Reality Check

It's time to create sustainable options that are options for everyone.

accenture

All of the quotes and stories you see in this report are from people who participated in an ethnographic study and filming in Glasgow over the summer of 2021.

Their stories informed this new perspective on the sustainable consumer.

There is a stalemate surrounding whose responsibility it is to solve the climate crisis

People expect organizations to be better and offer better options when it comes to sustainability.

Organizations are waiting for clear demand signals from consumers.

> " Big businesses are often forced to change rather than getting on the front foot. It would be nice to see some stepping up and leading.
>
> **Steven, Glaswegian citizen**

The sustainable consumer may never reach a mass market tipping point

Organizations can't wait for demand from a demographic of so-called 'sustainable consumers'.

For a start, we simply can't afford to wait. Furthermore, the very thing organizations are waiting for might never happen: the difference between what people say they do and actually do (the 'say-do gap') means that demand signals are difficult to quantify. And even if we could quantify them, our research finds that the gap is wider and more complex than we thought, which means that consumers may never be able to make the sustainable choice, especially when sustainability continues to accompany sacrifice for consumers and companies.

Organizations need to take the lead in making sustainable living achievable for everyone.

Organizations need to break the stalemate.

Here are three reframes for how organizations can take the lead in making sustainable living achievable for everyone

1 Mass is a myth

Belief: Brands can nudge people to close the *'say-do gap'*.

Reframe: For most, the *'say-do gap'* is too wide to close today.

2 Rethink behavior change

Belief: Brands need to help people swap to sustainable alternatives.

Reframe: Brands need to help people to make decisions that have sustainable outcomes, whether sustainability is a priority or not.

3 Reducing the burden starts with organizational action

Belief: Breaking the sustainable consumption stalemate starts with consumer demand.

Reframe: Breaking the sustainable consumption stalemate starts with organizational action.

1 Mass is a myth

2 Rethink behavior change

3 Reducing the burden starts with organizational action

Belief: Brands can nudge people to close the 'say-do gap'.

Reframe: For most people the 'say-do gap' is too wide to close today.

People have good intentions – studies show at least 50% of people want to make more sustainable lifestyle choices – but only about 25% are reported to actually make those choices.[1] This is the 'say-do gap'.

It might be tempting for companies to set about closing the 'say-do gap' as their aim, but waiting for demand for sustainability may be a red herring: the fact that companies don't see the intentions around sustainable consumption translating into actions at scale doesn't tell us that people aren't interested in consuming sustainably. What it tells us is that they have good reasons for buying what they're buying instead.

Our ethnographic study of Glaswegian citizens showed that many people are already doing their best. Add Covid into the mix and they don't have capacity to prioritize sustainability.
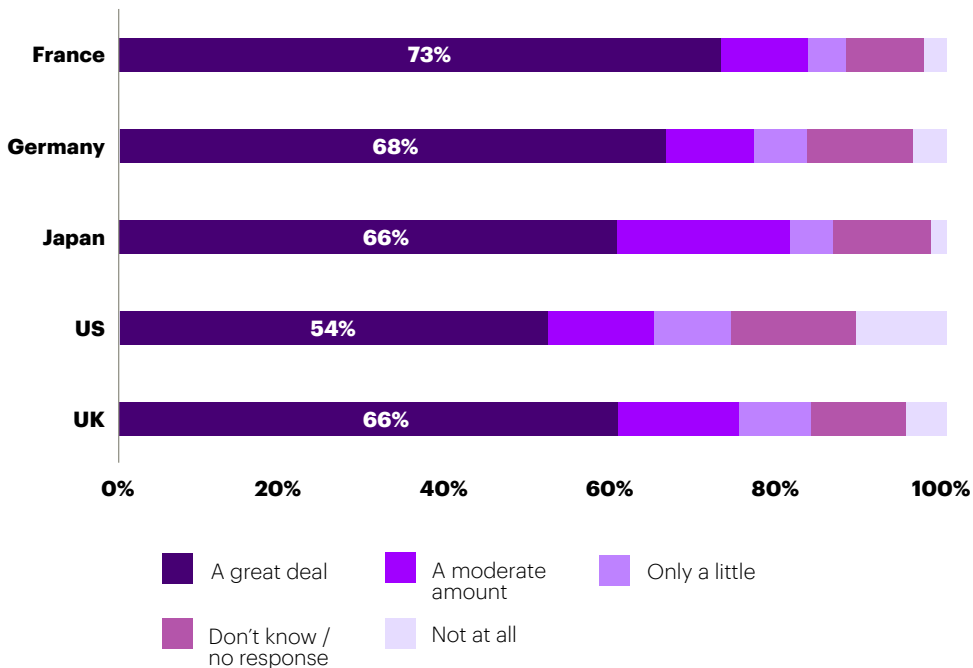
This tells us that the 'say-do gap' is wider than we thought, and it's not likely to close any time soon. So the concept of a mass market of explicitly sustainable consumers is a myth.

