KANTAR

Sustainability: from ambition into brand action

Six key takeaways for brands willing to seek opportunity in sustainability

Since 2008 we have lived through constant change

Discontinuity is now a feature of every marketplace and every market. At Kantar we believe we are living through the Era of Disruption.

Strong brands provide an element of protection from disruption, but they now need to be sustainable as well as functional and aspirational.

This should not be a defensive response, however, we believe it's a bold step that provides opportunity for growth. For the brands that have the ambition, sustainability can be the key to success, even in the most challenging of times.

Our Sustainability Sector Index asked consumers around the world about their attitudes to sustainable living, what issues businesses in different sectors have the right to tackle and how brands can help people modify their behaviours.

We found that 97% of people across the world are prepared to take action to live in a more environmentally conscious way. But they also expect brands to be part of the solution.

One of the barriers that stops many of them taking action, however, is the fact that too many sustainability products are still perceived to come at a premium:

68%

globally believe that products that are better for the environment and society are more expensive; while

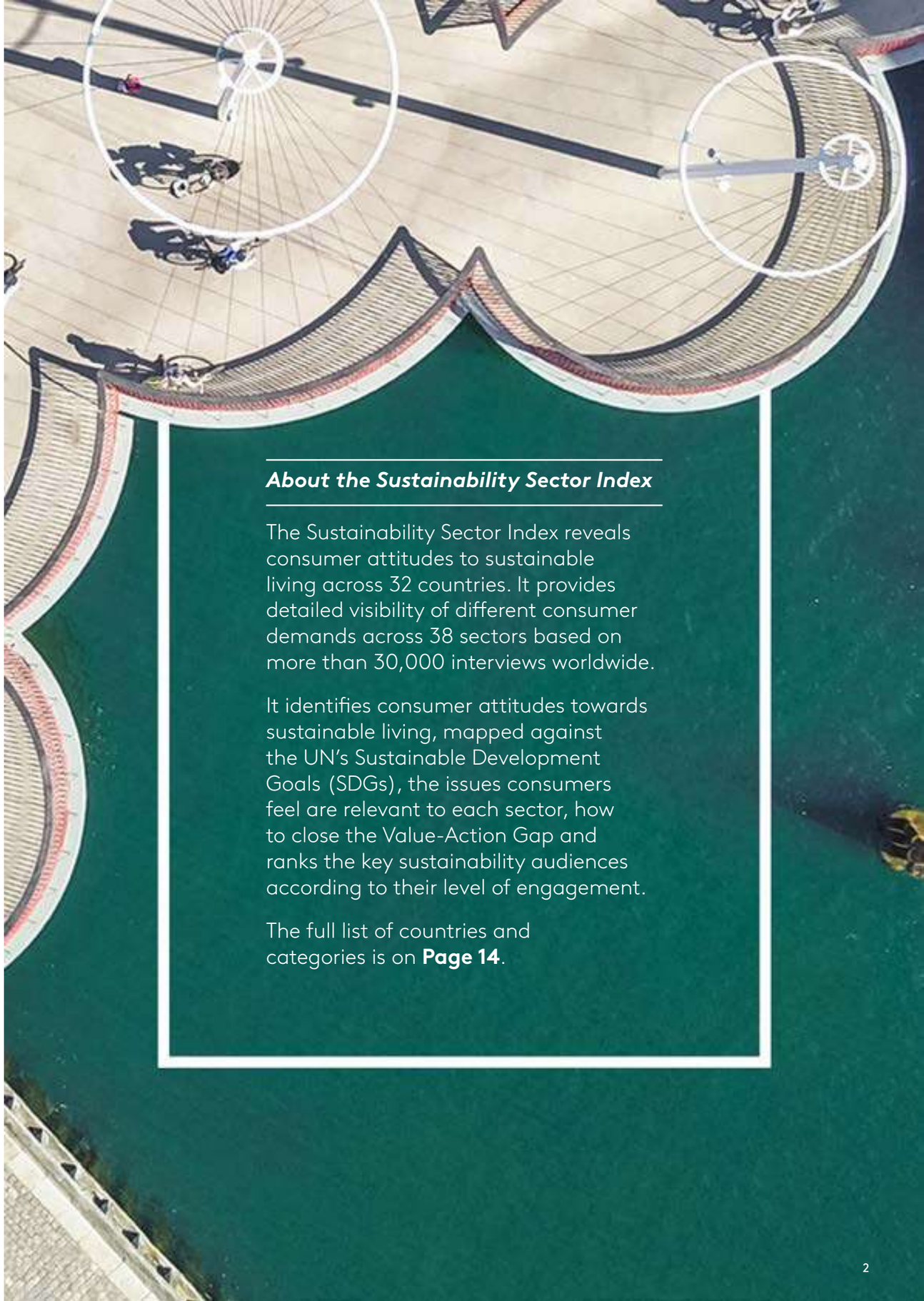
65%

want to do more to be more mindful of the planet and the environment, but the increased cost of living prevents them from doing so.

