



**Take the next step to
sustainable marketing**

HOW BRANDS CAN BUILD CUSTOMER TRUST

OLIVER

INTRODUCTION

Understanding the impact of marketing activity on the environment, and how to shift today's business models to be future fit and ready for a net zero world.

The climate crisis is one of the defining challenges currently facing humanity.

Every day, people are becoming more informed about their personal impact on the planet – from what they eat and drink, to how they travel, the clothes they wear, how they maintain their homes, and the lifestyles they lead.

The demand for transparency, authenticity, and honesty from brands has never been higher, fueled by a growing expectation to work for and buy from those that are making a positive impact on society.

While brands are aware of the role they need to play (and have been since the early 1990s), people have little faith that brands will deliver on their promise. **Research from GWI** found that 62% of consumers are only a little trusting that brands will stick to their environmental claims or pledges, while 22% don't trust brands at all.

“We’re not going to be able to see the end of this journey from the beginning. So, we’re going to have to be brave, and start to take steps forward.”

Lucy Usher
UK Sustainability Lead at OLIVER

Building customer trust around sustainability isn't easy, and we believe there are two major barriers to success:

- Getting going with your sustainable strategy (taking the next step, rather than focusing on the finish line)
- Becoming a trusted brand by consistently – and genuinely – balancing people, planet and commercials equally

To begin solving this, using data from Deloitte, Kantar and Euromonitor and other leading news sources, we have developed our four-stage approach to building trust as a sustainable marketer:

- Understanding what sustainable marketing really means
- Understanding where brands and marketers fit in addressing the climate crisis
- Learning from brands who have already successfully embedded sustainability into their marketing, building trust with consumers in the process
- Gaining the tools and knowledge to implement real change in sustainable practices and growing consumer trust in the process

WHAT IS SUSTAINABLE MARKETING?

Sustainable marketing is the promotion of socially and ethically responsible products and / or services.

Green marketing has a focus on the sustainable and environmental benefits of a product and / or service.

Although the two are now interchangeably used in the world of advertising, with both insinuating environmental considerations.

Green marketing is more specific to environmentally conscious products or services while sustainable marketing can be utilized by all brands when it comes to addressing their commitment to more ethical, sustainable practices.

With an authentic and demonstrable commitment to sustainability as a key driving factor when it comes to consumers and which brands they choose to buy in today's world, it's important brands are honest and consistent in their efforts to be and do better.

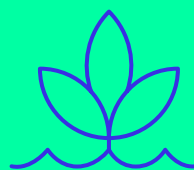
Those who simply try to market themselves as sustainable, but don't have the foundation of ethical and environmentally considered practices to back up their claims, run the risk of being accused of 'greenwashing'.

This can have a detrimental impact on public perception and ultimately market share, with consumers not afraid to shout about the disingenuous claims on social media, often gathering mass-scale momentum and causing irrevocable damage to a brand's reputation.

Furthermore, there can often be legal implications from governing bodies who authenticate and investigate brand claims when they suspect them to be untrue or misleading.

Recently, regulators have been cracking down on greenwashing, with the Competition and Markets Authority (CMA) – the UK government regulatory body – publishing guidance on environmental and sustainability claims through its 'Green Claims Code', emphasizing six principles based on existing consumer law.

Their research found that 40% of green claims made online could be misleading, due to claims being false, exaggerated, or deceptive, hinting towards thousands of businesses breaking the law.



CMA found 40% of green claims made online could be misleading, hinting towards thousands of businesses breaking the law.

GREEN CLAIMS CODE – 6 PRINCIPLES



Fast fashion brands have a reputation for greenwashing with the introduction of ‘sustainable’ collections despite little to no evidence backing up their claims.

For example, clothing ‘made from recycled fibers’ have been found to only feature around **16% to 20% recycled fibers**.

The likes of Zara, Pretty Little Thing, and Boohoo have a history of criticism over their ethical practices when it comes to fair pay and safe working conditions, alongside the poor quality of their clothes as they have a much shorter lifespan than other more well-made products, resulting in much higher levels of clothing being sent to landfill.

Additionally, many of the garments are made out of synthetic materials such as polyester, which sheds harmful **microplastics** when washed and doesn't biodegrade.

At the other end of the spectrum, Patagonia's owner and founder announced he was donating the fashion brand to a charitable trust, citing Earth as their ‘only stakeholder’ and donating all profits fighting climate change – a significant and authentic commitment to sustainability which sparked huge applause from the fashion industry and wider business world, while further highlighting fast fashion's lackluster efforts.

In a world where consumers are looking to brands to proactively do more to help the planet, even offering to pay higher prices to accommodate more eco-friendly practices, brands have a responsibility to their customers, stakeholders, and the future of Earth to do so honestly.

BUT WHERE TO START?

The first step is understanding what role brands and marketers play in the climate crisis.

THE CLIMATE CRISIS: WHERE MARKETERS FIT

Advertising is an **\$800 billion industry globally**, with the average person exposed to **10,000 ads a day**.

Purpose Disruptors – a network of advertisers working to reshape the industry to tackle climate change – **suggests in its 2021 report**, “It is arguably the biggest engine of societal change in existence.”

As such, advertising will be imperative in shifting consumer behavior towards a more sustainable way of life and transitioning society to a net zero economy.

Typically, when brands are looking to implement sustainability plans, the first step is to address operational factors such as packaging, ingredients, and distribution channels.

While these considerations are valid and are of course effective ways to achieve sustainability targets, it's vital brands also look inwards at the impact their marketing activity has on the environment.



The UK's Advertised Emissions in 2022 are forecasted to be more than 208 million tons of CO2 equivalents, up from 186m in 2019.

This self-awareness would allow brands to measure the impact it has on society, and work backward to responsibly steer consumption rates.

