



The WARC Guide to

# Net zero marketing

# About this report

The global marketing industry is well positioned to address the climate emergency. Advertisers have the ability to impact climate change efforts, given their position at the intersection of numerous business disciplines with a major environmental impact.

This WARC Guide looks at the challenges and opportunities of a net zero world. It presents several frameworks to help the industry get to net-zero carbon emissions, featuring examples from brands leading the way.

It shows how marketers can drive behavioural change, and it provides practical advice on how to avoid the perils of greenwashing.

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# In this report

António Guterres, the UN's secretary-general, described the climate emergency as a "code red for humanity". And the latest climate report from the United Nations Intergovernmental Panel on Climate Change (IPCC) warns that half of the global population is 'highly vulnerable' to climate crisis impacts. The report is a stark warning to citizens, businesses and governments the world over.

This WARC Guide provides a roadmap to help the industry achieve net zero targets, with frameworks and strategies that can be adopted and applied. It's crucial to work collaboratively and earnestly to help solve this most urgent challenge.

Net zero is a target global climate scientists say the world must reach by 2050 to manage global warming and avoid a temperature rise above 1.5 degrees.

The global advertising and marketing industry is well placed to help solve the climate emergency. But this requires systemic change. Practitioners will need to rethink how adverts are made and take a lean approach to media planning – less wastage means less carbon emissions. In this context, brands that can generate quick recall will have an advantage.


Agencies and marketers can use their world renowned creativity to promote climate-friendly behaviours and lifestyles, to help close consumers' intention-action gap.

Recent research shows the most effective climate/sustainability campaigns leave people feeling inspired. Guilt tactics can be useful, but, if used wrongly, this approach can lead to apathy.

Getting to net zero requires urgent action and deep collaboration among all stakeholders including businesses, suppliers, investors, policymakers and consumers. Although this is a Herculean task, companies like Ørsted, Allbirds, Patagonia, Maersk, and PepsiCo are demonstrating effective climate leadership.

As the number of companies setting net zero targets increases, brands must beware the perils of greenwashing, which will be called out by consumers, employees and regulators.

# Takeaways

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- 1. Understand the different greenhouse gas emissions** and take radical steps to reduce them, including complex **Scope 3 emissions**.
  - 2. Develop 1.5C-aligned targets**, and ensure commitments are validated by the Science Based Targets initiative.
  - 3. Encourage sustainable behaviour across your entire value chain** and promote the circular economy. Make it easy for people to recycle, reuse, rent and resell, and **reward eco-friendly behaviour**.
  - 4. Advertised Emissions** is a new metric that helps advertisers track the environmental impact of their advertising. The research has ignited a debate because it doesn't account for cross advertiser off-setting.
  - 5. Rethink media plans for a net zero world**; this means less wastage, a focus on climate friendly formats, and the need for **strong brand recognition**.
  - 6. New research shows sustainability/climate campaigns that show how change can be encouraged** are most effective.
  - 7. Greenwashing will be called out. Avoid vague, misleading and unsubstantiated claims.**
  - 8. Marketers should not fear revealing their shortcomings in environmental sustainability. Recent research shows "negatively-framed" eco comms can build consumer trust.**



# What this means for:

## Advertisers

- Adopt a verifiable, science-based net-zero plan, and act on it now.
- Hold supply chains accountable, and ask your agencies and suppliers for their green credentials.
- Shift investment to low or no carbon media.
- To avoid greenwashing, ensure your net zero targets and sustainability claims will stand up under the scrutiny of regulators and other stakeholders.
- Use offsets carefully as this is an area where net zero targets fall down.
- Invest in regenerative agriculture and renewable materials.

## Agencies

- Adopt a verifiable, science-based net-zero plan, and act on it now.
- Ask difficult questions. What is the carbon footprint of the brand being advertised?
- Reduce the carbon impact of production by flying to much closer destinations (or better, take public transport) and send far fewer people by using local talent.
- Use creativity to inspire people to make eco-friendly choices, and explain the multiple benefits of a green economy.
- Check climate campaigns inspire, and give people a sense of control.
- Help consumers prepare for a world where they're expected to measure their own carbon impact.

## Media owners

- Adopt a verifiable, science-based net-zero plan, and act on it now.
- Carbon impact must be built into media planning.
- Find ways to shorten the journey from data centre to audience.
- Experiment with green-hosted servers or use more low-res imagery.
- Use recyclable paper, printed by carbon neutral printers.
- Use renewable energy sources to illuminate out-of-home advertisements.



Chapter 1

# **The challenge of net zero**

**The WARC Guide to net zero marketing**





# Code red for humanity

António Guterres, the UN's secretary-general, described the climate emergency as a "code red for humanity", in a report by the IPCC. The report showed that global carbon emissions must be halved by 2030 if we are to avoid a temperature rise above 1.5 degrees (we're currently at 1.09C).

Reaching Net Zero is complicated. Companies must understand and measure how much carbon emissions they and their entire value chain are omitting, and get a verifiable plan in place to reduce them.

Advertised Emissions is a new metric to help the industry measure emissions to establish a baseline, and then track their performance in reducing them.

Decarbonising Scope 3 emissions is typically the most complex and most critical to reduce. Brands should take a realistic approach to offsetting as this is an area where company targets fall down under scrutiny.



# Scope 1, 2 and 3

Scope 1, 2 and 3 is a way of categorising the different kinds of carbon emissions an organisation creates in its own operations, and in its wider value chain.

To reduce emissions, companies must set a net zero target. Thereafter, "you need a plan, interim milestones, a realistic approach to 'offsetting', built-in accountability and a reputable standard to adhere to", explains Peter Chalkley, Director at Energy and Climate Intelligence Unit.

## Greenhouse gas emissions explained

It's critical to measure and reduce all emissions, including Scope 3

### Scope 1

Scope 1 covers the GHG emissions that a company has **direct control over**, i.e. fossil fuel use, travel and waste. So **Scope 1 refers to your organisation's carbon footprint**. Some questions to ask: are you using renewable energy? Are you reducing travel? Are you using eco-friendly computer servers and office supplies? Are you reducing plastics and waste?

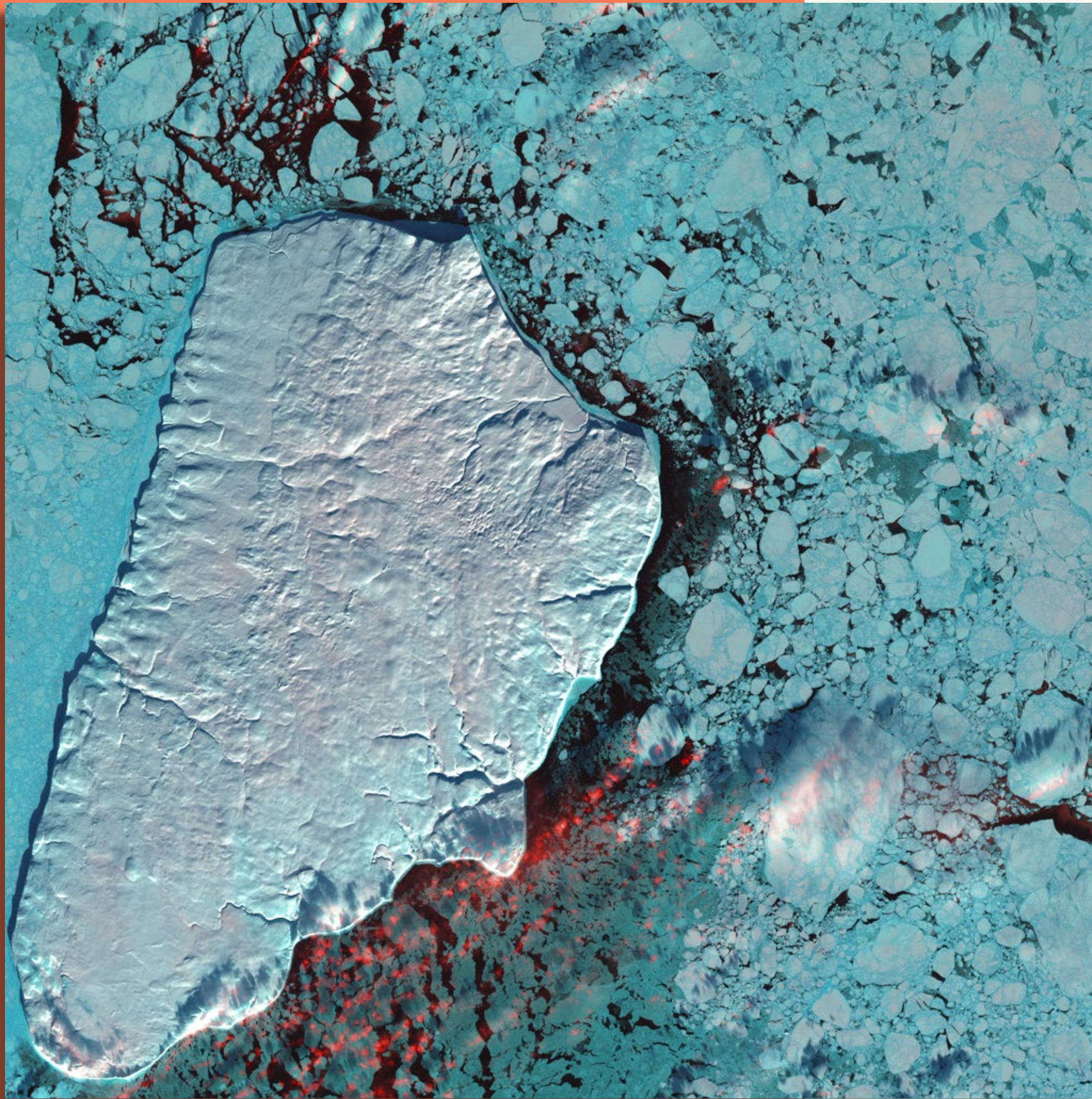
### Scope 2

The Carbon Trust states Scope 2 **covers indirect emissions** from the generation of purchased electricity, steam, heating and cooling consumed by the reporting company. In other words, **Scope 2 is about power-related emissions**.

### Scope 3

**Scope 3 is the most complex and critical to address**. It covers all the emissions associated, not just with the company itself but those that a company is indirectly responsible for, up and down the value chain. Think of Scope 3 as the carbon footprint of your **suppliers (upstream)**, and the emissions generated by the consumption and disposal of your products/ services **by your consumers (downstream)**.





# Why adopting science-based targets is critical

**A lack of standardisation has led to companies referencing different sources of emissions in their targets, while others are over-focused on offsetting, which is often where net zero targets fall down.**

To avoid accusations of greenwashing, it's critical to set science-based targets, that can be verified and approved. The Science Based Targets initiative (SBTi) is an initiative run jointly by the CDP, the UN, the World Resources Institute and the World Wide Fund for Nature. The goal is to drive ambitious climate action in the private sector by enabling companies to set science-based emissions reduction targets.

Getting SBTi-approved is considered gold standard for corporate environmental targets. Seven companies – CVS Health, Dentsu International, JLL, Ørsted, Wipro, Holcim and AstraZeneca – are the first worldwide to have science-based net zero targets verified by the SBTi.

As more corporations set net zero targets, they can expect increased scrutiny.



# Measuring the advertising industry’s climate impact

Taking inspiration from the financial services industry which measures **Financed Emissions**, recent research from Dr Grace Kite of **magic numbers** and **Purpose Disruptors** estimates that advertising adds 28% to the carbon footprint of everyone in the UK.

Measuring and reducing the GHG emissions that result from the uplift in sales generated by advertising will enable the industry to play its part in helping address the climate emergency.

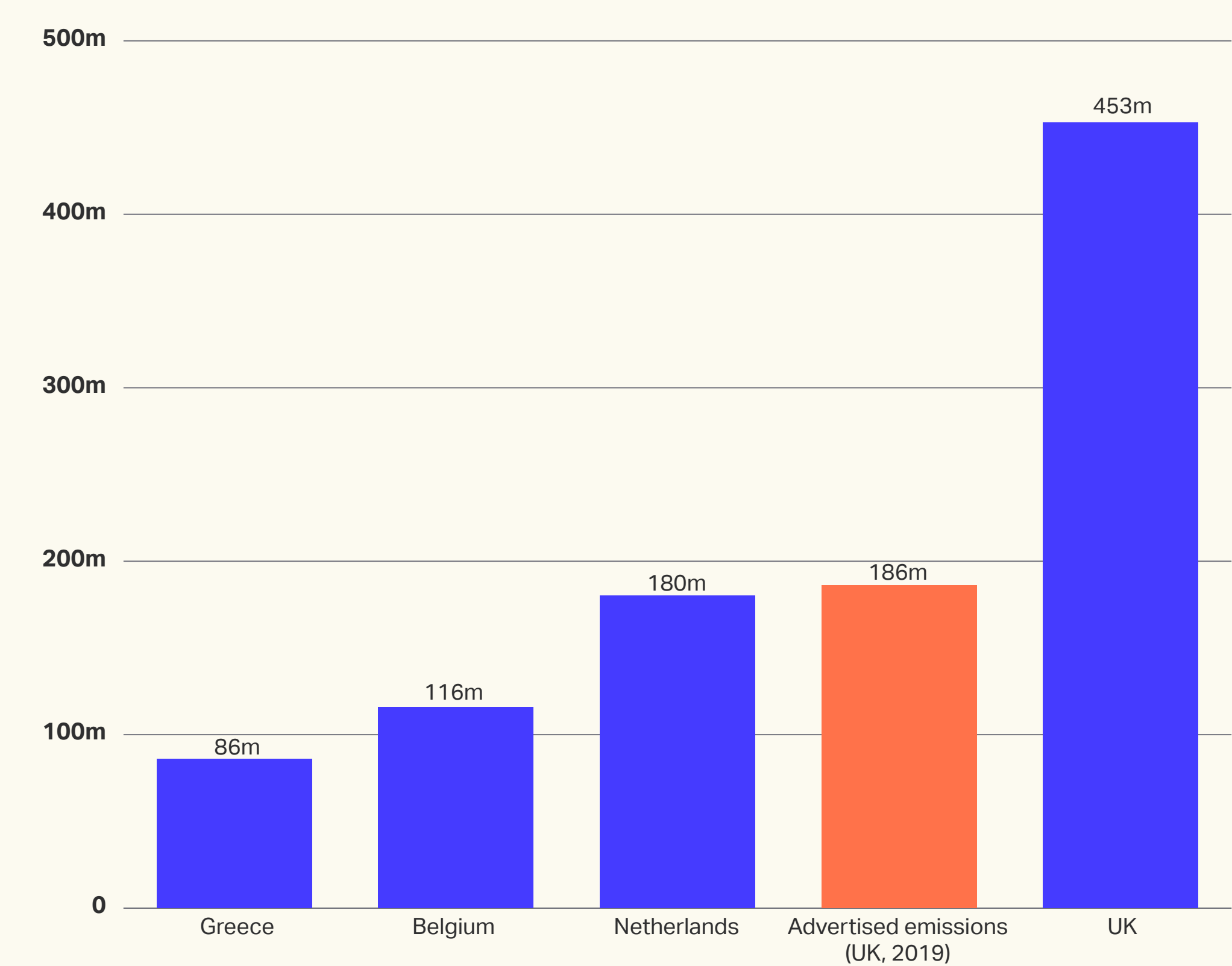
While the research has been criticised by some for assuming ads

always drive new sales rather than category switching, the authors of the study say **Advertised Emissions** provides the metric to help the industry measure emissions to establish a baseline, and then track their performance in reducing them.

