From Greenwash to Great.

A Practical Guide to Great Green Marketing (without the Greenwash)



Contents

| INTRODUCTION | 2 |
|---------------------------------------------------------------------------------------------------------------------|---------------------------|
| ABOUT THIS HANDBOOK | 4 |
| PLANNING YOUR APPROACH Focus on Fundamentals Get Out Ahead Partner for Content and Credibility | 5 6 7 8 |
| DEVELOPING COMMUNICATIONS Make Honesty a Priority Find Strength in Humility Embrace the Detail Show, Don't Tell | 9 10 11 12 13 |
| LAUNCH AND BEYOND Become a First Responder Commit for the Long Term | 14 15 16 |
| CONCLUSION | 17 |
| ABOUT OGILVYEARTH | 18 |
| Appendix A: Who Is Monitoring Greenwash? Appendix B: Further Reading | 20 21 |

Introduction

In September 2009, at the inaugural meeting of the OgilvyEarth global advisory board, our advisors were bullish on the prospects and potential of sustainability-oriented marketing. Done well, they said, it could be world changing—transforming the way we look at the world, catalyzing an appetite for positive change and offering consumers concrete ways to take action. They shared the belief that it could become one of the major forces propelling the transition to a sustainable economy, as well as a path to leadership for corporations in a dynamic market already valued at well over \$200 billion in the US alone.

But they flagged a particularly stubborn blot on this otherwise promising landscape: greenwash.

Greenwash is not a new concept. The term is believed to have emerged from the Rio Earth Summit in 1992, and it entered the *Concise Oxford Dictionary* in 1999.

Along with the recent dramatic rise in green marketing has come an increase in the popularity of the term and, according to the greenwash police, in the incidence of

infractions. One report found 98% of all green claims made in 2009 guilty of one or more of the "Seven Sins of Greenwashing" and reported that 64% of Americans no longer trust sustainability-related marketing claims.² OgilvyEarth Advisor Ma Jun, of China, warns that

green • wash: (n) Disinformation disseminated by an organization so as to present an environmentally responsible public image. Derivatives greenwashing (n). Origin from green on the pattern of whitewash.

- Concise Oxford Dictionary, Tenth Edition

greenwash is a "key subject arousing big attention in [his] part of the world" as well. He told us that local and multinational corporations have amassed 57,000 greenwash violations, now on the public record books.

Greenwash, it seems, has reached epidemic proportions.

Greenwash is an extremely serious matter. It is a preoccupation for our advisors because it is insidious — eroding consumer trust, contaminating the credibility of all sustainability-related marketing and hence inhibiting progress toward a sustainable economy. One recent survey in the United States indicates that a strong consumer movement has emerged to support green companies and their products. *Time* magazine found that 38% of US consumers over age 18 regularly make a conscious effort to purchase products from socially responsible companies. "That's evidence of a changing mind-set, a new kind

¹ LOHAS. "Background," 2006. Web.

² TerraChoice. "The Seven Sins of Greenwashing," 2009. Web.

of social contract among consumers, business and government," *Time* concluded. "We are seeing the rise of the citizen consumer — and the beginnings of a responsibility revolution." As further proof of this global citizen-consumer revolution, millions joined movements to support a sustainable future and a positive outcome from the United Nations Framework Convention on Climate Change (COP15) in 2009.

The Hopenhagen movement, launched by OgilvyEarth on behalf of the United Nations, garnered more than six million "citizens" who pledged belief in the power of optimism to drive the sustainability agenda forward. Clearly, the appetite for compelling, solutions-oriented sustainability communications remains strong.

But greenwashing threatens to alienate this growing support and undermine the credibility of sustainability communications. It leads to what OgilvyEarth Advisor Jeunesse Park describes as "the challenge of knowing who is authentic." Adds OgilvyEarth Advisor Andrew Winston, "The challenge is also for consumers to even understand the environmental claims they hear."

It is an issue for our clients because marketing that is decried as greenwash represents reputations damaged, employees demoralized and opportunities squandered. "No one benefits," says OgilvyEarth Advisor Ian Higgins. "The company puts itself at significant reputational risk; the consumer is further confused and grows more cynical; and the environment is a certain loser." *Time*, meanwhile, notes that business simply cannot afford to further alienate the public: "The only thing that has sunk lower than the public's opinion of Congress during this recession is its opinion of business. Social responsibility is one way to get it back."

The tightening of regulations around the world is raising the stakes — and the penalties — even higher (see Appendix A).

But the current debate over greenwashing is not productive. The more cynical watchdogs in the green marketplace attribute all greenwashing to malign corporate motives. It seems likely, however, that most greenwash is the result of marketers rushing to respond to consumers' desire for greener goods and services, and in the process falling prey to the overwhelming complexity of achieving corporate sustainability. Marketers describe an intimidating environment in which sticking their necks out to do the right thing often results in more reprisals than it does rewards. Some clients privately describe this threat of backlash as a very real disincentive to progress.

