

# INFLUENCING CONSUMER BEHAVIOUR

A GUIDE FOR SUSTAINABLE MARKETING



Business <sup>in</sup> the

Community

# THIS IS A PRACTICAL GUIDE FOR MARKETERS AND PEOPLE SEEKING TO INFLUENCE CONSUMER BEHAVIOUR TO BE MORE SUSTAINABLE

This guide is the result of collaboration between six major UK and global companies who have shared their consumer insight and market experience: B&Q, Kraft Foods, EDF Energy, Marks & Spencer, Unilever and Waitrose. It draws on insights from an extensive literature review of more than 100 documents – from business, academia, government and non-governmental organisations – and conversations with more than 50 marketers.

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Influencing consumers to be more sustainable is a necessary step to ensure we all move towards creating a sustainable future – I hope this guide helps you focus your approach and accelerate the pace of change.



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1. WHAT DO WE MEAN BY INFLUENCING CONSUMER BEHAVIOUR?
2. WE ARE ALL PEOPLE
3. WHY AREN'T PEOPLE ACTING?
4. WHY INFLUENCE CONSUMERS?
5. IDENTIFYING YOUR AREA OF OPPORTUNITY
6. LEARNING BY DOING – COMPANY CASE STUDIES
7. AND REMEMBER...

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# WHAT DO WE MEAN BY INFLUENCING CONSUMER BEHAVIOUR?

## It's about:

- Enabling consumers to choose products and services with improved social and environmental benefits
- Influencing consumers to use products and services in a more sustainable way
- Encouraging positive behaviour change in everyday living

# WE ARE ALL PEOPLE

## Consumers, employees, citizens...

Throughout this guide we refer to consumers. Ultimately though, consumers are people and we aim to recognise the interconnection and expand our definitions.

In order to achieve mass behaviour change we need to understand how we function as individuals. Psychology and sociology have shown we are more irrational than rational in our decision making. Our habits help us to avoid too much thinking, sometimes adapting our attitudes to suit our behaviours, rather than the other way around. We have different motivations and beliefs and these help form our identities.

When trying to increase your consumer insight, traditional segmentation models can provide a starting point. However, these may be of limited use without also understanding the underlying motivations of consumers. Bearing these both in mind though one fairly clear conclusion can be drawn: that approximately 10-15 percent of the population are already acting (what we would call 'deep greens'), another 10-15 percent will never act (the 'unpersuadables'), leaving approximately 70 percent of the population who would adopt more sustainable behaviours, if taking action was made easy.

It is the behaviour of this mainstream consumer that we are seeking to influence.

# WHY AREN'T PEOPLE ACTING?

There is now widespread awareness of a range of sustainability issues: the number of articles about issues such as climate change and global poverty increased tenfold between 1998 and 2008, and more than 60 percent of UK consumers think they are the most important challenges facing the world. But...

## WE ARE CONFUSED...

We have difficulty understanding the issues. Many of the issues involved in sustainability are complex, such as the impact of water use in low-income economies, or unsustainable farming. The key concepts are often hard to grasp – most of us have no idea what contribution 10 grams of carbon makes to climate change – and we confuse the different issues and have difficulty trading off different types of impacts against each other (is it better to reduce air travel or support tourism in low-income economies?). Alongside all this, issues like poverty and deforestation seem distant and disconnected from our everyday lives: we may never have personally experienced them, so we have difficulty understanding the consequences of the choices we make in practical terms.

## WE HAVE SELECTIVE HEARING...

We block out what we don't want to hear. Every day, we're exposed to masses of information, and we simply can't take it all in. So the brain focuses on the bits that seem most relevant – and those which make us feel good. Messages which tell us the world is about to end are neither feel-good nor relevant. They just seem so big and scary that we assume there's nothing we can do about them and switch off. Equally, being told the things we do every day are wrong makes us feel guilty and apprehensive, leading us to adopt coping strategies like denial or retail therapy, to make ourselves feel better.

## WE FEEL DISEMPOWERED...

We don't know how we can make a difference. Despite the high profile of sustainability issues, many of us feel disempowered by a lack of direction about what we should actually be doing differently. Most of us have limited knowledge of the sustainability performance of specific products and services, or how using them differently would alter our personal impacts. Even when we do understand what actions we could take, we often question what difference it will make when we're just one person out of many. This tends to be exacerbated by overblown rhetoric in the media, suggesting that for every time a light bulb is switched off in a high-income economy, a new car is bought in China.

## WE ARE SCEPTICAL...

We don't trust much of what we hear. Few people really trust brands anymore: complaints about greenwash have shot up in the last few years, and more than half of UK consumers think brands pretend to be green just so they can charge higher prices. We carry a lot of 'brand baggage' about those we perceive to have done wrong in the past, and tend to judge businesses by the sector they're in, not what they have done. Indeed, 85 percent of consumers have no idea large companies like Unilever, HP and Intel are participating in sustainable practices at all, let alone leading. And on both sides of the debate, exaggerated claims, jargon and spin have left some of us even more confused, leading to an attitude of 'wait and see'.

# WHY INFLUENCE CONSUMERS TO BE MORE SUSTAINABLE?

## Because...

### 1. IT CAN DEEPEN YOUR RELATIONSHIPS WITH EACH OTHER

- You get to know your customers better – gaining a more rounded view of what drives them as people, not just consumers, and greater insight into how they think and feel about different aspects of their life and the world around them.
- They get to know you better – people enjoy seeing your brand personality when you demonstrate that you care, take your responsibilities seriously and want to help them – as EDF Energy has done through Team Green Britain.
- You can gain trust by engaging in an honest conversation around sustainability – admitting the process of change takes time and some issues are not clear-cut. This gives consumers more reasons to believe in your brand.

