

THE SUSTAINABILITY IMPERATIVE

KEYS – A WEBINAR SERIES BY IPSOS

28th April 2022



WATCH the recording

GAME CHANGERS



AGENDA

THE SUSTAINABILITY CONTEXT

Simon Atkinson

Chief Knowledge Officer, Ipsos

SHIFTS & SENTIMENTS IN SOUTH EAST ASIA

Usana Chantarklum

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SPEAKING TO CONSUMERS


Chris Murphy

Global President, Brand & Market Strategy, Ipsos

THE SUSTAINABILITY OPPORTUNITY

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THE SUSTAINABILITY CONTEXT



The Current Dynamic

Climate Change



#1 value uniting the world

77% “have already noticed” the effects of climate change

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Climate Change

Q: Here is a list of some things that some people worry about these days. To what extent, if at all, **have you worried about each one in the last 2-3 weeks?**

GAME CHANGERS



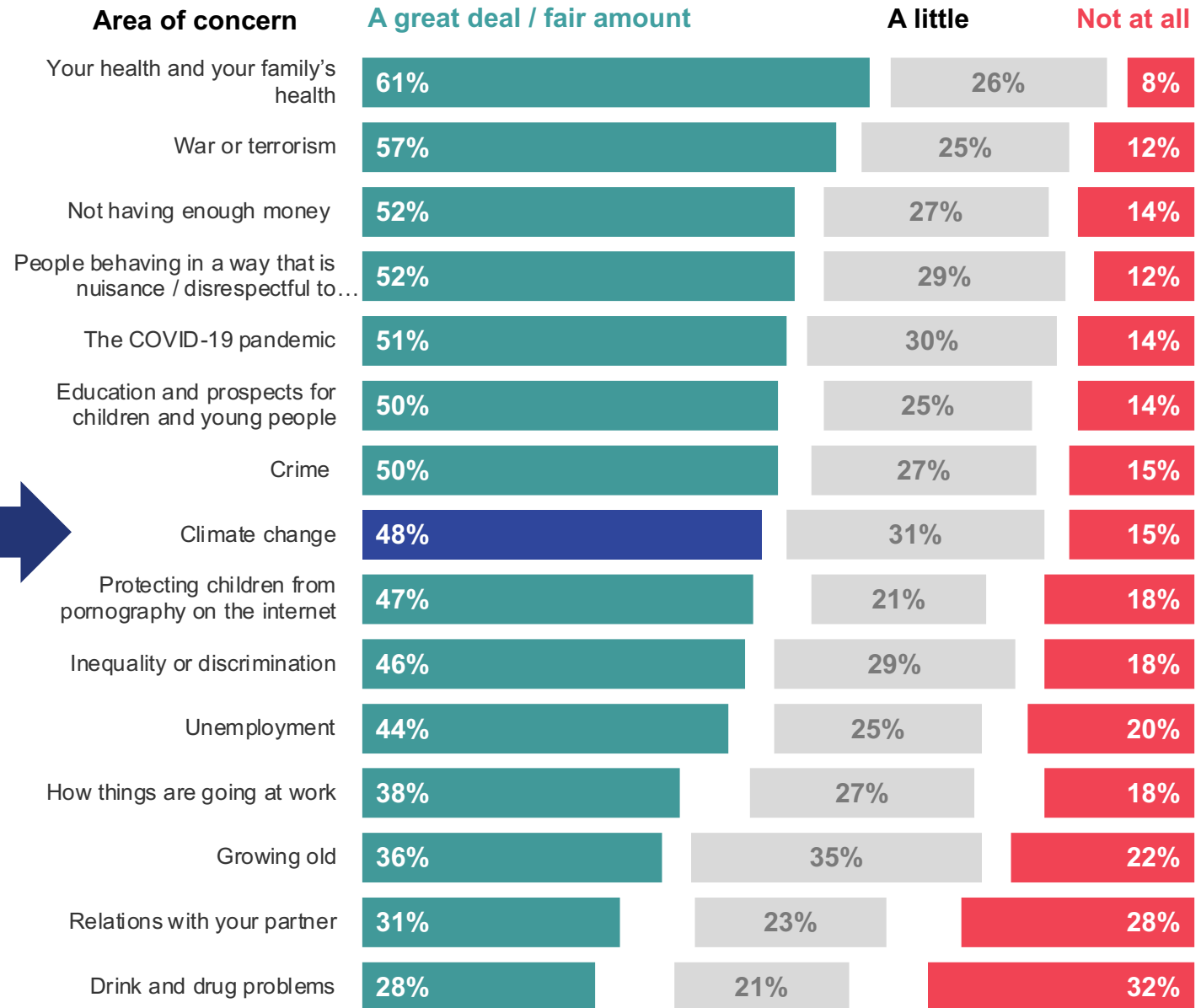
Amongst the things that people worry about, climate change is moderate amongst other concerns

8th



Global Country Average

Q. Here is a list of some things that some people worry about these days. To what extent, if at all, have you worried about each one in the last 2-3 weeks?



Base: 22, 534 online adults aged 16-74 across 30 countries, 18 Feb – 4 Mar 2022..
Results [here](#).

