







### A topic high on the agenda

With the rise of social movements like Extinction Rebellion and high-profile activists such as Greta Thunberg, consumer awareness of global environmental issues is higher than ever before. Gone are the days when a sustainability policy was only found on the corporate website of a handful of multinational businesses. Brands want to be recognised for their sustainability credentials and their efforts towards creating a better future for the next generation.

We also see this reflected in the work we do here at Irrational Agency. Over the past year, several clients have approached us with briefs focusing on sustainability related business issues. In this document we outline some topline learnings from these projects, and our thoughts on how they can relate back to your corporate strategy.



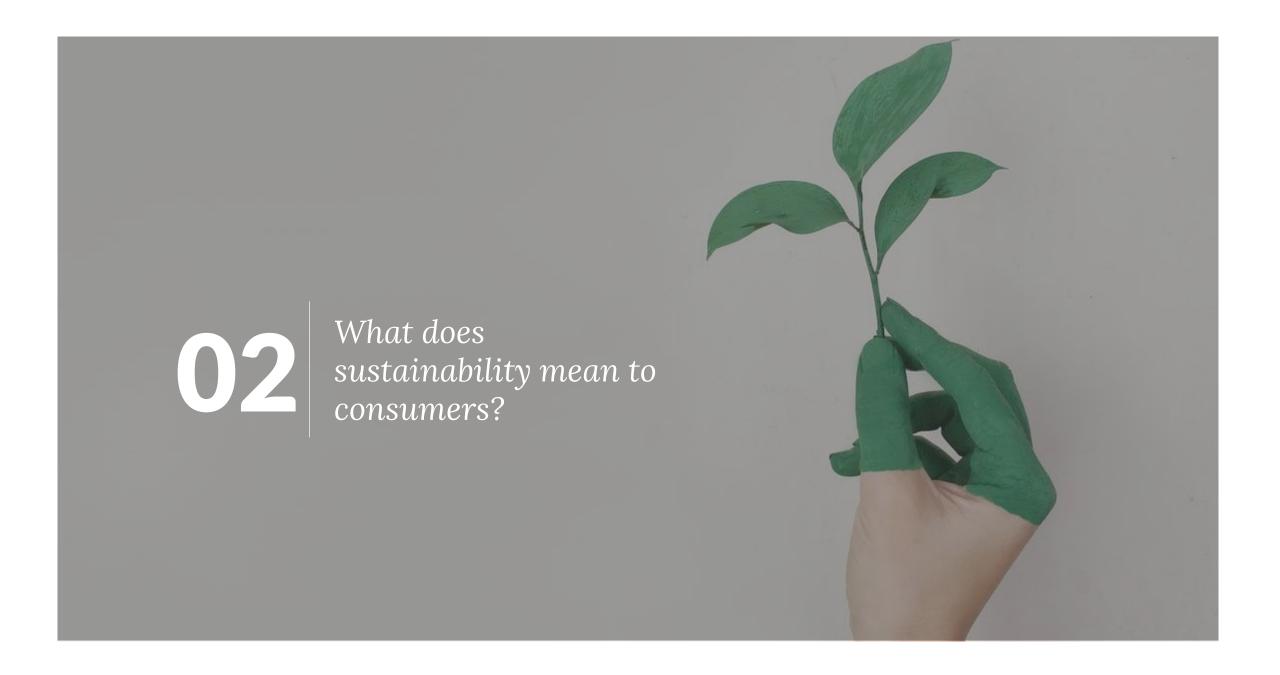


### Why should brands care?

There are a number of reasons why brands should care about sustainability, aside from the obvious positive impact on the world we all live in. With heightened consumer awareness also comes increased demand, and a growing expectation on companies to do their part.

While some industries such as health & beauty and food have formed whole subsegments of companies positioned entirely around sustainability, many others still lack a clear leader shaping the narrative and shining a light on what are at times hidden issues not widely discussed in the public domain.

Having a strong, credible sustainability approach will be a powerful tenet of your brand positioning, offering a strong point of differentiation in an increasingly competitive environment.







### Sustainability is not yet a clear concept in consumers' minds

A key challenge for any organization in communicating initiatives around sustainability to their customers is the highly intangible nature of the concept. Ask a group of twenty people in a room to define the term, and you are likely to get twenty different interpretations. For some, the concept of sustainability is either relatively new or not top of mind and many who have heard the term, don't quite know what it means or understand how it is relevant to them.

For global organizations comes the added challenge of a culturally diverse audience, where anchoring points, awareness and social frames of reference will vary between regions and demographic groups. It is no wonder, therefore, that creating a global communications strategy around corporate sustainability can be challenging to say the least. Even between countries with a seemingly similar cultural and social environment, top-of-mind associations can vary greatly.