Source: [1] BBMG Globe Scan Brand Purpose Report 2017 **and** BBMG Global Scan Brand Purpose Report 2020

Most people recognize the severity of the climate crisis but their intentions to be more sustainable aren't being acted on
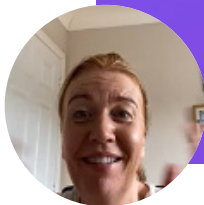
Citizens around the world are
concerned that climate change will harm future generations.[2]

France	73%	
Germany	68%	
Japan	66%	
US	54%	
UK	66%	

0%　　20%　　40%　　60%　　80%　　100%

- ■ A great deal
- ■ A moderate amount
- ■ Only a little
- ■ Don't know / no response
- ■ Not at all

Our study in Glasgow highlighted that people struggle to make sustainable decisions even though they say they want to.

> " I look at the (clothing) labels…you're conscious of the travel time it's taken and the conditions they're made in but it's sometimes easy to forget when you see a nice top and it's £15, you forget your principles a little bit.
>
> **Hilary, Mother of two**

Source: [2] Leiserowitz, A., Carman, J., Buttermore, N., Wang, X., Rosenthal, S., Marlon, J., & Mulcahy, K. (2021). International Public Opinion on Climate Change. New Haven, CT: Yale Program on Climate. Change Communication and Facebook Data for Good

Even motivated individuals struggle with prioritizing sustainability

In summer 2021, we ran ethnographic research with 21 Glaswegian residents. We recruited based on the Yale Six Americas audience criteria, which ensured that our 21 participants reported that they had a moderate to high level of concern and intention to be sustainable.[3] Our ethnography revealed that even these motivated individuals still struggled to prioritize sustainability.

For most, it wasn't even a consideration on their priority list.

Nabila

Nabila's online ordering habits formed during the pandemic. Getting used to deliveries and the pressures from two young children meant that while she recognized the packaging issue, it was the only way she felt she could manage at home.

Harpreet

Harpreet has experienced extreme hardship in her life such as bankruptcy and the loss of a partner. Hence, tasks like shopping are about affordability, ease and simplicity. She has little motivation to change her routine and spend.

Sean

As a mechanic, Sean has a technical understanding of European emissions standards, but he can't afford an electric car and relies on his petrol car for getting to work. Also, he has fussy mouths to feed and can't see his chicken nugget-loving children going vegetarian any time soon.

Chris & Cheryl

Chris and Cheryl have a food waste bin, but it was out of daily sight in the garden so they hardly used it. They were observed putting a bag of out-of-date potatoes in the trash can, which could have been disposed of in their compost bin.

Source: [3] Yale Program on Climate Change Communication, Global Warming's Six Americas

Prioritizing sustainability is an impossible ask for most because they are already doing their best

Be it supporting an elderly mother who has lived alone for the best part of 18 months, or working as a delivery driver amid fuel shortages, we can't expect people to have the capacity, time or resources to do any more – to be better.