One way to do this is by measuring and tracking the environmental impact associated with the consumption advertising generates – known as ‘Advertised Emissions’ – which are the greenhouse gas emissions that come from the rise in sales as a result of advertising.

Using this methodology, **Purpose Disruptors reported** that in 2019, Advertised Emissions from UK advertising were more than 186 million tons of carbon dioxide equivalents.

That's 186 times greater than the operational emissions of the UK advertising industry, meaning advertising alone has added an extra 28% to the annual carbon footprint of every single person in the UK.

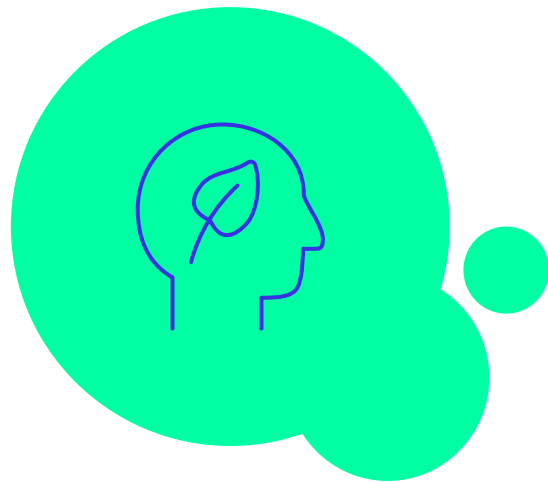
In 2022, this number has increased to 32%, meaning UK advertisers are now adding an additional 22m metric tons of CO2e to every citizen's carbon print. That's equivalent to running an extra nine coal-fired power plants for a year!

Those numbers are hard to ignore. The growth tactics used by brands to drive consumption of their products are having a major impact on the environment, as well as their sustainability prospects.

Now, that's not to say brands have to abandon their sales ambitions and forget about the bottom line. Especially in a cost-of-living crisis and impending recession when budgets are tight and sales matter more than ever.

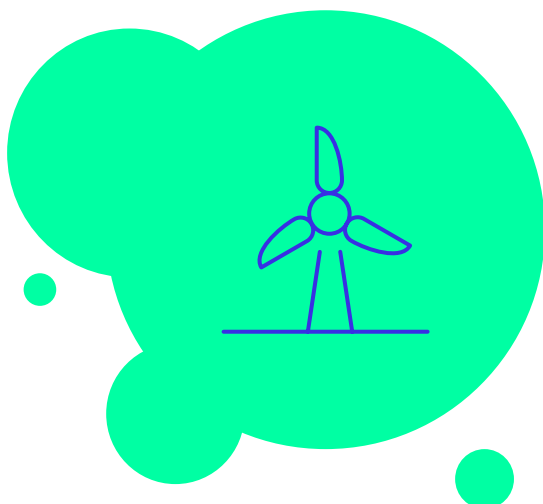
But there is some myth-busting to do around implementing an effective and economical sustainability plan. It doesn't have to cost a huge amount and businesses don't need to be rewired overnight. Instead, small changes can all add up and help bring costs down internally. But more on that later!

Ultimately, for brands to truly achieve net zero, consideration of the wider implications of any marketing activity on consumer behaviour and so on society, must play a role in the planning and execution of campaigns.



Lucy Usher, UK Sustainability Lead at OLIVER, challenges brands to consider questions in the campaign planning stages.

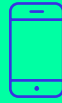
“What is the actual impact of the sales of this campaign going to be aside from boosting our bottom line? Or what behavior change is this campaign looking to drive? And are they sustainable or not?”



Taking the time to self-reflect and instill sustainable values at the core of a brand isn't a 'nice to have' anymore, it's an absolute must. Not only for delivering on net zero targets but for building an honest reputation as a brand that delivers on its promises to do good in the world too.

RESEARCH SHOWS:

In 2022, Advertised Emissions from UK advertising were more than **208** million tonnes of carbon dioxide equivalents



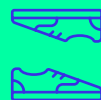
This is almost half the size of the UK's total domestically produced emissions in **2022**



It is equivalent to **56** coal-fired power plants running for 1 Year



It means advertising is adding an extra **32%** to the annual carbon footprint of every single person in UK



Source: Purpose Disruptors Advertised Emissions Report 2022

“Advertising is arguably the biggest engine of societal change in existence.”