In short, we are nearing the point of stalemate. But monitoring and eliminating greenwash is in the best interest of corporations, employees, NGOs and consumers alike. We must collaborate to find ways to bring credible, compelling, sustainability-oriented ideas to market if we are all to prosper in the Age of Sustainability. It is time for a new approach.

Inspired by that inaugural OgilvyEarth meeting, one new approach was born: to create an OgilvyEarth guide to avoiding greenwash, authored in partnership with our expert advisors. This handbook is the result. It is intended as a practical guide for marketers who are keen to explore how sustainability can create opportunity for their brand, who aspire to develop great sustainability-related marketing and who are anxious to avoid the pitfalls of greenwash. It explains how to build insurance against greenwash into your marketing process from the get-go and details a straightforward set of principles.

We believe the handbook will result in marketing that is compelling, stands up to the highest scrutiny and realizes the promise our advisors envision. Getting to great sustainability-related ideas is not easy, but it is eminently possible — and the rewards for those who get it right more than justify the investment.

³ Stengel, Richard. "For American Consumers, a Responsibility Revolution." *Time*, September 10, 2009.

⁴ Ibio

Green Marketing without the Greenwash: The Handbook

Unlike other guides to avoiding greenwash, which tend to take the form of a series of "commandments," our handbook presents a set of actionable principles in the context of the overall marketing process. This reflects our point of view that avoiding greenwash begins long before your creative team sits down to write; it requires placing sustainability at the heart of your process from the earliest stages of product design and business planning, getting employees to rally around it, and then seeing it through to creative development, launch and beyond.

This guide is therefore organized into three broad sections — Planning Your Approach, Developing Communications, and Launch and Beyond — with a set of principles corresponding to each phase, as follows:

1 Planning Your Approach

i Focus on Fundamentals ii Get Out Ahead iii Partner for Content and Credibility

2 Developing Communications

i Make Honesty a Priority ii Find Strength in Humility iii Embrace the Detail iv Show, Don't Tell

3 Launch and Beyond

i Become a First Responder ii Commit for the Long Term

Each section opens with a brief overview, followed by the principles, which are illustrated with examples.

By following the process through which our clients work, this handbook can be an overall guide and constant companion for marketers considering this journey. For those already embarked on it, the handbook serves as a useful resource for inspiration. Most of the steps are mandatory; a few are suggestions on achieving best practices. And while this handbook will give you a sense of how to proceed, it is not intended to substitute for the input and guidance of expert advisors who can counsel you more precisely on how to build green integrity into your company and its products.

Planning Your Approach

The planning phase is where the bulk of the work should be done and where the largest part of your energy should be invested. If greenwash means claiming something is green when it isn't, it stands to reason that ensuring that the thing in question really is green before you start talking about it should go a long way toward preventing greenwash problems.

Many marketers go wrong by assuming that a smallish story that already exists or a minor change already in the works will do. Usually it won't. New messages with a couple of green buzzwords won't work either. Sustainability is about driving substantial and authentic change in products and processes up and down the value chain. Jeunesse Park confirms, "Those taking the high ground and ensuring that their businesses and processes have a low environmental footprint will have instant market advantage." But driving this kind of significant operational change through the organization takes homework, time and tenacity. It means getting better acquainted with obscure corners of your organization. It means seeking expert third-party advice. It means ensuring your employees understand the tenets of sustainability and in what ways the product is green; give them a part to play in realizing the promise of the product. If you don't invest the resources to build a substantial story, you will almost certainly find yourself greenwashing. If you have taken the time to build a robust and authentic foundation, getting beyond greenwash to great sustainability-oriented marketing becomes much easier. This section will help you create a solid foundation on which to build.

But first, a quick look at what "sustainability" actually means, from the official Brundtland Commission definition adopted by the UN to the triple-bottom-line definition used by business:

Meeting the needs of the present without compromising the ability of future generations to meet their needs. — The Brundtland Commission, 1987

It's the three-legged stool — economy, environment, and social equity; sustainability means optimizing all three at the same time. — Bill Becker, OgilvyEarth Advisor, 2010

Focus on Fundamentals

bo IT BY: Starting on the inside, and with a truly substantial story — which usually means building the plot from scratch. So get friendly with Jane in sourcing, Charlie in packaging and any other in-house experts you can find. Enlist them for your team. Ask their help in scrutinizing the entire supply chain, production process and waste stream in order to discover core, significant improvement opportunities. As Andrew Winston says, "Get hard facts. Get them verified. You can't tell a credible sustainability story without real data behind it." So make sure employees are walking the walk, and that you don't have any lurking vulnerabilities within the company that need to be fixed. (And, if they need to be fixed, get them fixed quickly.) Then go after the big wins with intention and dedication. There's no need to greenwash when you have a robust story and dedicated colleagues behind you.

