Rory Sutherland, Vice Chairman, Ogilvy UK



SUSTAINABILITY IN RETAIL

Retailing in the Green Economy: Getting Serious about Sustainability



Rory Sutherland

Vice Chairman – OgilvyOne

The Bob Dylan guide to Retail Sustainability



Adam Smith on Sustainability

"People of the same trade seldom meet together, even for merriment and diversion, but the conversation ends in a conspiracy against the public, or in some contrivance to raise prices."

Wealth of Nations







Bob Dylan on Sustainability

"People don't do what they say they believe; they do what's convenient and then they repent"

Brownsville Girl.

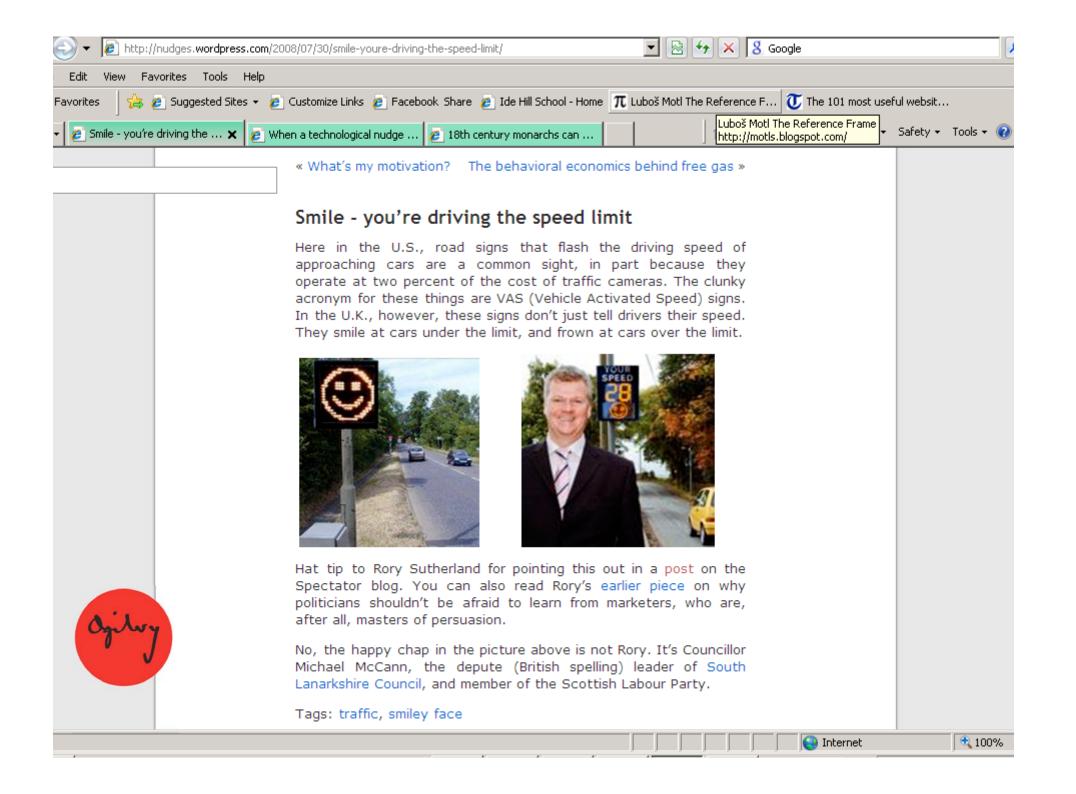


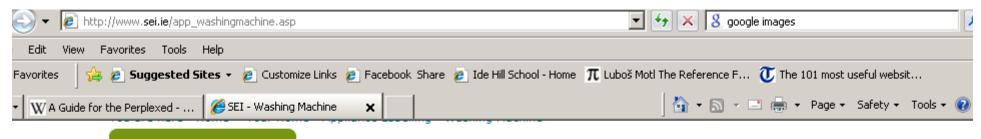
Richard H. Thaler Cass R. Sunstein

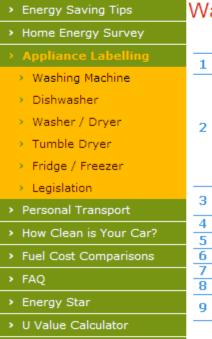
Nudge

Improving Decisions About Health, Wealth, and Happiness







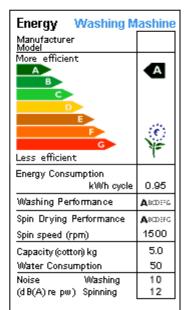


Your Home Publications

Scheme

Pilot Home Energy Saving

Washing Machine



1. Model/Manufacturer

This shows the manufacturers name/brand and the specific model name/number.

2. Energy Efficiency

The A to G scale shows the energy efficiency of this product, where "A" is the most efficient and "G" the least efficient. Consumers are advised to purchase the most efficient model possible e.g. "A" or "B" which may cost more to buy but will cost less to run than an "F" or "G".

3. Energy Consumption

This is the machines actual energy consumption expressed in kWh or kilowatt hours for a standard 60C cotton cycle. Note the kWh is the standard unit of electricity reported on electricity bills. Actual consumption will depend on how they use the appliance.

4. Washing Performance

Indicates the cleanliness of wash based on standard tests for a 60C cotton cycle where "A" is higher and "G" lower performance.

5. Spin Drving

Indicates the machines water extraction performance from "A" (higher) and "G" (lower) for a standard 60C cycle. It takes much less energy to spin dry clothes than tumble dry them in a dryer. If you use a tumble dryer, choosing a washing machine with A-rated spin will halve your tumble drying costs.

6. Spin Speed

This indicates the maximum spin speed achieved by the machine in a standard 60C cotton cycle.

