

Advertising and sustainability: a new paradigm

Mike Longhurst, McCann-Erickson EMEA, explains the increasing importance of the pressures for sustainable marketing, and the implications for advertising



Sustainable seas: Unilever is working to preserve fish stocks

A RECENTLY EMERGING issue facing companies is sustainability; that is, the economic, social and environmental well-being of the planet. This article takes a look at how this affects our businesses of marketing and advertising, and also how it creates a new paradigm, and a new set of rules and expectations for our sector.

It is fair to say that we have all seen the groundswell of anti-capitalism and anti-globalism. Brands and corporations can be described as the lightning rods that attract the criticism in this battle.

As the public face of brands, advertising itself has become a target. We have seen systematic pillorying of brands such as Nike, Shell, Esso, Nestlé, McDonald's, and more.

► We have seen advertising become a scapegoat for the world's problems and restricting advertising a panacea to solve them.

► We have become a cheap shot for politicians or others wanting to gain easy headlines.

► We have seen calls for new laws, for code changes, and concern at regulatory level to control the new media landscape.

In fact, over the last couple of years, we have been getting a very bad press. We have been accused by consumer and special interest groups of exploiting children, environmental vandalism, creating waste, everything down to visual pollution – you name it, we have been accused of it.

Has the world gone mad?

It is easy to see this as the work of a lunatic fringe and we start to ask ourselves, 'Has the world gone mad?'

Frankly, I don't think it has. What has happened is that the rules of the game that we are in have changed somewhat, and we have not necessarily noticed this happening. There is a new paradigm governing people's expectations of brands and advertising that we need to be aware of and react to.

Perhaps it is not true that we have not seen this shift happening: it is probably more true to say that we haven't applied it to our own business. For years, people in the advertising business in western Europe and the US, at least, have noticed a shift from the outer-directed consumer values of the 1980s towards more inner-directed personal values.

We have noted through research that consumers have become more interested in the company behind the brand and in its values. We have noted consumers transferring their trust from politicians to brands. Figures from Yankelovich in the US in 1998 show confidence in government trailing well behind brands, and in the same year, The Henley Centre reported the same picture in the UK. But the question is, why did we think this would affect only purchasing and lifestyle, and not fundamentally affect our business and how we operate it?

Who offers the guarantees?

In the past, people believed in politicians and in government, and they expected government to guarantee their quality of life. And, historically, a brand was there as a guarantor of the quality of manufacture. We missed the fact that in transferring trust from politicians to brands, consumers in many respects were beginning to require brands to be guarantors of quality of life as well.

Many marketers have got this already. Niall Fitzgerald, Chairman of Unilever, has said, 'Sustainability is here to stay or we might not be.'

Mike Longhurst is senior vice president of McCann-Erickson and has worked in countries including Germany and East Africa. He is also a board member of the European Association of Communication Agencies (EACA) responsible for sustainability.



William Ford of the Ford Motor Company has said, 'What does social responsibility have to do with shareholder value? A lot today, and more tomorrow.'

We see Shell with a total commitment to sustainable development on its website. We also see the success of the Dow Sustainability Index and the rise of a whole ethical investment sector as evidence.

Symbols associated with success and accomplishment have changed from traditional status symbols to inner values: the Yankelovich monitor shows us that wearing designer clothes, owning an expensive car and a prestigious credit card have significantly declined as symbols of success and accomplishment, and have been replaced by new ones:

- ▶ being in control of one's own life
- ▶ being satisfied with one's own life
- ▶ having a good family life
- ▶ being able to afford what is really important in life.

How can business embrace sustainability?

The question is, apart from being a necessity, what does embracing sustainable principles mean to our business? Or to put it another way, can sustainability sell? It was not the more avaricious among us that developed the concept that sustainability might be profitable for business: it was the United Nations Environmental Programme (UNEP) who were among the first to promote the idea.

First, there is no downside, there are major opportunities for our industry in embracing sustainability. Most of our global clients are switched on to sustainability at the corporate affairs level – just look at their websites.

So, what is the problem?