Purpose Disruptors

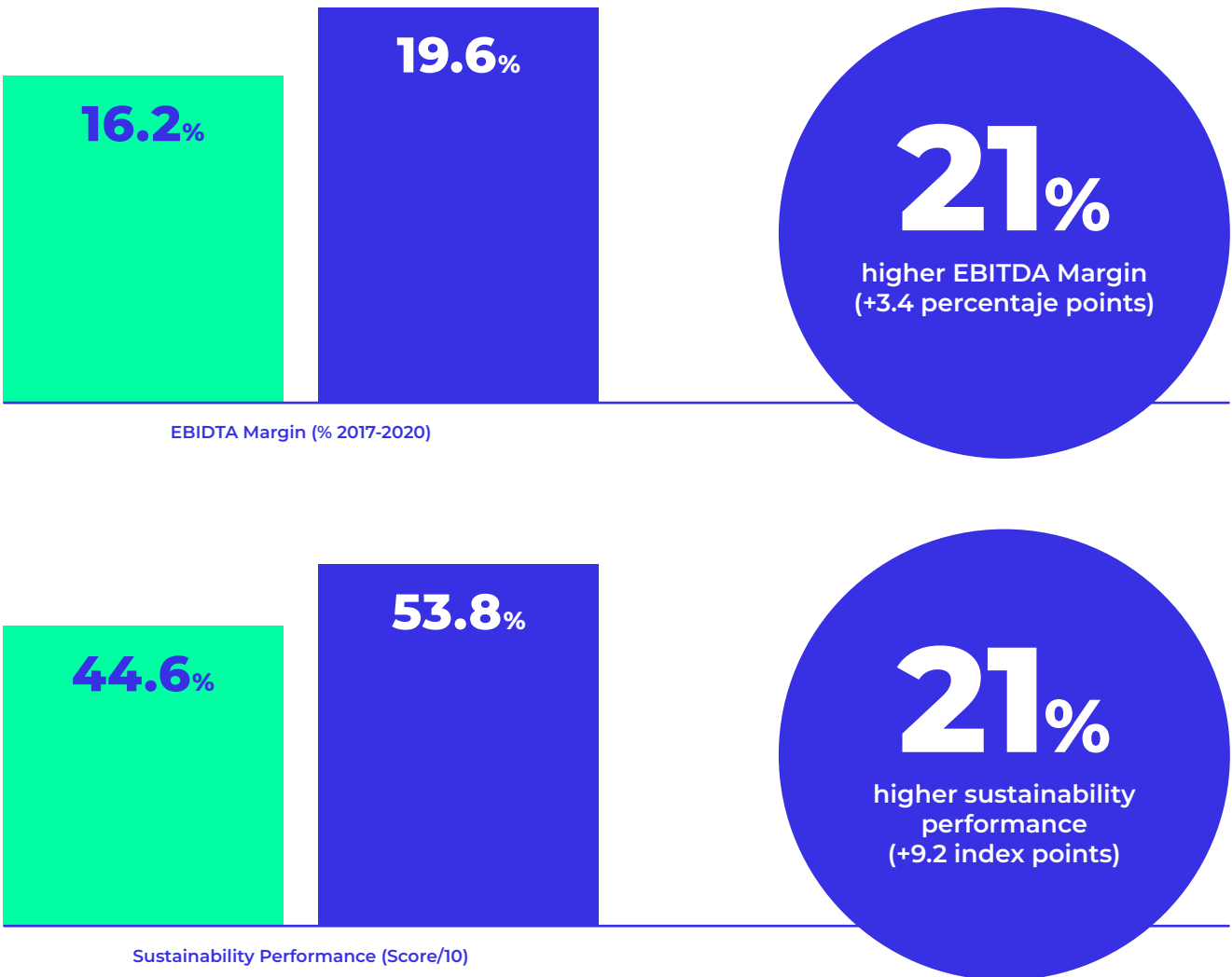
THE BENEFITS OF BECOMING A SUSTAINABLE BRAND AND BUILDING THAT TRUST WITH CONSUMERS

1 Sustainability is linked to greater value and long-lasting benefits

According to **Accenture**, brands with a strong sustainability DNA outperform competitors by 21% in both profitability and environmental and social impact.

AB InBev, the world's largest brewer, reduced waste and a created a more efficient, and inclusive supply chain with significant investments in environmental innovation and increased stakeholder participation.

Organizations with the most deeply embedded Sustainability DNA outperform peers by 21% on both profitability, and positive environmental and societal outcomes.

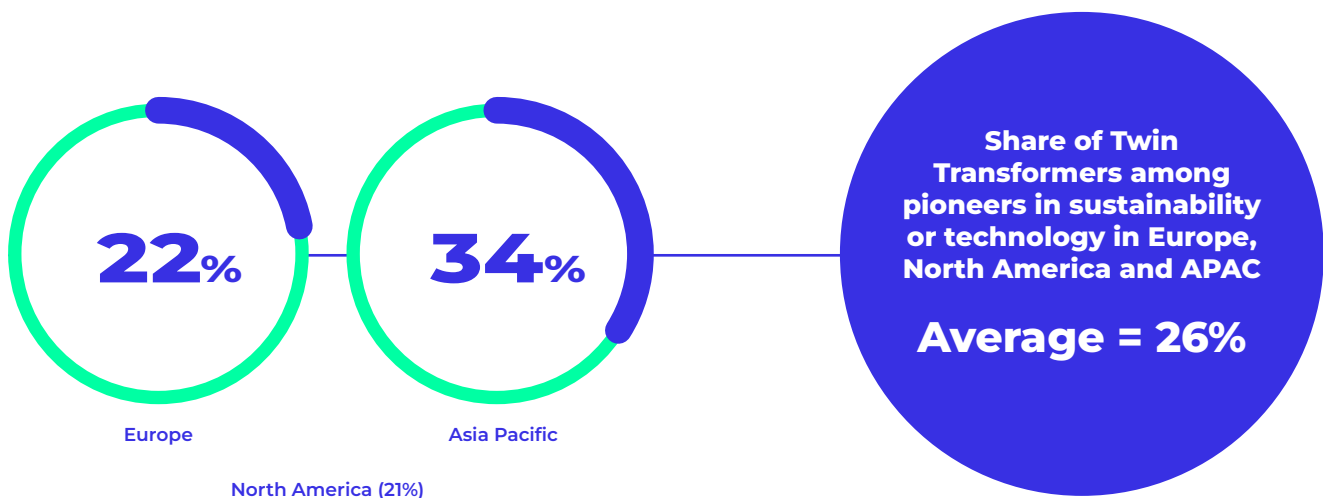
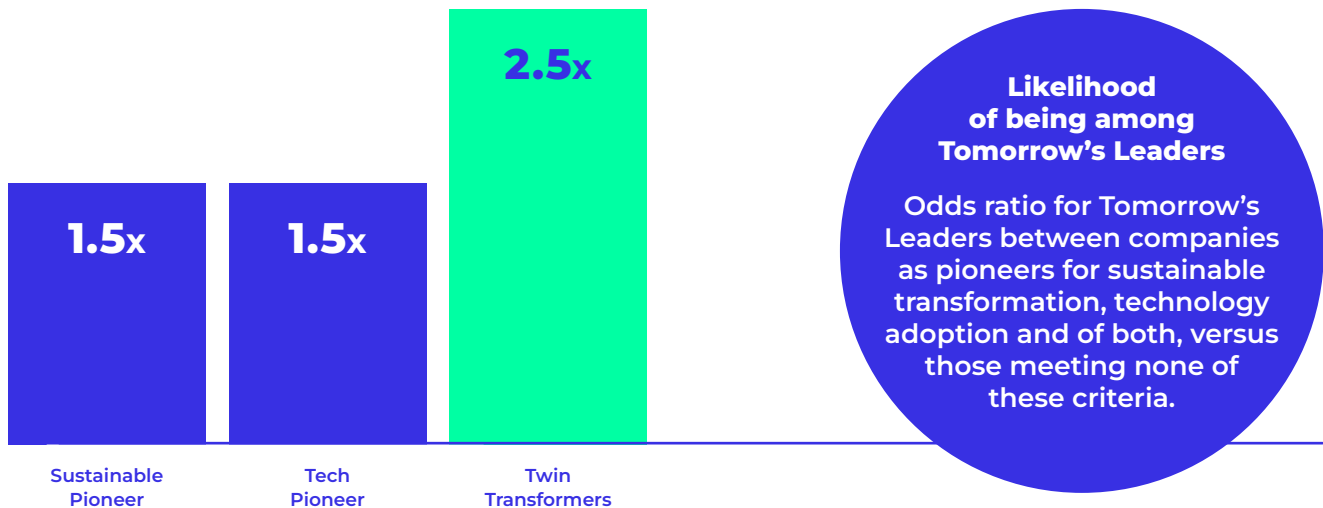