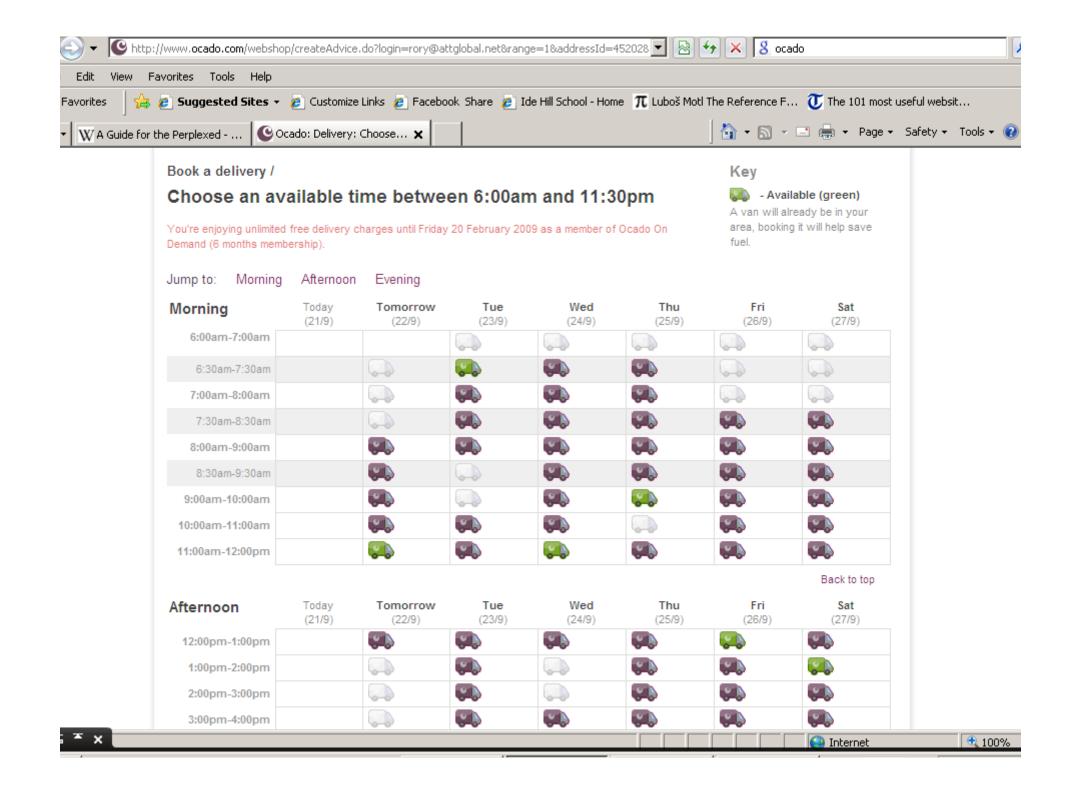
7. Capacity (cotton) Kg

This is the dry weight capacity in kilogrammes of the machine for a standard 60C cotton cycle.

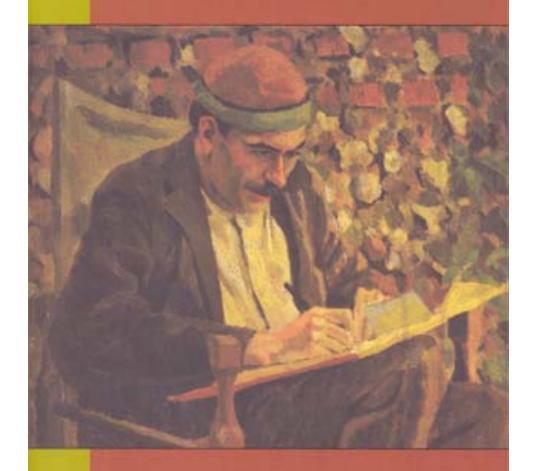
8. Water Consumption Lt.

This indicates the total water consumption per cycle based on a standard 60C cotton cycle. Energy efficient washing machines typically