The big business opportunity is to stop sustainability being the preserve of the better off and to scale up. Brands need to go to market at a price point that more people can afford.

Being sustainable and mass market is the engine for future business growth.

Read on to discover our six key takeaways for sustainable success.



About the Sustainability Sector Index

The Sustainability Sector Index reveals consumer attitudes to sustainable living across 32 countries. It provides detailed visibility of different consumer demands across 38 sectors based on more than 30,000 interviews worldwide.

It identifies consumer attitudes towards sustainable living, mapped against the UN's Sustainable Development Goals (SDGs), the issues consumers feel are relevant to each sector, how to close the Value-Action Gap and ranks the key sustainability audiences according to their level of engagement.

The full list of countries and categories is on **Page 14**.

1. Define your Consumer Licence to Operate

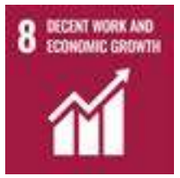
Consumers believe that different social and environmental issues are relevant to different sectors and categories. You need to address the specific consumer perceptions and concerns facing your sector in your market.

If your brand operates in retail financial services, for example, then the top issue on which you need a Consumer Licence to Operate will likely be business corruption and tax evasion. For an alcohol brand, it will be mental health.

To be most effective, marketing investment needs to be targeted at the issues that consumers will hold you most accountable for.

2. Position yourself as a progressive business

Although there are specific challenges by sector, a general model is emerging for what consumers consider to be a progressive business. Any marketing of sustainability credentials is likely to be less effective unless you can demonstrate action in five key areas:



SDG 8: Decent work and growth

Do you provide good employment conditions and opportunities?

SDG 3: Health and wellbeing

Are you a supportive employer facilitating access to healthcare?

SDG 13: Climate action

What commitments have you made to net zero?

SDG 12: Responsible consumption and production

What is the impact of your whole supply chain?

SDG 14 & 15: Biodiversity

Is your brand damaging or promoting life on earth?

Demonstrating progressive values is a requirement for success.

3. Focus on reducing waste

For many sectors, the key consumer ask is for companies to help them tackle waste.

When we rank the actions that people are most willing to take, eliminating waste is No. 1. It's an area where consumers feel they have the power to take action.

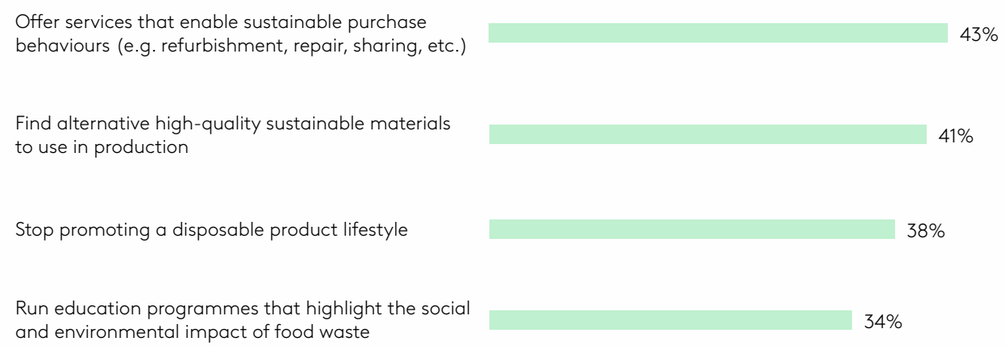
It's particularly critical in sectors such as food, retail, fashion, and personal care. In fact, in 24 out of the 38 categories we asked about, overpackaging, non-recyclable packaging and landfill, over-consumption and waste were extremely important.

Eliminating waste should be a no-brainer in the middle of a cost-of-living crisis. Not least because it will also reduce your costs.

47% Respondents globally say they have stopped buying certain products/ services because of their impact on the environment or society

73% Amongst eco-actives!

Top priorities to solve waste issues (% agree)



4. Demonstrate leadership in decarbonisation

Many consumers feel they have already made lots of lifestyle changes in recent years but there is one area where they feel more powerless: climate change and decarbonisation. In this space, they expect businesses to shoulder responsibility and demonstrate real change and leadership.

During the pandemic, we all saw how quickly action can be taken when there is the will. We've learnt that rapid action is possible and that's what's expected when it comes to reaching net zero.