A separate study by Greenpeace Nordic used publicly available data on GHG emissions, on ad spending, and industry return on ad spend, to estimate the climate impact of advertising for flights and cars. It found that in Europe alone, auto and airline ads could be responsible for the same amount of GHG emissions as Belgium’s total annual emissions in 2019.

## Advertised emissions in context

Tonnes of greenhouse gases in 2019



Source: magic numbers calculations based on data from WARC, ARC, ONS, EXIOBASE, Ricardo, Greenpeace, WWF, and DVLA



# Some sectors have more work to do

The [Purpose Disruptors](#) report notes that not all categories and brands are equal when it comes to their climate impact. The report classifies sectors as Red, Amber or Green, based on their climate impact.

All is not lost for brands in the Red category. For example, automotive companies are investing in EVs. Having a clear plan – and delivering on it – could move a brand to Amber, the authors say. The key here is to develop a clear, and achievable plan, and act on it – showing commitment and transparency.

## Categorising sectors by climate impact

Not all sectors are created equal

# 1

### **Red brands:**

High carbon brands and industries with little opportunity to re-engineer demand towards low carbon alternatives.

# 2

### **Amber brands:**

Established brands and industries that can accelerate the adoption of lower-carbon attitudes and behaviours.

# 3

### **Green brands:**

New and emerging brands and industries whose business model is geared to serving a 1.5 degree world.

Source: [‘Advertised Emissions: The carbon emissions generated by UK advertising: the bigger picture’](#), Purpose Disruptors, October 2021

# Increase spend on eco brands

The Purpose Disruptors recommend the following action:

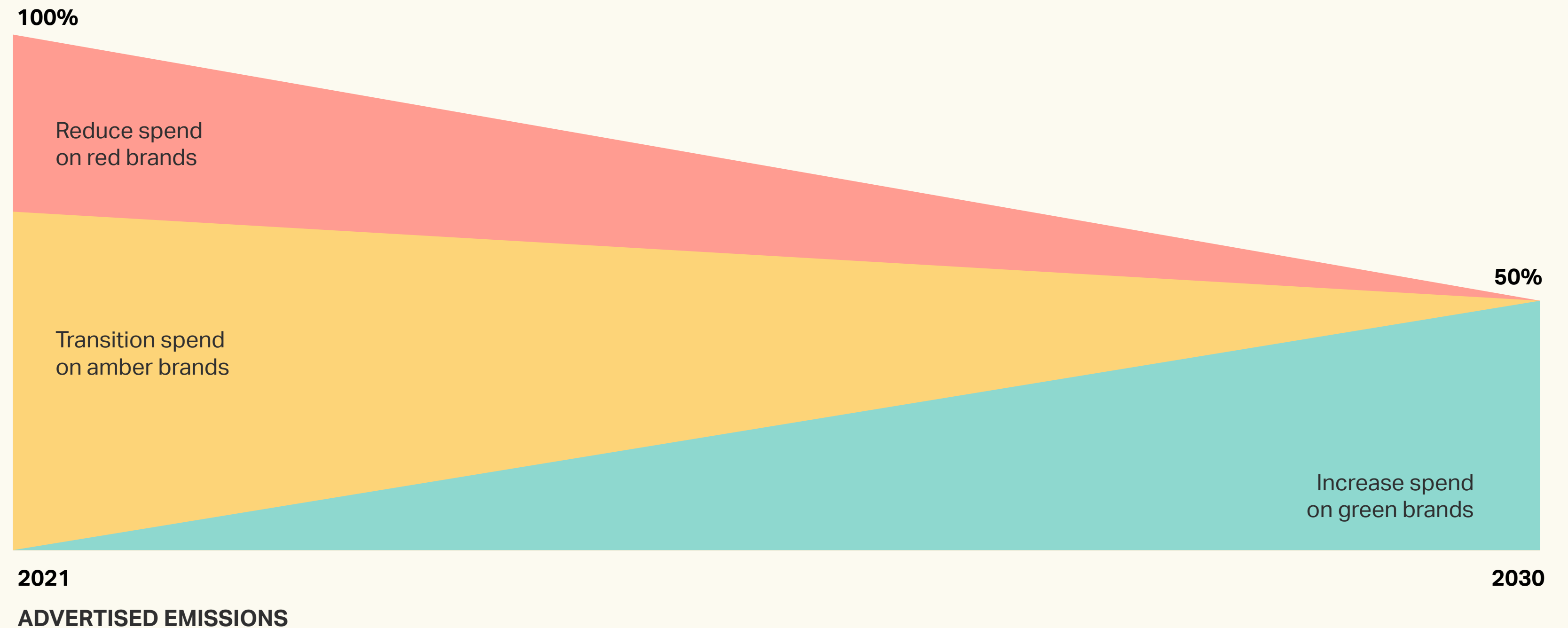
- 1. Reduce spend** on promoting red brands
- 2. Transition spend** on amber brands to accelerate the adoption of lower-carbon lifestyles
- 3. Increase spend** to grow green brands

Concern about sectors that have a negative impact is not new. Clean Creatives, an industry collective, pledges to decline future contracts with the fossil fuel industry.

## A framework for assessing clients and categories

Increase spend on promoting green and amber brands

**GOAL: REDUCE ADVERTISED EMISSION BY 50% BY 2030**



Source: 'Advertised Emissions: The carbon emissions generated by UK advertising: the bigger picture', Purpose Disruptors, October 2021



# The industry is responding, but more commitment is required

**46% of marketers afford the environment and financial growth equal importance, according to [WARC's recent Marketer's Toolkit report](#).**

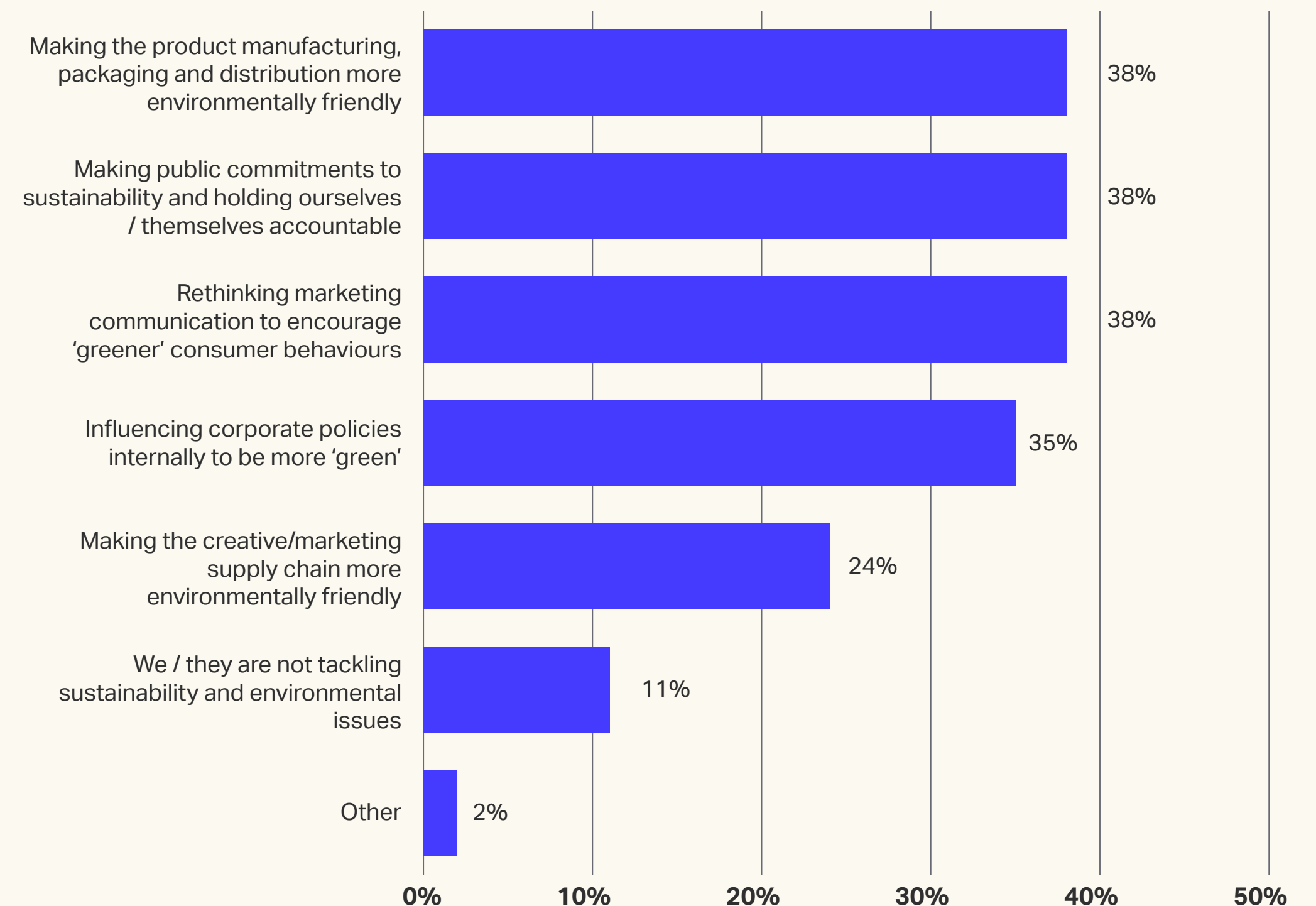
And 51% of respondents reported that sustainability is incorporated into business decisions. Key focus areas include changing packaging, making public commitments they are accountable for, and encouraging green consumer behaviours in their messaging.

There is still work to do on measurement, as 25% of respondents viewed sustainability as a "general goal" rather than using specific metrics.

Elsewhere, [Kantar's Asia Sustainability Study 2021](#) found 58% of Asian consumers are personally affected by environmental issues and they're most concerned about water and air pollution, and extreme weather events.

Despite this, just 26% of Fortune Global 200 firms in the APAC region have appointed a sustainability lead at senior level, in comparison to 81% in EMEA and 92% in North America, [say Forrester](#). Although values-based consumers are pressuring firms to ramp up their sustainability efforts, many plans remain performative, the report states.

## How marketers are responding to the environmental challenge



Q: How is your brand / your typical client tackling sustainability and environmental issues?  
Source: The Marketer's Toolkit 2022, WARC



Chapter 2

# How the industry is responding

The WARC Guide to net zero marketing



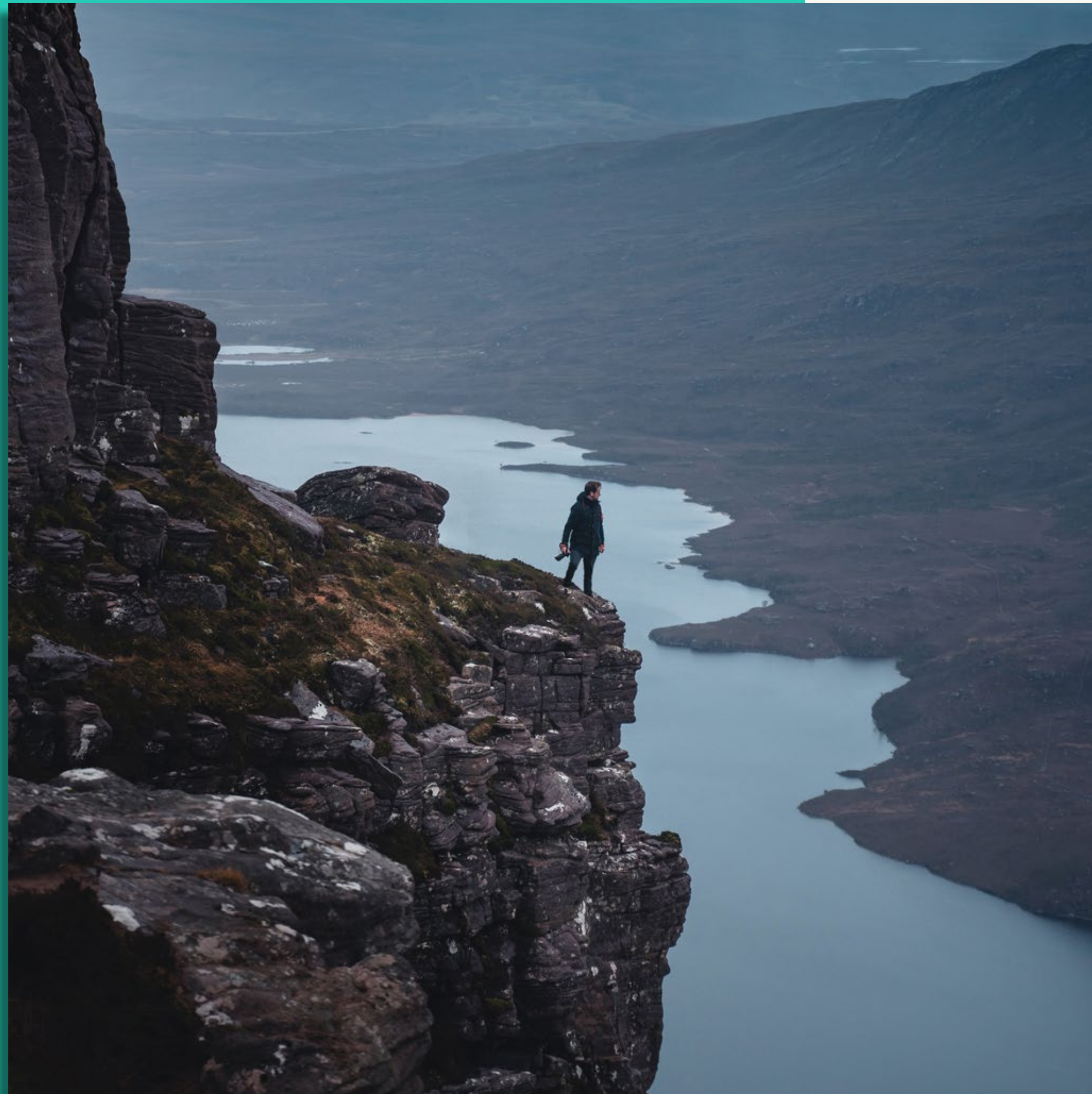


# Radical transformation

The advertising and marketing industry is responding to the climate emergency with a raft of laudable initiatives, including the Advertising Association's Ad net zero, #Changethebrief, AdGreen, Clean Creatives and the WFA's Planet Pledge, many of which are outlined in this section.

