Impact of Sustainability on Marketing
Institute for Sustainable Enterprise
Fairleigh Dickinson University

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Sustainability: Cultural and Individual

- Recovery, Re-Generation Generation
- Individual as your thumbprint
- Conservation and Innovation
- Growing awareness and shared definitions
- Inextricably linked to marketing/advertising

THE STORY OF STUFF
WITH ANNIE LEONARD
Consumers Care

• Consumers are receptive:
  HAVAS Cone: 2009 Environmental Survey
  BBMG: 2009 Conscious Consumer study

• And also, confused:

[Logos of various environmental and sustainability organizations]
Journey: Business Community Adoption

Ernst & Young: Green for Go, Supply Chain Sustainability
‘Sustainability will only continue to grow in importance as an opportunity for forward-thinking firms, and a threat to competitors that fail to act.’

Marks & Spencer: Plan A, well-identified, branded effort

Walmart: “Sustainable products” demands on 66,000 suppliers; seen as the next FDA regarding demands on product sourcing and ingredients, Sustainable Product Index

HP: Touchsmart PC’s with 100% recycled packaging and 55% less metal and 37% less plastic, video-conferencing capabilities

Kraft/McDonalds: Kraft commits to Rainforest Alliance Certified beans - 252,000 hectres. Kraft lands account with McDonald’s Europe and unit sales go up 15%, coffee sales go up 23%
Transparency & Accountability

• Truth be told: 1,120,000 million hits on google in .42 secs.

• ClimateCounts.org Scorecard

• Social media - tremendous impact on truth

• Forward thinking examples:
  SC Johnson:  http://www.whatsinside.scjohnson.com/
  Walmart:  http://www.livebetterindex.com/sustainability.html
  Timberland:  http://www.earthkeeper.com/csr
Greenwashing

Percent of consumers who trust green information from business and government: 10%

Greenwashing:
Disinformation disseminated by an organization so as to present an environmentally responsible public image, but perceived as being unfounded or misleading. [Oxford English Dictionary]

Futerra’s 10 Signs of Greenwash
http://www.futerra.co.uk/services/greenwash-guide

Other sources:
http://www.ftc.gov/bcp/grnrule/guides980427.htm
http://www.greenwashingindex.com/index.php
http://www.ecohuddle.com/wiki/great-greenwashed-advertising
http://www.stopgreenwash.org/
Sustainability & Marketing

Be Transparent

Be Credible

Be an Enabler

Be Visionary
Engage Employees

From Informal to core operations:
– Water cooler conversations
– Green teams, green fairs
– Attending conferences
– Books, articles, reports
– Social networking groups
– Collaboration key, e.g. NGO partners, stakeholder teams, co-create with consumers,
– Co-opetition
– Cross-functional teams
    and more…. 

Employee Engagement Programs
Power of one

• How would you get Walmart to use organic fabrics in apparel?

• Coral Rose took on this challenge at Walmart

• Interest in bringing new products to Walmart; Shocked by effects on workers’ health and the environment of conventional cotton

• Plan:
  – Attach kitty litter to invitations
  – At meeting - discussed how cotton seed enters the supply chain

• **Success!** Walmart is the largest seller of organic cotton apparel
Key Sustainability Success Themes

6 themes that underlie successful sustainability initiatives:

1. Get the mindset
2. Make the business case
3. Get your colleagues on your side
4. Have two way conversations
5. Work together
6. Make it part of the culture
1. Get The Mindset

Nine ways to get the mindset, some include:

- Think sustainably
- Believe in your own power
- Bring your values to work

Meet Kristen Thomas
The Phelps Group
2. Make The Business Case

Some ways to help make a clear and compelling business case, include:

• Work out where to start
• Understand your impacts
• Take measurements - then act on them

Meet Richard Gillies
Marks & Spencer
3. Get Your Colleagues On Your Side

Some ways are to:

• Stop, look and listen
• Harness the power of peers
• Make it the norm
• Give people the freedom to develop their own solutions

Meet Paul Toyne
Bovis Lend Lease
4. Have Two Way Conversations

This includes:

- Open the communications channel
- Get it out there - make it fun, real and relevant
- Beware: people are not logical
- Keep up the momentum

Meet Coral Rose
Walmart
5. Work Together

Join forces, build partnerships, and:

• Co-create with your customers
• Engage NGO’s and social partners
• Work with your supply chain

Meet Erika Vandenbrande, City of Redmond
Lynn Frosh, Microsoft
Tony Gale, Ecology & Environment
6. Make It Part Of The Culture

There are generally 12 steps to embed sustainability into the culture, some include:

- Win over management, again and again
- Think strategically
- Make an action plan
- Make it personal and part of everyone’s job

Meet Charlie Brown
IKEA, UK
Make Your Company And Career More Sustainable
About Us?

• **Climb The Green Ladder: Make Your Company and Career More Sustainable**, Wiley

• Hundreds provided insights on effective ways more sustainable and successful!
  
  – 80+ sustainability specialists and employees
    
    http://climbthegreenladder.com/thankyo/
  
  – Online survey of 430 respondents from around the world:
    
    UK, USA, China, Australia, India, Germany, Italy and more
Research Participants

Complete list:  http://climbthegreenladder.com/thankyo/

**Business:** Boots, Bovis Lend Lease, Campbell’s, IKEA, Marks & Spencer, Office Depot, Ogilvy & Mather, Royal Mail, United States Post Office…

**Non-profit/NGO/Government:** City of Redmond, ClimateCounts.org, Forum For The Future, Global Action Plan, Rainforest Alliance, Skoll Foundation…

**Academic:** London School of Economics, Massachusetts Institute of Technology (MIT), University of Surrey…
Consumers Care

• **Havas**: 2009 study of ten markets found that 70% of active consumers believe the responsibility for tackling the sustainability challenge lies with business, only 30% are looking for governments to take the lead.

• **Cone**: 2009 Environmental Survey found that despite the dire state of the economy, 34% of American consumers indicate they are **more** likely to buy environmentally responsible products today.
  – 35% have higher expectations for companies to make and sell environmentally responsible products and services during the economic downturn.
  – 70% of Americans indicate that they are paying attention to what companies are doing with regard to the environment today, even if they cannot buy until the future.

• **BBMG**: 2009 Conscious Consumer study found that consumers express concerns over a range of issues - the most pressing ones that directly affect their lives - such as healthcare (56% say it is the most important issue) and safe drinking water (51%). 75% agree they can make a difference by purchasing products from socially or environmentally responsible companies.
Shari Aaron

Founder and CEO: Climb the Green Ladder
Co-Author: *Climb the Green Ladder: Make Your Company and Career More Sustainable*, Wiley

**Background**

Shari brings 25 years experience in market research, branding and sustainability. She excels at helping clients to uncover driving consumer forces, identify changing marketplace dynamics and translate sustainability into successful business decisions. Her book, *Climb the Green Ladder*, includes extensive research among more than 80 sustainability leaders and hundreds of employees who have brought effective sustainability programs to their workplaces.

As a former Partner at Yankelovich, Supervisor of Account Planning at Ogilvy & Mather and Founder of Fresh Marketing, Shari has worked with distinguished clients including ClimateCounts.org, Coca-Cola, Hasbro, Kraft, Liz Claiborne, Ogilvy & Mather, StartingBloc, The Princeton Review, Red Cross and UNICEF. Shari is a steering committee member of New York Women Social Entrepreneurs.

**Contact Me**

Email: shari.aaron@climbthegreenladder.com
Phone: 914.879.5326
Twitter: http://twitter.com/saaron
LinkedIn: http://www.linkedin.com/in/shariaaron
My Blog: http://climbthegreenladder.com/