SUSTAINABILITY SPEAKS

BREAKING THE BARRIER OF CLIMATE COMMUNICATION
Both individuals and companies possess remarkable power to mitigate the impact of climate change.

30% Total emissions reductions that can be produced by individual and household actions to avoid dangerous climate change (>1.5 °C rise).

70% Total emissions reductions that can be produced by industry (i.e., brand, government, etc.) actions to avoid dangerous climate change (>1.5 °C rise).

Our goals

1. Understand why companies and people are not doing more to be sustainable
2. Identify what is and is not working for brands when it comes to implementing sustainability goals
3. Demonstrate how effectively communicating climate action supports brand growth
Our approach

Quantitative
Survey to understand and quantify perspectives around sustainability, as well as identify sustainability actions brands can take.
Nationally-representative across age, gender, race/ethnicity, and income.
Ages 16+

United States n= 5,061
United Kingdom n= 2,024
Australia n= 2,027
Total n=9,112

Qualitative
Focus group interviews to inform the scope of the quantitative survey.
Diverse representation across age, race/ethnicity, income, geographic location, political affiliation, and education.

Duration for Each Interview: 1 Hour
Focus Group Interviews: 5 groups, n=28
US Only

4
PEOPLES’ VOICES,
SUSTAINABLE
CHOICES
People universally see sustainability as important

Sustainability: practices to support the environment, people, and the economy over time

Total N= 9,112

Q: Please rate how important each of the following are to you, from 1 (Not Important) to 10 (Very Important).

Comparisons: Sustainability: Practices to support the environment, people, and the economy over time; Data privacy: Control your personal information online; Equality: Being equal in status, rights, and opportunities; Equal access to food: All people have equal and sufficient access to food

Importance of sustainability, by country
Scale 1-10 (% Range 7-10)

- United Kingdom: 79%
- Australia: 78%
- United States: 76%

United Kingdom
Australia
United States
People underestimate the impact they have on this earth

Perceived impact on how much individuals contribute to pollution
Scale, 0%-100%

<table>
<thead>
<tr>
<th>Percentage</th>
<th>Total Emissions Reductions</th>
</tr>
</thead>
<tbody>
<tr>
<td>0-20%</td>
<td>30% Total emissions reductions that can be produced by individual and household actions to avoid dangerous climate change (&gt;1.5 °C rise).</td>
</tr>
<tr>
<td>21-30%</td>
<td>Total N = 9,112</td>
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</tbody>
</table>

67% Of people think they contribute 0-20% toward pollution

24% 21-30%

9% ≥31%
Perceived barriers to action are rampant, especially among younger generations

Perceived barriers when attempting to live more sustainably, by generation

<table>
<thead>
<tr>
<th>Generation</th>
<th>Net Score</th>
</tr>
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<tbody>
<tr>
<td>Gen Z</td>
<td>90%</td>
</tr>
<tr>
<td>Millennials</td>
<td>84%</td>
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<tr>
<td>Gen X</td>
<td>79%</td>
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<tr>
<td>Boomers</td>
<td>75%</td>
</tr>
<tr>
<td>Silent Generation</td>
<td>74%</td>
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</tbody>
</table>

Sample Size N= 9,112
Total N = Gen Z: 1,628; Millennials: 2,593; Gen X: 2,259; Boomers: 2,337; Silent Generation: 295

Q: What are some reasons, if any, that have stopped you from living more sustainably?
It’s the perceived barriers, not beliefs or values, that hinder peoples’ efforts at living more sustainably.

