

Net zero solutions & Circular Economy



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Global
Sustainability
Summit

Influencing Consumer Adoption of Progressive Brands Using a New Framework for Sustainability Marketing

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Introduction



Strategic Imperative for Sustainability

- Sustainability is a strategic necessity, not just ethical. Growing consumer awareness leads to a shift towards sustainable products. 66% of global consumers, especially younger ones, are willing to pay more for sustainability (NielsenIQ, 2022).
- Marketers can influence sustainable purchasing through targeted strategies. Integrating sustainability into product stories and highlighting ethical origins can drive consumer decisions (Bain & Company, 2022).
- Genuine sustainability commitments can differentiate brands and build consumer trust (Edelman, 2019). This trust leads to increased brand loyalty among consumers who value social and environmental responsibility.



Introduction

Problem at Hand for brands

- The effectiveness of sustainability marketing in driving consumer action towards environmental initiatives is significantly diminished due to its inconsistent, broad and unclear messaging. (Brandt, 2023)
- A key challenge in marketing sustainability is the difficulty of persuading consumers to adopt more sustainable behaviors, especially since only a small number are motivated by environmental benefits alone. This issue is compounded by a general feeling of powerlessness among consumers regarding their individual impact on sustainability. (Marketing Week, 2012)
- The initial costs associated with sustainable practices can be high, and maintaining financial independence while managing these costs can be difficult. Furthermore, accurately pricing products in a way that covers the costs of sustainable practices without pricing out consumers presents a challenge. Sustainable brands often cannot compete on price with larger, less sustainable competitors, necessitating a strong focus on the value of sustainability in their marketing efforts. (Bertini 2023)



The message on the left is unclear and fails to effectively communicate the environmental benefits of the initiative. In contrast, the message on the right improves clarity by precisely wording the claim and enhances engagement by including a QR code and a website link, allowing interested audiences to explore further details, data, and certifications related to the claim.

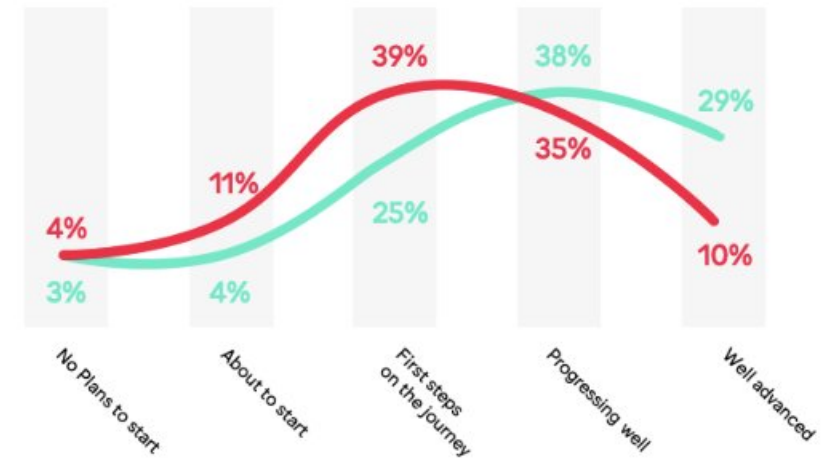


What is wrong with this advertisement?

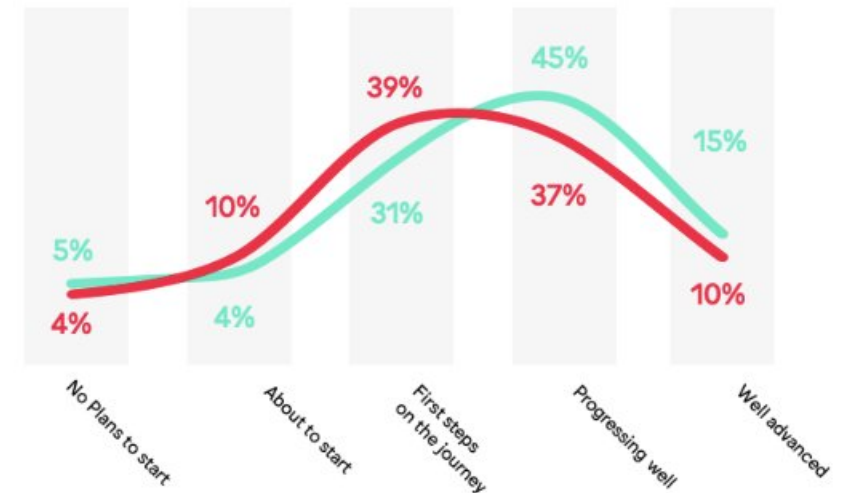


Marketing efforts are not keeping pace with the extensive advancements companies are making in sustainability.

“Marketing and Sustainability: Closing the Gaps” (WFA 2021 report)



“Sustainable Marketing 2030” (WFA 2023 report)



At company level
Marketing function

Misaligned Messaging: Messages urging less consumption fail to meet consumers' desires for social standing and personal expression.

Unmet Consumer Value: Sustainable brands must bridge the gap by offering clear, value-driven reasons for consumers to spend comparably.

Marketing Tactics Overlooked: Sustainable brands need to embrace proven marketing strategies to build loyalty and drive purchases.

Consumer Motivations Misunderstood:

High costs aren't the sole barrier; value, branding, and consumer priorities play a pivotal role.