There are huge variations by market on what the solution to decarbonisation should be –use of renewable energy, for example, was highlighted by 77% in Brazil but 42% in Japan – but globally 15 out of our 38 sectors were strongly associated with carbon footprint and greenhouse gas emissions leading to global warming.

Actions businesses should prioritise to solve decarbonisation (% agree)

Source: Kantar Sustainability Sector Index 2022. Q17. Thinking about […]..Which action(s) should businesses prioritise to solve this issue. Please select up to two actions

Greenhouse gas emissions

Companies' carbon footprint

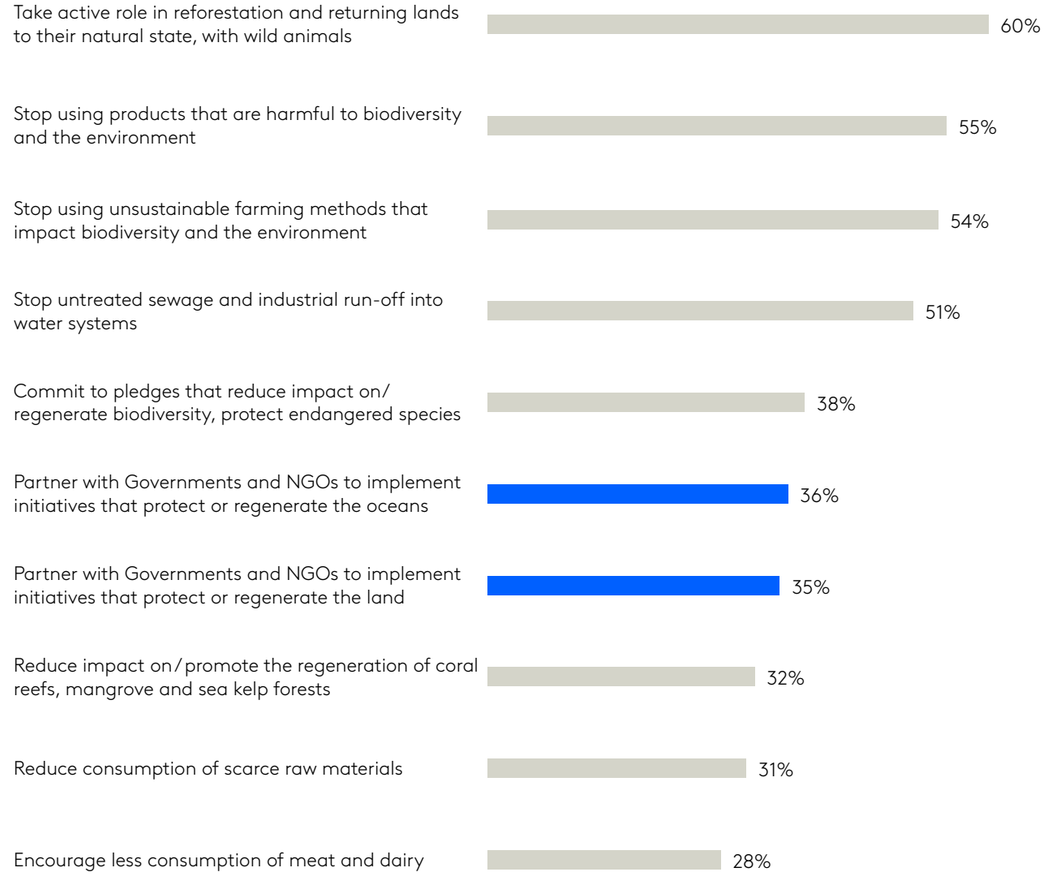
5. Be a pioneer in the emerging space of biodiversity

While net zero has had most of the headlines recently, biodiversity is rapidly becoming a major issue. Ongoing and continuing collapses in plant and animal life threaten human existence, attracting major media coverage.

There will be a major UN Biodiversity Summit – COP 15 in Montreal – in December but people are already looking for action, with 60% globally calling for companies to take an active role in reforestation and returning lands to their natural state.

Key concerns cover biodiversity loss on both land and at sea, as well as deforestation and intensive farming practices. Deforestation concerns are critical for coffee, tea and home furnishing, for example, while intensive farming concerns inevitably cover the wider food sector.

Top priorities to solve biodiversity issues (% agree)



Source: Kantar Sustainability Sector Index 2022. Q17. Thinking about […]..Which action(s) should businesses prioritise to solve this issue. Please select up to two actions.

6. Drive mass adoption by closing the Value-Action Gap

The Value-Action Gap – the difference between people's stated values and beliefs and their actions – is huge. While 97% of people say they want to live a sustainable lifestyle, only 13% are actively changing their behaviour.

