

TREND DROPS

# THE TIPPING POINT ERA

JAN 2022

**INSIGHTLED**  
RESEARCH SOLUTIONS

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THE TIPPING POINT ERA

INSIGHTLED

JANUARY 2022

During the past two years, global challenges have radically transformed our lives, leaving changes that are undeniable and will be with us for the long term. Extreme weather events and Covid 19 has shaken our social, economic and political systems to their core reminding everyone that the climate crisis is unfolding in the here and now. Amid this upheaval, people are more aware and less complacent, in a shared sentiment that it's not only needed, but it is urgent, to redefine the trajectory of the future, rewrite the rules of politics, and pursue some tangible and real change.

A 2020 World Economic Forum survey found that 86% of 21,000 respondents among 28 countries would like to see more sustainable and equitable products in the post-pandemic market. According to a 2021 global PwC study, 60% of Millennials choose companies that are conscious and make efforts to protect the environment. Also, according to a global report by MasterCard, 58% of consumers are more aware of their ecological footprint since the pandemic, and 85% are willing to take personal action and change their behaviour to address the climate emergency.

The message is clear: we are all accountable. Governments, private companies, and individuals must change for better. There is no time left to false or empty promises. As Greta Thunberg said, we can no longer believe in 'Blah blah blah'. We need to take the responsibility and act now.

# Intro

HP REPORT

# 90%

of Australian consumers are concerned about environmental sustainability.

PLANET ARK

# 71%

of Australian consumers are willing to pay more for environmentally sustainable products.



*National Geographic photo cover  
by Mexican artist Jorge Gamboa*



**“We can no longer let the people in power decide what hope is. Hope is not passive. Hope is not ‘blah blah blah’. Hope is telling the truth. Hope is taking action.”**

Greta Thunberg, in COP26

**“It’s not because we want to change things that we do it. We do it because it is the only thing we can do going forward, there is no other alternative.”**

CFrancesco Starace, Chief Executive of Enel

“We can fix this if we all act together.”

Australian Twitter User

# Social Listening



**Amanda Stone** @AmandaStoneGRN · Aug 20

...

Looks like **Australia** will win "fossil of the day" again at **COP 26**. **Australia** widely criticised over emission reduction targets ahead of COP26 climate talks



**Kate Sansome** @kate\_sansome24 · Jun 20, 2020

...

Aldi **Australia** is currently running a special buy where you can buy "**sustainable**" products like dish soap, cutlery, pegs etc. Is this bringing sustainability to the masses and making sustainability more cost-effective? Or is this just another example of greenwashing?



**Tegan Laing** 🇺🇸🇨🇦 @teganlaing · Nov 18

...

If you live in **Australia** and want to ACTUALLY make a difference with **climate change**. Get this app, log your purchases and it'll tell you how many trees you need to plant to offset them. And then you can **buy** the trees and build your own actual forest.

[reforest.com.au](https://reforest.com.au)

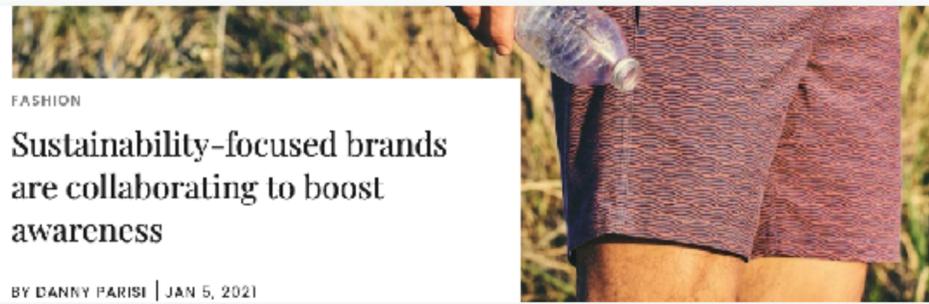
Systemic and complex issues such as the climate emergency point out to a more collaborative and cross-industry mindset. Collaboration between businesses, designers and consumers can promote more systemic change and unlock creative solutions, redefining entire business models.

