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evidence and ideas. applied

Global Trends in Sustainable Consumption: Unlocking Excitement for Change

Eric Whan
Hong Kong Consumer Council
29 February 2016

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Hewlett Packard Enterprise | ICMM International Council on Mining & Metals | ICRC | IDB | IDRC International Development Research Centre | CRDI Centre de recherches pour le développement international | IKEA

International Monetary Fund | LLOYD'S | M&S EST. 1884 | McDonald's | MOLSON Coors | NATIONAL GEOGRAPHIC | Nestlé

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Agenda

- Permissive Context for Catalytic Leadership
- Greendex: A Global Index of Sustainable Consumption
- Changing Behaviour
- Brand leadership

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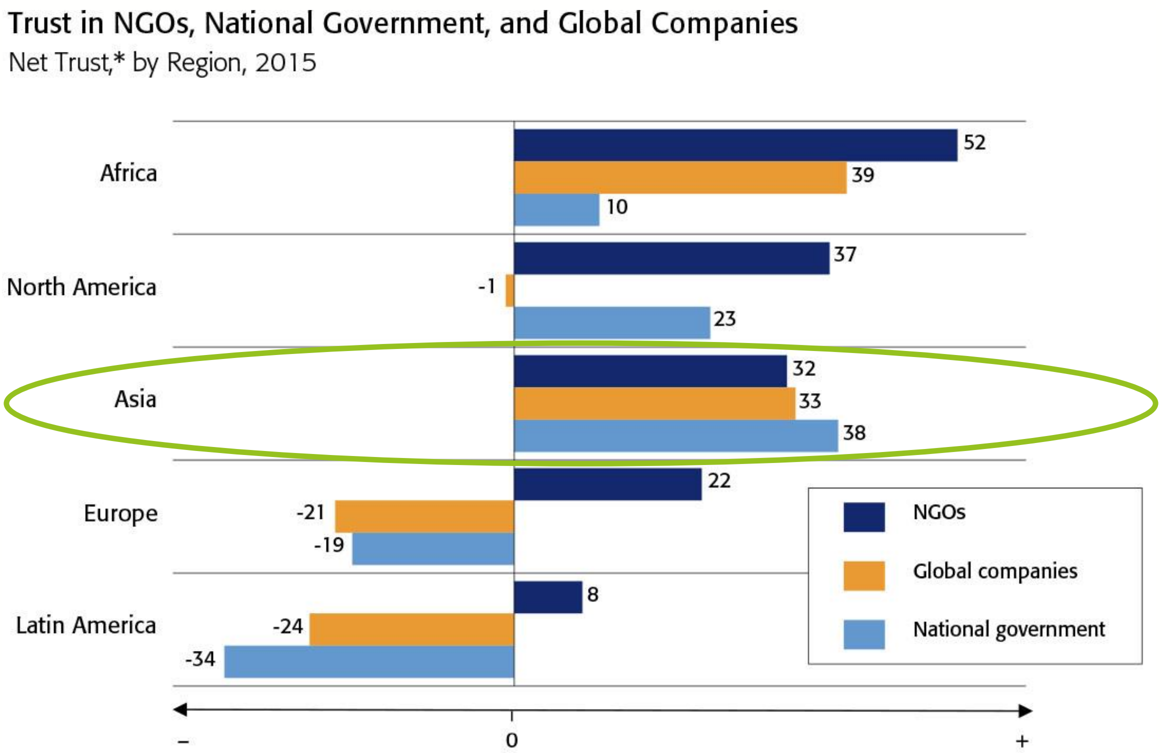
Evidence Sources

Global public opinion tracking (n=24,000)

Global sustainability expert tracking (n=900)

Global consumer opinion and behaviour tracking (n=18,000)

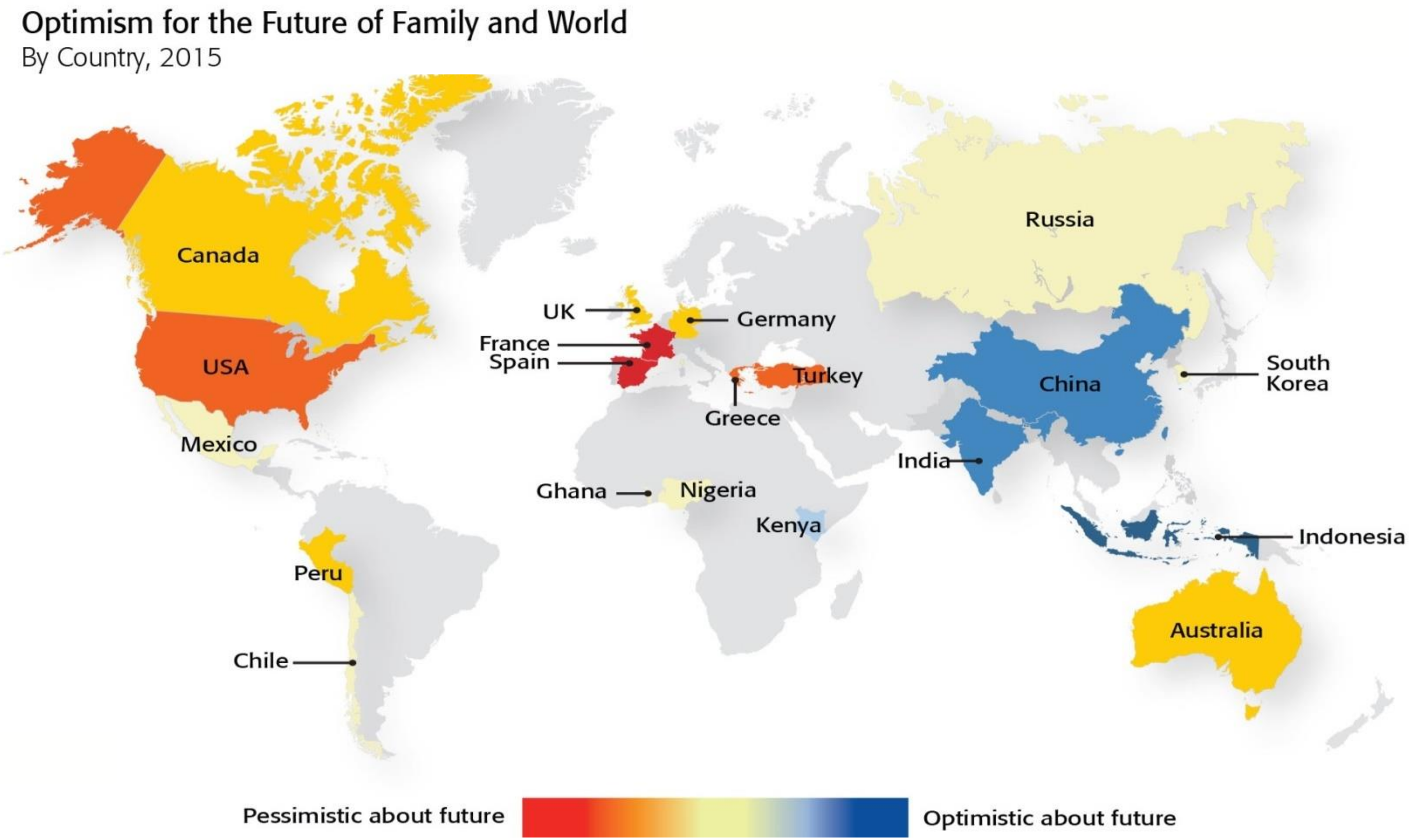
Permission to Lead



*"A lot of trust" and "Some trust" minus "Not much trust" and "No trust at all"

Q3bt. Please tell me how much you trust each of the following institutions to operate in the best interest of our society.

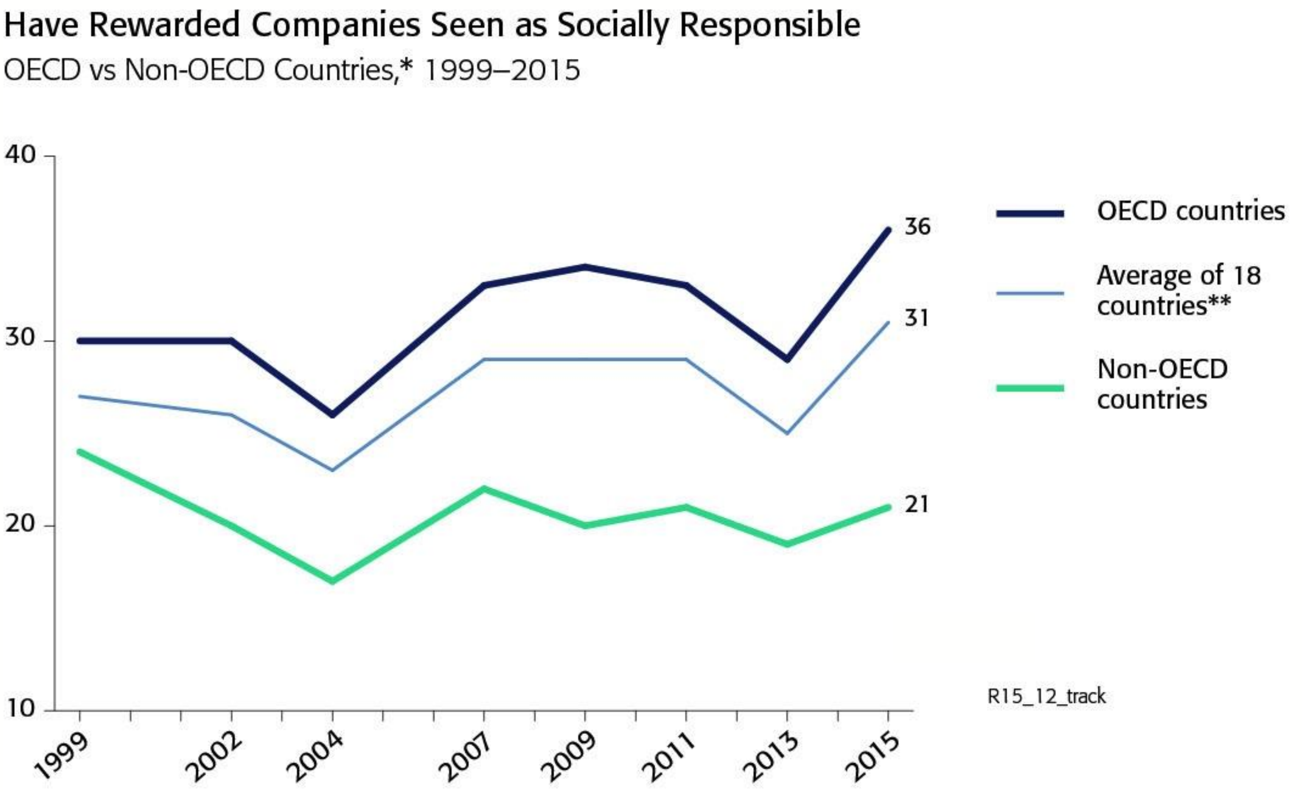
OPTIMISM INDEX: People in Indonesia, China, and India express the most optimism for the future of their family and the world



Combining scores on both optimism questions for future generations and the direction of the world, we find citizens in Indonesia, China, and India display particularly high levels of optimism.

