). In order to raise the proportion of coffee that is obtained ethically, this section explains why concrete, quantifiable goals are required.

2. Waste Reduction Challenges:

Aluminum Capsule Waste:

A considerable amount of environmental deterioration is caused by the aluminum capsules used by Nespresso. Changing from aluminum-based waste products to more environmentally friendly capsule materials is one methodical approach. (Hamann, Luschnat, Niemuth, Smolarz, & Golombek, 2014).

3. Recycling Initiatives:

Nespresso has put in multiple recycling efforts but have not shown any noticeable results. The suggested course of action is to work with local, state, and federal waste management programs to create recycling infrastructure that is both user-friendly and highly effective. (Nespresso, 2013).

Proposed Systematic Solution:

1. Clear and transparent Long-Term Goals:

For ethical sourcing and trash reduction, Nespresso has to set long-term objectives that are clear and quantifiable. Part of this process is figuring out how to phase out aluminum and what proportion of coffee is supplied ethically. (Hamann, Luschnat, Niemuth, Smolarz, & Golombek, 2014).

2. Collaboration with Stakeholders:

To strengthen the legitimacy and impact of Nespresso's sustainability efforts, it is essential to form relationships with non-governmental organizations (NGOs), environmental groups, and local communities. (Hamann, Luschnat, Niemuth, Smolarz, & Golombek, 2014).

3. Educating and Involving Consumers:

Nespresso could implement a consumer-focused approach by informing its customers about the negative effects of aluminum capsules on the environment, providing incentives for proper disposal, and considering ways to encourage sustainable behavior. (Nespresso, 2013).

4. Research and Development for Sustainable Packaging:

To find and use more sustainable materials for coffee capsules, Nespresso has to put money into R&D. One way to reduce trash is to make products that can be recycled or broken down into smaller pieces. (Hamann, Luschnat, Niemuth, Smolarz, & Golombek, 2014).

Nespresso's commitment to sustainability extends to collaborative efforts with stakeholders, including suppliers, customers, and environmental organizations. Seeking input and feedback from these groups enhances the overall effectiveness of Nespresso's initiatives, fostering innovation and ensuring a well-rounded approach to addressing environmental concerns.

In the realm of waste reduction, Nespresso should explore cutting-edge solutions, such as implementing take-back programs and incentivizing customers to return used capsules. Partnerships with recycling facilities can further contribute to the circular economy, facilitating the reusing of materials and minimizing the environmental impact of capsule disposal.

To stay ahead in environmentally friendly practices, Nespresso could invest in research and development for advanced recycling technologies specific to aluminum or form partnerships with organizations dedicated to sustainable packaging solutions. This proactive approach demonstrates a commitment to continuous improvement and positions Nespresso as a leader in environmentally conscious practices within the coffee capsule industry.

The communication of Nespresso's dedication to sustainability is crucial in maintaining consumer trust and fostering brand loyalty. Transparent marketing and communication campaigns should not only highlight the company's progress and achievements but also outline future commitments. This approach not only reinforces Nespresso's position as an environmentally responsible brand but also educates consumers on the importance of making sustainable choices.

Summarizing it up, Nespresso's holistic strategy, encompassing collaboration, innovative waste reduction initiatives, proactive research and development, and transparent communication, positions the company to make substantial progress toward a more sustainable and eco-

friendly operation. This approach not only addresses immediate environmental concerns but also aligns with the evolving expectations of consumers who increasingly prioritize socially and environmentally responsible business practices.

Nestle Waters:

1. Ethical Concerns and Challenges:

Exploitation of Indigenous Water Resources:

Ethical concerns have been raised by Nestlé's extraction operations from Indigenous reservations, which have not resulted in shared value creation for Indigenous people. (Shimo, While Nestlé extracts millions of litres from their land, residents have no drinking water, 2018).

2. Expired Licenses and Security of Water:

Concerns over water security have been brought to light by the criticism leveled by Wellington Water Watchers against Nestlé's use of water from expired licenses. (Arsenault, 2017).

Systematic Solutions:

1. Collaborative Stakeholder Engagement:

Local communities, Indigenous leaders, and environmental groups should have meaningful conversations with Nestlé Waters Canada on a regular basis. To make sure that everyone's voices are heard and taken into consideration, we're going to have some collaborative forums and workshops. (Wellington Water Watchers, 2019).