Engagement Tactics Miss the Mark:

Guilt-inducing messages don't tap into the psychological motivators that drive consumer engagement.

Value Beyond Price: Consumers' choices aren't driven by price alone; they seek added value that sustainable brands need to acknowledge.

Lack of Compelling Products: Sustainable offerings must captivate consumer interest and investment to match market demands.



Need of the Study

- To provide actionable insights through **our framework** for marketers and brands on how to adapt their strategies to meet the growing consumer expectations for sustainability, thereby enhancing brand loyalty and market position.
- To integrate Reasons to Believe into sustainability marketing strategies, ensuring messages convey the personal benefits (good for you) before broader environmental benefits (good for planet), alongside highlighting the necessity for traceability and consumer protection against greenwashing.
- To decode the factors that influence consumer decisions in the context of sustainability, addressing the disconnect between their aspirations and actions.
- To keep pace with the shifting consumer demand towards brands that are not only sustainable but also transparent and ethically responsible.
- To contribute to the academic and practical knowledge on sustainable consumer behavior, offering a fresh perspective on how sustainability factors into consumer choices.



Methodology

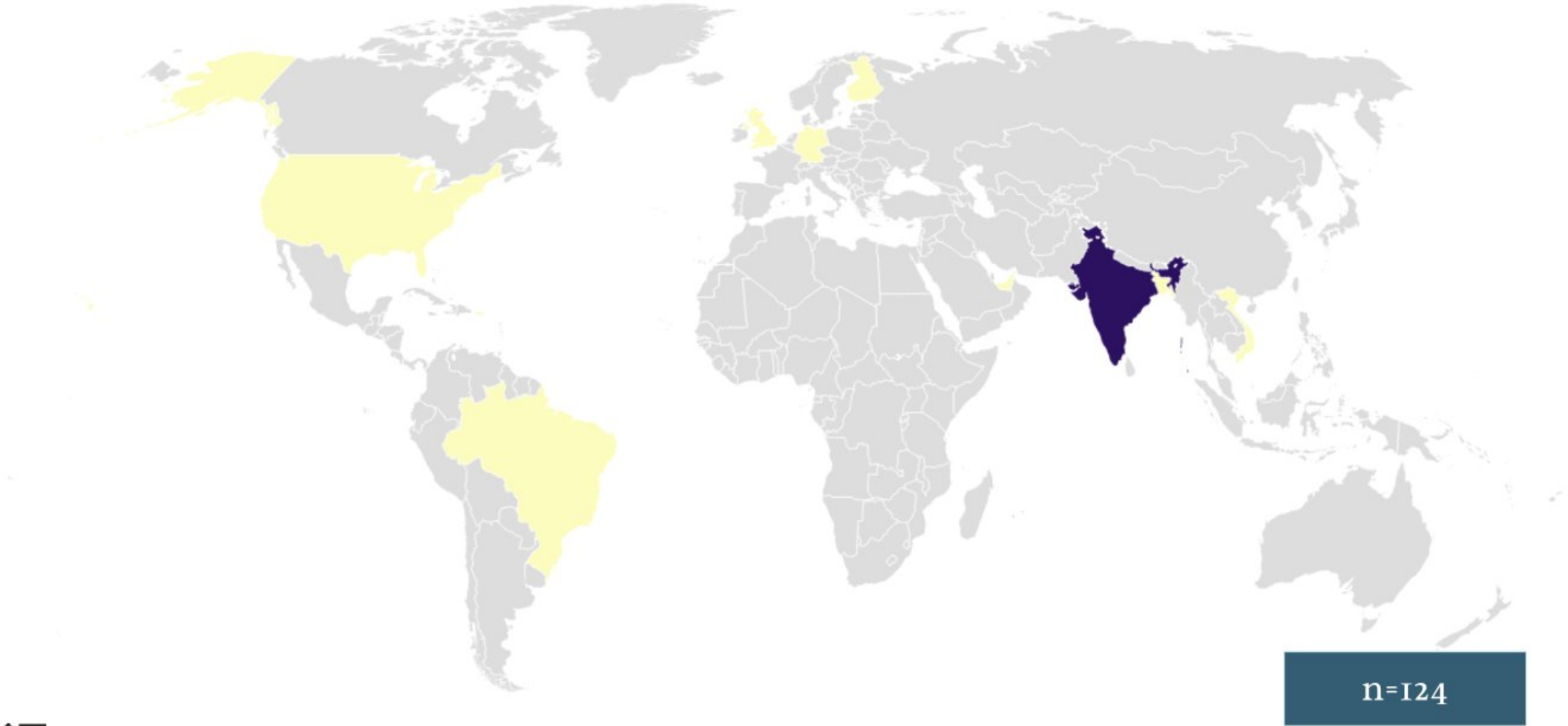
- Utilized robust quantitative methods and a structured questionnaire for data collection.
- Focused on assessing consumer awareness of sustainability labels, frequency of purchasing sustainable brands, and influencers on shopping decisions.
- Emphasized exploring the impact of 'Circularity Service' on consumer shopping behaviors and preferences in sustainable products.
- Employed descriptive statistical techniques to analyze and interpret data, summarizing key trends and insights.
- The research is in its pilot phase, aiming for foundational data understanding.
- Plans to expand analytical methods to include inferential statistics for deeper insights and uncovering causal relationships in future stages