THE RETURN OF INFLATION



#1 worry worldwide = **Inflation**

7 nations (ARG, CAN, GER, UK, POL, TK, US) have it at #1

26/27 countries **more worried** than last month

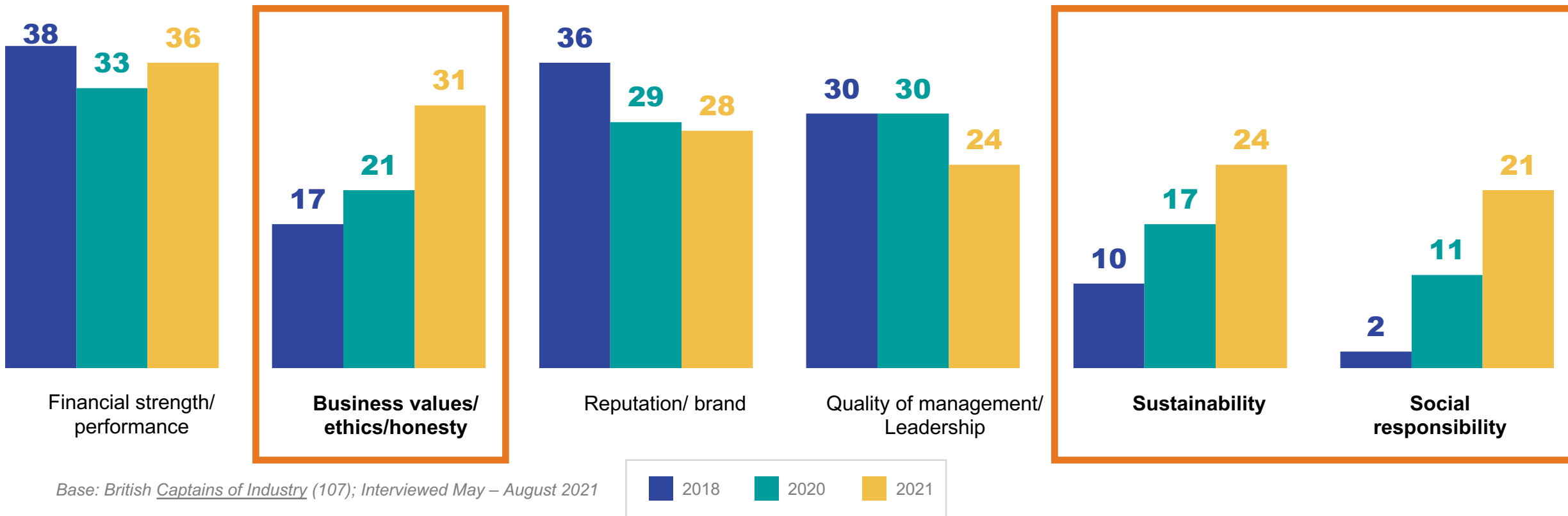
THE SUSTAINABILITY CONTEXT

Organisation Matters



WHAT MATTERS TO CEOs: AN EVOLVING LANDSCAPE

Now, thinking broadly about businesses in general, what are the most important factors you take into account when making your judgement about organisations?



THE E-S-G AGENDA

**Environmental
Social
Governance**

THE E-S-G AGENDA

E

Protecting the environment: including protecting and caring for our natural environment, focusing on waste and pollution, resource depletion, greenhouse gas emission, deforestation, and climate change.

36%

S

Improving society: including treatment of employees & diversity, working conditions, including child labor and slavery, local communities, seeks explicitly to fund projects or institutions that will serve poor and underserved communities globally, and health and safety.

38%

G

Practicing good governance: including tax strategy, executive remuneration, donations and political lobbying, corruption and bribery, board diversity, and structure.

26%

% saying
“most
important”

Q: When it comes to the role of **multi-national companies** in corporate responsibility how important are each of the following areas? Please rank the below areas where 1 is most important and 3 is least important.

Source: Ipsos Global Advisor

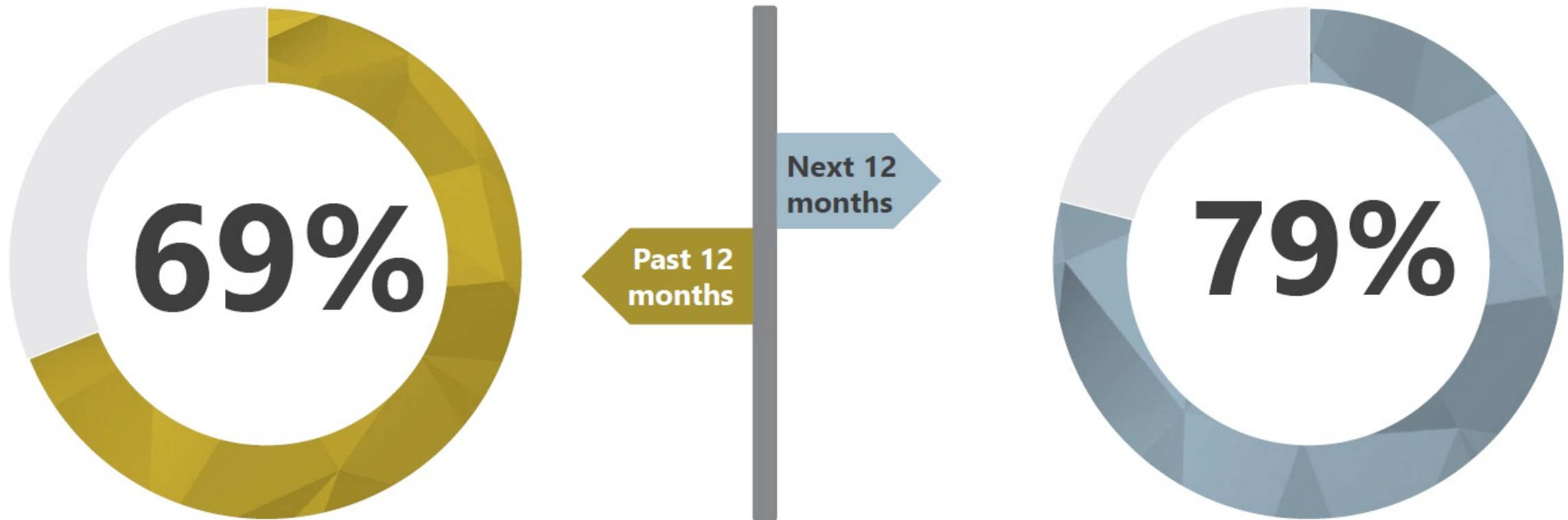


ESG is increasingly an area of focus

CASE STUDY:
Global Business
Influencers,
Europe



Spend in ESG (similar / higher spend than before COVID-19)



For each of the following domains, please indicate whether your company's spending has been higher, lower or about the same compared to before the COVID-19 crisis; For each of the following domains, please indicate whether you expect your company's spending to be higher, lower or about the same compared to the past 12 months.

