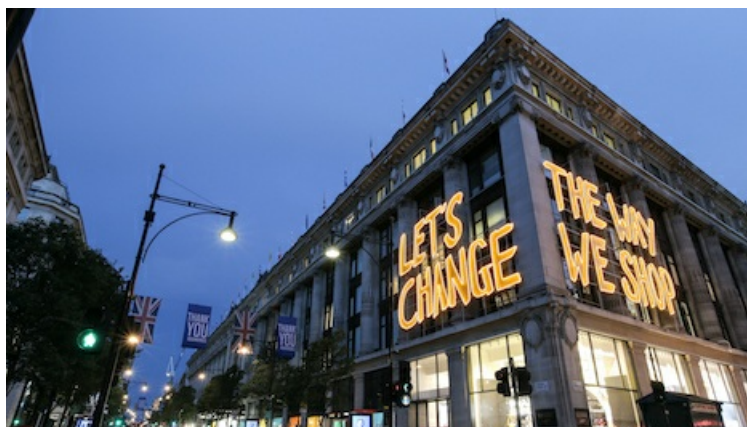


MARKETING

Consumers crave sustainability, expect brand transparency: report

May 6, 2021



Most adults view a sustainable lifestyle as being better for the environment. Image courtesy of Selfridges

By NORA HOWE

While sustainability alone does not determine consumer purchasing behavior, it is drastically accelerating in importance.

Subscribe to **Luxury Daily**
Plus: Just released
State of Luxury 2019 **Save \$246 ▶**

A new study, "Sustainability and Consumerism: U.S. Consumer Behaviors and Preferences," released by digital creative services and strategy agencies [Compose\[d\]](#) and [MaCher](#), explores how consumers view sustainability and their expectations of brands. With one in three consumers reporting it is difficult to find sustainable options across all product categories, luxury brands have an opportunity to engage these consumers by increasing sustainability efforts.

"Sustainability has proven to be more than a buzzword or passing fancy for consumers," said Jason Parkin, president and chief creative officer at [Compose\[d\]](#), New York.

The study collected data from an online survey conducted from March 3 to March 10, 2021, prompting 500 male and 500 female consumers, ages 18 to 75, in the United States.

Key figures

Brands across multiple industries have increasingly promoted sustainability practices and are celebrating new environmentally-friendly initiatives.

Whether a startup or heritage luxury brand, sustainability is a term that many companies enjoy putting on labels and marketing materials. However, according to the study, they seldom know what the term actually means.

According to the [U.S. Environmental Protection Agency](#) (EPA), sustainability is based on the principle that everything we need for survival and well-being depends, either directly or indirectly, on our natural environment.

Ninety-four percent of adults who responded to [Compose\[d\]](#)'s survey consider it important to live a more sustainable lifestyle, however 43 percent wish there was more information available about living sustainably.

Generationally, baby boomers and Generation X are two times more likely to donate clothes for reuse and to

actively reduce their use of single-use plastics than younger consumers.



Millennials and Gen Z consumers view a sustainable lifestyle as cost-saving. Image credit: Compose[d]

Millennials and Generation Z are three times more likely to purchase pre-owned products, be vegetarian or vegan and ride a bike instead of driving a car than older consumers.

Interestingly, baby boomers and Gen Z are 30 percent more likely than Gen X and millennials to agree that it is worth paying more for sustainable products. However, millennials and Gen Z consumers are nearly twice more likely than baby boomers to view a sustainable lifestyle as having cost-saving benefits.

Additionally, 52 percent of women respondents believe it is worth paying more for sustainable products.

More than half of adults, 55 percent, view products made of recycled materials to be more sustainable, while 64 percent would rather use products made from recycled materials versus those made from new materials.

About two-thirds of U.S. consumers view sustainability as an important part of their purchase decision-making. Further, 33 percent of Gen X, millennial and Gen Z consumers say they will always choose the more sustainable option when making a purchase.

BOOMERS		GEN X		MILLENNIALS		GEN Z	
RECYCLED	65%	RECYCLED	52%	GREEN	51%	RECYCLED	52%
SUSTAINABLE	60%	SUSTAINABLE	44%	RECYCLED	49%	GREEN	43%
REUSABLE	57%	REUSABLE	43%	SUSTAINABLE	42%	ORGANIC	42%
FAIR TRADE	51%	GREEN	41%	ORGANIC	42%	REUSABLE	41%
GREEN	42%	FAIR TRADE	39%	FAIR TRADE	39%	FAIR TRADE	37%
ETHICAL	34%	ORGANIC	36%	REUSABLE	39%	SUSTAINABLE	35%
ORGANIC	34%	ETHICAL	31%	ETHICAL	35%	NATURAL FIBERS	30%
RESPONSIBLE	32%	NATURAL FIBERS	30%	NATURAL FIBERS	33%	ETHICAL	28%
NATURAL FIBERS	30%	RESPONSIBLE	25%	RESPONSIBLE	29%	RESPONSIBLE	26%
MADE FROM WASTE	26%	MADE FROM WASTE	23%	MADE FROM WASTE	23%	MADE FROM WASTE	23%
B CORP	3%	B CORP	10%	B CORP	13%	B CORP	11%

The words most likely to influence consumers when used in product marketing. Image courtesy of Compose[d]

In terms of personal benefits, half of respondents believe that living sustainably is healthier for them and their families. Additionally, three-quarters wish there was a way to offset the impact their travel has on the environment.

Brands within the electronics space have some work to do, as 33 percent of respondents claimed it is difficult to find sustainable options across all product categories, especially when shopping for electronics.

"Recycled" is the term most likely to influence 65 percent of boomers and 52 percent of Gen X and Gen Z, while the term "green" impacts 51 percent of millennials and 43 percent of Gen Z.

Full transparency

According to the survey, one in three adult consumers say they have stopped buying one or more brands after learning that the company's practices and values did not match their own. This points to the importance of brands making tangible sustainability efforts, as well as the value of transparency.

Last year, U.S. jeweler Tiffany & Co. became the first in its industry to disclose where each diamond is crafted and set in jewelry, taking a leadership position in traceability of precious stones. The New York-based company now shares the full craftsmanship journey of its newly sourced, individually registered diamonds that are 0.18 carats or

larger.

This announcement came a year after Tiffany became the first luxury jeweler to provide the provenance region or countries of origin of its individually registered diamonds as it adds transparency to its sourcing of raw material ([see story](#)).

Eighty percent of adult consumers believe companies have an obligation to disclose the environmental impact of their operations, according to Compose[d].

During a panel at the Financial Times Business of Luxury Summit in November 2020, a director from Selfridges discussed the retailers's sustainability initiative Project Earth, which approaches sustainability through three lenses: materials, models and mindset.

Through the materials lens, Selfridges is able to share the material components of a product, such as organic cotton or denim produced with less water. Through the model lens, they are focusing on the consumption of retail and upending the notion of owning fashion by creating resale and rental platforms.

Through the mindset lens, the company discusses issues such as overconsumption and environmental initiatives while amplifying voices in the retail environment ([see story](#)).

"The brands that practice sustainability have an opportunity to capture consumer loyalty and align with them on a commitment to safeguard the environment for the future," Mr. Parkin said.

© 2021 Napean LLC. All rights reserved.

Luxury Daily is published each business day. Thank you for reading us. Your [feedback](#) is welcome.