Q5At. For each of the following statements, please tell me if you strongly agree, somewhat agree, somewhat disagree, or strongly disagree. bt) The world is going in the right direction. ct) Our children and grandchildren will have a higher quality of life than we do today.

Globally, ‘ethical consumerism’ is now at its highest level since 1999



Q12Bt. Over the past year, have you considered rewarding a socially responsible company by either buying their products or speaking positively about the company to others? Would you say you have…?

GREENDEX 2014:
Consumer Choice and the Environment – A Worldwide Tracking Survey

GREENDEX : ENABLING BEHAVIOR CHANGE

A Research Project by National Geographic & GlobeScan

NATIONAL GEOGRAPHIC

GLOBESCAN

A PRESENTATION BY TERRY GARCIA & ERIC WHAN


CONSUMER GOODS
FOOD
TRANSPORTATION
HOUSING

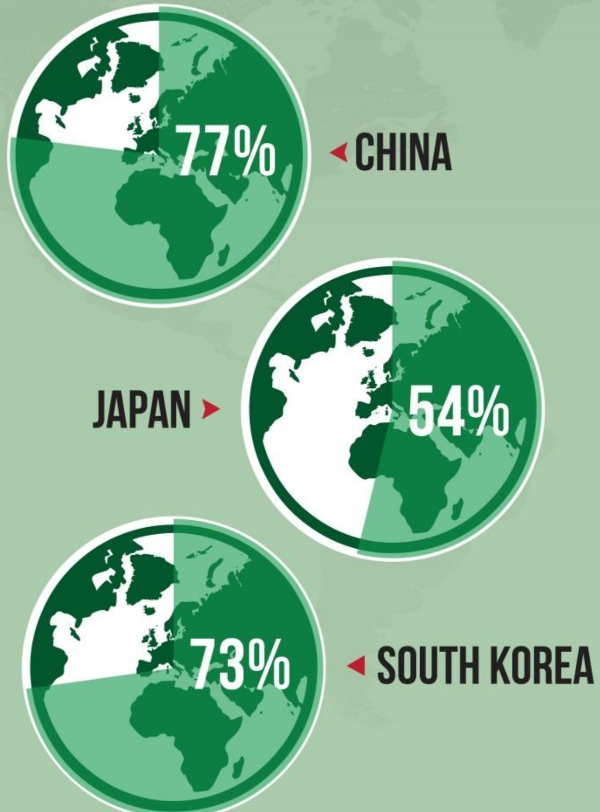
Greendex

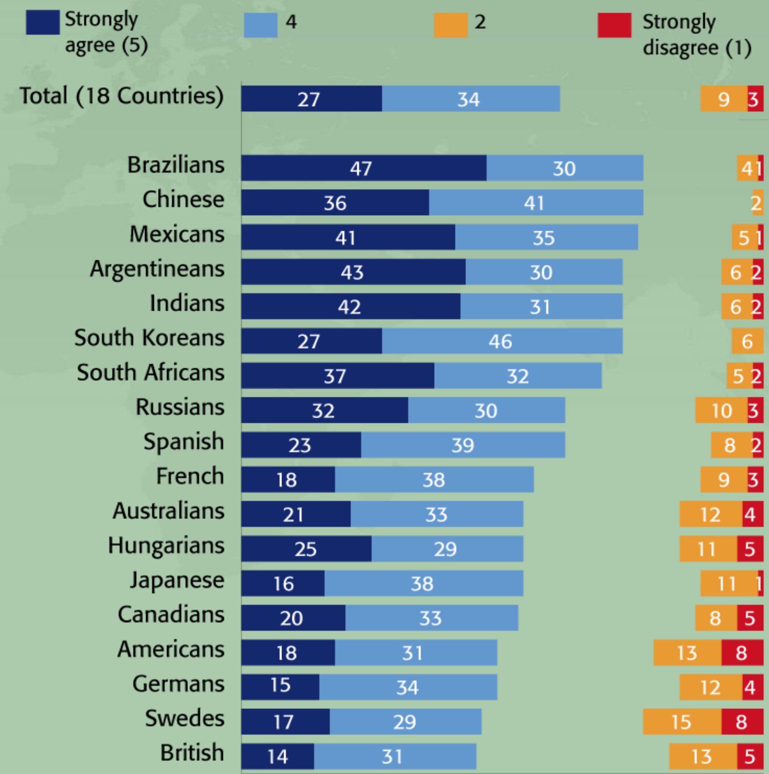
GREENDEX 2014

WIDESPREAD CONCERN:

I AM VERY CONCERNED ABOUT ENVIRONMENTAL PROBLEMS

PERCENTAGE OF CONSUMERS IN EACH COUNTRY, 2014



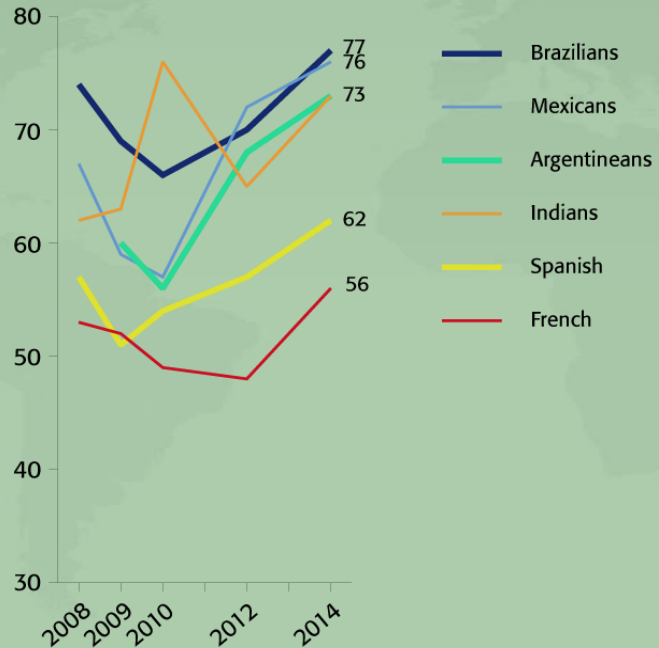


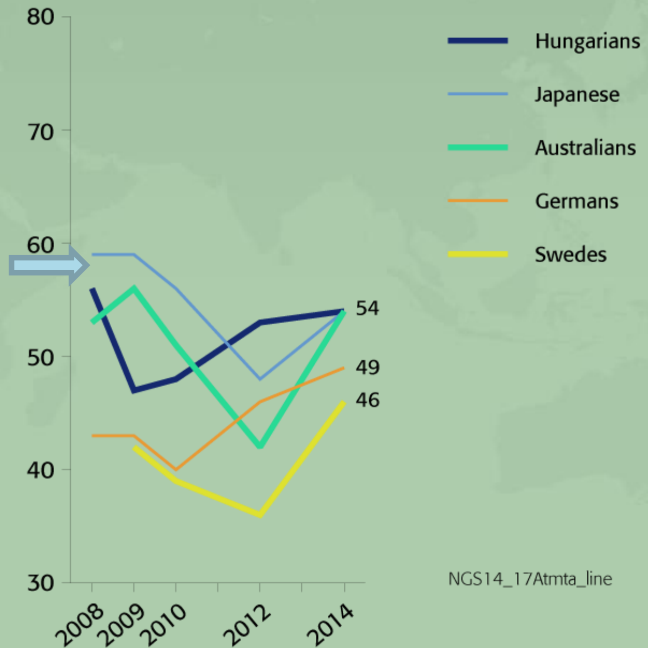
The white space in this chart represents "3" (on a scale of 1 to 5 where 1 means "Strongly disagree" and 5 means "Strongly agree") and "DK/NA."