Perceived barriers that have prevented people from living more sustainably, by generation

% Selected

<table>
<thead>
<tr>
<th>Reason</th>
<th>Gen Z</th>
<th>Millennials</th>
<th>Gen X</th>
<th>Boomers</th>
<th>Silent</th>
</tr>
</thead>
<tbody>
<tr>
<td>Too expensive</td>
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<tr>
<td>Don’t have access to the right resources</td>
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<tr>
<td>Not practical to incorporate into daily life</td>
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<tr>
<td>Don’t think about it enough</td>
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<tr>
<td>Takes too much effort</td>
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<tr>
<td>Don’t trust in the quality of sustainable products/services</td>
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<tr>
<td>Don’t know how to</td>
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<tr>
<td>Don’t believe it’ll make a difference</td>
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<tr>
<td>Doesn’t align with personal values</td>
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</tbody>
</table>

Total N = Gen Z: 1,628; Millennials: 2,593; Gen X: 2,259; Boomers: 2,337; Silent Generation: 295

Q: What are some reasons, if any, that have stopped you from living more sustainably?
The belief that being sustainable is expensive prevents many people from realizing their sustainability goals

“I think that a [problem] lot of people have is everything costs money. With living [expenses] going out through the roof...people aren’t able to do the things that they want to do to maybe contribute. So I think that the lack of funds and the lack of resources honestly are what’s standing my way to really make that, you know, that big change that I’d like to make...”

Daniel
Male, Millennial

“I think that is the major issue [is] the cost and keeping the cost reasonable. We have so many people who are, I mean...they just can’t sustain their daily life...So, you know, it’s a struggle on that end. So perfecting or improving the environment, as much as we want it to be a priority, can’t be a priority because people are struggling just to make it from day to day.”

Tajuana
Female, Gen X
Better communication can help address perceived barriers


Shifting away from animal-based foods to plant-based foods – especially beef – could save consumers almost $1 trillion per year by 2050 globally.

Switching to LED lighting can offer energy cost savings of up to 50-70%, and up to 80% when paired with smart systems.
People know that the environment is being damaged, but believe they can have a positive impact.

Environmental damage is on the rise
% Strongly/Somewhat Agree

78%
AGREE
Environmental damage is on the rise

Environmental damage is something I can impact in a positive way, by generation
% Strongly/Somewhat Agree

Gen Z: 71%
Millennials: 71%
Gen X: 69%
Boomers: 62%
Silent Generation: 57%

Total N = 9,112
Total N = Gen Z: 1,628; Millennials: 2,593; Gen X: 2,259; Boomers: 2,337; Silent Generation: 295

Q: How much do you agree or disagree with the following statements about environmental damage (through pollution and/or resource depletion)?
People are motivated to reduce their impact on the environment for many reasons

<table>
<thead>
<tr>
<th>What motivates people to act sustainably</th>
<th>Rating Scale, 1-10 (% Range 7-10)</th>
</tr>
</thead>
<tbody>
<tr>
<td>To ensure the well-being of humankind, now and in the future</td>
<td>78%</td>
</tr>
<tr>
<td>To safeguard the future of all children</td>
<td>78%</td>
</tr>
<tr>
<td>Improve/protect personal health and well-being</td>
<td>78%</td>
</tr>
<tr>
<td>To save money</td>
<td>78%</td>
</tr>
<tr>
<td>Morality (i.e., it’s the right thing to do)</td>
<td>76%</td>
</tr>
</tbody>
</table>

“‘I mean, the main reason I do it is just because I’m trying to think ahead because I know that our actions now will have a really big impact down the road in the future. And so like it’s really easy just to look short term…but it’s kind of hard to look long term.”

Sunny
Female, Gen Z
Most are willing to do more to reduce their impact on the environment

Actions willing to engage in to reduce impact on environment

Net Score

Activities

- Recycle or composting
- Cut food waste
- Reduce at-home energy consumption
- Purchase sustainable brands
- Reduce impact when travelling (e.g., walk instead of drive)
- Reduce online shopping
- Shop for secondhand clothing
- Eat vegetarian or vegan (even if it’s once a week)

91% Are willing to do more to reduce their impact on the planet

Net Score
However, peoples’ perceptions do not align with what has been proven by science.

