

Executive Summary

More than half—62%—of online posts discuss various solutions to environmental issues. This is a shift from 18 months ago when people were still spending much of their time discussing sustainability by debating whether or not the environmental crisis was real.

- There is little agreement as to the optimal way forward. While a segment of the population is beginning to adopt new products and life style behaviors, many remain idle to change.
- For many consumers, the immediate and personal impact of rising energy costs is the primary driver of interest, as opposed to potential environmental impact.
- Alternative and renewable energies are the most frequently mentioned types of solutions as bloggers discuss the values and challenges of widespread solar, wind or biofuel production and usage.
- Consumers are pessimistic toward future and existing environmental and energy focused legislation.

Consumers in the blogosphere group discuss sustainability solutions into two categories: broad social, organizational, and political change; and incremental personal change.

Social and Organizational Change

- Alternative and renewable energies are the most commonly discussed and positively viewed solutions.
- Reduction, legislation, and various forms of waste management are actively discussed in combination with challenges and drawbacks, which indicate discomfort among consumers that solutions generated from these sectors won't substantially improve their lives.
- Alternative forms of transportation are not thought to be viable solutions, with substantial limitations imposed by their inconvenience or lack of availability.

Personal Change

- Consumers discuss the challenges of becoming environmentally friendly, or "going green," in everyday life due to common barriers of habit, convenience, price, and perceived loss of functionality as trade-offs for being sustainable.
- Parents often adopt green habits to help provide for their children's future well-being and to create positive role modeling for their children.
- Others reveal that the true reason behind personal action is the avoidance of social criticism and judgment. To this segment, it is more important to look good than it is to do good.
- Consumers discussing sustainability are most positive about broader, less-defined solutions such as collaboration, protection, and awareness.

The 9 personas of sustainability

- This report identifies 9 distinct personalities, profiling consumer beliefs, attitudes, and behaviors toward sustainability.
- In early 2007, 22% of the bloggers were actively negating the issues, and another 26% were either skeptical or personally rejecting the arguments.
- By 2008, the landscape has shifted dramatically. Not only are more people talking about sustainability issues, but they are also getting actively engaged in solutions.
- Fully 30% of consumers are now taking some kind of action in their own lives, while nearly 30% more are at least searching for solutions and looking for assistance in implementation.
- The number of activists—the most committed group—remains unchanged.

Resources represented the second largest theme of conversation, at 54%.

- In early May, consumers reached a breaking point with respect to rising oil prices, as blog posts shifted from frustrated discussions of the news to action-oriented conversations.
- Mentions of other natural resources such as air, land, and water arise in conversation significantly less often as consumers focus more on resources that are immediate and personal rather than those with longer-term or broader implications.

What messages or practices are working:

- Appealing to consumers' desire to incrementally change their household practices to become more eco-conscious.
- Educating consumers on the impact on the environment as well as personal health.
- Emphasizing cost savings and efficiency.
 - Helping consumers feel wise for buying products.
 - Providing the information for them to be informed.
- Bloggers recognize retailers who communicate their commitment to sustainability by putting substantial programs in place to reduce their own environmentally damaging practices, as well as actively promote sustainable products within their stores.
- Reusable bags are fast becoming a price of entry to be thought of as sustainable. Offering food products that are grown locally also increases credibility.
- Prius is the largest driver of Toyota mentions within the sustainability topic.
- New releases such as the Chevrolet Volt helped drive volume and positive sentiment of the GM brand.
- Utilities garner generally positive sentiment from consumers, although with very low levels of discussion.

What isn't working:**Household products:**

- Consumers continue to express concerns about the cost and feasibility of personal and wide-scale adoption of green household products.
- Confusion: Consumers question which aspects of the home contribute to the most significant portion of the overall carbon footprint, leading to uncertainty about the most effective changes to be made.
- Consumers are increasingly concerned about toxic cleaning products, with conversation of the topic increasing 23% in the past 6 months.

Retail:

- As more retailers come up with green initiatives, consumers are becoming more skeptical, leading to increased conversation of being fooled or "green-washed" by large corporations.
- More choice + more confusion = need for information. As retailers increase their offerings of sustainable products, consumers want more information to reduce confusion and frustration.

Automotive manufacturers:

- Toyota Prius drivers are viewed as pretentious and showy, causing some hybrid vehicle shoppers to avoid the Prius and purchase a different brand.
- Skepticism of General Motors' sustainable practices is driven primarily by the validity of SUV hybrids such as the Tahoe and their previous focus on primarily of SUVs and trucks.

Oil companies:

- Brand sentiment is predominantly negative toward oil companies, as consumers express frustrations about increased gasoline prices and excess corporate profits.
- Marketing messages being purported by the oil companies regarding green practices and renewable energy are not unexpectedly being met with consumer skepticism.

Utilities:

- Individual utility may lack the ability to be a national leader in driving improvement in sustainability, potentially suggesting that an association or national organization of utilities could play a more active role in the sustainability movement.

Critical Next Steps ...