DO IT WITH: Clarity about your brand's biggest impacts and willingness to redress them through big change.

Mayonnaise wanted the product to become more sustainable, and it needed to know where to start. Eggs are one of Hellmann's three main ingredients — and the key to great mayo. Through a process of discovery, a clear path to a better egg supply chain presented itself: switch to free-range eggs. Hellmann's seized the opportunity to get a four-way win: a more sustainable supply chain, better farming practices, a quality product consumers feel good about, and a cluck-worthy story to boot. And with purchasing power the size of Hellmann's, the good egg effect will ripple out, with positive consequences for national supply chain dynamics.

DO IT BECAUSE: A brand that figures out which should come first, the chicken or the egg, will forge a much clearer path forward.



ACHIEVING EGG-CELLENCE: Hellmann's earned immediate positive media and NGO attention. Leading animal welfare organization Compassion in World Farming (CIWF) recognized its initiative — which involves sourcing 475 million free-range and barn eggs every year — by awarding Hellmann's two of its prestigious Good Egg Awards.⁵

⁵ Unilever. "Good Eggs for Hellmann's." Web.

Get Out Ahead

DO IT BY: Striving for greatness. What the world needs now is bold leadership ideas, world-changing innovations, visionaries who are pathfinders to the future. Cutting-edge sustainability initiatives are the product of leadership — and a surefire prophylactic against greenwash.

DO IT WITH: A game-changing new product, service or point of view. Not everything you do in the sustainability space has to be world changing or first of its kind, but it sure does help if it is.

DO IT LIKE: GE. Ecomagination, and the body of thought and work it represents, goes beyond merely changing the image of the GE brand: it fundamentally changes the way people think about the future — and the role of businesses in it. More than a campaign, ecomagination offers a point of view about how to solve global challenges, one huge innovation at a time. It shows that sustainability is not an onus but an opportunity—a driver of progress and a mantle for leadership. But GE didn't begin with the talk; it started on the inside with a strong mandate from the CEO to weave sustainability into the company's DNA. Jeff Immelt was a pioneer when it came to publicly championing a "green means green" philosophy. Then, with entertaining ads that educated without preaching and brought to life audacious visions of a better future without hedging or hauteur, GE managed to shift the whole sustainability conversation from "all about saving the planet" to "all about building the kind of world we want to live in." And oh, what a wonderful world — bright, inviting, sustainable; it captured our imaginations in ways a big corporation hadn't since GM's Futurama at the 1939 World's Fair. GE could credibly offer this exciting new vision because it had the evolving technologies to back it up. Greenwash knows no greater enemy.

DO IT BECAUSE: The greenwash police can't get you if you're far enough ahead.

111





POWERING GROWTH: As of May 2009, the ecomagination portfolio includes more than 80 products, and the company generated more than \$17 billion in revenues in 2008 (up from \$14 billion in 2007).

⁶ General Electric. "Ecomagination Fact Sheet." Web.

1 iii

Partner for Content and Credibility

DO IT BY: Partnering with a credible, sympathetic third party at the beginning of your sustainability journey. (Contrary to popular myth, sustainability experts are not all rabid anticorporate activists.) This goes way beyond slapping a logo on your label at the end of your process; instead, think collaboration from the outset. Invite your partner(s) to take a look inside the company and get their input about how to make your sustainability story more real. Ask them to mentor staff. Constantly seek their insights. Encourage them to partake in your storytelling processes. And incorporate their feedback. (They will be both your toughest critics and your greatest allies.) Your reward: better ideas, a more informed workforce, confidence that you're doing the right thing, a credible advocate — and, yes, a seal of approval on your package at the end of the process.

DO IT WITH: Eagerness to learn from outside expertise and objective critique.

po IT LIKE: Green Works. This natural cleaning products brand from Clorox launched in 2008 with a mission to provide mainstream consumers with affordable, everyday options for greener living. But Clorox knew it would face cynicism, especially with influencers. (Who would believe that the company synonymous with harsh chemical bleach was launching an authentically green line?) So one of its first moves was to seek out the Sierra Club (an NGO whose goal of "changing consumer behavior by making affordable, natural products available to the majority of Americans" aligned with its own). Clorox worked with the NGO in an iterative process of product optimization, along the way meeting the Sierra Club's high environmental responsibility standards and earning its trust. Satisfied, the Sierra Club ultimately offered public support to the brand and allowed its logo on the packaging, helping Green Works to prevent early greenwash accusations and invalidate what few remained.

