



The Greta effect

Part of the Marketer's Toolkit 2020 series

The Marketer's Toolkit 2020

This is the ninth annual Marketer's Toolkit from WARC – but for 2020 we have introduced a new methodology.

This report adopts the STEIP methodology developed by WARC's sister brands within the Ascential group of companies.

STEIP covers five drivers of change that will affect marketers next year: Society, Technology, Economy, Industry and Policy. By combining these five focus areas, the report provides a bottom-up assessment of the influences on 2020 marketing strategy.

The basis for the report is the Marketer's Toolkit survey, structured around the five STEIP drivers, of almost 800 client and agency-side practitioners around the world. The data from this survey was combined with insight from a series of CMO interviews, plus a review of WARC's global data, industry knowledge, examples and expert contributors.



This report is part of the **Marketer's Toolkit 2020 series**, which is comprised of:

The Marketer's Toolkit 2020 – a summary of what you need to know for your marketing strategy in 2020

Data Report – all the results of our Marketer's Toolkit survey, under each of the five STEIP drivers of change

Five in-depth reports:

- Society – The Greta effect
- Technology – Context and connected TV
- Economy – The pivot back to brand
- Industry – Building brands in walled gardens
- Policy – Privacy-first marketing

10 CMO interviews

Go to warc.com/Toolkit to read all the content

The Marketer's Toolkit 2020 was created in association with the following Ascential brands:



EDGE[^]

MEDIALINK[^]

**.MONEY
20/20**[^]

WGSN[^]

The Greta effect

2019 was the year climate change became the climate crisis. 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, judging by WARC's Marketer's Toolkit survey, is growing pressure on brands to act on behalf of the environment.

A global study from Ipsos MORI found the "highest spontaneous concern about climate change" that it had seen in 29 years, with 37% saying it was the most important environmental issue, ahead of air pollution and waste. Brands are eager to respond to environmental concerns. 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.

The 2020 challenge is how to respond credibly to changing consumer expectations of brands' role in environmental protection.

More on Society in 2020

Read the [Marketer's Toolkit Data Report](#) for more on the social and consumer trends brands are prioritising in 2020.

- More than 75% of marketers agree that brands need to take a stand on social issues.
- The movement towards activism may reflect a struggle by many to have a cultural impact through more traditional means.
- Data privacy is the societal trend with the biggest impact on marketing in 2020, amid growing concern about the darker side of digital life.

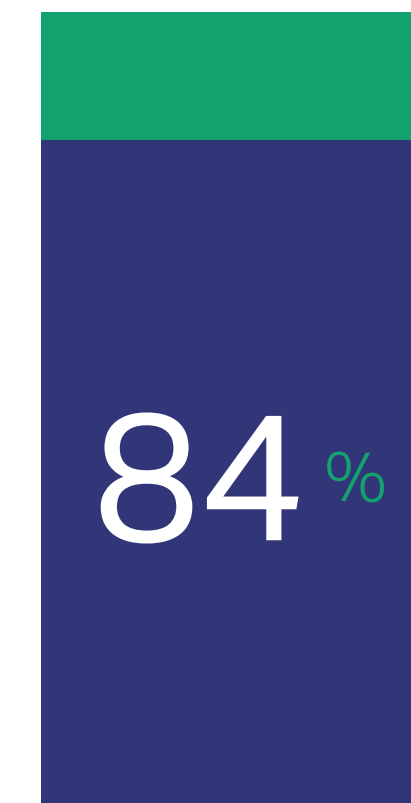
What's the evidence?

1. Consumers demand action on the environment, and brands are responding

Accenture, the consulting firm, 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 programs 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 and agencies are getting the message. The survey data for this year's Marketer's Toolkit showed that 84% of respondents said conscious consumerism and sustainability would have significant or some impact on marketing strategy in 2020. And in August 2019, almost **200 members of the Business Roundtable**, including PepsiCo, Walmart and JP Morgan Chase, issued a revised 'Statement on the Purpose of a Corporation', which made the radical claim that it was no longer enough to be answerable to shareholders. Corporations must also answer to the broader world, including employees, communities – and the environment.