The activation of networks among different brands and sectors enable the creation of new knowledge, power, and impact for local and global problems. Even competitors can (and should) act together. It's time to exchange knowledge, capabilities and technologies. Also, more than ever before, brands are involving their customers in this big change. Today's consumers have good intentions but look to brands to help them to make positive changes towards protecting the environment in their day to day. Consumers are not passive and they are extremely vigilant and aware of the responsibility brands need to take.

The common ground is clear: preserving the Planet is a no return path to guarantee future living conditions for all.

# Collective Action

SIGNALS OF CHANGE



FASHION

Sustainability-focused brands are collaborating to boost awareness

BY DANNY PARISI | JAN 5, 2021

Jun 23, 2021, 08:10am EDT | 772 views

## 3 Key Considerations For Global Collaborations On Sustainability



Rebecca Schael, Forbes Councils Member  
Forbes Business Council COUNCIL POS | Membership (Free-Joined)  
Small Business

Adidas and Allbirds combine to create sustainable sneaker /

# 88%

FORBES

of global consumers wanted brands to help them live sustainably

“ When it comes to sustainability, despite genuine interest, many still suffer from collective inertia, simply not knowing where to start; or not fully recognising how much more of a difference they could make. ”

CB Bhattacharya, McKinsey

# 79%

HP REPORT

of Australian consumers believe companies/ brands were most responsible for environmental and sustainability issues.

As consumers grow more aware about their environmental footprint, they expect companies to provide them with accessible and accurate information about the ecological footprint of their business, products and services. Companies are increasingly challenged with reporting on sustainability and social value creation. Besides acting it is important to track, understand and communicate the progress and the impacts accurately and with clarity.

A 2020 global report by IBM found that 6 in 10 consumers are willing to change their purchasing behaviour to be more sustainable. However, consumers are aware about green-washing strategies that the industry might take.

Consumers expect businesses and brands to take the lead on sustainability issues. Furthermore, in this era of misinformation, consumers are seeking ways to track, measure and understand the ecological impact and footprint in the products, brands, and services they consume to make a well informed decision. Brands need to be accountable to accurately report on their progress towards sustainability goals. This means that is not enough to say that a company cares about the environment. It needed to say, act, and prove the commitment with a better future.

# Trust & Transparency

SIGNALS OF CHANGE

# 71%

IBM

**of global consumers are willing to pay a premium for brands that provide traceability.**

# 84%

IBM

**of global consumers say brand trust is important.**

# 73%

IBM

**of global consumers indicate that traceability of products is important to them.**

In current times, a point of attention is crucial: sustainability is not only about the environment. It implies social and ethical attitudes. Scandals involving brands in poor working conditions and cultural appropriation practices helped consumers to become more aware that sustainability is a complex concepts that needs to be addressed in a systemic manner. A study conducted by IBM shows that over 7 in 10 global consumers say it's at least moderately important that brands offer "clean" products (78%), are sustainable and environmentally responsible (77%), support recycling (76%), or use natural ingredients (72%).

As part of consumers' increasing focus on sustainability as an ethical stance, they are turning to new purchasing and consumption models embracing the rise of a circular economy, which offers alternative ways to attain products like renting or buying pre-owned goods. Also, people are more aware that social responsibility is directly correlated to sustainability.

# Circular Intersectionality

SIGNALS OF CHANGE

## 46%

MARKSTEIN

of global consumer pay close attention to a brand's social responsibility efforts when they buy a product

## 70%

IBM

of global consumers tried purchasing pre-owned, repaired, or renewed products

“ Climate change is the umbrella issue that has the most attention, but people are starting to understand how that relates to other issues like the loss of habitat, or degradation of oceans, or even the unequal way it is impacting communities of colour. ”