### 2. IT'S WITH CONSUMERS WHERE SOME OF YOUR BIGGEST IMPACTS LIE

- For many companies, the largest impacts occur in product use – 67 percent of Unilever's GHG emissions come from consumers' use of its products.
- To reduce impacts, influencing consumers is paramount – as B&Q is doing by helping customers green their homes.



### 3. YOU'RE IN A POSITION TO EMPOWER YOUR CONSUMERS

- Providing more sustainable products and services is powerful – particularly when built into well-loved, mainstream brands like Cadbury and M&S as standard.
- You can use communications to raise awareness and educate consumers – and in doing so combat confusion and fear.
- You can show how their individual actions can lead to mass change when done collectively – building a movement and giving people opportunities to participate.

### 4. YOU CAN FIND INNOVATIVE SOLUTIONS THROUGH COLLABORATION

- External partners bring new expertise and opportunities – Waitrose has worked extensively with NGOs, government and suppliers through the Waitrose Foundation, mirroring similar work by the Cadbury Cocoa Partnership.
- Internal collaboration can help stimulate cross-functional innovation – as Unilever has discovered through its Brand Imprint process. Collaboration has been cited as the next important skill needed by marketers.
- New technologies are creating new ways to consume collaboratively – enabling people to share, rent, buy and sell products online and on the move.

### 5. YOU CAN GAIN COMPETITIVE ADVANTAGE

- Being the first off the blocks brings first mover advantage and reputational gain – as Cadbury found after being the first mainstream chocolate brand to go Fairtrade. As more companies become active in this space, you can set yourself apart from the crowd by raising the bar further.
- Initiatives can help increase sales – as B&Q realised after introducing a whole range of new eco-products, and M&S witnessed during its One Day Wardrobe Clear-Out.
- Staying ahead of consumers pays off – pre-empting what will matter to them in the future allows you to proactively anticipate and address key issues – as Waitrose did with its fish-sourcing practices more than 12 years ago.

# IDENTIFYING YOUR AREA OF OPPORTUNITY

The Area of Opportunity is different for every business and is determined by the relationship between consumer priorities, your business action and brand values

## 1. CONSUMER PRIORITIES

1. What are the on-radar issues for your consumers?
2. What specific behaviours do you want to change?
3. How do you work with the grain of how people are conditioned?

YOUR  
AREA OF  
OPPORTUNITY  
TO LEAD  
CONSUMERS

## 2. BUSINESS ACTION

1. Have you done the heavy lifting – are you credible?
2. Is sustainability embedded in your business strategy, through your products and services, and supply chain?
3. How can communications engage and involve your consumers?

## 3. BRAND VALUES

1. What does your brand stand for now and in the future?
2. How do your brand values underpin your business action and issues on your consumers' radar?
3. How trusted is your brand and sector, and therefore how large is your Area of Opportunity?





# CONSUMER PRIORITIES

## 1. What are the on-radar issues for your consumers?

The first step to understanding how you can influence consumers is seeing the world from their perspective – identifying the issues that matter to them. When it comes to sustainability, consumers have **ON-RADAR** and **OFF-RADAR ISSUES**. On-radar issues generally feel more immediate to consumers' lives, families and communities, while off-radar issues are less tangible. Consumers are much more likely to act if they can relate to an issue and it resonates with them.

Consumers' understanding and **AWARENESS IS INCREASING ALL THE TIME**, as previously off-radar issues come into the public consciousness. NGOs and other partners can help you understand trends, enabling you to take the necessary business action to address the big issues of tomorrow, today. You may also choose to proactively raise awareness and educate consumers by working with the media, raising the profile of certain issues through articles, documentaries or campaigns.

## Doing the right kind of research

Research into consumers' attitudes to sustainability often fails to provide useful data, because it asks the wrong questions. We all like to believe we act sustainably, so we tend to give the 'correct' answers rather than the ones that reflect reality. Asking less directive, more open questions about people's daily routines and lifestyles produces more meaningful insights, as does monitoring actual behaviour. In a similar way, segmentation can be misleading; focusing on people's underlying motivations will help you understand where you can take them, rather than just where they are.



## 2. What specific behaviours do you want to change?

Consumers are more likely to change if you can **PROVIDE SMALL STEPS** that are easy to take, and fit in with their weekly routines. Choosing actions that have visible outcomes, and providing regular feedback on the cumulative impact, can help combat feelings of disempowerment and show people they really can make a difference. Understanding the practical barriers that prevent change and working to remove them will help to enable consumers.

Attitudes are often driven by behaviour, rather than the other way round. Using **INCENTIVES TO NUDGE PEOPLE** towards small, practical steps – like using their own shopping bags, or recycling – can therefore help effect a gradual shift in attitudes. This may then leave them more open to bigger, more significant changes over time.

### Can small steps be counterproductive?

Focusing too much on small steps may be counterproductive, generating a 'rebound effect'. This happens when we feel that by doing something good, we earn the right to do something bad – like flying because we recycle. For sustained behaviour change, people need to understand more about the underlying issues. You can help build their commitment by educating them through your marketing, communications and wider consumer engagement.

## 3. How do you work with the grain of how people are conditioned?

Although consumers do care about sustainability, they continue to prioritise quality, price and convenience. **LINKING SUSTAINABILITY TO INDIVIDUAL BENEFITS** can be persuasive: free range chickens are healthier so taste better; low-carbon appliances use less energy and are less costly to run. Using relevant proxies for sustainability can be powerful too: outdoor enthusiasts may not care about waste, but they do care when beautiful countryside must be sacrificed to make way for landfill sites.