And the context of Covid can't be ignored. It's certainly exacerbated the "I'm doing my best" feeling, plus family and health have shot to the top of our priorities. 67% of consumers intend to spend more time on self-care and mental well-being going forward.[4] This is all influencing what we're buying and how we're choosing to live our lives.

The reality is that people in a whole host of different circumstances and contexts are overwhelmed. This further challenges the notion that demand for sustainable consumption will increase in time.

Source: Accenture Wave 9 Consumer Pulse, Nov – Dec 2020

Companies need to stop looking for the sustainable consumer

For some, the 'say-do gap' is an 'aspiration-do gap'.

For most it's a **'back-of-the-mind-do gap'.**

Say ━ Do

"I don't buy fast fashion"

... but I still buy from fast fashion retailers

Aspiration ━━ Do

"Ideally I wouldn't use fast fashion"

... but I still buy from fast fashion retailers

Back of mind ━━━ Do

"I don't think about fast fashion or other types of fashion – I just need clothes I can afford"

... but I still buy from fast fashion retailers

1 **Mass is a myth**

2 **Rethink behavior change**

3 **Reducing the burden starts with organizational action**

Belief: Brands need to help consumers swap to sustainable alternatives.

Reframe: Brands need to enable consumers to make decisions that have sustainable outcomes, whether sustainability is a conscious choice or not.

Not only is the 'say-do gap' wider than we thought (a 'back-of-the-mind-do gap' for most), but the barriers stopping people from closing it are more complex. This means that companies will need to rethink the types of realistic behavior change that will create more sustainable forms of consumption.

Companies are already in the business of behavior change and they have been for decades – they seek to get people to buy something from them, rather than their competitors – but the interventions and levers companies use to influence customers will need to change.

Our ethnographic research showed that making a switch from a consumer's current setup to an entirely sustainable lifestyle isn't realistic for most people; they are more likely to embrace changes that fit in with what already works well for them.

The barriers to closing the 'back-of-the-mind-do gap' are complex

The things stopping people from making more sustainable choices are often described as isolated barriers.[5]

Example barriers to sustainability:

- **Price/ willingness to pay** – too expensive

- **Efficacy** – not as effective

- **Knowledge** – lack of clarity and understanding about what is "better"

- **Accessibility** – it takes time and effort to find these things

- **Trust** – lack of confidence in whether sustainable options will make a difference

Our research revealed that **we need to think differently about the challenges to sustainable behavior change:**

Ability

"Do I know what decision is the right one and can I make it in this moment?"

E.g., availability, awareness, knowledge.

Impact

"Does my decision actually have a positive impact?"

"How do my efforts compare to others?"

E.g., trust, credibility, long-term impact on children's futures.

Priorities

"Does it ask me to trade off against something that is more important to me?"

"Can I risk spending my money on this?"

E.g., family, safety, financial risk, enjoyment, comfort, function.

Identity

"Is it compatible with my values, lifestyle, who I am and how I want to be seen?"

E.g., meat-based diet cultures.

Source: [5] BBMG Global Scan Brand Purpose Report 2020 **and** World Economic Forum The Global Risks Report 2021

Here are two examples of how these factors influence people's ability to make sustainable decisions:

Ability

Sean knows that his current car isn't in line with emissions standards but buying an EV is not financially possible. **" My car obviously doesn't meet up-to-date Euro emissions standards, but I cant really afford an electric car.**

Hilary is a mother of two and finds it hard to find the time to make sustainable decisions. Convenience comes first.

Impact

Sean wants to do what he can, but believes corporations can and should do more as they have a larger impact. **" I don't think companies do care as much as they maybe should.**

When it comes to choosing her energy company, Hilary finds the range of energy tariffs overwhelming and off-putting. She finds it difficult to understand her energy usage and what she can do to be better for the environment.

