Green Brands, Global Insights 2011

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Price, packaging, and perception

Results from the 2011 ImagePower Green Brands Survey

The 2011 ImagePower® Green Brands Survey was our largest such study to date, capturing the perspectives of more than 9,000 consumers in eight countries. We again saw a split between responses in the "developed countries" (Australia, France, Germany, the United Kingdom, and the United States) and those in the "developing countries" (Brazil, China, and India), but the details proved enlightening.

Now that their drought has ended, do Australians still view water conservation as the biggest green issue, as they did last year? Which green products will the Chinese be buying this year? And which brands are perceived as greenest around the world?

We uncovered several global trends affecting consumer behavior:

- Growing concern over energy consumption
- Emphasis on basic brand attributes
- Increased desire to buy green
- Interest in big-ticket green products
- Attention to packaging

Growing concern over energy consumption

In most countries, concern about the state of the economy fell, while concern about the state of the environment grew. (Germany, which reported a 29 percent decrease in concern over the economy, was the most optimistic country in this regard.)

Respondents in China, France, Germany, the United Kingdom, and the United States pointed to energy use as the biggest green issue today. In previous years, climate change and pollution were identified as the largest issues, and still present the greatest challenge in Australia and India. In Brazil, deforestation remains the principal green concern.

Emphasis on basic brand attributes

Consistent with previous years, the majority of respondents across all countries say it is important to buy from companies that are environmentally friendly.

But when asked which attributes are most important for a company, they listed more basic concerns before environmentally conscious and green.

In all countries except the United States, consumers seek out products with less packaging to reduce waste.

Good value and reliability ranked first and second in importance with consumers in Australia, France, Germany, the United Kingdom, and the United States. Brazilians value reliability and high quality above all, followed by caring about customers. The Chinese rated responsibility and trustworthiness as most important. In India, caring about customers took first place, followed by reliability and trustworthiness. These responses clearly indicate that companies should not sacrifice brand basics for greenness, but maintain a balance of desirable brand attributes.

Increased desire to buy green

Overall, consumers are less likely to cite hurdles to buying green compared to last year. A majority of respondents in Brazil, China, and India say they intend to spend more on green products and brands, but are hampered by limited selection and availability. Chinese consumers experience an additional barrier: confusing or untrustworthy labeling. Demand for green continues to grow in these developing markets, with consumers willing to pay up to 10 percent more for products that are environmentally friendly.

In developed countries, price is named as the greatest barrier to purchasing green. Most consumers here believe that green products and brands are more expensive than their nongreen counterparts, and more than a third are unwilling to pay higher prices for green. More consumers are willing to spend the same on green in the next year, but those willing to spend more are decreasing.

Interest in big-ticket green products

When people do buy green, what are they buying?

Respondents indicated they're most likely to purchase green products in the household, grocery, personal care, and packaged food and beverage categories. This is in line with the ongoing interest worldwide in purchasing green for products that are "in me and on me," but the categories poised for growth paint a new picture. Consumers in all markets intend to go green on more big-ticket items during the next year.

Brazil, China, and India show the biggest potential for increased sales of environmentally friendly automobiles. Consumers in France, the United Kingdom, and the United States say they plan to buy green technology brands. And Germany was the only country to name energy use as its most important green issue over the next year. In Australia, the auto, technology, and energy categories are tied in their potential for growth.

Attention to packaging

Consumers in Australia, France, the United Kingdom, and the United States all cited packaging as their primary source of information on green brands and a major factor in determining what they will purchase. In China, France, and Germany, consumers rely on certification marks to help them decide whether a product is green.

Respondents worldwide agreed that companies use too much packaging for their products. In all countries except the United States, consumers seek out products with less packaging to reduce waste. Recyclability is considered the most important aspect of green packaging in Australia, Brazil, France, India, the United Kingdom, and the United States. Germans feel strongly that companies should use less packaging to begin with, while the Chinese favor packaging made from biodegradable materials.