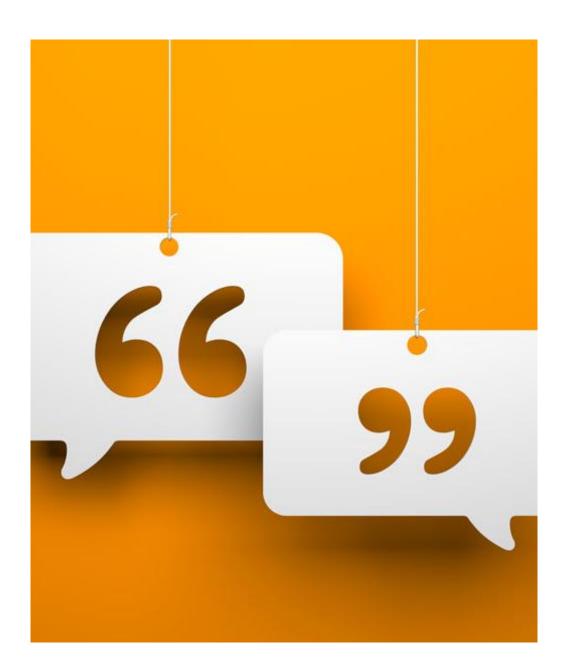
# Context can vary from country to country

Not long ago, we conducted qualitative fieldwork in the UK and the US for a client looking to understand how their customers thought about, and related to, sustainability - both in a wider sense and in the context of online shopping. While there were many different interpretations among participants within the groups themselves, we also detected interesting patterns between the two countries. In the US groups, packaging and food sourcing were the things most participants raised. In the UK groups, meanwhile, focused their discourse on recycling and the use of plastic.

Having a shared understanding or definition of what being sustainable means is an important component for successful delivery of any message, and the lack of such an understanding creates unique challenges in this space.









# Effective sustainability communication requires clarity of message and believability

How then, do we overcome these challenges, and create a narrative that resonates with consumers? As simplistic as it may sound, it all comes down to two key objectives: ensure *clarity* of the message you are conveying; and make it *believable* to recipients.

We outline a few core principles to be mindful of, in order to ensure communication is fully embraced and understood at every level.

#### **KEEP IT SIMPLE**

Anything that requires too much cognitive effort tends to be the least engaging or memorable. Visual signposts such as stamped accreditation or green symbols, remove the perceived effort and help embed the message through repetition at critical touchpoints.



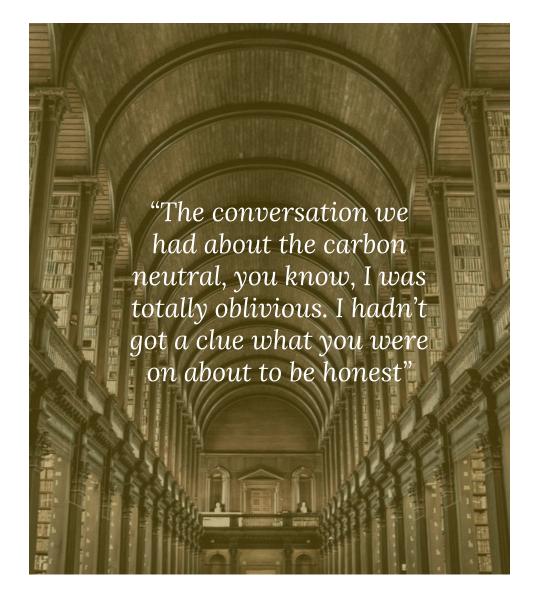
#### NON-SCIENTIFIC LANGUAGE

While backing up your claims with proof should never be seen as negative, many organisations fall into the trap of using too many technical terms. Overtly academic and scientific language is alienating and often results in many disengaging from the topic. Simplicity and consumer friendly, accessible language is key to landing your message.

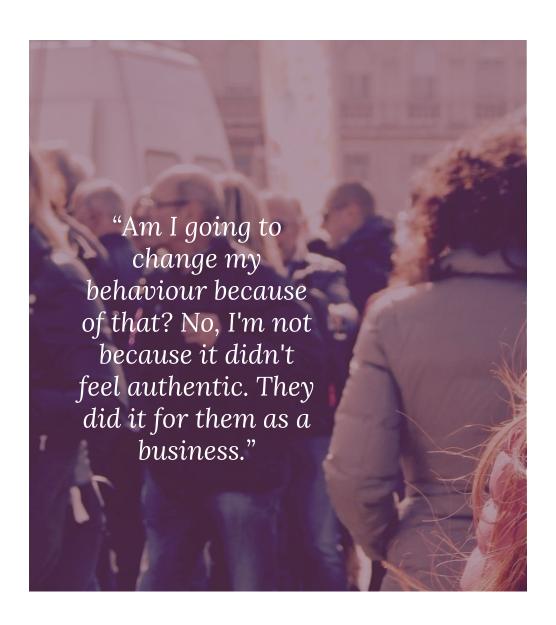
#### MAKE IT TANGIBLE

Our research shows that it is especially important to make examples tangible and relate them back to consumers' everyday lives. Talking about x tonnes of CO2 emissions is just an abstract number – but most people can grasp the concept of a roundtrip flight to New York, or the equivalent cost of a pint of milk.