Everyone is influenced by the people around them. Family, friends, social class and culture all play an important role in defining what we think of as normal. Giving consumers **INFORMATION ABOUT WHAT OTHERS ARE DOING** tends to be more effective than telling them what they should be doing – especially when you focus on those who are doing the right thing. This helps make sustainable behaviour the norm – and unsustainable behaviour less socially acceptable.

We also look up to certain individuals – celebrities, opinion formers and thought leaders – and are guided by the things they say and do. For sustainable products, services and behaviours to gain acceptance in mainstream society, they first need to win their approval. Working with these **INFLUENTIAL INDIVIDUALS** to gain their trust and favour can help make sustainable behaviour aspirational and 'cool', while reinforcing people's sense of identity – whether as 'fashionable' or 'conscientious'.



# BUSINESS ACTION

## 1. Have you done the heavy lifting - are you credible?

As consumers, we want to know that business has done the **HEAVY LIFTING** on our behalf. Often there are complex issues that need resolving and consumers want to trust that businesses have made decisions based on their best interests. Showing that you have your own house in order gives you the credibility to talk about sustainability issues and gives you license to ask your consumers to act.

Without taking action, a business is invariably categorised by consumers as more interested in looking good than doing good. This makes consumers ask:

- Why aren't they doing more?
- Why should they tell me what to do?

Intrestingly, some consumers like to see companies taking **ACTION THAT CARRIES RISK** to your business: a risk of it costing you money or causing you to re-engineer the way you do business. This can reassure the consumer that your company is thinking about more than just the bottom line.

You may have **TO GIVE WITHOUT EXPECTING TO GET** any immediate return in the short-term.

However, the actions you're taking will lead to longer-term benefits and, in the meantime, this approach will ensure you keep pace with competitors.



## 2. Is sustainability embedded in your business strategy, through your products and services, and supply chain?

Integrating sustainability into **MAINSTREAM BRANDS** can often be a catalyst for innovation, leading to better products and services, and stronger supply chains:

- You can help consumers by providing products and services with **IMPROVED SOCIAL AND ENVIRONMENTAL BENEFITS**. Through examining the positive and negative impacts of your existing products, and working to provide possible solutions or improvements, you can enhance much-loved brands.
- Sustainability challenges can provide a platform for **REAL INNOVATION**, providing the inspiration for new products and services that can shape consumer demand.
- Innovation can include **NEW WAYS OF SOURCING AND MAKING PRODUCTS**, and often involves working more collaboratively with suppliers. Cadburys strengthened its supply chain in Ghana through sourcing Fairtrade cocoa while Waitrose is known for its close relationship with its suppliers.
- In some cases, companies may choose to **STOP SELLING UNSUSTAINABLE PRODUCTS OR SERVICES**, editing the choice available to consumers. B&Q stopped selling patio heaters as the impacts of the product didn't align with their corporate sustainability strategy.

Real success relies upon **ALIGNING SUSTAINABILITY WITH YOUR BUSINESS STRATEGY**. Exploring business-wide opportunities to improve impacts across your operations is key to a comprehensive approach, as demonstrated by Unilever's Sustainable Living Plan and M&S's Plan A. Companies will benefit from motivating and rewarding staff to drive this strategy forward. It is important to collaborate internally and externally – this could also mean working with other businesses and governments to seek new ways of tackling sustainability challenges.

Currently companies are exploring **NEW TRANSFORMATIONAL BUSINESS MODELS** that create both commercial opportunities and a sustainable future for our people and planet. This could significantly change the consumer offering (e.g. as businesses move from selling products to renting services) and the nature of how business growth is achieved.



## 3. How can communications engage and involve your consumers?

Strategic communications can be a strong lever to engage consumers when you are addressing sustainability issues within the business. Some tips include:

### GET THE FOCUS AND TONE RIGHT

Helping consumers understand the issues, and the contribution a particular product, service or behaviour change can make, calls for clever communications. As Futerra advises in its 10 Tips for Sustainability Communications, it should be:

- Positive and non-threatening – to combat fear and give hope;
- Direct and immediate – to be relevant to the lives of the audience;
- Visual and imaginative – to grab people's attention and inspire them;
- Emotional and personal – to connect with people on a human level.

### LANGUAGE IS IMPORTANT

Terms such as 'smart' and 'savvy' (rather than 'efficient') can help build the esteem of particular choices. Referring to inefficient products as 'old-fashioned' (rather than 'traditional') can help break emotional attachments and make them seem inferior. Proxies can help simplify technical concepts and the language of sustainability – like talking about the number of trees worth of CO<sub>2</sub> saved, rather than grams.

### MAKE CREDIBLE CLAIMS

DEFRA's new Green Claims Guidance sets out a number of core principles:

- Ensure all content is relevant to the impacts of the product, service or business, and reflects genuine benefits that are additional to requirements or what's happening already;
- Present claims in a truthful and accurate way, using plain language and imagery that is relevant and not likely to be misinterpreted by consumers;
- Check all claims are robust and can be substantiated, and that statements made about future aspirations are firmly grounded in evidence and action.

### SHORT, SHARP MESSAGES THROUGH A RANGE OF CHANNELS

As we know, people have difficulty taking in too much information all at once. Having a core set of messages, repeated frequently through a range of channels, is likely to be the most effective strategy. Consider what works best for the issue and audience you're trying to address.