- Cleaning products comprise much of the online sustainability discussions. Manufacturers that can make their products less toxic to the environment will almost certainly garner increased market share. Nearly half of bloggers talked about the need for these types of products.
- Consumers like to make a statement with the eco-conscious products they buy. Consider this in new packaging design.
- Consumers are increasingly holding their retailers responsible for not only stocking eco-friendly products, but also acting in a sustainable manner. Retailers ignore this at their own peril.
- While the success of Whole Foods indicates gold at the end of the sustainability rainbow, consumers will continue to view big business initiatives with skepticism as volume of those initiatives increases.
- One way to capitalize on sustainability sentiment is to offer unbiased advice toward improving the day-to-day experience of consumers. Given that 30% of consumers are still seeking information on sustainability, marketers can gain much traction if they can become a trusted advisor and active partner in promoting best practices.
- The retailer who assists consumers in determining which products are environmentally friendly and which products are not will garner a major foothold in the sustainability conversation.
- Given the paucity of credible solutions, marketing oneself as a sustainability-friendly firm is rife with difficulties. Many bloggers concede that the issue is far too complex to be fully understood, and many are skeptical that most companies are committed to moving society in the right direction.
- Firms that want to make a difference in this space should emphasize how individuals can improve their lives without harming the environment. People want to believe that they are doing something positive.
- The concept of sacrifice for the greater good, or the broad, long-term improvement themes currently adopted by many firms, do not resonate with consumers, who are not sure these claims are based in fact.
- Currently, there is heavy skepticism on the part of consumers toward ethanol and bio-fuel programs. As a result, the automotive industry needs to continue focus educational efforts in these areas if there is hope for changing this mind set.
- Particularly well received are collaborative approaches where everyone wins without causing significant inconvenience. While a determined subset of the population is willing to make sacrifices to support sustainability, most are only prepared to make modest changes to their daily routine.
- The sustainability battle is probably best fought one-to-one with consumers by demonstrating sincerity and individual attention, as opposed to utilizing a broad overall campaign, which may be perceived as impersonal, abstract, and self-serving.

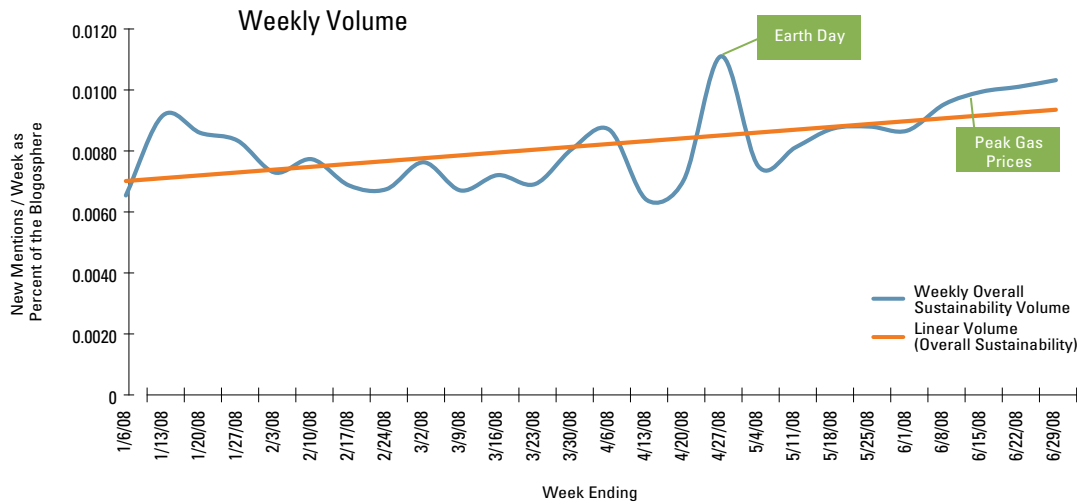
Sustainability: A Shifting Conversation

Sustainability issues are at the forefront of conversations in the blogosphere—from global warming to alternative energy, the depletion of natural resources to emissions, and from nuclear energy and waste to buying locally and reducing carbon footprints. The growth in conversation is reflected in the dramatic rise in conversation volume in the past year and a half, averaging approximately 38,000 conversations in public online forums per month in January of 2007 to nearly 160,000 in June of 2008—a 320% increase in just 18 months. That rise in conversation continued to grow in the first half of 2008 as weekly volumes fluctuated based on different news events, but grew overall, as seen below:

Overall Sustainability Discussions

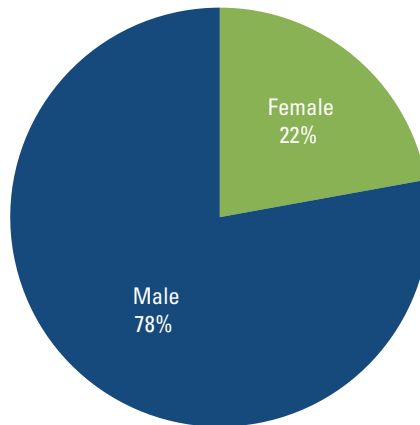
Volume Trend Analysis

January–June, 2008



Demographic Breakdown by Gender

Overall Sustainability Discussions, January 1 – June 15, 2008

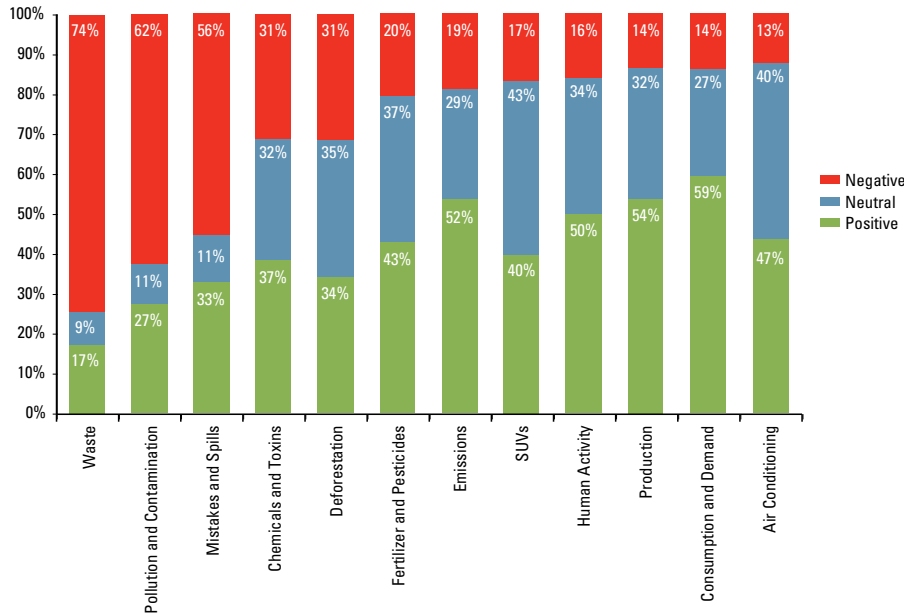


Both males and females use the blogosphere in roughly equal proportions, but males dominate discussions of sustainability issues with a targeted focus on available solutions. Females more frequently discuss personal changes, talk about future environment resolutions, and offer helpful tips on daily usage to others.

Consumers are rarely positive about these various contributing factors—positive sentiment in this instance represents expressions of optimism about current and future mitigation techniques or the benefits of certain factors such as increased growth through use of pesticides and fertilizers or the desirable aspects of SUVs.