THE SUSTAINABILITY CONTEXT

Taking
Action



[Download](#) the 31-country report

COMBATTING CLIMATE CHANGE: A Shared Responsibility...

Globally, the public believe that governments, businesses and individuals need to play their part, or risk failing others.



A Global Country Average of **70%** agree that *if **individuals** do not **act now*** to combat climate change they will be failing future generations.



68% say that *if **businesses** do not act now* to combat climate change then they are failing their employees and customers.



68% say that *if **their national government** does not act now* to combat climate change then it is failing citizens.

Taking action

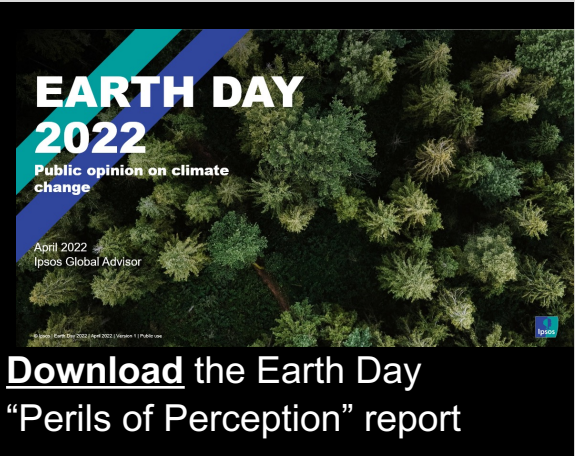
71% say “I know what to
do on a personal level” to
fight climate change

(But do we really?)

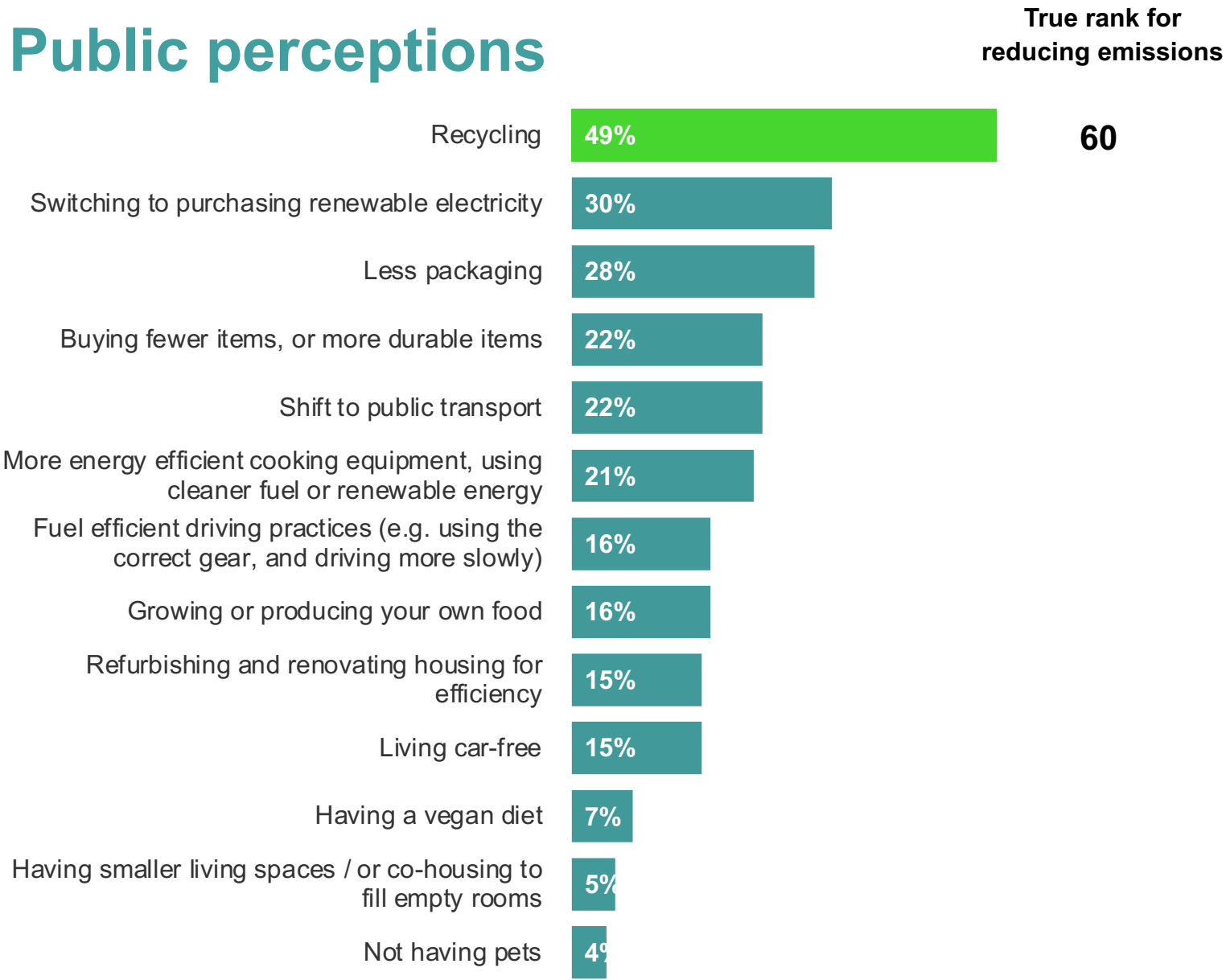
Source: Ipsos/EDF International Observatory on Climate change and Public Opinion

Q: Which three of the following actions, if any, do you think would have most impact on reducing greenhouse gas emissions?