Brands will be judged not by what they say on sustainability, but by what they do. This isn't about fleeting feel-good advertising during key moments such as Earth Day. Consumers expect corporations 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.



Environment: conscious consumption and sustainability

This year's Marketer's Toolkit showed that **84%** of respondents said conscious consumption and sustainability would have significant or some impact on marketing strategy in 2020

Source: WARC Marketer's Toolkit 2020 survey

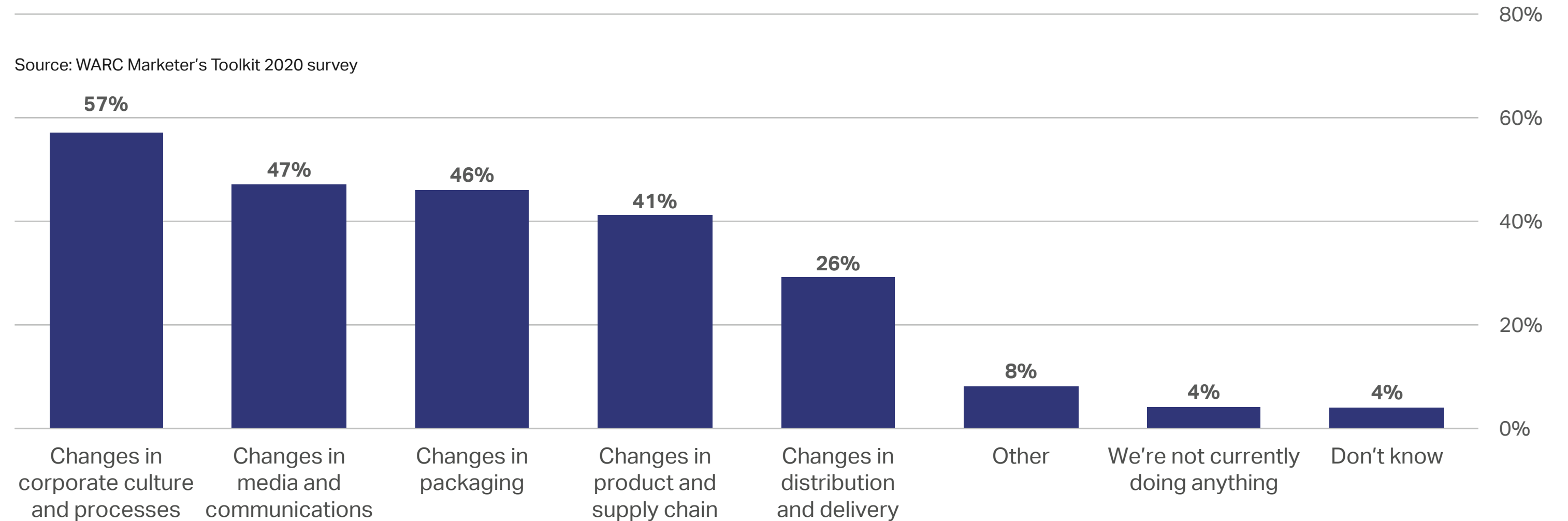
2. Brands are auditing their packaging and looking to eliminate single-use plastic

Packaging presents a major challenge for manufacturing and retail brands – and it’s a 2020 focus for nearly half of respondents to the Marketer’s Toolkit survey. [A recent research report](#) from the Ellen MacArthur Foundation and the UN shows there is much work to do. Only single percentages of plastic packaging from brands including Unilever, Mars and PepsiCo are recyclable, even though all three are signatories to the New Plastics Economy Global Commitment, which pledges that all such packaging be reusable, recyclable or compostable by 2025.

Single-use plastic is a particularly hot button issue – [a survey by Ipsos and BuzzFeed](#), found almost half of respondents are so outraged by disposable straw waste – an estimated 390 million are disposed of each day in the US – they would like to see them banned.

A packaging audit is an obvious place for brands to start making positive change. UK supermarket chain Tesco is planning to [remove one billion pieces of plastic](#) from the products it sells in store by the end of next year as part of its 4Rs strategy (remove, reduce, reuse or recycle) to axe all non-recyclable and excess packaging from its business.

In which areas is your brand / are your typical clients addressing environmental concerns?