Overall Sustainability

Key Themes: Perceived Cause Sentiment, January – June 2008

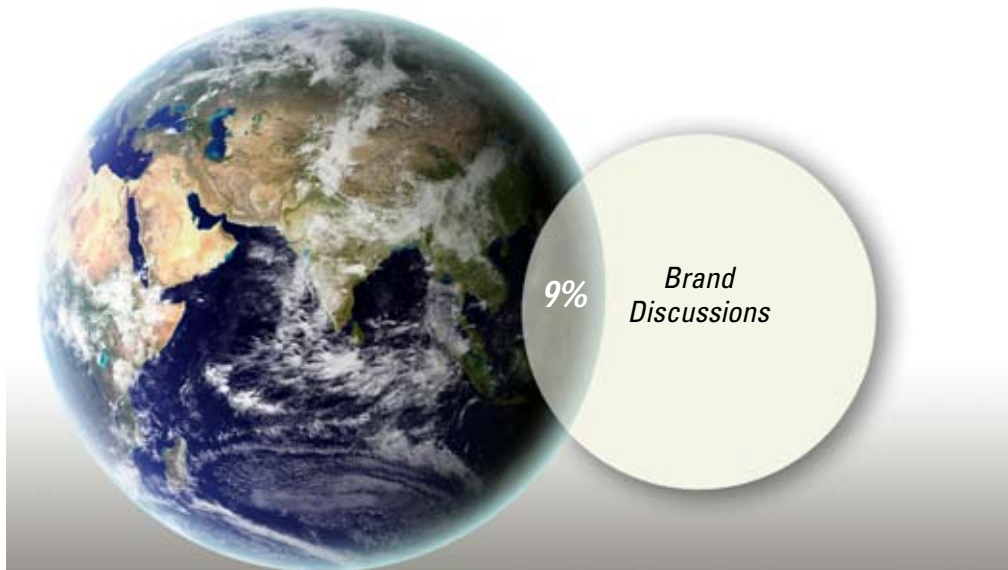


Products, Industries and Brands Theme

Overall Sustainability

Not Yet a Branded Discussion: Causes, June – December 2007

Sustainability Discussions



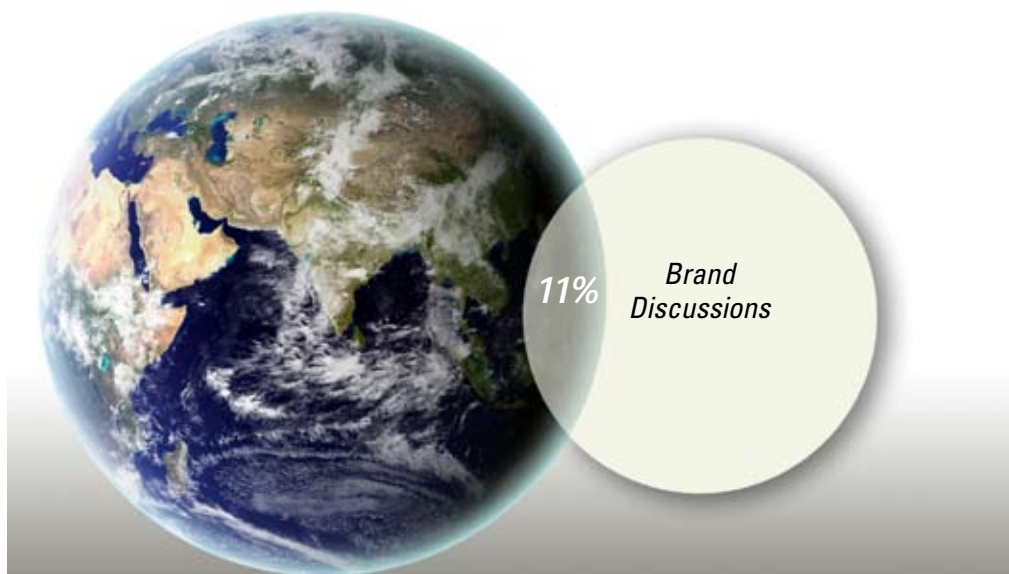
In 2007, 9% of all sustainability conversations online that were analyzed contained a mention of a specific brand. That percentage grew to 11% in the first half of 2008. While still a relatively small percentage, J.D. Power Web Intelligence Division views this as a growing trend, with consumers beginning to hold specific companies and brands accountable for their own sustainability practices as well as the sustainable options they offer.

Indeed, brands in specific industries such as oil and gas and retail are beginning to take a more commanding role. There's an enormous opportunity for companies to help consumers make environmentally sound life style choices. But be warned: consumers are quickly becoming skeptical of the practice of "green-washing" a brand—paying lip service to environmental practices without truly being green. Green-washing is quickly vetted by the savvy consumer and shared online for millions of others to see.

Overall Sustainability

But Growing Over Time: Causes, January – June 2008

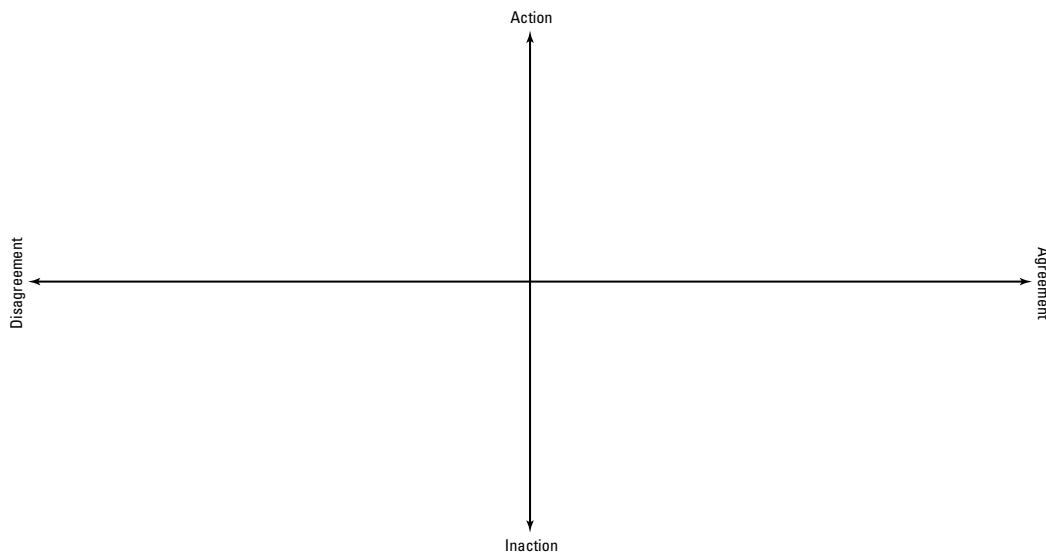
Sustainability Discussions



The Personas of Sustainability

When analyzing hundreds of thousands of blog posts among consumers, a striking set of individual personas discussing the topic were revealed. It became clear that these could be plotted against a basic grid to provide some foundation for analysis, as follows.