Global Country Average



Public perceptions



Base: 23,577 online adults across 31 countries, 18 Feb – 4 Mar 2022. NB surveyed adults aged 16-74 in 30 countries, adults aged 16-99 in Norway. *Source: Ivanova et al., 2020. Quantifying the potential for climate change mitigation of consumption options. Available here: <https://iopscience.iop.org/article/10.1088/1748-9326/ab8589/pdf>

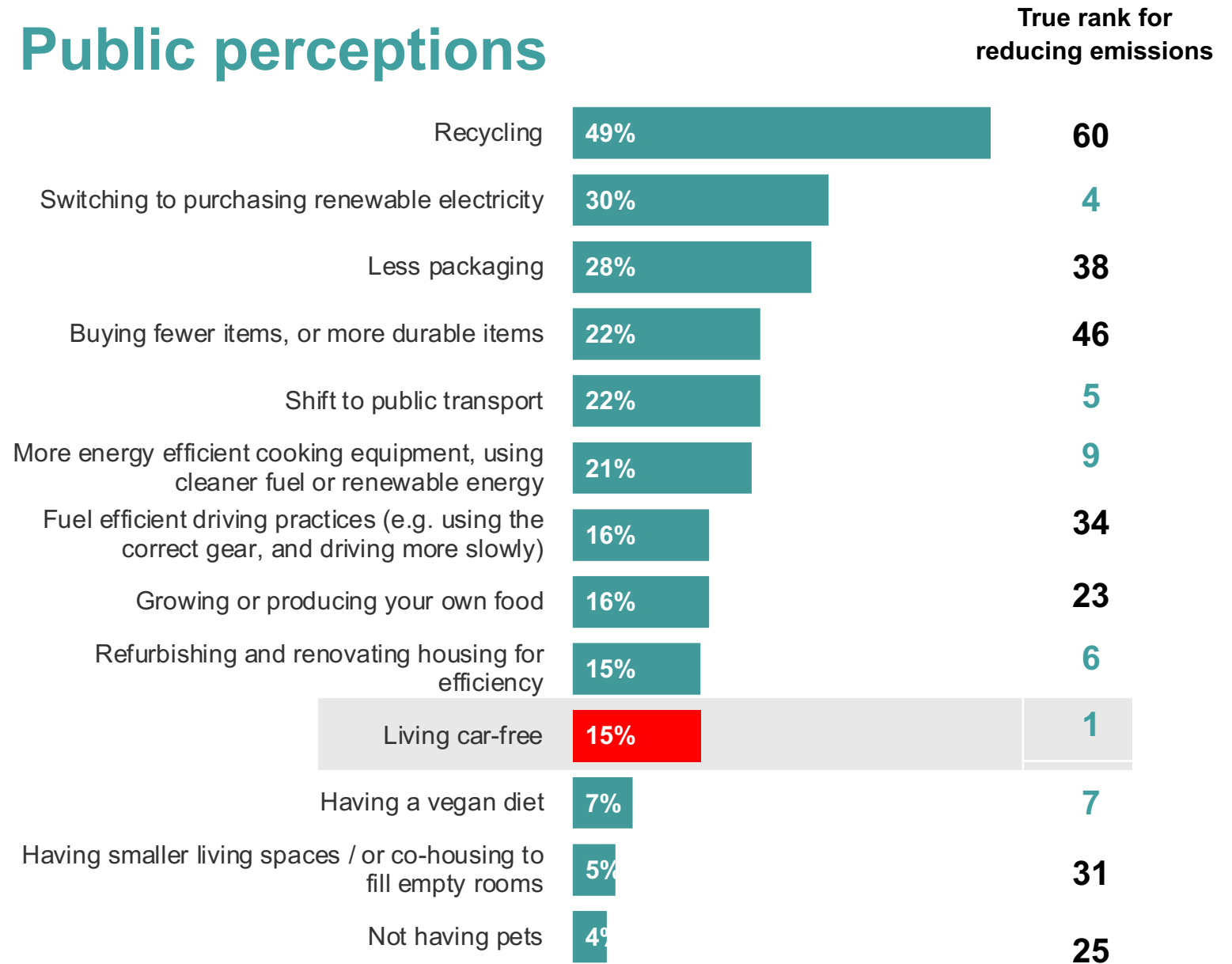


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THE SUSTAINABILITY CONTEXT

Uncertainty
Changing Language
Desire for Action

GAME CHANGERS





SHIFTS AND SENTIMENTS IN SEA

Usana Chantarklum

April, 2022



Southeast Asia Map



Country in Focus

-  **Indonesia**
-  **Malaysia**
-  **The Philippines**
-  **Singapore**
-  **Thailand**
-  **Vietnam**

GROWING CONCERNS ABOUT CLIMATE CHANGE

The background of the entire slide is a photograph of the ocean. Two large, jagged icebergs are visible, but they are made of clear, crinkled plastic bags. The water is a deep blue, and the sky is a lighter blue with some white clouds. The plastic icebergs are partially submerged, with the larger one on the right and a smaller one on the left.

NEARLY



90%

of South East Asian (SEA) consumers agree that **Climate Change** is a serious **THREAT** to the economy and quality of life

93%

Global Country Average: 83%



of Thais agree that “we are heading for environmental disaster unless we change our habits quickly.”



Climate change is **ALREADY** impacting
on our environment, impacting our
country's productivity and well-being





The Key Causes for Climate Change are mainly due to Human Activity, so considering the Seriousness of the Concern, do we need to Do More?



**THERE IS A CLEAR EXPECTATION THAT
BUSINESSES ARE INVESTING IN
SUSTAINABILITY...NOW.**

71%

of Thais agree that 'if businesses do not act now to combat climate change, they will be failing their employees and customers.'

