

The Conscious Consumer Era Arrives.

Conscious Consumerism & the COVID effect

What it means for CSR & Marcoms professionals
within Corporates, companies & brands and the
opportunity to reshape the role of business in society



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Commissioned by Cavill + Co, Q&A and results prepared by Di Marzio Research.

Publication date: 15 November 2020

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A year of change



2020: a year of unexpected and unfamiliar challenges - and cataclysmic change

Australia was ravaged by bushfires, followed by an outpouring of grief and corporate generosity. Then came the pandemic and the panic. The loo paper looting and lockdowns. The protests and the ubiquitous pivot. The best – and worst – of human behaviour on display.

Some consumers have used it as an opportunity to reflect – and reset. Others have experienced uncertainty, unemployment, and the unenviable challenges of juggling work with home-schooling. For corporates, it required a rapid shift to online delivery and employees working remotely.

With Australians so preoccupied with basic needs, **I wondered if 2020 had killed off the Conscious Consumer movement. Or had time in reflection made Australians re-evaluate their priorities, and perhaps become even more aware of the impact of their consumerism?**

With increased pressure on the non-profit sector to respond to so many social problems caused by the bushfires, pandemic, lockdown and unemployment, **will consumers expect Government to fix things or will they demand that the corporate sector step up and show leadership - not just in taking responsibility but in demonstrable action?**

A review of current research reveals that purchase drivers have shifted during COVID towards trusted brands and buying local¹, Gen Z & Y are struggling and fearful through job losses, while Gen X are cashed up and optimistic². But none of it answered my original questions.

¹ Ease of purchase and trust in brand are now in the top 3 purchase drivers just behind value for money. Made in own region was top reason for purchase of product. KPMG International: Consumers & the new reality, June 2020

² Younger generations are more likely than older counterparts to have felt the biggest impact financially and mentally – McCrindle/Cint: Recovering from COVID-19, June 2020



“It is not good enough to do what the law says. We need to be in the forefront of these [social responsibility] issues.”

~ Anders Dahlvig, CEO of IKEA



I commissioned Di Marzio Research to survey consumers so that I would be better informed in this fast-changing world and to provide accurate, current data and advice to the two sectors that I serve – corporate and non-profit. The results were so surprising, and so potentially impactful that I couldn't keep them to myself.

Thanks to my amazing partners - the Heart Foundation and Marlin Communications - we're able to share this vital information at no charge. This report is written for CSR, sustainability & marketing professionals working within corporates, companies, and brands.



“I have an overwhelming feeling that I can't do much in the war against environmental degradation and the rise of capitalism. I want to make a positive difference in the world and making small choices about what I buy can make a big impact long term.”

~ Chloe, Gen Y

A long time coming...

I've been tracking the Conscious Consumer trend for over 20 years³. The last time we checked in with consumers was two years ago, for a book I was writing called Talking the Walk® 2⁴. Our research in 2018 showed that Conscious Consumerism had moved beyond a niche behaviour, especially amongst Millennials⁵.

This was driven by two things: consumers' desires for more information about the products and services they buy - facilitated by easier access to information, thanks to our ever-present smart phones; and in reaction to monthly scandals in the corporate sector: banking culture, wage routs, plus deceptive environmental and marketing claims, to name just a few. Trust in all institutions – government, religious and corporations – was at an all-time low. It appeared to me that there was a Grand Canyon-sized chasm between what consumers wanted from corporates, and what corporates were delivering.

In 2018⁶ I predicted that a huge wave of Conscious Consumerism would soon hit our shores, and I used the metaphor of a tsunami, one that washes away old thinking and stale ways of doing business. As it turned out, the transformational wave wasn't made of water, but of fire and viruses. There are still more waves and aftershocks to come, as the government weans the 'zombie' businesses off JobKeeper, and as companies return to full operation, potentially looking quite different. Therein lies the opportunity – an opening to re-shape the way business and non-profits work together to create a better society. Idealistic? Perhaps. Possible? **Absolutely.**



“We can't, and shouldn't, go back to 'business as usual'. 2020 has pushed us to find new ways of collaborating and connecting, and to fundamentally re-evaluate what is valuable and necessary. This is a once-in-a-century opportunity to decide what kind of future we want to build, and to 'reinvent normal'”.