The problem seems to be that there is a disconnection between what advertisers are saying and doing on the issues and what they are communicating through advertising. So commitments to sustainable development, to research investment, new product development and corporate

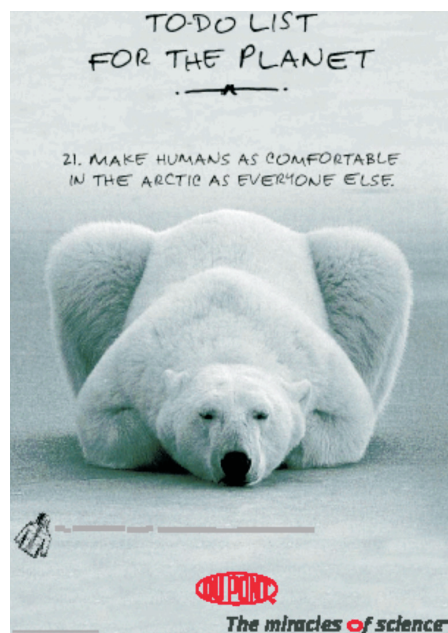
social responsibility projects and other measures are not contributing to the growth of brand value, because nobody knows enough about them.

Because of that, advertising and marketing are not highlighting the good they can do. It should be clear that, ultimately, sustainable development will only work if it yields benefits for companies, and our role in agencies is to help them to develop and defend brand value. So the question is, what can we really do?

Two years ago, McCann-Erickson put in place a study for the UNEP through our Pulse research network, which is a consumer dialogue network on a global basis. We chose young consumers, those we call 'identity builders', for this particular study, carried out in 28 countries.

We found that there were very different levels of consumer awareness and involvement in the subject of sustainability. But, overall, whether the level of awareness and action was high or low, we found high levels of consumer interest in three main aspects:

- 1.environmental protection



Protecting the planet: DuPont promotes itself as an earth-sciences pioneer

- 2.protection of animals and a hatred of testing on animals

- 3.concern for the poor and about human exploitation.

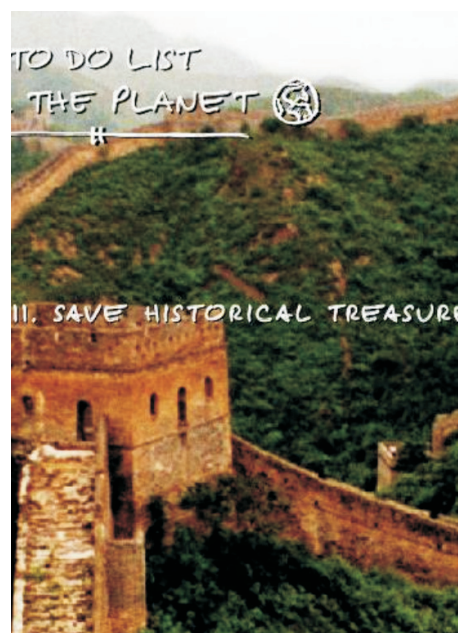
But in terms of what consumers actually did about it, we had to conclude that young people are not sustainable consumers. At best, all they could come up with was a bit of recycling, and they were not very committed to that.

This has to be a problem for an industry that is under pressure globally to show it can help promote sustainable consumption.

Leadership

The study concluded that consumers see sustainability as a top-down process of leadership, with governments bearing the greatest responsibility; but next come major corporations and companies, then the media, and then the communities in which they live, to give them the leadership they need to take action.

In the case of companies, consumers place their trust in brands, but they expect good value in return. Even with the Body Shop, consumers will say, ▶



'I use Body Shop products that play a role in supporting the third world countries and their jobs' – but they also expect those products to perform as well as, if not better than, ordinary products.

One of the most significant things that came out of the Pulse study was the conclusion that young consumers are 'hedonistic idealists'. Their lives are a strange paradox. On one hand they say they want to end poverty, stop violence and racism, get rid of pollution, and that everybody should be equal. But on the other, they want to dress in the nicest clothes, drive a great car, talk on the latest mobile phone and watch their new DVD.