DO IT BECAUSE: The terrain of sustainability is way too complex to navigate without a trusted Sherpa.





CLEAN WIN: Within eight months of launch, Clorox's Green Works line was on track to generate first-year sales of well over \$40 million and was already outselling all other brands in the green cleaning products niche. In 2009, Clorox Green Works was rated the #1 US "Green Brand" by ImagePower.

DeBare, Ilana. SFGate. "Clorox Cleaners Take Big Share of Green Market," 12 October 2008. Web.

Cohn & Wolfe, Esty Environmental Partners, Landor, PSB. "Green Brands, Global Insight: Findings from the 2009 ImagePower Green Brands Survey." Web.







Developing Communications

Having a great story to tell makes the storyteller's job much easier. However, we may need to unlearn some of our training as marketers. We are accustomed to seeking the strongest possible articulation of the feature or benefit of the product we are marketing. But in the sustainability space, hubris is a dirty word, and even mild exaggeration can lead to trouble. Instead, we need to commit to some of the same principles of radical transparency we are learning to abide by in today's digital world. As lan Higgins suggests, "When claims are made about some environmental benefit for a product, be factual, specific and clear." And, Andrew Winston adds, "Convey the scale and importance of the environmental benefit when it's measurable and sizable." But this honesty need not equate with dull or boastful; on the contrary, it can allow brands to discover fresh voices and enter a new compact of trust with their consumers. This section provides guidance on shaping the content and tone of your communications.

Make Honesty a Priority

DO IT BY: Telling the truth. There's no simpler story to tell than the real one, but there may be no harder one. Taking a lesson from the political world, we know people will accept progress over perfection as long as shortcomings are declared in full. But a cover-up? Now that they won't forgive. Standards of accountability are especially high when it comes to sustainability, but transparency and honest efforts are more important than perfection. So, brands: be brave.

DO IT WITH: Marketing that divulges the good, the bad and the beta in the life of your brand.

DO IT LIKE: Patagonia. When this outdoor clothier unveiled the Footprint Chronicles — an online portal where consumers can trace the impact of some of their Patagonia gear — a ripple of admiring shock went through the retail industry: could such transparency really be voluntary and result in business success? With source material hailing from all over the world, Patagonia knew that not every product it profiled would have a sterling supply chain — though some would. But it trusted its consumers would value the no-holds-barred info. So with brave honesty, Patagonia divulged "the bad" along with "the good" and asked consumers to weigh in. This full-disclosure dialogue about where products come from, how they are made and why they will get better has propelled Patagonia from backcountry gear specialist to industry leader. (Not bad for a bunch of surfers from Ventura.)

DO IT BECAUSE: Loyalty follows transparency.



CHRONICLING SUCCESS: Despite deepening global recession, Patagonia sales in 2008 (the year the Footprint Chronicles launched) topped \$315 million, surging past the 2007 mark of \$270 million. A year later, Patagonia's founder, Yvon Chouinard, was named by U.S. News & World Report to its prestigious "America's Best Leaders" list. 10

 Friends of Family Farmers. "FOFF Named as One of Patagonia's Voice Your Choice Organizations," 28 September 2009. Web.
 Garber, Kent. US News & World Report. "Yvon Chouinard: Patagonia

Oarber, Kent. US News & World Report. "Yvon Chouinard: Patagon Founder Fights for the Environment," 22 October 2009. Web.



WWW COUTURE P

Find Strength in Humility

DO IT BY: Embracing the journey. No brand is perfect, especially in the world of sustainability, and while big, bold goals for brand evolution are a must, your marketing should convey an understanding that whatever you're doing right now is just a first step in a long process of improvement. So frame your brand's achievements in a way that acknowledges your limitations and includes a commitment to try harder.

DO IT WITH: Sincerity of intent, a deep understanding of the relevant issues, and a permanent ban on chest beating.

DO IT LIKE: SunChips. Frito-Lay's "baked in the sun" snack brand began its sustainability journey by harnessing the power of the sun (again). After solar panel installation at its Modesto, California, facility helped it to reduce CO₂ emissions by two million pounds annually, SunChips ads averred, "We're living up to our name" an understated way of declaring the achievement.11 But the brand recognized how much was yet to be done and followed up by partnering with National Geographic to create the Green Effect, a contest based on the philosophy that "small steps can bring about big change." SunChips print ads have taken up the "small steps" theme, relating it to consumer lifestyles rather than trumpeting the brand's good works. When the brand does communicate about its own small steps — like its new 100% compostable bag it's with a sage sense of modesty (i.e., without gaudy declaratives or aggrandizements). The brand isn't all humility all the time, but there's enough of that virtue to let us know that SunChips retains an understanding of the immensity of the journey ahead.

DO IT BECAUSE: Great brands are grounded (as are great chips bags).