Priorities

Sean's daughters are his world. His immediate priority is to give them what they need. It's hard to balance those immediate needs with creating a better future for them.

Hilary felt it was important to reduce her impact and wanted to do her part, however **" the practicalities of working a busy job and running a family home** take priority for her. The immediate care for her family overrides the long-term care for the future.

Identity

Sean associates cars with his late father because they shared that passion. He's always been a self-professed petrol head – it's who he is. It means going electric is complex emotionally for him. **" People say I'm daft for cars. It's all I've really known and had an interest in.**

Hilary comes from a **" family of meat eaters** and would find it hard to cut back on her meat consumption. She's also increased her clothes spend since the pandemic as it's important to her to feel fashionable and attractive during a difficult time.

Reset the aim of behavior change

Based on the complex considerations stopping people from making sustainable decisions, it's not feasible to expect people to embark on a wholesale conversion to a sustainable lifestyle overnight. For example, Steven states that going vegetarian or vegan does not reflect who he is. When asked if he would do it, he replies, "No, that's just going too far!", and believes he needs red meat for his health, having just had a heart attack. Going to the meat aisle is part of his routine, he doesn't tend to look at the plant-based section. For him, eating green means to eat locally, going to the local butcher.

The role of companies isn't to only serve the minority of people who are able to live their sustainable values.[6] We need to help these people and nurture the majority of those on their journey toward an authentically sustainable lifestyle. The aim is to help everyone make incremental steps toward sustainable outcomes.

Source: [6] BBMG Globe Scan Brand Purpose Report 2017 **and** BBMG Global Scan Brand Purpose Report 2020

Lead with what matters to people – and that's not sustainability for most

The core principles of behavior change require us to align the outcome with something that matters to people.

Our ethnographic research demonstrated that simply selling sustainability won't make enough impact. It's not just about persuading people to make sustainable choices — it's about finding ways to fit sustainability in with their most immediate priorities, which could include budget, accessibility, preferences and personal identity.

Sustainability does not have to be explicit.

For example, when promoting a plant-based alternative to meat, you could emphasize the quality of the flavor and texture of it, as well as the health benefits. You should also consider what might help motivate the individual – be it benefits for themselves, benefits for their family and friends, or comparing how they 'perform' versus their peers.

Removing sacrifice and minimizing cognitive load is key

Brands need to think about what sustainable options are really asking of people (effort, price, the risk of giving children food that they won't eat and that you can't afford to replace). Companies need to remove sacrifice from the equation and be innovative in how they make sustainability a benefit to people.

Some examples of minimizing cognitive load is how recycling has become a social norm that is habitual, or how on-demand taxi companies can make the electric vehicle the default option.

When it comes to removing sacrifice, some retail companies have made promises such as ensuring loose and packaging-free products will not be more expensive than wrapped equivalents.

This means we need to stop asking the question:

How can businesses help people fulfil their desire to consume more sustainably?

Start asking the question:

How can businesses enable more sustainable behaviors?

— whether sustainability is a customer priority or not.

To rethink behavior change, we need to focus on sustainable outcomes, not sustainable conversion

From

From wholesale lifestyle changes

From explicit sustainability propositions

From requiring sacrifice of other priorities

From perceived as a luxury for few

To

To achievable and buildable behavior modifications

To implicitly sustainable as the norm

To a complement to existing priorities

To an accepted default for all

Belief: Breaking the sustainable consumption stalemate starts with consumer demand.

Reframe: Breaking the sustainable consumption stalemate starts with organizational action.

Now that we've established that organizations can't wait for mass-market demand from a demographic of 'sustainable consumers', organizations need to step up. Where it was once the role of governments to fund behavior change initiatives at scale – around issues like road safety, vaccination or healthy eating – we think businesses can play an equally influential role doing something similar for sustainability.

In the run-up to systemic change that would see sustainable products and services become the default offering, organizations can break the stalemate by providing the conditions for sustainable decisions and behaviors through their influence, offerings and the way they engage with partners and regulators.