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 Tide Eco Box looks and functions much like a boxed wine, requires little outside

packaging and also contains a concentrated version of the product, thereby cutting down on weight. 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.

3. 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. **H&M Group**, the fashion company, 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, re-wear or reuse. Customers can use the in-store garment collecting scheme to return garments from any brand, in any condition. H&M-owned brands & Other Stories, Monki and Weekday also encourage customers to return empty beauty containers for recycling. Offering such a service is not enough; brands may need to incentivise customers to use it – for example, customers are rewarded for sustainable behaviour with 10% off their next purchase.

H&M Group is not the only corporation embracing what is known as the “circular economy,” in which used goods are recycled and reused to make new products. Indeed, the circular economy, and a related concept, **recycling-by-design**, 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 has been trying to respond to criticism of the environmental impact of its annual Singles Day e-commerce event. **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.



4. 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. According to WARC's survey, 77% of marketers agree that brands need to take a stand on social issues.

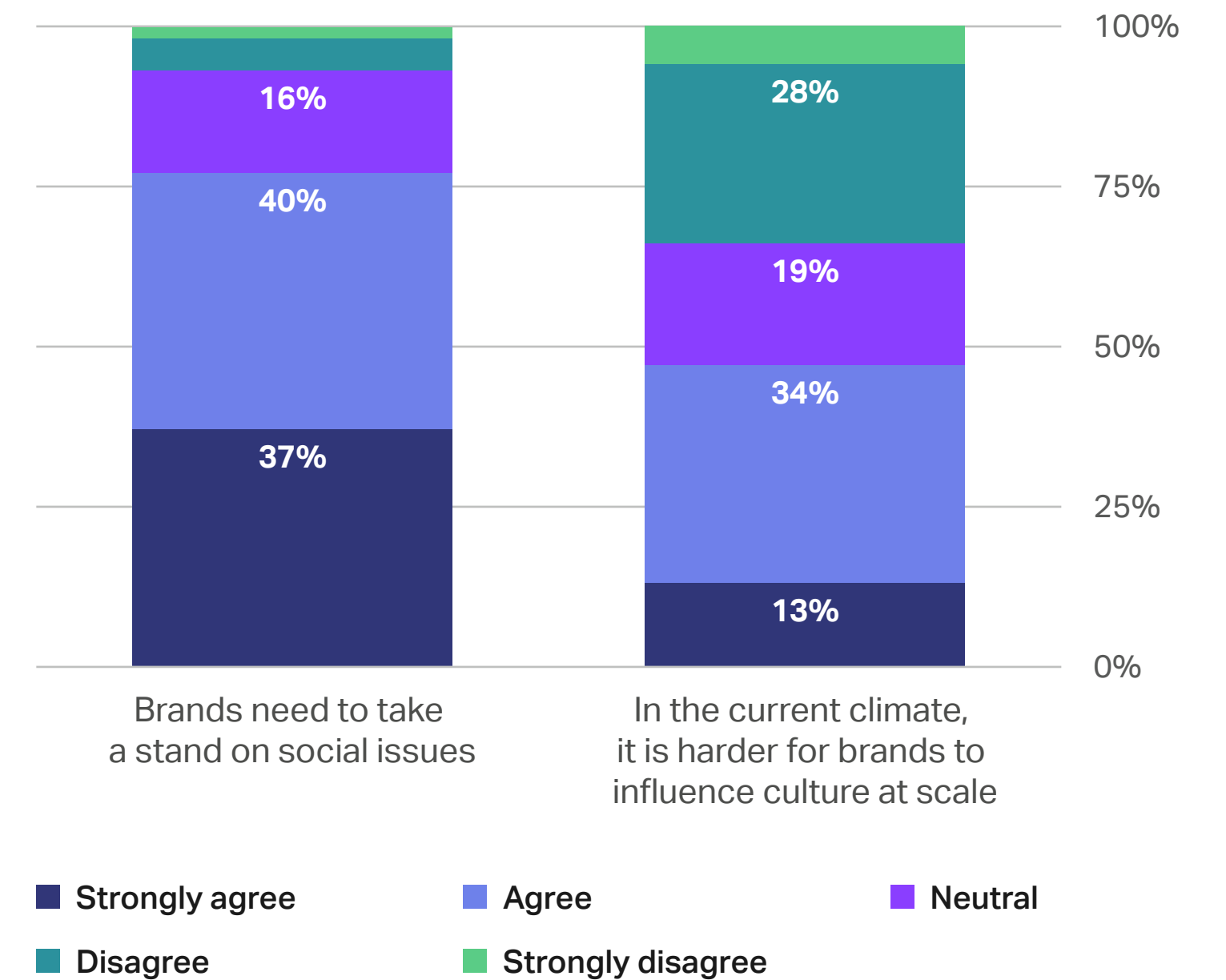
There is risk here. Consumers are often sceptical about brands that tap into societal issues, with a recent [Edelman survey](#) showing more than half think this is merely a marketing ploy rather than evidence of any genuine conviction. The same study pointed out that trust in a brand does not replace 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. As Kantar's Graham Staplehurst points out: "token attempts to align a brand with a worthy cause are no longer enough." Brands that take a stand must accept the totality of their commitments.