FritoLay

SHINING EXAMPLE: SunChips' environmental initiatives and marketing (along with health-conscious product benefits) drove a 17.6% increase in sales (totaling \$201.8 million) over the 52-week period between June 2007 and June 2008.¹²

¹² Hein, Kenneth. BrandWeek. "Do Consumers Care that SunChips Are Solar Powered?" 15 July 2008. Web.

¹¹ Environmental Leader. "Frito-Lay Sustainability Efforts Save \$55 Million on Water, Energy," 8 October 2008. Web.

Embrace the Detail

DO IT BY: Telling the truth about the truth (and nothing but the truth). Provide pertinent detail at every turn, in every communication or tagline, while avoiding trumped-up generalizations like "helps save the earth" or "good for the planet." Truth-telling reinforces authenticity in a world where half-truths and generalizations can poison brand credibility; it avoids the now-cliché "green" and "eco" descriptors, and it's much easier to get through the legal department. The art is in finding the balance between precise and trivial.

DO IT WITH: Healthy respect for the ability of your consumers — and the influencers they follow — to read between the (tag)lines.

DO IT LIKE: Coca-Cola. When plastic found its way to the top of the "naughty" list in the latter half of the last decade, this bottled-beverage behemoth wasted no time finding new ways to thrive. PlantBottle™ packaging, made in part with plant-based plastic and grounded in the goal of eventually becoming 100% plant-sourced, launched in 2009 with a campaign that carefully described the innovation as an "up to 30% plant-based, 100% recyclable bottle." Why the precision percentages? Coca-Cola wanted to be careful not to mislead consumers. Failure to be clear about the "up to 30%" statistic could have implied higher plant content, opening Coca-Cola to an onslaught of criticism from the "Greenwash Police" at the moment when the company deserved kudos for groundbreaking innovation.

DO IT BECAUSE: Allusion, abstraction and subtle implication are the tools of poets, not brands.



redesigned plastic,

recyclable as ever.



SEEDS OF CHANGE: PlantBottle has launched in Canada and on the US West Coast, and will be launching in Mexico and Brazil this year. While sales data is not yet available, Coca-Cola has already enjoyed the public advocacy of eminent NGOs: the Climate Group called PlantBottle "a revolutionary solution," and WWF's president and CEO, Carter Roberts, said, "The Coca-Cola Company is a company with the power to transform the marketplace, and the introduction of the PlantBottle is yet another great example of their leadership on environmental issues."13

¹³ Upham, BC, TriplePundit, "Coca-Cola Rolls Out Plant-Based Recyclable Bottles," 16 November 2009, Web.

Show, Don't Tell

DO IT BY: Finding a forum that allows your actions (or products) to speak for themselves. Think of it as the ultimate product demo, where consumers can see how amazing your brand is without the background noise of you tooting your own horn.

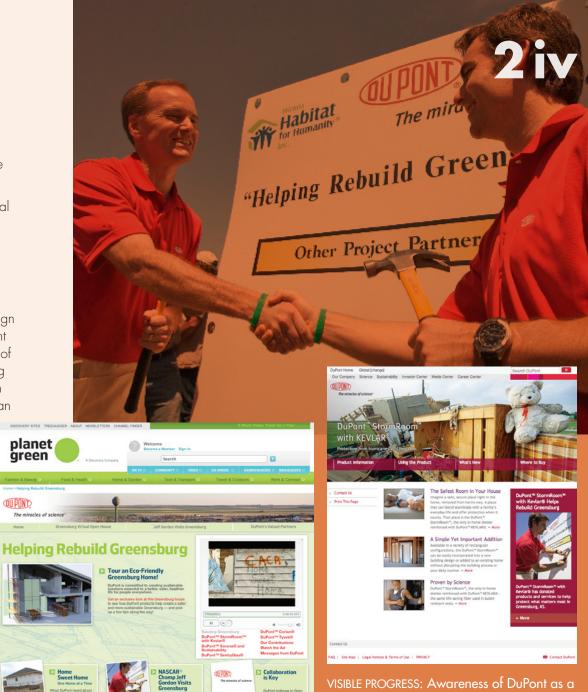
DO IT WITH: The goal of making sustainability tangible, practical and relevant without saying it is in so many words.

DO IT LIKE: DuPont. This revered chemical-sciences company couldn't find a greenwasher on its marketing staff if it tried. The company's indefatigable modesty threatened to prevent the world from finding out about its substantial sustainability chops. Rather than rectify the lack-of-awareness problem with a slick ad campaign (thereby scuttling more than 200 years of virtuous humility), DuPont donated its sustainable building materials and staff to the people of Greensburg, Kansas, who decided to turn their town green during the rebuild that followed one of the most devastating tornadoes in American history. DuPont's inspiring spirit of generosity, no less than the efficacy of its building materials, garnered world attention thanks to the Discovery Network's Planet Green documentary

green

on the project. It was a massive win-win: Greensburg found an indispensable partner to help it achieve its dream, and DuPont found an incredible living showcase for its sustainable building materials — all without an ounce of ego.