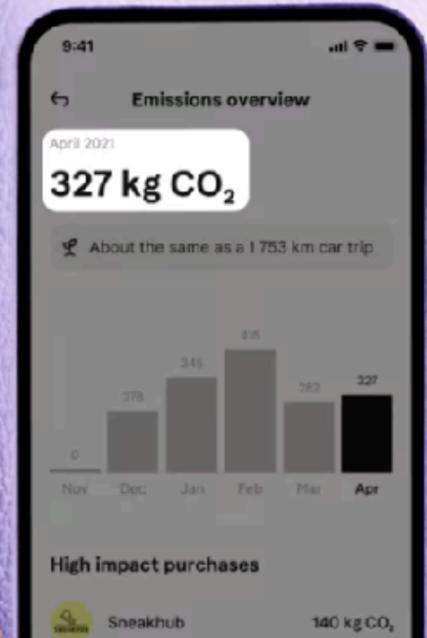
Ben Peacock, Founder of Republic of Everyone, a Sydney-based B Corp and sustainability consultancy

We're all toast  
So don't tell us that  
We can imagine a healthy future  
Because the reality is  
It's too late to fix the climate crisis  
And we don't trust anyone who says  
We need to demand a livable planet  
Because we don't have a choice

(Now read this bottom up)

Patagonia's advertisement in the New York Times.

See your  
total CO2  
emissions.

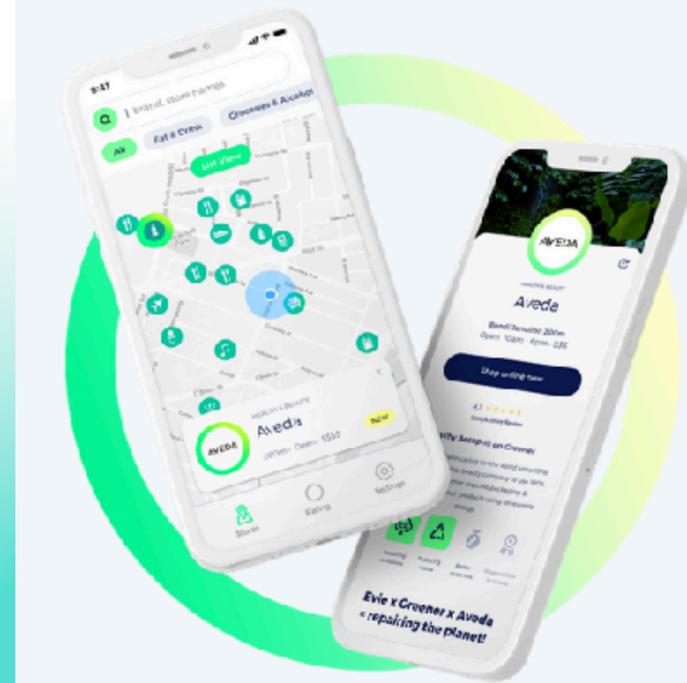


## — KLARNA

Klarna is a fintech that offers customers buy now pay later services. Klarna has recently added a feature to its service that gives users access to carbon footprint insights. To do so, it partnered with Doconomy to provide shoppers with an average kgCO2 value for each purchase. The partnership introduces CO2 data at global scale and is made available free of charge in the Klarna app.

