

Use emotions to elicit response to a brand's green value appeal

Leslie Pascaud, Added Value, outlines six steps in developing a successful sustainable marketing strategy and a guiding PATH to follow on the journey

REMEMBER WHEN the marketing department was the hub of innovation? Marketers took on the role of team leader, pulling together different parts of an organisation and encouraging collaboration to drive positive change and long-term revenue growth.

It is worth reminding ourselves how marketing was defined 'back then': the creation and commercialisation of products and services that respond to consumer needs and desires. Today, marketers have lost their traditional role, as they have become overly preoccupied with communication, spending too much time talking rather than doing.

Enter sustainable development – a breath of fresh air for marketing professionals tired of artifice and eager to get back to their roots. The new consumer preoccupation with all things sustainable is a genuine opportunity for brands to assume a leadership role, leveraging the growing desire for more environmental, socially responsible and healthy products and services as a platform for brand growth and innovation (see Figure 1).

Despite rumours to the contrary, consumers really do care. Over half of Europeans are interested in ethical issues, and 21% say they are a real priority. The key is to be clear what is driving these attitudes and to provide options that truly deliver on people's needs and desires.

Consumer concerns

Consumers are already voting with their wallets, rejecting brands that fail to act

ethically. We conducted research in the key European markets of the UK, Germany and France to evaluate consumers' outlook on the whole spectrum of responsibility issues. This included gauging the level of awareness and perceived importance of environmental, social and corporate governance issues, as well as their impact on purchase.

Overall, sustainable issues that have the greatest impact on consumer purchases are: health and safety of products and packaging/recycling. Respondents are especially critical of companies that use too much wasteful packaging or packaging that isn't recyclable. Some 73% of French respondents say packaging and recycling make an impact on purchase, as do 63% of Brits and 59% of Germans (the lower German number is probably due to the longer history of proper recycling).

Packaged brands are largely responsible for the 30 million tonnes of household waste produced in the UK each year. As waste-sorting becomes more constraining, consumers are increasingly confronted with the need to manage their own rubbish and recycling. This has made excessive packaging an issue that immediately resonates.

Brands looking to operate in this sustainable space need to confront and address their shadows. By brand shadows, we mean the skeletons in the closet, the risks for the future, whether they be excess packaging, a supply chain partner who has failed to reduce pollution, or a bad reputation for working conditions.

Interestingly, our research also revealed that charitable donations are becoming less relevant as a way for companies to show responsibility. Charitable support is named by just 29% of Germans, 35% of Brits and 39% of French as a driver of purchase, suggesting that consumers want brands to take action themselves to drive social and environmental change, rather than just contribute financially to good causes.

Good for business

Contrary to popular belief, a sustainable strategy can be good for business. Profit is one key component of the triple bottom line – if a project is not profitable in the long term, it will not be sustainable. So the new breed of responsible marketers ensures that ethical projects drive profit potential through cost savings, revenue generation, increased consumer loyalty, or all three! A recent analysis of the world's most ethical companies, conducted by Ethisphere, showed that they consistently outperform the S&P 500.

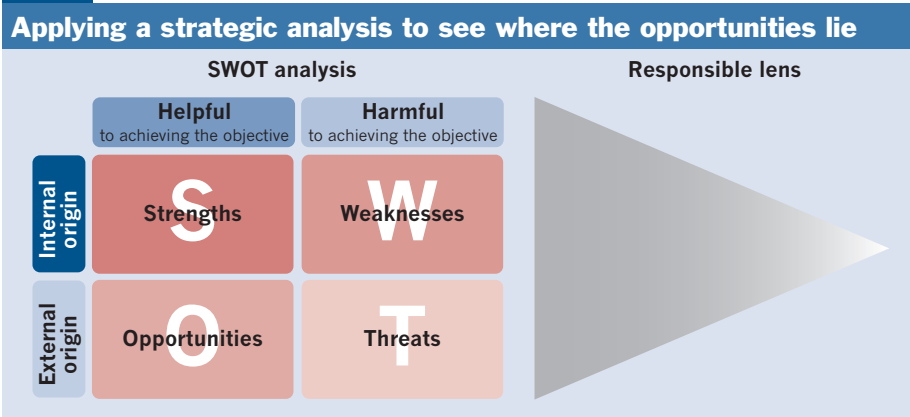
Wal-Mart is a good, if somewhat surprising, example of the power of sustainability. In 2005, Wal-Mart CEO Lee Scott identified huge opportunities to drive down costs by following a more sustainable policy. The retailer is aiming to create zero waste and be supplied by 100% renewable energy in the future. These goals are trickling into innovation too. Scott recently pondered whether Wal-Mart could sell eco-friendly energy to its customers at low prices.