2. Indigenous Inclusion in Decision-Making:

To ensure that Indigenous peoples have a say in how Nestlé handles water extraction, the company should include Indigenous representatives on decision-making boards. The incorporation of Indigenous viewpoints into corporate processes is guaranteed by this inclusion. (Overview of a recognition and implementation of Indigenous rights framework, 2019).

3. Clear Procedure for Permit Renewal:

To make sure they are following all the rules, Nestlé should make the process of renewing their permits more transparent. Environmental impact assessments, use plans, and permit applications should be made public in order to establish credibility and show that you care about doing the right thing. (Press, 2017).

In accordance with Sustainability Objectives:

1. Water Efficiency and Conservation:

Nestlé Pure Life Canada must invest in Sustainable water management techniques and cutting-edge water conservation technology. One way to help reach the United Nations Sustainable Development Goals is to switch to more water-efficient manufacturing methods. SDG-6- Clean Water and Sanitation (Shimo, The Guardian, 2018)

2. Corporate Social Responsibility (CSR) Initiatives:

Nestlé can do a better job of its corporate social responsibility (CSR) by investing in community development projects, particularly those involving water infrastructure in places where there is a water shortage. Industry, Innovation, and Infrastructure (SDGs 6 and 9) are aligned with this. (United Nations, n.d.).

3. Sustainable Packaging Practices:

Concerns about plastic pollution may be alleviated if Nestlé makes sustainable packaging solutions, such recyclable materials, a top priority. Goal No. 12—Responsible Production and Consumption—is appropriately addressed by this. (United Nations, n.d.).

Nestlé Waters is taking proactive steps to address its environmental impact and community relations through a comprehensive approach. The importance of inclusive decision-making is acknowledged by the corporation, which wants to have meaningful conversations with local communities, Indigenous leaders, and environmental groups on a regular basis. These open channels of communication, facilitated by workshops and forums, will ensure that a diverse



range of stakeholders' concerns are heard and considered in water management decisions. Appointing Indigenous leaders to decision-making boards will give them a role in crafting regulations linked to water extraction, as part of Nestlé's commitment to Indigenous participation. This strategic move is designed to foster equity and inclusivity in business operations.

By publicly disclosing information on permit applications, use plans, and environmental impact assessments, as well as by committing to comply with government requirements, Nestlé is making transparency a top priority in its permit renewal process. By doing so, the company aims to build trust among stakeholders and underscore its dedication to ethical practices.

In alignment with broader sustainability goals, Nestlé Waters is actively pursuing initiatives to address water conservation, corporate social responsibility (CSR), and sustainable packaging. In order to help achieve United Nations Sustainable Development Goal 6: Clean Water and Sanitation, the corporation has decided to invest in cutting-edge water conservation technology and environmentally friendly methods of water management. One way that Nestlé shows its commitment to corporate social responsibility is by funding local improvement initiatives, particularly those that deal with water infrastructure, aligning with Sustainable Development Goals 6 and 9 – Industry, Innovation, and Infrastructure. Sustainable packaging choices, including eco-friendly materials and recycling systems, are being prioritized by Nestlé in response to concerns about plastic consumption, aligning with Sustainable Development Goal 12 – Responsible Consumption and Production. Through these strategic and sustainable initiatives, Nestlé Waters Canada aims not only to overcome immediate challenges but also to positively contribute to broader global sustainability objectives.



Conclusion:

Two business domains, Nestlé Waters Canada and Nestlé Espresso, are headed for revolutionary transformation as we close our investigation. In its pursuit of ethical sourcing and waste reduction, Nespresso finds that adopting a systematic solution serves as its compass. Nespresso embarks on a mission to make the coffee business more responsible and ecologically aware with a plan that includes specific objectives, collaborative efforts, consumer education, and sustainable packaging.

At the same time, the story branches out to Nestlé Waters Canada, where systemic solutions are used to trigger significant changes. Taking care of ethical issues is more than just the right thing to do; it's a promise to create value for everyone. Nestlé Waters Canada is becoming a symbol of hope and progress as it improves its image by coordinating its operations with worldwide environmental initiatives. Ethical water practices and sustainability are crucial in determining the fate of businesses; this is more than simply a conclusion. Nestlé is well-positioned to lead the way in the sector and bring about good change in the environmental landscape at large.

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