<table>
<thead>
<tr>
<th>Actions people think have the most impact, ranked</th>
</tr>
</thead>
<tbody>
<tr>
<td>1. Recycle or composting</td>
</tr>
<tr>
<td>2. Reduce at-home energy consumption</td>
</tr>
<tr>
<td>3. Cut food waste</td>
</tr>
<tr>
<td>4. Reduce impact of travelling*</td>
</tr>
<tr>
<td>5. Purchase sustainable brands</td>
</tr>
<tr>
<td>6. Shop for secondhand clothing</td>
</tr>
<tr>
<td>7. Eat a plant-rich diet</td>
</tr>
<tr>
<td>8. Reduce online shopping</td>
</tr>
</tbody>
</table>

<table>
<thead>
<tr>
<th>Actions that actually have the most impact, ranked</th>
</tr>
</thead>
<tbody>
<tr>
<td>1. Cut food waste</td>
</tr>
<tr>
<td>2. Eat a plant-rich diet</td>
</tr>
<tr>
<td>3. Reduce at-home energy consumption</td>
</tr>
<tr>
<td>4. Reduce impact of travelling*</td>
</tr>
<tr>
<td>5. Recycle &amp; reduce waste / composting</td>
</tr>
</tbody>
</table>

*e.g., walk instead of drive, fly less

Sample Size N=9,112

Q. If everyone did the following actions, what impact, if any, would they have on the environment?

Frischmann C. and Chissell C. “The powerful role of household actions in solving climate change.” Featured in drawdown.org on October 27, 2021
There’s a communication problem

“The climate crisis is, in part, a communication crisis. We already have the solutions we need to turn things around, but we are still paralyzed by misinformation and fear. We need a clear and compelling vision to move forward – a vision of a better future…”

Dr. Jonathan Foley
Executive Director, Project Drawdown
To overcome people’s perceived barriers to living more sustainably, we must consider what they perceive would be motivating, namely affordability and convenience.

99% of all people would be motivated by something to take sustainable action.

### Net Score

<table>
<thead>
<tr>
<th>Highly motivating</th>
<th>% Motivated by this</th>
</tr>
</thead>
<tbody>
<tr>
<td>Make it affordable</td>
<td>81%</td>
</tr>
<tr>
<td>Make it convenient</td>
<td>74%</td>
</tr>
<tr>
<td>Provide evidence that doing action(s) make(s) a difference</td>
<td>61%</td>
</tr>
<tr>
<td>Offer incentives</td>
<td>58%</td>
</tr>
<tr>
<td>Offer more information on how to carry out action</td>
<td>47%</td>
</tr>
</tbody>
</table>

Sample Size N= 9,112

Q: What would help motivate you to take the following actions to reduce your personal impact upon the environment?
ECO-NOMICS:

THE BUZZ

ON COMPANY SUSTAINABILITY
People are eager for companies to actively join the sustainability conversation

% Strongly/Somewhat Agree

Want to see more companies take a stance on sustainability, by country

% Strongly/Somewhat Agree

- United Kingdom: 82%
- Australia: 75%
- United States: 75%

Total N = UK: 2,024; AU: 2,027; US: 5,061

Q: How much do you agree or disagree with the following statements about brands and their sustainability efforts?
Companies across the board are being asked to take meaningful sustainable action

Types of companies people want to see take meaningful action toward sustainability
Rating Scale, 1-10 (% Range 7-10)

- Oil and gas: 82%
- Auto: 81%
- Food/beverage: 79%
- Tech: 78%
- Pharmaceutical: 77%
- E-commerce: 77%
- Beauty or personal care: 75%
- Apparel: 75%
- Telecom: 72%
- Finserv: 67%

Sample Size N=9,112
Q: How important is it for each of the following types of companies to take meaningful action toward sustainability?
Companies inspire people to live more sustainably

% Strongly/Somewhat Agree

75%
Agree that if more companies took a stance on sustainability, it’d have a tremendous impact on the environment

35%
Can be motivated to take sustainable action when they see companies doing so

“And companies...Apple and Starbucks and companies that come out and show that they can be sustainable will be a huge lift for individuals to come and do something about it, too.”