In particular, avoid terms that imply the need to make calculations. The mind responds best to examples that require minimal effort to process. Terms like 'carbon neutral' or 'offsetting' were far less recognised and understood than something like 'carbon footprint', which participants responded much more positively to. Despite not necessarily knowing the details of what carbon footprint actually meant in reality, the simplicity, wide usage and metaphorical nature of the term provided a much easier point of reference and acceptance.







#### COMBATING DISTRUST AND CYNICISM

Shaping a narrative that is memorable and easily understood is merely one piece of the communications puzzle. Establishing a message that is *credible* comes with its own challenges. Altruism by its very definition causes difficulty for most people as there is no obvious benefit to the person performing the altruistic act. This becomes even more difficult when the performer of the act is a faceless corporation, whose sole existence is predicated on profit generation. Stories in the press of greenwashing add further fuel to the scepticism. Tackling this distrust head on is vital, and there are three main pillars companies should focus on here:

- Transparency Be open about your impact and make the information easily accessible to the public. Honesty is a cornerstone of trust.
- Accountability Make sure any activity is tracked, measured and show your willingness to be accountable to any commitment.
- Brand permission One of the critical issues is that many companies are cynically seen as latching on to wider 'environmental' trends in order to increase profits. If you have a proven historical record in this arena emphasise it through PR and marketing.



#### MITIGATE FEARS OF TRANSFER COSTS

A key psychological barrier to fully embrace green initiatives we have found among participants in our studies, is the perception that costs for sustainability programs will be transferred to consumers. This expectation is often rooted in experiences from food shopping, where items such as organic food and Fairtrade typically attract higher prices. Many consumers have therefore formed a mental heuristic that anything they perceive to fall under the 'ethical' umbrella will come with associated costs.

This might contradict what you may have read in other reports frequently cited in the public domain, referencing the high percentage of consumers saying they are willing to pay more for e.g. environmentally friendly products (among millennials, this number can be as high as 70%+). However, what consumers say they will do is one thing – what they end up *actually* doing is often very different.

Tackling concerns about financial implications and hidden costs head on with simple, unambiguous messaging is therefore key. However, these will fall on deaf ears if your motivations aren't trusted.



