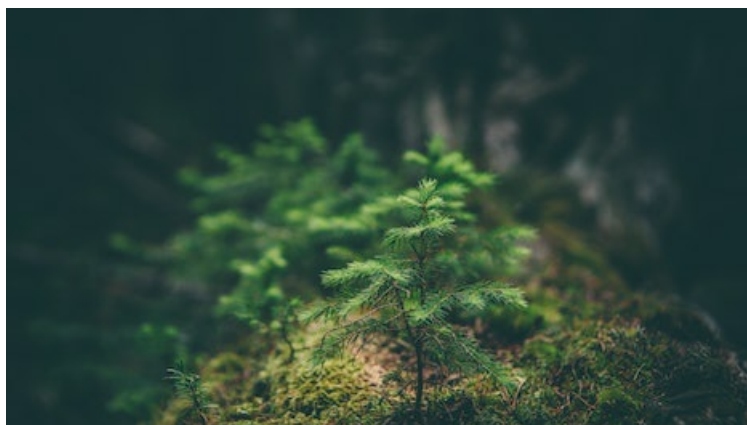


MARKETING

Brands must make sustainability efforts transparent, accessible: EY

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According to a new report from EY, 80 percent of global consumers believe brands must be transparent about their environmental impacts in the production of their goods and services. Image credit: Matthew Smith

By KATIE TAMOLA

As the world continues to recover from the COVID-19 pandemic, consumers are still actively looking to brands for transparent and effortful sustainability practices.

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Although consumers range/are nuanced in just how much sustainable materials and practices will affect their likelihood to purchase a product, the latest edition of the **EY Future Consumer Index** suggests that 43 percent of global consumers want to buy more from organizations that benefit society, even if their products or services cost more. EY's CEO Imperative Series is addressing techniques brands can utilize in response to evolving consumer expectations regarding sustainability, including embracing sustainability as a value creator, authenticity and more.

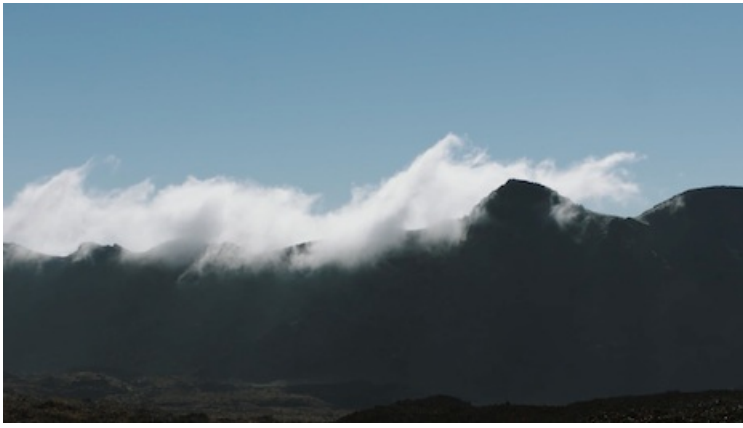
"Sustainability has been on an accelerating trend for the last decade and will only continue to accelerate," said Jon Copestake, consumer senior analyst at EY. "Not only are consumers more interested in buying sustainable products but the access to information that they have is growing.

"Younger consumers are more proactive in researching and sharing information about sustainable products," he said. "As climate targets in 2030 get closer there will be an intensification in regulatory activity and company initiatives that will only further drive consumers towards making more sustainable choices in buying."

Matters of sustainability

Although many consumers actively express that sustainability is important to them, some are still trying to figure out how much they are willing to spend on certain materials or products.

According to EY's findings, what consumers value and which values they are prepared to pay for varies across countries, categories and segments. These differences are both nuanced and complex.



Experts believe brands will need to continue to show dedication to sustainability and responsibility. Image Credit: Stella McCartney

When asked what consumers were most concerned about regarding sustainability and environmental concerns, 56 percent of respondents in Japan and 53 percent in Germany highlight climate change, while only 38 percent of respondents in the US identified the same.

UK consumers are more likely than their global peers to worry about plastic waste, at 44 percent compared with 33 percent globally. In China, air pollution is a standout concern at 57 percent, compared to 33 percent globally.

Eighty-four percent of respondents say sustainability is important when making purchase decisions, but 47 percent say it costs too much to purchase sustainable products. Eighty-six percent of consumers consider the amount of packaging when buying products, but 35 percent want more packaging to protect them from the risk of infection.

Sixty-one percent of consumers want more information to help make better sustainable choices, but only 20 percent check sustainability claims made on packaging or in advertising.

EY notes that brands need to make sustainability more accessible to all consumers.

When The EY Future Consumer Index asked consumers what they cared about most, 18 percent of consumers said planet first, while the largest percentage of consumers at 31 percent said affordability first.

Brands need to lead and direct consumers while embracing sustainability as a driver of value creation.

Fifty-one percent of consumers believe they are doing all they can to make purchase decisions that shape a more sustainable future, but 68 percent expect companies and organizations to take a lead. Seventy-three of global consumers believe brands have a responsibility to make a positive change in the world.

EY's research suggests that brands must recognize sustainability as a differentiating factor that drives growth. Even if most consumers are unwilling to pay more for sustainable brands, they are still more likely to buy them than alternatives.

Generational practices and priorities

Brands should invest in sustainable practices that drive efficiency.

In EY's latest findings, 80 percent of global consumers believe brands must be transparent about their environmental impacts in the production of their goods and services, while 38 percent believe businesses should prioritize responsible production and consumption of goods and services.

With this in mind, brands must be actively setting ambitious, measurable and credible targets.

Sustainability is a mammoth topic for brands to consider, but setting bigger goals could lead to more success.

During a fireside chat with Vogue Business senior sustainability editor Rachel Cernansky at the Vogue Business and Shopify Sustainability Forum on May 26, a Tesla cofounder discussed the ways the fashion industry can grow from expanding its sustainability goals. Consumers and employees alike are increasingly desiring brands and companies to aim higher and be more transparent with their sustainability efforts ([see story](#)).



LVMH hopes to inspire brands and employees within the conglomerate with its Life 360 environmental strategy. Image credit: LVMH

Earlier this year, French luxury goods conglomerate LVMH Mot Hennessy Louis Vuitton announced new objectives of its Life 360 environmental strategy, once again centering on the relationship between nature and creativity.

Life 360 is a strategy that contains specific targets and corresponding timeframes, with a foundation of products in harmony with nature that respect and preserve biodiversity and the climate. There are three fundamental objectives setting targets for 2023, 2026 and 2030, prompting all LVMH maisons to contribute to achieving these goals ([see story](#)).

Consumers from different generations seem to be taking different approaches to sustainability in their own lives, including practices and how they prioritize the concept.

EY finds that Gen X and Boomers are much more likely than younger consumers to take simple steps, such as taking their own shopping bags to stores, reusing or recycling packaging, and conserving their energy use.

Gen Z and Millennials are much more likely to favor and implement sustainable lifestyle choices, such as plant-based diets and use of public transport.

The 2021 Millennial and Gen Z Survey by consulting firm Deloitte found that young people are channeling their energy towards meaningful action by increasing political involvement, aligning spending and career choices with their values and driving change on societal issues that matter to them. In turn, these generations expect institutions such as businesses and governments to do more ([see story](#)).

"Sustainability clearly means many things to many people and while climate change and biodiversity were the top issues other considerations such as the health and wellbeing of citizens and ending global poverty were highly prominent," Mr. Copestake said. "Interestingly younger consumers are less concerned about many issues than older consumers but are taking more radical steps to support sustainability such as plant-based diets and avoiding brands that do harm to the environment."