Dan Gregory, speaker, author, futurist & social commentator

3 Tracking Conscious Consumer trend for 20 years: Published six research reports in 2 decades: Cause & Effective 1999, Heart & Sold, 2001, PassionPeople, 2004, Real Not Spiel 2008, Talking the Walk 2016, Talking the Walk 2, 2018

4 Talking the Walk® 2 – more information here www.cavill.com.au/talking-the-walk/

5 Talking the Walk® 2, pages 52-67

6 Talking the Walk® 2, pages 16-17



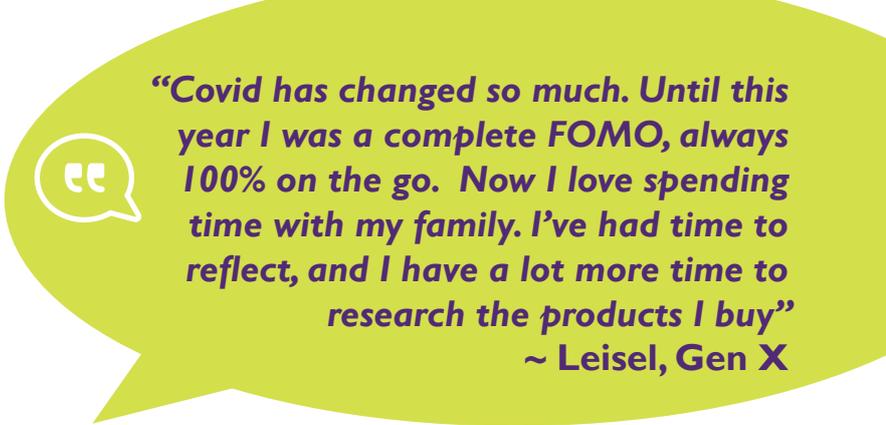
In recent years, many corporates have engaged in conversations relating to social issues that matter to Australians, with many implementing effective strategies to help solve societal problems. This is a reassuring shift; however, you may remember when numerous corporates added their powerful voices to the same-sex marriage debate in 2017, the government's response was '**stick to your knitting.**'

This was evident again last month when ANZ announced it would halt lending to its largest customers unless the business can prove carbon transition plans. Welcomed by conservationists, the response from the Nationals was nothing short of hysterical, calling for a boycott of the bank, commenting "banks are not and should not try to become society's moral compass".

This is an outdated view of the role of business, and our research shows that it's not an opinion shared by Australians.

Consumers expect – and are now demanding – that corporates and brands play a significant role in solving social problems, and be measured on their societal and environmental impact, not just financial performance.

So here we are, November 2020. This year's events have been a massive blow for many companies and has forced them to adapt the way they do business, as well as respond to changing customers' needs and wants. This research confirms beyond doubt that Australians want to see fundamental change in the way companies engage with – and support – society. Companies need to let go of the old way – purely financially driven capitalism – and fully embrace a Triple Bottom Line model of operation.



“Covid has changed so much. Until this year I was a complete FOMO, always 100% on the go. Now I love spending time with my family. I’ve had time to reflect, and I have a lot more time to research the products I buy”

~ Leisel, Gen X

There is great risk in not doing so. Ignoring CSR will leave your company vulnerable to the next challenge – the court of public opinion. How you behave now will be remembered – and rewarded.



“Companies with their eye on their ‘triple-bottom-line’ outperform their less fastidious peers on the stock market.”

The Economist

Some people may say that this is too much to ask at the start of a recession. However, there’s one thing that’s certain to help companies survive and recover during a recession – reinvention and responding to customer needs and wants. The term ‘sustainability’ – in recent times hijacked by CSR professionals – is key here. Survival of the company, the economy, the ecology – it’s all connected.

I predict that companies and brands that ignore this interdependence will be perceived as out of touch, will lose customer and community support, and won’t weather the recessionary storm.