In summary

The 2011 ImagePower Green Brands Survey tells us that greenness remains a major issue for consumers around the world, and that they expect green practices from the companies they do business with. Whether you're a brand manager in Melbourne or an operations director in Bangalore, this study has valuable insights to offer.

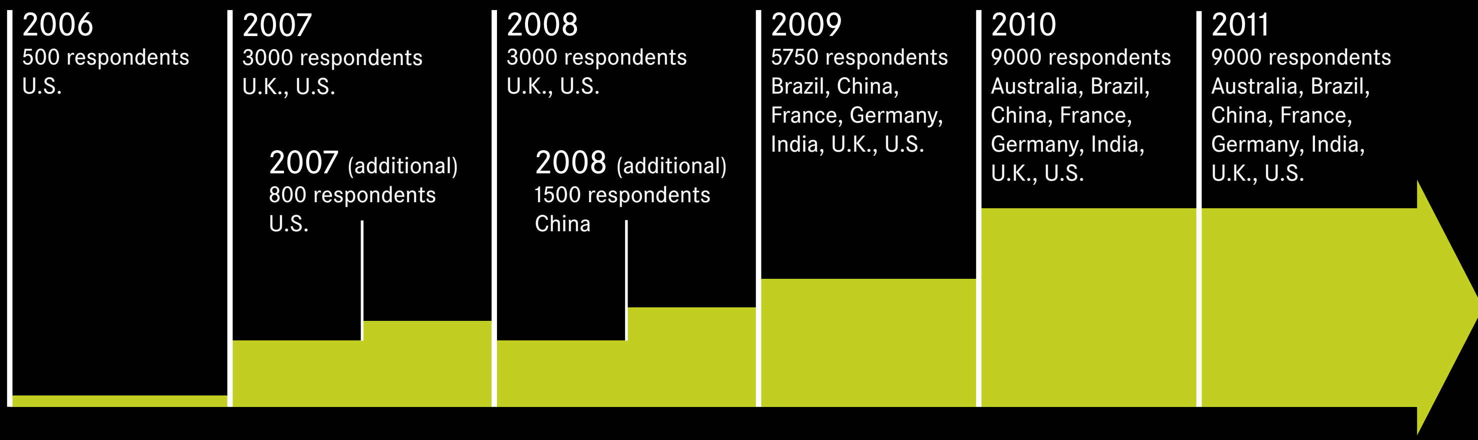
To read the complete survey, please visit slideshare.net/WPPGreenBrandsSurvey.

	AUSTRALIA	BRAZIL	CHINA	FRANCE
1	Subway	Natura Cosméticos	Haier	Yves Rocher
2	Toyota	O Boticário	Gree Electric Appliances, Inc.	L'Occitane en Provence
3	ALDI	Ipê	Microsoft	Veolia Environnement
4	IKEA	Unilever	Mengniu	Belambra Clubs (VVF)
5	Woolworths	Nestlé	Volkswagen	IKEA
6	Apple	Petrobras	Shangri-La	Decathlon
7	Dove	Bombril	Tsingtao	Danone
8	IGA	Johnson & Johnson	Yili	NIVEA
9	Kimberly-Clark	Avon	Lenovo	Suez Environnement
10	Coles	Hering	Suning	Leclerc

	GERMANY	INDIA	U.K.	U.S.
1	Alnatura	Amul	The Body Shop	Seventh Generation
2	LichtBlick	Dabur	Innocent	Whole Foods Market
3	Frosch (Erdal Rex)	Infosys	The Co-operative	Tom's of Maine
4	Tegut	Taj Hotels Resorts and Palaces	Marks & Spencer	Burt's Bees
5	Edeka	Britannia	IKEA	Trader Joe's
6	NORDSEE	Suzlon	Dove	Walt Disney
7	REWE	Hindustan Unilever	Sainsbury's	SC Johnson
8	Dr. Oetker	Wipro	Waitrose	Dove
9	Volkswagen	Maruti Suzuki	Fairy	Apple
10	ALDI, Danone, Henkel (TIE)	Godrej Consumer Products	Morrisons	Microsoft, Starbucks (TIE)