What this research showed us was an opportunity for advertisers and brands to help consumers resolve this inner conflict between their vision of the world and their vision of their own lifestyle. To empower consumers to assist without effort or downside on their part, and to create for the brands themselves emotional added value in a very modern, relevant way as leaders in the shift towards more sustainable consumption.

Ideally, we need to see advertisers building commitments into corporate advertising platforms, including sustainable claims in justified product promotion and exploring cause-related marketing further. In short, we need to see them coming out of the closet and declaring themselves champions for sustainability.

Vicious circle

Being realistic, we have to recognise that there is a vicious circle for manufacturers. Low consumer pull-through tends to mean there are few sustainability breakthroughs; and we shouldn't underestimate the fact that to create more sustainable products requires considerable research and development – which needs major breakthroughs. The few sustainable breakthroughs mean low advertising emphasis on sustainability as a purchasing criterion, and therefore low consumer awareness and attractiveness.

The only place that we can hope to break this vicious circle is at the consumer level, by making sustainable attributes more attractive to consumers where they exist at the moment, and to make consumers more inclined to demand those attributes in other products that don't yet offer them.

How can we do this?

We need to work with manufacturers to get their corporate principles down from the websites and into more proactive media. In a sense, the arrival of the internet has probably set back corporate



Lufthansa: 'Before I just demonstrated for the environment, today I work for it'

communications, because companies seem to believe that just setting up a wonderful website, and putting on it everything they are doing, is communicating with people. I am afraid it is not.

The internet is not an intrusive medium. You have to go looking for the information, it does not come to you. What we do in our business is specialise in taking information to people.

Despite all the problems, some are already creating advertising based on these principles – some governments, some leading brands and a few non-governmental organisations.

DuPont is a company that has reinvented itself in recent years with its campaign in airports and on poster sites – the 'To do list for the planet'. In the process, DuPont has upgraded its image from that of an old-technology smoke-stack industry, to an earth-sciences pioneer. Overall, the campaign proves that sustainability doesn't have to be dull, it can be exciting and interesting and, of course, it is not just about advertising.

DuPont has completely embraced this new positioning as a corporate philosophy, and this is really what companies have to do to be both credible and effective.

MasterCard found itself with an opportunity to break out of the image of 1980s conspicuous consumption, where Visa and Amex were regarded as the leaders. To reposition MasterCard and make it more competitive, we had to recognise the fundamental shift in consumer values since the 1980s.

On the more corporate side, we are now producing a campaign for Unilever, including its ban on fishing in the North

Sea, which has been in place now for a couple of years, to help preserve fish stocks.

We produced another for Lufthansa. The headline reads: 'Before I just demonstrated for the environment, today I work for it.' The airline industry is under great pressure on environmental issues.

McCann took on UNEP as a *pro bono* client four years ago, and as representative of the European agencies I joined UNEP's advertising advisory committee, together with Bernhard Adriaenssens of the World Federation of Advertisers, three years ago.

At that time, we faced concern from all over the world, and we were rather horrified to find a widespread lack of understanding of what our sector is and what it does. We co-operated to create the Sector Report to the World Summit on Sustainable Development in Johannesburg last September, and this laid out the future in which advertising will work, as far as is feasible, in support of sustainable development. As part of that commitment, McCann produced a brochure, *Can Sustainability Sell?*, and mailed it to all multinational companies.

As we look forwards, we have to be ready for many changes. On the client side, there will have to be major structural changes. Marketing and corporate affairs people will no longer have completely separate functions, but will need to work together. Marketing and advertising are corporate affairs.

The world of corporate affairs may well offer marketing opportunities, but marketing may be constrained more frequently by corporate considerations of what to sell and how to sell it.

In the agencies we need to learn new skills. Trying to communicate messages about both environmental and product performance benefits can lead to double-messaging – which we know does not work. We need to learn how to communicate these things and to grow brand value in a new environment, while still selling products.

We will have to learn that more is expected of us in terms of ethical standards, and that these standards may change. If we miss that point, then we can expect the self-regulation system, which is vital to advertising freedoms, to come under more and more pressure.

In summary, I would say that in sustainability we see great marketing opportunities, many advertising challenges, but ultimately – when we get it right – positive brand value. ■

Mike.Longhurst@europe.mccann.com