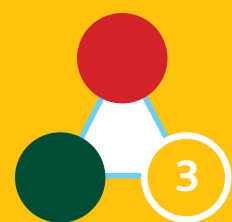
- Product labelling – labels like Fairtrade, Rainforest Alliance, Soil Association and Marine Stewardship Council provide visual shortcuts to convey what are often quite complex ideas. However consumers may be unsure what lies behind the labels so it pays to choose carefully;
- In-store environment – banners, knowledgeable staff, product placement and sustainable store design provide conscious and subconscious cues to encourage sustainable choices, as B&Q has found;
- Adverts and websites – adverts and brand websites can help convey sustainability messages in fun, interactive ways that bring the issues to life – an approach Kenco has embraced;
- Social media – sending out messages in regular, bite-sized chunks to Facebook groups and Twitter followers can spread the word to a broader audience.

### DEEPEN YOUR ENGAGEMENT

The web and social media have massively increased the level of scrutiny businesses face - not only from traditional sources like the media and NGOs, but also from everyday consumers. At the same time, web-based businesses like Amazon and eBay are creating a more active role for consumers, providing independent assurance to each other about products, services and brands. This provides both a challenge and an opportunity for businesses to engage more deeply and meaningfully with consumers, in particular:

- Honesty about the challenges – accepting both businesses and consumers are on a journey towards increased sustainability, and having an open dialogue about the challenges this entails;
- Creating new ideas together – taking the insights and learnings we gain from that dialogue to build solutions, co-create products and services, and shape new types of marketplaces;
- Putting consumers in the driving seat – moving beyond nudging by helping people understand what drives their own behaviour, so they can adjust their surroundings to make sustainable choices easier.





# BRAND VALUES

## 3. How trusted is your brand and sector, and therefore how large is your Area of Opportunity?

Brands like Cadbury, M&S and Waitrose command a great deal of public affection, given their **CARING-HERITAGE** and long-standing relationship with UK consumers. When they take risks to lead consumers on sustainability, consumers tend to trust them and respond positively.

## 1. What does your brand stand for now and in the future?

Your brands are continually evolving. Explore what your brands mean in relation to the rapidly changing world we're living in. By integrating sustainability into your brand model, you can create a more holistic proposition for your consumers, providing this sits comfortably with your values. In the same way, your work to influence consumer behaviour should flow from your brand position and its core strengths.

## 2. How do your brand values underpin your business action and consumer priorities?

Your brands touch consumers and are the window into your company. Whether you are a business with one brand or a number of different brands, developing social missions for each of them can reinforce and bring to life the business action. Factoring in consumer priorities is also important, as is focusing on key sustainability issues. This should be part of a unified corporate approach and should drive business objectives.

A long heritage isn't the only route. Even **YOUNG BRANDS** known for their responsible approach to business can have a large Area of Opportunity. innocent and Green & Blacks are examples of brands whose values have been established and communicated over relatively short periods of time, and which are perceived by consumers to have strong sustainable credentials.

Brands which do not have such a strong caring-heritage have a greater challenge to win consumers' support, as may brands from certain sectors. Initiatives may be greeted with cynicism (is it just greenwash?) or indifference. Consumers have limited knowledge about most brands, and if you are a lesser-known brand, you may need to think about **HOW FAR YOU HAVE 'PERMISSION' TO LEAD CONSUMERS**. Consider what more you need to do build the credibility and trust you need for consumers to respond positively.

Therefore the scope of a brand's **AREA OF OPPORTUNITY** is dependent on the level of consumer affection and trust they hold. Brands without a track record in sustainability have a smaller Area of Opportunity to work within, while those with a stronger reputation have more scope to influence consumers and their behaviour. However, the Area of Opportunity is not fixed and can be grown as brands develop.



NEXT...  
**LEARNING**  
BY DOING  
**CASE STUDIES...**



# B&Q

## CONSUMER OPPORTUNITY

Households are currently responsible for over a quarter of UK carbon emissions, using a huge amount of energy, water and other resources.

Yet more than four out of every five homes that will exist in 2050 – the date by which the UK has committed to reduce greenhouse gas emissions by 80 percent – have already been built. With over three million customers a week, B&Q has a major opportunity to help consumers take action to reduce their environmental impacts of their homes.

## COMPANY JOURNEY

Many businesses believe their role is simply to respond to consumer demand; sustainability is often not a priority because it's not yet one for their customers. B&Q took a more forward-looking approach. In 2007, the vast majority of consumers weren't asking for green products to retrofit their homes, but the company recognised they will be vital for meeting the UK's environmental goals. 'One Planet Home' was launched as a strategic approach to embed sustainability across the whole company and its products. It included a target to help customers reduce their eco-footprints by 10 percent by 2023 through the use of B&Q's products, so supporting B&Q's brand mission of helping people create homes to be proud of.

At the centre of the initiative was a new accreditation process for eco-products. B&Q worked with sustainability experts BioRegional to develop the eco-product criteria and accreditation label and then worked through ranges, identifying products and opportunities. Research showed that key consumer priorities in the home improvement market were saving money and enhancing quality of life, so the products were not priced at a premium, and communications sought to link environmental and personal benefits, such as estimated annual carbon and financial savings. Innovative new products were also introduced including recycled paint, carpet underlay made from recycled clothes, and sheep's wool loft insulation.







B&Q also launched an 'Eco shop within a shop' in their stores in Sutton and New Malden, on the outskirts of south London. The Eco Shops were designed to nudge consumers towards green home improvement products by making sustainability front-of-mind. The stores also made it easy for consumers to find One Planet Home products by bringing them together in one place, with advice readily available from City & Guild qualified 'Eco Experts' and trained 'Eco Advisors'. B&Q's New Malden store has many features including a vertical axis wind turbine, solar panels (photovoltaic and thermal), photocell dimming and ground source heat pumps. B&Q also now holds 'Eco DIY' classes for consumers in a number of stores.