ANXIETY IS GROWING:

I AM VERY CONCERNED ABOUT ENVIRONMENTAL PROBLEMS

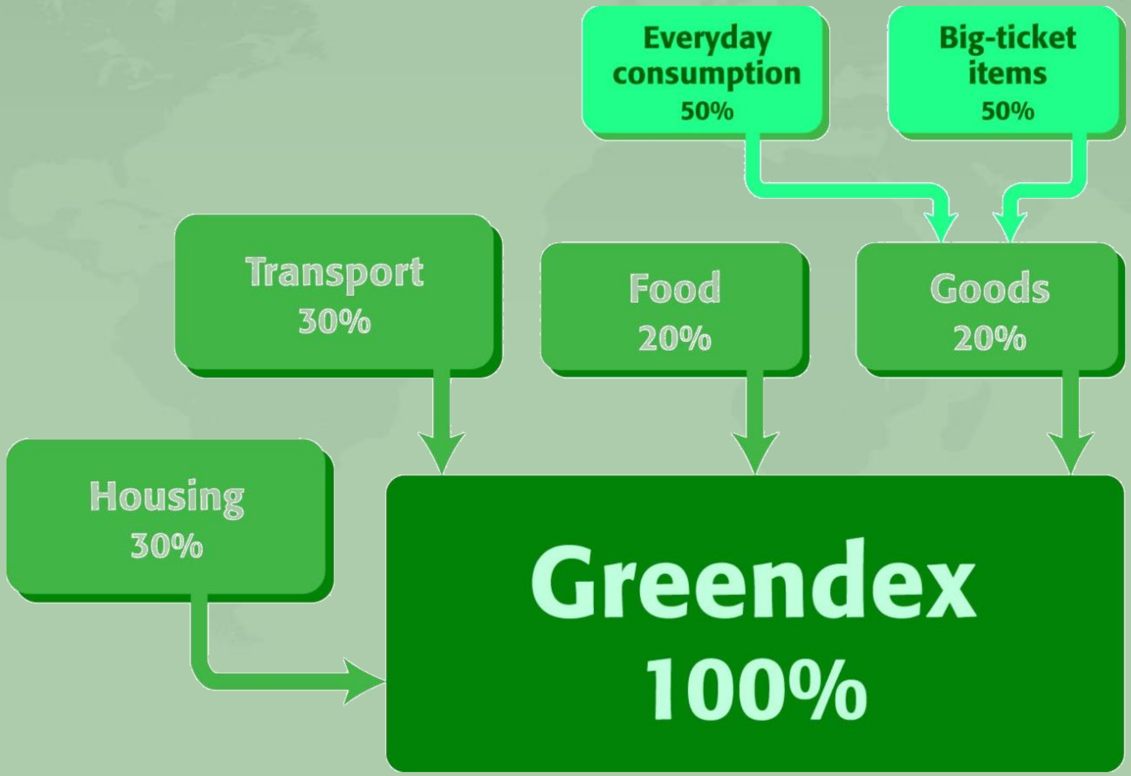
"AGREE (4+5)," PERCENTAGE OF CONSUMERS IN EACH COUNTRY, INCREASES: 2008–2014





65-Variable Index Structure with Weighting

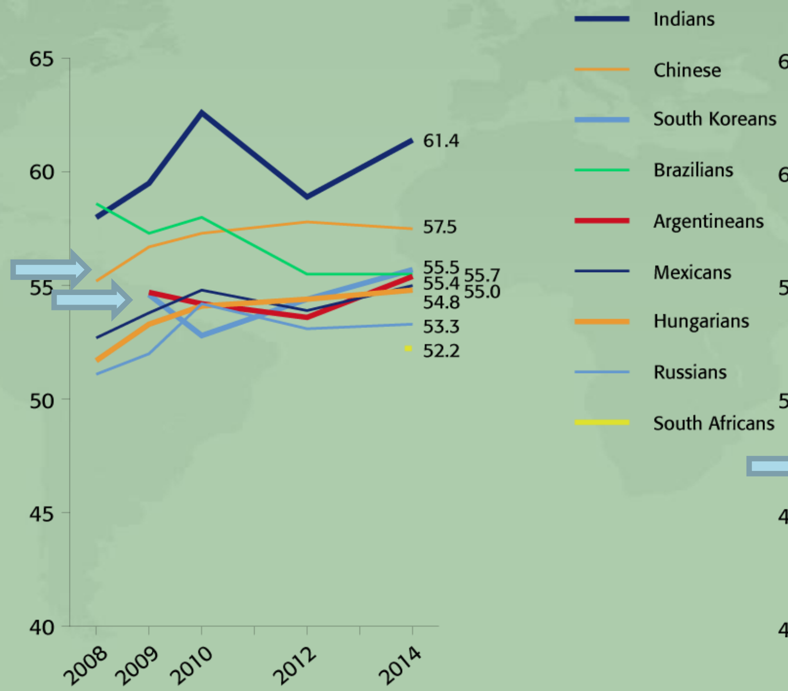
In calculating the total Greendex scores, the sub-indices are weighted as follows:

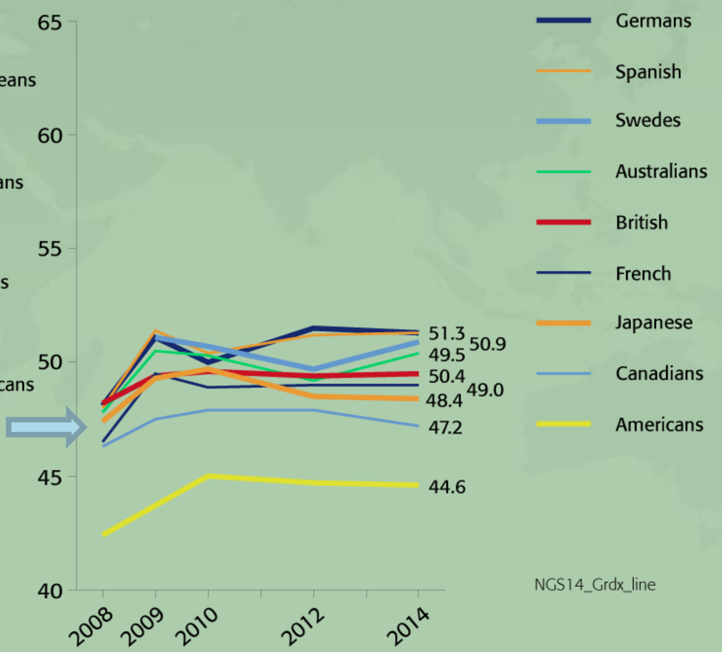


CONSUMER BEHAVIOR IS STUCK:

GREENDEX: OVERALL SCORES

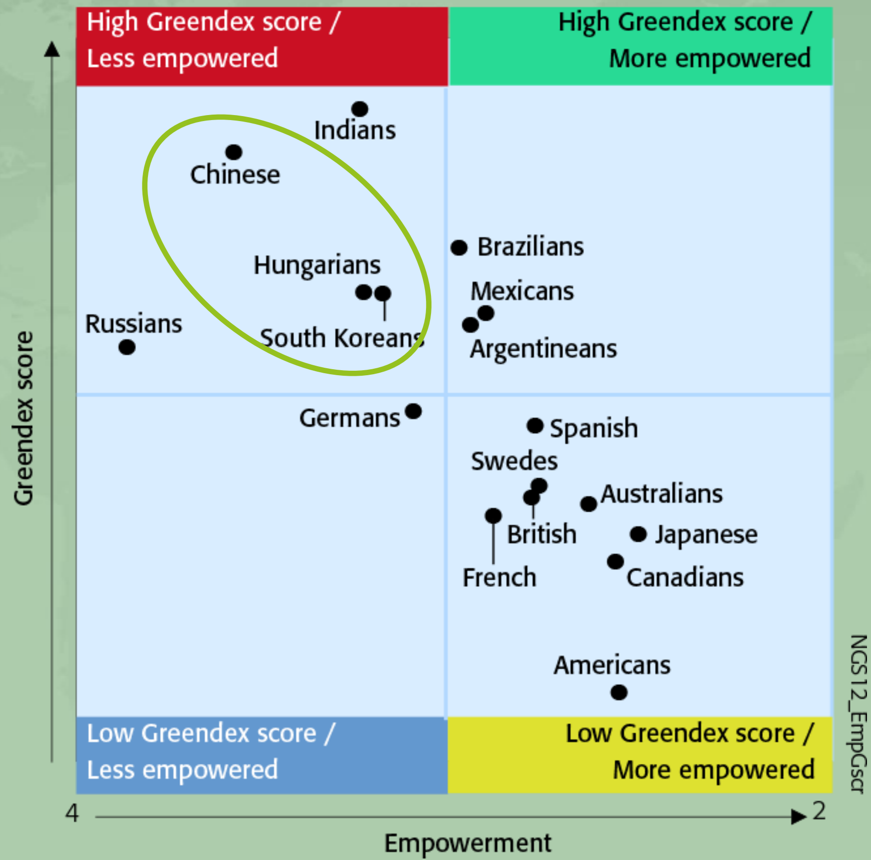
TRENDS: 2008–2014





SUSTAINABLE CONSUMPTION INVERSE TO EMPOWERMENT

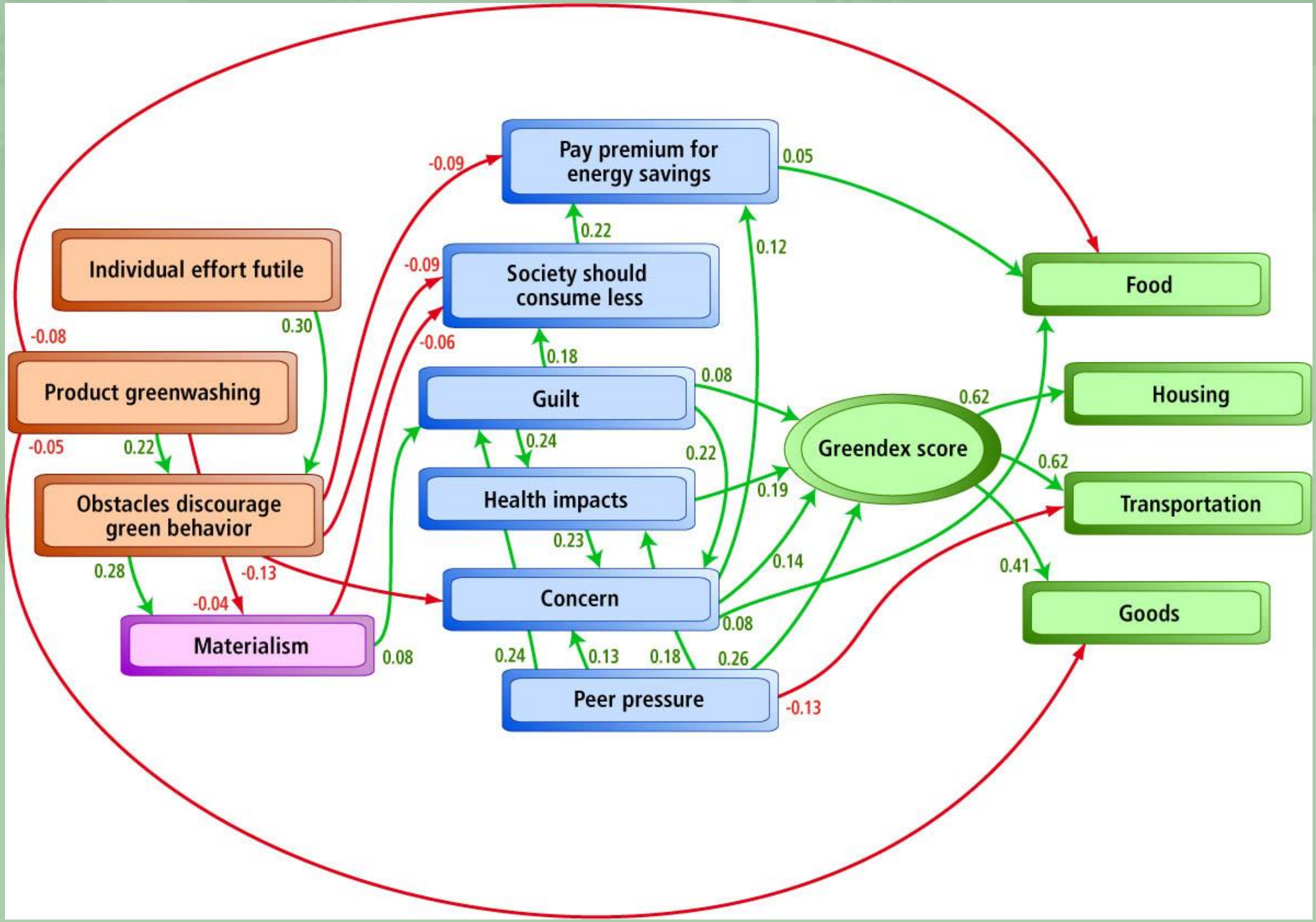
EMPOWERMENT VS GREENDEX SCORES



Note: "Empowerment" refers to the extent to which one disagrees with the statement "the impact that our society has on the environment is so severe that there Is very little individuals can do about It."

LACK OF LEADERSHIP IS KEY BARRIER

MENTAL MODEL OF SC BEHAVIOUR



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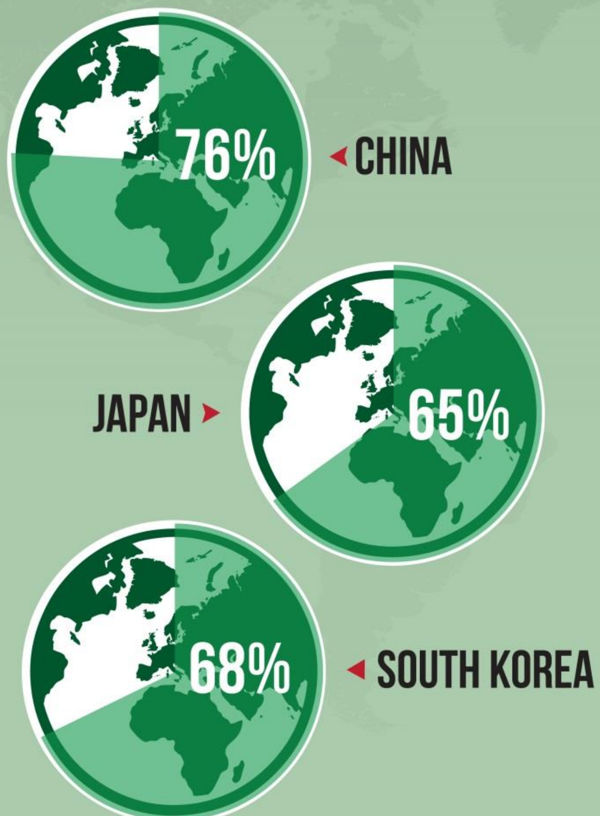
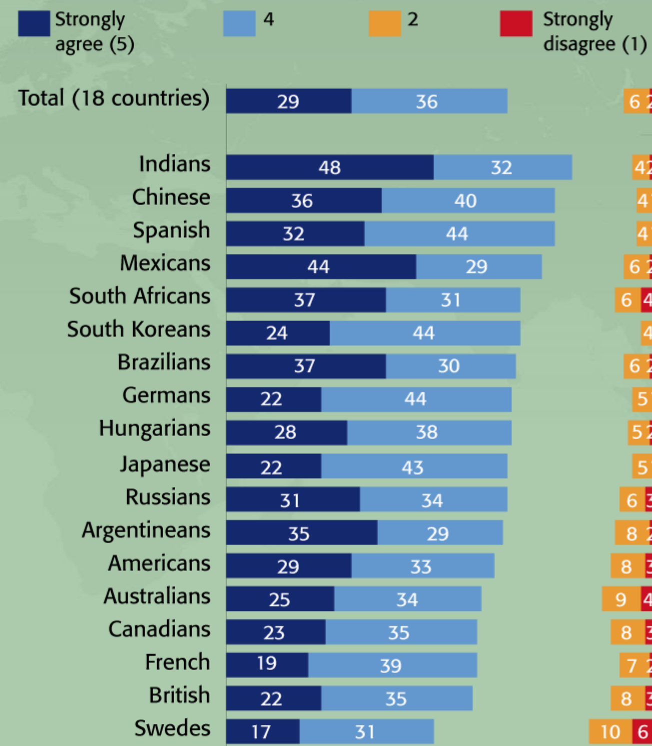
GREENDEX 2014

ATTACHED TO OUR FOODS:
FOOD IS AN ESSENTIAL PART OF MY CULTURE

PERCENTAGE OF CONSUMERS IN EACH COUNTRY, 2014





The white space in this chart represents "3" (on a scale of 1 to 5 where 1 means "Strongly disagree" and 5 means "Strongly agree" with the statement) and "DK/NA."

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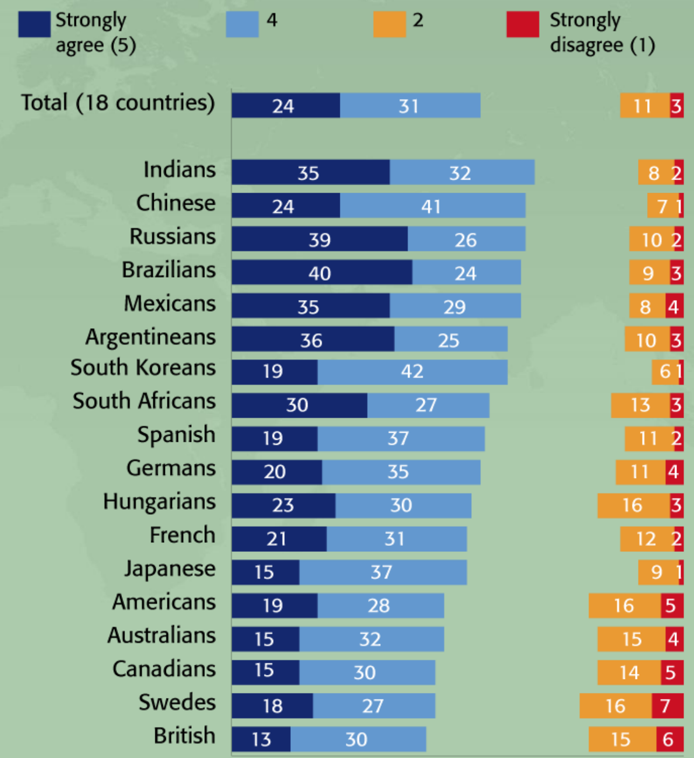
DEMAND FOR KNOWLEDGE:
IT IS VERY IMPORTANT TO KNOW HOW MY FOOD IS PRODUCED

