

News Release

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Global Survey Asks 30,000+ Consumers About Views on Sustainability

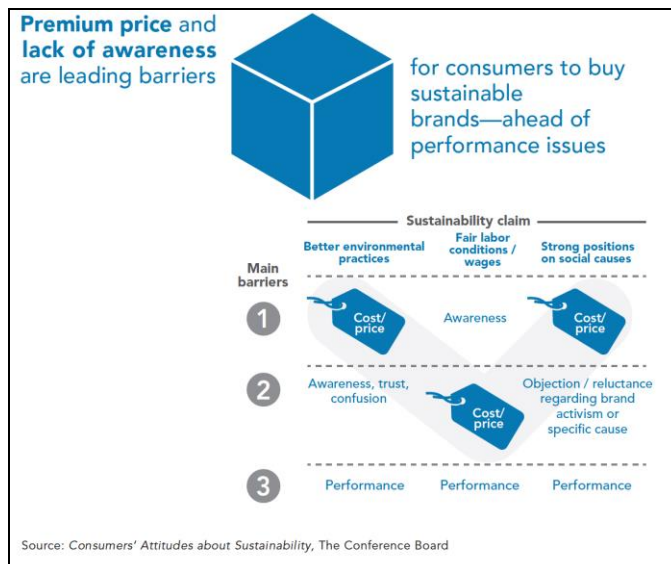
NEW YORK, February 12, 2020...Despite growing interest in sustainability, two major factors are discouraging consumers from purchasing brands with sustainability-oriented practices. According to a global [survey](#) from The Conference Board, consumers cite the top deterrents as the price premium associated with sustainable products, as well as communications challenges. The latter entails consumers insufficiently knowing about, trusting, and understanding brands' sustainability claims.

Despite these barriers, the results also show that companies can attract consumers through certain sustainability initiatives. A brand's eco-friendly practices rank as the top feature that most influences consumers' brand choice.

[The survey](#) asked more than 30,000 consumers worldwide about their views on various aspects of sustainability. Respondents from more than 60 countries participated. Insights from the two reports include:

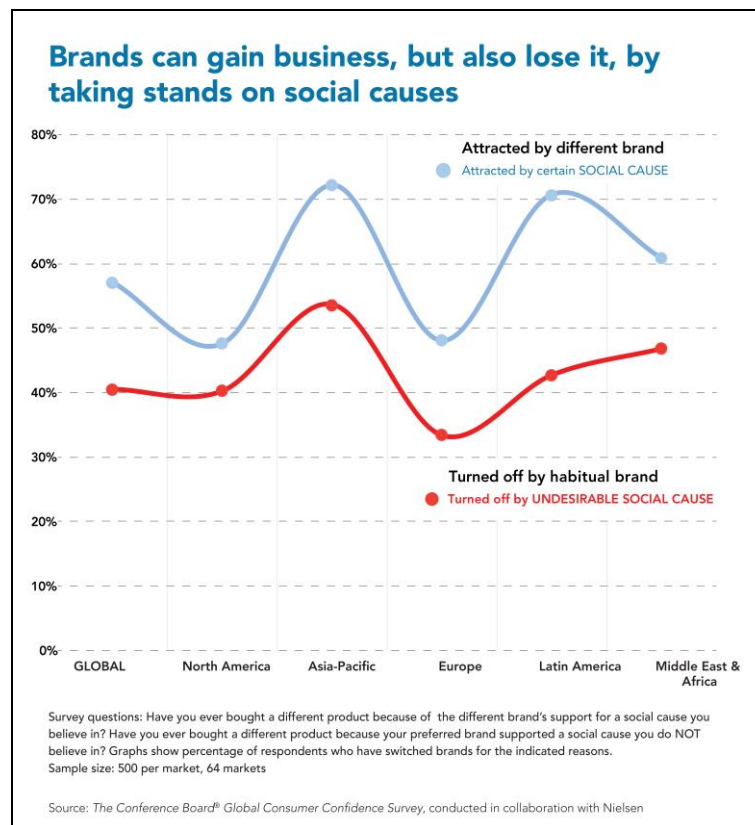
The Top Barriers to Buying Sustainable Brands

