

FROM 'MY WORLD' TO 'THE WORLD'

THE RISING DEMAND FOR
SUSTAINABLE BRANDS



A report by 23red in
collaboration with 3Gem



Foreword

In October 2000, we set up our agency with the purpose of changing behaviour for the better. Two decades later, and a lot has changed in the world – the climate crisis has escalated to unprecedented levels and crucial issues on gender and racial equity are coming to a head. It's clear that our mission is more important now than ever before.

Today, consumers are seeking more meaningful relationships with brands, and Covid-19 has reframed how brands service their communities and society as a whole. Consumers are calling for brands to put a greater focus on protecting our planet, supporting people during, and after, the pandemic, as well as supporting social causes. Brands who can help alleviate these concerns, and lend their activities to help fulfil these needs, will ultimately come out on top.

With the push to build back greener as well as COP 26 taking place later this year, now is the time for brands to take stock of their role in driving sustainability forward.

We have been advocates of purpose-driven marketing for a long time now. 10 years ago, we polled consumers on the importance they placed on how brands contribute to the wellbeing of communities and wider society. This time around, we surveyed 2,000 UK adults to take a step back and see what has changed – and what consumers expect of brands now.

The results have been captured in this report and we hope you find it useful.

Jane Asscher
Co-Founder and CEO 23red

A DECADE ON, WHAT'S CHANGED?

Only **34%** of consumers say they believe industries are having a positive effect on sustainability.

Ten years ago, brand purpose was beginning to sprout. Today, it's in full bloom.

Purpose, as well as a focus on ethics, was growing in importance in 2011, with 91% saying that how a brand behaved towards its customers and communities was important. Over the last ten years, brands have begun to take a leading role in sustainability and purpose-driven initiatives. In the decade ahead, brand purpose promises to be the rule, rather than the exception.

The power of purpose

In 2011, 70% of people said that awareness of “a company’s ethics – environmental record, sourcing, and sustainable employment policies affects their decision making”; in 2021 that rose to 73%.

In the last five years consumers have moved from ‘My World’, to ‘Our World’, to ‘The World’ – and they are expecting brands to be part of the solution, not the problem.

Keith Weed

Independent Director and former CMCO Unilever

ACCELERATING THE PACE OF CHANGE

65%

think brands should care for the environment

52%

think brands should improve animal welfare

53%

think brands should highlight mental health causes

52%

think brands should promote racial diversity/equality

Authenticity is everything

With all the causes that brands could be supporting, there needs to be a link to the brand itself. 56% agree that for brands to engage with a social or ethical issue, it should have a clear link what they do or sell.

What brands do matters, and how brands change and adapt to the challenges we face is an incredibly important opportunity.

Stephen Woodford
CEO Advertising Association

The world is changing, and media stories as well as world events are accelerating this demand for change.

There are a number of social and environmental causes that consumers feel brands should be engaged in. 'Caring for the environment' is the most likely issue that UK adults feel brands should be supporting, followed by 'improving animal welfare', 'highlighting mental health causes', and 'promoting racial diversity/ equality'; in which consumers feel brands should be engaged.

Brands are taking a stance

Responding to the **Black Lives Matter** movement – Nike built on their anti-racism stance with the 'For Once, Don't Do It' ad

Providing support through **Covid-19** – BrewDog turned their empty bars into vaccination centres, and made and distributed Punk hand sanitiser for free to those in need

Combating **climate change** – Ikea began 2021 with a campaign dedicated to the circular economy, 'Fortune Favours the Frugal'

CURIOUS CONSUMERS



The public is increasingly paying close attention to a brand's purpose and sustainable initiatives. They remember the good as well as the bad.

75% of adults are interested in knowing more about the good practices of the brands from which they are thinking of buying. In the last decade, those who were 'very interested' has increased from **19%** to **24%**. This is unsurprising, given the rise of social media, and the greater information on brands that is available to us.

Additionally, consumers are increasingly seeking information from trusted sources such as independent reviews, family and friends and word of mouth.

