



What Corporate Sustainability Looks Like in Western Europe

Leslie Pascaud writes for GreenBiz.com and asks where sustainability issues are on the corporate agenda? Has sustainability gone mainstream, or are businesses still just paying lip service to all things ethical?

As the French media geared up for the 10th annual celebration of Sustainable Development Week, we were asked (again) by a French journalist: Is all this green stuff just a fashion or is it a long-term trend?

Or, to put the question another way, if sustainability has a fabled tipping point, have we tipped?

In some ways, it feels like the green communications trend in Western Europe has come and gone...at least at a superficial level.

There was the pre-period, in 2006-2007 when most of our multinational marketing clients weren't hearing any of it. Green wasn't a priority and there were not budgets to invest in it. Consumers were starting to express some interest in the topic, but, with the exception of the 10 percent activist niche, they weren't buying "green", so selling projects internally was a challenge. And management wasn't demanding sustainable initiatives or incentivizing them. So why bother?

The tide started to turn in late 2007. All of a sudden, the phone was ringing off the hook. Marketing directors were asking us to help them go green and now!

This change of heart was primarily driven by corporate social norming: The media had made enough noise to get the attention of consumers, corporate ma-

agement and opinion leaders. Sustainable development directors had been appointed and were asking bothersome questions. Certain upstart brands were communicating on the topic and making the non-communicators look bad.

This was a tricky period because we wanted to encourage new companies to climb on board the sustain-





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nable train. But we had to get them to understand that this was not about tourism; they needed to be in it for the long haul.

The year 2008 was a busy time in the sustainable marketing consultancy world: Added Value received many communications briefs that we gently massaged into innovation strategy projects. Our repeated mantra: "Before we focus on what you want to say, let's explore what it is you want to do."

We spent a fair amount of time introducing our marketing teams to their internal environmental, sustainable and supply chain counterparts. I can cite on more than one hand the number of times I have said to the marketing team: "There is certainly someone within your organization who has the answer to that question – let's go find him or her."

Where lifecycle analyses hadn't been done, they were strongly encouraged. We organized many conversations with experts and opinion leaders to bring murky issues to the surface; we benchmarked exciting initiatives being done in other categories that could serve as inspiration. And yes, we also spoke to consumers...not so much to ask them whether they cared about sustainability (of course, most of them care!) as to understand their trade offs, their triggers and barriers. While we are firm believers in co-creation, experience has shown that consumers work best when they are exposed to seed ideas and asked to react and build. So before meeting with them, we developed rough ideas and then used focus groups/online platforms to evolve them. And so innovation eco-design and sourcing projects were born.

The years 2009 and 2010 separated the wheat from the chaff. Clients who had never been really committed to sustainability saw their budgets evaporate when the recession came into full force, whereas those who saw their future in green maintained or even increased budgets. In 2011, there seems to be a lot less talking and a lot more doing. This is in part due to backlash and consumer skepticism following a wave of

greenwashed communication campaigns. Recent research by Ethicity in France revealed that consumer sensitivity to world environmental issues actually decreased in 2011 for the first time since the survey began five years ago. Yet their purchase of local products has grown.

Consumers are tired of being nagged at or lied to. They just want to get on with their lives and if companies can propose viable solutions to their needs that are more ethical or greener and are also good value, they are buying.

So brands like Total, Audi and Jeep have stopped blabbering via massive advertising campaigns about how incredibly green and responsible they are, and instead are investing their money in energy, waste and CO₂ reduction projects. And while it is true that sustainable development directors still often don't have the big budgets, their influence appears to be growing. Innovation projects are increasingly integrating sustainable thinking and processes. KPMG/The Economist Intelligence Unit's 2010 survey of 378 senior executives worldwide showed 61 percent of contributors agreeing that the benefits of investing in eco-friendly practices outweigh the costs. This figure hit 72 percent where organizations boasted annual revenues of \$5bn-plus. More encouraging still: 44 percent of executives perceived sustainability to be a major source of new product development.

Perhaps the fact that a growing number of general managers are seeing their bonuses tied to their sustainable scorecards is helping to drive green initiatives forward. Or maybe alarm bells from the regulatory and sourcing departments are finally being heard. Or just maybe...companies have finally realized that sustainable innovation is truly a springboard to brand growth and longevity.

I would have to say that the tipping point has at least started to tip. The process will be slow and anything but steady. But the question is no longer whether sustainability will weave its way into the daily fabric of our professional lives. It is how.

by Leslie Pascaud

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