● Bottom quartile ● Top quartile

2 **Pioneers* in sustainable transformation are 1.5x more likely to be high performing**

Accenture also found that brands at the forefront of both digital and sustainable transformation are 2.5 times more likely to be high-performing businesses.

Only a fifth of the pioneers in Europe and US managed to be Twin Transformers** compared to a third in APAC.



* See appendix for definition of pioneers.

* Pioneers are companies ranked in the top quantile on sustainable transformation score or technology adoption score.

** Twin Transformers are pioneers in technology AND pioneers in sustainable practices.

3

Sustainable brands grow 2x times faster than brands without a purpose

Unilever's sustainable brands grew 2x faster than its other brands –

Sources: [Forbes](#), [Unilever](#), [Business Standard](#).

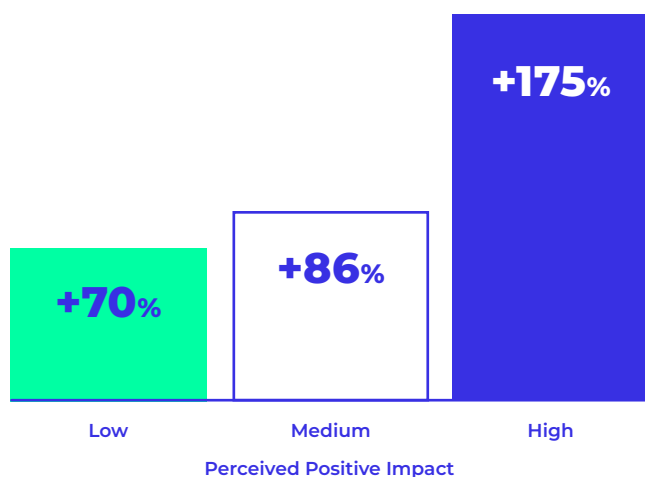


13 sustainable brands in the €1 bn+ club account for more than 50% of Unilever's turnover and grew by 6.4% in FY 2021, well above the company average.

13 billion Euro brands



Brand Z 12 year brand value growth



Sampling of high purpose brands

Walmart ✱ Google



PURPOSE 2020

INSPIRING PURPOSE LED GROWTH

Brands recognized for high commitment to Purpose have grown at more than twice the rate of others.

KANTAR

Kantar Purpose 2020: Purposeful brands grow twice as fast as others.

BRANDS PAVING THE WAY IN SUSTAINABLE MARKETING

How can a brand better promote sustainability?

Deloitte's recent survey into consumer attitudes and behaviours around sustainability found that “across all categories, consumers value conserving biodiversity, water and other natural resources, opting to support brands who adopt circular practices, including the reuse, recycling, refurbishment or repair of goods.”

However, major barriers to adopting a sustainable lifestyle as a consumer include the associated costs and a lack of information available, with **52% and 48%** stating these reasons for not currently living sustainably.

A further issue is the lack of trusts consumers have in brands and their claims of sustainability.

Deloitte's survey also found that, “nearly one in two consumers either do not know what to trust, or simply state that no business claims on climate change issues can influence how much they trust businesses' commitments to sustainability.”

Brands can remove these barriers, putting them in the driving seat when it comes to catalyzing change.

And so, brands must work to not only make a firm commitment to and have a clear position on sustainability, but also drive activity that builds a strong public perception around it, while lowering barriers their consumers face.

This will lead to what IBM calls **The Multiplier Effect**: A combination of better quality, greater value, and more information would help more than 4 in 5 consumers buy more sustainable products.