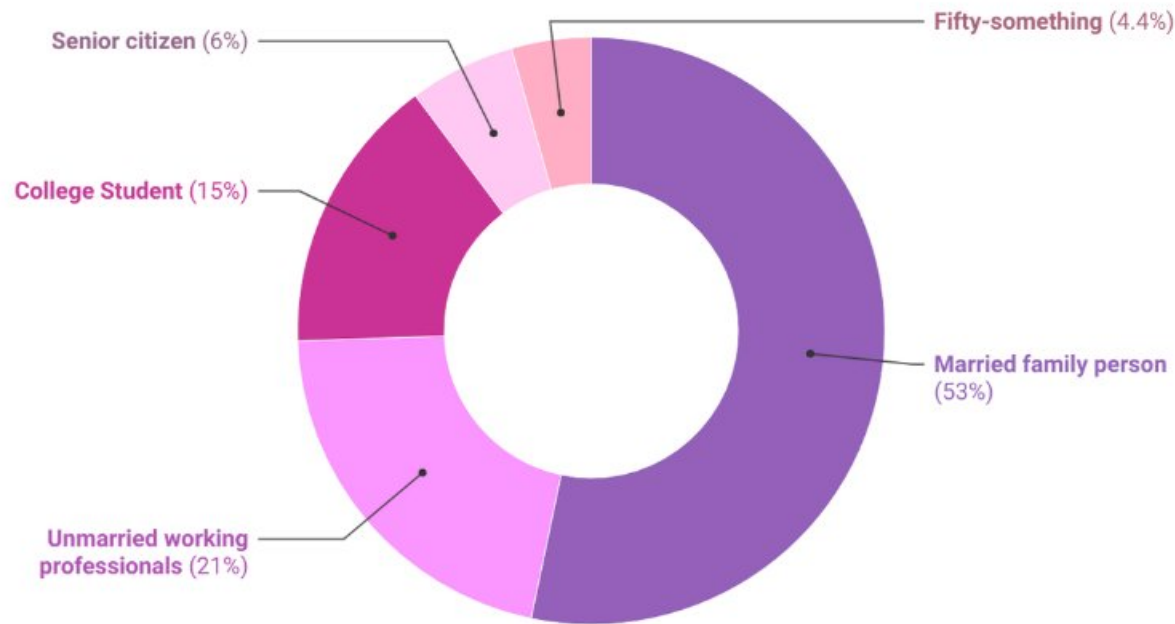
Results & Discussion

Country-wise distribution of survey participants

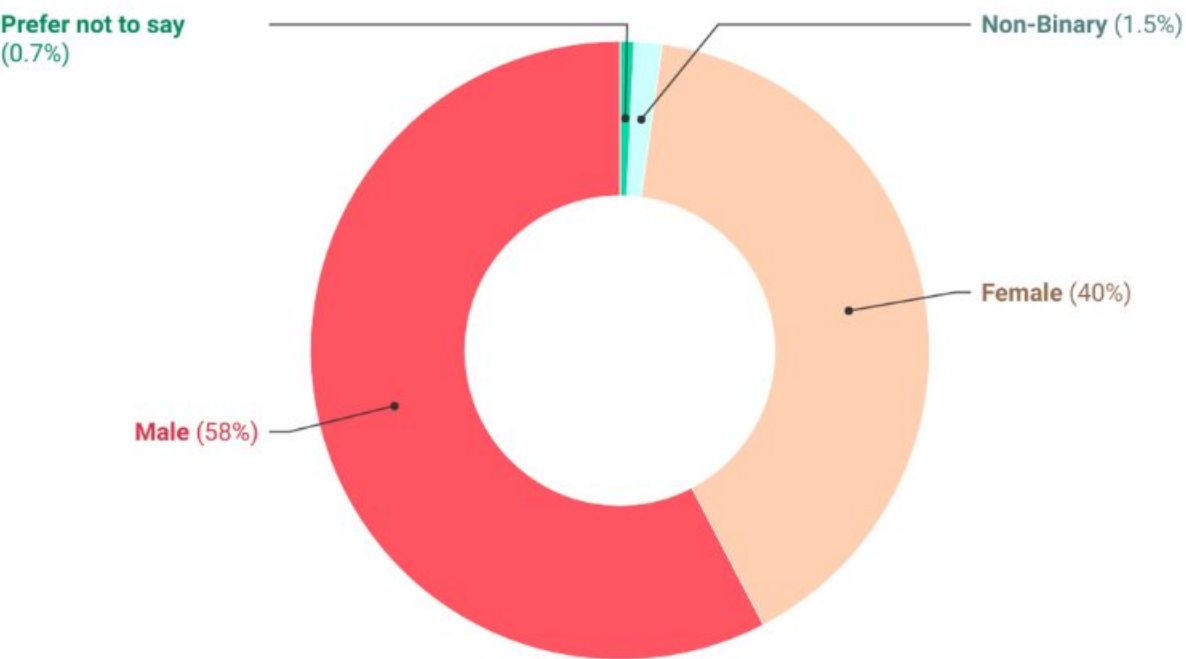
< 20 20–39 39–58 58–77 ≥ 77



Age Distribution of survey Respondents