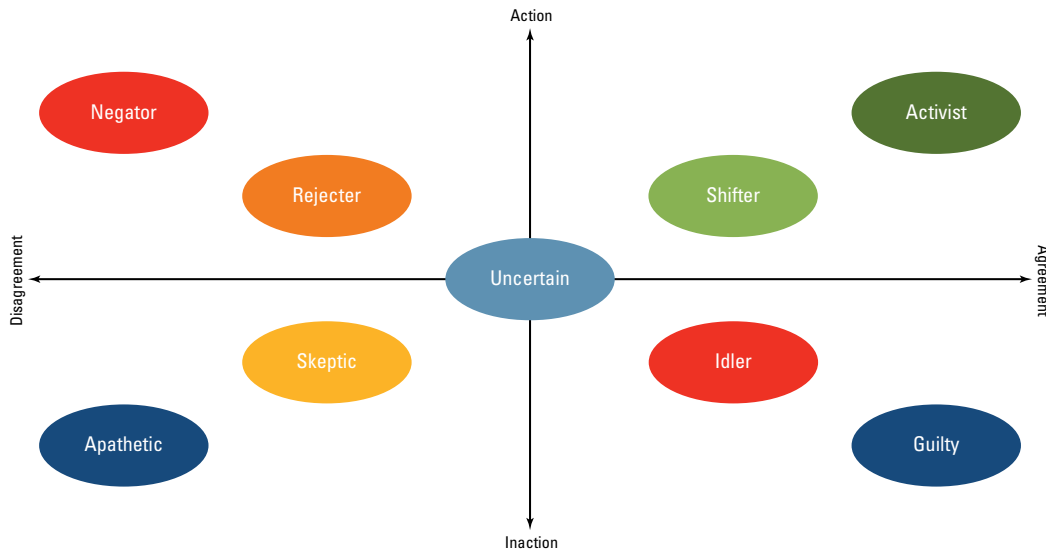
Consumer Personas within Sustainability



Based on the content of their conversations, blogger types could be plotted according to two basic metrics: how strongly they agreed or disagreed that sustainability issues were a concern; and whether they discussed taking any personal action as a result.

This approach yielded nine different profile types, as follows:

Consumer Personas within Sustainability



Persona Profiles

Consumer Personas within Sustainability: Negator

Negator

- Belief:** Climate change does not exist
- Attitude:** Highly frustrated by "one sided" media focus and the perceived public "naiveté"
- Behavior:** Actively expresses opinion and shares facts in an attempt to sway the beliefs of others



"A major new scientific study concludes the impact of carbon dioxide emissions on worldwide temperatures is largely irrelevant, prompting one veteran meteorologist to quip, "You can go outside and spit and have the same effect as doubling carbon dioxide." That comment comes from Reid Bryson, founding chairman of the Department of Meteorology at the University of Wisconsin, who said the temperature of the earth is increasing, but that it's got nothing to do with what man is doing."

Consumer Personas within Sustainability: Rejecter

Rejecter

- Belief:** Climate change is not a serious issue and it's not my problem
- Attitude:** Values individual freedom
- Behavior:** Makes purchase decisions based on personal need and does not consider environmental factors



"Until recycling becomes the only viable means of resource, I will buy whatever suits me or my business. What's next, plastic? At least most paper is recyclable and is the least of our worries. About half of the plastic out there are non-biodegradable, non recyclable and eat up our landfills. Some of you will probably start raving about not to buy products that don't use recycled plastics! "Oh, I'm sorry, but I'm not going to buy that iPhone because it doesn't use recycled plastic." Give me a break..."

Consumer Personas within Sustainability: Skeptic

Skeptic

- Belief:** Doubtful of climate change issues
- Attitude:** Skeptical of current information or unsure of current solutions
- Behavior:** Expresses opinion and evidence contrary to popular belief, but does not try to shift others; acts when logical or convenient



"So, chances are I won't find out the truth. Pretty much all the evidence I'll be presented with will have to be subjective in some way, shape, or form. I mean, hell, I should be used to that by now, as this is a fact that seems to be universal. Irritating. But the way I see it, there's nothing detrimental in saving energy (it's cheaper, for one!), and not accumulating rubbish and general stuff like that. It's not like it deprives me of anything, really, and I do approve of planting trees and things. Self-sufficiency and avoiding wastefulness is probably a good thing, global warming or no."

Consumer Personas within Sustainability: Uncertain

Uncertain

- Belief:** No clear stance on the issue
- Attitude:** Curious, confused, overwhelmed
- Behavior:** Initially seeks information in order to solidify opinion, but eventually tunes out the debate and continues with habitual behavior

"In my Science class, they made us watch "An Inconvenient Truth," the movie by Al Gore that shows how bad Global Warming is getting and what the consequences are going to be. When I saw it, it seemed hella logical and legit, and it freaked me out and made me wanna be all environmentalist...then I look at [stuff] on the internet, and it says otherwise. It says things like Earth is going through a natural cycle that it always has for all time and that all this man made Global Warming stuff is a myth popularized by...Al Gore and his Hollywood liberal buddies like Michael Moore. They then state opposing so called "facts" as well that go completely against the "facts" that Al Gore and Co. are giving us...so what the hell am I supposed to think?"



Consumer Personas within Sustainability: Idler

Idler

- Belief:** Climate change is an issue
- Attitude:** Personal insignificance
- Behavior:** Acts sporadically, but most often encounters barriers of cost, availability or quality; expresses demand for new green products & technologies

"But what of those things that we should do but very often don't? I don't sort my trash for recycling (like most of Chicago) and I don't buy carbon offsets for my portion of the jet fuel burned on the flights I take. Sometimes, I leave lights on when I leave the room. I never turn the tap off when I brush my teeth. Go ahead and belittle me for my un-green ways, but there's a method to my wasteful madness. I will not participate in non-mandatory pro-environment actions that are not in my clear financial interest because those actions turn environmental problems into personal statements and undermine the public policies that will create actual change."



Consumer Personas within Sustainability: Guilty

Guilty

- Belief:** Climate change is a critical issue that must be addressed
- Attitude:** Guilt or hopelessness
- Behavior:** Takes little action in daily life due to perceived barriers or habit

"Every time I'm at Steve's I feel incredibly guilty because he drinks a lot of bottled drinks (mostly water) and canned soda. He also uses plastic cutlery, paper plates, throw-away cups, the like. Living in an apartment, recycling is kind of a luxury. Indianapolis has curbside, but you have to pay for it, and it's not available for apartment complexes. It really sucks, because most complexes have such a HUGE amount of glass beer bottles, cans from beer and pop, plastic bottles from water and soda... not to mention the amount of junk mail circulars that we get several times a week from the grocery stores and other paid advertisers. All this makes for a damn lot of garbage. I feel awful each time I have to throw away my water bottle. I feel guilty that I bought it to begin with, and guilty that I threw it away instead of recycling."



