How Businesses Can Spark a Cultural Shift Towards Reduction and Reuse in Foodservice Packaging

A showcase of Bring-Your-Own-Cup (BYOC) initiatives that brands, cafés and restaurants across the U.S. can use to reduce cup and foodservice packaging waste

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9% of Americans report bringing their own refillable cup when purchasing their coffee on the go. What needs to be true for that number to increase?

The Center for the Circular Economy at Closed Loop Partners shares insights on how businesses can align with customers in reducing cup waste, drawing on lessons learned from 90 Bring-Your-Own-Cup (BYOC) initiatives in cafés and restaurants across the U.S.

To address the foodservice packaging waste challenge, many businesses are looking for ways to reduce the number of cups they give out, in addition to recycling and returnable cup solutions. Programs that enable and encourage customers to use reusable containers that they already own—like tumblers and water bottles—when purchasing beverages on the go are an important first step to waste mitigation and an important complement to borrow-and-return systems. As businesses onboard customers into reusable cup programs, collaboration across different brands can help customers remember to bring—or return—their reusable cups on all types of occasions.

The State of BYOC in the U.S. Today

BYOC programs are not new; they have been permitted or encouraged to varying degrees by businesses of all sizes for several decades in the U.S.

Even so, BYOC remains a fragmented effort and average adoption across the industry has remained relatively low: large restaurant and beverage chains have reported **BYOC adoption rates of around 1% or less of drinks sold.**

Here are a **few obstacles** that have kept the number low:

Lack of awareness

Some businesses have legacy BYOC programs or discounts that are not put front and center, leaving customers and employees often unaware of their existence. For those businesses promoting BYOC in isolation, there are also challenges to making their customers aware of or accustomed to a program that's unique to one restaurant or not the norm across an entire community. We know that customers do not want to slow down the line or cause friction, so they may hesitate to BYO without knowing in advance if a business permits the practice.

Confusion about local health regulations

Local food codes can differ from city to city, sometimes prohibiting the use of customer-owned containers. Perceptions of single-use packaging as more sanitary than reusables have also proven difficult to overcome, especially if education happens on a restaurant-by-restaurant basis. This leaves certain customers and employees falsely believing they are not allowed to order or serve beverages in BYO containers.

It's easy to forget to BYOC

Disposable consumption culture has become commonplace, and we tend to default to single-use items out of habit. There are also many instances when customers need beverages to-go but have simply forgotten to bring a cup on that occasion or don't want to—or cannot—lug around a dirty cup after use.

Collective Actions We Discovered That Make BYOC Stick

To find solutions for these challenges, the [NextGen Consortium](#)**—an industry collaboration managed by the Center for the Circular Economy at Closed Loop Partners**—surveyed 5,000 beverage consumers in the U.S. and analyzed data from over 90 diverse BYOC programs across the country.

What we found was that higher BYOC rates are possible in targeted cases and with combined efforts. For example, 13% of gas stations and convenience stores' customers report almost always using their own reusable cups for coffee or tea on the go. Smaller, local coffee shops and restaurants in areas where more of their peer restaurants also offer BYOC have reported up to 20% BYOC rates.

There is no "one-size-fits-all" solution for BYOC, but multiple interventions, especially when implemented across multiple business, *can* tip the scale.

3 Key Ingredients to Enacting BYOC Interventions Collectively

1 Reinforced messaging across different brands

Customers need to be informed, prompted and reminded several times before BYOC becomes second nature. **Consistent messaging across multiple channels and business types**—whether through coordinated community engagement, consistent employee prompts, praise or other forms of reinforcement—**plays a vital role in developing higher awareness** about BYOC and reduction practices across each community.

Spotlight: Eastside Bring-Your-Own-Cup Multi-City Collaborative Campaign in Washington

In King County, 20 coffee shops partnered with four Eastside Cities in 2023 to spur BYO culture in their communities. The campaign includes a BYOC map, coffee shop partnership collaboration and a strategic social marketing campaign to encourage collective action. The initiative continues to grow and has already seen increases in BYOC behaviors across the diverse set of participating businesses, with some cafés even doubling their BYOC rates!