Choosing the right partnerships can be one way of building credibility. [Patagonia](#), the outdoor clothing company, has done a good job of 'walking the talk' through its 40-year support of grassroots environmental activists. Now more mainstream companies are following suit – P&G now has a [range of partnerships](#) it uses to talk credibly on a number of issues.

Finally, a word of caution comes from recent research by [System1 Group](#). While one of the highest-profile brand activism stories in recent years was [Nike's](#) 'Believe in something. Even if it means sacrificing everything' ad campaign, the study warned against divisive initiatives. It found that campaigns that focus on issues with broad appeal – so focused on animals, children and certain diseases – tend to be more bottom-line friendly.

To what extent do you agree / disagree with the following statements?



Source: WARC Marketer's Toolkit 2020 survey

CMO comments



Taking a stand is important but I think that's separate... issues like plastics in packaging, food waste, or nutrition in food transcend businesses and brands. They are things that companies should be doing in a broad sense irrespective of their brand purpose - because they're critical not only from a consumer point of view but from an investment point of view.

Steve Challouma,
Marketing Director,
Bird's Eye



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.

Tariq Hassan, Chief Marketing Officer, Petco



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.

**Gabriel Garcia, Global Head Mobile Apps
Marketing & Head of Marketing APAC, Expedia**

2020 recommendations

1

Help consumers to close the intention-behaviour gap

Brands can take an active role in educating consumers about the role they can play in supporting the environment. Consider using **behavioural economic techniques** that can help remove barriers to behavioural change. Try to make sustainable products as desirable, affordable and convenient as non-sustainable alternatives. Companies should think about how they can make the experience of **refilling, borrowing, returning or disposing as easy as possible**. Some brands are rewarding customers for returning empty containers with discounts or vouchers.

2

Pair a big ambition with multiple achievable steps

Although a deep-dive audit – and devising solutions – can seem overwhelming, start with incremental steps such as auditing packaging, supply chains and carbon-neutral goals. Identify the easiest wins so that stakeholders across the organisation can see progress – for many brands, packaging may be a good place to start.

3

Run packaging pilot schemes

There are a growing range of options around packaging – from reduced plastic options to packaging-free refills. It is worth trying small-scale tests to assess the response of consumers – Carlsberg, for example, tested its plastic-free ‘snap packs’ in one retailer with a limited marketing push, then tested the response before rolling out more broadly (see case study).

Potential pitfalls

1

Falling behind the retailers

Retailers are looking hard at packaging, particularly in the grocery sector. Packaged goods, food and drinks brands should take care to be one step ahead of efforts by retailers to respond to conscious consumerism – for example, by demanding less use of plastic in the brands they list. This pressure is also being felt by online retailers, who are starting to look at the packaging involved in shipping.

2

Taking a short-term approach

It's tempting to jump on the bandwagon and support a noble cause. But environmental concerns are so high-profile now that empty promises or half-hearted initiatives won't cut it – and there is evidence consumers are suspicious of brands making big claims about their green credentials. Responding credibly to the climate crisis requires a long-term and considered strategy, not a rush to short-term communications around 'purpose'.

