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SUSTAINABLE LIFESTYLES FRONTIER GROUP

The Sustainable Lifestyles Frontier Group (SLFG) is taking the lead on accelerating positive lifestyle and purchase shifts, learning from participating businesses on how to enable better marketing across industries and around the globe.











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THE BIG CONSUMER BEHAVIOR SHIFT IS HAPPENING

Mainstream consumers are starting to look for products with environmental and social benefits, in addition to traditional benefits linked to functionality and brand. Businesses are beginning to adapt to this shift in consumer preferences.

At the same time, people are increasingly engaging in behaviors such as recycling, conserving energy, paying more attention to healthy habits, and changing transportation modes.

The opportunity for companies to capitalize on these shifts for both business and societal value is enormous.

This report reviews findings and case studies from some of the first behavior change studies conducted by mainstream brands, focused on activating new lifestyle behaviors and sustainable product choices.

THIS REPORT BUILDS ON PREVIOUS RESEARCH

In 2015, we published learnings from a series of working group discussions with leading brands on best practices for marketing products with environmental benefits.

KEY 1

Consumers look for fewer barriers and more benefits to engage in most behaviors, including sustainable behaviors. FEWER + MORE = VALUE
BARRIERS + BENEFITS = VALUE

KEY 2

Value for a given behavior is provided through functional, emotional, or social benefits.









THREE BRANDS EXPLORED CHANGING COMMERCIAL BEHAVIOR

In 2016, we wanted to push beyond theory to action. We examined behavior change theory and then tested the thinking through several powerful B2C behavior change commercial experiments designed to influence purchase decisions, recycling behaviors, and brand reputation.



AT&T investigated three types of promotional marketing messages for a new security and home automation service. The service enables homeowners to remotely and digitally manage home energy, water, and security systems.

AT&T tested messages in a closed survey to measure purchase intent as well as overall appeal for each message.



eBay wanted to test whether messaging could influence consumers' decisions to sell pre-owned items on eBay.com.

eBay inserted a variety of messages into a mock email sent to users after they listed an item on eBay. This was a closed survey that measured intent to sell items and perceptions on brand reputation.



Walmart aimed to gain an initial understanding of consumers' perspectives and interest in sustainable apparel through a consumer survey.



TWO BRANDS EXPLORED CHANGING RECYCLING BEHAVIOR



McDonald's explored how different types of messaging at restaurant recycling stations could influence correct recycling behavior. Four types of messaging were tested against a standard control message at one restaurant location.



Johnson Johnson consumer inc.

Johnson & Johnson Consumer Inc. (JJCI) wanted to understand the most effective type of messaging to drive consumer bathroom recycling behaviors in its Care to Recycle® digital and social media campaign. Seven sample Facebook messages were tested in a closed survey. JJCI measured "intent to recycle" rather than actual observed bathroom recycling behavior.

JJCI also investigated the impact of these different messaging types on brand perception.





KEY FINDINGS AND RECOMMENDATIONS

THE SLFG UNCOVERED INSIGHTS ACROSS FOUR AREAS



HOW TO INCREASE
PURCHASE INTENT AND
BRAND REPUTATION



HOW TO INCREASE RECYCLING BEHAVIOR



HOW TO TEST CREATIVE

BEHAVIOR CHANGE

MARKETING



HOW TO BRIDGE THE DIVIDE
BETWEEN SUSTAINABILITY
AND MARKETING TEAMS





KEY FINDING



HOW TO INCREASE
PURCHASE INTENT AND
BRAND REPUTATION

Sustainability has value for consumers.

FINDING

The test results confirmed what other surveys and focus groups have found: consumers are interested in sustainability.

Consumers are interested in sustainable products and services, in understanding ways they can live more sustainably, and in supporting companies that make a positive social and environmental impact.

CASE STUDY

AT&T surveyed consumers to see what features of a home automation service were most appealing to consumers. Respondents indicated that energy conservation was second only to features like home security and control over locks and doors. The ability to reduce one's carbon footprint ranked higher than AT&T's marketers had expected.