B&Q also took the courageous step of choice editing – discontinuing products that don't fit comfortably with its environmental policies, which have included patio heaters and 100 percent peat bales. As new product development was increasingly viewed through a sustainability lens, the company identified opportunities to help consumers green their homes through further expanding into services. B&Q is now trialling a full range of eco-installation services in the two Eco Shops with projects funded through a mixture of grants and interest-free loans. This has been done in partnership with the London Borough of Sutton. With a new extension to the trial happening shortly involving private finance, this pioneering project is feeding back directly to government as part of the preparation for the Green Deal.

## KEY INSIGHTS

**TAKING A RISK CAN PAY OFF.** The company's leadership on sustainability has been recognised by consumers, who ranked B&Q more highly for its work on social and environmental issues than a number of other leading brands in a Times/Populus poll. The company is also the current holder of the Observer's Ethical Business Award and is listed on the Sunday Times Best Green Companies list.

### **CHANGE THE STORE ENVIRONMENT.**

The Eco Shops have been successful because they focus consumers' minds on sustainability and demonstrate commitment on the part of B&Q. Consumers are more likely to get their own houses in order if they can see you have done the same.

**MAKE SUSTAINABILITY THE NORM.** One Planet Home has undoubtedly been a success, with eco-products now accounting for over 12 percent of B&Q's total sales. However, the company's research suggests that sustainability is not front-of-mind for consumers

when shopping for home improvements. Simply making sustainable options the norm is likely to have even greater impact.

### **TREAD CAREFULLY WITH CERTIFICATION.**

The same research also suggested that the One Planet Home product accreditation symbol, whilst helpful, may not have been a strong factor in consumer decision-making. With so many labels having been created already, it is worth considering which existing labels consumers already recognise and understand.

**ADDRESS IMMEDIATE BARRIERS.** Even when consumers recognise the long-term personal benefits of sustainability, like lower bills, they are often deterred by the initial financial outlay or other barriers such as disruption, time and effort needed. Talking to customers to understand the barriers and then working with Government and other partners to develop new solutions, as B&Q has done, will help consumers to enjoy more sustainable homes.



# KRAFT FOODS

## CONSUMER OPPORTUNITY

Kraft Foods believes that sustainable choices should be easy for consumers – and that their mainstream brands can be used to influence change. Cadbury Dairy Milk, now owned by Kraft Foods, made an ethical choice easy for mainstream consumers by moving to Fairtrade; while Kenco gave reassurance to consumers on ethical sourcing through its association with the Rainforest Alliance, and sought to change buying habits with the launch of a refill pack to help reduce waste from product packaging. Common to both brands is that the sustainability focus aligns with the brand DNA and brand values.

## BUSINESS JOURNEY

Cadbury Dairy Milk is one of the UK's most iconic brands. With brand values of generosity, optimism and joy, moving to Fairtrade gave additional ethical values to this mainstream brand. The move to Fairtrade is supported by the Cadbury Cocoa Partnership which demonstrates robust business action to strengthen the supply chain in Ghana and the company's relationship with farmers. The Fairtrade label was aligned to the Cadbury Dairy Milk brand values, key cocoa sustainability issues and business actions. The move was accessible and resonated with consumers. It also gave the brand a critical first mover advantage.

For Kenco coffee, Kraft Foods developed a lightweight 'Eco Refill' pack to address consumer concerns around excess packaging and encourage consumers to reuse their existing jars. Kraft Foods developed a behaviour change model incorporating four steps: awareness, understanding, trial and adoption, with the main focus on creating awareness of the message "97% less packaging weight". Kenco believes sustainability should be a choice available to all consumers, without compromise on quality or value. Research prior to launch revealed the need to address consumer concerns around value for money; as a result, the refill packs were positioned at a lower price entry point and a discount per gram of coffee to the jars.





The launch was part of Kenco's wider commitment to sustainability and aligns with the brand mission to 'make a positive difference with every cup'. Kenco's programme with the Rainforest Alliance began in 2005, with all the beans for the entire Kenco range being sourced from Rainforest Alliance certified farms by the end of 2010.

Both brands actively sought to engage with consumers in ways that made their messages practical and fun. The Cadbury Dairy Milk marketing team developed a TV, web and print campaign showcasing Ghanaian craftspeople, artists and dancers, with a music video available for download on iTunes. As part of Fairtrade Fortnight 2011, 20 percent of the profits from Cadbury Dairy Milk bars sold during the period funded solar power projects in

Ghana, further strengthening the brand's reputation for assisting social and economic development in the country. The campaign's online activity included banners on supermarkets' websites, and a blog with regular progress updates direct from Ghana.

The Kenco Eco Refill launch was supported by a £7.5 million campaign, including TV and outdoor advertising and strong in-store support. The Waste Less Challenge, fronted by Amanda Holden, challenged three British streets against each other to see who could reduce the most waste, broadcasting their progress through an online TV show, 'Life in the Waste Lane'. The campaign's microsite also included tips to turn everyday rubbish into useful items for the home, as well as a competition for consumers to win a family 'Eco Break' by registering their own pledges to reduce waste.

## KEY INSIGHTS

**BRANDS CAN TAKE SUSTAINABILITY INTO THE MAINSTREAM.** The move to Fairtrade for Cadbury Dairy Milk extended the reach of Fairtrade into corner shops across the country, bringing it much closer to the mainstream consumer. To date, UK sales of Fairtrade products have received a 25 percent boost. In addition, Fairtrade Cadbury Dairy Milk has launched in Canada, Australia and New Zealand and transferred over £1,000,000 to cocoa growing communities. And for Kenco it showed that sustainable choices do not mean compromising on your favourite coffee. Since the launch of Eco Refill, Kenco's market share has increased by 3 percentage points and the packs now account for over 25 percent of Kenco's core volume sales.