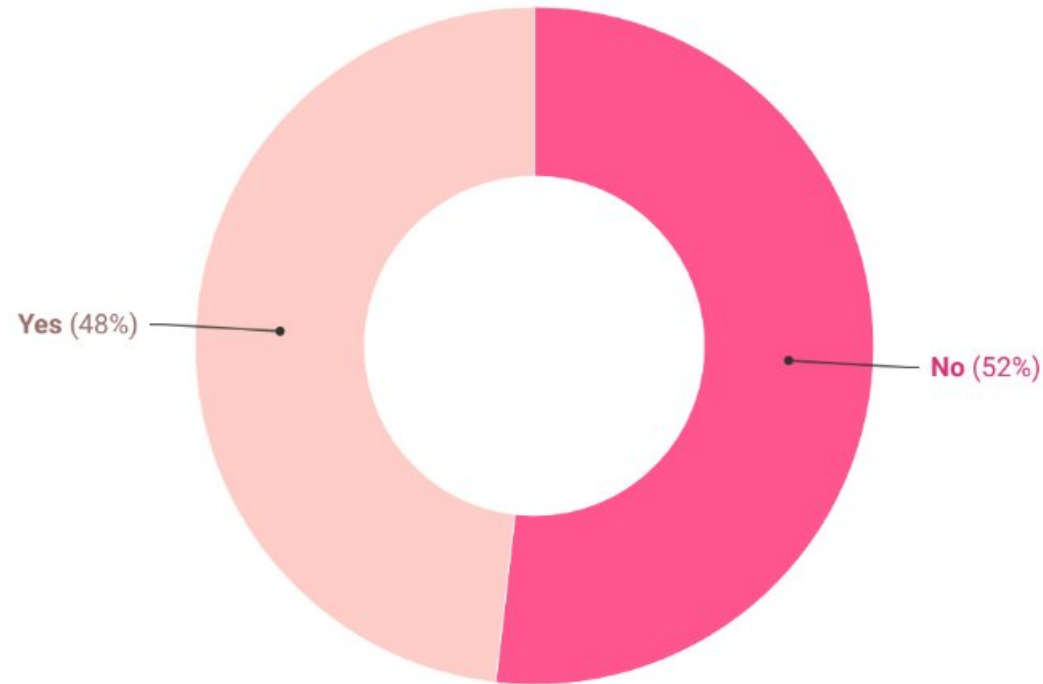


Gender Distribution of Survey Respondents



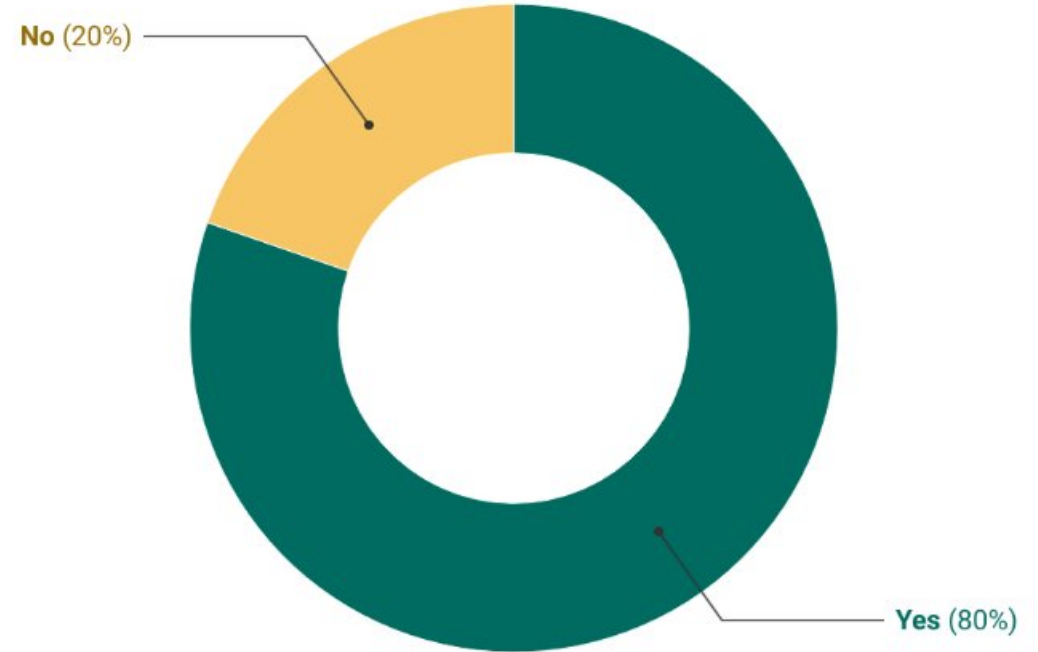
Shopping Label Awareness

Checks labels when shopping, decide based on ingredients



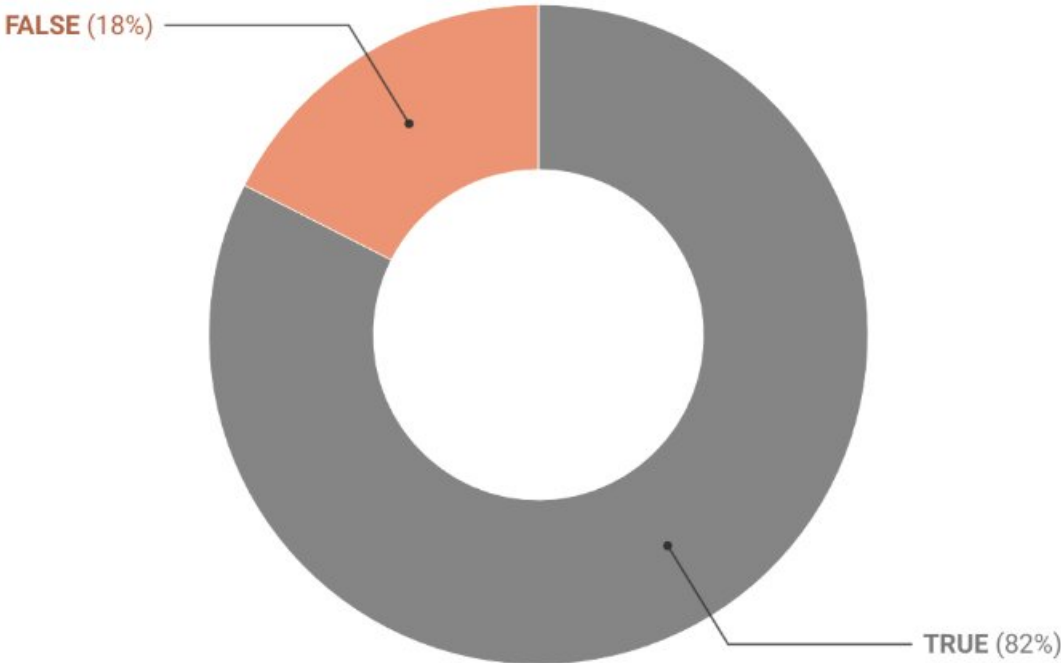