3

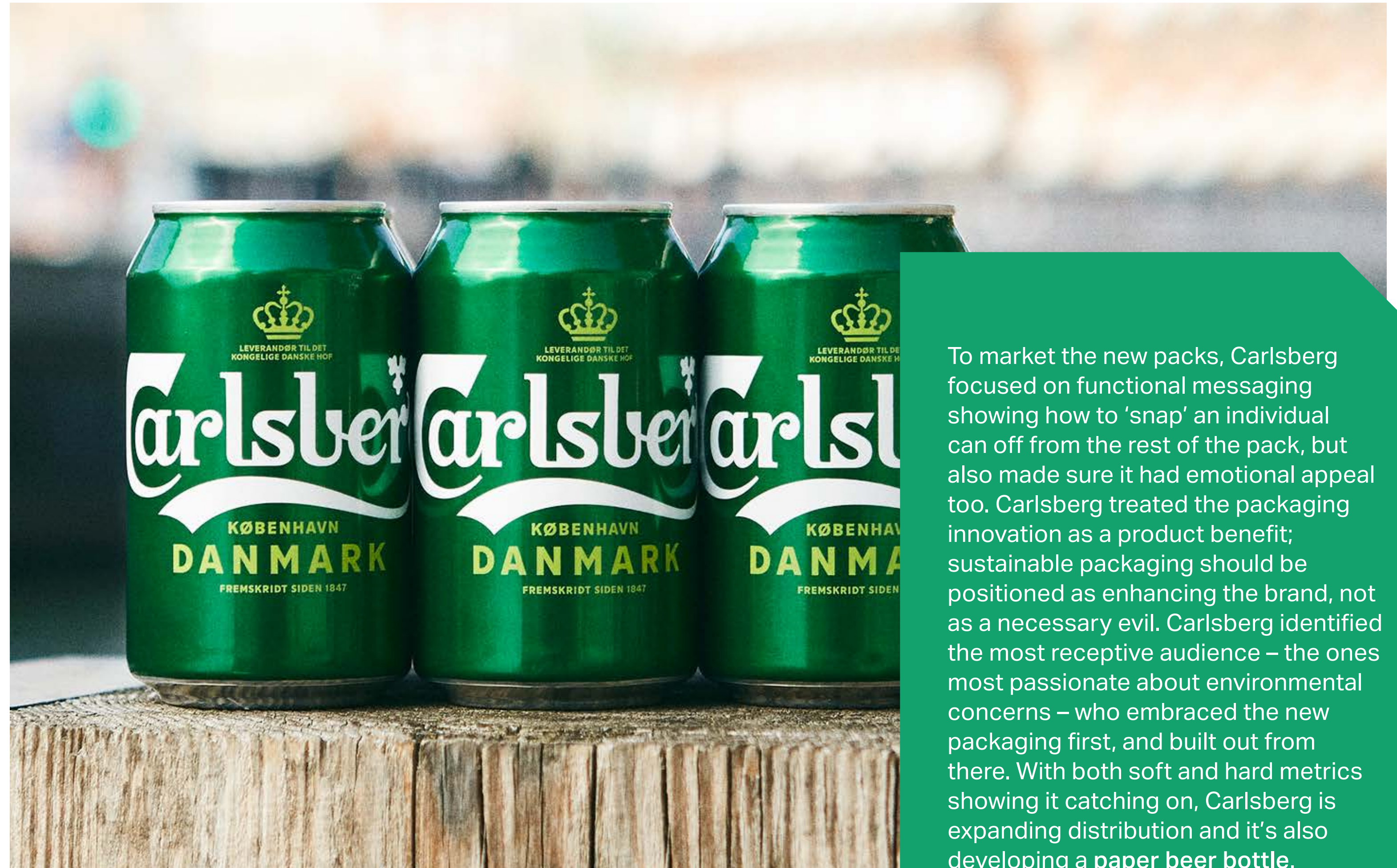
Making every achievement an excuse for cause-related messaging

Reducing single-use plastic, or moving your distribution centres to renewable energy, are great steps, but resist the temptation to turn your achievements into hype. With so many major brands implementing sustainable initiatives, this isn't about you, it's about a bigger cause.

