SATISFYING THE HUNGER *for* ECO-FRIENDLY CHANGE

Are brands doing enough?

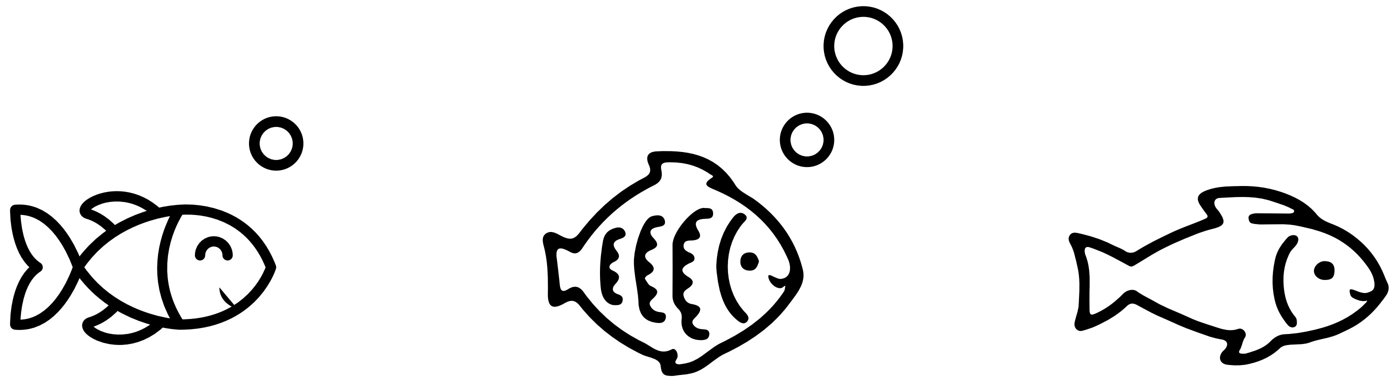
A Brandbean study

With grateful thanks to

DAME. smol teapigs. TROO Foods

For a long time, the narrative on consumers and eco-friendly products has told a story of consumers who say they want to change, but are yet to actually do so; unwilling, unable, confused and priced out.

This research shows that as a society we are well and truly past that. We have reached a tipping point where consumers not only want to make changes, they NEED to. They need to feel that they are part of contributing to a more sustainable world.



Whilst brands and businesses should be supporting and enabling consumers in this mission, in fact **our study shows that it's now brands and businesses that are slowing things down**, particularly big businesses, with partial solutions, distant commitments, confusing messages and limited availability.

Consumers express a huge sense of frustration and a lack of patience with big brands, but excitingly, they are **finding their own way through**, researching and adopting new brands and habits, prioritising a reduction in plastic as a tangible action and splitting their shopping across multiple channels.

The **shift towards smaller, more independent businesses is clear;** brands and products designed from the get-go to be more sustainable, enabled via technology and (probably) accelerated by the 2020 pandemic.

The aim of this research has always been to provoke discussion, to accelerate positive change, firm in the belief that consumers DO have the ability and power to affect significant change via their buying. The data is intended to support and encourage brands of all shapes and sizes to raise their game, to meet (and surpass!) consumers' needs faster and better, working together to accelerate much needed changes in how and what we all buy and consume.

With thanks to our partners at smol, TrooFoods, teapigs and DAME who shared our ambition, helped to promote participation in this study and are now looking to continue and extend this partnership to all other brands.

Hilary Strong, The Brandbean, Jan 2021

Being eco-friendly ☺ is *really* important to consumers, and increasingly so

consumers rated "being eco-friendly" as **8.8 / 10** in importance

78% say it's more important to them vs a year ago


Consumers acknowledge the danger of climate change.
They feel more informed.

"People are now starting to actually <u>realise the impact</u> that our daily lives are having on our planet."

(Female, 35 - 44)

“Things are getting worse with the environment…<u>we need to try harder</u> than ever to counteract the damage we've already done.” (Male, 18 - 24)

Interest has turned into tangible *behaviour change*

83%

have switched brands or habits in the last year in order to be more eco-friendly

53%

are trying brands and products that they previously didn't consider

These are changes which are here to stay

81%

expect to be buying more eco-friendly products in the future

88%

willing to make an effort in order to buy more eco-friendly products

across multiple categories,

60%+

willing to "spend a little bit more" to buy an eco-friendly product

Consumers are bridging the gap between talking and doing.