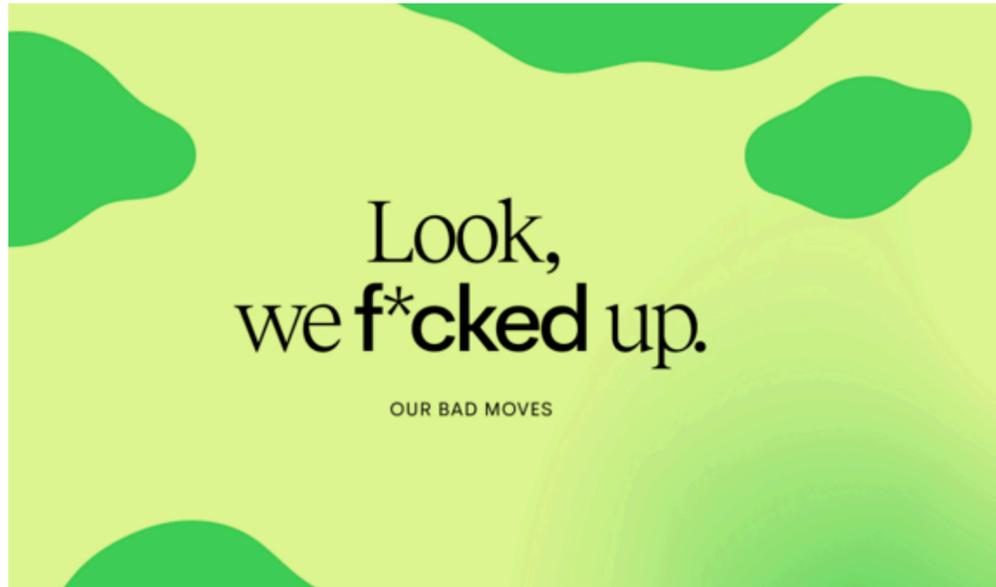
## — GREENER

Greener is an app from Sydney-based founders that aims to make it easier for consumers to identify the brands that are already on a successful sustainability journey. Once Greener is downloaded from the App Store, customers are asked a series of questions to get an understanding of their current carbon footprint with an overall score being given. The customer is then encouraged and supported, to reach carbon neutrality through their purchasing habits. Greener gives consumers personalised recommendations for more sustainable stores.



# Impacts

#TRACKING  
#TRUST AND TRANSPARENCY  
#CARBON FOOTPRINT  
MONITORING  
# TANGIBLE DATA  
# SAY + ACT + COMMUNICATE



## — ACE & TATE

The Amsterdam-based eyewear brand Ace & Tate admitted their responsibility and mistakes in sustainable actions, specifically in regards to towards people working in their supply chains, to mixing in bamboo fibers with plastic in a misguided attempt to create eco-friendlier cases. Since Ace & Tate is working to become a B Corp, the brand decided to assume its errors and closely examine the (un)sustainability of every part of their business.



## — EVERLANE

The outdoor fashion brand Everlane creates puffer jackets from recycled plastic water bottles. One jacket is made from 16 discarded bottles. With their ad message "Warming the planet. Warming you." they highlight this fact. So simple, yet so accurate and powerful.

# Impacts

#ACCURACY  
#TRUST  
#TRANSPARENCY  
# TRACKING  
#TANGIBLE DATA  
# SAY + ACT + COMMUNICATE



## — GOOGLE + WWF + STELLA McCARTNEY

Google Cloud, WWF Sweden and eco-luxury fashion brand Stella McCartney partnered on a project to monitor the pollution created by the fashion industry. The project combines Google's machine learning capability with WWF and McCartney's industry expertise to create a data analytics service that, when launched into the market, will help companies evaluate the environmental impact of a specific material across the supply chain. Initially launched in 2019 as a pilot for tracking the carbon footprint of cotton and viscose (among the most polluting materials in the industry), the project was updated in 2020, expanding the service across 20 raw materials used in fashion.



## — LEVI'S

Levi's created a 2021 campaign in collaboration with activists. The film showcases what we can do together to combat over-consumption in the way we make things, the way we buy them, and how we wear them. The film features 6 change-makers who have made it their life's work to make our world a better place to live. However, the debate on this fashion campaign was controversial. People blame the fashion company for selling more and more clothes and continuing to damage the environment, while trying to shift the responsibility onto the consumers.

# Impacts

**#COLLABORATION**  
**#CROSS-BRANDING**  
**#COLLECTIVE EFFORT**  
**#PARTNERSHIPS**  
**#KNOWLEDGE EXCHANGE**



## —— ADIDAS

In France only, Adidas Terrex is testing a rental service for a full range of products from outerwear and hiking sneakers down to sweat-wicking T-shirts and shorts. Customers will be able to rent footwear and apparel for a set amount of time, with pricing based on the duration. Once a product has been used and returned, Adidas will clean and repair it before putting it back up for someone else to rent. The program makes the most sense for people who only dabble in outdoor activities on an irregular basis. Advertising accounts for 70% of the cost of a big-brand sneaker.



