

Cream Insight Report: Planet versus profit

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26 Aug 2010

LONDON, UK: If someone said 10 years ago that Pepsi was going to pull its multi-million dollar Super Bowl opening ad position and trade it in for a \$20 million socially responsible community project, they would have been laughed off Madison Avenue. But this is exactly what happened.

Brands are finally taking stories of corporate responsibility off the company website and telling them to the consumer. Some are well-received gifts of inspiration, while others fail to make an impact. It's a steep learning curve and everyone's dying to know the secret of how to say it right.

The Pepsi Refresh Project is just one of hundreds of corporate social responsibility (CSR) campaigns targeting an increasingly environmentally conscientious consumer. Last century saw the birth of the digital natives, now the research is in, and we can see the era of aspirational sustainability is upon us. According to global market research by Synovate, almost half the people surveyed said they would be willing to pay more for environmentally friendly products. Research from the *Second Annual Corporate Social Responsibility Perceptions Survey* revealed that while 75% of those who read a CSR agenda were more likely to purchase products or services from that company, only 13% were aware of the company's social responsibility agenda.

Pepsi is adapting to this new consumer, whose role as citizen, environmentalist, community member and finally, purchaser is changing the way brands communicate with their markets. Like Pepsi, brands must now be brave enough to engage in these conversations and wise enough to invest in the groundwork that can avoid lies, embarrassment and confusion: The downfall of many CSR campaigns.

Managing director of Ogilvy Earth Freya Williams observes that 'Pepsi is doing less in CSR than Coke, but getting more credit'. So what is the key to Pepsi's success?

Preparation, preparation, preparation

Any public speaker will tell you that the key to a good speech is preparation. A half-baked improvisation to the wrong crowd is not only insulting to an audience but can be painfully dull and will be remembered for all the wrong reasons. The same applies to communicating sustainability credentials.

Diana Verde Nieto, Founder of CSR communications agency Clownfish has a wealth of experience in this area. "Over the years, we have found that a company should only speak out when it has invested in sorting through its internal processes, such as supply chain efficiencies, whether this is carbon, water or packaging, to the point where it is past the

stage of compliance and has something uniquely relevant to say."

A beautiful example of a company that has invested time and thought in a project before launch, is Dulux. Instead of telling the same old story of how colour can change lives, it considered 'broken window theory', and launched a campaign that would show and not just tell, how improving surroundings can inspire communities.

Local teams of painters were set up around the world to paint areas in Paris destroyed by the riots, a favela in Brazil, a slum in India and schools in Tower Hamlets, London. Only after these ongoing projects had been set in motion, was a creative campaign launched, giving it integrity and transparency.

Euro RSCG CEO Russ Lidstone explains the thinking behind this strategy, "Dulux understood that consumers in mature markets are willing to have their purchasing decisions influenced by CSR. Our brands lie naked in front of the consumer now. Twenty years ago you could get away with artificially wrapping a brand, now brand actions must be transparent and hold up to scrutiny."

"It is not incumbent on brands to be whiter than white, we have NGOs for that. Consumers want commitment and a demonstration that they're trying to do something, like Coke and water or Dulux regenerating communities. It's about taking small steps towards these goals, while making money."

The non-sequitur

This is a generous outlook that absolves those brands that are merely shoe-horning CSR communications into a brand strategy in which it doesn't belong.

When BMW quit Formula One last season, the reason given was not its dire racing performance or the state of the economy. BMW chairman Norbert Reithofer reasoned that 'premium will increasingly be defined in terms of sustainability and environmental compatibility'. Its involvement in motor sport ran contrary to its strategic business plan.

This is a small step and one that will hopefully be followed up, but sometimes this change in tack can feel fake and awkward. Clownfish's Diana Verde Nieto warns brands against jumping on the bandwagon. "The times when these communications have backfired have been when they are unsubstantiated or irrelevant to the brand of consumer. HSBC launched a campaign on how to green your house. This has nothing to do with the core proposition of HSBC and if anything, weakens it. A lack of communication between the CSR and marketing department can sometimes be the cause of this backfire."