Sustainable purchase habits

Do survey participants actually pursue sustainable habits in their daily life?

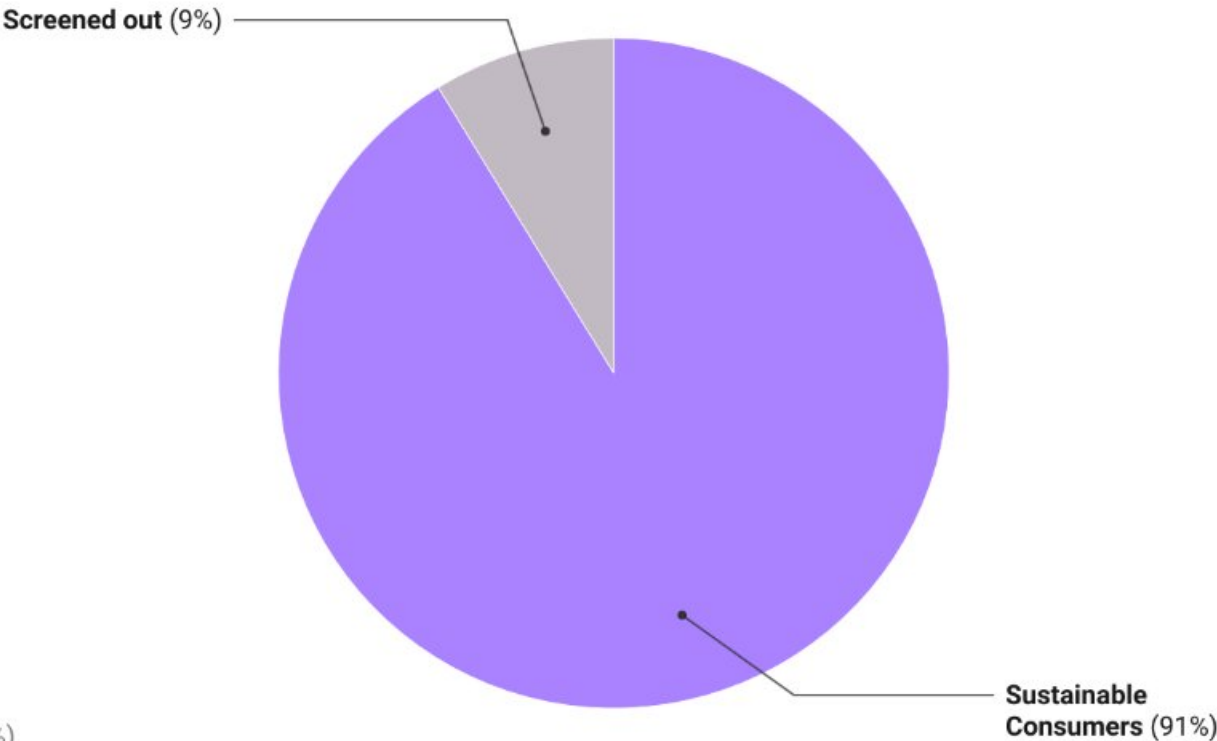


Ethical Brand Perception Matters?

Are bad ethics a deal breaker?