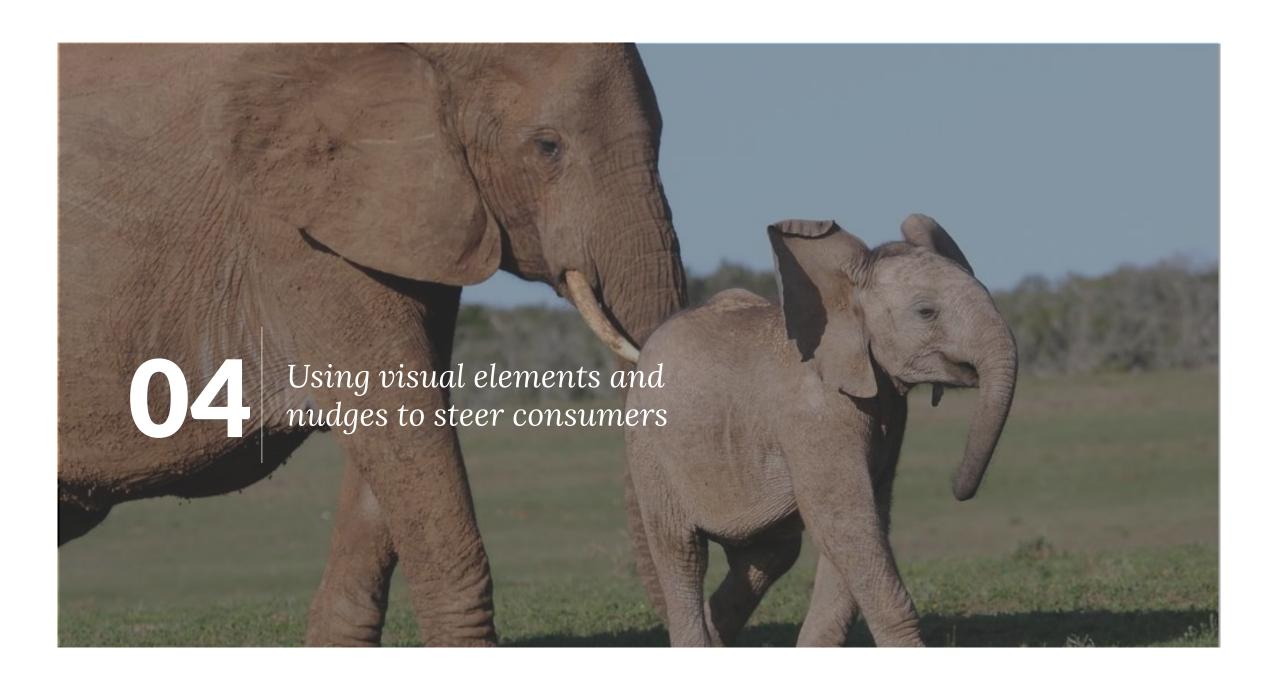




#### LEARNING FROM OTHERS: INITIATIVES WITH HIGH CONSUMER RECALL

Perhaps the most telling sign of what constitutes good communication is looking at what initiatives have the highest unprompted consumer recall. During a project in the US late last year, we asked participants what corporate initiatives first came to mind when they thought of sustainability. The one with the highest number of mentions was the footwear company Toms, whose 'one for one' model was cited by several participants. Founded in 2006 in California, their business model centers around the concept that for every pair of shoes you buy, the company pledges to donate a pair to a child in need.

The numerous mentions of Toms are interesting for two reasons. Firstly, it is debatable whether the one to one charity model falls under the realm of sustainability at all, which illustrates the disparate interpretations of the concept - where many of the people we've spoken to appear to simply equate it with 'doing good'. Secondly, it demonstrates the effectiveness of using the principles we've just outlined in communicating the message. For consumers, the 'one for one' concept is tangible, requires no additional effort, is easily understood, clearly demonstrates how the purchase is making a difference and has an almost visual quality which makes it stick in people's minds.







# There are ways to encourage consumers to join you on the greener path

Reaching ambitious sustainability goals you have set yourself requires not only a commitment from your company, but also for your *customers* to adopt new behaviours. Getting them to do so is no easy task – much of our every day behaviours are habitual, and these patterns are notoriously difficult to break once formed. Even more so, when the negative consequences of our choices are not immediately felt. As humans, we tend to value instant gratification over longer-term gains, even when it is not in our interest to do so. How then, can a company empower their customers to form new, more sustainable behavioural patterns?



### INFLUENCING BEHAVIOUR THROUGH 'NUDGING'

By now, most people will have heard of nudge theory and the work of scholars such as Nobel-prize laureate Richard Thaler.

Simply put, a nudge is an intervention designed to change people's behaviour, without using a financial incentive. It can be something as easy as putting fruit at eye level, employing visual signposting, or using established psychological principles like social proofing to help guide someone towards a particular decision.

For some real life examples of nudges and their potential efficacy in the context of sustainability, see the two academic case studies on the next couple of pages.

Here at Irrational Agency we also frequently devise nudges and test their effectiveness in simulated and/or real environments for our clients. If you would like to learn more about our nudge work, ping us an email (contact details can be found on the final page).







### Case studies of green nudging: the Danish litter bins experiment

In 2011, a team of students from Roskilde University in Denmark lead by Dr. Pelle Guldborg Hansen led an experiment on the streets of Copenhagen, aimed at reducing the amount of litter with a simple, cost effective nudge devised by the team.

After first having handed out sweets to pedestrians passing by, the team counted the number of wrappers that ended up on the streets in the surrounding area, versus how many were thrown into the nearby litter bins. Unsurprisingly, a great deal of wrappers ended up on the street.

The team then proceeded to paint bright green footsteps leading up to the litter bins, handed out sweets again, and repeated the exercise. The results were fascinating – using this simple technique, the amount of wrappers that ended up on the street was reduced by an impressive 46%.



# Case studies of green nudging: the reusable hotel towels experiment

Another well-known example is the experiment conducted in 2008 by behavioural scientists Goldstein, Cialdini and Griskevicus. Many hotels these days feature signs in their rooms asking guests to reuse their towels, in order to cut back on the huge amount of laundry processed each day. These signs typically appeal to visitors' conscience by highlighting the environmental benefits of such an action.

While this persuasion technique indeed appears to be an effective one, Goldstein and his colleagues hypothesised that it could be boosted further by using the psychological effect of 'social proof' - that is, the concept that we as humans tend to copy the behavior of the masses. During a study lasting 80 days, half of the guests in a hotel chain were given signs with the standard "help save the environment" messaging, while the other half instead were given signs pointing out that almost 75% of guests who were asked to support their resource saving program by reusing the towels did so.

And the results? Customers exposed to the social proof-based messaging were 26% more likely to reuse their towels.