Urgent action is required to drive systemic transformation. This means rethinking how ads are made, reimagining media plans for a net zero world, reducing the carbon footprint of events, and considering new metrics like Return on Net Carbon media.

The transformation required is radical and disruptive, but companies like Maersk, AllBirds, Patagonia and Mars are showing climate leadership, including in the critical area of Scope 3 GHG emissions.



# Ad Net Zero

In late 2020 the UK advertising industry launched Ad Net Zero, a project that aims to achieve carbon net zero by 2030.

Backed by the Advertising Association (AA), along with the Institute of Practitioners in Advertising (IPA), and the Incorporated Society of British advertisers (ISBA), its mission is to bring about collective, industry-wide action to cut carbon emissions associated with advertising, across the whole process of development, production and media placement, in order to make the industry carbon neutral by 2030.

## Ad Net Zero: A five step framework

The Advertising Association's five point plan

**1 Advertising businesses' own operations**  
All companies commit to curtail their carbon emissions, principally by reducing travel, fossil energy use and waste.

**2 Advertising production**  
Advertisers, agencies and production companies commit to measuring and reducing their impacts with support from AdGreen.

**3 Media choice**  
Media agencies commit to the IPA Media Futures Group Climate Charter, working with clients to develop low carbon media plans.

**4 Awards and events**  
Organisers must build sustainability criteria into awards, and minimise the carbon footprint of events, especially from travel.

**5 Use advertising's positive influence**  
Promote more sustainable consumer choices and behaviours.



# Accurate & transparent carbon measures are key

The entire media ecosystem must work together to ensure accurate and transparent measurement and reporting of the real carbon impact of media content throughout the lifecycle of a campaign, say the authors of a recent global study by dentsu international and Microsoft Advertising.

This will provide businesses a clear carbon-positive choice for media advertising within their supply chain. The study outlines examples where brands and the industry have started to address the climate emergency, including:

- Shifting digital spend to low/no carbon providers and shortening the journey from data centre to audience
- Ensuring traditional OOH displays are produced on recycled paper or using carbon eating paint for murals.
- Incorporating elements of search spend in platforms offering carbon off-setting

Amy Williams, CEO of ad tech platform Good-Loop, advises companies to innovate intelligently. For example, NFTs are a big trend, but brands should review the carbon impact before engaging.



# Return on Net Carbon media KPI

WPP, the global agency holding company, found that 55% of its carbon emissions came from the media it was distributing ads on, per Mindshare's 2022 Trends report.

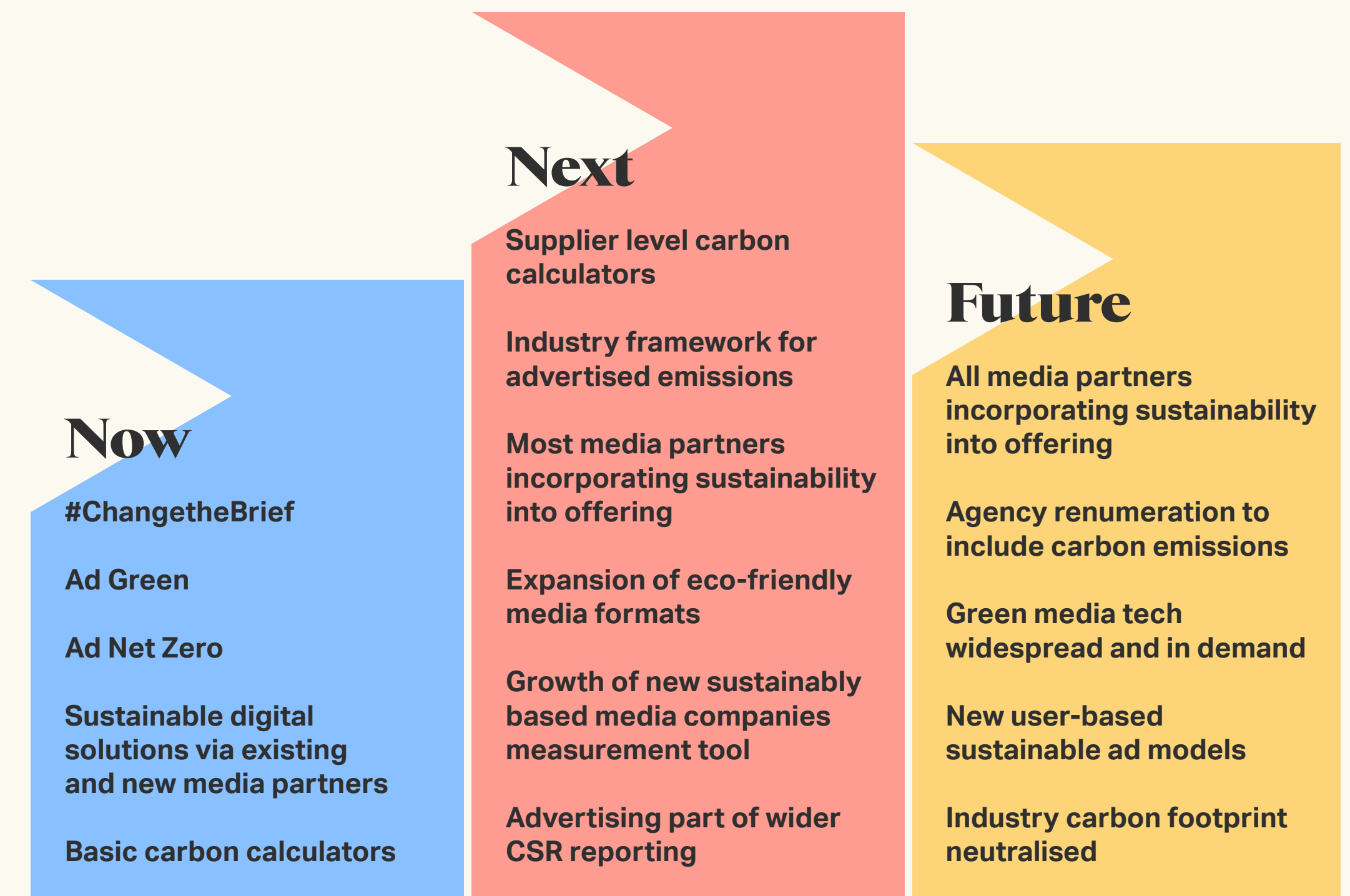
Media agencies are rethinking everything – from the way ads are made and the way they're planned and bought, to the medium of delivery – as well as the messages they carry; i.e. it's critical to support quality climate journalism, and remove ads that inadvertently support climate denial.

The report notes how a raft of new sustainable media businesses are rethinking ad and media models entirely.

Measurements like Return on Net Carbon could become a more common part of the media industry's optimisation, KPIs and remuneration, say Mindshare.

It's likely that a firm's climate/sustainability credentials will increasingly be a focus in the agency selection process in 2022 and beyond, says Christine Downton, Associate Partner, The Observatory International.

## Green media growth map



Source: Mindshare Trends, 2022



# Rethink ad lengths, and preserve brand assets

**Advertisers should adopt a “lean” mindset as the demand for net zero media plans grows, says Rich Kirk, Chief Strategy Officer, Zenith UK.**

Lean thinking, such as reducing frequency, can reduce carbon emissions. But, to be successful, improving the accuracy of advertising delivery will be key.

Net zero will require media planners to pay close attention to the delivery mechanics of different channels, and rethink ad duration, says Kirk.

This could mean that OOH receives fresh impetus as a channel if it can combine reach-building with relatively low carbon impact.

Net zero media planning might disrupt some existing advertising orthodoxies, but not all will be challenged.

For example, “brands with highly distinctive assets,” that can generate recall in an instant will continue to benefit. A 10-second ad costs much less to offset than 30 seconds. Net zero is another reason to resist the urge to change brand assets for change’s sake”, says Kirk.





# Media decarbonisation

Media decarbonisation isn't a tick-box exercise – it's a mindset shift, say Laura Wade, EMEA Head of Sustainability, and Susanna Pitts, Global Head of Strategy Management, Essence.

Education is critical – everyone should have a base knowledge of climate science and use terminology correctly.

Carbon offsetting is one such term. It's important to understand that offsetting is a temporary stopgap. "Our primary focus should be on reducing the amount of carbon created before we offset", note Wade and Pitts.

## Key considerations for a lean net zero media plan

Tips for decarbonising media

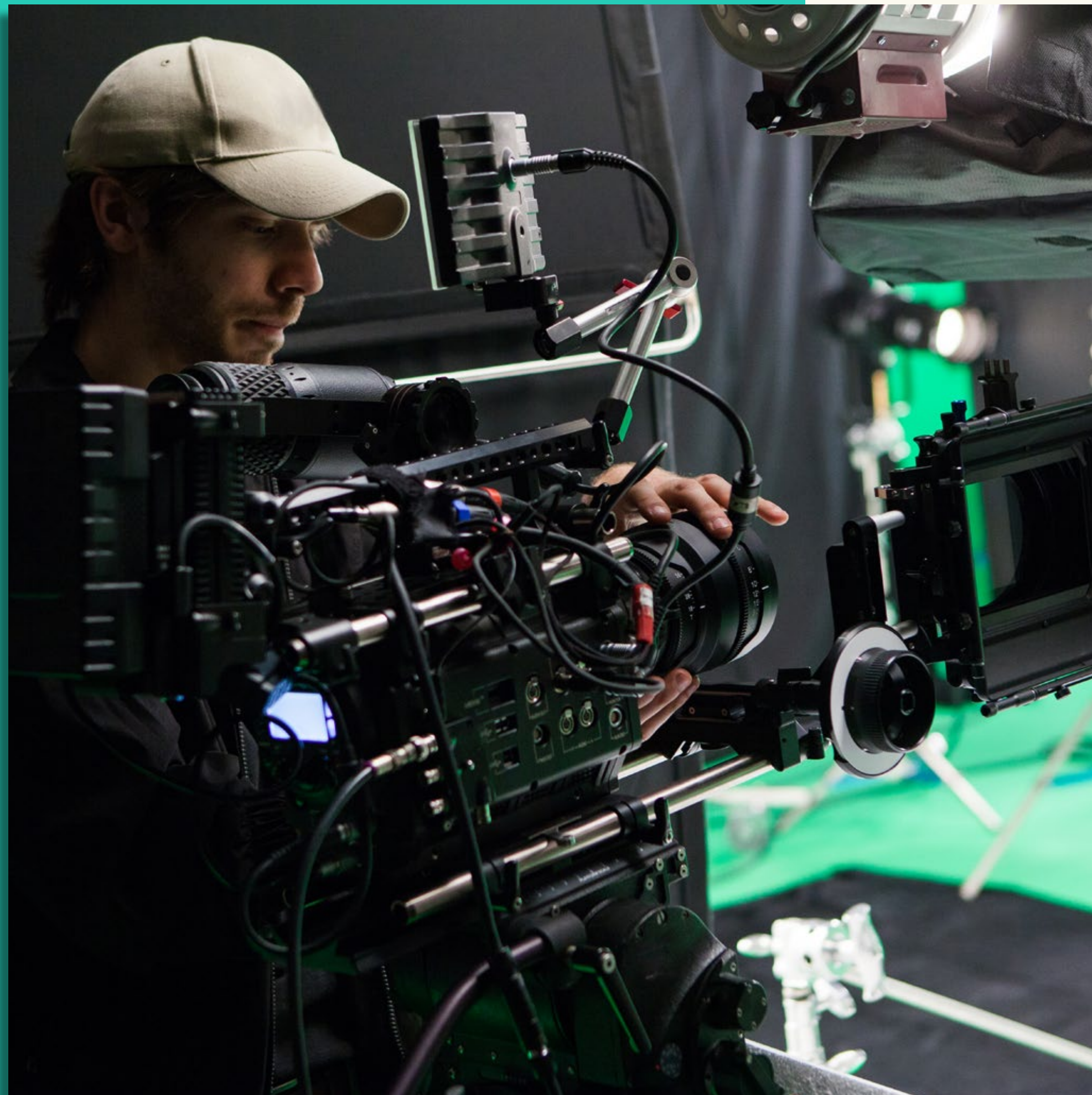
**1** Until carbon calculators have fully inclusive and accurate vendor data, **efficient campaign management and elimination of digital waste is the foundation for a low-carbon campaign.**

**2** **Use frequency capping wherever possible across the campaign.** This will drive efficiency for audiences, campaigns and carbon consumption. And **consider reducing video length** – a 15-second format is likely half the carbon weight of a 30-second format.

**3** **Reduce high-carbon formats** and consider the impact of autoplay or unskippable formats and identify ways to reduce unnecessary data loads in the plan. And **work with a smaller number of** Supply Side Platforms, which will reduce supply chain energy consumption.

**4** **Reduce data waste** – each non-viewable impression creates excess data waste, and has an ecological cost. All the actors in the supply chain need to align. Everyone needs to be invested in a reduction mindset – from planners to vendors to clients.





# Make advertising shoots climate-friendly

**WPP, one of the world's largest advertising networks, states ad production as a whole generates up to a million tonnes of CO2 per year – a single hour of film typically generates 5 tonnes. What's more, 97% of this footage is never used on screen, according to [Mindshare](#).**

AdGreen, an initiative launched in 2020 by the Advertising Association's Climate Action Working Group empowers the production industry to measure, manage and ultimately reduce its carbon footprint. [AdGreen's Carbon Calculator](#) created in partnership with industry stakeholders, enables

advertising agency and production teams to work out the carbon footprint of motion, stills and audio projects within advertising campaigns so they can assess the environmental impact of their production activities. The tool is free at the point of use for the advertising production sector.