Screening Survey Participants

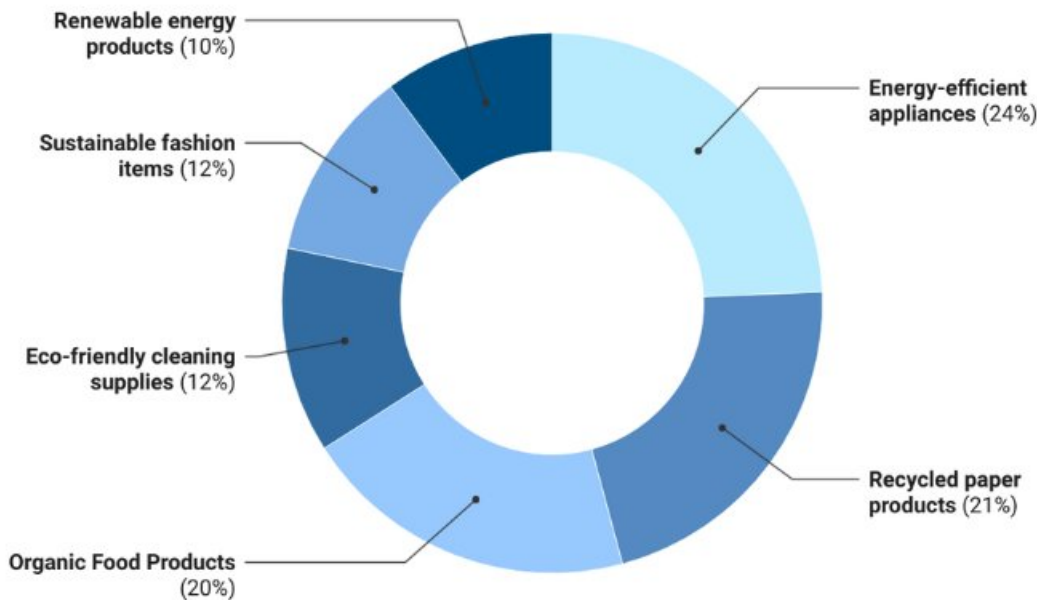


Consumer guilt and purchase decisions characterisation



Common sustainable purchases

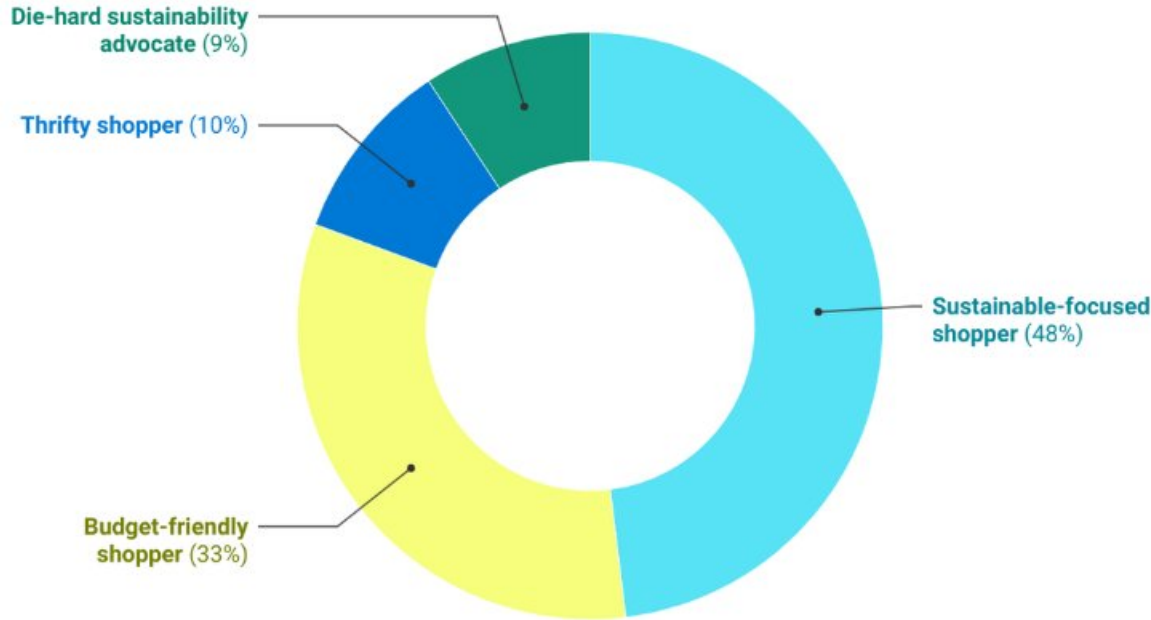
We asked our survey participants some common sustainable products that they purchase



It's evident that consumers are increasingly contemplative about purchasing sustainable products and often experience a sense of guilt when unable to make sustainable choices