Where to start?

We all know the importance of responding to, and pre-empting, environmental, social and ethical issues. But once you've decided that it's time to get your house in order, what are the practical considerations behind developing a sustainable marketing strategy?

The land of sustainability can feel like hostile, intimidating territory – with danger lurking at every turn; non-governmental organisations (NGOs) on the attack, regulators and auditors examining, the media denouncing and consumers doubting.

FIGURE 1



Here is a step-by-step guide for marketers who may be building a sustainable strategy from zero.

1. Do your homework

Take time to understand where your organisation stands on the issues. Roll up your sleeves and get to know your product components, supply chain and impacts.

2. Collaborate with the experts

There may already be people within your company with expertise on ethical and environmental policies and impacts. Find them. Then bring these internal experts into the same room. The sustainable development person, the environmental health, health and safety, corporate responsibility or supply chain specialist will have a wealth of information and a view on the issues. If these roles don't exist within the organisation, get outside help. There is a myriad of NGOs and other associations, not to mention the plethora of consultants, eager to help get you started.

3. Ask some basic questions

- ▶ What do we know about our footprint?
- ▶ Have we established some priorities?
- ▶ What's coming down the pipeline in terms of future regulation?
- ▶ What are the hot sustainability issues for our category?
- ▶ Where are we most criticised by NGOs?
- ▶ What do consumers expect of us?
- ▶ What are competitors doing?
- ▶ What have we already done?
- ▶ What are we planning to do?

4. Establish multiple-horizon projects

The priority is to address the areas that represent the biggest footprints for the business. These cannot be ignored. Within these areas, preference should be given to initiatives that have resonance with consumers, and can help build loyalty and strengthen their bond to the brand. Addressing some of these big issues may take time, but the payoff will be well worth it.

Don't forget quick wins. Sometimes there are opportunities to create momentum within an organisation by addressing some issues that are easy to fix and can help bring the internal team on board. This is an opportunity to prove to the organisation itself that sustainable behaviour is both the right and the smart way to proceed.

5. Look to employees

Start fixing things that have an immediate impact on employees: from turning off the lights to switching off computers, car pooling, installing video conferencing and recycling within offices and factories. These are unlikely to represent the biggest sustainable impact, but they help to educate and sensitise employees to consider future possibilities and change the dynamics of an organisation.

6. Never rest on your laurels

Even if something laudable has been done, it won't suffice. Always, the sustainable journey requires a willingness to show regular progress over time.

Building blocks

It is encouraging to know that the tools we use as marketers can be applied to the sustainable journey, if they are broadened just a bit.

A sustainable marketing platform can be assembled using three building blocks: brand, stakeholders and category (see Figure 2).

Brand

Marketers need to understand their brand halo and brand shadow. The halo is all the good stuff, all the equity that can stretch and grow a brand. Brand shadows are the negative impacts your brand currently has on people and the planet. Often these shadows can become opportunities if embraced and addressed.

For example, Ariel washing powder closely examined its brand when developing a sustainable strategy. It asked itself what it did best, and worst. It realised that no brand was better at guaranteeing impeccable, white laundry than Ariel. And Ariel's shadow? The biggest footprint for the brand was in the home, where consumers wash with hot water, using a lot of energy and emitting CO₂.

Ariel put these findings together to develop a sustainable strategy that fitted the brand to a T. It promoted a powerfully performing product that could wash at lower temperatures. It made sense for the brand and simultaneously addressed the shadow.

In the UK, the campaign was called 'Turn to 30' and provided consumers with the chance to save money, show environmental sensitivity and get impeccably clean laundry. Ariel 'Turn to 30' is an excellent example of building a sustainable strategy based on a brand's positive equity.

Stakeholders

A sustainable strategy must recognise and address the growing influence of stakeholders. Consumers are only part of the puzzle in the sustainable world. To understand consumers you need to home in on the drivers that motivate them.

Consumers are constantly influenced by other stakeholders, from activists lobbying on certain issues, to well-informed blogs like Treehugger and Greenwashindex.com. There are also corporate blogs from brands like McDonald's that allow consumers to critique the company's corporate social responsibility (CSR) policies and practices.