AdGreen data shows the most impactful thing you can do when reducing emissions from productions is to reduce your travel by using local crew and sending far fewer people, flying economy only, or taking the train.



# Reduce carbon footprint at industry events

**When it comes to hosting events, it's important to audit your entire supply chain from the venue itself, to hotels and restaurants, says Keith O'Loughlin, CEO, Smyle.**

Evaluate potential venues' sustainability policies, ask if they use renewable energy and check their waste disposal record. Consider offering a vegan menu, sourced from local suppliers, which will cut carbon emissions dramatically. Location is key; where possible, encourage delegates and attendees to travel by public transport.

Find out how well a venue can integrate virtual elements to create a hybrid experience for those who opt not to travel, advises O'Loughlin.

Incorporate circular economy principles – set out to minimise waste and replace all single-use materials. Use recyclable packaging and plastic alternatives. In your post-event survey, ask for feedback to encourage wider action. Evaluate yourself against UN targets, but hold yourself to a tighter agenda and collect metrics to track progress, says O'Loughlin.





# CMOs back Planet Pledge

The WFA's Planet Pledge initiative is a CMO-led framework designed to galvanise action from brand owners, to help make marketing part of the solution to tackling climate change.

Members include Diageo, IKEA, L'Oréal, Mastercard, Mondelēz, PepsiCo, Pernod Ricard, Sanofi and Unilever, in total representing an estimated \$43bn in global ad spend. Crucially, the WFA is working with national advertiser associations in 31 markets, with a total annual marketing spend of \$197bn, to create national networks of local champions to share learnings.

## The World Federation of Advertiser's Planet Pledge initiative

Four key commitments

**1** **Commit to the global Race to Zero campaign,** and encourage your marketing supply chain to do the same.

**2** **Scale the capability of marketing organisations to lead for climate action,** by providing tools and guidance for your marketers and agencies. This includes putting carbon neutral criteria in RFPs.

**3** **Harness the power of your marketing communications** to drive more sustainable consumer behaviours.

**4** **Reinforce a trustworthy marketing environment,** where sustainability claims can be easily substantiated so that consumers can trust the marketing messages they are presented with.

# How brands are reducing GHG emissions

Initiatives include reducing Scope 1,2 and 3 GHG emissions



## 1 Allbirds

Allbirds, the eco-footwear brand, invests in regenerative agriculture and renewable material. It has created a carbon calculator to measure the carbon footprint of its products. The calculator accounts for materials used, manufacturing, transport, consumer use, and end of life, then uses that information to identify ways to reduce emissions. Crucially, Allbirds has made the calculator open source. It is available on its website with an instruction guide and a label template to help shoppers make eco-friendly decisions.



## 2 Mars

In April 2021 Mars, the food and pet care brand, launched the Supplier Leadership on Climate Transition (Supplier LoCT) coalition to help global supply chains develop their own science-based targets and climate action plans. PepsiCo and McCormick, the US food giants, have also joined the initiative. By actively engaging suppliers on climate action, Mars aims to accelerate progress towards its commitment to reduce GHG emissions across its extended value chain by 27% by 2025 and 67% by 2050.



## 3 Ørsted

Danish energy giant Ørsted, transformed itself from a builder and operator of coal-fired power stations to a renewable energy business, using its weight to stimulate a young market and adapting its brand to its new mission. Ørsted, which listed on the stock market mid-way through its transformation, shows how a well-articulated strategy can allay stakeholder fears. Ørsted went from 85% fossil fuels to 85% renewables, with the bulk of its revenue now coming from renewables. The transformation took 10 years, not the predicted 30.



**“Are we shipping through air?  
Are we shipping through the ocean?  
And what’s the carbon footprint of  
that? So, for every step of our value  
chain, we are assessing and seeing  
how we can reduce the footprint.”**



**Himanshu Sinha**  
VP/Digital Growth and  
E-commerce  
Allbirds

# How brands are reducing GHG emissions

Initiatives include reducing Scopes 1,2 and 3 GHG emissions



## 1 Patagonia

Patagonia, the outdoor clothing brand, aims to be carbon neutral by 2025. "That means taking ownership of our carbon impact, all the way down to the mill level, where the fabrics that make our clothes are made; that means taking responsibility for the carbon emissions of our partners, our third-party partners in our supply chain," says Alex Weller, Marketing Director – Europe, Patagonia.

## 2 PepsiCo

PepsiCo, the snack food company's progress includes the use of 100% renewable electricity in its Latin American operations. "This milestone will result in savings of thousands of tonnes of CO2 emissions, which is equivalent to a carbon footprint of over seven million trees," says Ana Maria Henao, Global VP of Marketing. Across 11 European countries, Pepsi is moving to 100% recycled plastic packaging in 2022. Reuse solutions mean brands like SodaStream, will help consumers avoid the use of more than 200 billion plastic bottles by 2030.

## 3 Maersk

Maersk, the shipping company, set a 2050 net zero target, which meant making clean shipping technology a reality. Within a few years, it reset its net zero target to 2040. "By embracing the innovation required to decarbonise shipping, it realised there was a market for it from clients (providing a major competitive advantage), and that the technology could be fast-tracked," explains Peter Chalkley.



# Budweiser ties sustainability with procurement

**For Budweiser Brewing Group, up to 90% of its emissions come from Scope 3, as noted in Raconteur.**

“There are challenges throughout the whole value chain, that’s why Budweiser Brewing Group ties sustainability with procurement,” says Mauricio Coindreau, Head of Procurement and Sustainability.

Take Budweiser, its beer brand, as an example. “Scope 3 emissions will include those produced by its barley farmers, the shipping and production

of packaging materials, the distribution of its products, the energy used to cool its beers in bars and retail stores and the energy required to recycle its cans and bottles”, Raconteur states.

The company is having important conversations with its suppliers, and is not averse to introducing penalties and restrictions on suppliers if they don’t reach certain sustainability goals.





Chapter 3

# The consumer opportunity

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# Engage climate-conscious consumers

Tackling climate change is a growing priority for consumers and eco-friendly consumerism is a growing and lucrative sector in many markets.

There are increasing opportunities to appeal to the climate-conscious consumer, and several marketers are already illustrating how this can be achieved.

Marketers are innovating around the circular economy, helping consumers

reuse, rent, refill or recycle. Others are finding ways to cater to growing consumer appetite for second hand goods.

Some brands are innovating and investing in low-carbon/climate-friendly products. There's an opportunity to reset competitive stakes by innovating around for example meat-free or plant-based products.





# Reducing emissions is top of mind for consumers

**A survey of almost 2,500 people across Europe (Germany, France, UK, Netherlands, Belgium, Sweden) by InSites Consulting found that people are more conscious of issues like climate change, air quality and food waste, and brands need to make more of their green credentials – if they have them.**

Reducing CO2 emissions is now the top-of-mind spontaneous association with sustainability (19%), ahead of issues like recycling and single-use plastics.

A majority of Europeans think tackling climate change is as important as the COVID-19 pandemic.

The study found consumers regard retailers – supermarkets especially – as being in the lead when it comes to communicating around climate/sustainability, while manufacturers are having to play catch-up. A majority of people say they're willing to pay more for sustainable brands but they also wonder why they should have to.





# Green consumerism is a huge opportunity

A Kantar survey of 80,000 people across 19 countries found 20% of FMCG shoppers could be classed as “Eco-Actives” – people who take regular actions to reduce their packaging waste on a daily basis.

Kantar estimates that 20% represents a \$382bn opportunity – apart from the moral imperative, that’s a good business case to address climate change. And its latest Who Cares, Who Does study estimates that Eco-Actives are expected to represent 62% of the British population by 2030.

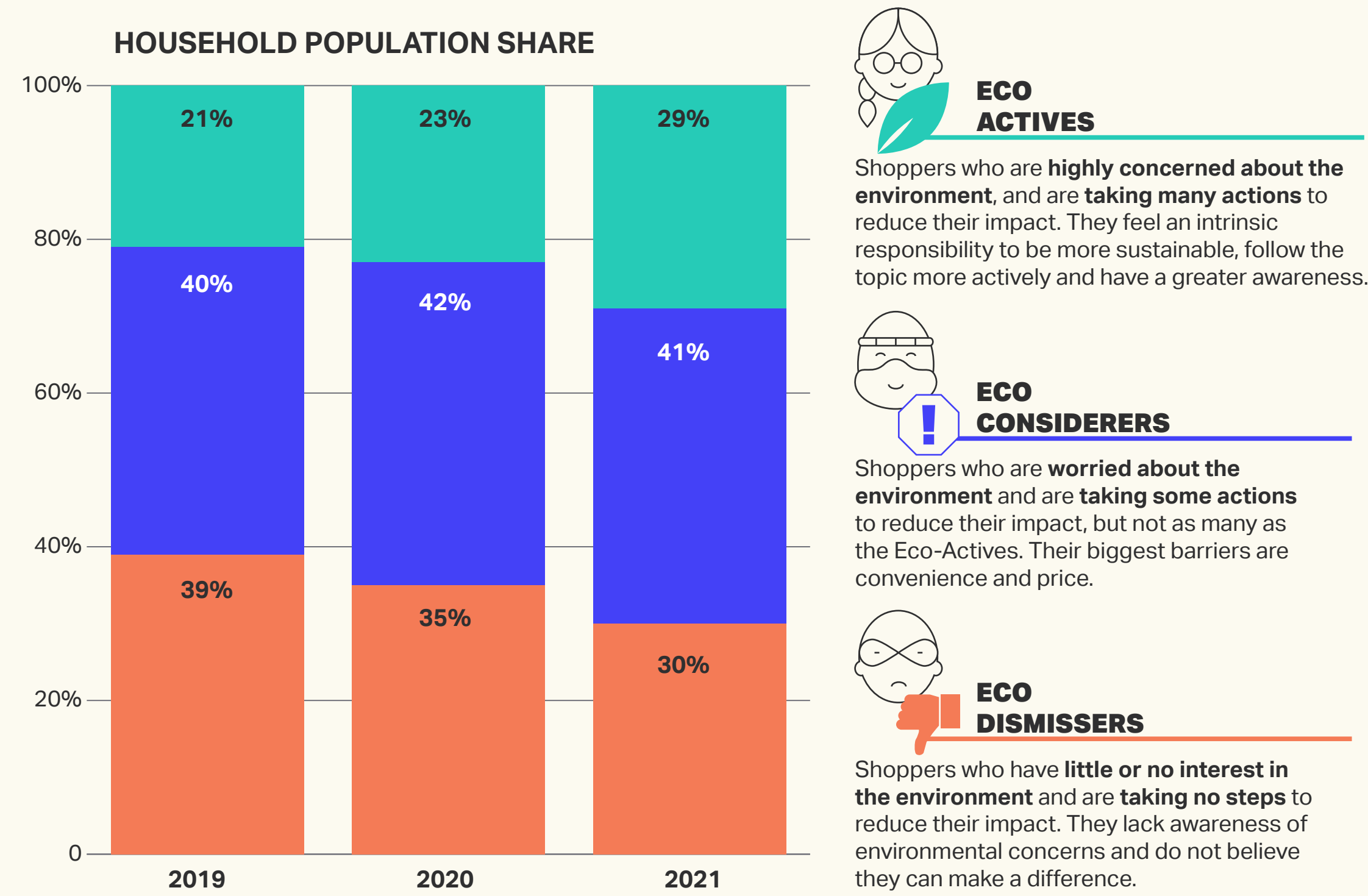
Kantar highlights ‘three Cs’ – factors that persistently undermine consumers’ good intentions:

- 1. Higher costs
- 2. Lack of communication
- 3. Lack of complete convenience

But “sustainable products or services need to be meaningful”, says Dr Nicki Morley, Global CMO Innovation Lead at Kantar. Ultimately, “sustainability alone is rarely a compelling benefit.”

## Eco-Actives continue to grow

More shoppers are taking action than ever before. Eco-Actives now represent 29% of the GB population and are worth £37bn to the GB grocery market



Source: Kantar, 'Who Cares, Who Does', 2021



# Brands are investing in low-carbon products

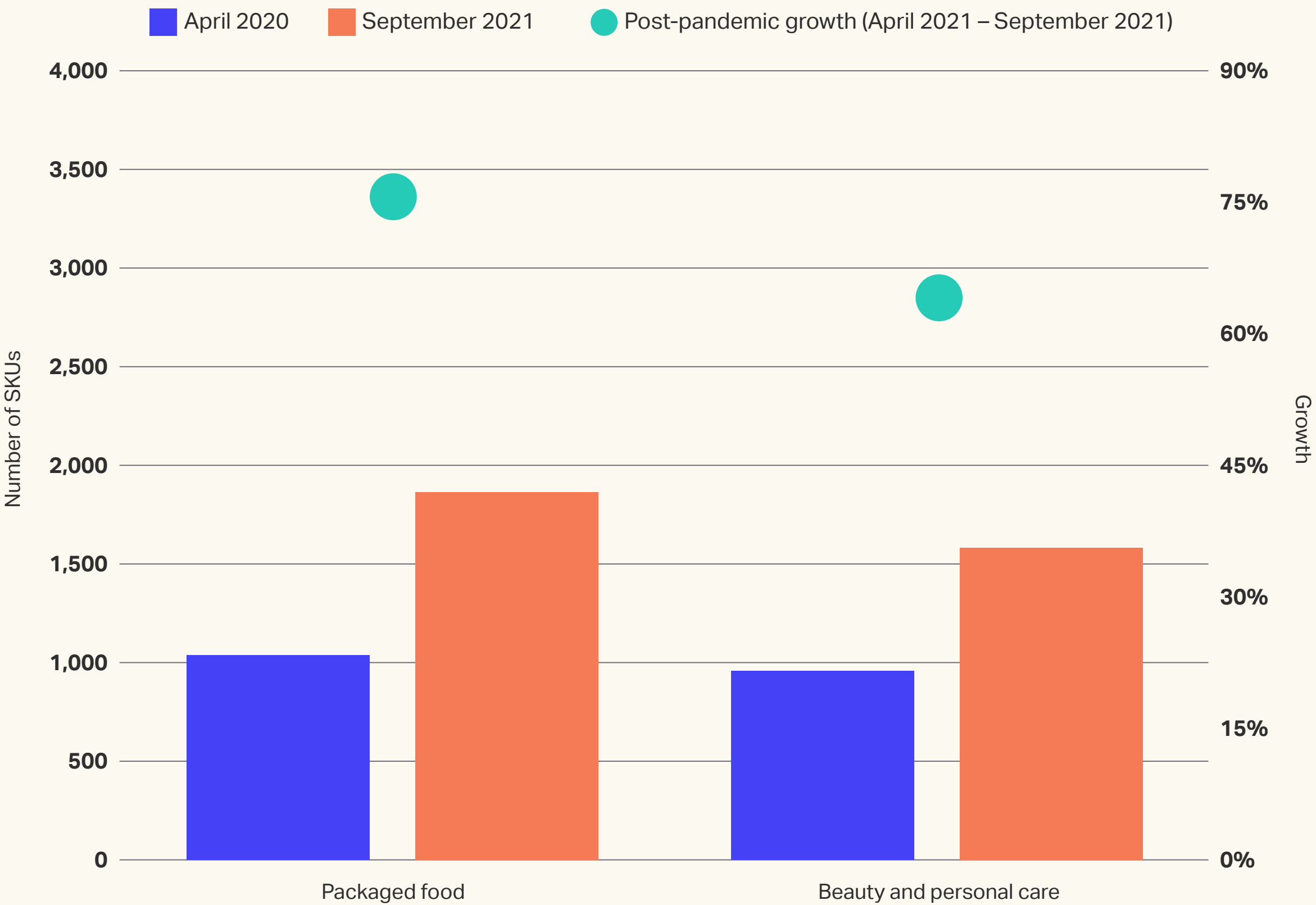
A recent Euromonitor report states that 80% all-industries average of professionals consider climate change an extremely or very important issue affecting all parts of the business, while 78% of them expect climate anxiety to shift consumer demand, which will affect the products they buy.