There are three levers brands can use to create realistic sustainable consumption

How you **Influence**

What you **Offer**

How you **Engage**

The way brands use communication and channels to **influence** what people want and do

The way brands design and deliver the products and services that are on **offer**

The way brands lead change through their **engagement** with customers, partners, peers, and regulators

How you influence
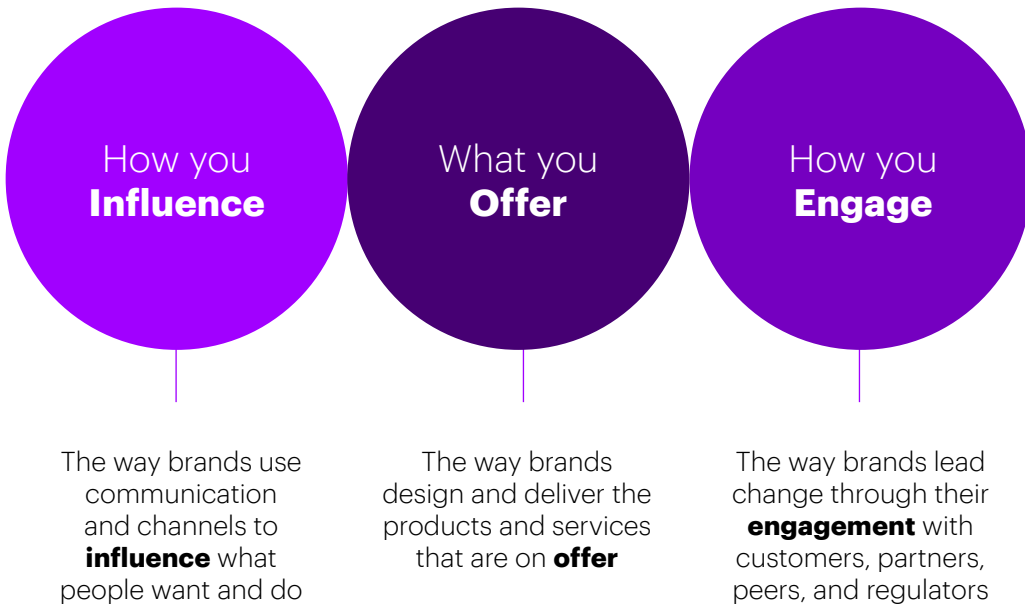
| How you **Influence** | What you **Offer** | How you **Engage** |

Brands can use communication and channels to influence what people want and do.

'Lack of knowledge' and 'complexity' are often cited as key barriers to sustainability. You'll hear a lot about 'lack of information'. Our research showed that the need here isn't about improving an abstract understanding of sustainability. Rather, it's about reducing the burden of choice in these three ways:

Intuition

As a baseline, brands need to help people to make quick decisions in the moment. Providing standard measures and benchmarks is an example of how to help with this.

For example, pilots such as Foundation Earth are trialing traffic light eco labels on product packaging.[7]

Clarity

To help people understand what is genuinely better, we need to use language that means something without having to be a climate scientist. Communications should show up at key decision-making moments, such as on packaging, online product descriptions, and bills.

For example, some pioneering brands in industries like cosmetics and food and beverage have started to put 'sustainability facts' on their product packaging.
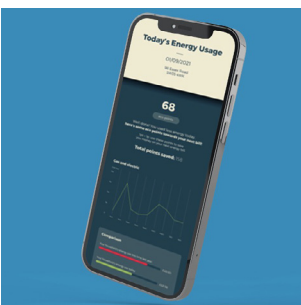
Context

People need a point of reference for what 'good' looks like. Without this, it's hard to evaluate yourself against others or to understand the need to make change.

For example, fintech companies are helping customers to compare their carbon footprint (using financial transaction data) to the average citizen.

Source: [7] Foundation Earth

What you offer

How you
Influence

What you
Offer

How you
Engage

Organizations can ensure the products and services they offer are focused on sustainable outcomes.