With digital coming of age, so many voices are influencing consumers more quickly than ever before. This makes it all the more important to keep tabs on what the most critical experts are saying. They are no longer your enemies – they're your best friends, who can tell you what you're doing wrong, what people expect of you and how you can fix certain issues.

Category

Explore the ethical and environmental issues most relevant to your category and benchmark against what is being done elsewhere. Our consumer research shows

FIGURE 2

Unique responsible platform

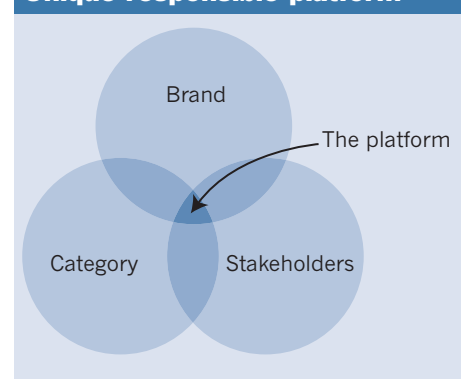
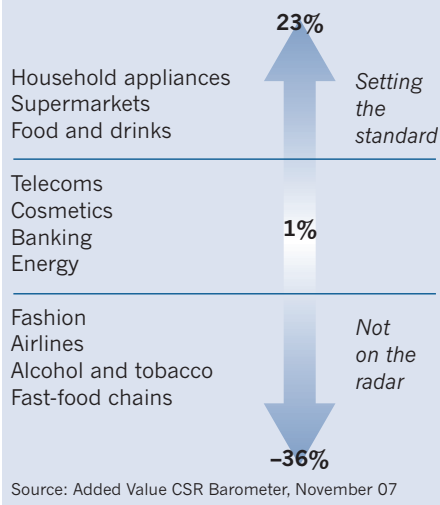


FIGURE 3

Responsible categories



how issues vary across sectors. For example, if you're in banking, consumers don't care if you talk about packaging waste or even CO₂ emissions. Their main concern about banking is how transparent you are.

Reducing carbon footprints is, however, top of consumers' minds for airlines, energy companies and the automotive sector. Health and safety issues are highlighted for household cleaners and beauty companies, while packaging and recycling remain key issues for retailers, food and household appliance companies.

But knowing consumer priorities doesn't suffice to nail down a strategy. Once you have that information, you need to decide how to use it. Do you want to create your campaign around the hot button of your category, or would you prefer to 'own' something less core but more distinctive? These are strategic issues that need to be carefully thought through and debated. The days of developing a corporate responsibility strategy based on the CEO's hobbies are long gone.

In our research, we asked UK consumers to name what they considered to be the most and least responsible sectors. Interestingly, they put household appliances at the top of the list of responsible categories, probably because of the EU energy rating system. This label, which is easy to read and interpret, sends out posi-

tive signals to consumers about the industry's commitment to reducing energy consumption. Supermarkets and food and drink are also well ranked (see Figure 3).

So, which industries come bottom? Alcohol and tobacco, as expected, but also fashion and airlines. Players in both these industries would be wise to think and act carefully in future. An irresponsible image can discourage consumer consumption, making people feel uncomfortable or guilty about purchasing products or services that harm others or the environment. Frequent commuters between London and Paris know the uncomfortable stare they get from their environmentally conscious counterparts if their answer to 'How did you travel?' involves planes rather than trains.

But the consequences can go further, as changing public opinion influences regulators to take action against 'sin sectors'. The growing pressure on gas-guzzling cars and battery hens are two examples of the risks of ignoring changing consumer perceptions. Thus, benchmarking should include a review of regulatory issues. Is there pending legislation that means that an issue that wasn't relevant for your category yesterday might be tomorrow?

Examination of adjacent categories is also necessary, because ethical and environmental issues are swiftly moving from food to fashion or from automotive to food.

A look at fashion underlines how these issues have quickly migrated. Today, disposable fashion is a clear target for criticism. Not only are tons of clothing being produced, sold and discarded with increasingly short life cycles, but sweatshop practices are being exposed left and right, as witnessed by the BBC's unflattering portrayal of Primark and child labour in southern India.

By contrast, Japanese retailer Uniqlo is trying to address the issue of disposable fashion by encouraging customers to return unwanted items for recycling and donation to refugee camps. Retailers closer to nature, like la Fuma, Howies and Patagonia, are building sustainability credentials by reducing their carbon footprints, creating more durable items and experimenting with materials like

fleece jackets made from recycled plastic bottles.