DO IT BECAUSE: Seeing is believing.



green company went up 390% in the wake of the Greensburg rebuild



Launch and Beyond

In this world of perpetual beta, it is increasingly true that the launch of a brand campaign is just the beginning of a conversation with the world, and nowhere more so than in the case of sustainability. How you go out into the world, your attitude, your openness and ability to listen and respond — your brand's behavior — all affect perceptions of your authenticity. And because nothing signals greenwash more strongly to a cynical audience than the impression that a green campaign is viewed by its authors as just a boxchecking exercise, long-term commitment is a must. This section offers advice on continuing to avoid greenwash postlaunch.

Become a First Responder

DO IT BY: Being prepared to act fast in the face of criticism and collaborate with decriers on solutions before deep reputational damage is done. View critics, influencers and consumers as allies who can help in the constant improvement of your story. Start with your employees — what do you need them to know and feel in response to the criticism? Do they need to do something different in the future? If so, tell them what to do, how to do it and why it's important.

DO IT WITH: Speed and a collaborative open-source spirit, plus a ban on being defensive.

DO IT LIKE: Timberland. In the wake of its wildly successful Earthkeepers campaign, Timberland suddenly found itself ensnared by greenwash accusations from Greenpeace, which blasted the brand's leather procurement practices in a scathing expose titled "Slaughtering the Amazon" (in which several retailers, including Nike, were condemned). But rather than retaliate or ignore the charges, Timberland immediately contacted Greenpeace to solicit the NGO's help in crafting a new sourcing policy. Timberland's swift and conciliatory response earned the company plaudits from its would-be antagonist and laid the groundwork for a continuing, valuable relationship.

DO IT BECAUSE: Mistakes that are rectified are (usually) forgiven.

THE MARKET RESPONDS: At the launch of its Earthkeepers campaign, Timberland went public with its environmental mission in one market and kept it quiet in another. Sales of Earthkeepers products were twice as high in the mission-conscious market.







Working with Greenpeace, Timberland released a policy that will require its leather suppliers to commit to a moratorium on purchasing any

THE WATCHDOGS RESPOND:
After Timberland's quick
response, its former foe became
a friend. Greenpeace forest
campaigner Lindsey Allen said
of the brand: "Timberland
has raised the bar for
environmentally and socially
responsible leather-sourcing
policies in the Amazon."

Commit for the Long Term

DO IT BY: Taking a "for better or worse" vow to sustainability. There's no such thing as "one and done" when it comes to improving the impact of your business; nothing screams "opportunist tactic" more clearly. So fully commit — from the C-suite to the graveyard shift. Act responsibly. Know and feel good about what you're doing. And then feed the pipeline with a steady stream of new news. (Good thing there's no dearth of things to do.)

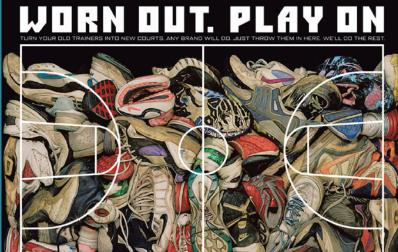
DO IT WITH: Divine Discontent (David Ogilvy's creed).

DO IT LIKE: Nike. From the retailer whose recent advertising declared, "My better is better than your better," we've come to expect ingrained commitment to greatness. And in the realm of sustainability, like all others in which Nike competes, a never-say-done attitude and full-throttle pursuit of big goals prevails. Nike's commitment to sustainability spans the value chain, from operations to product design to advocacy, and it's shared by stakeholders from the boardroom to the backroom and everywhere in between. Nike stepped into the sustainability space nearly two decades ago with the launch of the Reuse-A-Shoe program. The sustainable ethos has since evolved into an integral part of core business strategy. Considered Design, launched in 2005, merges sustainability with innovation and is now responsible for 15% of Nike's total product line. The company aims to have all its shoes meet "Considered" standards by 2011, all clothing by 2015 and all equipment by 2020.14 Meanwhile, in the policy world, Nike spearheaded BICEP, a powerful clean-energy advocacy coalition. And internally, the company pursues rigorous organic environmental impact reduction, detailed in its 2009 CSR Report. Little of the company's sustainability-related work ends up in advertisements, but all of it contributes to the brand's backstory, giving credibility to those efforts Nike does mass-communicate. So, when big sustainability challenges are nigh and many companies are tempted to accept a "just eschew it" attitude, Nike lives up to its "just do it" credo instead — now, later, always.