Consumer Personas within Sustainability: Shifter

Shifter

- Belief:** Climate change is an issue and we can do something about it
- Attitude:** Proud, smart, empowered
- Behavior:** Makes simple substitutions such as recycling, changing light bulbs, or switching to reusable shopping bags

"It probably is true that whatever action we take on global warming will have to take place on a massive scale, but using more energy efficient light bulbs, recycling and yes, plastic bags is about changing the way we think. It's about making our culture and ourselves more environmentally conscious. It probably won't make a difference if we unplug our charger when our cellphone isn't charging, but we show a change in our attitudes by acknowledging every little bit helps. We also show that doing something about the environment is something we care, about rather than a problem we find someone else to worry about."



Consumer Personas within Sustainability: Activist

Activist

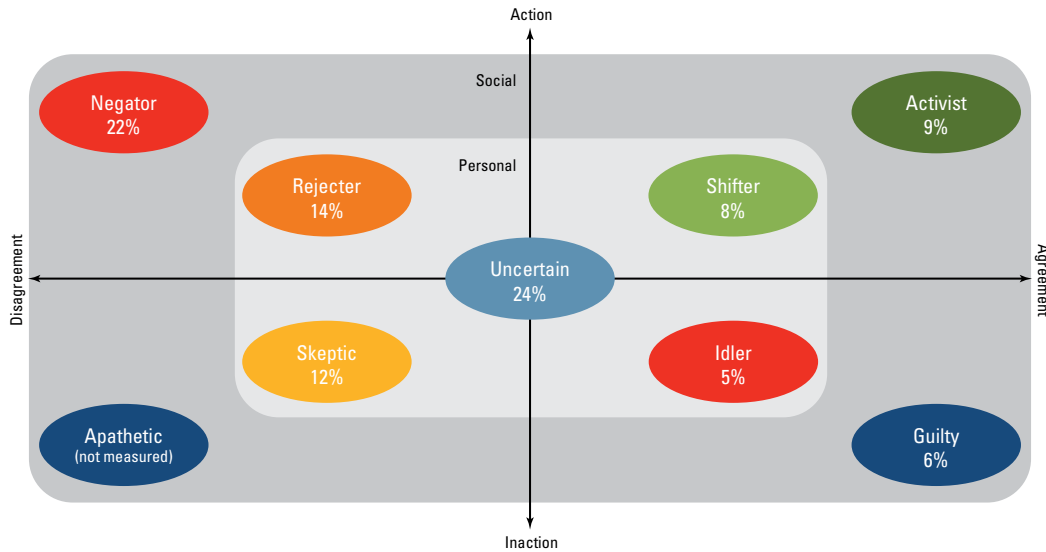
- Belief:** Climate change is a critical issue that must be addressed
- Attitude:** Bi-polar—optimistic/pessimistic
- Behavior:** Actively engages consumers, businesses and governments by sharing information and tips to encourage change

"While shopping today I picked up a special edition of "Time Magazine" called "GLOBAL WARMING, the causes, the perils, the solutions, the actions: what we can do." Giving a beautiful restatement of the problems of "global warming" and practical steps on how we could reverse the situation. Like most problems today, our need to act on the global warming issue is not just urgent but dire and like most problems today there are still people who need to be convinced. If you are one of those, please pick up a copy of the time magazine just mentioned (they restate the problems in 122 pages). I wanted to take this opportunity to give you some of the 50 things we can do now to stop global warming."



What did the sustainability landscape look like among bloggers in early 2007?

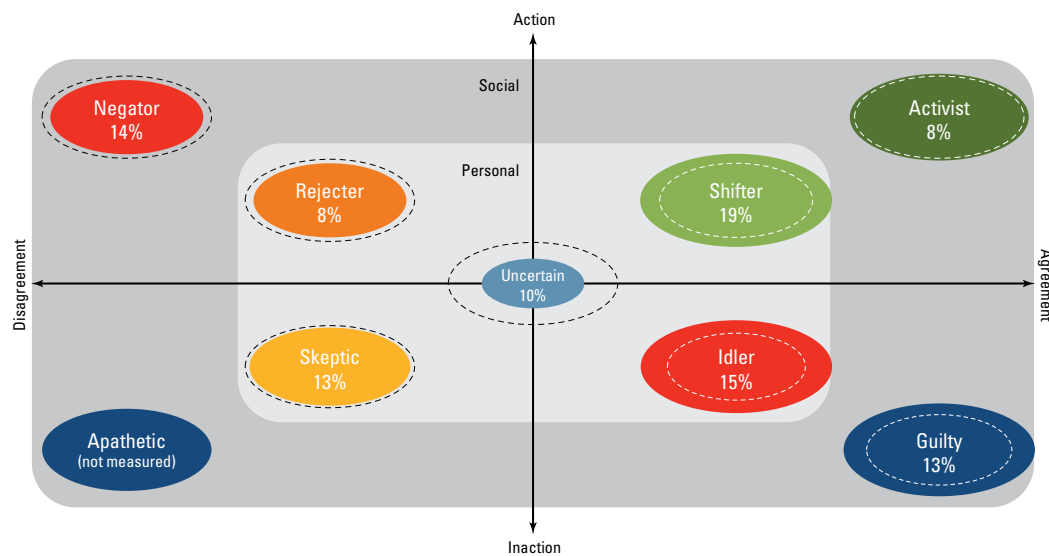
Consumer Personas within Sustainability, April – June, 2007