Better product quality

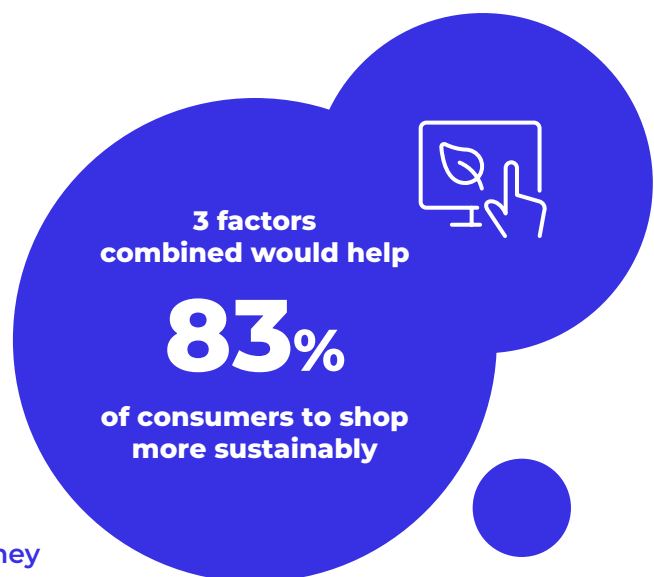
58%

More affordable prices, better value for my money

57%

Better understanding of how my purchase can make an impact

41%



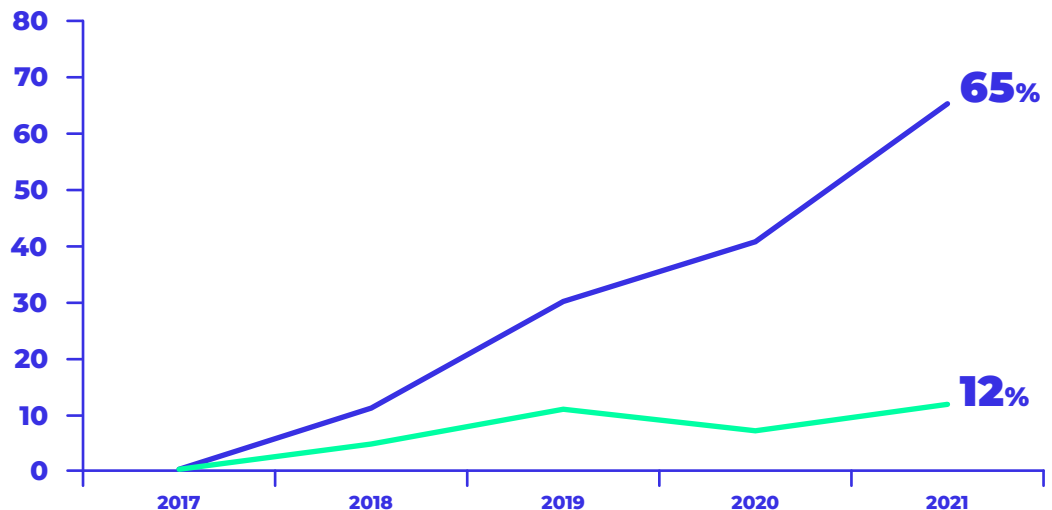
IBM Institute for Business Value

HIGH FASHION BRANDS

The Luxury Fashion sector has embraced the circular economy with second-hand luxury goods growing 5x quicker than new sales.

GLOBAL, LUXURY GOODS

Sales, % change from 2017



Brands leading the charge in sustainability

Farfetch

The online marketplace for luxury brands encourages reselling by offering credits to people wanting to shift pre-owned items.

Burberry

Launched first carbon-neutral runway show in 2020, and unveiled **ReBurberry** range: apparel and accessories made from recycled fishing nets and plastic bottles.

Selfridges

Announced a new target to ensure that 45% of its transactions across stores and online come from circular products, practices and services by 2030.

Key takeaway for brands

Not only should sustainable practices be brought into the manufacturing and distribution of clothing goods, but brands should also consider the circularity of their products.

With the second-hand clothing sector expected to grow faster than fast fashion, look at how you can engage customers at all points of the product's lifecycle.

Transparency around the credibility of sustainability claims within the manufacturing processes is key in building trust with consumers looking for brands to be authentic and honest.

Additionally, brands should inform customers what to do when their product reaches the end of its life – whether that be recycling, upcycling, or even returning the object in exchange for a discount on a future purchase.

This demonstrates you're taking responsibility for the entire lifecycle of the product, further building your brand as reputable and trustworthy in your commitment to doing and being better.

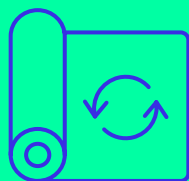
AUTOMOTIVE

Brands are approaching sustainability as an investment opportunity, not a cost.

BMW assembled a 'project i' team in 2007 to explore sustainable concepts for future mobility.

The team built an entirely new supply chain culminating in the unveiling of the BMW i8 only five years later in 2013.

The result is an entire ecosystem around BMWi that extends the company's influence far beyond the role of a traditional car manufacturer.



Key takeaway for brands

Diversifying your offering to include more sustainable options for consumers by investing in green solutions not only strengthens your brand's staying power, but also allows you to be better prepared for their growing sustainability behaviours long term.

From technology and engineering, to the development of more eco-friendly materials, there are a wealth of opportunities to evolve your product.

FOOD AND BEVERAGE

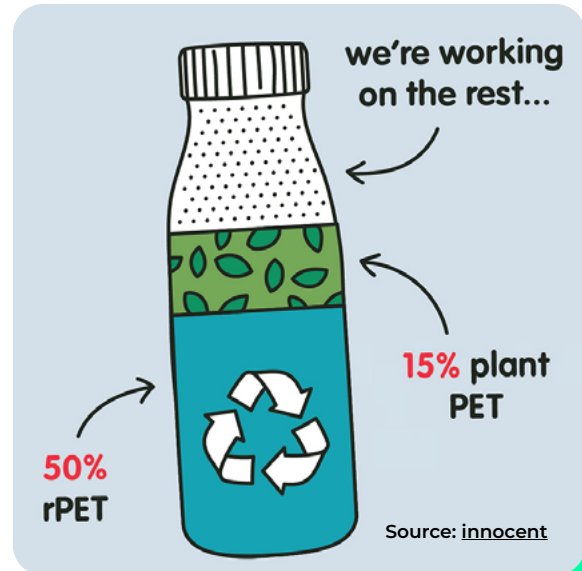
Over recent years, food and beverage brands have moved towards more sustainable practices in the production and manufacturing of their products.