Organizations need to embed sustainability into product development and service design the same way they do safety without always needing to lead with sustainability. Here are some ways you can do this:

Product and service innovation

Sustainability as a co-benefit can lead to new services and revenue streams.

For example, IKEA incentivizes people financially with their furniture buy-back scheme, which also creates better outcomes for the planet.[8]

Design an engaging proposition - value

Quality, efficacy and convenience must not be compromised in favor of sustainability. This can be done implicitly or explicitly.

For example, Karün eyewear is explicit about sustainability as their core purpose without compromising quality or style.[9] More implicitly, companies can bring sustainability 'through the back door', for example by discreetly prioritizing discounts for sustainable products.

Design an engaging proposition - motivation

Just like any decent marketing strategy, brands should adapt the proposition of their products and services to audiences and cultures in ways that resonates with them.

For example, in our Glasgow research we experimented with different motivational levers: social comparison, personal benefit (like saving money), and the prospect of creating a better life for loved ones (i.e., selfless motivations).

Source: [8] IKEA buy-back scheme
[9] Karün Eyewear

How you engage

How you **Influence**

What you **Offer**

How you **Engage**

To reduce the burden on customers, organizations need to become more proactive and intentional about how they engage with partners and legislation.

There are endless ways of doing this, some of which concern talent and leadership, taxation, capital and investments, supply and distribution chains. Here are three example areas of focus that may have the greatest impact on customers:

Understand people's relationship with sustainability

Companies need to immerse themselves in the complexity of people's relationships with sustainable decision-making. Much of this understanding is more nuanced than a statistic or static segmentation.

For example, our ethnographic research revealed latent needs beneath barriers to sustainability that have helped to inspire new behavior change interventions.

Rethink collaboration

An important opportunity exists for organizations to collaborate with more partners and competitors to drive changes in non-competitive and competitive spaces that will benefit everyone.

For example, the previously mentioned Foundation Earth traffic light system brings to together a range of major retail companies.[10]

Be bold in your relationship with legislation

Businesses can actively work to create the operating environments and expectations needed for sustainability to become the default.

For example, multiple companies within the automotive industry and outside it are pushing for the EU to end petrol and diesel car sales by 2035.[11]

Source: [10] Foundation Earth
[11] Transport and Environment April 2021

Uncertain demand is not a viable excuse to delay investing in sustainability – leaders must act now

Financial Performance

Companies with consistently high ratings for ESG (Environmental, Social and Governance) performance had operating margins 3.7x higher, on average, than those of lower ESG performers. These strong ESG performers also generated higher annual total returns to shareholders, outperforming lower ESG performers by 2.6x.[12]

Stakeholder Pressure

A third of US-domiciled assets under management today are screened for ESG considerations and institutional investors are taking increasingly activist stances in favor of responsible corporate practices that generate value.[13]

Strategic Resilience

Companies who are proactive on becoming more sustainable will be more resilient to vulnerabilities caused by climate change, such as talent retention challenges, supply chain disruptions, and negative impacts on reputation caused by environmental issues.

Sustainability is purpose

For customers and increasing numbers of employees, it's no longer enough to encourage people to consume more from you. Roughly 1 in 2 workers agree that the ethical, sustainable, and moral values that a company holds will become more important to them after the pandemic passes.[14]

Source: [12] Accenture Business Futures 2021
[13] US SIF Trends Report 2020
[14] Accenture Care To Do Better 2020

How to get started

A thought starter:
one way to design for realistic sustainable outcomes

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1 **Desired change**
Identify what customer behavior your brand can meaningfully influence.

2 **Understanding barriers**
Find out who your customers really are, beyond the purchase cycle, and the barriers to people making choices with sustainable outcomes.