This finding also shows up in consumer surveys and the success of the "Green Giants."2:

- 55% of global consumers say they are willing to pay more for products and services provided by companies that are committed to positive social and environmental impact.¹
- At least 15 consumer goods companies have generated \$1 billion or more in sales from a product line that has sustainability or social good at its core, including Unilever, Target, and Organic Valley.²



^{1 &}quot;Global Survey of Corporate Social Responsibility," Nielsen. 2014. Accessed via www.nielsen.com/us/en/press-room/2014/globalconsumers-are-willing-to-put-their-money-where-their-heart-is.html
2 "Welcome to the New Green Giants," Freya Williams, SustainableBrands.com. June 2016. Accessed via www.sustainablebrands.com/news_and_views/stakeholder_trends_insights/freya_williams/welcome_new_green_giants.



Sustainability messaging can boost brand reputation.

FINDING

Sharing environmental messaging and engaging customers on more sustainable product choices can drive a positive perception of the brand.

CASE STUDY

When eBay included sustainability messages in emails to consumers, they generated increased perceptions that the company cares about the environment.

Johnson & Johnson
Consumer Inc. found that
pro-recycling social media
messages drove increases in
perceptions that the brand was
environmentally responsible.
In particular, posts explaining
"Why" recycling is important
were significantly effective at
driving positive perceptions.





Sustainability is an outcome not a marketing strategy.

FINDING

It appears the best way to influence sustainable behavior is by not flagging sustainability directly. We are not at a stage where sustainability messages alone can sell to mainstream customers.

The SLFG messages that were most effective at driving purchase intent (or selling behavior in the case of eBay) did not include appeals to save the environment. The "winning" messages appealed to more direct, personal benefits for the consumer.

CASE STUDY

eBay tested messaging to encourage consumers to list their pre-owned items. Messages that encouraged consumers to do "good for the planet" did not outperform messages that simply stated "sell more."

AT&T tested messaging to encourage the purchase of security and home automation services. Respondents indicated that the message with the highest appeal left out a message that promoted how home energy automation service could help "reduce your carbon footprint." Instead, the most effective message focused on functional benefits like "control over one's doors" and "security."





Consider marketing and wider business objectives when leveraging sustainability messaging as a tool.

Persuading a consumer to purchase a product at the point of sale is very different from building overall brand appeal. Consider your overarching marketing and wider business objectives, then plan out where sustainability messaging best fits in your communications mix.

On the following pages we outline recommendations to consider if your objectives are to build brand reputation or drive sales.

2

Use sustainability to boost brand reputation.

Multiple testing programs show that respondents did view brands more favorably after viewing sustainability messaging. This type of favorability can drive brand preference over time.

Messaging can include raising awareness of your company's sustainability programs or initiatives designed to help consumers easily engage in sustainable behaviors.



3

Consider positioning sustainability as an additional value, but not the only value.

Marketing designed to generate sales should always be built around human wants, needs, and desires first. Just because a certain behavior leads to environmental benefits does not mean marketing those benefits should be the most prominent focus.

Some of the tested messaging with sustainability elements did not perform as well, because the hierarchy of benefits was off—collective benefits which sound like they are more beneficial for the planet but not the consumer—were interfering with personal benefits like gaining control over one's home with **AT&T's** home automation service.

This confirms the SLFG's earlier theory that when weighing whether or not to engage in a behavior, individuals typically ask "What's in it for me?"

However, by positioning sustainable behaviors as delivering on primary human wants and needs first, and secondary wants and needs second, marketing messages can break through. For example, Tesla focuses its electric vehicle marketing first on the style and thrill of driving, and second on the vehicle's ability to reduce one's carbon footprint.







HOW TO INCREASE RECYCLING BEHAVIORS

Consumers respond to simple, clear instructions.

FINDING

When trying to influence more sustainable behaviors such as a recycling, simple and easy-to-understand messaging works effectively.

CASE STUDY

McDonald's found that it was essential to clearly explain how to recycle in restaurants in order for customers to recycle properly. Messages that clearly illustrated what items to recycle by image and name were more effective at increasing correct waste disposal behavior than the control message, which did not include recycling guidance.