A key area that's seen change has been the way brands package their goods, switching to recyclable materials such as glass or aluminum, and away from single-use plastic.

Operational considerations such as changes to manufacturing processes and switching to more energy-efficient production methods are another great way of becoming more sustainable.

Innocent is currently in the process of developing one of the world's first carbon-neutral factories, **The Blender**, which will be built mainly using locally sourced materials in The Netherlands.

Complete with its own solar panels and wind turbines, it will also feature a cleaning system that uses mostly air rather than water. Situated on the Port of Rotterdam, they will significantly reduce the amount of transportation via roads in the distribution of their products.



Key takeaway for brands

Consumers care much more about what they're putting on their plate, and so innovation outside of recipe development is key to adapting to the future of food and drink consumption.

From packaging and ingredients used, to manufacturing processes and transportation, there are areas all along the product journey where more sustainable decisions can be made.

Amplification of these progressive steps taken by a brand is key to building trust around following through on promises and commitments in sustainability plans.

HOW CAN BRANDS DELIVER IMPACTFUL SUSTAINABLE MARKETING AND BUILD TRUST WITH CONSUMERS?

Top tips from the experts in sustainability

Lucy Usher, OLIVER's UK Sustainability Lead, and Rob McFaul, Co-Founder of Purpose Disruptors, have four key tactics for brands to utilize when addressing how marketing can step up when adapting for Net Zero. For a deeper dive into how marketers can adapt for Net Zero, [discover their full panel session](#) from OLIVER's The Inside Track event, alongside brilliant discussions and sessions from over 50 industry experts.

1 Start the conversation

Sustainability isn't a destination, it's a journey. Brands must enter into this transition with a spirit of inquiry and curiosity, and a bit of a can-do attitude, for it to be a success.

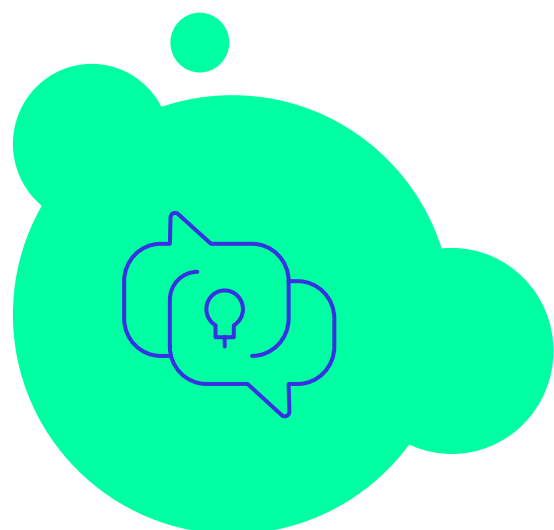
Tackling a brand's environmental impact and shifting practices can seem daunting, with many not sure where to even begin, but it all starts with taking the first step to driving change – and that's to start talking about it.

Define what you want your business to stand for and what you want its purpose to be when it comes to sustainability. This will open the conversation up around what you want to achieve, and from there a plan can start to come together on the areas you can implement change as well as how and what you're measuring to track progress.

Frugal and sustainable practices have a lot of cross-over, and so should be a key consideration across all business planning – not only from a moral responsibility point of view but also from a bottom-line standpoint.

Need some steer on what consumers want to see from your brand when it comes to sustainability? Ask them directly! Use their feedback to prioritize areas of the business they'd most value change in – whether that's packaging, manufacturing processes, distribution methods, or recycling options.

A 'you spoke, we listened' approach will make consumers feel heard on values they're passionate about; key when building trust.



2

Use existing initiatives, frameworks and programmes

As sustainable business practice is nothing new, with evolving technologies and breakthroughs happening all the time, brands don't have to reinvent the wheel when it comes to adopting new ways of working.

There are a wealth of existing credible sustainability initiatives, programs, and frameworks to choose from that guide a brand through structural, operational, and cultural change. For example:

Conscious Advertising Network

A coalition of 150 brands who work directly with advertising platforms, media owners, and publishers to pioneer positive changes. Their Sustainability Manifesto outlines steps brands can take to become more sustainable; including obtaining a B Corp certification and joining the Race to Net Zero campaign. They also highlight key questions businesses should consider when working towards becoming more sustainable.