Interested and motivated to act

Willing to make an effort

Judging brands on key criteria, including packaging and ethics

Willing to pay more

Making significant changes across multiple categories




Consumers are making changes across multiple categories, switches which often require effort, cost and habit change.




Consumers are willing to pay *a little bit more* for more eco-friendly products...

73%
Cleaning & household care

65%
Household food & drink

65%
Personal care

55%
Energy

54%
Internet

64%
Fashion & clothing

"Not supporting Urban Outfitters or Brandy Melville due to unethical labour and racism." (Female 18 - 24)

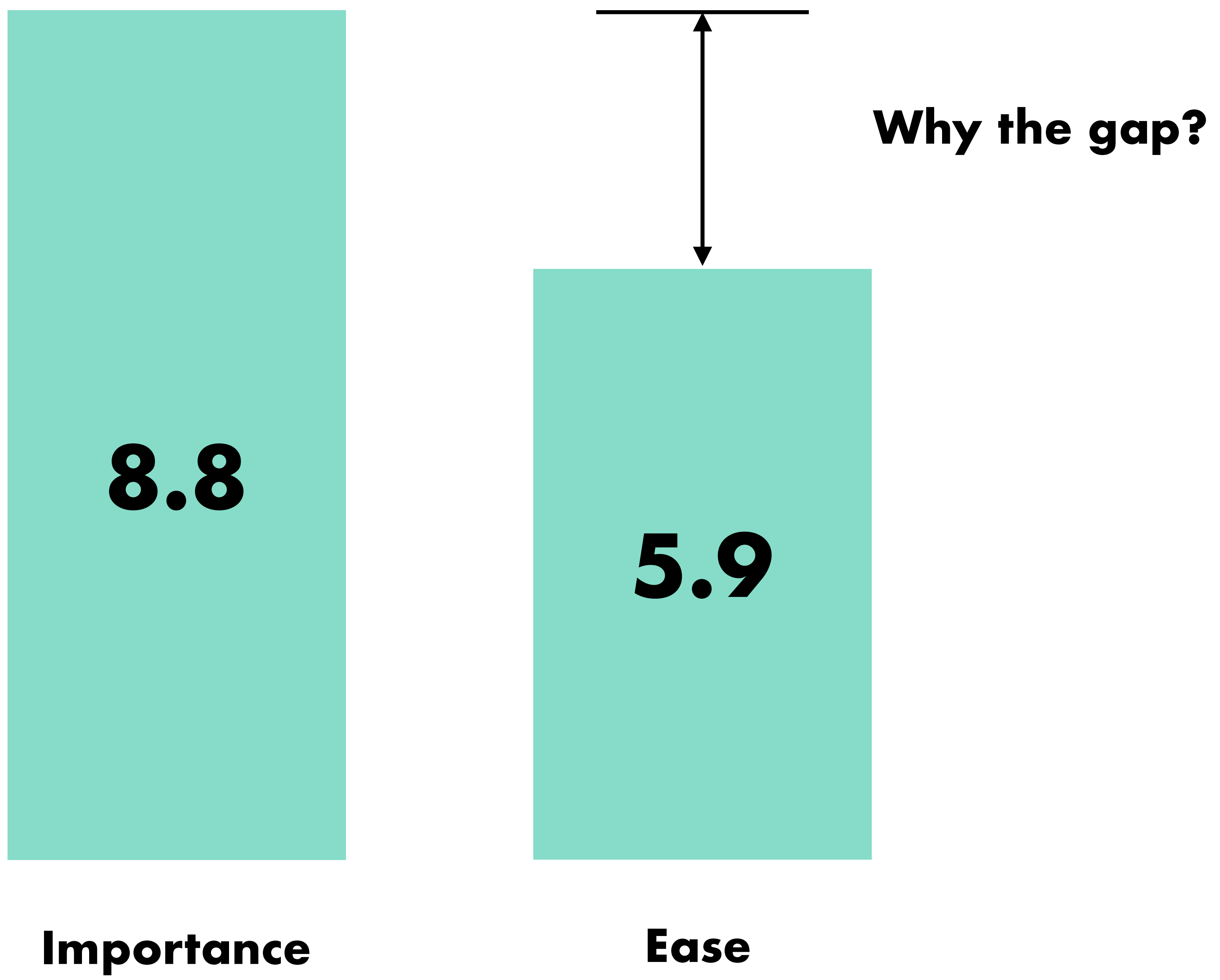
"I have changed from fast fashion brands e.g. H&M, Primark etc, to buying off Depop and charity shops for clothing." (Female 25 - 34)

Ethics and values dictating brand choices has become mainstream.