The report found that 44% of food and beverage professionals say their companies plan to invest in climate-friendly/low-carbon products while 51.6% of beauty and personal care professionals

say that their companies plan to invest in climate-friendly/low-carbon products.

In response, businesses are adding carbon claims to both food and beauty products. For example, in 2021, Nestlé launched “Wunda”, a range of carbon-neutral plant-based pea milk, and Beiersdorf launched its climate neutralised Nivea line.

## SKUs with carbon claims



Source: Euromonitor International Sustainability Living Claims Tracker



# The circular economy is gaining traction

Dentsu's New Worlds Order 2022 report suggests the time has come to think about how we're all co-owners of an increasingly fragile ecosystem, says Patricia McDonald, Global Chief Strategy Officer, Dentsu Creative.

Trends identified in the report include:

**Conscious Decoupling** – a growing number of marketers want to decouple the growth of their business from the scale of their environmental impact.

**Beyond Consumption** – starting to see a shift away from a consumption-based model towards a more circular economy, and a shift from a product-focused to a service-led model. Recycling schemes and alternative business models such as rentals are on the up.

**Collaborative Economies** – the increased willingness among businesses to work together in what is called the "pre-competitive space". This is a space where the critical enablers that make systemic change possible can be developed.





# Second hand luxury grows 5x quicker than new sales

Luxury consumers appear to be embracing the circular economy. Data from Bain & Company shows global second hand luxury market grew more than five times quicker than new sales in 2021.

Between 2017 and 2021, sales in the second hand luxury goods market rose by 65% to equal €33bn. Over the same period, sales of new luxury goods rose by just 12%.

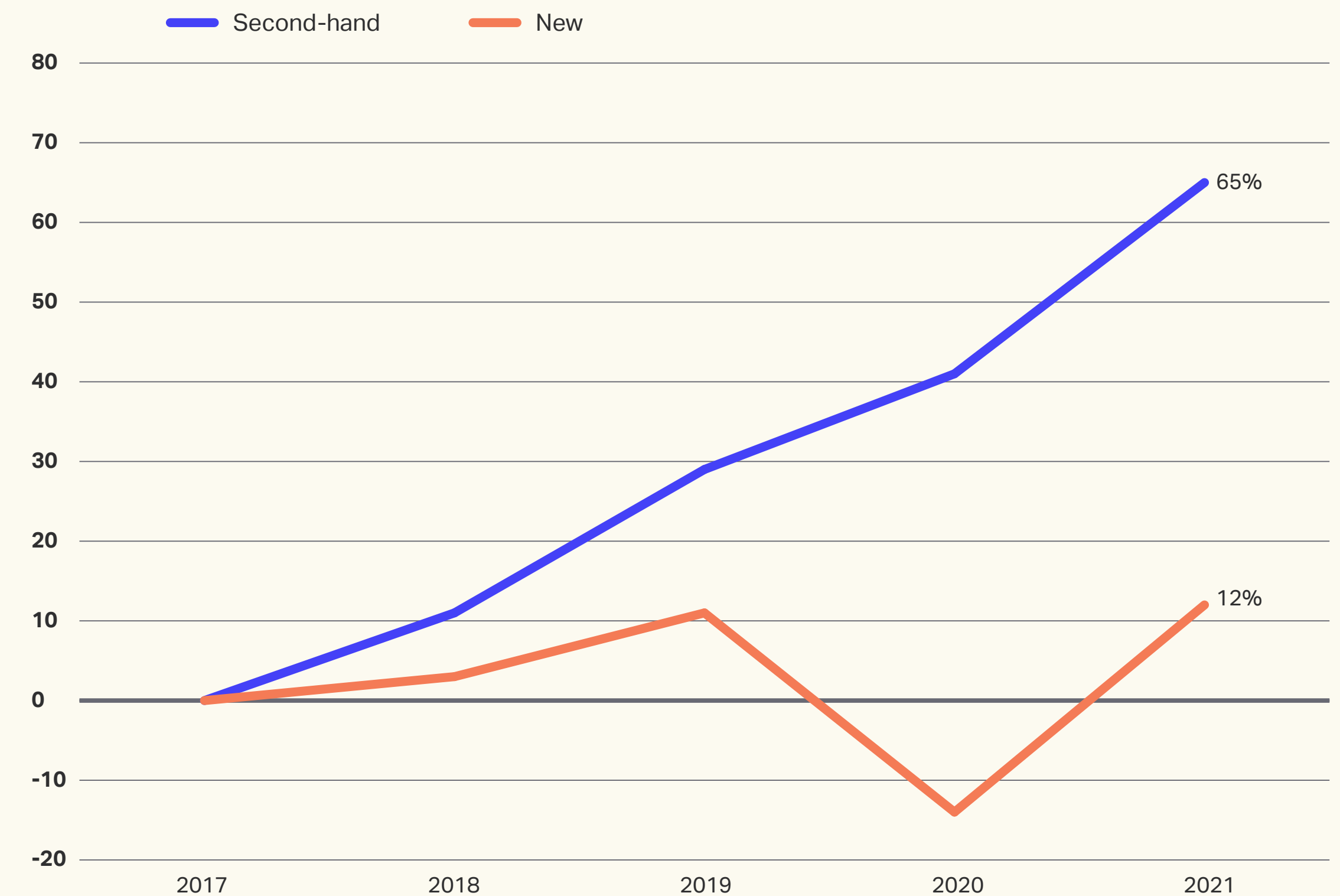
While the total market saw a 29% decline in 2020, the second hand market

continued to grow strongly when the COVID-19 pandemic first hit. This means 11.7% of luxury goods sales were second hand in 2021.

The fashion sector is a significant contributor to air, land and water pollution, and companies are enhancing their circular credentials. Farfetch, the online marketplace for luxury brands, encourages reselling by offering credits to people wanting to shift pre-owned items. Meanwhile Burberry's ReBurberry range of apparel and accessories is made from recycled fishing nets and plastic bottles.

## Global, Luxury goods

Sales, % change from 2017



Source: Bain & Company



# How brands are helping consumers reuse, rent and refill



## 1 IKEA

In 27 countries, IKEA abandoned traditional Black Friday sales and adopted a practical move to introduce some circularity into its business model by offering to buy back people's unwanted furniture. The second-hand furniture would then be displayed in-store and sold to customers at reduced prices. Doing so required big changes to their operating model worldwide, including employee education – 160,000 co-workers in IKEA stores were onboarded through an internal program which brought them up-to-speed on the circular economy.

## 2 Dove's refillable

Dove, a personal care brand, tackled plastic waste in the USA by introducing its first Dove Refillable Deodorant, a deodorant holder into which a minimally packaged deodorant bar can be inserted. This is one of three initiatives that together will help Dove reduce the manufacture of more than 20,500 tonnes of virgin plastic a year.

## 3 Rent the Runway

Rent the Runway, an e-commerce platform, lets people rent clothes for parties, meaning they don't have to spend vast sums of money on a new outfit they may only wear once. The cost-saving benefit means climate-friendly behaviour is positioned as a gift or a reward, not a sacrifice.



# Reset your industry's competitive stakes

**sparks & honey** has been tracking climate-related cultural shifts shaping consumer demands for 10 years. By mining its always-on cultural intelligence platform, it has identified some crucial areas of impact for businesses to explore, says **Steve Goldberg**, Vice President of Cultural Strategy.

**Climate-first marketing:** be transparent and own up to the challenges of your industry. This is a growing and strong differentiator for cynical consumers, says Goldberg. Novameat and Aleph

Farms, for example are focusing on bioengineering earth-friendly alternatives to carbon-heavy foods like meat and resetting the competitive stakes for their category.

**Restructure for climate-first:** new teams and roles will be required to address change. Firms will need to respond fast to changing consumer behaviours, needs, and expectations.

**Increase climate knowledge:** learn about eco-friendly manufacturing as well as climate-correcting, pollution-repurposing materials.





Chapter 4

# How to close the intention-action gap

The WARC Guide to net zero marketing





# Drive behavioural change

A key task for marketers will be in helping to drive behavioural change among consumers, to close the gap between what people say, and what they do.

How to be sustainable is complicated. Marketers have the opportunity to create clear and helpful messaging that consumers can easily understand. And there are huge opportunities for marketers to create powerful campaigns and compelling messaging for sustainable products and services such as renewable energy and vegan cuisine.

Marketers can also take the lead in nudging 'greener' behaviours, and might want to consider default opt-in strategies.

Some brands are finding ways to reward consumers for their climate-friendly behaviour, but, in a world of rising inflation and price hikes, making sustainable purchases affordable will be a key challenge.





# Closing the say-do gap remains a key challenge

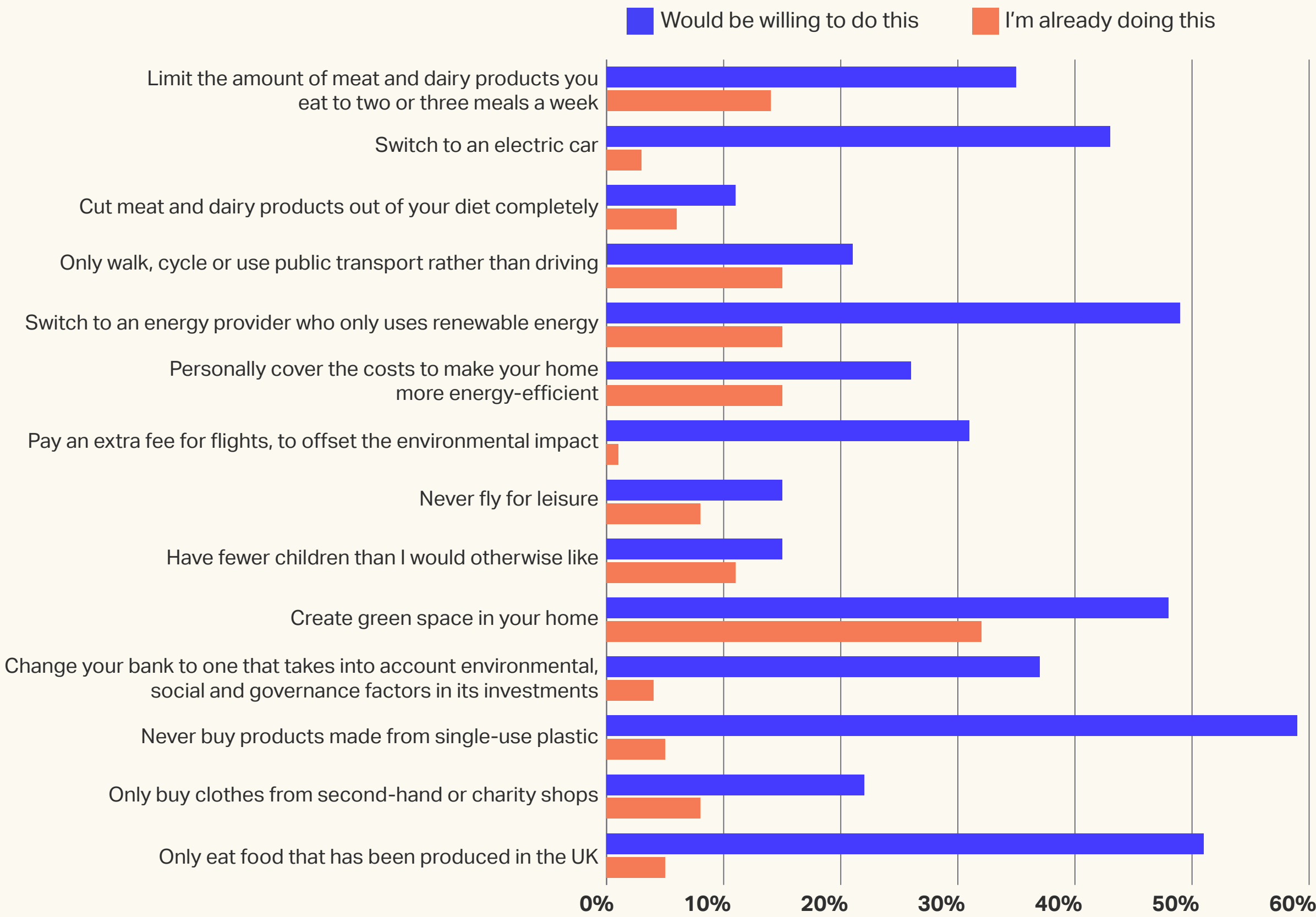
McCann Worldgroup Truth Central’s research shows 82% of people globally believe that climate change is the biggest challenge facing the world in the next 20 years. Awareness is not the issue, yet the necessary behavioural change is still elusive.

Ipsos data (based on polls of 24,000 people in 25 markets) shows 63% of respondents say it is more important that companies do as much as they can to reduce harm to the environment. 70% agree that they tend to buy brands that reflect their personal values, Yet at the same time, 45% say they “don’t care if a brand is ethically or socially responsible, I just want them to make good products” (including 47% of Americans and 41% of both Germans and Britons).