Gail
Female, Boomer

Total N= 9,112
Q: How much do you agree or disagree with the following statements about brands and their sustainability efforts?
Q: What would help motivate you to take the following actions to reduce your impact upon the environment?
Focus group interview #3
“Like, I think about Patagonia, how they offer recycling of their products. They show how the products are made. Many of the products themselves are made out of recycled plastic or other sort of quasi organic materials. So I think in that case, it makes a difference.”

“…one of the things Starbucks did now is if you bring in a reusable cup, you get 10 cents off of the drink and 25 stars in the month of April for Earth Day. And I think that this may help people to realize what’s going on in the world, because it is Earth month, earth day on the 22nd. So hopefully that will raise some awareness as well.

“I learned that [using dishwashers saves more water] through Procter & Gamble’s website. You know, so there’s a lot of things that I’m learning and I need to take more of a proactive step into doing my part to help save environment for future generations.”

“…I personally buy Neutral. It’s a milk that I think has done a really good job at displaying their packaging that they’re the first carbon neutral foods company in the United States. So to me, you know, that’s a big first and it’s very admirable. And so whenever I see that on the packaging, it just makes me wanna, buy a Neutral’s product.”
Almost 1/3 of people have perceived greenwashing, highlighting need for brand authenticity in their sustainability communications.

People who have witnessed companies engaged in insincere sustainable action(s), by country:

- United States: 35%
- United Kingdom: 31%
- Australia: 25%

Behaviors that reek of greenwashing:

- Prioritizing profit over sustainability goals
- Not practicing what they preach when it comes to sustainable practices
- Lack of transparency around sustainable practices
- Engaging with sustainable behaviors that actually aren’t sustainable (e.g., high production of “sustainable” products)

Total N = US: 5,061; UK: 2,024; AU: 2,027
Q: Have you ever seen any companies engage in sustainable behaviors that seemed insincere to you?
Focus group interviews
The intent behind sustainable actions is crucial in shaping public opinion

Of people think worse of companies that appear to engage in insincere sustainability efforts

59%

% Selected

“...It almost feels like bandwagoning. It almost feels like a trend...but a lot of it is greenwashing as well...huge companies are claiming they’re making these claims as to being more sustainable...and then you look a little deeper and you look into these details and then you're seeing just how less sustainable they actually are.”

Enoch
Male, Millennial

Total N=9,112
Q: You mentioned you’ve seen companies engage in sustainable behaviors that seemed insincere. Thinking about those companies, what is your overall opinion of them after witnessing the incident?
Focus group interview #5
Sustainability drives purchase intent in many categories

Sustainability is a priority when making a purchase, by category
% Highest Priority or Among Top Priorities

- **Food/Groceries**: 66%
- **Cars**: 53%
- **Clothing & Shoes**: 50%
- **Technology**: 48%
- **Furniture**: 42%
- **Beauty or Personal Care Products**: 49%
- **Household Cleaning Products**: 58%

Sample Size N= 9,112

Q: When you’re thinking about making a purchase in the following categories, how much of a priority does the product’s sustainability play into the decision?
UNVEILING THE KEY DRIVERS OF BRAND SUSTAINABILITY
How do company climate actions impact purchase intent and favorability?

Conjoint Methodology

4 Categories of company climate actions

- Education
- Innovation
- Collaboration with leaders/public
- Going beyond the bare minimum

10 Verticals tested

- Fashion/apparel
- Personal care
- Auto
- Wireless services
- Tech
- Pharmaceuticals
- Financial services
- Quick service restaurants
- Oil and gas
- Marketplace

Brand Ratings:

- ★ Favorability
- ★ Purchase intent
Defining company climate actions

**Education**
What companies do to connect with and teach people about sustainability initiatives

**Innovation**
Sustainable initiatives enacted through innovative production and/or actions

**Collaboration with leaders/public**
What companies say and do about sustainability in the social context, in addition to how they engage the public in these initiatives

**Going beyond the bare minimum**
Actions companies take to add credibility to their sustainable efforts, as well as what they are doing to enact meaningful change
Certain brand sustainability actions hold greater preference amongst people