PERCENTAGE OF CONSUMERS IN EACH COUNTRY, 2014

CHINA

JAPAN

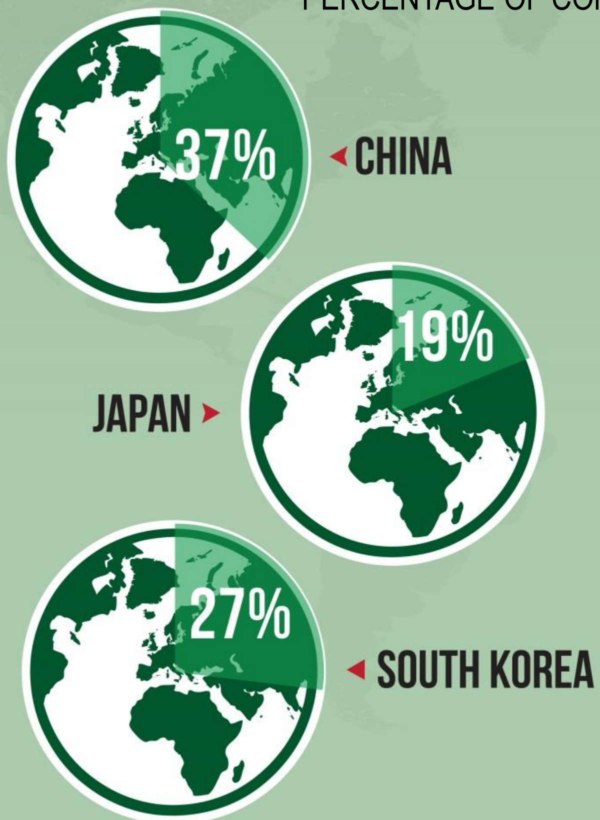
SOUTH KOREA

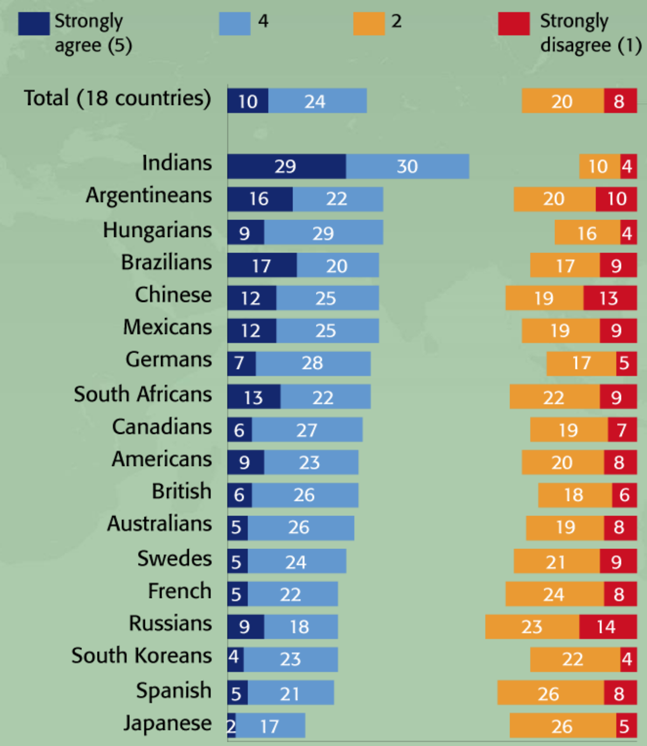


The white space in this chart represents "3" (on a scale of 1 to 5 where 1 means "Strongly disagree" and 5 means "Strongly agree" with the statement) and "DK/NA."

BUT, LACK OF TRANSPARENCY:
I FEEL WELL-INFORMED ABOUT THE QUALITY, SAFETY, AND ORIGIN OF FOOD I EAT

PERCENTAGE OF CONSUMERS IN EACH COUNTRY, 2014





The white space in this chart represents "3" (on a scale of 1 to 5 where 1 means "Strongly disagree" and 5 means "Strongly agree") with the statement and "DK/NA."

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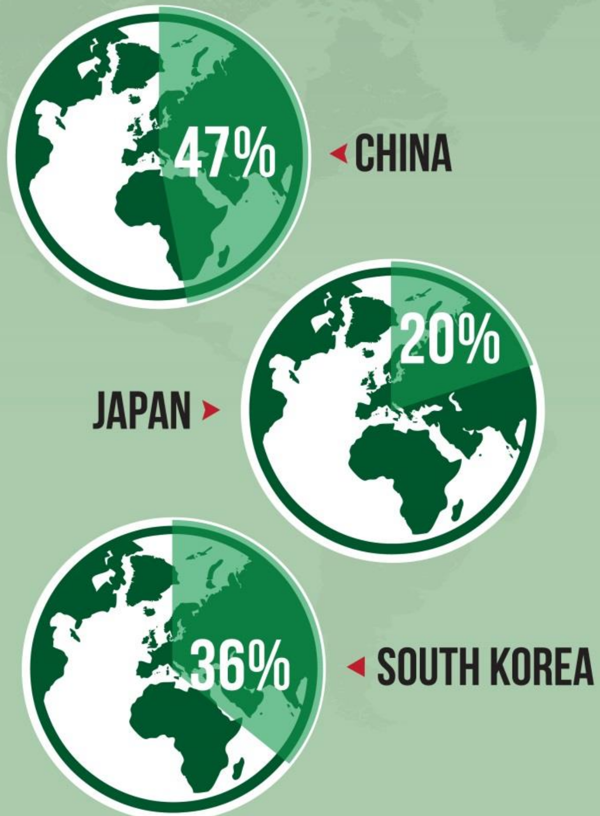
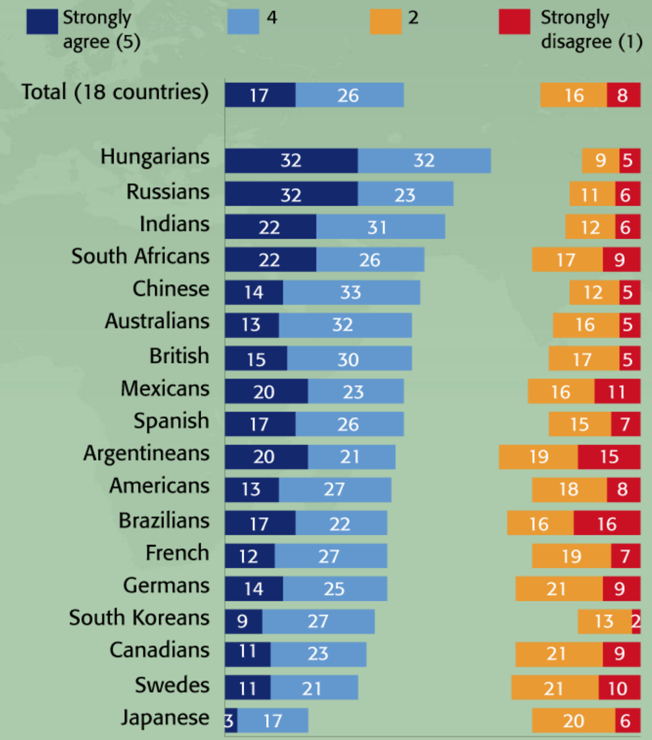
DISENFRANCHISED:
CONSUMERS HAVE LITTLE INFLUENCE OVER HOW FOOD IS PRODUCED

PERCENTAGE OF CONSUMERS IN EACH COUNTRY, 2014





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NATIONAL GEOGRAPHIC GLOBESCAN

INFORMED CONSUMERS ARE…

- Empowered
- Connected
- Engaged
- Positive
- Willing to pay

➤ Good for all stakeholders

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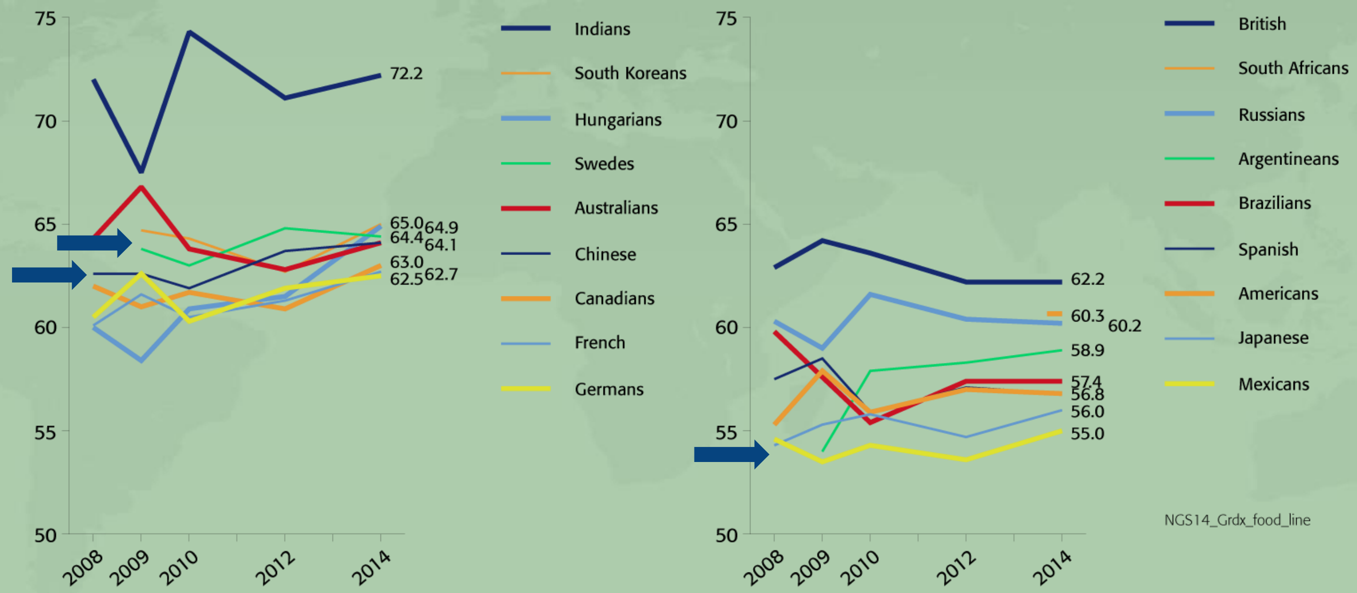
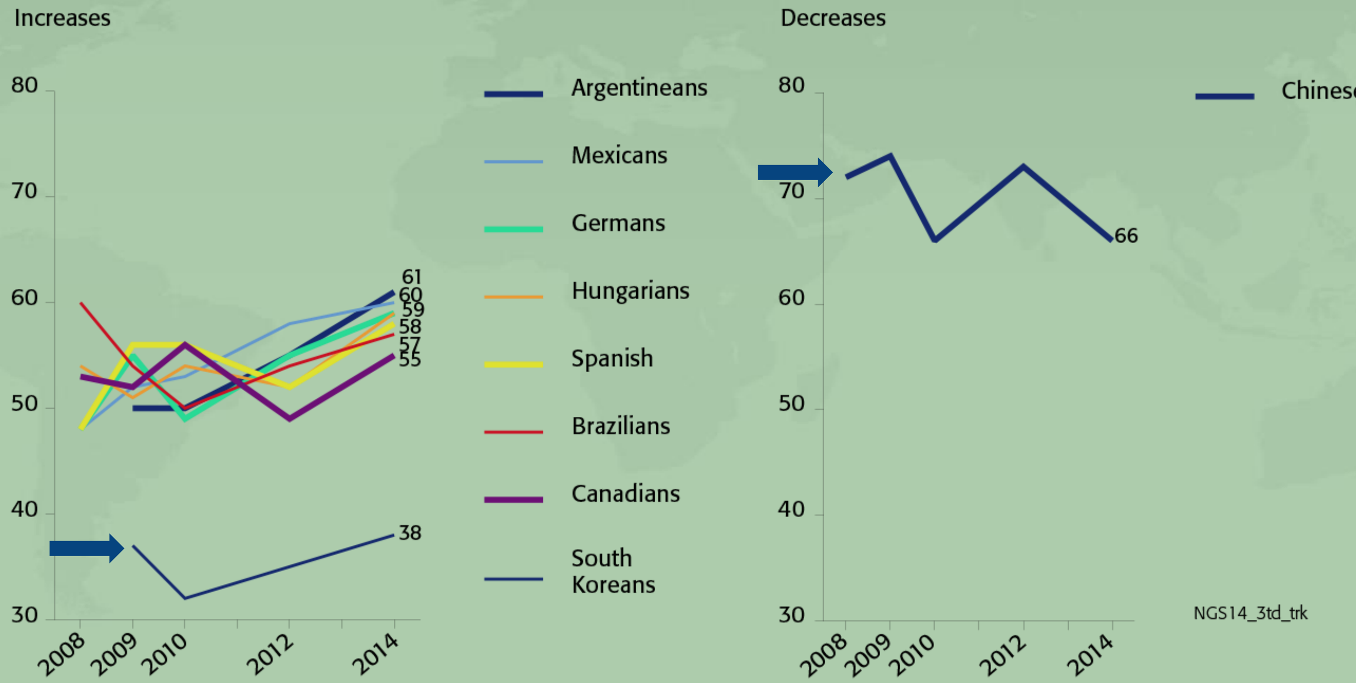
CHANGING DIETS