**FAIRTRADE AND RAINFOREST ALLIANCE CAN PROVIDE ASSURANCE THAT A COMPANY IS 'DOING THE RIGHT THING'.** For Cadbury Dairy Milk, the move to Fairtrade was confirmation that the company could be trusted to 'do the right thing', in a social context that was rapidly shifting towards

sustainability through other businesses' adoption of the label. Kenco's market-leading sustainability initiatives gave coffee drinkers the reassurance of helping coffee-growing communities and their environment, as well as being able to send less waste to landfill closer to home.

**CERTIFICATION CAN BE GOOD BUT IT'S NOT A SUREFIRE WAY OF BOOSTING ETHICAL CREDENTIALS.** Kraft foods believes that sustainability works best if it is part of a brand's DNA – not an add on. So businesses should ensure sustainability issues relate to the brand and broader actions and commitments taken by business. Cadbury Dairy Milk and Kenco are good examples of this.

**ENGAGE CONSUMERS IN PRACTICAL, FUN WAYS.** A music video, an online blog and Waste Less Challenge provided effective ways to raise awareness and engage consumers on complex sustainability issues.



# EDF ENERGY

## CONSUMER OPPORTUNITY


EDF Energy pledges to reduce the proportion of CO<sub>2</sub> arising from its customers' energy consumption by 15 percent by 2020. Generating one fifth of the UK's electricity and supplying to around 5.5 million customers, EDF Energy has a big task ahead. However, since households account for approximately a third of the UK's CO<sub>2</sub> emissions, it has a real opportunity to make a positive impact.

## COMPANY JOURNEY

EDF Energy developed Team Green Britain, in partnership with London 2012 and the Eden Project, to inspire a mass movement of consumers working together to reduce their CO<sub>2</sub> footprints. It was developed as a unique proposition to deepen engagement with consumers and customers alike on sustainability, instill a sense of collaboration with key stakeholders and differentiate EDF Energy from its competitors within the energy sector. Team Green Britain helped to bring together the EDF Energy brand, its London 2012 sponsorship and its sustainability positioning under one simple-to-communicate concept that made sense for the public.

TEAM GREEN BRITAIN'S approach was to involve consumers in sustainability issues in a fun and engaging way – to make them feel part of something bigger and show they could make a difference by acting together. A central website was established to support the campaign, as well as an ongoing programme of engagement including events like Green Britain Day, Team Green Britain Bike Week and the Big Lunch. Team Green Britain helped draw attention to EDF Energy and attracted surprising levels of unprompted interest from consumers, politicians, media, major businesses, competitors and NGOs. More than a million people have become members of Team Green Britain, although levels of engagement vary, with 'deep greens' being the most engaged.





Team Green Britain was also designed to link to EDF's Energy Schools programme, which has engaged over three million school children on sustainability issues and 'green' living. EDF Energy research showed that green 'pester power' from increasingly aware children was an emerging factor in parents' environmental behaviour choices: 42 percent of parents claimed to have come under pressure from their children to be greener. Team Green Britain also provided a platform to engage and inspire EDF employees to get involved in sustainability initiatives, with more than 50 percent participating in

2010 and an eventual target of 100 percent becoming involved by 2012. Alongside efforts to engage consumers on sustainability issues, EDF Energy is taking part in a trial examining how consumers respond to better information about their energy consumption via Smart Metering and different methods of communicating consumption information (eg. via wall display or TV). The Smart Meter trial, part funded by the Department of Energy and Climate Change, was an opportunity for EDF Energy to explore consumer motivations of wanting to feel in control of energy usage and to save money. Two thousand customers

participated in the trial, motivated either by cost efficiency or an interest in the technology – not necessarily because they were 'green engaged'.

The final conclusions as to whether EDF Energy has managed to change actual behaviour will be published in 2011. However, research so far indicates that changing consumer behaviour is not easy – the key is likely to be sustaining engagement with good quality monitoring tools combined with intuitive interfaces for showing data, ideally fully integrated into the whole customer energy experience.

## KEY INSIGHTS

**EYE CATCHING CONCEPTS CAN GENERATE ENGAGEMENT.** Team Green Britain created large scale interest in sustainability, giving over a million people access to a wide range of sustainability resources and encouraging thousands of schools, businesses, and local community organisations to hold their own Team Green Britain events.

**REACHING MAINSTREAM CONSUMERS ON SUSTAINABILITY IS NOT EASY.** EDF Energy's consumer research indicated that those most engaged and active within Team Green Britain had already adopted sustainable behaviours as part of daily lives. The challenge now is how to engage with those less interested in sustainability per se, to encourage them to adopt more sustainable behaviours.

**USING TOOLS CAN EMPOWER CONSUMERS.** Participants in the Smart Meter trial felt that the Smart Meters addressed their need for accurate billing and increased their knowledge of their energy consumption – which led to people feeling more empowered about how they consume energy.

## QUALITY AND FUNCTIONALITY OF THE TOOLS STILL COMES FIRST.

The Smart Meter technology was still in a trial phase and was not as functional or slick as it could have been – which led to consumers not fully buying in with the meters. Consumers are unlikely to fully engage with initiatives that don't match their expectations of everyday technology, or that rely on them to do most of the work.

**INCREASED AWARENESS OR ENGAGEMENT DOES NOT GUARANTEE BEHAVIOUR CHANGE.** Despite increasing consumers' knowledge on how much energy they consume, more information about energy consumption does not necessarily translate into permanent behaviour change. Brands have to make sure that consumers are incentivised to change their behaviour and that engagement is sustained over the long-term with a compelling customer experience.

