

ROUNDPEG CONSULTING

SUSTAINABILITY: STATE OF THE INDUSTRY 2021

In the latter part of 2020, we at roundpeg began taking note of the many news articles exploring the pandemic's impact on Sustainability efforts—both positive (lower emissions from less transportation being used) and negative (food instability and disparities in human rights). We set out to assess the “state of the state”—1. To establish a contemporary definition of Sustainability and learn from those pursuing “next level” Sustainability, 2. To identify consumer motivators for adopting sustainable behaviors, and, ultimately, 3. To develop a consumer-driven model for corporate activation.

Our exploration spanned secondary research, expert interviews, and custom motivation mapping using analyses of MRI-Simmons-USA syndicated data—a biannual survey of rich attitudes, behaviors, and demographics fielded to over 26,000 adults, and projectable to the U.S. population.

Chapter 1: Commitment

In our first chapter we explore Commitment: establishing a contemporary definition of Sustainability and exploring organizations that have committed to long-term change.

At its core, Sustainability is about finding a balance within a complex ecosystem. Sustainability, as a concept, is not new. In fact, it's been around since the 1700s.¹ However, its meaning has evolved—and continues to evolve over time to now acknowledge the multi-dimensional impact of our actions. First used to describe land use and the use of natural resources, it's now about three integrated, interconnected systems: **Planet**, **Product**, and **People**.



Food and agriculture lie at the heart of the largest “**Planet**” challenges—and subsequently, have the potential to have the greatest positive impact if meaningful action is taken. But all industries share a responsibility to planet challenges—whether in energy usage, water usage, waste, or more.

¹ <http://www.environmentandsociety.org/>

Sustainability of a **Product** is often thought of in terms of what & how something is produced—the raw materials and inputs, traceability, packaging, animal welfare. But in reality, it's more than that—it now includes the outputs. As Peter Lehner, Managing Attorney of Earthjustice's Sustainable Food & Farming Program, and former Executive Director of NRDC puts it, "To the general consumer, Sustainability is often only about the impact of production as opposed to what is being produced. With respect to food, treating animals in a humane way is a component of Sustainability, but so is producing food that is nutritious and not harmful."²

Connected to those inputs and outputs are humans. The impact on **People**—the full range of close to distant connections must be considered when addressing Sustainability—whether employees (pay equity, gender equity, fair wages, employee benefits, etc), suppliers (labor conditions, fair wages, etc), or Consumers (health & wellness, community support & access).

How are these three elements interconnected? On the surface, producing organic produce that is nutritious could appear sustainable based on its more positive impact to **Planet** and **Product**. But without considering the balance of **People**—healthy working conditions and fair wages for harvesters, for example, it could still be considered unsustainable.

Sustainability is, at minimum, having a neutral impact on planet, product, and people resources.

So who's really doing it well today?

The industry is full of case studies on the Patagonias and the Ben and Jerry's of the world—smaller companies where Sustainability is interwoven into the fabric of their mission and values. Unfortunately, though, most companies find themselves in a position of creating a Sustainability strategy well after the fact of their founding. What can we learn from large companies like Orsted, Interface, and Nike who have shifted course, some even dramatically, from their origins? These are among the companies who made a bold commitment that they have seen through over decades of work.

We call this "next level" Sustainability—having the confidence and commitment to actively embrace change inside their organizations and with their partners, consistently over time, to not only achieve their original








² roundpeg interview, December 2020

audacious goals but push them even further—often translating to category leadership and growth.

How does Sustainability manifest in consumer attitudes and behaviors? Tune in for **Chapter 2: Consumer**, where we explore the disconnects between saying vs. doing, and introduce a new framework driven by Sustainability motivations.

Chapter 1: Commitment

Key Learning

- 1** Sustainability is an evolving and increasingly complex concept incorporating interconnected systems that include PLANET, PRODUCT & PEOPLE.
- 2** Sustainability is, at minimum, having a neutral impact on planet, product, and people resources. “Next Level” initiatives illustrate need for ABSOLUTE commitment to areas of meaningful impact.
- 3** An ABSOLUTE, meaningful and focused commitment—one without negative impact to other systems—can result in being recognized as the category leader, which can often jumpstart or accelerate growth.

Roundpeg is a consumer-driven brand strategy boutique with a special interest in consumer motivations and how those shape behavior in culture. Since 2004 we've helped numerous corporate and non-profit clients identify who they serve and how to more deeply connect with them in a world where there is often a disconnect between what consumers say & do.

To inquire about receiving a presentation of the full learning, please contact us at info@roundpegconsulting.com.