We have a rare opportunity to reshape the role of business to directly contribute towards the creation of a new, more resilient, equal, and thriving society. Companies embracing this vision will engage and galvanise their investors, employees, and customers. This is the type of company people want to work for, trade with and invest in.

Companies that watch indifferently from the sidelines, trying to return to the previous ‘normal’, with a singular focus on growth and profit, will be perceived as irrelevant, out of touch and obsolete.



“CSR is the strategy; sustainability is the ultimate goal.”

Hailey Cavill-Jaspers

I. The COVID effect

Time in reflection has certainly given Australians a chance to re-evaluate their priorities, to consider what's truly important in life. Younger Australians are thinking about the kind of world they want to grow into, and mature Australians are considering the kind of world they want to leave to their children and grandchildren. Despite many having to deal with fear and uncertainty, people are nevertheless thinking of others, and realising that they have immense influence over shaping the world around us.



“There is no more powerful institution in society than business, which is why I believe it’s important for business to assume moral leadership. It should be about responsibility, it should be about public good, not private greed.”

Anita Roddick, Founder, The Body Shop

Our research suggests that Australians have had enough of corporate greed, and they’re sending a very strong message to the corporate sector. Conscious Consumers have morphed into warrior consumers. They recognise that aside from activism, voting, protesting, and petitioning, their most powerful weapon to effect change is their wallet. Previously dominated by the moralistic millennials, we now see Generation X truly embrace their warrior nature, and Baby Boomers are now the most active boycotters. Other research⁸ shows that during COVID, Gen X have fared well - saving money - whereas Gen Y are the most negatively affected (because the decimated sectors of hospitality, arts and entertainment mostly employ Gen Y).

The most cashed-up consumer is now the most Conscious Consumer.



“So much has unfolded over the past year globally, a lack of trust in government, corporations and social media platforms. People are angry, people are frustrated, and people are upset. One thing they do have control over is how to spend their dollar.”
~ Sacha, Gen Y

Welcome to the era of the mainstream Conscious Consumer movement.

You may ask; *is this simply the expansion of an already growing trend, or has COVID really had an effect?*

My vox pop interviews confirm that it's both. The seed was sown many years ago, and during COVID – a time of massive upheaval, reflection, and re-evaluation - the desire for change, for a systemic re-set, has escalated.



“The irony of this time is that the long-term thinking that institutions need is most powerful when everything is falling apart. COVID has amplified this paradoxical situation.”

**Karl Tischler,
Founder, Marlin Communications**

The results are in.

When reviewing past corporate behaviour during a recession, I've witnessed that innovation thrives, and new strategies are introduced fast, as there's no room for complacency. It's do or die in a recession.

It's a time when companies and brands have to give consumers what they want, or they will go elsewhere. As new, agile, purpose-driven companies emerge, there will always be an 'elsewhere'.



“If your company or brand is solely focused on profit and growth, you're in trouble. 2020 has shifted the way consumers view and interact with brands, and there's no going back. The need for us to pivot to purpose and values is so crucial. It's so easy to say but it's everything.”

~ Kate Dennis, Corporate Communications Consultant

“To solve the problems of the world, we need to **BE** good corporate citizens, not just talk about it. Corporates are often **maligned**, but I think partnering with the right charity can help give them a human side that is otherwise missing”
~ Luke, Gen X

More resources

Thanks to our wonderful partners and contributors, this research report (and additional resources below) is made freely available to CSR, sustainability and marketing professionals working within corporates, companies and brands and their agencies.

If you're reading this and you lead, or work for, a non-profit or social enterprise (or an agency that serves them) you'll want to know what it all means for you, so head on over to the Conscious Consumer Report for changemakers, [here](#).

Vox pop

We took to the streets in October to gain further insight into why this movement has grown so rapidly. As Victoria was still in the lockdown, the streets were empty, of course, so we gathered on Zoom. Some of the most perceptive and incisive verbatim comments are featured in this report. Watch our vox pop video featuring Australian Conscious Consumers, view [here](#).