In behavioural science, this is often called the intention-action gap. A recent YouGov survey reinforces the extent of this problem. For example, 49% of those asked said they were willing to switch to a renewable energy provider, yet only 15% are already doing this.

## Personal actions to address climate change

Taking into account the personal costs or changes to lifestyle that would be required, please say whether you would or would not be willing to do each of the following to address climate change



Source: 'What climate change measures would Britons support?', YouGov, September 2021



**“Marketing can and must be redirected to help shift consumer values and behaviours, to direct people to sustainable choices and to act as the driving force of sustainable business.”**



**Oliver Feldwick**  
Head of Innovation  
The&Partnership



# People want to do more, but need better signposts

**The Rise of Sustainable Media, a recent global study covering 24,000 people in 19 countries, by media company dentsu international and Microsoft Advertising, found 91% of respondents want brands to demonstrate they are making positive choices about the planet and environment more explicitly.**

77% of people globally say that, within five years, they only want to be spending money with brands who are practising green and sustainable advertising. And within one year, three in five people plan to boycott brands

that don't act on climate change. While a large percentage of consumers are saying they want to do more to combat climate change, most of them are overwhelmed by options and conflicting information. Nearly half think companies should provide direction through product information and advertising.

Marketers have a clear opportunity to make it easier for people to make climate-friendly purchase decisions.





# Price is a key factor in closing the say-do gap

A recent report by Sustainable Brands in partnership with Ipsos showed sustainable aspirations are growing among US consumers, particularly among 25-to-34 year-olds.

The data shows that US consumers say they are taking action to Reduce Water and Food Waste, Go Circular, and Eat More Plants most frequently.

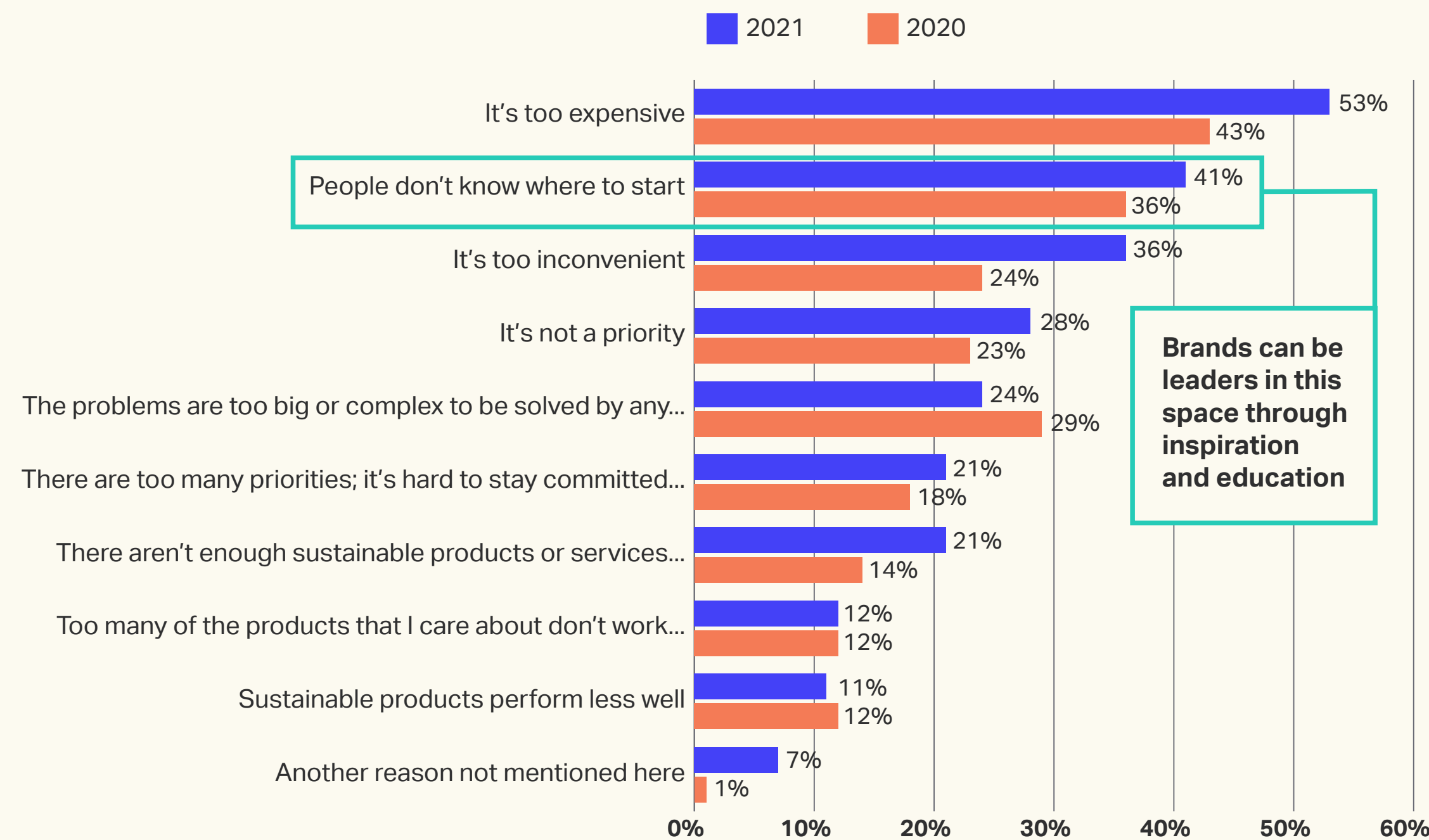
The study found respondents had a lack of awareness on the link between their personal carbon footprint and what

they eat, suggesting an opportunity for food and drinks brands to take the lead on educating people about the positive impact of eco-friendly choices.

Among consumers reporting fewer sustainable actions and intentions, many cited “too expensive” or “not knowing where to start” as their main obstacles. Price is a complex issue that has been compounded recently by inflation, note the report authors, but brands can help consumers take actionable steps through inspiration and education.

## Consumers say that the most common barriers to living more sustainably are not knowing where to start and that it’s too expensive

Barriers to sustainable actions



Note: Q2: Which of the options below do you think most often stop people from doing more?  
(Base = all respondents (2021 N = 1,004; 2020 N = 1,000))  
Source: SB Brands For Good



# How to engage consumers in net zero

## Six ways to help consumers make climate-friendly choices

**1 Lower prices:** high prices prevent sustainable shopping from achieving mass market traction, notes Euromonitor. Although high inflation means the cost of living is rising, lower prices are key to unlocking growth.

**2 Rebrand sustainable lifestyles:** be cautious about narratives that imply lack, trade-offs and sacrifice. Instead, **tap into positive visions of a future that people find aspirational** and are motivated to work towards, say the authors of The Good Life report.

**3 Ease cognitive strain:** cognitive strain – or having to think too hard – can be a barrier to behavioural change. It's therefore crucial to **make information and messaging easy to understand,** say The Behavioural Architects.

**4 Embrace the circular economy:** make it easier for people to reuse, refill, rent and recycle. And **reward and incentivise people's sustainable behaviours.**

**5 Aim for "eco-accidentalism":** make the most **sustainable choice the default** and also the most desirable option, says Nadia Tuma-Weldon, SVP and Director at McCann Worldgroup Truth Central.

**6 Work with positive role models:** this can help engage them with the topic. Focus on a **long-term partnership, rather than a short-term tactical campaign**, say Walnut Unlimited.



# A default strategy can ease people's choice complexity

**Defaults, or automatically opting people into a certain choice, are probably the single most effective tool to help to reduce the problem of inertia, say Crawford Hollingworth and Liz Barker, *The Behavioural Architects*.**

In a recent review of 308 behaviour change interventions across 100 studies, looking at the impact of ten different types of nudges, defaults were found to be the most powerful – typically, they increased participation or selection of a choice by 50%.

A 2020 study in Germany found that uptake of renewable energy tariffs was higher in regions that offered it as the default, removing the choice.

“Although households remained free to opt-out of the green tariff, few did do. Making the choice to use renewable energy easy – and feel recommended – helps reduce any friction in choosing to draw on renewable energy sources,” say the authors.

Crucially, a defaults strategy takes some of the responsibility off the consumer's shoulders.



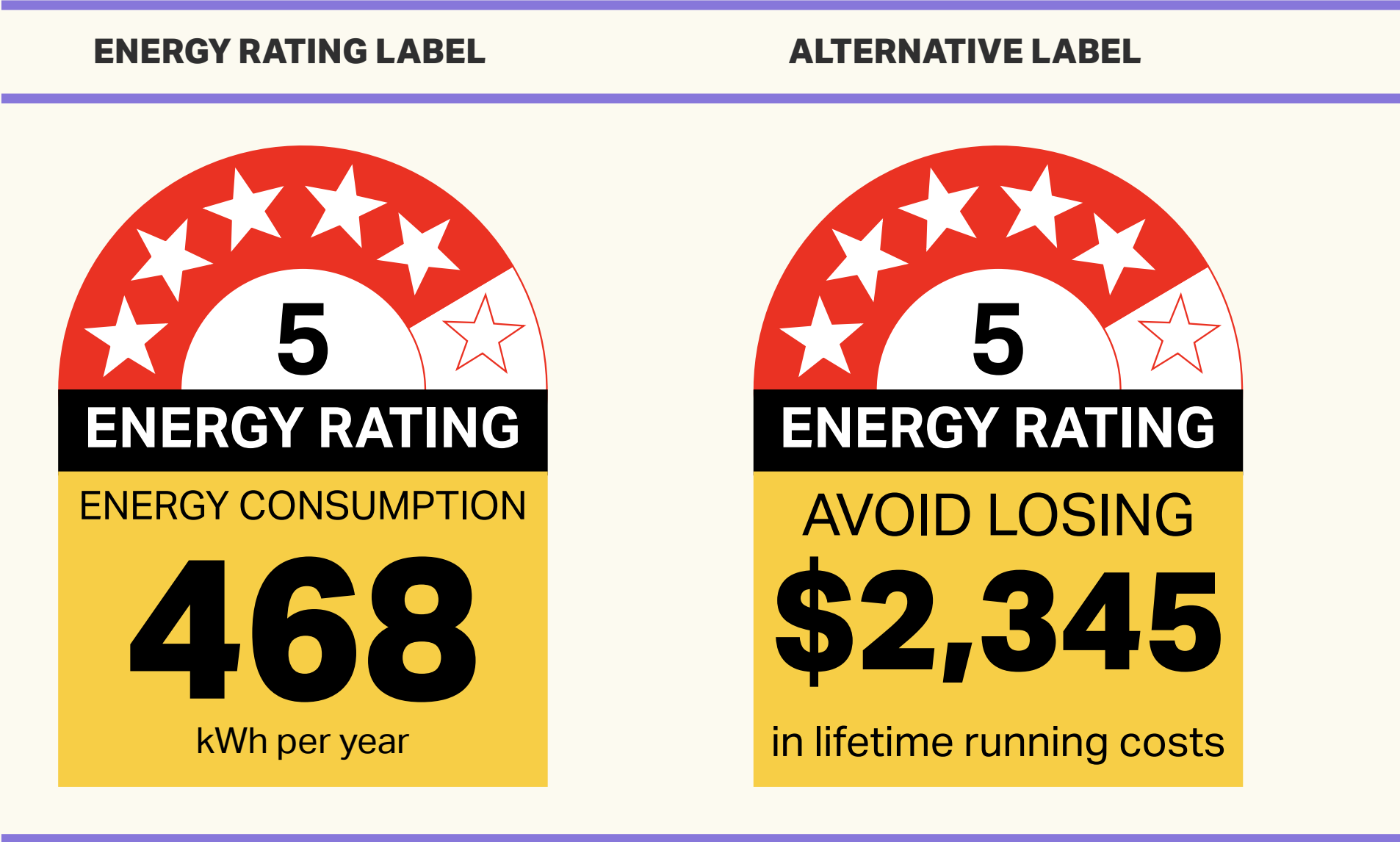


# Use clear messaging to drive uptake of eco-products

Behavioural science can help to build understanding by improving carbon numeracy and avoiding eco-jargon, say Crawford Hollingworth and Liz Barker, The Behavioural Architects.

Many consumers don't realise energy efficient appliances can substantially reduce carbon footprint as well as being less costly to run. However, the upfront cost is often higher which puts consumers off – people dislike (monetary) pain now for future gains, a concept known as present bias.

A 2018 trial by the Behavioural Economics Team in the Australian government (BETA) sought to encourage more households to buy energy efficient appliances by helping to make this information more salient to consumers. They trialled simple, salient energy labels (see image) with 40,000 consumers on an online appliances store and found they led to an increase in purchases of more energy efficient appliances. Consumers who saw either type of energy rating label were 20% more likely to purchase higher efficiency appliances.





# Effectively designed carbon labels can drive purchases

**While adding carbon labels is an investment in time and resources, an analysis of peer-reviewed literature and industry papers demonstrates that when designed effectively, carbon labelling has the potential to increase sales, says Christina Lampert, Director of Growth and Innovation, HowGood, a sustainable food rating firm.**

A comprehensive study on consumers from six EU countries found a carbon footprint label increases purchase probability. Carbon-labelled products are also more effective when combined with prices lower than (or at least equal to) regular products, says Lampert.

Carbon-labels should show relative carbon performance to help understanding and enable behaviour change.

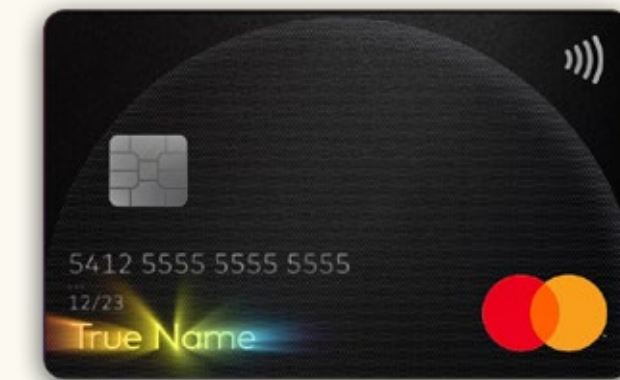
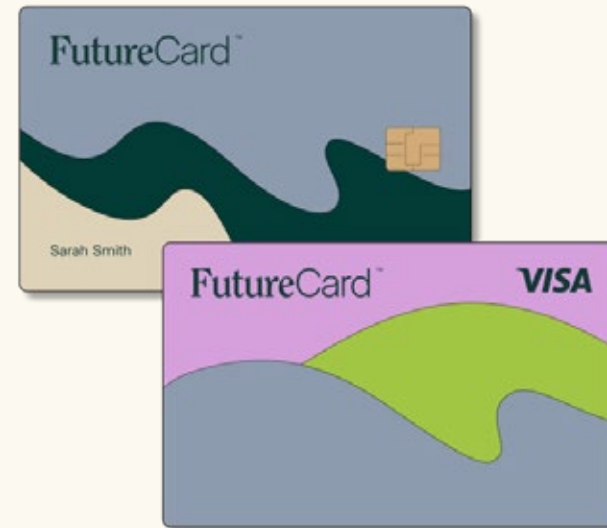
To amplify effectiveness brands should convey the carbon footprint value in comparison with some sort of ranking or front-runner label, e.g. a traffic light system (green for low emissions, yellow for less acceptable ones and red for those with highest carbon impact), advises Lampert.