Johnson & Johnson Consumer Inc. tested various social media posts and found that messaging clearly explaining what to recycle and what not to recycle in the bathroom led to a significant increase in participants' intent to recycle. While messaging explaining the reasons why to recycle in the bathroom also performed well, the results consistently show that simple and easy guidance is an effective starting point to influence behaviors.





HOW TO INCREASE RECYCLING BEHAVIORS

Tone matters

Tone matters.

FINDING

Tone is important to consider, as it is content and audience specific. Targeting messaging to the right audience is just as important when designing messaging for sustainable behaviors as it is in traditional marketing.

CASE STUDY

Johnson & Johnson Consumer Inc. received significant engagement with messages that optimistically stated "we can do this!" in contributing to solving the landfill waste issue.





HOW TO INCREASE RECYCLING BEHAVIORS

Make your call to action clear and the behavior change easy.

Efforts to simplify what needs to be done and empower consumers with knowledge are appreciated and motivating. When it comes to recycling, the baseline of good recycling signage is one that includes clear instructions on exactly what and where to recycle.

2

Know your audience and target them correctly.

While positive messages can be empowering, they can also be demotivating. Conversely, we found cases of negative messages being motivating to some audiences. There are a variety of tactics and messaging types to drive behavior change.

The answer may lie in getting to know your audience well and highlighting the benefits of behavior change to overcome the barriers.





HOW TO TEST CREATIVE BEHAVIOR CHANGE MARKETING

Creative imagery can be a powerful ally or foe.

FINDING

While creative visuals are a powerful ally, the wrong creative, or no creative at all, can be a turnoff for consumers.

CASE STUDY

McDonald's recycling messages that used colorful and fun imagery were significantly more effective at driving recycling than traditional signage without imagery. The SLFG theorizes that this imagery captured attention and provided a form of entertainment for customers in unexpected places (the waste bin in a restaurant), thus leading to a greater focus on the waste disposal task at hand and significantly increasing recycling behavior.

Johnson & Johnson Consumer Inc. also found that messages that elicit an emotional response, like excitement for creating a fun DIY craft activity or a meaningful sense of purpose when connecting recycling to the Earth,

were more likely to drive participants' intent to recycle than messages that did not.

However, creative imagery also has the power to backfire. Participants in the Johnson & Johnson Consumer Inc. test reported that messages with cartoon toy duck imagery were too childish, and therefore not directed to them as adults.

Respondents in eBay's email messaging test shared that none of the messaging broke through from an engagement perspective, leading to the conclusion that the visual and creative elements of a message are vital, in addition to the copy itself.





HOW TO TEST CREATIVE BEHAVIOR CHANGE MARKETING

It's not about green marketing, it's about great marketing.

Pay as much attention to the creative as you do to the words in messaging. The SLFG studies show that creative visuals have just as much, if not more, of an effect on consumer behavior than marketing copy itself. While this may be obvious to seasoned marketers, it is worth keeping in mind for sustainability teams when conducting message testing.

2

Follow the SLFG 7 Step Methodology.

Each SLFG member followed the 7 Step SLFG Methodology to test how marketing can positively influence sustainable behaviors. The Methodology guides sustainability and marketing teams to identify behaviors that the company can influence and recommends hypotheses that may be effective at sparking a change in behavior. See pg. 23 for a step by step guide.

THE 7 STEP SLFG METHODOLOGY

To develop actionable results, each Behavior Change study must be designed specifically to address the challenges, barriers, consumer needs, and study constraints that exist. We created a seven-step format to help guide the process:

1. Choose behavior	Identify the type of behavior to influence (e.g., purchasing of eco-friendly soap or recycling).
2. Choose testing method	Choose a testing method that suits your company's resource capacity (e.g., live test in stores or online survey).
3. Map benefits and barriers	Map the potential functional, social, and emotional barriers and benefits to engaging in your chosen behavior (e.g., a functional barrier to recycling is confusion as to what material goes in which bin and a social benefit is having others view you as environmentally responsible).
4. Ask research questions	Formally state what it is you want to learn from your test (e.g., what recycling signage attributes drive recycling behavior?).
5. Select hypotheses	Select a set of hypotheses that will answer your research question. (Note: The SLFG provides several in the Big Brands, Big Impact: Full Test Results and Methodology Report
6. Design test	Select an appropriate test design and variables to measure (e.g.,customers age, perceptions of brand, etc.).
7. Develop messaging	Develop custom messaging to test each hypothesis.