Hailey-Cavill Jaspers
Chief DoGoodologist & Author
November 2020



2. On the same page

a) Definition of a Conscious Consumer

Buy or Boycott

Conscious Consumerism is an umbrella term, which simply means having more awareness of how your consumption impacts society at large, and using the power of your purchase to bring about change.

Beyond that, it encompasses a broader range of consumer attitudes and resulting behaviour. A truly dedicated Conscious Consumer is someone who looks beyond the label to examine the company behind it. They do significant research into the background of a product's manufacturing process, plus, the impact the product or service has on the environment and society. Conscious Consumers have an array of resources at their disposal to help them understand how a product or service comes to market – apps like Orange Harp and Done Good, websites like Good on You and Project Just. Conscious Consumers know that their purchase counts – because that purchase continues to fund the company behind the label.

This discerning mindset can result in an array of behaviours.

Positive behaviours such as:

- supporting companies that align with their ethics and values
- purchasing brands that are more sustainable and have less environmental impact
- buying Australian and locally made
- investing in companies with strong ethics and values
- buying brands that do no harm to people or animals
- backing companies that recycle, use green energy, and minimise waste
- applauding companies that communicate honestly and with radical transparency



“I try to be a conscious consumer in all of my purchases. My son has put a ban on anything containing palm oil coming into our home.”
~ Leisel, Gen X

- doing business with corporations and brands that stand up for social issues they care about
- switching to brands that partner with - and support - charities
- actively promoting and recommending favourite companies and brands to family, friends and social media followers

The other side of the coin includes behaviour that has a negative impact on companies and brands such as:

- boycotting companies that contradict their ethics and values
- shunning brands that plunder the planet
- avoiding brands made – and profiting - overseas
- banning brands that do harm to people or animals
- boycotting companies that use non-renewable energy
- exposing companies that are deceptive or misleading
- ignoring companies that don't care about issues they care about, not participating in solving social problems, not supporting charities
- actively protesting against, petitioning and strongly criticising disliked companies and brands to family, friends and social media followers.



“Companies that champion transparency and demonstrate their responsiveness to stakeholders, and address sustainability, will attract investment more effectively, including higher-quality, more patient capital. As trillions of dollars shift to millennials over the next few decades, as they become CEOs and policy makers and heads of state, they will reshape the world's approach to sustainability.”

Larry Fink, Chairman & CEO, BlackRock, in his annual letter to CEOs, 15 January 2020



“The more you live it, the more sustainable your business approach becomes.”
~ Satya Nadella, CEO Microsoft

Minimalism

There is also a growing minimalist movement buoyed by campaigns such as The Year of Less, Buy Nothing and the Marie Kondo trend of decluttering – in an effort to save money, reduce waste and improve your surroundings.

Employment

Conscious Consumers are realising that they also have the power to influence corporate behaviour, by choosing who they work for. Gone are the days when a 20-year career with a single corporation was the ultimate dream. More and more talented Australians are opting to work for companies with a proven track record in social responsibility, for purpose-driven enterprises or even starting their own purpose-centred company that does no harm and gives back. B2B companies that don't have 'consumers' but who are keen to attract the brightest Australian talent are not immune to the Conscious Consumer movement either.

Whilst these are both important trends, for the purposes of this study we do not include minimalism or employment as part of our definition, as we are looking at consumers that actively purchase products and services (which is the majority) and what influences that purchase.



“I think my generation are increasingly boycotting because they're fed up with all the fake news. We've had all this time to reflect on it, and we're mad!”
~ Tyrone, Gen X



b) The Generations

This study focuses on Generation X, Generation Y (Millennials) and Baby Boomers. However, for context, here are all the generations in a short summary:

If you'd like more detailed information on what makes the different generations tick, download our free e-book 'The Generations' [here](#).