DO IT BECAUSE: Resting on laurels is not nearly as fun as earning them — and then earning them again.



3 ii





ON THE RIGHT TRACK: The Nike brand was valued at \$13.2 billion in 2009, well ahead of top competitor Adidas's \$5.4 billion brand. 15 Nike has long been an industry leader, which makes parsing out the positive impact of its sustainability initiatives tricky. Suffice it to say, in a realm where brand differentiation and product innovation are everything, Nike's sustainability leadership has been part and parcel of keeping the brand at the top of its game.

¹⁴ Geller, Martinne. Reuters. "Nike Unveils New Products in Environmental Push," 28 October 2008. Web.

Conclusion

We feel compelled to close by cautioning that successful sustainability marketing is truly a labor of love. We have helped many clients develop sustainability strategies and we know how hard it can be to drive this kind of change through an organization. It doesn't necessarily conform to the existing processes and silos; it certainly requires a long look at the new business cases; and it demands dogged determination to move beyond the status quo. This you must embrace to get beyond greenwash and on to great marketing.

But if you've read this guide and you're still up for the most challenging, exhilarating, rewarding project of your career, welcome aboard. The opportunity is immense, as the brands featured here prove. Consumers are hungry for you to succeed (84% of them would rather buy green products and services) —as are your colleagues. Merging great sustainability efforts with great marketing can be done; and when it is done well, it can lead to groundbreaking work, a galvanized workforce, grateful consumers and gangbuster sales.

So embark on this journey with eyes wide open and move forward with gusto. Good-bye greenwash. Welcome to marketing in the Age of Sustainability. Carving new ground is rarely comfortable and never easy, but you are not alone.

About

Ogilvyearth

OgilvyEarth is Ogilvy & Mather's global sustainability practice. Our mission is to help brands uncover the leadership opportunity in sustainability. Our unique suite of brand services helps clients identify opportunities in the sustainability space, create rich communications strategies based on current and developing initiatives, and plan clear steps for the road ahead. We also provide access to OgilvyEarth's expert community, an unparalleled brain trust that provides highly specialized insights and facilitates connections with a diversity of potential partners.

OgilvyEarth counts among its clients a number of Fortune 500 companies. Most recently, OgilvyEarth created "Hopenhagen," a global movement to raise awareness of climate change around the United Nations Climate Change Conference (COP15), on behalf of the United Nations. Hopenhagen engaged more than six million supporters and helped to build a new sustainability narrative on a global scale.

Whether we are collaborating with intergovernmental bodies or valued corporate clients, avoiding greenwash is at the heart of everything we do. To learn more about our offerings, please contact seth.farbman@ogilvy.com.

Several Ogilvy & Mather Worldwide clients have been featured in this book: Unilever, DuPont and Coca-Cola.

The OgilvyEarth Advisory Board members who contributed to this handbook:



BILL BECKER is the Executive Director of the Presidential Climate Action Project (www.climateactionproject.com) and the organizer of the "National Leadership Summits for a Sustainable America," a series of four conferences held in 2006 and 2007 to advance America's sustainability in a time of global warming. Regarded as a national expert on sustainable development, he was deployed by the State of Louisiana to help plan "sustainable reconstruction" after Hurricane Katrina. More recently, he organized and led a team of US sustainable design experts to Beijing to help Chinese officials with the greening of the Olympic Village for the 2008 Olympic Games.



IAN HIGGINS is a former senior executive at the NSW Department of Energy, Utilities and Sustainability (DEUS) and a former leader of nongovernmental organizations such as Greenpeace and WWF. Ian has spent most of the past 20 years, both in Australia and internationally, working on environmental sustainability issues, including global warming. He is passionate about the strong role communications, information and behavior-change play in our transition to a low-carbon economy.



JEUNESSE PARK is the founder and CEO of Food and Trees for Africa (FTFA), South Africa's only national greening and food gardening NGO, which promotes greening, sustainable natural resource use and management, and food security through three key programs: Trees for Homes, EduPlant and the Urban Greening Forum.



MA JUN is a Chinese environmentalist, nonfiction writer, environmental consultant and journalist. In the 1990s, Ma worked at the *South China Morning Post* and eventually became the Chief Representative of SCMP.com in Beijing. Ma's 1999 book *China's Water Crisis* has been compared to Rachel Carson's *Silent Spring*—it is China's first major book on the subject of that nation's environmental crisis. He was named as one of the 100 most influential persons in the world by *Time Magazine* in May 2006. Since 2006 he has served as the founding director of IPE (Institute of Public and Environmental Affairs) and led the efforts to develop the China Water Pollution Map, the country's first public interest water pollution database.