HOW TO BRIDGE THE DIVIDE
BETWEEN SUSTAINABILITY AND
MARKETING TEAMS

Metrics matter to marketers.

FINDING

SLFG members were able to have more effective conversations with marketing colleagues as a result of presenting the results of the testing program.

Sustainability teams essentially learned how to speak the language of marketing by bringing concrete metrics to the table related to consumer demand and brand perception. Metrics that gained attention with marketing teams included:

- Intent to purchase
- Intent to seek out more information
- "Importance" of product/ service features (including sustainability benefits)
- Overall "appeal" to different marketing messages

- Perceptions of the brand as environmentally responsible
- Brand favorability
- Brand advocacy (i.e., likelihood to recommend the brand to a friend)





HOW TO BRIDGE THE DIVIDE
BETWEEN SUSTAINABILITY AND
MARKETING TEAMS

Cross-functional teams work best.

FINDING

Collaboration between sustainability and marketing teams leads to new insights about the mutual value of each team and ways to partner in the future.

Marketers saw that sustainability teams could help identify the benefits of sustainable products and achieve larger brand reputation goals. And sustainability teams benefited from understanding how their company evaluates consumer demand and marketing success. For future projects, marketers can help sustainability teams make sustainable products and behaviors more desirable, thereby achieving business and sustainability goals.



HOW TO BRIDGE THE DIVIDE
BETWEEN SUSTAINABILITY
AND MARKETING TEAMS

Do your own testing.

Tests and metrics help to make behavior change practical, instead of theoretical. Measuring the effectiveness of marketing campaigns not only improves credibility of sustainability initiatives internally, but gives evidence to launch projects on a larger scale. To help the production and marketing of sustainable products and services to go mainstream, SLFG members found that hard metrics opened the door to new conversations with marketing and product design teams about effectively meeting consumers' unmet sustainable aspirations.

2

Foster collaboration to enhance effectiveness.

Marketing teams can help make sustainable products and services more desirable. This in turn helps sustainability teams develop the internal business case for higher corporate sustainability ambitions.

Sustainability teams understand the various social and environmental issues affecting their consumers and how those issues may affect purchasing decisions. Sustainability teams can help marketers to identify the potential unmet needs of consumers related to sustainable lifestyles, which

can inform more effective marketing. Increased collaboration between the two groups can drive real innovation opportunities.

Given the success of the SLFG testing program to bring together marketing and sustainability teams, consider proposing a marketing pilot to test different messaging approaches that can drive more sustainable behaviors. Marketing pilots are a practical and cost-effective way for both teams to share skills and build relationships.





CHALLENGE

- McDonald's customers were not using the recycling bins properly.
- Previous observations suggested this was due to correct disposal not being convenient, taking too much time, and confusion as to what material goes in which bin.
- McDonald's objective was to help customers more effectively use the waste disposal bins in restaurants.

HYPOTHESES

- All hypotheses suggested that a new message would promote more effective recycling behavior than the standard bin messaging:
- 1. Show people what to do.
- Show people how recycling effort has a collective benefit.
- 3. Thank people for their effort and celebrate recycling success.
- 4. Present recycling as an opportunity to teach a child a valuable lesson.

METHOD

- Tested five different recycling signs at one restaurant in San Francisco over the course of five days.
- Sample size: 277 customers
- Measurement indicator:
 - Contamination/purity rates in each bin (the amount of correct material that is placed in each bin).
- Statistical significance testing was conducted on the data results.