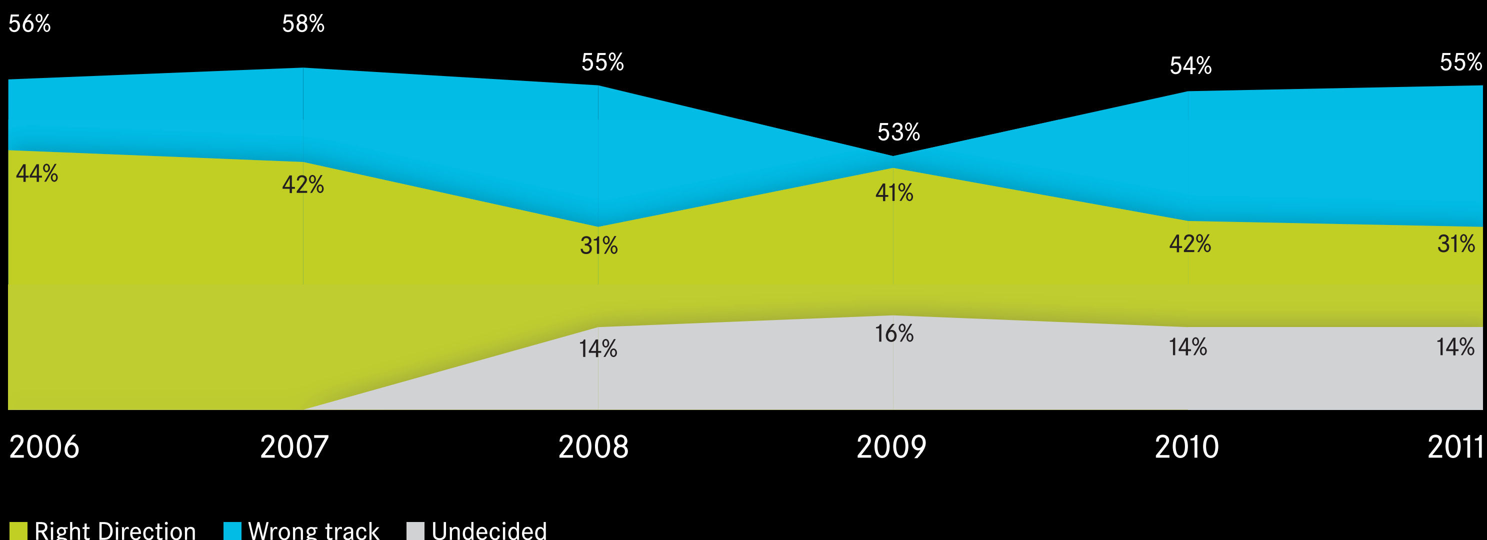
METHODOLOGY Among the general adult population in Australia, Brazil, China, France, Germany, India, the United Kingdom, and United States, 9,009 online interviews were conducted between 2 April and 3 May 2011. The margin of error was ±2.8% in the United Kingdom and United States, and ±3.0% everywhere else. In China, India, and Brazil, respondents were from tier-one cities (major metropolitan areas in a country).

Over the last six years we have gauged perceptions of green brands from more than 30,000 consumers around the world.