"Cadbury chocolate to Tony Chocolonely's because of their ethical approach (trying to make the chocolate industry 100% slavery free)" (Male 25 -34)

"Boycotting ASOS because of concerns around employment in their factories." (Female, 18 - 24)

Despite being really important to them, consumers tell us it’s not so easy to make eco-friendly changes.



Four big barriers continue to hold consumers back:

Understanding

Don't really understand which products are genuinely more eco-friendly

Trust

Don't always trust claims made by brands/ products

Price

Feel that eco-friendly brands and products are too expensive to buy day in, day out

Availability

Tell us it's not always easy to find eco-friendly brands and products

Consumers place much of the blame at the door of big brands and businesses.

☹

“83% say big brands and business are **NOT DOING ENOUGH** to help the environment.”

Consumers convey impatience, disappointment and frustration with big business.

Ultimately, they feel that profit is the priority in decision making and actions.

“Don't trust them and everything they do is about profit.” (Female 55 - 64)
“They have a vested interest in maintaining the status quo.” (Male, 45 - 54)

Many feel that eco-friendly actions are to chase sales, rather than a genuine purpose.

“They are just rebranding a small portion of their products. I see it as lip service rather than a genuine commitment. Trying to keep their customers with only little changes that I can see.” (Female, 45 - 54)

Other blame big business for contributing to the problem and being slow to fix it, despite having the financial resource to do so.

“Bigger brands have the power, money and influence to change how they operate their business, they should be setting an example and helping be a solution to the problem.” (Female, 25 - 34)


"If small, independent brands can use eco-friendly packaging, how can big brands not afford to?"
(Male, 25 - 34)

Smaller brands are satisfying the hunger with disruptive and radical innovations, ***designed*** to be more eco-friendly.

"Large supermarkets and huge brands have the money and resources to really be innovative and at the forefront of eco changes and yet it seems to be the small independents that are leading the way." (Female, 25 - 34)

Is the <u>disappointment in big brands</u> part of an overall loss of trust and faith in institutions - business, government and leaders when it comes to tackling climate change?

"The more I learn, the more I feel I need to act personally rather than looking to the government to change."
(Female, 35 - 44)

There is a clear and *positive movement* towards smaller business.

83%

trust SMALL businesses more than big when it comes to caring for the environment

84%

trust SMALL businesses more than big when it comes to being honest

82%

trust SMALL businesses more than big when it comes to offering better eco-friendly products

78%

trust SMALL businesses more than big when it comes taking care of local community

78%

trust SMALL businesses more than big when it comes giving trustworthy information

Small Business

ENABLE CONSUMERS

to act.

Technology is of course facilitating new shopping and D2C models.

Consumers no longer depend on one supermarket brand and one single shop

It's easier than ever to split the basket.

"My choice is no longer limited to what Tesco choose to offer me" (Male, 45 - 54)

Habit change which has been further stimulated by Covid-19 pandemic:

For some a time to read and reflect

A heightened sense of vulnerability

Visible waste of masks and PPE materials

A desire not to undo positive new habits

A practical need for home delivery, shopping online, stocking up


So what do consumers
WANT brands to DO?

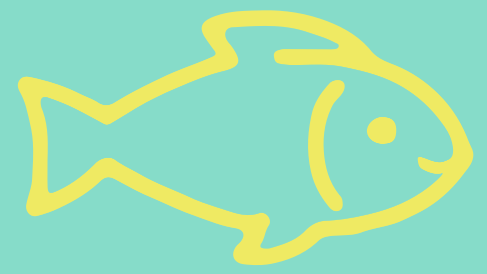
Use less plastic

Create less waste,
recycle more

Make eco-friendly
products, cheaper

Make eco-friendly
products the core,
the norm

And act FASTER



Meantime, consumers are acting on what they know, can see and makes sense...plastic.

Plastic has HUGE focus right now for consumers:

1. Visible, tangible
2. In a consumer's sphere of influence and control - they feel empowered
3. Achievable
4. Delivers on "I'm doing something!!"
5. Consistent and compelling media push

Sustainability is complex.
Consumers want to contribute and to act.
But business needs to do MUCH more to enable and support consumers.