1 out of 5



SIGNAGE READS

 ${\bf ``Recycle''}$

"Trash"

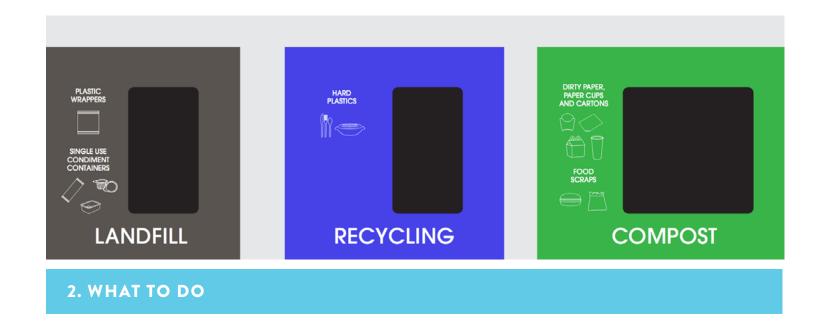
"Compost"

1. CONTROL





2 out of 5

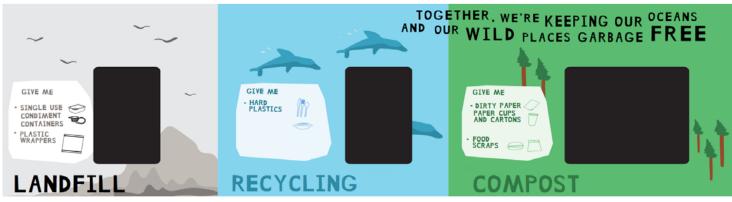






3 out of 5





3. COLLECTIVE BENEFITS



M.

TESTING BEHAVIOR SCENARIOS: MCDONALD'S

4 out of 5







4. THANK YOU



5 out of **5**



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RESULTS

- All new messages outperformed the Control scenario.
- The most effective signs for driving recycling behavior were Thank You, Collective Benefits, and Teachable Moment – "Thank You" showed a 20 percentage point improvement.

SIGN TYPE	RECYCLING	LANDFILL	COMPOST	TOTAL
Control	0.2%	0.0%	98.9	40.8%
What to Do	4.2%	0.2%	99.9%	45.2%
Collective Benefits	1.0%	2.0%	99.5%	57.7%
Thank You	23.4%	4.1%	99.2%	60.8%
Teachable Moment	9.3%	13.0%	90.6%	53.7%

LEGEND	
100% Purity Rate	All waste has been correctly discarded in bins
0% Purity Rate	All waste has been incorrectly discarded in bins