POSITIVE SIGNS OF CHANGE:
FOOD SUBINDEX CORES ARE UP IN MANY COUNTRIES
TRENDS: 2008–2014



LOCAL UP:
FREQUENCY OF CONSUMING LOCALLY GROWN FOOD

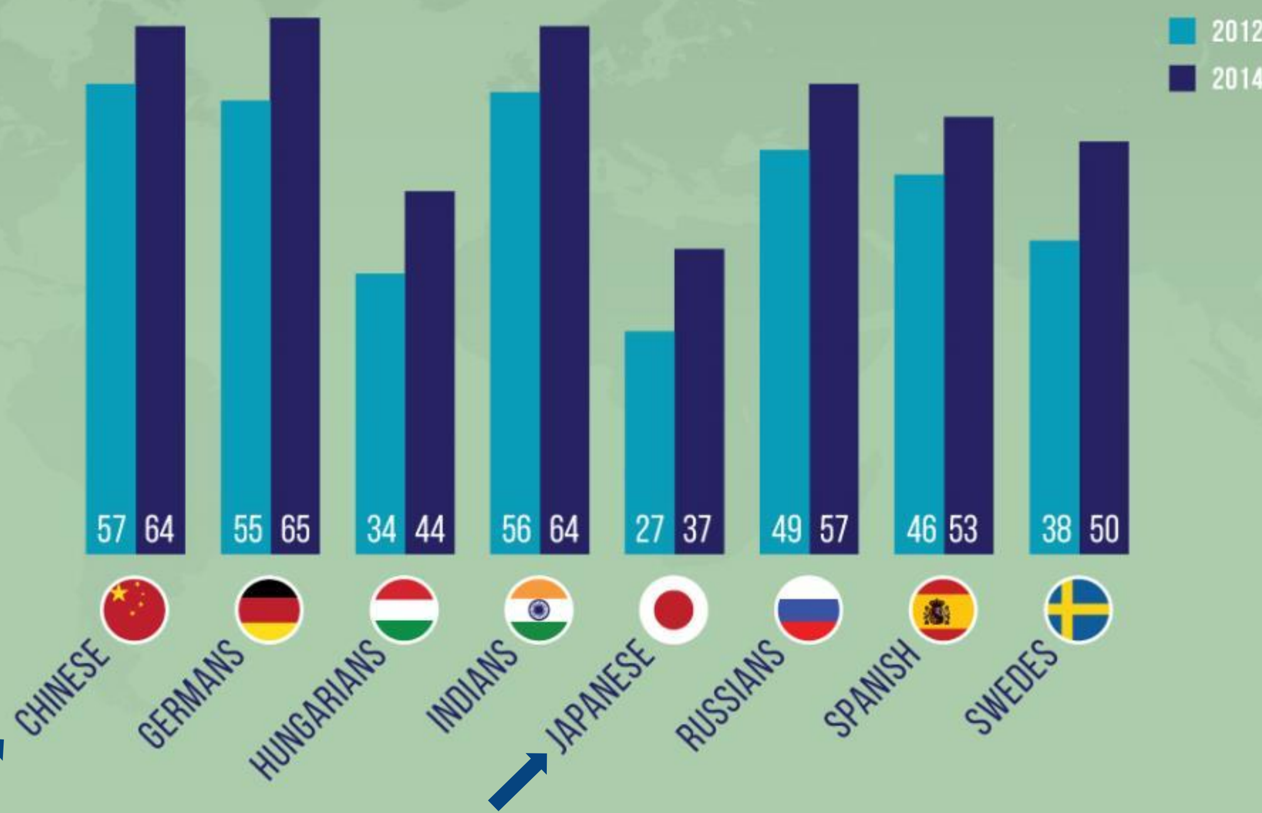
"DAILY" AND "SEVERAL TIMES A WEEK," PERCENTAGE OF CONSUMERS IN EACH COUNTRY, RECENT TRENDS: 2008–2014



GROWING MARKET:

IT IS WORTH PAYING MORE FOR LOCALLY OR ORGANICALLY PRODUCED FOODS

"AGREE" (4+5), PERCENTAGE OF CONSUMERS IN EACH COUNTRY, TRENDS: 2012–2014



UNLOCKING FURTHER CHANGE

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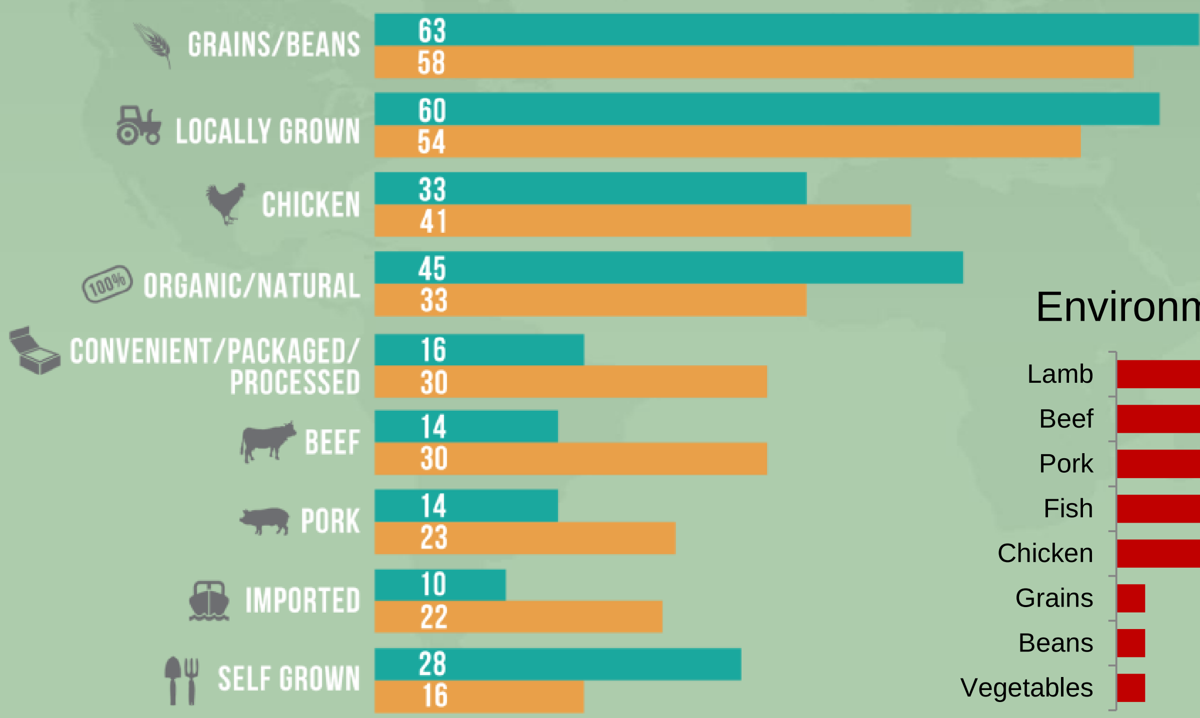
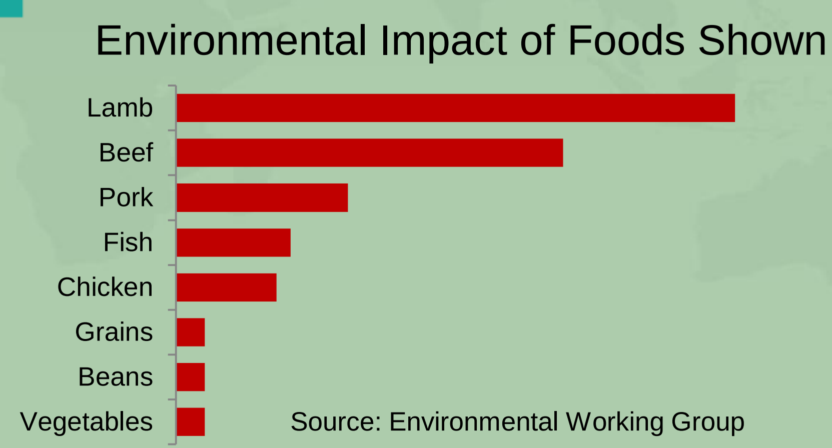
LESS BAD, MORE GOOD:

CURRENT CONSUMPTION VS FUTURE INTENTIONS AFTER LEARNING OF ENVIRONMENTAL IMPACT

"DAILY" CONSUMPTION AND "SEVERAL TIMES PER WEEK," TOTAL CONSUMERS, 2014





FUTURE INTENDED CONSUMPTION CURRENT CONSUMPTION

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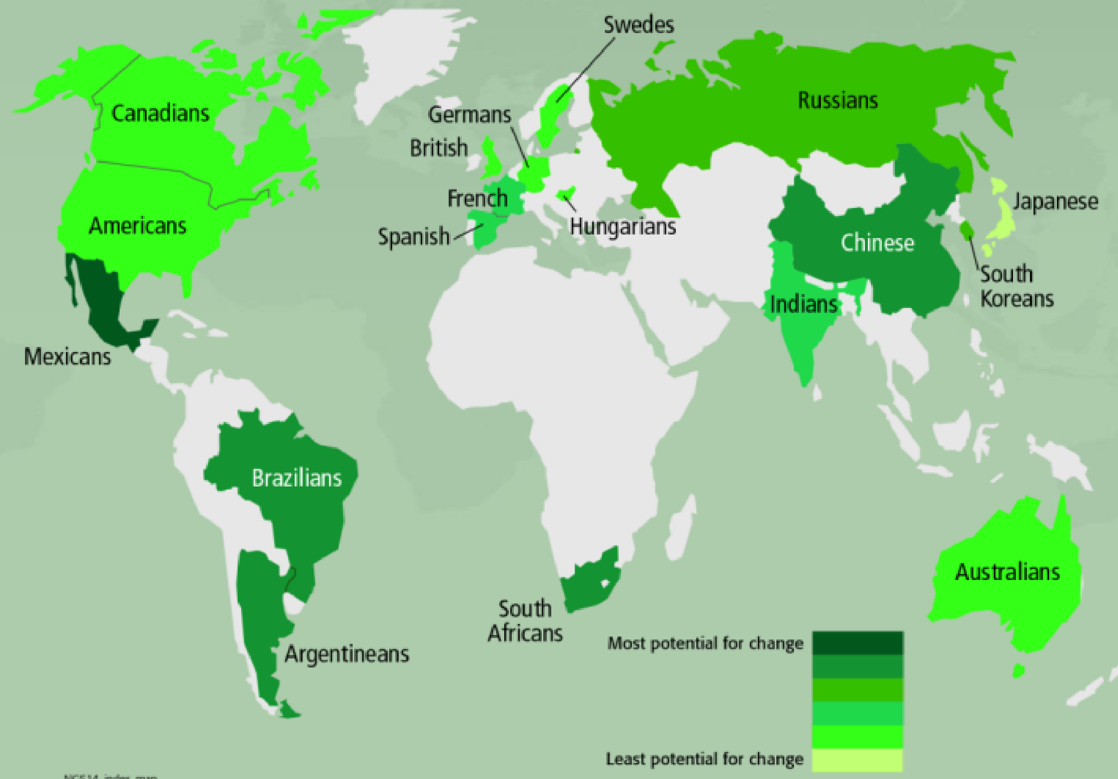
MAPPING POTENTIAL FOR CHANGE:

RELATIVE POTENTIAL FOR FOOD CONSUMPTION BEHAVIOR CHANGE

BY COUNTRY, 2014

1.8 billion people in top five countries



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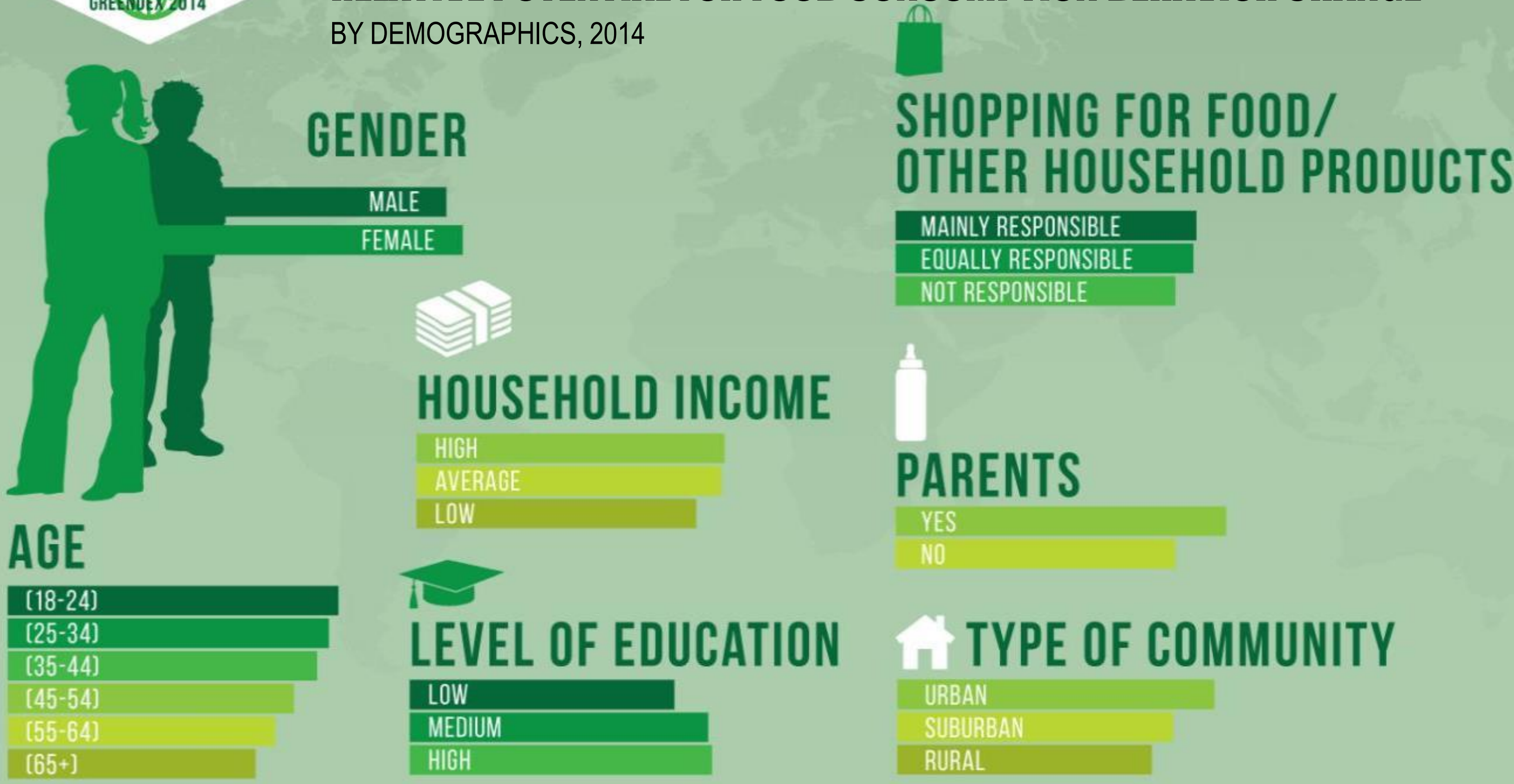
THE IDEAL MARKET:
RELATIVE POTENTIAL FOR FOOD CONSUMPTION BEHAVIOR CHANGE
BY DEMOGRAPHICS, 2014



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MOST POWERFUL LEVERS:
DRIVERS OF FOOD BEHAVIOR CHANGE – WHAT THE STATS SAY

1. Peer influence (inbound and outbound)
   - Leverage consumers' trusted tribes and networks for positive feedback loops

2. Connections between humans and environment
   - Create cognitive linkages

3. Concern about various environmental issues
   - Establish the big picture

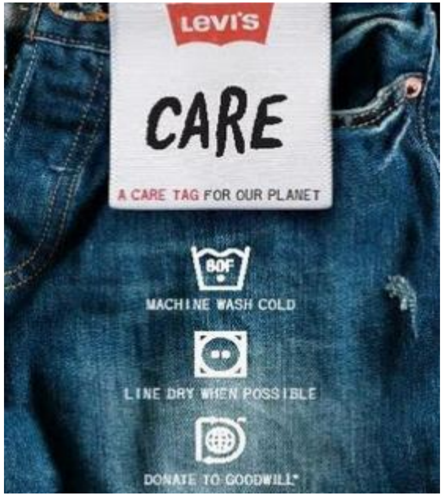
4. Other sustainable habits
   - Take advantage of other conducive behavior patterns by inserting food into existing values equations

Who Experts Think Can Cause Change: Expectations vs Performance

The 2015 *Sustainability Leaders*
A GlobeScan/SustainAbility Survey

SustainAbility GLOBESCAN

Consumer Engagement: Show Me, Teach Me, Involve Me



Destination, not the Journey

So?

- Most consumers are followers, not leaders
- Empower change-agent leaders through collaboration
- Education is not enough on its own, and civil society can't do it all
- Resist price premiums: ethical consumers should not be responsible for compensating perverse subsidies / partial-costing
- Change the rules of engagement from less to more, from sacrifice to success

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GlobeScan is an evidence-led strategy consultancy focused on stakeholder intelligence and engagement. Offering a suite of specialist research, and advisory services, GlobeScan partners with clients to meet strategic objectives across reputation, sustainability and purpose. GlobeScan's overarching purpose is to help our clients redefine what it means to be in business.