(Ability) (Impact) (Priorities) (Identity)
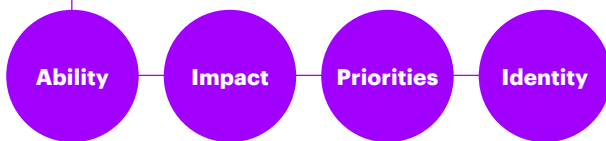
3 **Balance explicit and implicit**
Determine whether sustainability needs to be overt or implicit based on the customer type and context.

4 **Ideate**
Explore solutions where sustainability is a co-benefit without sacrifice, considering:
• **How** you influence
• **What** you offer
• **How** you engage

5 **Test & iterate**
Test out solutions with real customers to see how effective they are in creating sustainable outcomes.

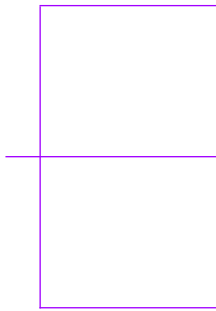# 9 questions business leaders can ask themselves:
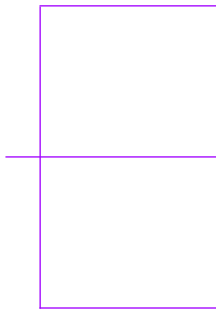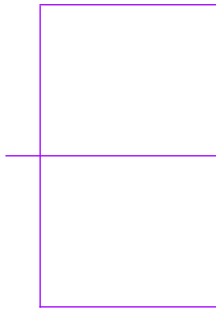
How you Influence

1 Do we make it **intuitive** for our customers to choose the most sustainable offerings (whether it's explicit or not)?

2 Does the **role** our customers think we can meaningfully own in the area of sustainability **match our aspiration?**

3 Do we make it easy for customers to **understand the impact** of their choices?

What you Offer

4 Do we know where **our responsibility ends** and our customer's begins?

5 Do the products and services we offer **require customers to sacrifice** something to be sustainable?

6 Does an understanding of **what motivates our customers** inform how we go to market?

How you Engage

7 Do we know **what really matters to our customers** beyond what they buy from us?

8 Do we **collaborate** in a way that promotes systemic change?

9 Do our **priorities** support progress toward sustainability as the default?

About the research

Between June and September 2021, Accenture conducted qualitative research consisting of four research phases with a total of 21 participants who were residents in Glasgow, Scotland. A single region was selected to enable a deep, local understanding of people's relationship with sustainability. Glasgow was selected due to it being the location of COP26, at which high level insights from the research were presented.

The ethnographic study used a contextual enquiry approach where participants combined the use of video, photography, and diary-style reportage to help us understand their daily lives, behaviors, needs and relationships with sustainability. The sample included 21 men and women aged between 21 and 61, with a mixed range of ethnicities and inner city and suburban households. Respondents represented different household make-ups including single people, couples, and families with children.

We recruited based on the Yale Six Americas audience criteria, which ensured that our participants reportedly had a moderate to high level of concern and an intention to be sustainable.[15]

Phase 1 involved five day-long face-to-face filmed ethnographies to develop a foundational understanding of how people lived their lives. Phase 2 used 15 digital ethnographies to deep dive on key sustainability themes, moments and behaviors with more households. In Phase 3 we developed interventions based on our analysis of the participant's behaviors and beliefs in phases 1 and 2. Leaning on behavioral science approaches, the objective of the interventions was to explore the effectiveness of encouraging sustainable behavior changes. To do this we tested two categories (energy and consumer goods), and three types of motivational levers (self-driven e.g., saving money, selfless e.g., helping others, and social comparison). The interventions were given to the participants at home and after ten days we followed up with an in-depth interview to discuss their reactions and reflections. In the final phase, a professional film crew visited a selection of the participants and four additional Glaswegian residents who were met on-shoot to capture a higher production standard of documentary-style films.

This research was supported by a literature review by multiple researchers including a behavioral scientist at the LSE, Virginia Fedrigo.

Source: [15] Yale Program on Climate Change Communication, Global Warming's Six Americas

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