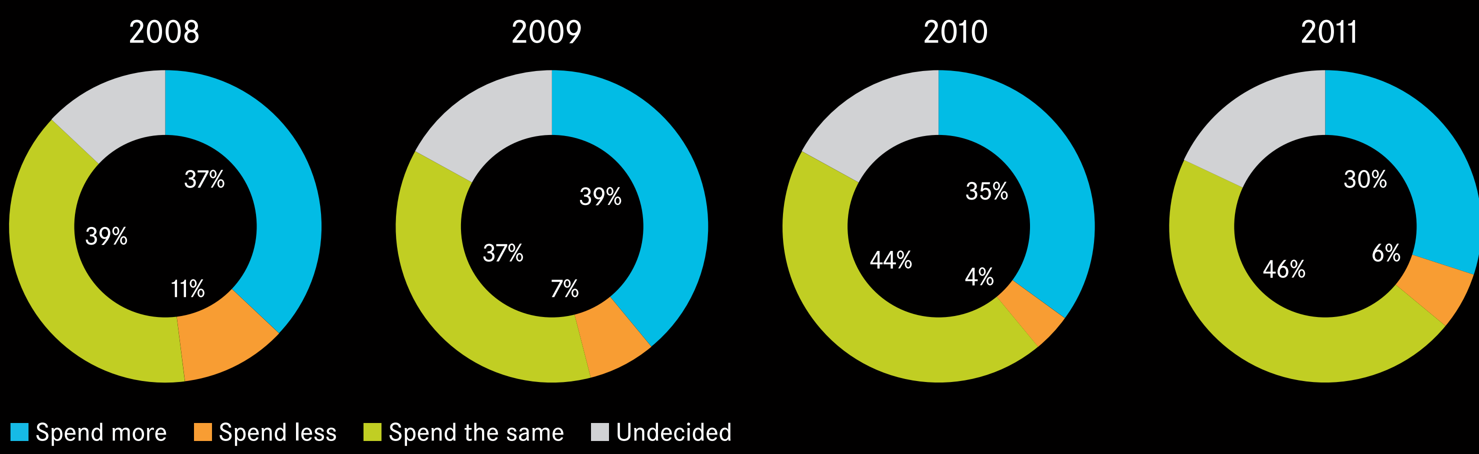
U.S. DATA: 2006–2011

Do you think the state of the environment in this country is headed in the right direction, or is it on the wrong track?