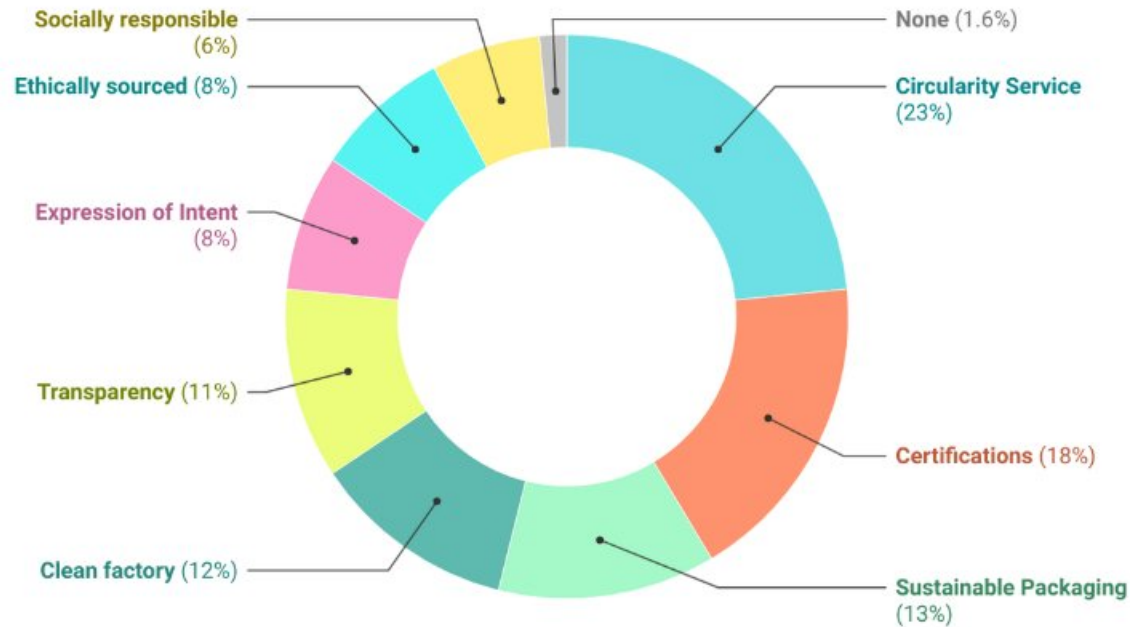


The Spectrum of Sustainable Shoppers



Attributes that attracts consumers

Consumers emphasise the importance of these aspects in their preferences.



Takeaways



Beyond Advertising

Brand Love

Ethical Engagement

Consumer Education

Narrative of Change

Allowing consumers to participate in sustainability initiatives, giving them more control

Deeply resonating with consumer values and aspirations fosters brand love.

Not misleading consumers and engaging in greenwashing.
Giving the whole and correct information

Educated consumers can make more informed choices, leading to a higher likelihood of choosing sustainable products when they understand their impact.

Craft narratives that align consumers' personal goals with broader environmental objectives. Good for you = Good for planet

Proposed Solution

The Tikao framework is designed to provide a comprehensive assessment of a brand's sustainability marketing efforts, offering recommendations on areas of improvement.

Effective Communications

Review messaging quality, infusion in Brand Assets, and reach on customer channels.