A WAKE-UP CALL FOR THE SUSTANABILITY AGENDA

Young consumers are willing to play a part in sustainability because they care for the environment





We are seeing a commitment to developing sustainable approaches for the environment among both “Global” and “Local Giant” Companies

For example: Roadmap to Net Zero



Increased renewable energy
consumption



Reduce water withdrawal in
water-stressed area



Reused and Recycle
Packaging

THE KEYS

ABOUT SUSTAINABILITY IN SEA

1. Clear Sustainability Programs and Initiatives in SEA are now Table Stakes.

2. STORY-DOING is More Important than Story-TELLING.

3. PROVE Your Impact to a Discerning and Questioning Public.



THANK YOU

Usana Chantarklum

April, 2022



IPSOS ESSENTIALS

Understanding how people deal with
environmental concern

Chris Murphy

GAME CHANGERS



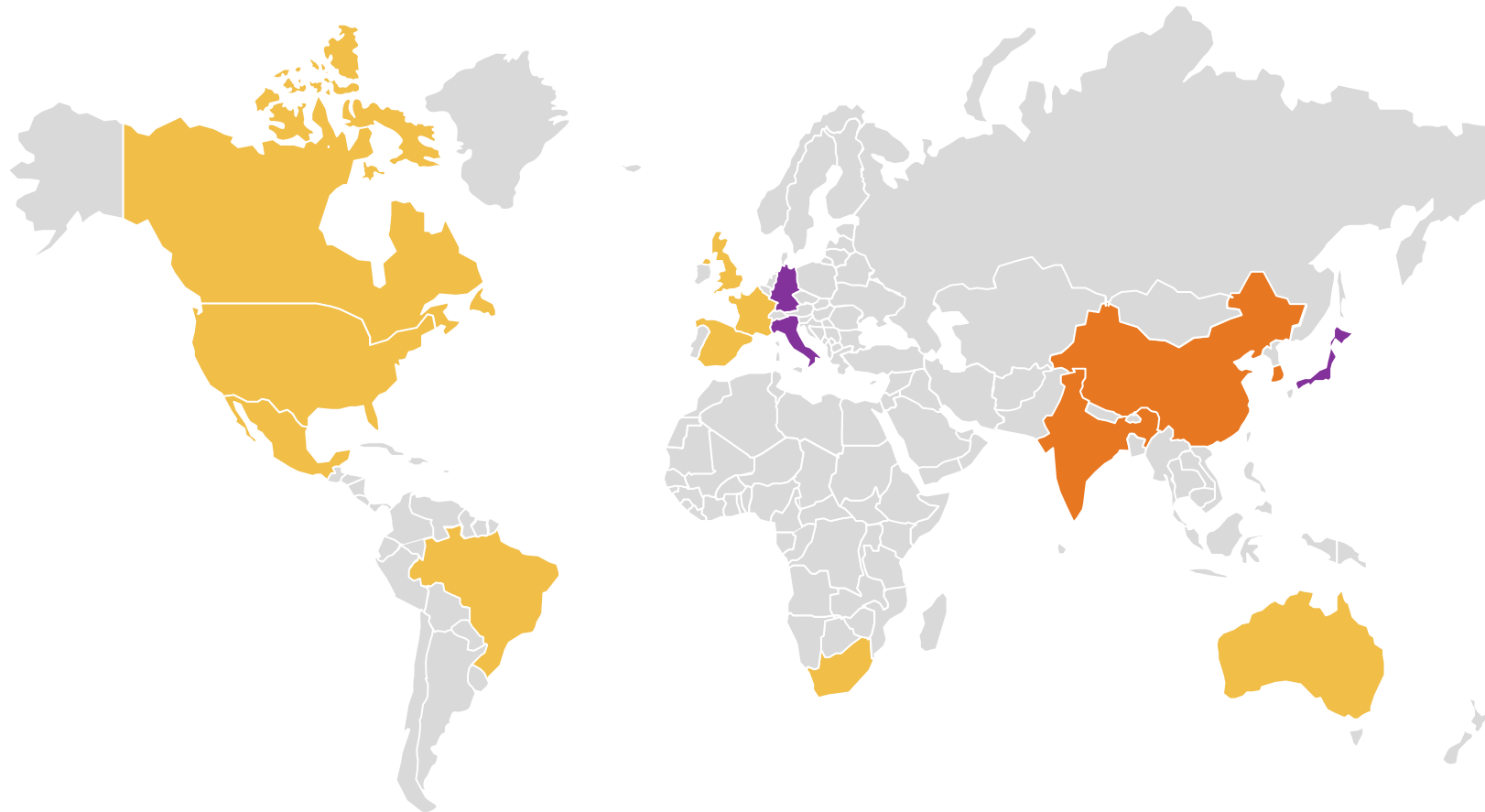
Where you live impacts what you prioritize

Top Concerns – First or Second Priorities

Rising Prices / Inflation

The COVID-19 Pandemic

The Conflict in Ukraine



Q: There are a number of challenges we may face today. Which of these concerns you the most? Q: Of the items remaining, which of these concerns you the most?
Base: Global Country Average: 10521, AU:502, BR:500, CA:1003, CN:500, FR:1002, DE:501, IN:1000, IT:501, JP:503, MX:502, ZA:502, SK:501, ES:501, UK:1002, US:1001

Many are in survival mode: 2 in 3 are concerned about being able to pay their bills



“Oh my god. My son left his light on all day. So that’s just money going down the drain isn’t it?”



“Inflation is seriously insane. Gas prices are almost \$5 a gallon... it’s more than doubled.

The biggest stress of my life is money. I am always worried how I am going to pay the bills.”