2 Meaningful, consistent financial incentives for BYOC (or disincentives for single-use)

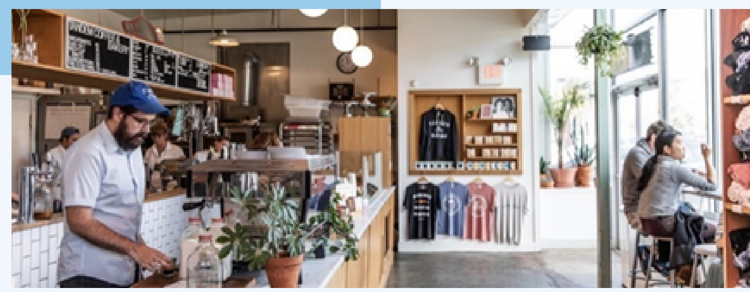
Financial incentives, discounts and fees for single-use cups can be effective methods to shift behavior, but only if complemented by other concerted communications and operational tactics. **Most BYOC programs offer differing discounts, typically ranging between $0.05-$0.25 for customers that BYOC, yet their impacts in isolation are limited.** Fees or "penalties" for single-use packaging are more impactful as we tend to overemphasize our losses compared to our gains (what behavioral economists call loss-aversion theory).

The scale of such penalties or charges also makes a difference: higher fees or incentives ($0.25-$0.50) have been shown to shift the scale towards high BYOC adoption, at times as high as 5% to 15%. While these higher fees are more visible and relevant, they pose profitability challenges for businesses and affordability challenges for citizens. These types of fees imposed by local regulations have also had mixed results and lack consistent enforcement.

Spotlight: Loss-Aversion in Practice at Tandem Coffee and Clinton Street Coffeehouse

To demonstrate the effects of charges over discounts, several coffee shops have altered their BYOC models to see what sways their customers most towards BYOC. One such coffee shop, Tandem Coffee Shop, in Portland, Maine, saw their BYOC adoption rate double when they shifted their $0.25 discount for BYOC to a $0.25 charge for single-use alternatives, reporting a 21% BYOC rate overall.

Clinton Street Coffeehouse, in Portland, Oregon, saw a similar shift when they implemented a $0.25 single-use cup charge along with their $0.25 BYOC discount, increasing their BYOC adoption rate from 10% to 18% in the first month, and up to 30% in the first year.



3 Operational ease and safety that work across foodservice environments

Making BYOC the norm requires practices that suit both customers and employees, all while adhering to necessary food safety and hygiene standards. Standardized best practices across different businesses would help customers, employees and regulators see BYOC as a common reality. BYOC must also accommodate the many different channels that customers utilize, such as mobile orders and drive-thru. **Nearly 40% of coffee drinkers report purchasing their regular hot coffee through drive-thru, according to NextGen research.**

Spotlight: Starbucks Unlocks Personal Cups for Drive-Thru and Mobile Orders

Starbucks, a NextGen Consortium Founding Partner, has become the first national coffeehouse in the U.S. to offer customers the option to bring their own personal cup not only in-café, but also when ordering via their app or visiting one of their drive-thrus. Through their contactless drink preparation process, Starbucks is now able to offer personal cup ordering in all channels, across all beverages for customers at all company-operated and participating licensed stores in the U.S. and Canada.

The Road Ahead:

Working Together to Make Reusable Cups the Norm Across an Evolving Foodservice Ecosystem

BYOC is only one part of the solution. Ubiquitous borrow-and-return systems will also be needed to make reusable cups the social norm. Until then, each percent increase in BYOC keeps millions of cups out of landfill each year.

So, let's give those countless tumblers and reusable mugs in our cupboards a newfound daily duty—to venture out into the world and pay off their environmental footprints. It is through these meaningful reduction and reuse models that businesses and consumers can collectively drive the shift toward a more circular future: one cup at a time.

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The NextGen Consortium, managed by the Center for the Circular Economy at Closed Loop Partners, is an industry collaboration of leading brands joining forces to address foodservice packaging waste. Along with key interventions to increase recycling rates and advance reuse systems, the NextGen Consortium explores opportunities for brands to drive waste reduction, including best practices to ignite a collective and transformative movement towards reusable cups. To learn more, visit https://www.closedlooppartners.com/nextgen/ or reach out to us at nextgen@closedlooppartners.com