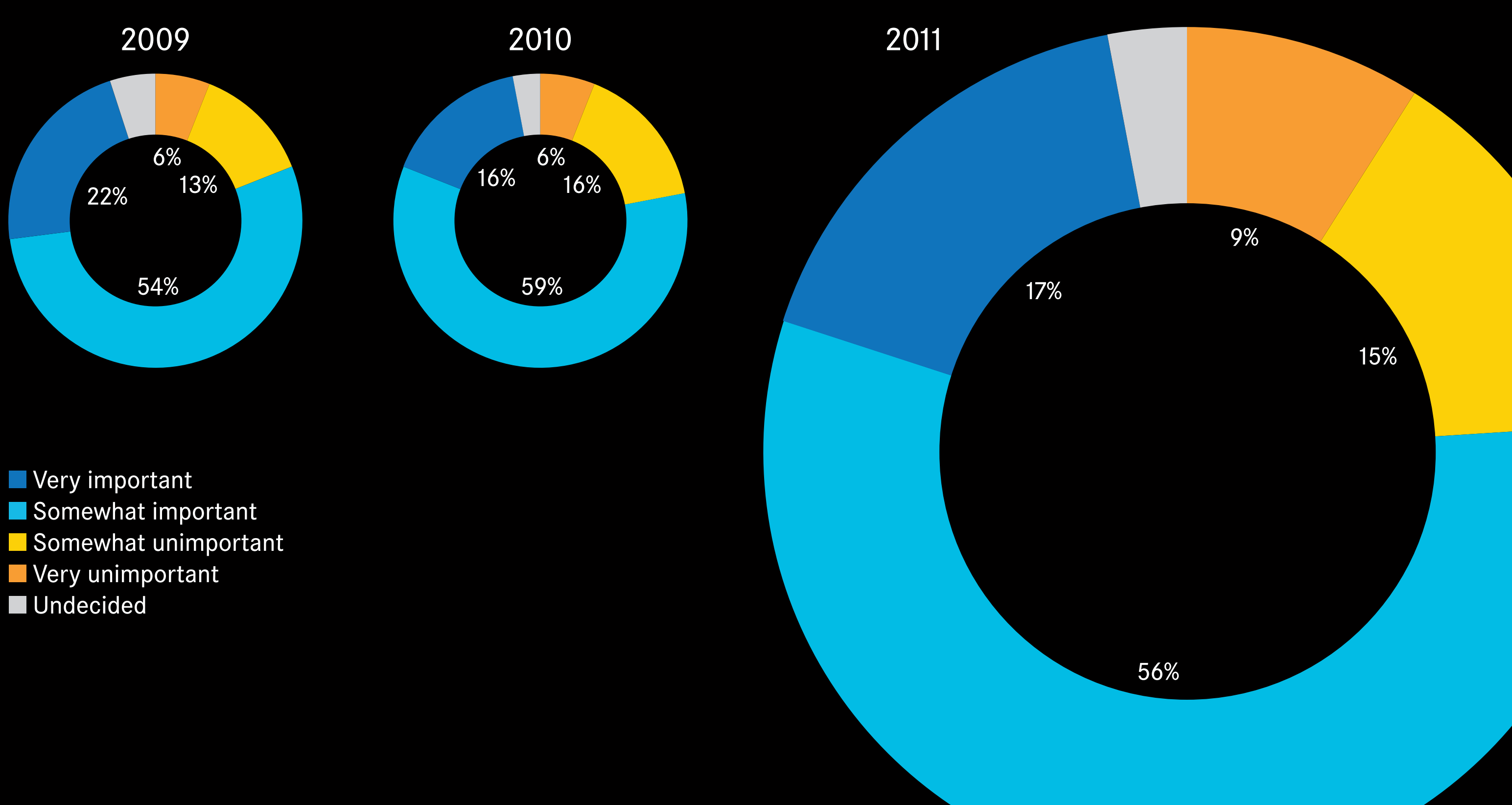
U.S. DATA: 2008–2011

In the next year, do you plan to spend more, less, or the same amount on "green" products and services?



U.S. DATA: 2009–2011

How important is it to you that a company is environmentally friendly or is a "green" company?



GLOBAL DATA: 2011

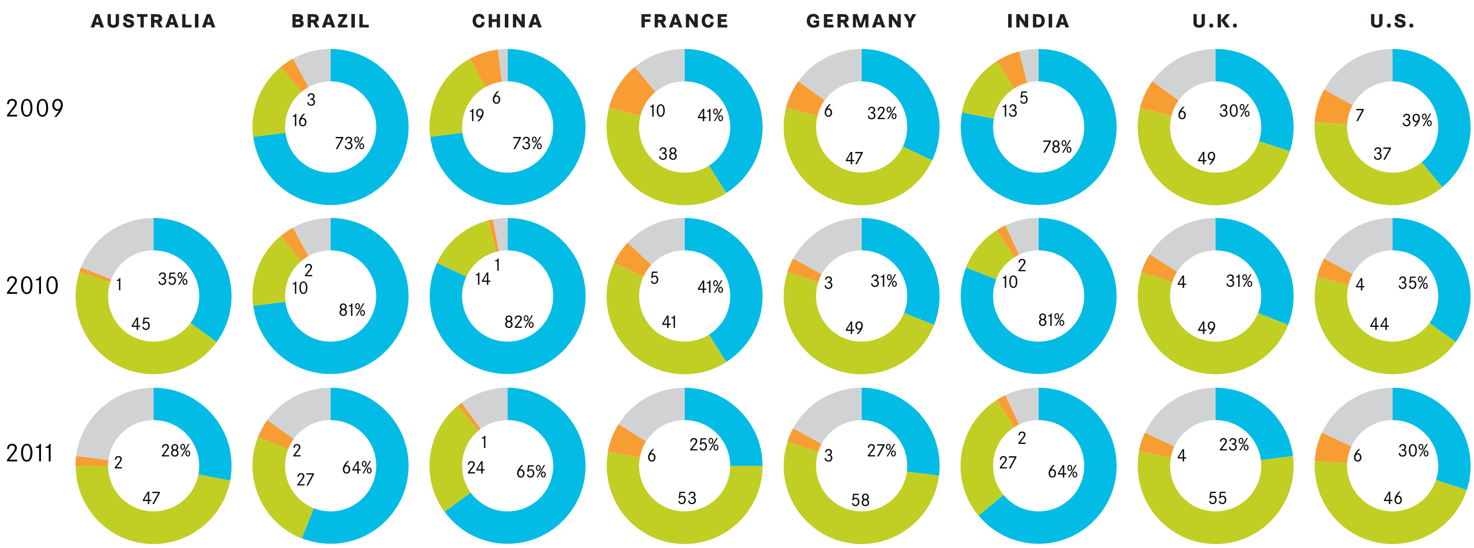
What do you think are the biggest challenges to purchasing green products or services?