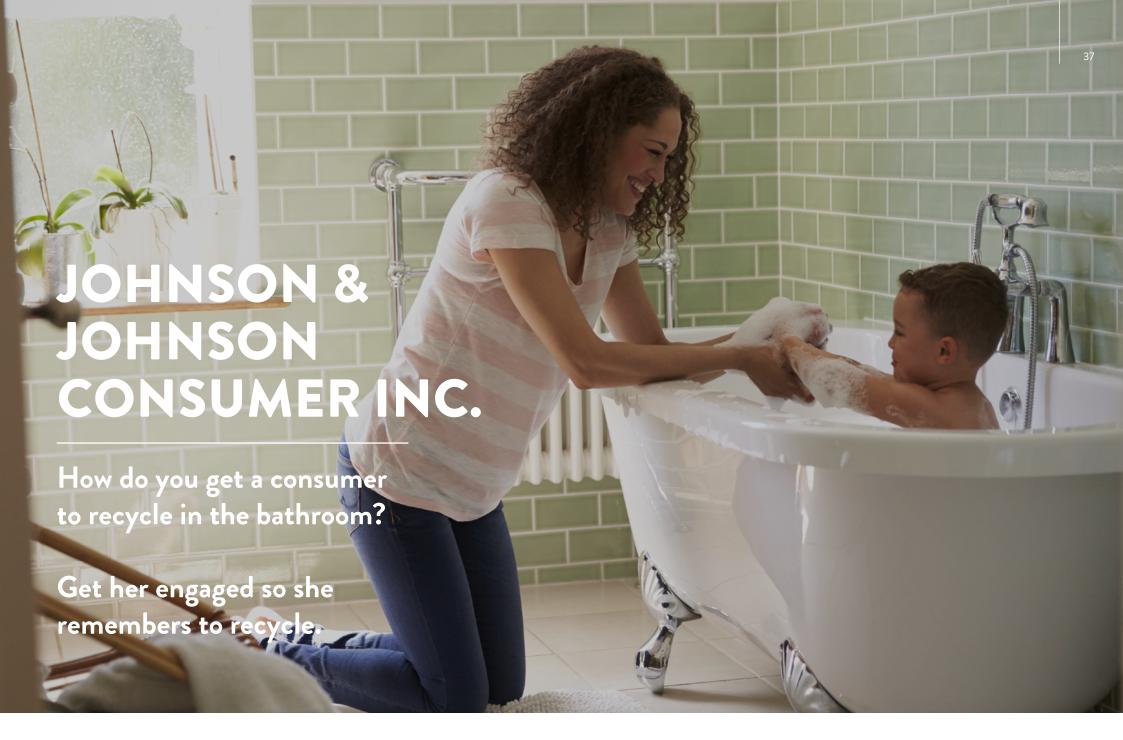
INSIGHTS

Making recycling fun can drive engagement

The success of Thank You, Collective Benefits, and Teachable Moment could be attributed to several factors such as the fun creative designs and colors, which may have captured attention and inspired customers to "play along" with the cartoon figures and graphics that gently implored them to recycle and compost. Similarly, the Collective Benefits creative based on pride for one's city and love for wildlife may have played a role in driving increased recycling rates.

A better recycling experience creates a better brand experience

While observing customers' reactions to each sign, McDonald's noticed customers smiled more. This carries value for McDonald's since the brand's promise is to "make delicious feel good moments easy for everyone." If playful signage can make customers smile and relieve a pain point around recycling, then McDonald's considers it has enhanced the overall customer experience.



CHALLENGE

Only 1 in 5 Americans recycles bathroom items.¹

The following were identified as key barriers to recycling in the bathroom:

- Lack of awareness that recycling bathroom products is possible or important.
- Recycling is passé and boring. It is not memorable enough to influence recycling behavior in the bathroom.

JJCI's objective was to drive intent to recycle in the bathroom.

HYPOTHESES

- 1. Presenting bathroom recycling as an opportunity for bonding with your family promotes recycling behavior as compared to presenting it as a task.
- 2. Telling people how to recycle in the bathroom promotes more recycling behavior than telling them why to recycle.
- 3. Focusing on the benefits that bathroom recycling offers promotes recycling behavior more effectively than focusing on the problems of bathroom waste and lack of recycling.

METHOD

- Tested seven different message types through an online survey.
- Sample size: 935 respondents, U.S.-only. Male and female, ages 25-54, with focus on parents of children ages 0-12.
- Responses recorded pre- and post- exposure to three pieces of creative. Also collected verbatim responses that help indicate why or why not content performed well.
- · Content was gauged on two indicators:
 - Intent to recycle
 - Perceptions of brand environmental responsibility

TESTING BEHAVIOR SCENARIOS: JOHNSON & JOHNSON CONSUMER INC.

1 out of **3**



"GIVE IT YOUR BEST SHOT!"

Setting up a mini basketball hoop over your bathroom recycling bin is a great way to practice some eco-friendly 3-pointers as a family. Seriously, when was the last time you had this much fun in the bathroom?"



"CAN I RECYCLE TOOTHPASTE?

PETE the Duck says: Recycle this, not this!

The more you know about what is recyclable, the more likely you are to do it!"

3. DIY



"ADORABLE DIY UPCYCLED **SUCCULENT PLANTER**

Give that empty Neutrogena Hydroboost Water Gel container a second life—and reduce waste in landfills—by reusing it as a planter for your succulents! Directions: When you're done using the product, rinse out the pot, dry, and add a layer of pebbles, and top with welldraining soil. Finally, add your succulent! (No plant on hand? Take the family to your local nursery to choose a special one.)"



TESTING BEHAVIOR SCENARIOS: JOHNSON & JOHNSON CONSUMER INC.