Meanwhile, third party certifications do not seem to be providing the "shortcut" in credibility that perhaps brands hope for. Perversely, are they adding to the responsibility being placed on consumers?

Many eco-friendly organisations aren't recognised and nor, it appears, are they needed at point of purchase.

Have heard of:		Actively seek when buying:
17%	BCorp	6%
18%	Leaping Bunny	16%
55%	Carbon Trust	7%
27%	FSC	9%
54%	Zero Waste	19%
22%	A Plastic Planet	4%

Take-outs

1.

The vast majority of consumers don't just want to make more eco-friendly choices, they feel COMPELLED to ACT.
<u>They are doing so</u> across multiple categories, investing their time and money.

2.

The frustration from consumers towards big brands is palpable.

Whilst they may continue to represent the bigger chunk of market share, this study suggests big brands are losing share of heart.

3.

Small or independent business is the place to be right now...

1. trusted.
2. eco-friendly and more sustainable by design.
3. free of the shackles, restrictions and image of big business.
4. enabled by technology and new business models.
5. offering an opportunity to create community, connection, to be part of the solution.

4.

Brands need to design integrated, complete solutions.
There is nothing more frustrating for a consumer than thinking they are doing the right thing, only to discover that a brand has sold them only half of the solution.

5.

Social media and friends / family are the most trusted sources of information.

A huge opportunity here for community building, partnerships between brands and initiatives, empowering consumers, creating scale in individual actions.

6.

Consumers are educating themselves and each other.

Sustainability communication has to be clear, compelling, repeated.

Honesty is a MUST.

7.

Third party certifications are not a quick win in sustainability communication.

Indeed they may run the risk of being perceived as greenwashing.

8.

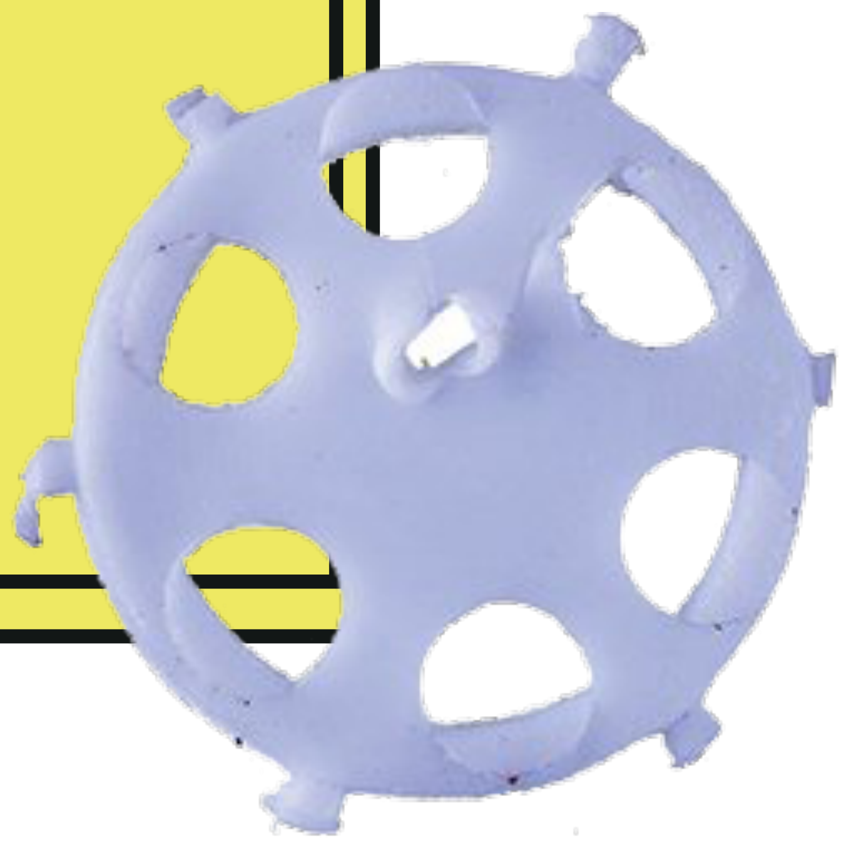
Plastic.

How do we learn from this and apply to other sustainability issues?