## —— VEJA

Veja invests advertisement money in sustainable manufacturing instead. This allows them to sell their sustainable sneakers at the same price as their competitors, like Nike or Adidas. And this strategy seems to be working. In 2020, Veja made \$120 million in sales. Again, without a single ad. Sometimes green marketing can be simply not doing marketing at all.

# Impacts

**#CIRCULAR ECONOMY**  
**#RENT, RESALE, REUSE**  
**#LONGER PRODUCTS LIFE SPAN**  
**#ETHICAL STANCE**  
**# REAL CHANGE**

# 01

## CREATE TRUST BY BEING TRANSPARENT

A successful campaign on sustainability needs to say the truth. Be transparent about why the product or service is eco-friendly. Understand the greenwashing concept and avoid it at all cost. Be clear on what type of eco-friendly initiative the product or service will help against - saving water, using less electricity, reduce food waste, regenerate the environment, etc. Be clear, bold, and straightforward to make it easy to customers to understand the impacts and efforts a brand has made in turning the world more sustainable.

**#ACCURACY**  
**#TRUST**  
**#TRANSPARENCY**  
**# TRACKING**  
**#TANGIBLE DATA**  
**# SAY + ACT + COMMUNICATE**

# 02

## ACT TOGETHER

Companies have now the opportunity to create new partnerships with organisations, brands, scientists, data providers and experts or universities to tackle the environmental problem collectively.

**#COLLABORATION**  
**#CROSS-BRANDING**  
**#COLLECTIVE EFFORT**  
**#PARTNERSHIPS**  
**#KNOWLEDGE EXCHANGE**

# 03

## BE CIRCULAR - AND ETHICAL

The circular and ethical economy is gaining momentum. Brands and retailers need to offer more options of products and services that are circular, but that also embrace sustainability from a social and ethical standpoint.

**#CIRCULAR ECONOMY**  
**#RENT, RESALE, REUSE**  
**#LONGER PRODUCTS LIFE SPAN**  
**#ETHICAL STANCE**  
**# REAL CHANGE**

# Takeaways

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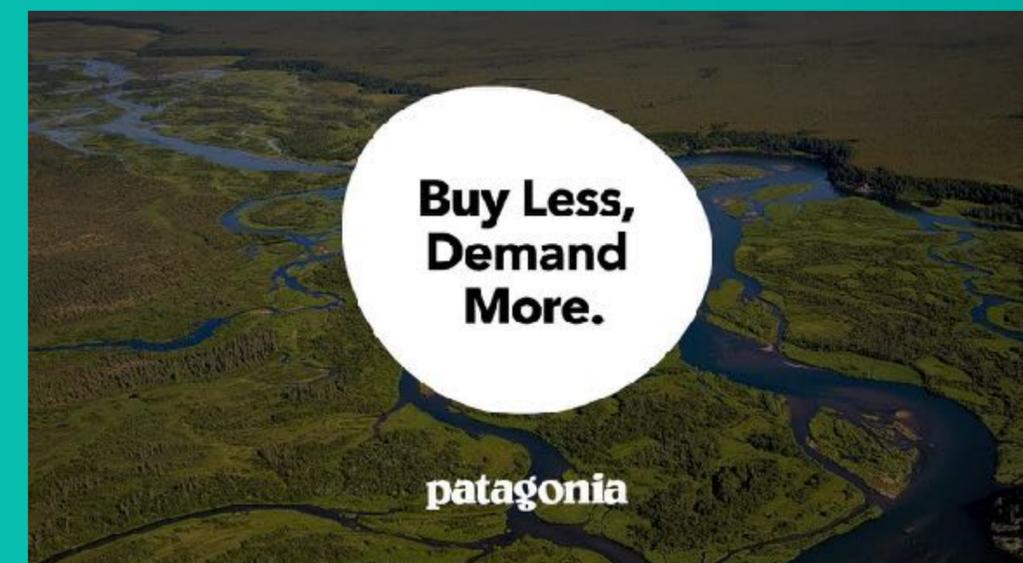
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Shop with  
Klarna to see  
how purchases  
are linked to  
the planet.





Ready to start the conversation about a project together?

LET'S TALK

[insightled.com.au](https://insightled.com.au)

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