use significantly less water, meaning less heat is required and less water is drained.





Lorenzo Pecchi and Gustavo Piga



Revisiting Keynes

Economic Possibilities for our Grandchildren





Two heuristics

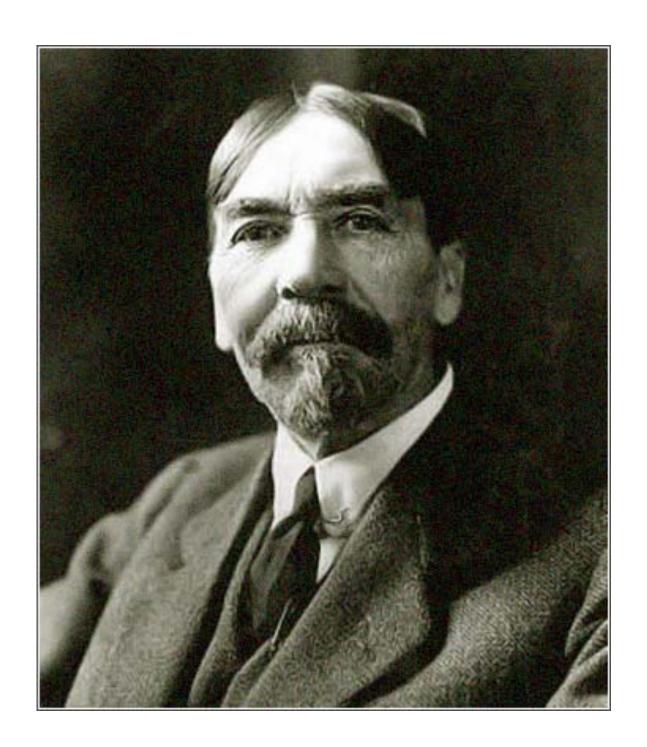
- 1. Loads of people seem to do this, so it must be okay
- 2. Not many people do this so it must be posh, like.