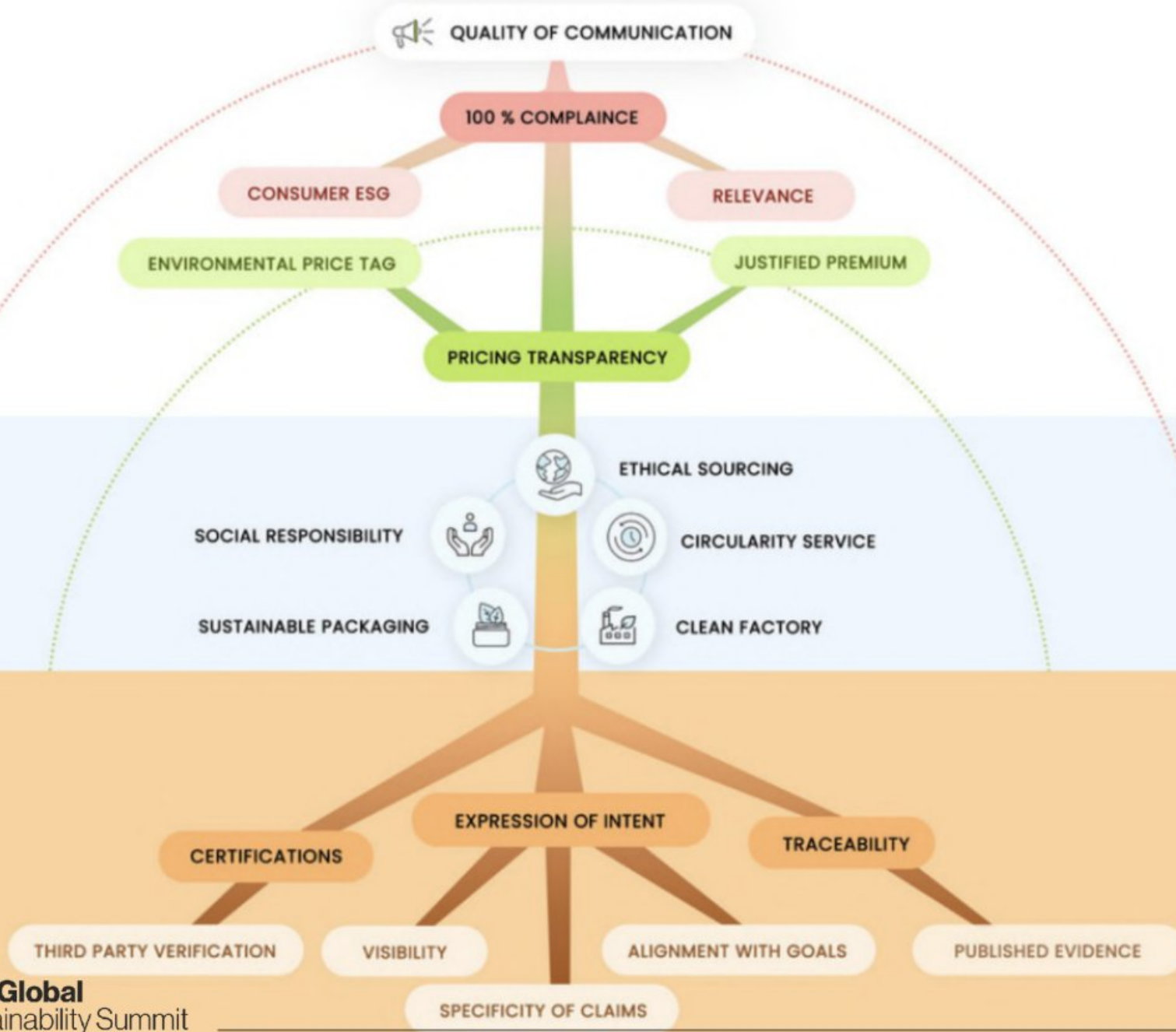
Impact Dimensions

Examine narrative content on 5 key dimensions that have material impact on sustainability goals.

Sustainability Foundation

Review esg goals, transparency in reporting, certifications. Evaluate integration of goals with brand purpose.





TIER 3 EFFECTIVE COMMUNICATIONS

Review messaging quality and reach. Assess visual storytelling and pricing transparency.

TIER 2 IMPACT DIMENSIONS

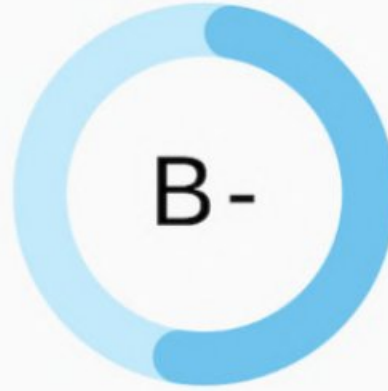
Examine narrative effectiveness on key dimensions.

TIER 1 SUSTAINABILITY FOUNDATION

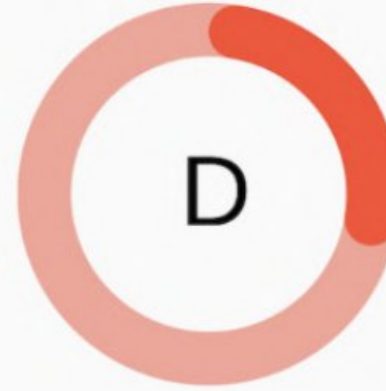
Evaluate goals, transparency, and certifications. Analyze integration into vision and mission.

41.5/100

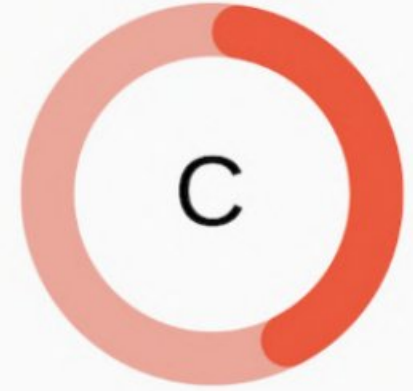
OVERALL SCORE



SUSTAINABILITY
FOUNDATION



IMPACT
STORYTELLING



COMMUNICATION
QUALITY

Providing an overall score along with detailed dimensional scores offers companies clear visibility into specific areas needing improvement and delivers actionable insights for targeted enhancements.

Tikao Claims Framework

Clarity and Accuracy	Stakeholder Involvement
Verifiability	Balance of Information
Future Performance	Harmful Substances
Product Comparisons	Fairness
Sustainability Labels	Carbon and Climate
Misleading Claims	Generic Terms
Partial Product Claims	
Transparent Methodology	

- Basic checks
- Conditionally applicable
- Negates all claims

Compliance



Men's Wool Runner 2

about Allbirds
Fashion
United States

Quick Overview

Allbirds specializes in making eco-friendly footwear and apparel, unique for their commitment to sustainability, using natural materials like wool and eucalyptus. Their approach prioritizes environmental consciousness.

Products

Logo	Name	Brand	Country	Claims
	Men's Wool Runner 2 Fashion	Allbirds	USA	
	Women's Tree Dasher Relay Fashion	Allbirds	USA	

Product Claims



Allbirds men's wool runner 2 is carbon neutral, business certified, climate neutral.

[Learn More >](#)



Allbirds men's wool runner 2 are holding accountable striving climate goals.

[Learn More >](#)



Allbirds men's wool runner 2 reduce carbon footprint near zero.

[Learn More >](#)



Allbirds men's wool runner 2 shoe laces are made from recycled plastic bottles.

[Learn More >](#)



Allbirds men's wool runner 2 materials are environmentally friendly, replacing petroleum-based synth...

[Learn More >](#)



Allbirds men's wool runner 2 heel lining is made of ZQ Certified Merino wool.

[Learn More >](#)



Allbirds men's wool runner 2 insole are made of wool blend fabric corn-derived foam planet-friendly ...

[Learn More >](#)



Allbirds men's wool runner 2 lightly worn shoes get donated to Soles4Souls.

[Learn More >](#)

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Thank you.

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