	AUSTRALIA	BRAZIL	CHINA	FRANCE	GERMANY	INDIA	U.K.	U.S.
They are too expensive	62%	53	41	78	51	43	66	62
There is a limited selection of items from which to choose	50	59	56	42	34	63	48	44

■ Biggest challenge ■ Second biggest challenge

GLOBAL DATA: 2009–2011

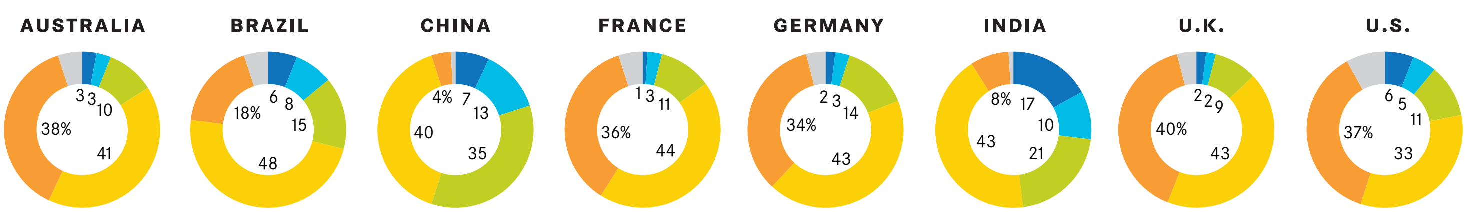
In the next year, do you plan to spend more, less, or the same amount on green products and services?



■ Spend more ■ Spend the same ■ Spend less ■ Undecided

GLOBAL DATA: 2011

How much more, in percentage terms, are you willing to spend on a product because it is green?



■ Over 30% more ■ 21–30% more ■ 11–20% more ■ Up to 10% more ■ Not willing to spend more ■ Undecided

Event speakers

MODERATOR
Marc Gunther, contributing editor, *FORTUNE*

Marc Gunther is a veteran journalist, speaker, writer, and consultant whose focus is business and sustainability. Marc is a contributing editor at *FORTUNE* magazine, a senior writer at Greenbiz.com, a lead blogger at The Energy Collective, and a contributor to HOW online. He's also a husband and father, a lover of the outdoors, and a marathon runner. Marc is the author or co-author of four books, including *Faith and Fortune: How Compassionate Capitalism is Transforming American Business* (Crown 2004), and is the creator and co-chair of Brainstorm Green, *FORTUNE*'s annual conference on business and the environment. Marc also provides writing and consulting services to corporations and nonprofit groups, including Environmental Defense Fund, the Natural Resources Defense Council, and Sony Corp. of America.