In 2007, the largest profile constituent group is comprised of those consumers who were confused by all the competing information (or perhaps the lack of consistent, trusted advisor sources of information), with 1 of 4 consumers falling into the uncertain camp.

Note how much skepticism was present in early 2007, with 22% of the bloggers actively Negating the issues, and another 26% either Skeptical or personally Rejecting the arguments. Just 9% of bloggers were Actively promoting the issue and urging change.

Consumer Personas within Sustainability, January – June 2008



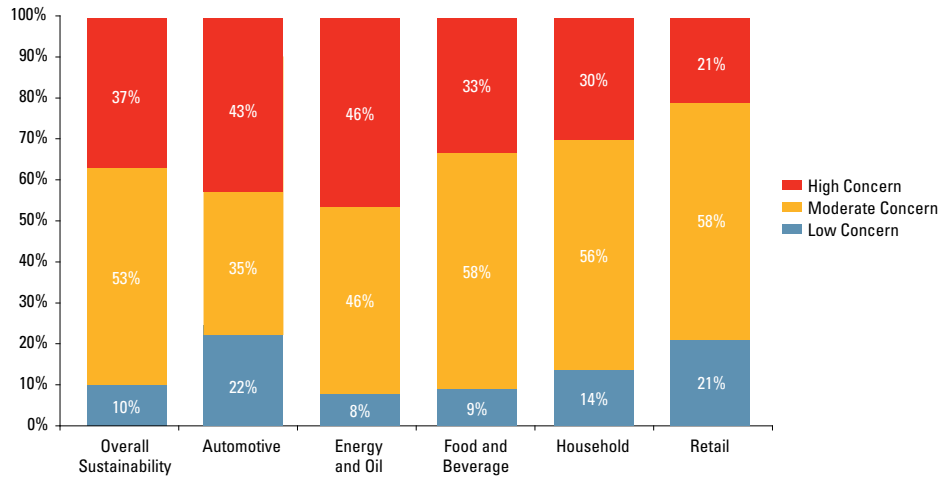
By 2008, after the release of the documentary, “An Inconvenient Truth,” the landscape has shifted dramatically with the heightened awareness. As a result, a lot more people talking about sustainability issues and are getting actively engaged in doing something about to address increasing concerns.

Uncertain consumers dropped to just 10% of the total from 24%, while Shifters grew from 8% to 19% and Idlers grew from 5% to 15%. Negators and Rejecters dropped from 22% and 14% to 14% and 8%, respectively. The Activist population—those who receive much of the media attention—stayed relatively constant, going from 9% to 8% of the now larger total conversation.

What conclusion be drawn? The impact of Hollywood and Al Gore can certainly be noted. But more immediately, this is an escalating issue of concern for consumers, and increasing numbers have shifted from doubting or being uncertain to taking the issue seriously and taking action. Nearly 30% of consumers are taking some kind of action in their own lives, while another almost 30% of consumers are searching for solutions and looking for assistance in implementation, creating a virtually untapped market of consumers craving information and solutions.

Industry Comparison

Level of Concern, January – June 2008



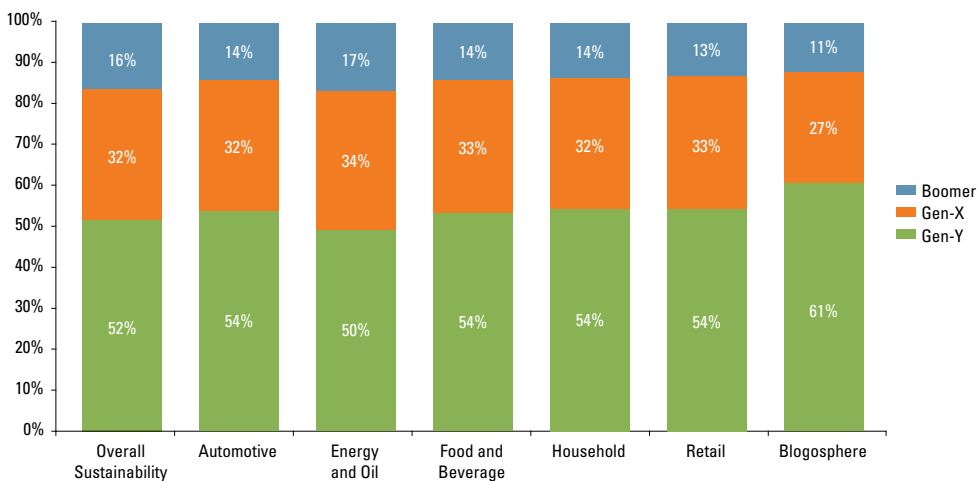
Not unexpectedly, the energy and oil industry, as well as the automotive industry, evoked the highest level of concern among consumers.