- **Price premium:** Globally, consumers cite price premium as a leading barrier to buying sustainable products.
- **Lack of awareness and trust, and confusion about sustainability claims:** Lack of awareness, as well as trust issues and confusion about claims, are also top deterrents.
- **What it means for brands:**
 - **Innovate:** Innovating around sustainability offers an opportunity for companies to introduce new additional benefits that consumers value, which can reduce shoppers' sensitivity to price.
 - **Collaborate:** To make sustainable products more affordable, companies can consider various cost-efficiency strategies, including industry-wide collaborations, such as developing and sharing recycling technologies.
 - **Communicate and validate:** To strengthen awareness and trust, companies can seek certification from independent organizations about their environmental and social practices. In addition, communicating in concrete terms the sustainability benefits of buying choices, such as the amount of packaging saved, can enhance a brand's appeal to consumers.



Supporting Social Causes: A Double-Edged Sword for Companies

- **Promoting causes that consumers care about can help a brand:** Consumers are more likely to gravitate to a brand that endorses social causes they find appealing than to turn away from one whose stances they don't believe in.
- **The case for not speaking out:** Almost half of all consumers globally say they refrain from buying brands that take strong positions on social causes for one of three reasons: 1) they don't think brands should take social positions at all; 2) they don't want their purchases to appear like an endorsement of a brand's social position; or, 3) they often disagree with the positions taken.
- **What it means for brands:** Before taking a stand, companies should have a clear understanding of their customers' and employees' values. They should tread carefully, only choosing causes that authentically fit the brand's positioning.



Which Issues Consumers Associate with “Sustainable” Products

- **Environmental issues lead:** Globally, most consumers associate sustainability with environmental issues: environment, recycling, and alternative sources of energy are the top associations. Consumers rank them ahead of social issues such as fair price and fair labor conditions.
- **Significant geographic variation:** While environmental associations lead at the global level, there is significant geographic variation in how consumers understand sustainability.
 - **North America:** Consumers there mostly associate sustainability with recycling.
 - **Europe and the Middle East & Africa:** Consumers in these regions mostly associate it with fair price.
 - **Latin America:** Consumers there mostly associate it with alternative sources of energy.
 - **Asia-Pacific:** Consumers there mostly associate it with the environment.
- **What it means for brands:** Given the different associations, brands should consider tailoring their communications geographically. That could entail using differentiated labels for their array of sustainability initiatives rather than universal labels such as “sustainable.”

Which Sustainability Features Most Influence Consumers' Choices

- **Environmentally-friendly production leads:** Globally, consumers rank it as the sustainability feature with the biggest impact on determining their brand choices.
- **Fair labor conditions have less purchasing influence:** Issues such as fair labor/wages and equal pay are less likely to inspire purchases.
- **What it means for brands:** In light of the heightened concern around climate issues, companies that offer and highlight their environmentally-friendly production will most likely benefit with new sustainability-minded customers. At the same time, fair labor practices might become more important as a purchasing criterion.

“Improved communications about a brand’s equitable working conditions could increase the influence that fair labor practices have on consumers’ purchases. Shoppers are increasingly interested in supply chain transparency, but today they often don’t know which brands are more fair. And that’s the leading reason for them to not buy such brands,” said Denise Dahlhoff, Senior Researcher, Consumer Research at The Conference Board.

Institutions and Sectors that Consumers Think Should Care Most About Sustainability

- **Government falls short of expectations:** At a global level, consumers believe governments – ahead of tech companies and other policy and business organizations – should care the most about sustainability. However, governments aren’t living up to those expectations: They rank third in consumers’ perception of performance regarding sustainability.
- **Highest marks for the tech sector and the United Nations:** Globally, consumers perceive these institutions as doing the best on sustainability.
- **Certain industry and service sectors exceed expectations:** The survey results reveal that tech companies, utility providers, financial institutions, home appliance makers, retailers, and hotels exceed consumers’ expectations regarding their sustainability efforts relative to their expectations for other sectors.

What it means for these entities: Given their disappointment with governments, consumers are looking more to companies to fill the void. It’s an opportunity for brands to innovate, differentiate themselves, and satisfy consumers’ needs and wants with initiatives around sustainability. Doing so can foster emotional attachment, willingness to pay, and word-of-mouth promotion to ultimately create financial value.

Media can contact The Conference Board for a copy of the reports featuring the survey results.

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