ANDREW S. WINSTON advises some of the world's leading companies on how to profit from environmental thinking. He is the co-author of the bestseller *Green to Gold* and author of *Green Recovery*, a guide to surviving and thriving in an economic downturn. Andrew is also a highly respected and dynamic speaker who explores the business benefits of going green with audiences around the world. Andrew's earlier career included corporate strategy at Boston Consulting Group and management positions in marketing and business development at Time Warner and MTV.

Appendix A: Who Is Monitoring Greenwash?

Around the world, new regulations are making these principles a point of law. A roundup of what's on the books includes:

FTC GREEN GUIDE: In the United States, the Federal Trade Commission (FTC) began hearings two years ago to update its 1998 environmental advertising guidelines, known as the Green Guides, announcing that there was a "heightened potential for deception" in the market.¹⁶ The current Green Guides state that assertions made about a product must be substantiated, specific and clear. The Green Guides are limited in that they are merely guidelines for voluntary compliance and are not legally enforced.¹⁷ They have failed to keep up with rapidly changing developments in the marketplace response to emerging environmental issues. For example, the FTC's current guidelines do not address product claims related to carbon emissions that contribute to global climate change.

A few states have moved ahead of the FTC and have started regulating green labeling themselves. Since 2009, all new cars sold in California are labeled with a global warming score that takes into account emissions from vehicle use and fuel consumption.¹⁸

CSA ENVIRONMENTAL CLAIMS GUIDE: In June 2008, the Canadian Competition Bureau, in conjunction with the Canadian Standards Association (CSA), released "Environmental Claims: A Guide for Industry and Advertisers." It sets new guidelines to help prevent greenwashing, requiring companies to provide support for their environmental claims and to only make claims that are substantiated and verified. Vague claims, such as "green," "ozone-friendly" and "energy-saving," which imply that a product is environmentally beneficial or not harmful, are discouraged. Misleading advertising by a corporation is punishable by fines of up to Can\$100,000, product seizure and imprisonment.¹⁹

DEFRA GREEN CLAIMS CODE: Canada is not the first country to develop strict guidelines. The UK recently stepped up enforcement under the new policy of the UK's Department for Environment, Food and Rural Affairs (DEFRA). DEFRA's guidelines are similar to those of the FTC and CSA and also take into account the new international standard on environmental claims, ISO 14021, which has been developed by standards bodies around the world. According to the DEFRA code, green claims should be truthful, accurate and verifiable. Furthermore, they need to be relevant, clear, explicit and written in plain language. Claims that are ambiguous or exaggerated are punishable by law.²⁰ The UK's Advertising Standards Authority (ASA), an independent watchdog committed to maintaining advertising standards, is also encouraging customers to submit complaints about green claims. (Complaints to the ASA about misleading environmental claims increased fourfold from 2006 to 2007—up from 117 to 561.²¹)

ISO 14021: This international standard, developed by the International Organization for Standardization, an NGO that creates voluntary technical standards, specifies requirements for self-declared environmental claims. It lists select terms commonly used in environmental claims, gives qualifications for their use, and describes a general evaluation and verification methodology. Since adherence to these standards is voluntary, there are no legal repercussions for noncompliance. However, a number of countries, such as Australia, France and Norway, have backed the international standards with enforceable fines and penalties.

¹⁶ Story, Louise. The New York Times, Business Section. "F.T.C. Asks if Carbon-Offset Money Is Well Spent," 9 January 2008. Web.

¹⁷ Federal Trade Commission. "Part 260: Guide for the Use of Environmental Marketing Claims." Web.

¹⁸ GreenBiz. "New Cars in California Must Display Global Warming Score," 6 July 2008. Web.

¹⁹ Competition Bureau Canada. "Environmental Claims: A Guide for Industry and Advertisers," 25 June 2008. Web.

²⁰ Department for Environment, Food and Rural Affairs. "Green Claims Code for Products." Web.

²¹ Advertising Standards Authority. "ASA Gets Tough on Advertising Green Claims," 26 June 2007. Web.

Appendix B: Further Reding

Seven Sins of Greenwashing, Terra Choice 2009 sinsofgreenwashing.org

Greenwashing Index, EnviroMedia Social Marketing www.greenwashingindex.com

Greenwashing, Greenpeace stopgreenwash.org

The Greenwash Brigade, American Public Media www.publicradio.org/columns/sustainability/greenwash

The Greenwashing Blog www.thegreenwashingblog.com

FTC—"Guide for the Use of Environmental Marketing Claims" www.ftc.gov/bcp/grnrule/guides980427.htm

Canada Competition Bureau — "Environmental Claims: A Guide for Industry and Advertisers" competitionbureau.gc.ca/eic/site/cb-bc.nsf/eng/02702.html

UK DEFRA — Green Claim Codes for Products www.defra.gov.uk/environment/business/marketing/glc/code.htm