Honesty and transparency are key to effective carbon labelling.





# How brands are engaging carbon conscious consumers



## 1 FutureCard and Visa

FutureCard, in partnership with Visa, offers 5% cashback on eco-friendly purchases, actively rewarding consumers who purchase, for example, second hand clothing, who own an electric car or use public transport. It uses artificial intelligence to calculate the carbon footprint of the brands it supports, and compares them to other brands. As noted in [Fast Company](#), Jean-Louis Warnholz, FutureCard's CEO and Co-Founder said, "We looked at brands where the commitment starts with them as opposed to buying relatively cheap offsets."

## 2 Oda

Norwegian online retailer [Oda](#) has started to engage more people by providing shoppers with Climate Receipts. Items are ranked red, yellow and green in a similar way to how nutritional details are labelled on regular food packaging. As a result, sales of vegetarian meals have grown, and meat substitutes are also growing by 80% since the carbon receipts were introduced, say Oda.

## 3 Mastercard

The [Mastercard Carbon Calculator](#) aims to help eco-conscious consumers who want to understand the ecological impact of their spending. Integrated across Mastercard's global network, this feature is easy for banks to adopt and customise for consumers. Per its press release, the Carbon Calculator enables consumers to receive a snapshot of the carbon emissions generated by their purchases across spending categories.



# Yum China incentivises eco-conscious behaviour

Yum, owner of fast food chain KFC, announced that KFC China is introducing a series of green marketing campaigns to promote more sustainable lifestyles and increase consumer awareness of eco-friendly behaviour.

In December, KFC launched “Exploring Carbon Reduction” and “The Journey to Carbon Neutrality” on the interactive section on its super-app. The brand is also partnering with influencers to engage and encourage consumers to adopt eco-living.

Its new green rewards program encourages and incentivises behaviours such as mobile ordering and in-store pickup, opting out of using disposable cutlery and reducing food waste, per its website.

KFC is encouraging consumers to record their carbon reduction contributions using the super-app in return for “green points” that can be exchanged for special coupons.





# Ad campaigns that inspire perform better

Talking about sustainability and the environment in advertising campaigns isn't about preaching to the converted; it is about inspiring and entertaining people to change their behaviour, according to new research from Kantar and Affectiva.

The research explores how ads can delight the sceptics as much as the true believers. While guilt often underlies people's thinking around the climate, and it can be useful, it can also be a route to disgust and rejection. Used wrongly it will create apathy.

Instead, messages need to persuade. Using psychological levers can help people to link an ad to concrete action and feel more in control.

"Sustainability campaigns perform better if they don't simply dwell on the challenges but leave people with a more inspiring and positive view of how change may be encouraged", explains Graham Page, Affectiva.

The study found humour can be a useful strategy to ease peoples' worries about the climate. It's especially useful for those less committed to climate action.

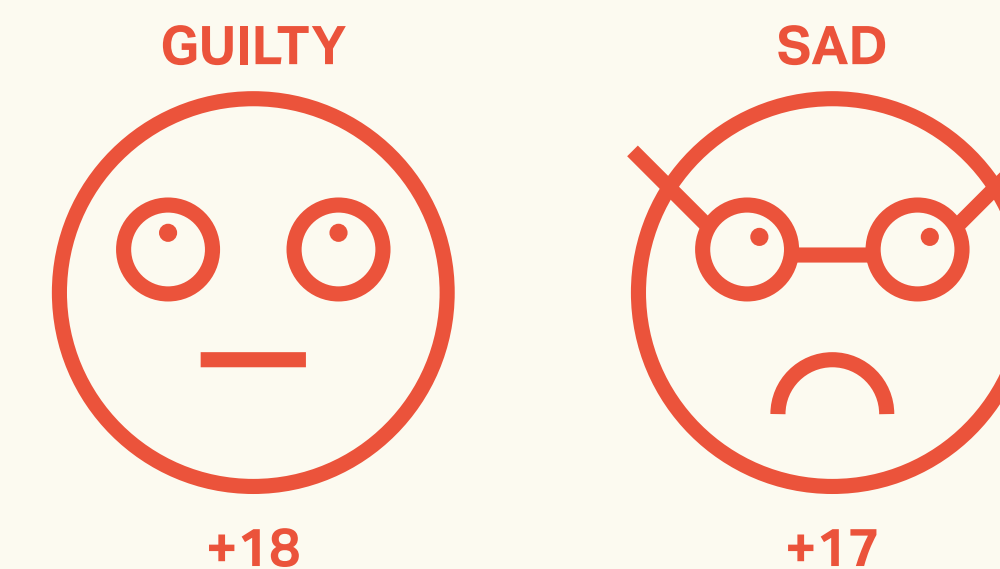
## Ads with social or environmental messages can evoke strong emotions

Average percentile difference for ads with social/environmental messages vs. ads without such messaging

Ads with social/environmental messages make people feel



... but also



Source: Kantar Link Database



# Build visual imagery and mental availability around sustainability

**When it comes to sustainability, marketers and policymakers need to reframe the risks, threats, opportunities and solutions in ways that make sense to people, in terms they can respond to, and in ways that trigger positive action, say Andy Wilson, Head of Sustainability, and Paolo Mercado, VP Behavioral Science, Ogilvy Asia.**

One way to do this is to make sustainability a visual experience. For decades, marketers have been making the technically complex simple and relatable to people.

The human mind is good at processing visual imagery. “As every hygiene marketer knows, we need to make the invisible problems and solutions clearly visible (germ monsters getting obliterated), and the benefits as tangible as possible (carefree children playing in the mud)”, say the authors.

Such “human-centric skills fall very much within a marketer’s toolkit. Tighter collaboration between Marketing and Sustainability will create greater positive impact with audiences of every stakeholder ‘class’”, say Wilson and Mercado.







# Take a holistic approach in Asia Pacific

**In the Asia Pacific region, marginalised groups face enormous hurdles to improve their circumstances, and in nations predicted to see more extreme types of weather – from heatwaves and droughts to hurricanes and floods – they are also at greatest risk from the environmental and economic consequences of these events.**

It's critical to understand the deep interconnection that often exists between socio-political exclusion, poverty and vulnerability to the impacts of climate change, notes a WARC report, Purpose Incorporated.

Brands aiming to pursue sustainability initiatives should take a holistic approach that understands the systemic difficulties that face many people today, while also thinking about the long term.

Driven by government policies and targets, sustainability is a critical issue. Banking brand DBS covers sustainability issues – such as food waste, fast fashion and energy consumption – in its mini-series Sparks. Internally, it has committed to phasing out coal investments and to stop financing customers who derive more than 50% of their revenue from coal by 2039.



Chapter 5

# How to avoid greenwashing

**The WARC Guide to net zero marketing**







# Be accurate and transparent

Honest and transparent communication is essential in tackling the climate emergency. But as the number of net zero commitments and sustainability claims grow so do concerns about greenwashing. Recent studies show most businesses are falling short on their net zero commitments and companies are falling foul of regulators, while consumers are growing more cynical.

A standardised approach for calculating carbon impact is essential, and brands must ensure claims can be substantiated. As carbon labelling schemes become more commonplace, labelling should be truthful and account for the full lifecycle of the product.

Marketers should not be afraid of revealing deficiencies in terms of environmental sustainability, research shows “negatively-framed” eco comms can build trust.



# Greenwashing grows, and regulators are taking note

**Regulators are increasingly interested in greenwashing claims, and cracking down on misleading, vague and unsubstantiated claims.**

The UK's Advertising Standards Authority (ASA) banned ads for Oatly, the plant-milk, for "misleading" environmental claims. More recently, the ASA pulled a TV advert from innocent Drinks, after environmental activists argued that its environmental claims were misleading.

A 2021 study by the European Commission and national consumer

authorities found greenwashing is growing. After a detailed analysis of 344 seemingly dubious claims, the study found that in 42% of cases the claims were false, exaggerated, or deceptive and could potentially qualify as unfair commercial practices under EU rules.

37% of cases, included vague and general statements such as "conscious", "eco-friendly", "sustainable", which the report states gives the consumer the unsubstantiated impression a product had no negative impact on the environment.

## Oatly's "misleading" claims

**1** 'Oatly generates 73% less CO2e v milk'.

**2** 'The dairy and meat industries emit more CO2e than all the world's planes, trains, cars, boats etc combined'.

**3** 'Today, more than 25% of the world's greenhouse gases are generated by the food industry, and meat and dairy account for more than half of that'.

**4** 'Climate experts say cutting dairy and meat products from our diets is the single biggest lifestyle change we can make to reduce our environmental impact'.



# Most firms are falling short on their net zero targets

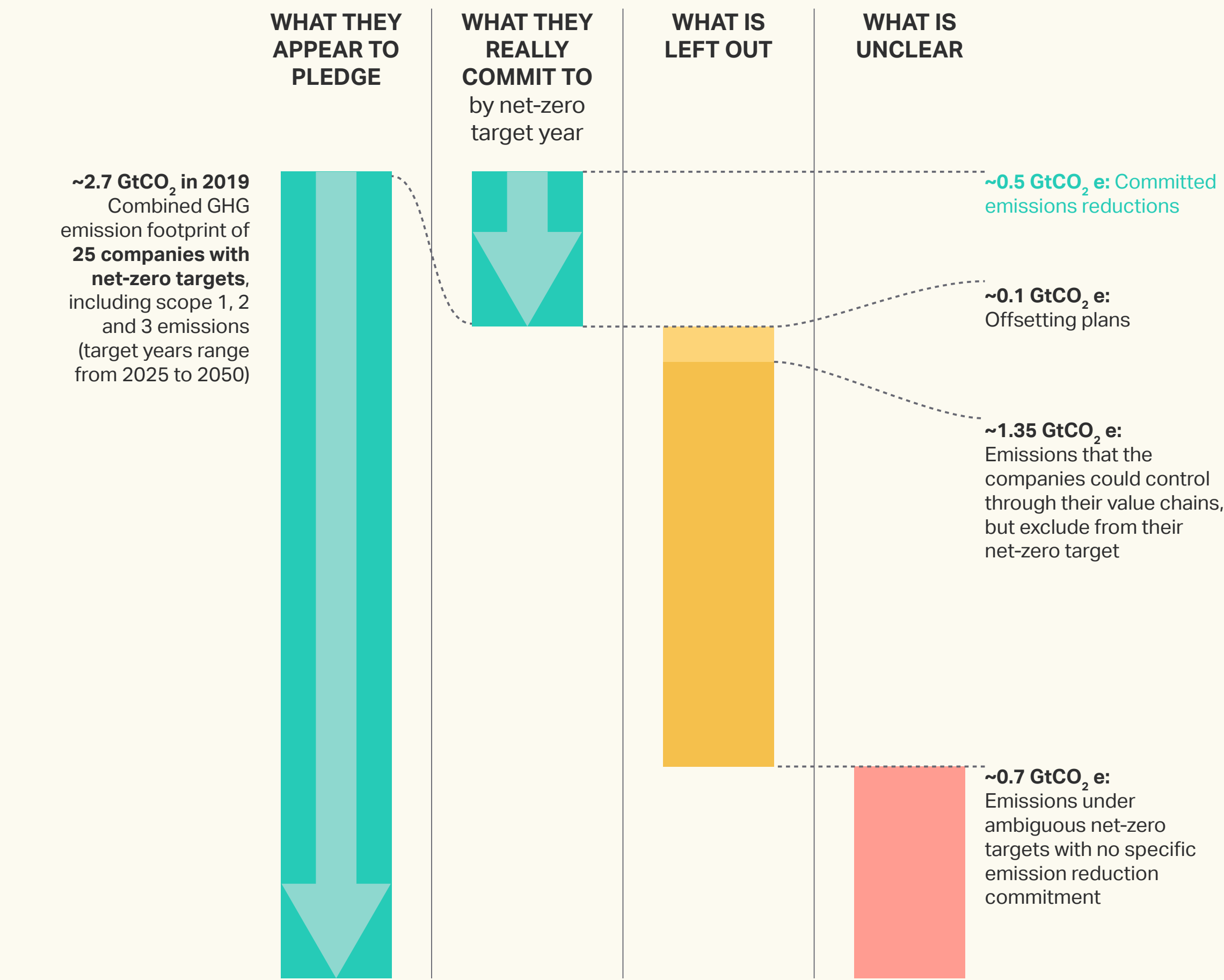
A recent analysis of the headline climate pledges of 25 of the world’s largest firms by the Corporate Climate Responsibility Monitor found major companies including Unilever, Nestlé, Accenture and BMW are falling short on their plans to cut emissions.

It’s not that these companies are inherently bad, but there are major issues with their pledges.

The study found not enough of them are seeking to decarbonise more than 90% of their full value chain. 24 of the 25 companies studied will rely on carbon offsetting.

The trouble with offsetting is these can be cleverly obscured; the authors note how Unilever and Nestlé don’t advocate offsetting at the corporate level. Its use across brands is relatively common.

Another recent study, the Road to Zero Emissions, ranked 55 companies on their net zero progress. It found a majority (84%) of firms assessed were falling short on commitments. Just three companies, Microsoft, PepsiCo, and Ecolab, received an overall “A” grade.



Note: The 25 companies assessed in this report are not necessarily a representative sample of all corporate actors with net-zero targets. They represent 25 of the largest companies in the world, accounting for approximately 5% of global GHG emissions and revenues of USD 3.2 trillion in 2020.  
Source: NewClimate Institute





# Standardised reporting will build consumer trust

**Brands have an opportunity to lead on establishing and communicating green credentials through standardised reporting within sectors and across industries to help combat greenwashing, according to a global study by dentsu international and Microsoft Advertising.**

The study found 42% of people think brands should provide clear, comparable information on the footprint of their products and advertising in order to make the brand greener. While 43% of respondents say clear labelling of green credentials

on websites and social media will help determine which brands are truly environmentally friendly, 36% of respondents would look for either transparency of reporting or independently audited credentials.