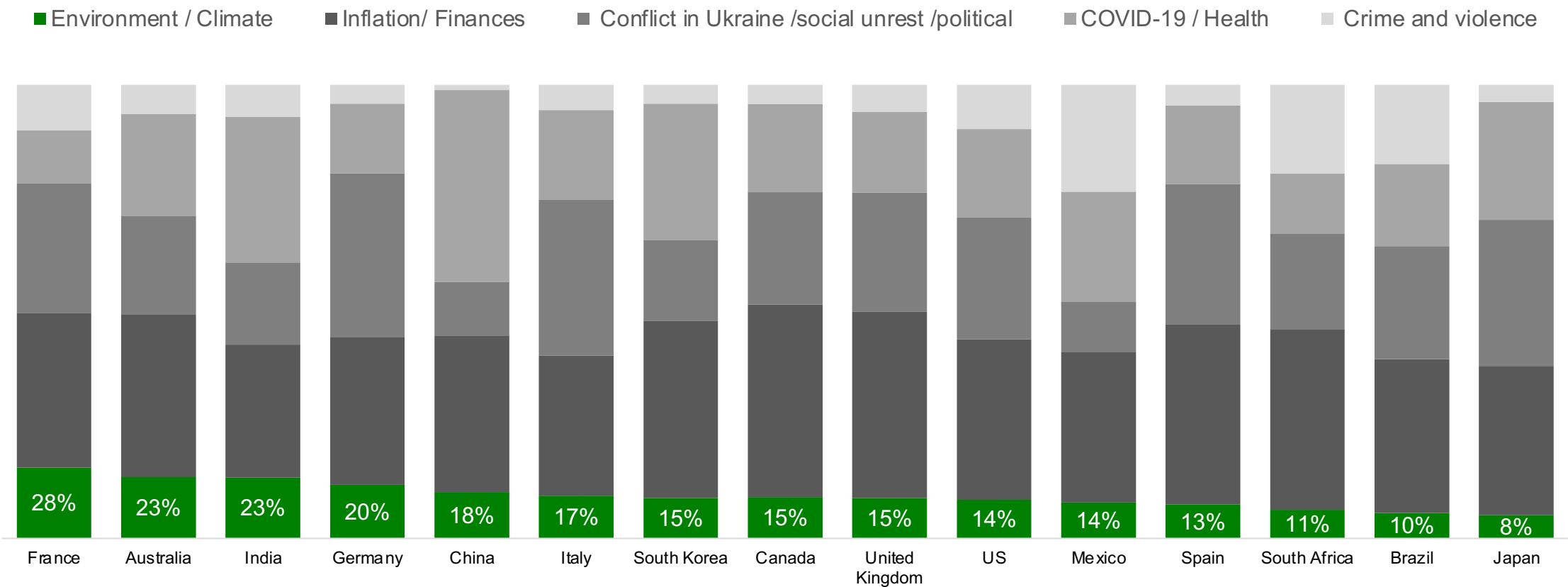


“The price of vegetables in Shanghai is two-to three-fold more than usual. So far, I have been quarantined due to lockdown for 7 days. The first pressure now is I can’t earn money in this situation. The second is how to survive.”

In that context....

Environmental concerns are less pressing in the moment

Top Concerns – First or Second Priorities



* Multi mention question may total to more than 100%

*Wave 57 Feb 10-13 2022 Global Country Average 10530

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Still...underneath our immediate worries,
a long-term unease lingers

83%

“We are heading for environmental
disaster unless we change our habits
quickly”



Leveraging our global Essentials survey, we have begun to classify like-minded citizens

Groups emerge across a continuum based on passion for the environment
...along with a sense of urgency

Disengaged Denialists



Skeptics



Conflicted Contributors



Pragmatists



Activists



“The environment is at a critical stage – the world must act now”

26%

36%

45%

56%

66%

Taking them one by one....

Disengaged Denialists



19%

Skeptics



16%

Conflicted Contributors



18%

Pragmatists



29%

Activists



17%

How they feel: Degree of concern & sense of urgency

What they Do

Doctor Do Little, Good Intentions, and Walking the Talk

Disengaged Denialists



- X** Recycle as much as possible
- X** Use low energy light bulbs
- X** Not driving/having a car
- X** Eating a mostly plant-based diet

Low Impact Pragmatists



- 85%** Use low energy light bulbs
- 83%** Recycle as much as possible

High Impact Activists



- 64%** Not driving/having a car
- 58%** Eating a mostly plant-based diet

“Generally, brands need to think about sustainability as a co-benefit ...not ‘the’ benefit”



Dr. Pippa Bailey

Head of Climate Change &
Sustainability Practice UK



Recap & Implications for Brands

Even as we attend to the urgent priority of near-term survival, environmental impact is on the rise as a brand driver.

We can apply “co-benefit” thinking by segment

Denialists



Skeptics



Conflicted



Pragmatists



Activists



Some potential when environmental impact is positioned as a (secondary) co-benefit