Two more heuristics

- 1. I'll do this. It's cheap and easy.
- 2. This is expensive and difficult, so it must be worthwhile.



















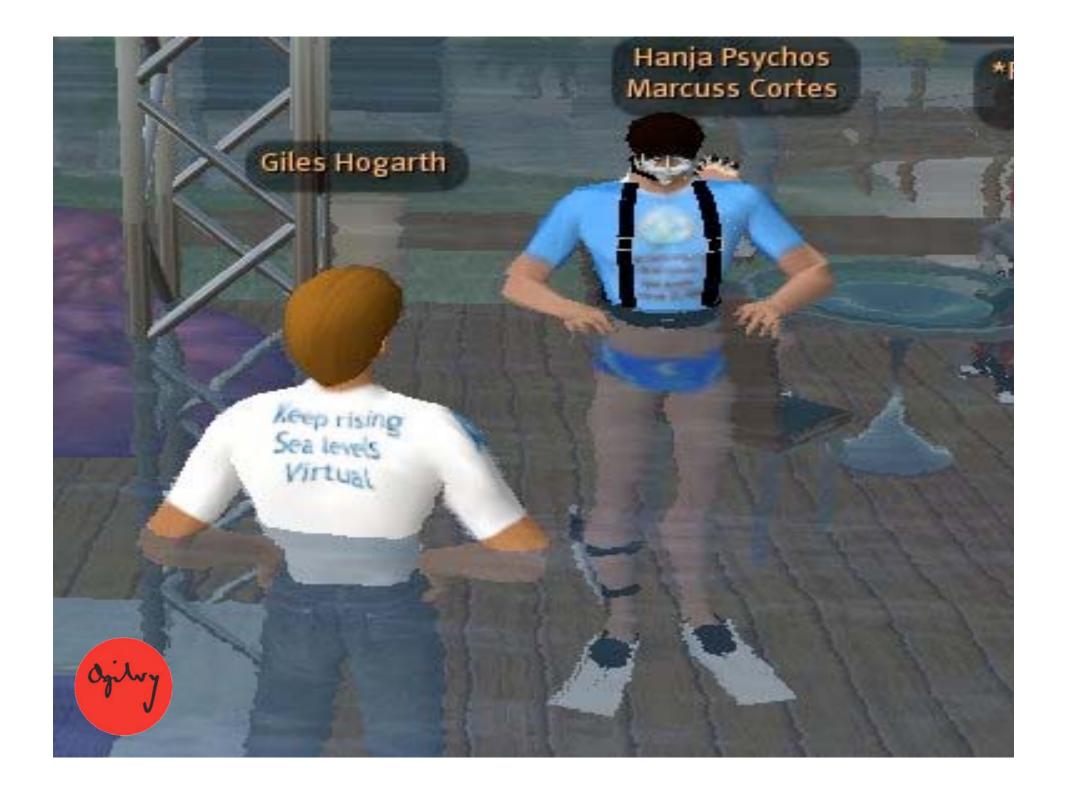












From the 4 P's to the 4'E's





John Mackey – Whole Foods

In 1970 Milton Friedman wrote that "there is one and only one social responsibility of business—to use its resources and engage in activities designed to increase its profits so long as it stays within the rules of the game, which is to say, engages in open and free competition without deception or fraud." That's the orthodox view among free market economists: that the only social responsibility a law-abiding business has is to maximize profits for the shareholders.

I strongly disagree. I'm a businessman and a free market libertarian, but I believe that the enlightened corporation should try to create value for all of its constituencies. From an investor's perspective, the purpose of the business is to maximize profits. But that's not the purpose for other stakeholders—for customers, employees, suppliers, and the community. Each of those groups will define the purpose of the business in terms of its own needs and desires, and each perspective is valid and legitimate.

The arithmocracy

 The idea that all value created can be expressed in financial terms.



BIG IDEAL