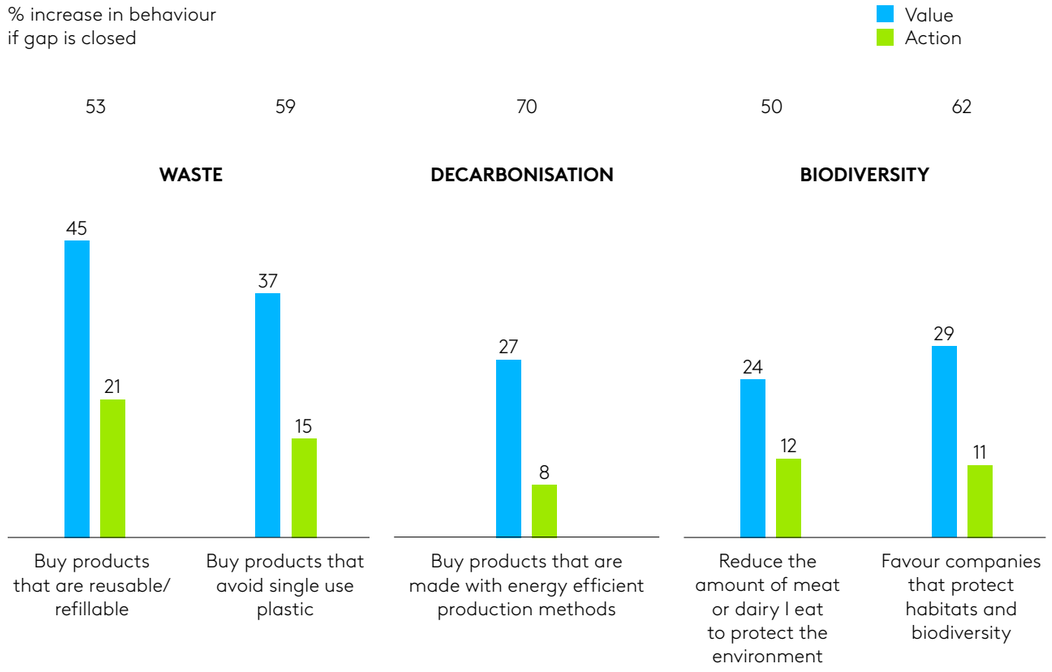
Brands need to remove the frictions that are responsible for that gap and move consumers from intention to action. Key barriers include the lack of options, perceived compromise on quality and the amount of effort to find better options, as well as the perception of extra expense.

Sustainability is not only an opportunity to charge a premium: consumers want affordable solutions and brands that step up will benefit enormously. The scale of the opportunity is huge. In FMCG alone, for example, the people who are already taking some actions to reduce their waste footprint, spend more than $1.1 trillion annually.

Brands must be brave and take action to close the gap, remove the frictions and unlock the fuels across the consumer journey

Source: Kantar Fuels & Frictions Framework

There is a significant opportunity for those brands that manage to close the Value-Action Gap



Conclusion

We need to move from ambition into brand action

Consumers want brands to play their part in creating a better society. More than half (53%) think that brands have an important part to play in the social conversation around issues such as gender equality and race or immigrant relations, for example.

However, many feel let down when it comes to sustainability. Forty-two percent say they don't know where to find sustainable/ethical products and 57% feel that it is really hard to tell which products are good or bad ethically, or for the environment.

But the opportunity and the actions needed to change these perceptions can be relatively simple. Already, 20% can confidently assert that the brands they like offer ethical/sustainable versions of their products (even if they don't buy them).

And 61% say "clear certification explaining the environmental/ethical benefits would influence me to buy".

Simple, credible actions (combined with more affordable options) can provide a huge boost, helping consumers deliver on their desires, while also delivering growth for your brands.

We can help you answer questions such as:

- How do I translate our corporate sustainability strategy into meaningful marketing activation?
- What are the issues that consumers feel are most relevant to my sector?
- What should I prioritise in order to connect most powerfully with key consumers?
- How do I avoid charges of greenwashing?

About the Sustainability Sector Index

The Sustainability Sector Index reveals consumer attitudes to sustainable living across 32 countries. It provides visibility of the different demands across 38 sectors based on more than 30,000 interviews worldwide.

Countries covered are:

Argentina	Finland	Italy	Poland	Turkey
Australia	France	Japan	Romania	UK
Belgium	Germany	Malaysia	S. Korea	US
Brazil	Greece	Mexico	Singapore	Vietnam
Canada	India	Netherlands	Spain	
China	Indonesia	Norway	Sweden	
Denmark	Israel	Philippines	Thailand	

Get in Touch

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