The automotive industry had the highest degree of polarity, with 22% of discussions expressing low concern and 43% expressing high concern. In the other industries, more than half of conversations fell into the moderate concern category; even energy and oil was at 46% moderate.

When examining the age of authors across the various industry conversations, the proportional breakdown is relatively consistent.

Industry Comparison

Age Breakdown, January – June 2008



- The energy and oil industry conversation does skew slightly older authors than the automotive, food and beverage, household, and retail industries.

KEY TAKEAWAYS:

Food and Beverage Industry Summary

The rise in food prices in the first half of 2008 drove a spike in conversation about sustainability.

- Food prices were a key theme of discussion during the first 6 months of 2008, as consumers discussed the challenges of rising fuel costs and government subsidized biofuel production.
- Most had disdain for diverting corn and other food products into biofuel production, believing it to be misguided and ultimately detrimental to the environment.

Fully 91% of consumers express concern around food and beverage-related sustainability.

- Food and beverage products, their ingredients, their production, and their packages are all important issues in sustainability consciousness.
- Consumption and demand for food products and the related rise in prices globally is mentioned in 4 of 10 sustainability discussions and is the leading issue addressed, followed by packaging and waste.
- The sustainability movement is raising awareness around food production processes. The majority of these discussions, however, are generalized and not brand-specific. Topics most frequently mentioned include the emission of greenhouse gasses by livestock and the disruption of ecosystems due to deforestation and agricultural land use.
- While food production and its impact on global warming is frequently discussed, unique to this industry is the focus on making conscious choices about food as a way to not only impact the environment, but to also improve health and reduce illness.
- There is little conversation about moving away from a meat-and-dairy diet, although there is a small, but vocal minority that does advocate that choice for themselves and others.
- While males continue to comprise a larger share of voice in this industry when discussing sustainability, females contribute more than 1 of 4 posts, the highest in any of the industries studied.

Consumers are taking personal accountability for what they buy, but are looking for help from companies to make their food and beverage choices more sustainable and healthier.

- Consumption and wasteful packaging are often cited by consumers as challenges in the food and beverage industry, but often, with guilt, consumers find their buying habits hard to break. They also value convenience or efficiency over their concern for the environment.
- People discuss the various news and information sources, and ask for and give advice relating to sustainable food and beverage choices, indicating that consumers are still searching for help and answers.
- Consumers note the need for standards, regulation, and consistent labeling to help them make informed decisions.
- Blog posts related to the industry also include discussions of ingredients packaged goods. While food additives and preservatives have been a topic of interest for some time, some interested consumers are now beginning to link overly processed and unnatural foods to broader public health, economic, and environmental issues. As an offshoot of this theme, there is also an emerging trend among a small percentage of bloggers toward dietary cleanses and medical detoxification methods.

Sustainability conversations are not yet branded. No company is seen as an industry leader, nor are many individual brands called out or discussed.

- Very few conversations include specific brand mentions when discussing sustainability topics in the food and beverage industry.
- Companies that offer organic products are viewed far more favorably, but no one company has captured consumers' imaginations as a real leader across multiple food categories.

As a food and beverage company, what messages or practices are working ...

- Food and beverage companies that are recognized for organic products generate by far the largest amount of positive sentiment from consumers, with more than 8 of 10 discussions favorable in nature.
- Consumers often link eating organic to being both better for the environment and better for themselves as individuals. The personal connection is a powerful motivator for change.
- Buying locally and replacing and/or improving water sources are also cited favorably.
- Empowering the consumer to be more personally environmentally sustainable.
- New breakthroughs are occurring in recycling, such as work on new, edible food containers and experiments with additives or materials that break down after use into elements appropriate for compost.

What isn't working ...

- Frustration is directed toward the general lack of reliable data and standards in the food and beverage industries. Consumers don't know who or what to trust. Confusion abounds.
- Skepticism also exists around green-washing and claims of being sustainable that are suspect.
- There is significant negative discussion related to biofuels and the government's misguided efforts to turn food products into fuel.
- Concern about wasteful packaging, and bottled water in particular, drives a significant portion of negative discussion.
- Depletion of natural resources, especially the diminishing fish populations, are a concern, yet consumers are torn because many want the dietary benefits of fish in their diet.

Critical Next Steps ...

- Food and beverage companies need to help identify and promote solutions and drive easy-to-understand standards that consumers trust.
- Larger brands buying smaller eco-friendly brands often stir up discussion about being a sell-out, but that discussion typically dissipates over time if the eco-friendly brand maintains its identity and established practices. Examples: Clorox's purchase of Burt's Bees; Coca-Cola's purchase of Odwalla. Companies interested in expanding their portfolio with environmentally sustainable brands are wise to make the investment in their own new brands to help them expand their messaging and practices.
- Consumers recognize that while they want to make the right choices for the environment, convenience often trumps their conscience. Companies that can redesign packaging to reduce harm to the environment while maintaining convenience and that make environmental design obvious to the consumer should reap rewards from the vast majority of consumers who are highly concerned about sustainability.