**CONSUMER PRIORITIES ALWAYS REMAIN FIRST AND FOREMOST.** Consumers across all segments, irrespective of their sustainability views, have a limited appetite for thinking about energy use but are instead interested in cost savings, control and less hassle.



# M&S

## CONSUMER OPPORTUNITY

Marks & Spencer (M&S) has set itself the objective of trying to change the attitudes and behaviour of its 21 million customers (per week) from a passive and defeatist feeling to a more actively sustainable and more optimistic one. It recognises that for this to happen, it needs to engage with its mainstream consumer base. M&S's approach is about changing consumer behaviour by making it easy for consumers to 'do the right thing.'

## COMPANY JOURNEY

M&S has been engaging its customers on sustainability related issues for some time. Its first major push, Look Behind the Label, raised awareness of the key issues on its customer's radar and enabled it to gain their approval to go a little further. M&S demonstrated strong business action through Plan A, both in terms of getting their own house in order and ensuring they are doing the heavy lifting on its customer's behalf. In order to engage mainstream consumers, M&S then simplified its communications around sustainability to 'Doing the Right Thing', a hook that has proved to resonate with its mainstream customers.

Two initiatives to engage and influence consumer behaviour have been the removal of free carrier bags and the One Day Wardrobe Clear-Out.

M&S introduced a five pence charge for plastic food carrier bags as a way of encouraging customers to do their part on sustainability and to change their shopping behaviour. Customers who had become accustomed to getting many carrier bags for free had to bring their own bags from home or alternatively pay five pence a bag, with the profits going to the charity Groundwork to invest in 100 'green space' projects. Although it's not the biggest environmental issue, M&S decided to focus on carrier bags since it was directly relevant and would touch everyone. To date, nine in ten consumers claim to be using fewer carrier bags, with bag usage in their food halls down by 80 percent.

M&S's One Day Wardrobe Clear-Out – timed around

the autumn season was a successful approach to generate active customer participation on sustainability and reward them for it. The Wardrobe Clear-Out was a strategy to keep customers engaged with the M&S Oxfam Clothes Exchange programme – launched the previous year to encourage customers to donate their old M&S clothes to Oxfam, in return for a £5 M&S voucher. As a result of this initiative, Oxfam received 400,000 garments and M&S achieved an increase in footfall and in-basket sales.

M&S has high ambitions and recognises that it has a long way to go before all customers are actively engaging in sustainability issues. However, its journey so far has hugely influenced customers and competitors alike.



## KEY INSIGHTS

**MAKE SUSTAINABILITY THE NORM.** M&S realised that in order to make a real change in influencing the behaviour of its customers it needed to target its mainstream customers. Part of its success was mainstreaming Plan A, by reframing the commitments in a public facing manner so that commitments were seen as the default 'normal choice' was part of M&S's success.

**LINK SUSTAINABILITY TO INDIVIDUAL BENEFITS.** 'Look Behind the Label' revealed the need to communicate mutual benefits more clearly. 'Doing the Right Thing', in combination with examples of the benefits and pleasures offered by M&S quality proved to be more effective with consumers.

**FIND WAYS TO DEEPEN ENGAGEMENT WITH CUSTOMERS.** M&S's Oxfam Clothes Exchange generated active customer engagement, which created a sense of collaboration and togetherness with M&S. M&S was also perceived as demonstrating its moral and ethical compass by taking responsibility and encouraging customers to do their bit.

**FOCUS ON SMALL STEPS.** Withdrawing free carrier bags was potentially a high risk initiative – it could have alienated consumers. The existing strong ethical heritage of the company demonstrates how a strong brand can help move sustainable behaviour from 'eco-warrior' territory into the mainstream.

**MAKE CONSUMERS FEEL LIKE THEY ARE PART OF A TRIBE FOR CHANGE.** Consumers need to be aware that they are not alone but among millions of individuals who are all making small changes that together make a big difference. M&S's Oxfam Clothes Exchange generated active customer engagement and made customers feel like they were doing their bit.



# UNILEVER


## CONSUMER OPPORTUNITY

Unilever brands are used two billion times a day globally. The company plans to double in size while reducing its overall environmental impacts. Lifecycle analysis shows that 67 percent of the company's green house gas impacts, and approximately 50 percent of its water impacts, are created through consumer use. Influencing consumers to use its products more sustainably is therefore of paramount importance for Unilever.

## COMPANY JOURNEY

Unilever developed a tool to help marketing teams understand the social and environmental impacts of their brands in the countries where they operate. 'Brand Imprint' enabled every Unilever brand to identify key areas of risk and opportunity, in many cases resulting in Unilever making changes to the design and formulation of its products so that they can be used in a more energy and water-efficient fashion.

In Turkey, research by the Omo brand showed that Turkish consumers prewashed their clothes much more regularly than other EU consumers, using unnecessary water at a time of water shortage. Saving water was therefore a key consumer priority, which Unilever had an opportunity to influence by using technology to eliminate the need for prewashing. Its Omo detergent was re-launched in a more powerful, compacted form that also reduced chemicals and packaging.



Since Turkish consumers equated size with value, however, the first phase of marketing focused on reassuring consumers that the new, more compact Omo was still just as effective. The second phase provided emotional hooks to engage consumers – for example, showing children in contrasting future scenarios of water scarcity and abundance – linked to the simple, practical message that Omo was now 'so powerful that you don't need to prewash'. This formed part of a category-wide approach for Unilever's laundry brands, the Cleaner Planet Plan.