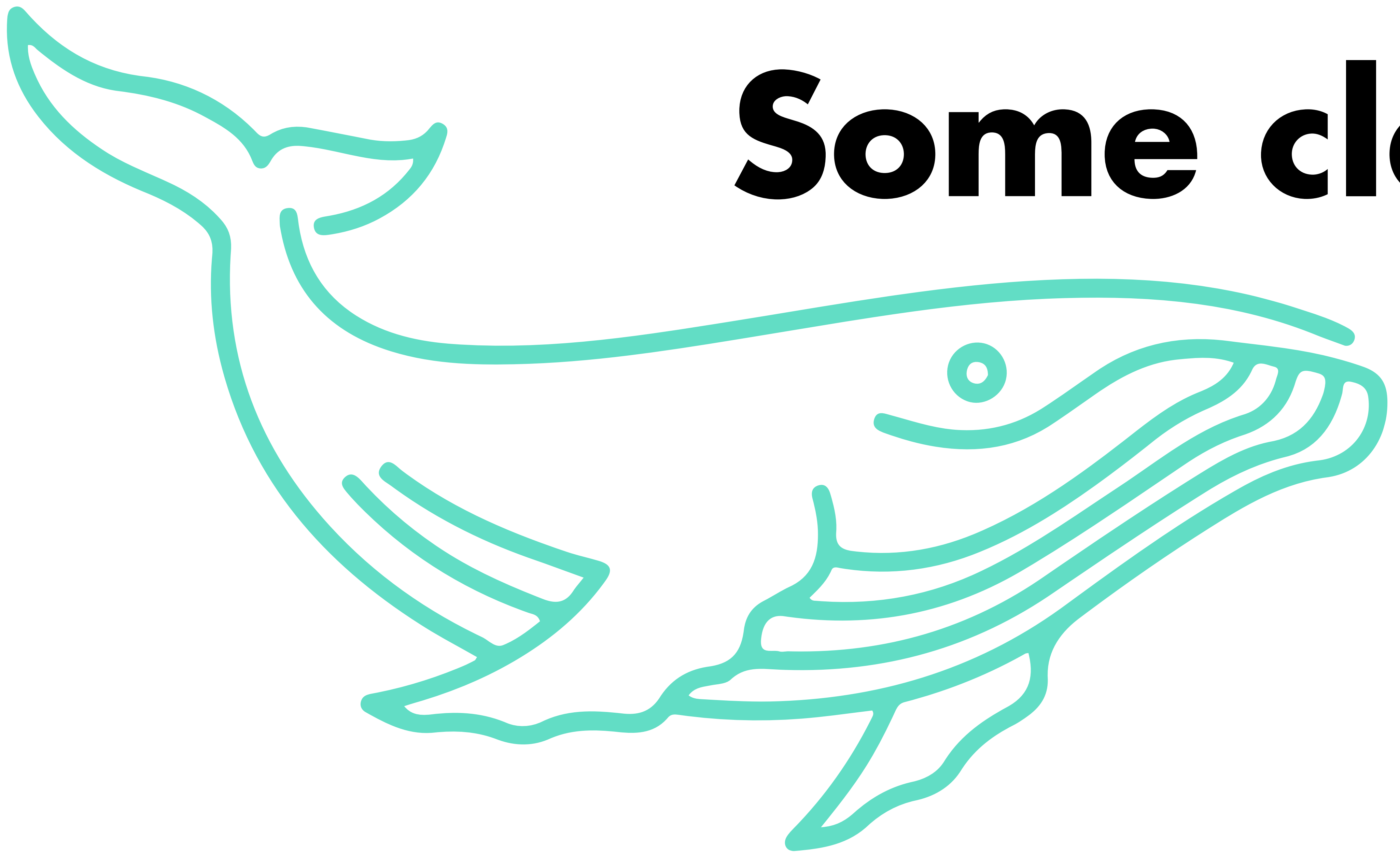
How do we capitalise on the consumer appetite to reduce plastic and support them on this mission?








Some closing thoughts



Consumers are voluntarily making scores of small changes.