The good

Tesco and other supermarkets such as Sainsbury's and Co-op were recalled as promoting positive initiatives in the last year, as a result of their focus on getting food to those who need it throughout the pandemic.

The bad

Poor treatment of staff, including lack of pay and poor working conditions, were the main negative stories UK adults spontaneously recalled, as well as other unethical behaviour.

AN UNWILLINGNESS TO COMPROMISE



As brands pursue purpose driven goals, consumers do not want the expense of sustainability to be passed on to them. There's a feeling that companies should be doing more to improve sustainability themselves, rather than asking consumers to compromise, especially when it comes to quality, price, and convenience.

Most people say they would not or probably would not buy a sustainable product if:

69%

It was of a lower quality

62%

Had a higher price

62%

Was less convenient to use

However, they are willing to try new, more sustainable brands: 72% say they would consider buying the more sustainable option even if it was from a brand they had never heard of. 66% also say they would consider choosing a sustainable product even if it took three days longer to deliver.

Companies that can illustrate their actions to consumers without asking them to compromise will see benefits, and new entrants who can offer more sustainable options at similar prices and quality as their competitors may be able to sway customers.

FAVOURING SUSTAINABLE PRODUCTS

People put the most effort
into purchasing sustainable:

50%

Food and
groceries

36%

Clothing

33%

Household
products

Despite not wanting to budge on price or quality, consumers are increasingly seeking out sustainable options. 80% of people say they put more effort into purchasing something that is sustainable.

The last year has put an increased focus on sustainability; in the last 12 months, three-in-ten UK adults said they have become more aware of sustainable issues.

Helping consumers make eco-friendly choices

Increasingly, customers are looking to engage with brands that can help them achieve something positive. The brand that can do so will help to create a deeper connection with consumers which in turn helps to build brand affinity.



Over the past 12 months, around 2 in 5 UK adults are most likely to feel that the companies which they regularly interact with have made it easier for them to 'recycle more' or 'use less plastic'. Around a third found it easier to 'waste less food', 'eat more healthily' or 'look after their family's well-being'. Around half, however, said brands hadn't had an impact on helping them make sustainable choices.

With this gap, brands have the opportunity to differentiate themselves by focusing on the positive actions they can help customers make.

TIME TO MAKE A CHANGE



This report is a glimpse into our changing landscape and the increasing power that purpose plays on the minds of consumers. We've seen how brands who authentically lead with purpose can foster a deeper relationship with people and in turn reap the rewards. If you want to make purpose work for your brand, here are a few key actions you can take to help you get started.

Champion a cause

Identify where you can make change. What important issue or cause can you address that will benefit your audience, you, and the world around you.

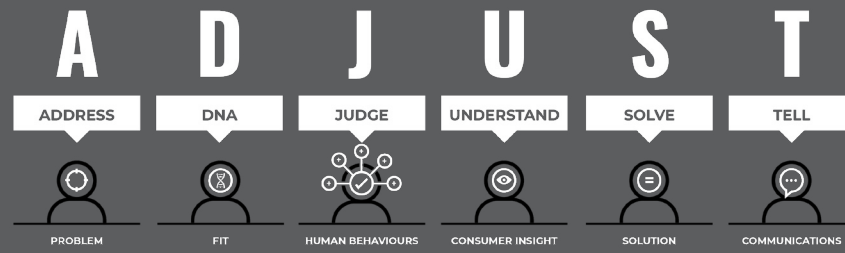
Is your cause the right one?

Determine if your chosen cause fits with your company's core values. Does it align with where you came from, your products and services, and what you're currently supporting?

Think about the 'do'

What behaviour changes can your brand inspire that will build on your purpose and have a measurable impact?

We specialise in helping brands discover and harness the power of purpose. Find out more about our ADJUST model here.





Get in touch

Jane Asscher

Founding Partner & CEO
jane.asscher@23red.com

New Business

newbusiness@23red.com