The Stella Artois Hedge Fund campaign resulted in 8000 hedges and 60km of hedgerows being planted but it was berated by industry leaders for its lack of commitment and inappropriateness.

Ogilvy Earth managing director Freya Williams said the Stella campaign felt 'gimmicky', that they had not done their homework and as a result, had a weak story to tell. "Brands must work inside-out to have core sustainability. This was obviously not about building long-term brand value."

Brand building should tackle something core to the consumer, like Wal-Mart's 'Save money, live better'. This is in keeping with the original brand proposition of this budget-friendly superstore and not a last-minute afterthought, shoe-horned into the campaign by CSR box-tickers.

Alistair Sim, director of creative agency Chase is constantly frustrated by this approach, "CSR isn't about planting trees to drive sales of biscuits, it's about the way your business thinks and acts from supply chain management and human resources to new product development. The sales and marketing should just be the signature at the end of this letter to our consumers."

Brands need to make sure this signature is clear because nothing stops communication like a case of mistaken identity.

Don't just say it clearly, say it first

Despite the criticism, Stella should at least be commended for its bravery and leadership in an industry that risks possible criticism by highlighting its failings. Unlike Dulux, seen as a bystander brand, Stella Artois, as a drinks brand automatically falls under the complicit brand category, responsible for using millions of gallons of water to make a luxury item.

Stella is the first alcohol brand to bring this discussion to the table, which might be its wisest move yet. A more recent campaign uses print ads with a retro themed '60s style model holding a '7% lighter bottle'. An on-pack promotion called 'Is Jasmine in Your Lightweight Bottle', guaranteed consumers a minimum cash prize of 50p with the chance to win up to £100 000.

Aligning bold incentives with an earnest message is good in that, despite being unimaginative and unsustainable, it is the very least accessible. Like when Toyota launched Prius, the first electric car to go into mass production, Stella could hold a valuable first-mover advantage in this area.

Greenblushing

Some companies are first-movers but just don't talk about it, this perceived shyness is known as greenblushing.

There are huge rewards for those who overcome this modesty. AduPont has made billions of dollars of savings by making themselves more sustainable. As a company of engineers pathologically shy when it came to touting their sustainability credentials, It sponsored the rebuild of Greensberg, a town destroyed by a tornado. The build was documented by the *Discovery Channel* allowing AduPont to shout about its achievements while retaining its modesty.

Potentially, first-mover advantage can backfire on occasion. If the product is weak and perceived as a bolt-on, it can be a complete waste of money. Barclaycard Breathe, a 'green' credit card with carbon neutral incentives, does not address fundamental business issues of Barclays and doesn't relieve them of responsibility of core impacts - a spurious practice known as greenwashing. Group brand development leader for Standard Chartered Bank's 'Here for good' campaign Susan Ho actually laughed out loud at the prospect of Barclaycard Breathe, dismissing it as a 'trendy but short-term'.

Employee engagement

Product development can be a powerful communications tool in itself, but only when used in the right way. UK supermarket chains Waitrose and Sainsbury's both launched game-changing new packaging for their milk products. Only one would survive.

The new milk pouch, which used 75% less plastic than its bottled counterparts was launched in Waitrose. Customers rejected it, complaining that it was 'weird' and that they didn't know how to use it. By comparison, before the pouches even hit shelves in Sainsbury's, store managers taught employees how to use them, so when confronted with confused shoppers they could act as ambassadors, help consumers adapt to that thing they hate most, change.

"The natural first step for a brand to take is to engage its internal stakeholders, its employees and then its consumers in its journey. Not only by communicating to them but enabling them to live better lives through the brand," agrees Verde Nieto. "The communication model should be product development followed by employee engagement and then, and only then, promotion."

Papa don't preach

Some campaigns not only neglect to engage employees but alienate their target audience with they way they preach at consumers with clunky and uninformed communications. P&G brand PR manager for fabric and home care Catherine Fairchild is convinced that the success of Ariel's 'Turn to 30 Degrees' campaign came from solid research and understanding of the consumer.