Top brand climate actions preferred by people

**Ranked**

**Education**
1. Helps people to waste less
2. Makes being environmentally responsible fun and easy
3. Communicates the positive impact of buying the product or service (e.g., less carbon emitted, water saved)

**Innovation**
1. Develops innovative, new formulation or material to be most sustainable
2. Sources sustainable materials and packaging
3. Donates a percentage of profits to environmental causes

**Collaboration with leaders/public**
1. Is transparent with information/data on their sustainable efforts
2. Partners with the public to identify sustainable practices they can take up as a company
3. Works with climate experts and thought leaders to take part in sustainability campaigns

**Going beyond the bare minimum**
1. Sets ambitious sustainability goals and holds themselves accountable with third-party verification
2. Takes part in pushing nationwide policy for eco- and/or socially-conscious practices
3. Obtains sustainability certifications, such as B Corp certification or Science-based Target Initiative

Sample Size N= 9,112
Q: Assuming price, quality, and convenience are all equal, please tell us which of the below [companies] you prefer.
Innovation and doing more than the bare minimum have the most impact on overall effectiveness*

*Effectiveness = brand favorability and purchase intent

- Going beyond the bare minimum: 33%
- Innovation: 16%
- Collaboration with leaders/public: 20%
- Education: 31%

Overall branding effectiveness* of sustainability practices
Relative Importance (%)
Favorability is driven by education: connecting with and teaching people about sustainability initiatives

Sustainability practices that drive favorability

<table>
<thead>
<tr>
<th>Country</th>
<th>Education</th>
<th>Innovation</th>
<th>Going beyond bare minimum</th>
<th>Collaboration</th>
</tr>
</thead>
<tbody>
<tr>
<td><strong>UNITED STATES</strong></td>
<td>28%</td>
<td>28%</td>
<td>23%</td>
<td>20%</td>
</tr>
<tr>
<td><strong>UNITED KINGDOM</strong></td>
<td>29%</td>
<td>23%</td>
<td>23%</td>
<td>26%</td>
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<tr>
<td><strong>AUSTRALIA</strong></td>
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<td>16%</td>
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</table>

Q: Based on the sustainability goals above, what is your overall opinion on the following companies?
Educating people and innovation work together to enhance favorability for most verticals

Sustainability goals that have the largest impact on favorability

Relative impact

<table>
<thead>
<tr>
<th>Fashion/Apparel</th>
<th>Innovation</th>
<th>Collaboration w/ leaders/public</th>
<th>Going beyond the bare minimum</th>
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<tbody>
<tr>
<td>Auto</td>
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<tr>
<td>Pharmaceutical</td>
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<td>Wireless Services</td>
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<td>Quick Service</td>
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<tr>
<td>E-commerce</td>
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</table>

Total N = 9,112

Q: Based on the sustainability goals above, what is your overall opinion on the following companies?
Advertisers have the power at their fingertips to enact change using existing channels

Importance of communicating sustainability message through ________
Scale 1-10, (% Range 7-10)

66%
Advertising

62%
Social media accounts

57%
Newsletters

52%
Reps, such as influencers

Total N = 9,112
Q: How important is it for companies to communicate their message on sustainability through the following?
Separating myth from fact

**MYTH**

People have minimal impact on climate in their personal lives

**FACT**

Individuals & household actions have the potential to produce roughly 25-30% of the total emissions reductions needed to avoid dangerous climate change

**MYTH**

Being sustainable is too expensive!

**FACT**

Sustainable actions can save money!

**MYTH**

Recycling and composting have the most impact in solving climate change

**FACT**

Recycling and composting have a smaller impact in solving climate change than reducing food waste
There are barriers that we need to resolve, especially around communication, to enable people to live more sustainably.

Companies possess incredible power to sway public sustainability practices and can inspire people to follow suit.

Not all sustainable action is created equal and brands should prioritize science backed solutions (e.g. Drawdown-Aligned Business Framework).
What’s next?

The **most important** brief of our lives

**#1**
IPG Mediabrands will leverage these insights and develop a global climate action campaign

**#2**
We need your support. Brands, media partners, industry leaders… Join us!