Timberland takes its commitment to educating consumers a step further. It has created a footprint label, similar to the nutritional label on food packaging, to inform consumers: of its environmental and community impacts. A call to action asks customers, 'What kind of footprint will you leave?'

The innovation opportunities stemming from sustainability should not be underestimated. Nor have they been by investment bankers and hedge funds, who have invested \$2.7 trillion in SRI funds in 2007, up 18% from just a year ago.

'Clean tech', defined as products or services that improve operational performance, productivity or efficiency while reducing costs, inputs, energy consumption, waste or pollution, now represents 10% of all venture capital invested in the US.

If we look at more consumer-facing industries, we see an increasing shift towards virtual and shared services to reduce waste and transport. From more sophisticated video conferencing to shared car services to increased proximity services, the demands of sustainability will create whole new industries in the future.

Marketing platform

A good sustainable strategy will not survive unless executed impeccably. This is where many brands fall down. Moving into execution too quickly or without a sound strategic base can lead to the 'green-wash' label.

Another risk associated with responsible communication is that of becoming lost in the 'sea of sameness', communicating sustainability in a generic rather than distinctive way for your brand. So, making an execution authentically your own is essential.

One of the biggest challenges marketers face in developing sustainable marketing strategies is persuading consumers to change their behaviour. Yet, we are an industry that has successfully tapped into desires and used emotions to convince millions of consumers to slather

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expensive creams on their skin every night to feel beautiful, or pay premium prices to buy the latest technical widget to feel cutting-edge.

Emotions have always been core to brands, but in the area of sustainability, they are all the more key because the space is fraught with conflicting feelings. As Chris Clarke, head of marketing at HSBC, said at our recent Branding for Good summit: 'It's not so much the message that's going out, it's the message

that's being received and how that's being felt by consumers.' The same marketing and communication skills we formerly applied for pure profit can be used to drive more sustainable behaviours and purchases.

At Added Value, we look to 'Feelstates' to analyse the different emotions that brands generate. This helps us to understand the emotions that can be leveraged to strengthen the consumer bond and change behaviour.

Honda's TV campaign, 'Grrr', to promote diesel is an excellent example of a piece of communication that taps into consumer's emotions to change behaviour, 'Hate something, change something, make something better ...' Americans have for years rejected diesel cars, which they see as dirty and slow. The Honda ad goes a long way towards dispelling the negative emotions surrounding diesel, to help consumers redefine the technology and overcome their preconceptions. It does so without reverting to typical car tech-speak, relying on upbeat, colourful pictures and music to shift diesel imagery from negative to positive. A recent report issued by UBS and Ricardo, showing that US sales of diesels will grow significantly in the next five years to outpace hybrids, suggested that Honda is on the right track (see Figure 4).

FIGURE 4

Issues resonate differently across categories

Issue	Category
Packaging	Retail Food Fast food Household appliances
Health and safety	Household cleaners Beauty/personal care
Reduction of CO ₂	Automotive Energy Airlines
Transparency	Banking

Source: Added Value CSR Barometer, November 07

FIGURE 5

A guiding PATH to follow on the journey

P	A	T	H
Positive	Authentic	Tangible	Honest
Help consumers to see that they can make a positive difference Link to concrete and appealing benefits Make them feel good about their choices	Speak from the heart of the brand in a way that rings true Acknowledge that a responsible brand is on a journey where the goal is to progress over time	Avoid vagaries Translate responsible promises into concrete results Provide hard facts and figures vs weak and watery claims or confusing references	Don't obscure or deny the less positive areas of the brand's footprint Admit mistakes and learn from them

Follow the PATH

When thinking about how to communicate your responsible brand journey, we advocate four simple guide-posts to ensure you are heading in the right direction (see Figure 5).

Your message needs to be *Positive*, focusing on what the brand and consumers can do together to make a real difference. Your conduct must be *Authentic*, which means speaking and acting in a way that is true to your brand. Your promises ought to be *Tangible*, concrete and verifiable, and your dialogue with consumers and stakeholders must be *Honest*—it mustn't ignore your shadow, but admit when you've done something wrong and try to learn from it.

The great thing about the PATH is that it can strengthen your brand and return us to the more noble side of the marketing profession. By pulling together silos within your organisation to collaborate, by using sustainable issues as a springboard for innovation, and by persuading consumers to change their behaviour, marketing will return to its roots and find a voice in the boardroom. ■

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