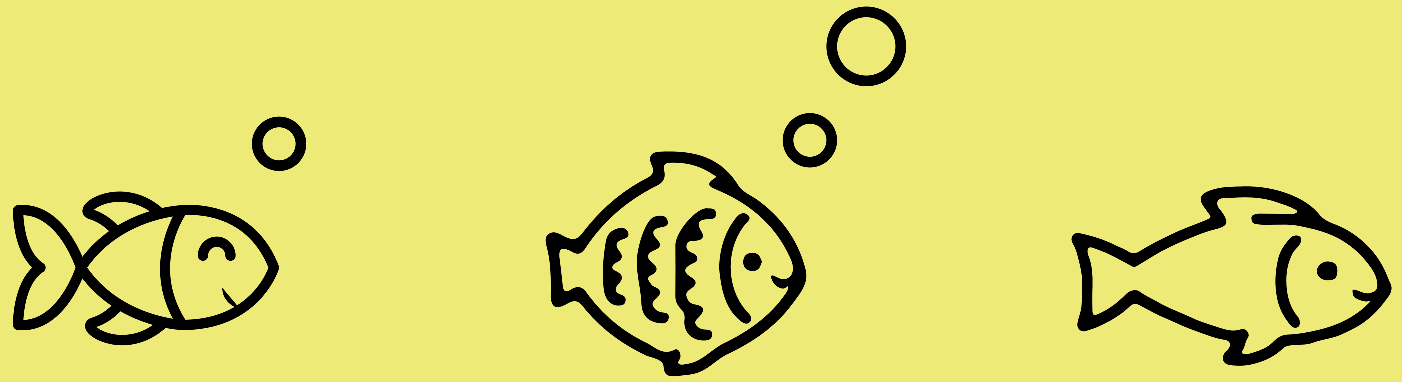
Collectively, those changes are, and will make a positive impact.

But walked alone, this can feel a lonely, at times hopeless journey.

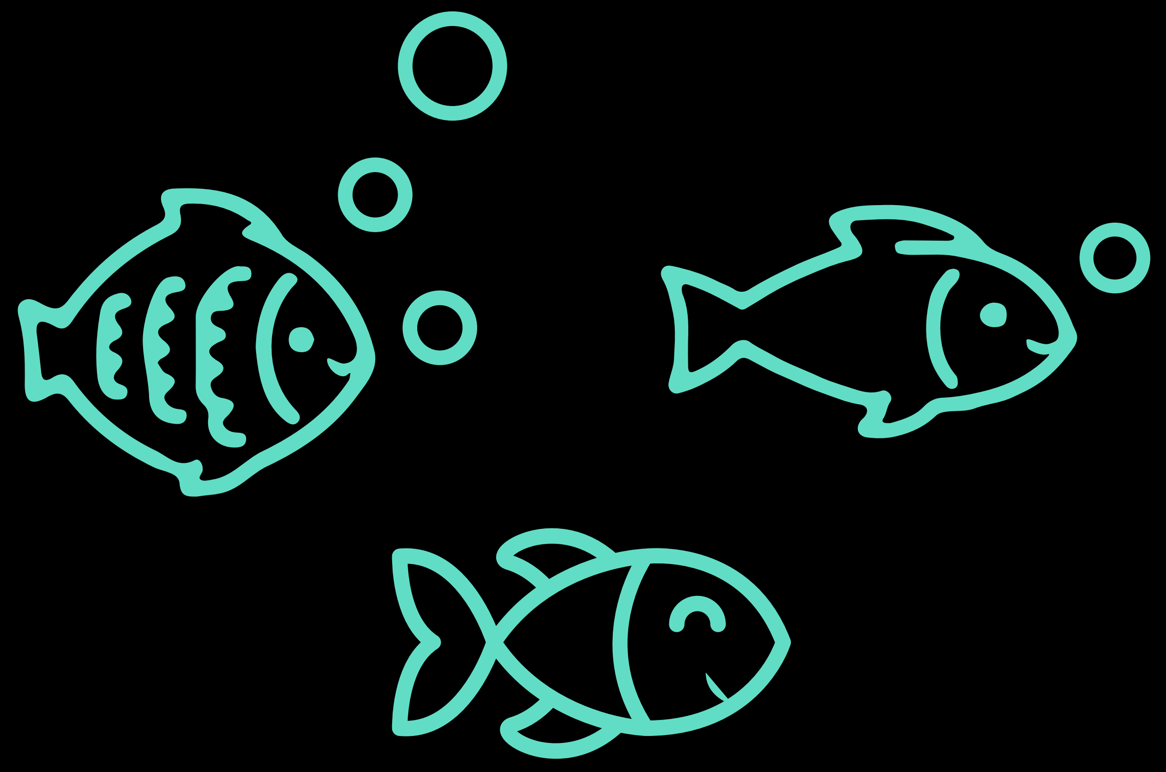
How do we support consumers? In content, education, solutions?