2 out of 3



You may already know that recycling reduces landfill waste. But did you know that the energy saved from recycling just one shampoo bottle from your bathroom can power a computer for 25 minutes?



What happens if you put that empty shampoo bottle in the trash instead of the recycling bin? It usually ends up in a landfill—where it can take 100-400 years to break down!



TESTING BEHAVIOR SCENARIOS: JOHNSON & JOHNSON CONSUMER INC.

3 out of **3**

6. HOW (PART II)

How to recycle a LOTION BOTTLE

All done with your favorite lotion?
Step away from the trash can — and instead follow these easy recycling steps: 1: Remove the pump and discard (pumps aren't recyclable).
2: Give your empty bottle a quick rinse. 3: Toss in your recycling bin!
It's that easy to help reduce waste in our landfills and conserve our natural resources!

7. WHY



The amount of plastic we throw away each year is enough to circle the earth FOUR times! That's why it's so important to recycle empty lotion and shampoo bottles, and other #1 and #2 plastic bottles from the bathroom that so often go in the trash. We can do this!



TEST RESULTS: JOHNSON & JOHNSON CONSUMER INC.

RESULTS

Respondents said their intent to recycle increased after viewing every piece of content. However, content targeted toward adult audiences was more impactful.

Message Types	% of respondents who indicated they were more likely to recycle	% of respondents who perceived JJCI as environmentally responsible
Teachable Moment	39%	-33%
How To (Part I)	35%	23%
How To (DIY)	41%	31%
Solutions / Benefits	71%	29%
Problem	75%	27%
How To (Part II) messages	48.5%	31%
Why	48.5%	65%

TEST RESULTS: JOHNSON & JOHNSON CONSUMER INC.

INSIGHTS

PERCEPTIONS OF ENVIRONMENTAL RESPONSIBILITY

Messages that encouraged recycling in an upbeat way drove perceptions that the brand was environmentally responsible

- Messages that struck a positive upbeat tone to solving environmental challenges drove the perception of the brand as environmentally responsible.
- The How To (DIY) messaging shows that indirect messaging can be as effective as direct recycling messages.
- Respondents reacted negatively to childish creative.

INTENT TO RECYCLE

Combining emotional appeals with clear guidance can drive recycling behavior

- All tested messages drove intent to recycle, with content targeted toward adult audiences being more impactful.
- Participants responded well to content that provided new and interesting facts about recycling, which confirms the need for "breakthrough" messages to grab consumers' attention about a topic that might be considered "old news."
- How To messaging can drive significant recycling behavior.
- Why-style messaging can drive perhaps even more widespread intent to recycle.
 Telling people how to recycle is helpful, but appealing to some emotional rationale for recycling is more likely to drive widespread engagement.
- It is unclear whether messaging targeting Why To recycle are definitely more
 effective at driving recycling behaviors than messages explaining How To recycle.
- Potentially combining the Why/Rationale messaging with the How/Guidance messaging could drive significant recycling behavior.
- The SLFG would recommend exploring the effectiveness of messages that include both an emotional appeal and short, clear recycling guidance.

HOW CAN YOUR BRAND DRIVE BEHAVIOR CHANGE?

Sustainable lifestyles are the new frontier for business.

Triggering the behaviors that make those lifestyles is the new challenge. How can your brand find ways to break through?

The past three years of pioneering research from the Sustainable Lifestyles Frontier Group suggests that providing value for consumers beyond sustainability benefits alone is key. Testing your approach before scaling up is also a smart way to deliver value and impact.

To find out more or to gain further advice on how to conduct your own test, please contact:

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For a deeper look at each member case study including those from eBay, AT&T, and Walmart read the Big Brands, Big Impact Full Report.

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ABOUT FUTERRA

We are the sustainability change agency. Using strategy and communications to imagine better businesses, better brands, and ultimately a better world.



ABOUT BSR

BSR is a global nonprofit organization that works with its network of more than 250 members companies to build a just and sustainable world. From its offices in Asia, Europe, and North America, BSR develops sustainable business strategies and solutions through consulting, research, and cross-sector collaboration.