"Research revealed that 60% of the target audience wanted to 'do their bit' without compromising on performance. Ariel had done its research and produced a campaign with clear and tangible benefits. It gave us the confidence that the message would be well received," she says.

The misguided government attempt to encourage citizens to reduce their carbon footprint broke all these rules. The COI TV spot 'Drowning Dog' by AMV/BBDO sees a little girl cowering in fear as her father gaily reads her a bed-time story depicting the death and destruction of Britain as a result of global warming. It received 939 complaints and was subsequently axed by the Advertising Standards Authority.

The Emirates Wildlife Society made a similar mistake and with a dull and accusatory spot using a clichéd newspaper stop-motion animation that suggested a connection between rising sea levels and the purchase of imported beef.

Marketers are still pursuing these narratives despite them proving ineffective time and again. "You see it in the data that negative messaging is creating inertia. Look at the success of Hopenhagen. The world doesn't need any more doom and gloom, tree frogs and polar bears. It's positive messaging that draws in the new consumer," says Ogilvy Earth's Freya Williams.

Sim agrees with this, "It's easier to bring about a change of attitude or behaviour in a person by suggesting small changes one at a time, rather than handing them a list akin to a manifesto for change and telling them to get on with it."

This is recycled paper

In a spot advertising its green credentials, power supplier EDF Energy made a TV ad using recycled footage. Old film clips of the Wombles, Thunderbirds and John F Kennedy were cheap to use and good for the environment, serving to further highlight the message. Often, the mode of media used in communications can be wildly out of line with the message, like printing off a small forest to tell people about a new venture with The Rainforest Alliance.

Anthony Ganjou runs natural media company Curb. "Green marketing, green advertising, it's all a farce. No one really cares about the methods of how this is communicated," he says. "250 million square feet of un-recyclable PVC is produced from outdoor billboards, every year. That's 16 square miles, the equivalent of London. I'm not a tree hugger. I'm not an eco-warrior. I believe in green issues but I do not believe that banging a drum is the way to educate them. Make them fall in love with nature in a way people have forgotten."

Curb produces taglines out of moss, logos out of crop circles and sculpts brands out of sand that can guarantee 100 000 viral views. It's this kind of lateral thinking that could inspire a global scalable campaign that doesn't advertise green credentials on a 60 000 sheet mail drop.

Investing in clear hallmarks like the Carbon Trust Standard or Fairtrade certification can also give campaigns gravitas and integrity and avoid the greenwashing label. Tesco uses the Carbon Reduction Label on many of own-label products, as do major brands ranging from Walkers crisps and Kingsmill bread to the Dyson Airblade, Morphy Richards irons and Cemex cement.

The launch of Puma's CSR project PumaVision, in partnership with the United Nations Environmental Programme, is a perfect example of the well-placed faith brands put in external partnerships.

PumaVision is an amalgamation of separate initiatives, such as a new packaging distribution system, the 'Clever little bag', which is a sustainable solution to the shoebox. Program director Mark Coetzee boldly states that 'it is of the utmost importance to validate all that you are doing through external advisory boards'.

Voice of the future

Partnerships, greenwashing, and employee engagement are all issues of the present so what does the future hold? Tom

Delay, CEO of the Carbon Trust, predicts products will have to publish carbon credentials by law, which will be the end of greenblushing and greenwashing for brands.

The Adidas Group believes sustainability and CSR could even spell the end for an increasingly unstable capitalist society. The Adidas Group has been working with Professor Yunus who argues that the purpose of a social business model is tackling social issues through entrepreneurial actions, not maximising profit, in a sustainable way where anticipated profits are not paid out as dividends but are reinvested in the social business. As a result of these discussions Reebok is about to launch projects throughout villages in Bangladesh, which will see \$1 trainers made available to locals.

Before we reach a world where brands are rushing to show off such radical CSR initiatives, we will start to see gradual progress towards a more practical approach, grounded in smarter thinking. It is the death of 'ecomagination' and the birth of a more pragmatic approach exemplified by Wal-Mart, 'Save money, live better'.

This gradual shift in dialogue from altruistic charity messages to core brand benefits could be the solution to campaigns that are more than just the colour green.

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