Purpose Disruptors Advertised Emissions Framework

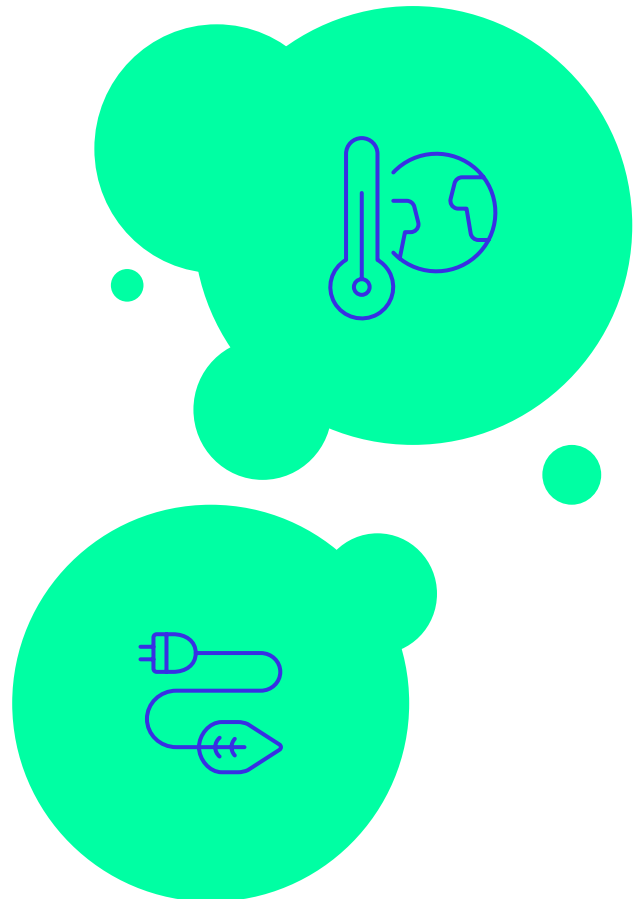
Helps brands measure the environmental impact of marketing activity, highlighting areas where improvements can be made in reducing overall carbon emissions. They also created the #ChangeTheBrief campaign, which enables agencies to respond to client briefs in a way that promotes more sustainable values, attitudes, and behaviors in clients' audiences.

AdNet Zero

Provides training on best practices in sustainability for advertising professionals as well as a five-point action plan for advertisers to transition to net zero.

Once you've decided on the right course of action for your business, you can share your new commitment to sustainability far and wide with consumers across social media, your website, and the press to highlight how you plan to deliver on your promises when it comes to driving positive action.

However, only do this if you're genuinely committed to making the necessary changes. Consumers will be quick to point out where you're failing, doing damage to your brand's reputation.



3 Upskill your workforce

Education and training are key to embedding sustainability deep into the core values and practices of any business. It's important sustainable considerations become a part of the ways of working, right from creative idea conception, to operational deliverables.

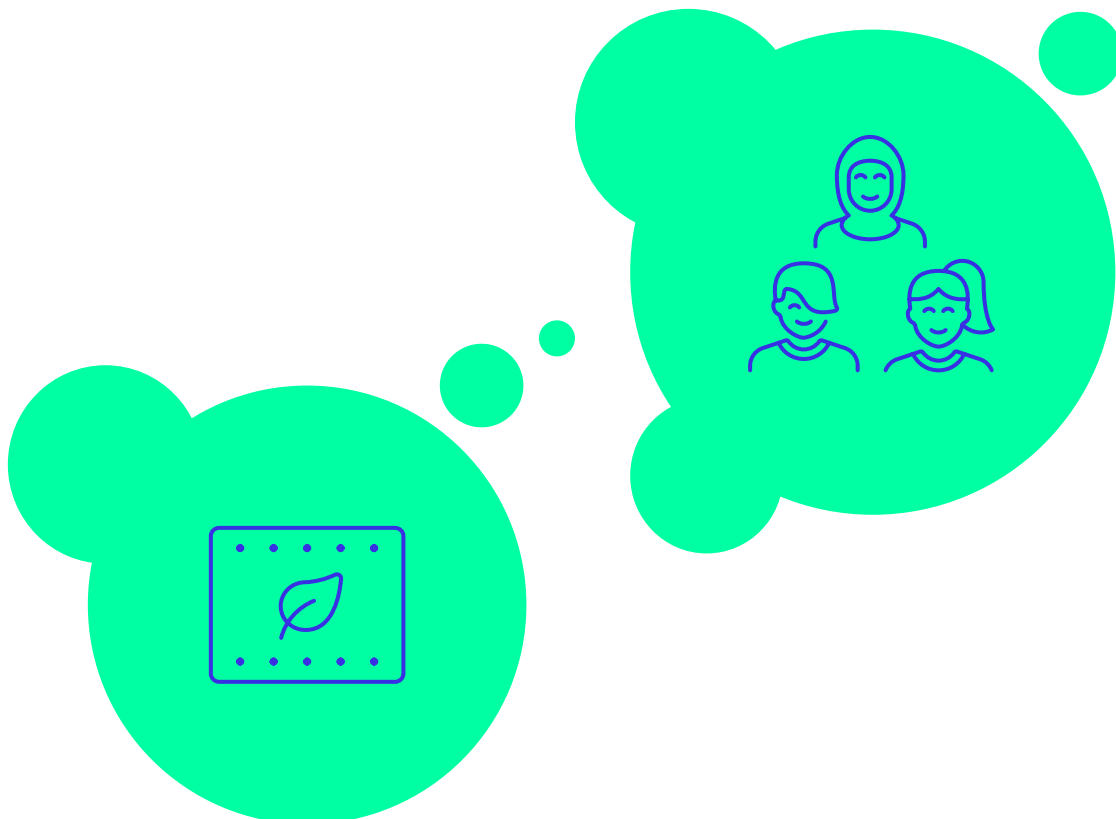
This means providing staff at all levels and specialties with training in sustainable practice, aligning them to the brand's commitment to doing and being better for the world. It's down to everyone to incite change.

From the creatives normalizing what a sustainable lifestyle looks like via advertising, to packaging teams sourcing new materials or processes that are more sustainable, to the tech teams clearing up cluttered servers to reduce the amount of energy needed to back it up.

Small changes add up, so every effort counts. An investment in your people, is an investment in your business, for several reasons. In terms of building trust with consumers around sustainability, an upskilled workforce can act as advocates for your brand and your commitment to change for the better.

Upskilling your workforce so that everyone understands they have a role to play in making the business more sustainable will also help reduce the risk of greenwashing, as a workforce who understands sustainability and feels empowered to speak up will ask the necessary questions before a misleading claim makes it out the door.

