

Conscious consumerism to have significant impact on marketing strategies in 2020

Warc has revealed that 84% of respondents to Warc's Marketers Toolkit survey said conscious consumerism and sustainability would have a significant or some impact on marketing strategies in 2020.



Sarah Owen, senior editor, WGSN. Image supplied.

Climate change became the climate crisis in 2019. The work of campaigners such as Greta Thunberg, and the Extinction Rebellion movement in the UK, has dovetailed with growing consumer concern about issues such as plastics. The result is a growing pressure on brands to act on behalf of the environment.

The Greta effect is the topic of the societal chapter of Warc's Marketer's Toolkit 2020, an annual report that assesses the influences on marketing strategies for the year ahead.

84% of respondents to the Marketer's Toolkit survey said conscious consumerism and sustainability would have significant or some impact on marketing strategies in 2020. More than 75% agree that brands need to take a stand on social issues. Nearly half of Unilever's top 40 brands are focused on sustainability; they are growing 50% faster than other portfolio brands and account for 60% of growth.

David Tiltman, VP Content, Warc, comments:

“ Brands are eager to respond to environmental concerns, however, the challenge will be how they can respond credibly to changing consumer expectations. Our findings and recommendations outlined in this report will go some way to help tackle these issues. ”

The Society chapter of Warc's Marketer's Toolkit 2020 draws out the following findings:

Consumers demand action on the environment, and brands are responding

Accenture found 62% of consumers are attracted to companies that believe in reducing plastics and improving the environment. A Nielsen study showed this is age-agnostic: 85% of millennials and 65% of those age 65+ feel it's important for companies to "implement programmes that improve the environment." And according to IRI research, three-quarters of shoppers across Europe say they prefer to buy products with environmentally friendly packaging, and similar statistics can

be found throughout the world.

Brands will be judged not by what they say on sustainability, but by what they do. Consumers expect companies to reset their corporate strategy to show they are limiting damage to the environment and that they are taking steps to help solve the global environmental challenge.

Andy Last, co-founder, MullenLowe Salt, observes:

“ Brands that demonstrate clear and relevant social purpose can expect to find preferential treatment from retailers. ”

Tariq Hassan, chief marketing officer, Petco, says: "We have a sustainability council placed inside the organisation that is cross-functional and not only looks at the vendor brands [Petco carries], but looks at every aspect of the internal organisation, from our IT infrastructure, our facilities management, to what I'm starting to think about in terms of production and communications."

Brands are auditing their packaging and looking to eliminate single-use plastic

Packaging presents a major challenge for manufacturing and retail brands - and it's a 2020 focus for 46% of respondents to the Marketer's Toolkit survey. Single-use plastic is particularly high on the agenda. A [recent research report](#) from the Ellen MacArthur Foundation and the UN shows there is much work to do.

The focus on packaging extends to a review of the way products are sold. Procter & Gamble has introduced a packaging concept specifically designed to reduce e-commerce packaging. The company is also one of several brands looking at 'refills': it now offers some Olay face-cream jars with refill pouches on the brand website.

Gabriel Garcia, global head mobile apps marketing and head of marketing APAC, Expedia, says: "One of the things that we're working on is to see how we can enlist hotels that are reducing plastic, that are eco-friendly, and to have a stamp of validation or accreditation."

Marketers are assessing their supply chains and implementing recycling-by-design

Supply chains, cited by 41% of respondents to the WARC survey, will also be a 2020 focus, particularly with carbon emissions in mind. Fashion company H&M Group is looking to have a climate-neutral supply chain, extending through many of its suppliers, by 2030.

All H&M stores around the world encourage customers to bring unwanted garments and textiles for recycling, rewear or reuse. H&M-owned brands (& Other Stories, Monki and Weekday) also encourage customers to return empty beauty containers for recycling. But offering such a service is not enough; brands may need to incentivise customers to use it.



H&M introduces product transparency for all garments sold online

25 Apr 2019



The circular economy (reused goods are recycled and reused to make new products) and recycling-by-design (developing products with an eye to eventually recycling as many parts as efficiently as possible) are growing in popularity amongst major brands. P&G, Unilever and PepsiCo are part of the Loop initiative, which is looking to introduce refills to reduce packaging.

This pressure is also being felt by online retail. Alibaba's initiatives in 2019 included the creation 75,000 permanent recycling stations nationally to recycle cardboard and reduce the impact of consumption, and trade-in programs to allow consumers to replace over 40,000 used electrical products from 250 brands for new ones.

Brands need more than purpose to 'take a stand' successfully

Given the growing consumer interest in environmental issues, brands may be tempted to double down on 'purpose' communications.

There is risk here. Consumers are often sceptical about brands that tap into societal issues, with a recent Edelman survey showing more than half think this is merely a marketing ploy rather than evidence of any genuine conviction. The same study pointed out that trust in a brand does not replace the importance of quality, convenience and value to consumers. It is only when the three elements of product, customer experience and purpose are combined that brands really start to reap the benefits.

Brands need to be realistic about what they can do. While associating a brand with a noble cause is an emotional winner and can be an effective brand-building tool, it's also challenging. Taking a stand should not be momentary, regional, or situational. Choosing the right partnerships can be one way of building credibility.

Sarah Owen, senior editor, WGSN, also points out:

“ The post-trust society has exacerbated the feeling that governments are not dealing with many of the issues that concern us today, and that creates white space where brands can step in. ”

Warc's Marketer's Toolkit 2020, the definitive, evidenced-based and practical guide for marketers to plan for 2020, is based on a survey of almost 800 client and agency-side practitioners around the world, combined with insights from a series of interviews with chief marketing officers, backed by evidence from Warc Data, case studies and expert opinion.

The report, available to download [here](#), covers five key drivers of change: society, tech, economy, industry and policy. A deep-dive into each of the five chapters including more on Society - The Greta Effect - for which Warc has collaborated with sister Ascential brand WGSN, is available to Warc subscribers.

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