PANELIST
Amy Longsworth, partner, Esty Environmental Partners

Amy Longsworth is a partner at Esty Environmental Partners, the strategy consulting group specializing in environmental sustainability, where she heads the Washington DC office. She has advised global clients across multiple industries, including beverage, personal care, apparel, and grocery. Amy leads the firm's thinking on effective sustainability marketing, positioning, and communications, and has helped drive the work of the Sustainability Innovators Working Group to build best practice management tools for sustainability strategy and execution. She has more than 20 years of experience in environmental strategy from both the NGO and business perspective. She was formerly vice president for corporate programs at The Nature Conservancy and holds a BA from Wesleyan and an MBA from Harvard.

PANELIST
Mark Penn, CEO worldwide, Burson-Marsteller, & CEO, Penn Schoen Berland

Mark Penn is worldwide president and CEO of Burson-Marsteller, a leading global public relations and public affairs agency, and CEO of Penn Schoen Berland, a strategic research firm. He has served as a senior adviser to corporate leaders like Bill Gates, Steve Ballmer, and Bill Ford, and helped to elect over 25 leaders around the world. He has also served as senior adviser to President Bill Clinton, Secretary of State Hillary Rodham Clinton, and U.K. Prime Minister Tony Blair. His client relationships include Ford Motor Company, Merck, Verizon, BP, McDonald's, and Microsoft. Mark is also author of the best-selling book *Microtrends*. Mark received an BA from Harvard University where he also served as city editor of the *Harvard Crimson*.

PANELIST
Russ Meyer, chief strategy officer, Landor Associates

As the chief strategy officer for Landor Associates, Russ Meyer has led teams and assisted in solving branding strategy and identity problems for clients such as Andersen Consulting, Barclays Bank, Disney, DreamWorks, Hewlett-Packard, Intel, Microsoft, PepsiCo, and Procter & Gamble. In addition, Russ has leveraged Landor's expertise in mergers and acquisitions assisting in the brand strategy and identity creation for high-profile mergers. He is the co-author of *Beyond the Fourth Wall: Marketing for Non-Profit Theaters* and a frequent blogger on branding and sustainability for *Fast Company*. Russ holds a BA from the University of Minnesota, an MFA in design from Northwestern University, and an MA in management from the J.L. Kellogg Graduate School of Management.

PANELIST
Annie Longsworth, president, SF, & global sustainability practice leader, Cohn & Wolfe

Annie Longsworth launched Cohn & Wolfe's sustainability practice in 2007 and serves as the global practice leader. She has worked on sustainability strategies and product launches with iconic brands including Tom's of Maine, Valvoline, Hilton Worldwide and Shea Homes, as well as startups such as Lonesome George, Angelpoints, and Tastybaby. Annie is on the advisory board of Sustainable Life Media's Sustainable Brands conference and leads a global pro bono program for Project Kaisei, which is dedicated to the prevention of ocean litter through innovation and education.

Annie began her career as an editor, working for *Inc.* magazine and a variety of publications at Ziff-Davis Publishing Company. In December of 2008 Annie was recognized by *PR Week* as an industry leader on the annual "Top 40 under 40" list. Annie has a BA from the College of Wooster, Wooster, Ohio, and earned an executive MBA certificate in sustainability from the Presidio Graduate School in the spring of 2010.

FOLLOW-UP

For a full summary of this year's findings and more information on previous years, please visit:
slideshare.net/WPPGreenBrandsSurvey

To look back at today's events, view the webcast (available until July 2011) on:
livestream.com/greenbrands2011

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Landor

Landor Associates is one of the world's leading strategic brand consulting and design firms. Pioneering many of the research, design, and consulting methods that are now standard in the branding industry, Landor partners with clients to drive business transformation and performance by creating brands that are more innovative, progressive, and dynamic than their competitors. With 21 offices in 16 countries, Landor's work spans the full breadth of branding services, including brand positioning and architecture, naming and writing, corporate identity and consumer packaging design, branded experience, brand engagement, and digital branding. Landor is a member of the Young & Rubicam Brands network within WPP, a world leader in advertising and marketing services. For more information, please visit **landor.com.**

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