Will pay premium



IpsosStrategy3

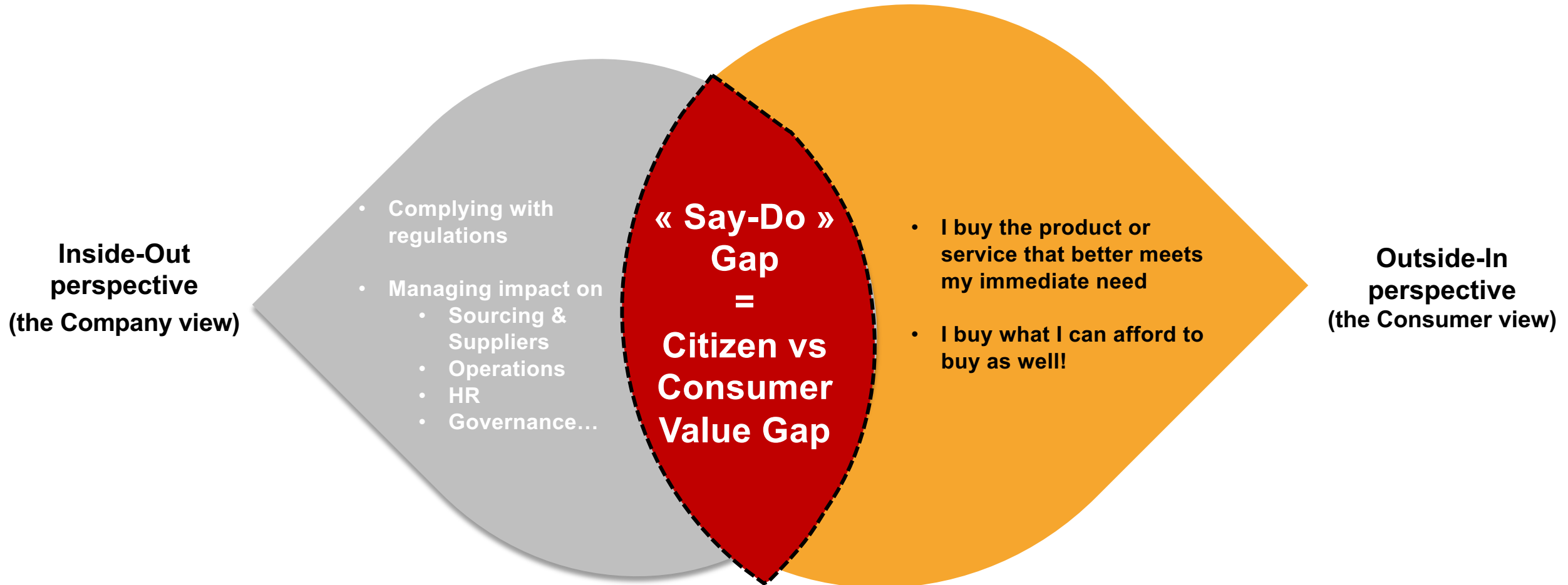
THE SUSTAINABILITY OPPORTUNITY

Ipsos Keys Webinar
Younna Ovazza – April 28th, 2022

A green plant with small leaves is in the foreground. In the background, a white sign with the text "SAVE THE PLANET" is visible. The text "Sustainability: Introducing the consumer perspective" is overlaid on the image.

Sustainability: Introducing the consumer perspective

To create value for the business from Sustainability, companies must **expand** their perspective to the **Outside-In perspective of consumers**



A photograph of two women wearing hijabs sitting at a table in what appears to be a library or study area. They are both looking intently at a laptop screen. The woman on the left is pointing at the screen with her right hand, while the woman on the right is also pointing with her right hand. The background shows bookshelves filled with books and a warm, ambient light from a lamp. The text 'How can businesses create consumer value with sustainability?' is overlaid on the image in a large, bold font. The words 'consumer value with' are in orange, while the rest of the text is in white.

How can businesses create consumer value with sustainability?



Inspiration for action

The Digital Transformation case

- Digital has **transformed companies** over the past 20 years
- What we learned along the way can **inspire how to approach sustainability**

Key drivers for change

**Offer-
Driven**

**Valuable
Use Cases**

**Test and
Learn**

**Owning a
Specific
Territory**

**Cross-
Functional
Vision**

**Engaging
Employees
and Partners**

Focusing on 3 drivers today for illustration

1
Offer-Driven

2
**Valuable
Use Cases**

**Test and
Learn**

**Owning a
Specific
Territory**

**Cross-
Functional
Vision**

3
**Engaging
Employees
and Partners**

1

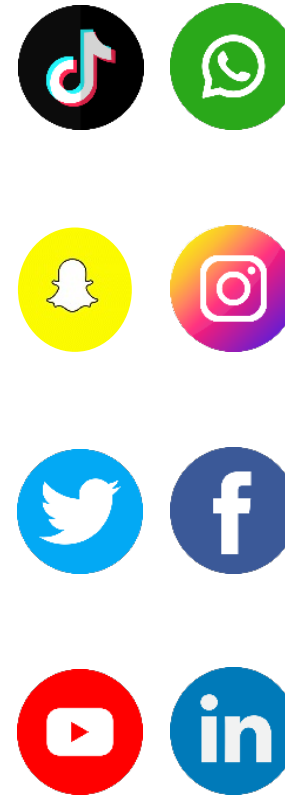
Offer-
Driven

It's all about the **offer**,
not the demand:

Need for business **proactivity**

The Digital Transformation Case

Consumers **didn't expect the Internet**, mobile phones, the iPhone, social networks and Youtube... as well as they **didn't expect cars**



What does it mean on Sustainability ?

Companies need to be **proactive** and start first

Do not wait for consumer expectations, they **don't know!**

Inspiring example: Beyond Meat

Beyond Meat develops **plant-based** burgers, sausages, meatballs...



JOIN US ON
THE MISSION
TO FEED
A BETTER
FUTURE.



2

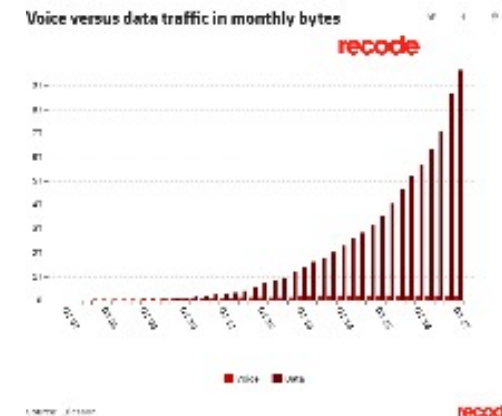
Valuable
Use Cases

Gadget offerings don't work:

Real value doesn't come « on top », it must be **by design** for consumers to buy and **use the product/service repeatedly**

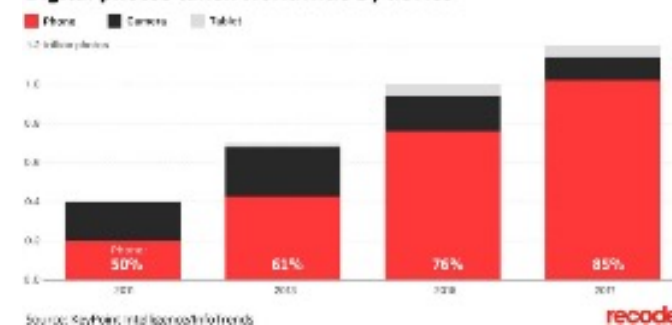
The Digital Transformation Case

Mobile data and internet traffic didn't take off **until the iPhone launch in 2007**