Unilever recently provided focus and scale for all its sustainability initiatives by grouping them together in a single corporate plan – the Unilever Sustainable Living Plan. The Plan provides a robust strategy for business action, including targets to source all agricultural raw materials sustainably by 2020, to halve the environmental impact associated with the making and use of Unilever's products, and to help a billion people take action to improve their health and wellbeing.

## KEY INSIGHTS

**EMBED BRAND INITIATIVES IN A CORPORATE APPROACH.** Brand Imprint helped marketing teams identify key opportunities to influence consumer behaviour, while the Cleaner Planet and Sustainable Living Plans embedded these at the category and corporate levels to drive business action.

**REDESIGN YOUR PRODUCTS.**

Omo's compacted formulation moved sustainable products into the centre of the mass market. By doing so, it helped make sustainable behaviour change mainstream and the norm.

**CHOOSE RELEVANT LOCAL ISSUES.**

Water concerns were a big issue in Turkey when the Omo campaign began. This helped position it as a caring brand, with environmentally friendly attributes. Both volume and market share of Omo rose as a result of the interventions.

**GIVE CONSUMERS SIMPLE, EASY STEPS.**

Abandoning the prewash was very easy for consumers to do, and the results were impressive: the proportion of Turkish consumers prewashing their clothes reduced dramatically, from 44 percent to 27 percent.



# WAITROSE

## CONSUMER OPPORTUNITY

Waitrose understands that to get consumers engaged in sustainability, communications must focus on the most meaningful and relevant elements and that customer involvement must be made easy. The opportunity for Waitrose is to increase consumer's awareness that by shopping with the company, they are making an ethical choice and participating in sustainable living.

## COMPANY JOURNEY


Waitrose has long believed in sharing an ethical outlook with suppliers. The business has a strong track record in sustainable practices as part of its keen focus on ethical and responsible sourcing. An example of this is Waitrose's long-term commitment to responsible fishing, which dates back over twelve years. From an early instinct that poor fishing practices needed to be

addressed, Waitrose took far-reaching action – removing threatened species from sale, banning environmentally damaging fishing methods such as beam trawling, and educating and encouraging consumers to be more adventurous in their choice of fish, to avoid putting pressure on a limited number of species.

Consumers can be reassured that whatever fish they buy in Waitrose, they are automatically making a responsible choice, as all fish sold meets the Waitrose plan for responsible sourcing.

A further example of responsible sourcing was the establishment of the *Waitrose Foundation* – a supply chain partnership that returns a percentage of the profits from the sale of the produce to help improve the lives of the African farm workers and smallholders who grew it. For customers, the primary benefit of buying fruit from the Foundation is to receive top quality produce; the secondary benefit is the feel-good factor and brand reassurance, with no personal cost to the customer.





Responsible fish sourcing and the Waitrose Foundation show how Waitrose has taken business action across its supply chain. Waitrose sought to engage its customers in these initiatives – finding the most meaningful way to talk to consumers and so engage them in responsible and sustainable living. However, consumer research and experience showed that earlier communications which focused solely on sustainability, while nice to watch, were not motivating as primary propositions. While there was a small group of customers primarily motivated by ethics and sustainability, the majority of the population saw them as secondary benefits.

Research also drew a distinction between issues that were 'on-radar' – salient issues with 'something in it for me' or with an altruistic emphasis – and 'off-radar' – issues not currently relevant to mainstream consumers.

Waitrose identified that it could integrate on-radar issues into current advertising right away. As a result, Waitrose's communications began focusing first

on the primary consumer benefits – quality, taste, inspiration and value – and, where appropriate, positioned sustainability as a support for quality or as brand reassurance. For example, a recent advert featuring Heston Blumenthal, celebrity chef, told the Waitrose Foundation story but within a communication that focused on quality and inspiration by providing a recipe for lemon tart, where the lemons in the recipe were sourced from the Foundation. The advert ended with the message: 'You'll end up with a lemon tart that tastes even better knowing that you're contributing to the Waitrose Foundation'.

Waitrose's journey in engaging consumers on sustainability has not always been easy. However, its recent lemon tart advert outperformed a previous Waitrose Foundation advert across key brand metrics – demonstrating that it has found a more meaningful and realistic way to talk about the Foundation to its customers.

## KEY INSIGHTS

### **UNDERSTAND WHERE CONSUMERS ARE.**

Research commissioned by Waitrose helped it understand which sustainability issues were on and off-radar for consumers. The company sought to increase public awareness about the off-radar issues by creating public debate through articles and films in the wider media – and in doing so has helped shift the social context towards sustainability.

### **MAKE SURE YOU HAVE A CREDIBLE STORY.**

Waitrose had a strong brand which made stories linking sustainability to quality credible. Consumers already associated the Waitrose brand with quality, and the business had taken action to address a range of specific issues so that sustainability was integrated across its supply chains and product ranges as standard.

### **MAKE COMMUNICATIONS PERSONAL AND**

**RELEVANT.** For a mainstream audience, ethical and environmental issues are often better presented as secondary supports for primary benefits such as taste and freshness. Adopting this approach resulted in a 14 percent uplift in 'relevance' ratings and a 16 percent uplift in the number of viewers stating they'd be more likely to shop at Waitrose as a result.

**TAKING A LEAD ON SUSTAINABILITY CAN PAY OFF.** The company's focus on providing the best quality, ethically sourced fish resulted in it selling more than twice as much fish (11 percent market share) as would be expected for its overall market size (4 percent).

# AND REMEMBER...

You have the opportunity to lead consumers

Your approach to sustainable behaviour change is a balance between consumer priorities, business action and brand values

The onus is on your business to do the heavy lifting – then engage consumers by giving them small, easy steps

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If you are inspired and want to get involved contact [marketplace@bitc.org.uk](mailto:marketplace@bitc.org.uk)





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