Case study Carlsberg 'snap packs'

Carlsberg, the beer brand, invented 'snap packs', which use a recyclable glue to connect cans of beer instead of using the standard unrecyclable plastic rings.

[Read the full article on WARC](#)



To market the new packs, Carlsberg focused on functional messaging showing how to 'snap' an individual can off from the rest of the pack, but also made sure it had emotional appeal too. Carlsberg treated the packaging innovation as a product benefit; sustainable packaging should be positioned as enhancing the brand, not as a necessary evil. Carlsberg identified the most receptive audience – the ones most passionate about environmental concerns – who embraced the new packaging first, and built out from there. With both soft and hard metrics showing it catching on, Carlsberg is expanding distribution and it's also developing a paper beer bottle.

Case study

Adidas and Parley Run for the Oceans

As part of its positioning as an environmentally conscious, responsible and sustainable brand, Adidas and its partner, Parley for the Oceans, have created the Run for the Oceans movement.

[Read the full article on WARC](#)



Adidas has been working with Parley for the Oceans, aiming to prevent plastic from ending up in the oceans. Parley Ocean Plastic, an upcycled plastic waste, is used for the UltraBOOST Parley running shoe. Run for the Oceans is a global running movement that uses the power of sports to raise awareness concerning the threat of plastic pollution in the ocean; each year, it hosts major running events across key cities all over the world.



Expert commentary

The role of brands in a post-trust world

Sarah Owen
Senior Editor, WGSN

The modern corporation has changed from an entity looking to satisfy shareholders, consumers and employees (not necessarily in that order) to an entity that needs to do all those things, while at the same time, contributing to the greater good.

Over the last few decades, this has become accepted wisdom. The Dow Jones Sustainability Index – which tracks the sustainability of public companies – is now 20 years old. Dove’s “[Campaign for Real Beauty](#)” – which began the questioning of female beauty standards - is 15 years old. Its descendant, the Dove Self-Esteem Project, has reached more than 20 million young people with the message that beauty can be a source of confidence instead of anxiety.

But we rarely stop to think about how all this came to be. Why is it that brand messaging has morphed from occasional touchy-feely positive messaging to purpose that has become embedded in a company’s DNA? This is not just an academic exercise.

In the WARC Marketer’s Toolkit survey, the vast majority of brands and agencies said societal topics were factoring into their 2020 plans - and consumers are factoring brand purpose into their buying decisions. [The 2018 Cone Communications study on Purpose](#) found that 79% of American consumers say they are more loyal to companies that have a purpose; 88% would buy a product from a purpose-driven company.

The focus on brand purpose began more than a decade ago, but it has been turbocharged by the events of the last several years.

If you think about 2016 – the year of the Brexit vote in the UK and the US presidential election that landed Donald Trump in office – it was the year that created our post-truth society – a landscape where suddenly, whether it’s in politics or other types of institutions, appealing to people’s emotions became more important than facts. As misinformation became more commonplace, it was natural to question reality, to wonder – what’s true? And what’s false?

Move forward to 2019, and we’ve had three to four years of living in that environment, landing us in a post-trust society. We’ve gone from post-truth, to post-trust. This has created white space for marketers.

This white space, which used to be partially filled by other institutions, is where brands are carving out a place to gain or regain trust, aligning themselves with causes and concerns that both fit with their brands and attract post-trust consumers. It's why we see retailers like Dick's Sporting Goods banning the sale of assault rifles in the US in the absence of government action, and why a brand like start-up menswear company Noah offered refunds to Trump supporters who might be offended by the brand's liberal political stance.

It can also serve as an antidote for brands whose historic ways of doing business don't jibe with the times. H&M may be known as the flagship brand of 'fast fashion' but it could be argued this has given focus to its sustainability efforts. Its ambitious goals include shifting the company to a circular economy where clothes are recycled into new products.

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

Much of this is driven by Millennials and Gen Z, who are looking for brands to step in where the government has stepped out. Case in point: the June 2018 unveiling of Domino's '**Paving for Pizza**' project, which works with local governments in the US to fix roads. Initially planning to provide grants in 20 locations, two months later it was expanded nationwide after people from all 50 states submitted requests for road repairs. The company humorously aligned the mission with protecting consumers' precious pizza on the way to their front door, but the underlying message is serious – where government has let us down, brands might pick us up.