Authentic employee advocacy carries a significant amount of weight and should be a key consideration in reputation building in the green space.



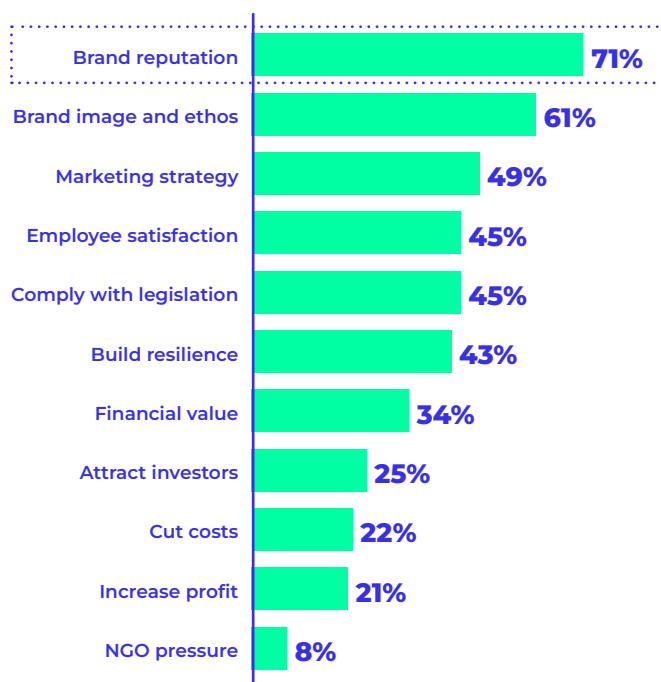


Shout about your commitment to sustainability – but only if you mean it!

Sustainability investments aren't just about reaching net zero targets. They're heavily focused on improving brand reputation and overall perception. However, less than a third of professionals consider that their company communicates sustainability effectively with consumers, and only 8% reckon that their communication is extremely effective.

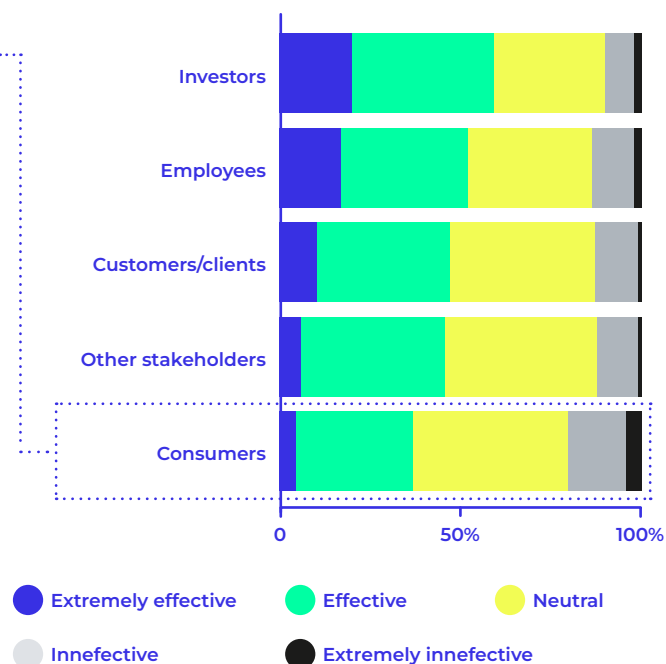
Reasons your company invests in sustainability

% Of Professionals



How effective is your company at communicating sustainably?

% Of Professionals



As a key driver for many consumers today, but with growing levels of cynicism around an authentic commitment to positive change, it's key for brands to engage their customers by sharing their authentic sustainability efforts, honestly.

It should also stem from a genuine desire to be a better brand, as opposed to winning brownie points with consumers. Positive action will help develop your brand's position as a reputable brand committed to change, further building that level of trust with consumers.

The science is clear. If we don't get a handle on the climate crisis this decade, the world as we know it will be past saving. We owe it to ourselves and generations to come to all do our bit to drive change.

CONCLUSION

Ultimately, in today's world with brands and consumers alike tasked with tackling the urgent climate crisis, businesses no longer have a choice when it comes to implementing sustainable marketing values and practices. Instead, it's to what degree they do so.

Our founder and CEO, Simon Martin, says,

"Unless you're chasing change, you're falling victim to it."

Simon Martin
Founder and CEO of OLIVER

At the heart of change, in a time where tech evolutions have leveled the playing field in many ways across most industries, creativity is the key differentiator.

But the ability to have effectiveness through creativity; the ability to change, adapt, and evolve at speed, to test and learn – that's the key. There's no one better than your own teams when it comes to implementing impactful change, from the inside, out.

OLIVER's model for in-housing allows brands to build the operational capability needed to be effective and efficient, especially during times of growth and change.

Teams are fully embedded within marketing ecosystems and aligned with the brand's overarching mission and goals, while at the forefront of evolution, ignited by a passion for shared values.

That unity, ability to act quickly, and drive to deliver impactful creative data-led campaigns are crucial for navigating the next era of marketing more sustainably.

"Given the scale of the challenge that's coming up and this wave of disruption that's coming, we don't have time to get everything perfect before we make the next big step."

Rob McFaul
Co-founder Purpose Disruptors

To conclude, sustainable considerations and planning should be incorporated across all aspects of a brand – both operationally and at its core. Not only to help towards achieving net zero targets and building stronger relationships with consumers, but also because it's simply the right thing to do.

It starts with a desire to do and be better – then, taking the first step.



**Feeling inspired to get the most value
from your sustainability strategies?
Talk to our team of experts today.**

Get in touch at sayhello@oliver.agency to discover how you can leverage sustainable marketing for your brand, while building trust with consumers around your commitment to doing and being better for them, the planet, and future generations.

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