“Standardised reporting will help build trust in those companies genuinely making an impact, and with transparency of this reporting consumers will be able to see through those who are greenwashing”, say the authors of the report.



# Standardisation is critical in labelling

**As concerns about climate change grow, some brands are using claims around carbon footprints and CO2 emissions as a new “currency”. Carbon labelling can help consumers make informed and sustainable choices.**

One such brand is Quorn, the vegetarian/vegan company which includes carbon footprint labels on its most popular products. Unilever has said it will be introducing carbon footprint labels on its products, and Nestle is reportedly following suite.

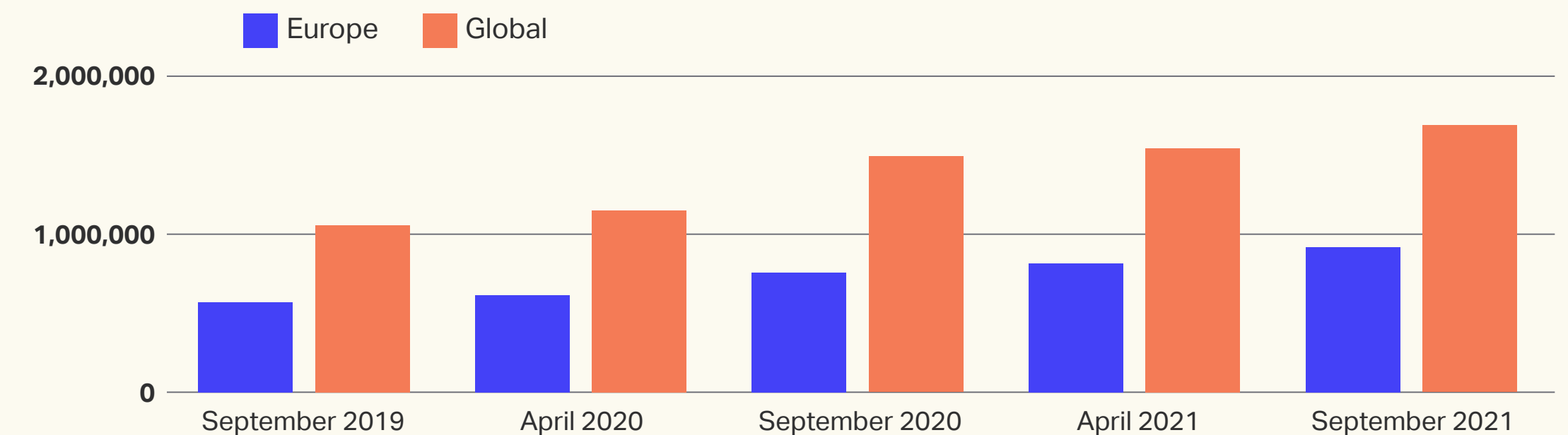
A Euromonitor report found an increasing number of brands, particularly in the food and beauty sectors are adding carbon claims to their products.

But too many labels and standards can cause confusion. Marc Engel, Chief Supply Chain Officer at Unilever, said, “You need to have alignment ... on the methodology you use, otherwise it’s going to be a jungle of all kinds of labels”, quoted in the FT.

It’s crucial that carbon claims are accurate and can be substantiated.

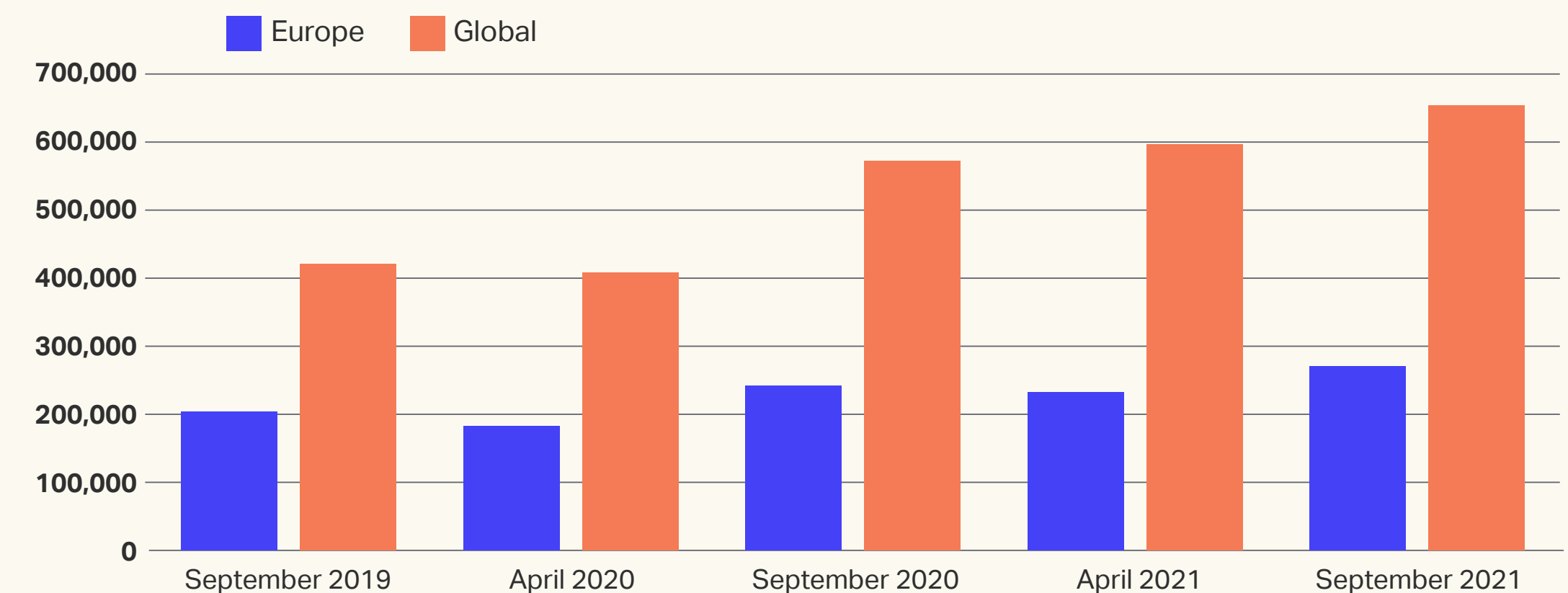
## Beauty and personal care

Number of SKUs with sustainability claims



## Packaged foods

Number of SKUs with sustainability claims



Source: Euromonitor International Sustainability Living Claims Tracker



# Fear can halt progress

Greenwashing muddies the waters, where it's hard to ascertain who is genuinely doing good or not, says Oliver Feldwick, Head of Innovation at The&Partnership. This can be an insidious problem – those who need to do the most, also have the most to lose by being called out for greenwashing. Ultimately, we cannot let greenwashing go unchecked, but we also cannot let fear of greenwashing stop us from making progress, says Feldwick. To solve this, it is key to differentiate the different degrees of greenwashing.

## Not all greenwashing is created equal

There are different shades of greenwashing

### 1

#### **TOXIC GREEN**

This is classic greenwashing - where the communications is misdirection to cover up for actively negative actions. If a company is actively pursuing projects, investment or initiatives that run counter to what they are claiming in communications, or attempting to put a positive spin on undeniably negative actions then this is toxic greenwashing.

### 2

#### **MURKY GREEN**

A lot of greenwashing ends up in this camp – where it is unclear whether the initiative itself has any meaningful impact, or whether the comms is warranted. Sometimes it can be a case that a sustainable action on one front, may be undermined by other elements of the core business.

### 3

#### **GREEN SHOOTS**

A lot of greenwashing accusations may in fact be cases of 'green shoots' – where the company is not perfect but the initiative is a brilliant step in the right direction that should be celebrated and supported internally and externally. It can be hugely valuable to celebrate steps along the path. However, it cannot be about claiming a false summit – celebrating a job done, when it is only a job begun.



# Sense check your net zero, sustainability claims

Looking at the balance between substance, directionality and impact is one potential way to avoid greenwashing says Oliver Feldwick, Head of Innovation at The&Partnership.

**Substance** – if the green initiative is 1% of your activity, it probably doesn't warrant being 80% of your communications focus.

**Directionality** – is the company getting better or worse? Is this the first of many great activities planned, or is this a one-off bandaid? For many in Environmental, Social, Governance (ESG) circles, directionality is as important as the current state-of-play.

**Impact** – does the initiative have a positive impact on a similar level to what you are claiming? Is the impact verifiable and defensible to an external body?

Toyota have taken decades of meaningful action around hybrid vehicles along with a lot of future facing initiatives around electrification and hydrogen. This means that its Beyond Zero campaign is aligned with meaningful and impactful action, talks to a directionality and has a substance, says Feldwick.







# Work with external auditors

**Fear of greenwashing is real – a recent straw poll conducted at a WFA member session looking at sustainable storytelling found that 56% of those attending were uneasy about communicating their progress, 12% were worried and 6% were ‘afraid or petrified’, says the WFA’s Will Gilroy.**

Oliver Feldwick outlines some action points for brands:

Ensure sustainability or net zero activity is an extension of credible ESG led activities – rooted in a broad and meaningful business strategy. Working with external auditors can help.

Ask if what you’re doing will stand up to the scrutiny of regulators, journalists and activists. Finally, acknowledge shortcomings – if there is still work to be done or progress to be made, say so.

Agencies have a role to play, too. This includes asking difficult questions. Greenwashing can be avoided by conducting a pre-mortem. This is a wash-up before the actual event happens or initiative is announced. This involves imagining what could go wrong. This can help assess ways it could be misconstrued, criticised or questioned.



# “Negatively-framed” eco comms can build trust

**Recent research conducted in Italy and the UK shows that messages that highlight the problems that a company’s pro-environmental actions seek to address (rather than the expected benefits of such actions) can boost consumer trust in that company.**

Marketers are therefore encouraged to change the narratives.

Don’t be afraid of revealing deficiencies in terms of environmental sustainability.

Consumers interpret the admission of said deficiencies as a signal of transparency

and tend to trust companies that voluntarily disclose such information.

This transparent communication approach is especially appealing to environmentally concerned consumers and is mainly useful to companies operating in “dirty” industries.

Negatively framed messages may help a company reduce the risk of appearing hypocritical and facilitate the creation of a positive environmental reputation.



Source: “Washed Green” or “Transparent Grey”? Understanding why honesty pays off in environmental communication, Pino et al. (2022).





# Beware double standards

**The climate challenge is an emergency, a “code red for humanity”. Speaking at COP26 in October 2021, Barbadian Prime Minister Mia Mottley said that a two degree rise in temperature would be a “death sentence” for island nations, due to rising sea levels and more extreme weather.**

This is why greenwashing is more than a bad PR day. Greenwashing hinders climate progress. And hindering climate progress has real world impact. It’s therefore critical that firms that sign up to industry initiatives do so in the right

spirit – one that drives collaboration and progress on net zero, says Jake Dubbins, Managing Director at Media Bounty and Co-Founder of the Conscious Advertising Network.

Publishers and news brands must be particularly careful of – on the one hand advocating for net zero, yet on the other hand advocating for the opposite in their editorials. This double speak and hypocrisy is exactly the sort of greenwashing that must be eradicated, argues Dubbins.



# Contributors to this guide

## Tackling media decarbonisation one plan at a time

Laura Wade & Susanna Pitts, Essence

## It's not easy being green – How can marketers make it easier for people to live sustainable lives?

Crawford Hollingworth A & Liz Barker,  
The Behavioural Architects

## 50 Shades of Greenwashing

Oliver Feldwick, The&Partnership

## Advertisers must adopt a “lean” mindset as the demand for net zero media plans grow

Rich Kirk, Zenith UK

## “Washed Green” or “Transparent Grey”? Understanding why honesty pays off in environmental communication

Pino, G., Viglia, G., Nataraajan, R., Peluso, A.M., Pichierri, M

## Why Sustainability must embrace psychology

Andy Wilson & Paolo Mercado, Ogilvy Asia

## The importance of climate-first marketing amidst the accelerating impacts of climate change

Steve Goldberg, sparks & honey

## Six ways advertisers can reduce the carbon footprint of their digital media

Amy Williams, Good-Loop

## How greenwashing hinders net zero

Jake Dubbins, Managing Director at Media Bounty and co-founder of the Conscious Advertising Network.

## A year of the WFA Planet Pledge

Will Gilroy, World Federation of Advertisers

## Net zero targets must include Scope 3 emissions, and the plan must be realistic and actionable

Peter Chalkley, Energy and Climate Intelligence Unit



# More from WARC

Ad Net Zero – the advertising industry’s climate action plan

As sustainability goes mainstream, consumers smell greenwashing

‘Green nudges’: Behavioural economics and sustainability

What we know about sustainability marketing

Why brands must bridge the honesty gap

Making the marketing function part of the climate change solution

What’s working in sustainability 2021

Volvo looks to become a circular company in a linear world

What B2B marketers can do on sustainability

Sustainability: How advertising can cut its emissions

Allbirds’ Himanshu Sinha on why sustainability across the value chain matters

Sustainability post-COVID-19

Branding and sustainability best practice: The basics

How to understand blockchains’ environmental impact



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# 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.

Want to get access to WARC?  
[Get a demo](#)

# ASCENTIAL

**WARC is an Ascential company. Ascential delivers specialist information, analytics and e-commerce optimisation platforms to the world’s leading consumer brands and their ecosystems. Our world-class businesses improve performance and solve problems for our customers by delivering immediately actionable information combined with visionary longer-term thinking across Digital Commerce, Product Design and Marketing. We also serve customers across Retail & Financial Services.**

**Digital Commerce:**  
DuoZhun, Edge by Ascential, Flywheel, Intellibrand, OneSpace, Perpetua, Spotlight, Yimian, 4K Miles, WhyteSpyder  
*Measurement, optimisation and execution for digital commerce growth.*

**Product Design:**  
Coloro, Start by WGSN, WGSN, Use Fashion  
*Consumer product trend forecasting, data and insight to create world-class products and experiences.*

**Marketing:**  
LIONS, WARC  
*Services and tools to measure and optimise marketing creativity, media and platform effectiveness and efficiency.*

**Retail & Financial Services:**  
Money20/20, Retail Week, World Retail Congress  
*Events, data and tools to improve performance and drive innovation in retail and financial services.*