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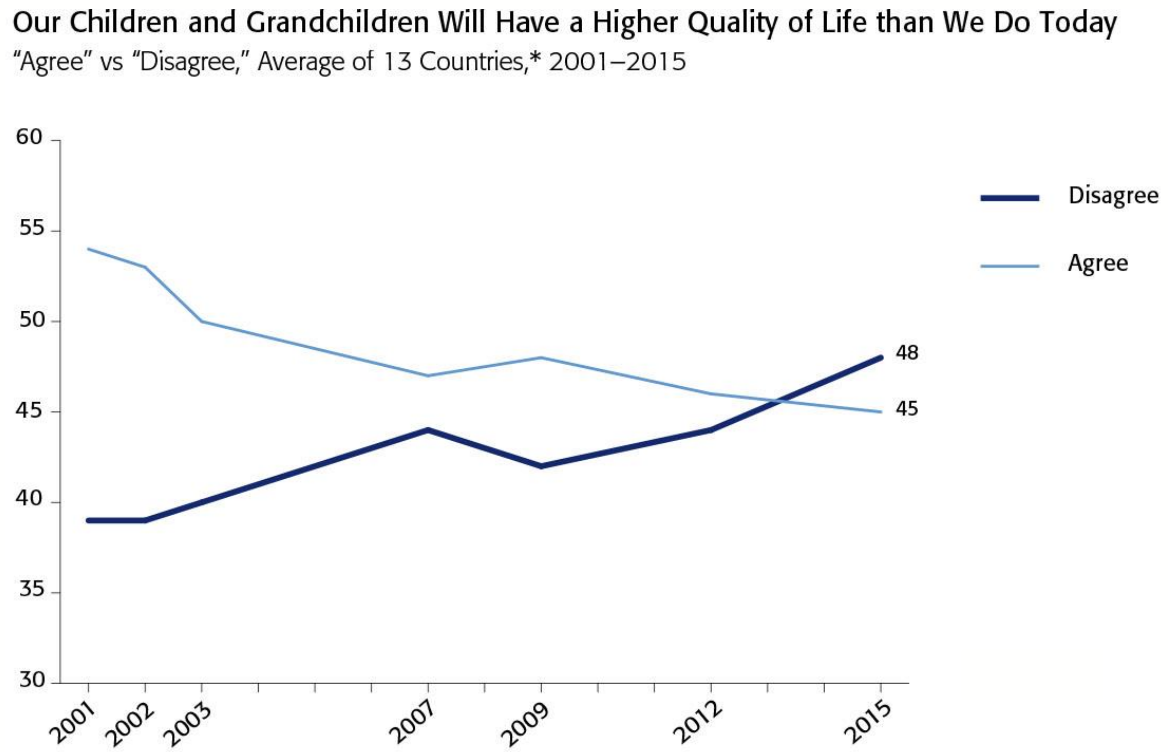
Who (and Why) We Are

- GlobeScan is an evidence-led strategy consultancy focused on stakeholder intelligence and engagement.
- Traditional solutions are no longer sufficient in the face of today's urgent economic, social and environmental needs.
- Trust in societal institutions is at an all-time low, and business as usual is no longer an option.
- Our purpose is to help redefine what it means to be in business. We work collaboratively to enable a sustainable and equitable future.
- The destination matters more than the journey.

Overall, people have become more likely to be pessimistic than optimistic about the prospects of future generations having a better life…



*Includes Canada, Chile, France, Germany, India, Indonesia, Mexico, Nigeria, Russia, Spain, Turkey, UK, and USA. Not all countries were asked in all years.

Q5At. For each of the following statements, please tell me if you strongly agree, somewhat agree, somewhat disagree, or strongly disagree. ct) Our children and grandchildren will have a higher quality of life than we do today.

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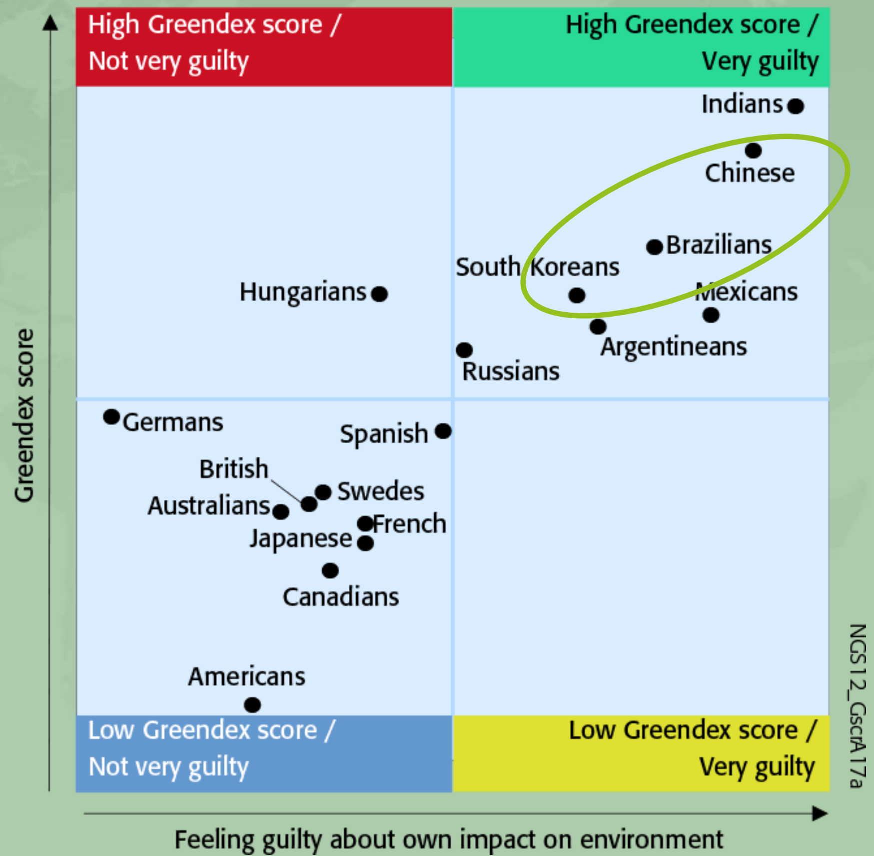
GREENDEX SCORE VS FEELING GUILTY
Consumers in Each Country, 2012



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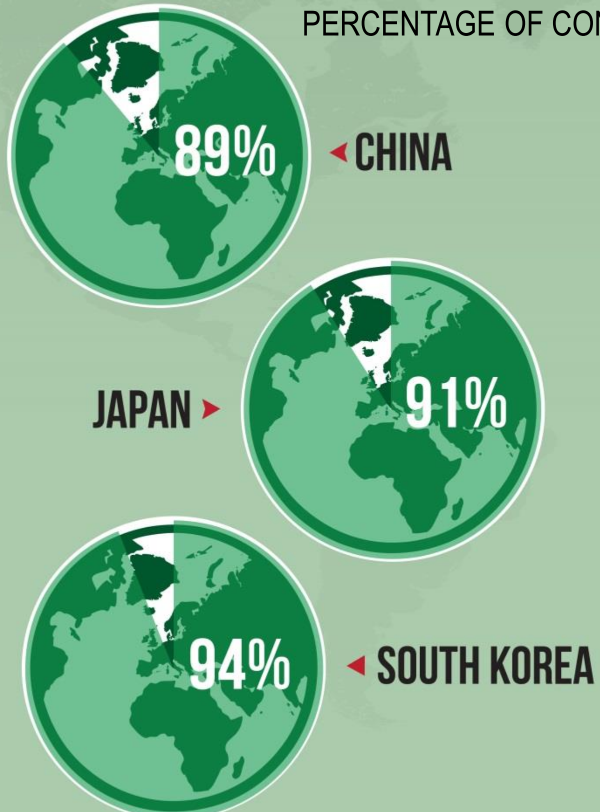
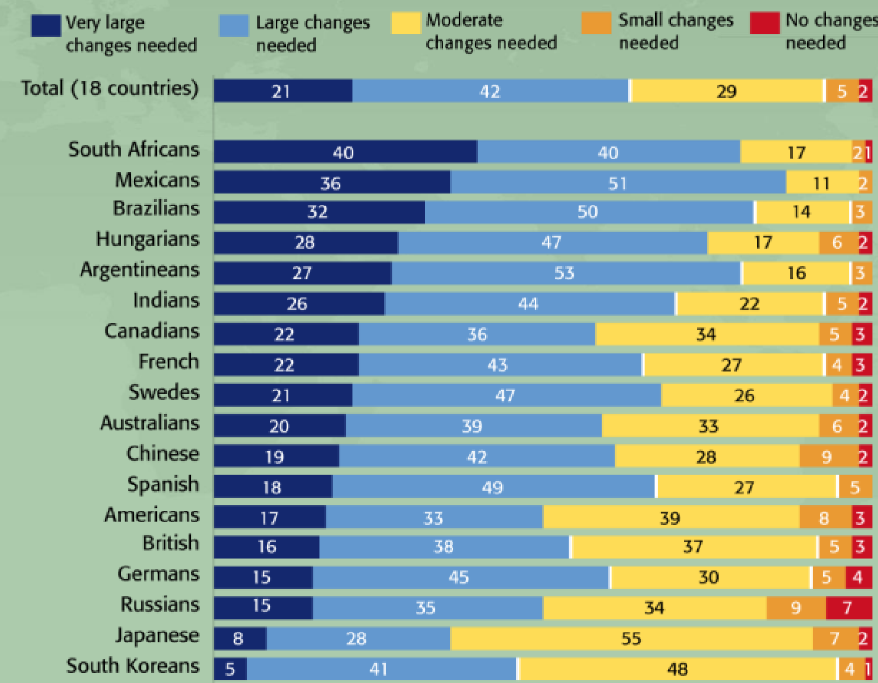
RECOGNIZED PROBLEM:

NEED TO CHANGE PRODUCTION/CONSUMPTION OF FOOD TO FEED GROWING GLOBAL POPULATION

PERCENTAGE OF CONSUMERS IN EACH COUNTRY, 2014





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