How can we replace the sense of community and connection provided previously by big brands?

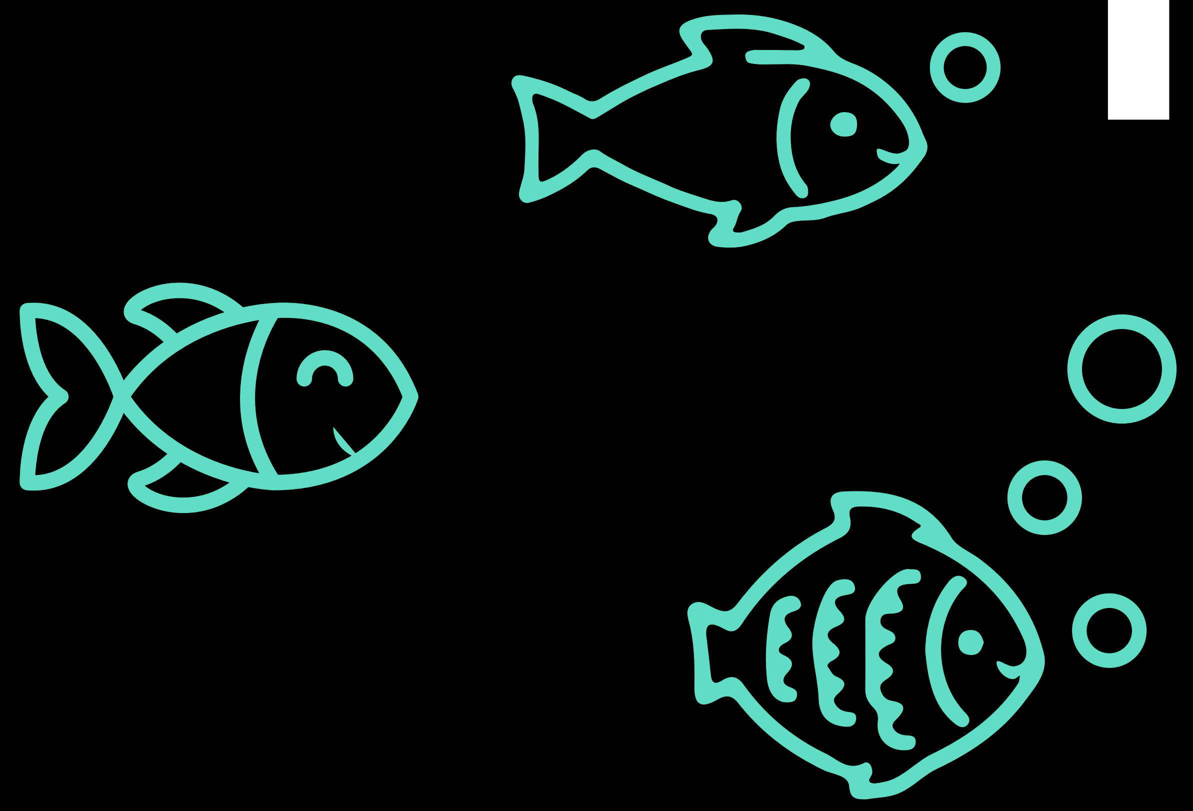
How do we create a tribe, a new sense of identity?



How do we *celebrate, motivate, reward* consumers for making and sustaining habit change?



How do we satisfy the hunger?!



Information about this study:

The research was conducted in October 2020, via an online survey.
Participants were recruited via social media. 4297 responses in total

Gender:
Male 8%
Female 91%
Other 1.5%

Age:

< 24	18%
25 - 34	36%
35 - 44	23%
45 - 54	16%
55 - 64	6%
65 - 74	2%
75+	1%

33% are responsible for kids < 18 living at home.
66% not

	Survey % respondents	UK
Scot	8	8
NI	2	3
Wales	4	5
NW England	9	11
NE England	4	4
Yorks & Humber	6	8
West Mids	7	9
East Mids	8	7
East England	6	9
SW	9	8
SE	20	14
Greater London	15	13
Isles	0	
Prefer not to say	3	

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the brand bean

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10 *years!*