For brands, the payoff for purpose comes in consideration and loyalty, which explains why they are so eagerly filling in the white space other institutions have left them. Brands are seeing the promise of customers who are more bonded to their brands, and the promise of a better world.



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



Expert commentary Sustainability appeals to brands, consumers – and investors

Andy Last
Co-Founder,
MullenLowe Salt

The WARC Marketer's Toolkit survey is a reflection of what we're seeing all around us. With 84% of respondents saying conscious consumerism and sustainability will impact their marketing plans for 2020, their thoughts map to consumer data on the growing importance of these issues. It's clearly time for brands to step up their game.

In his 2019 [annual letter to the companies](#) his firm invests in, Larry Fink, the chief executive of BlackRock, the world's largest asset manager, said, "Profits and purpose are inextricably linked. Companies that fulfil their purpose and responsibilities to stakeholders reap rewards over the long-term. Companies that ignore them stumble and fail." In other words, companies (and brands) that don't understand their connection to society, and don't manage their environmental impacts, represent too risky an investment.

And the recent landmark announcement in the US by The Business Roundtable, a group of chief executive officers from major US corporations has fundamentally changed the longstanding point of view in their Statement on the Purpose of a Corporation, stating it was [no longer "first and foremost to serve their shareholders and maximise profits."](#)

The new Statement asserts that, "Rather, investing in employees, delivering value to customers, dealing ethically with suppliers and supporting outside communities are now at the forefront of American business goals."

Why is everyone from CMOs and agency heads to Wall Street saying companies need to focus on their social and environmental responsibilities, and turn these into opportunities?

First, Greta Thunberg, the teenage activist, has put climate change firmly on the corporate agenda. There are now generations of people who have grown up with clear sight of environmental changes, giving them an innate understanding of the pressing need for sustainability. Second, connectivity enables everyone to see the behaviours of any business or brand and judge how it measures up to their own values.

In 2020, marketers must demonstrate their authentic sustainability and social purpose credentials. Brands that are able to do this will win consumers and be more attractive to investors. Sustainable brands will win in the following three areas:

1. Retailer listings. We are just at the start of the Great De-listing. From high fat and sugar foods to plastic bottles and straws, the list of items consumers find unacceptable is growing. The message from retailers could not be clearer; Tesco, for one, is saying it “reserves the right **not to list products with excessive non-recyclable plastic from 2020 onwards**”. Brands that demonstrate clear and relevant social purpose credentials can expect to find preferential treatment from retailers. Kimberly-Clark’s Toilets Change Lives program has helped give hundreds of thousands of people access to a clean and safe toilets; and helped give its brands like Andrex and Cottonelle **access to the front of store**.

2. Effective marketing. Brands that find their true purpose – not only by answering the question “Why do you exist?” but also the more important question, “What would the world really miss if you no longer did it?” – will find accelerated growth opportunities. Finding a purpose – such as sustainability – should answer these two questions and will unlock further success in 2020. It goes beyond just being ‘on brand’ to understanding and encompassing category drivers, addressing a genuine societal issue, finding common purpose with partners and advocates, and satisfying all stakeholders.

3. Attract talent. Those brands able to give their people a sense of purpose will gain disproportionate energy and productivity. Unilever’s brand purpose is “to make sustainable living commonplace”, and the positioning is paying off, not only in how its sustainable brands performed in the marketplace, but also in how it is viewed by potential employees. **According to Gallup**, it is a preferred employer in most of the countries in which it recruits graduates. The ease with which talent can migrate towards brands and campaigns that stand for something makes this issue, and opportunity, even more pronounced in the marketing industry.



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

More from WARC



Who we are

At WARC, our purpose is to save the world from ineffective marketing by putting evidence at the heart of every marketing decision.

We believe that effective marketing is based on facts and not opinions.

Since 1985, we've brought confidence to marketing decisions through the most trusted research, case studies, best practice, data and inspiration.

Today, we help 75,000+ marketers across 100+ countries. Our clients include the world's leading brands, advertising and media agencies, media owners, research companies and universities – including the top-five largest agency groups and top-five largest advertisers in the world.

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