1st smartphone with Internet access – Nokia, 1996

Digital photos taken worldwide by device



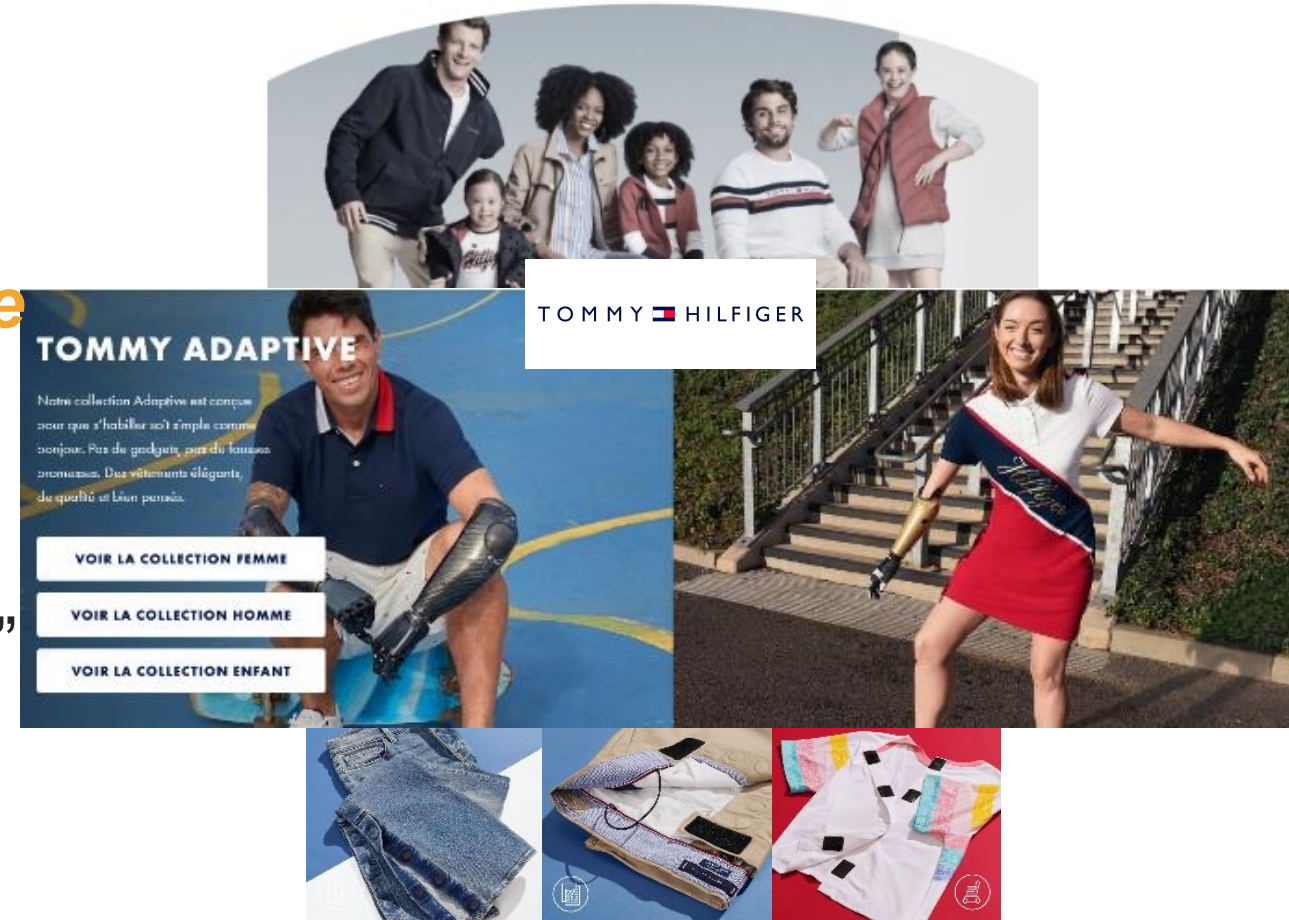
What does it mean on Sustainability ?

Do not focus on Sustainability as a **goal but as a MEANS**



Inspiring example: Tommy Adaptive, by Tommy Hilfiger

“80% of customers who purchased from our Adaptive line were new. That led to additional purchases. Just because they bought an adaptive shirt didn't mean they needed adaptive pants.”





Engaging
Employees
and Partners

Training and engaging employees and business partners

The Digital Transformation Case

External consultants or experts can help you move fast first, but **you won't get far without training and engaging employees & key partners in your ecosystem**, as changing ways of working and processes is a key success factor.

La Redoute



Shifting the business model from a paper catalog losing money in 2014 to a profitable online e-commerce business in 2017 involved a **huge internal transformation, engagement (16% shares for the employees) & training program**

What does it mean on Sustainability ?

Start joint initiatives **with key partners**



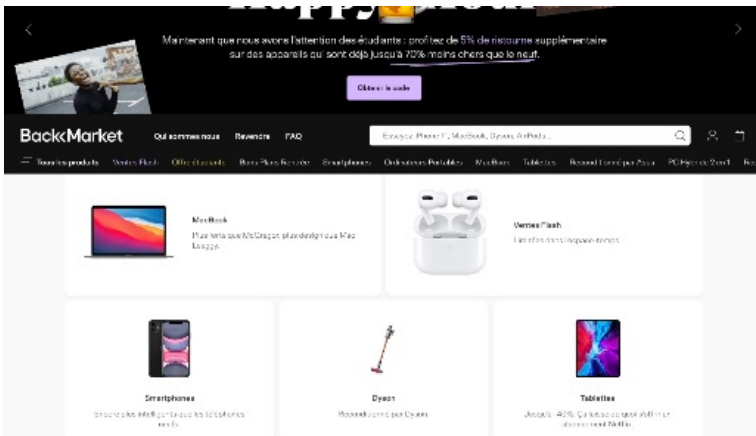
Involve employees & partners
in your sustainability roadmap
to build engagement

Inspiring example: Back Market

Online marketplace specialized in *repackaged electronic goods*.

1200+ resellers.

Their selective reseller quality criteria & independent evaluation on environmental & social practices by a Certifying organism are driving more **premium brands to work with them** (Dyson, Bosch, Marshall or Apple via Brightstar/Likewise).



ecovadis



3 learnings to build on

1. Sustainability is an **OPPORTUNITY** for businesses to create value through **consumer-centric innovation**

2. Sustainability should be embedded **BY DESIGN**, as a **means** to create different products/services

3. 20 years of **digital transformation** have taught us a **few lessons** we can build on to inspire **unique** sustainability approaches



IpsosStrategy3

Thank you.