Builders

Aged 74+ (in 2020), born 1946 or before

Baby Boomers

Aged 56-73 (in 2020), born 1946-1964

Gen X

Aged 40-55 (in 2020), born 1965-1980

Gen Y (Millennials)

Aged 25-39 (in 2020), born 1980-1994

Gen Z

Aged 10-24 (in 2020), born 1995-2009

Gen Alpha

Aged 10 and under (in 2020) Born 2010 and after



c) How we did it

We conducted an online omnibus survey, with a sample of people resembling the Australian population, 18+ (sample sourced via reputable online research panel Dynata www.dynata.com).

Sample size 1,004 across Australia.

Commissioned by Cavill + Co, Q&A and results prepared by Di Marzio Research.

Metro/non-metro split 74/26, Male/Female split 49/51, resembling Australian population.

Field dates 28-31 August 2020.

Publication date: 15 November, 2020.

A huge thank you to our partners Di Marzio Research (Paul Di Marzio), Heart Foundation (Julia Tauber), Marlin Communications (Karl Tischler) for their valued support and contribution.

Thanks also to the Cavill + Co team for bringing it all together so quickly: the communications team Kate Dennis, Georgia McIntosh & Sally Phelps, Kate Perkins for video content, editor Karen Crombie, designer Rachael Hammond and researchers Lia Harman and Danni Price.

We're incredibly grateful for our vox-poppers who provided invaluable insights to the statistics, and partnership examples: Ruth Markham, Strategic Partnerships Manager, R U OK? Courtney Anderson, Assistant Brand Manager, **KitKat**. Vanessa Calvert, Partnerships Manager, Plan International Australia. Shannon Chrisp, Marketing & Corporate Responsibility Director, The Body Shop Australia. Indeya Passfield, Digital Marketing Specialist at Little Giant and Rebecca Latimer, Corporate Partnership Coordinator at WIRES. And to the late Ray Anderson, and Interface, for your inspirational leadership.



Questions were prefaced with the script below to provide context:

This set of questions is about the corporate sector in Australia which can be defined as comprising large public and private companies with 200 or more employees selling products or services.

We'd like to ask you about the role played by the corporate sector in Australia (not small, local businesses) in helping to address societal (social) problems. COVID-19 has exacerbated some of these problems, e.g. mental health and unemployment. Yet many organisations seeking to help those most in need (i.e. charities and non-profits) have been impacted due to fewer donations and not being able to fundraise through events.



“Authenticity is when you say and do the things you actually believe.”
~ Simon Sinek



“I’m seventh generation indigenous Australian, and we have a real connection with stewardship with country and land, and we look after it because we’re part of it. It’s our responsibility. So conscious consumerism is a huge part of me, because you reap what you sow.”
~ Alison, Gen X



“Corporates and brands have the greatest potential because they’re agile, innovative and they are developing technology that can be used to benefit society”
~ Martin, Gen Y

3. Snapshot



2/3 Australian consumers believe corporates’ societal performance should be measured alongside financial results



Almost half of Australian consumers feel let down by corporates in relation to meeting their societal obligations



2 in 3 Australian consumers believe corporates should be doing more to solve societal problems, especially in tough times



Almost 3/4 of Australian consumers believe corporates should partner with charities to solve social problems, in the coming year



Almost 2 in 3 consumers believe Australian corporations are not truly committed to CSR; it’s just PR spin



Over half of Australian consumers believe that corporates only care about profit and will do anything to get it



“A fundamental truth is that regardless of circumstances, people will always seek meaning. Never is that truer than now. It will manifest in the way people view themselves, their environment, and in how others act. This report is reassuring and provides a solid business case for corporates to listen up. It’s time to step up, because doing good is no longer just good for business, it’s crucial.”

Karl Tischler, Founder, Marlin Communications



Over 1 in 3 have actively boycotted a company or brand in the past year, due to its perceived lack of social responsibility.



Just under 2/3 believe Corporate Australia (of all the institutions) has the greatest potential to solve societal problems



Over ¼ have actively switched brands, because of its support of a charity, in the past year



Almost half say they will switch brands supporting a charity, in the coming year



The top 5 most motivating causes to prompt brand switching are medical research, environmental protection & conservation, healthcare & disease prevention, disaster response & relief in Australia, and mental health services

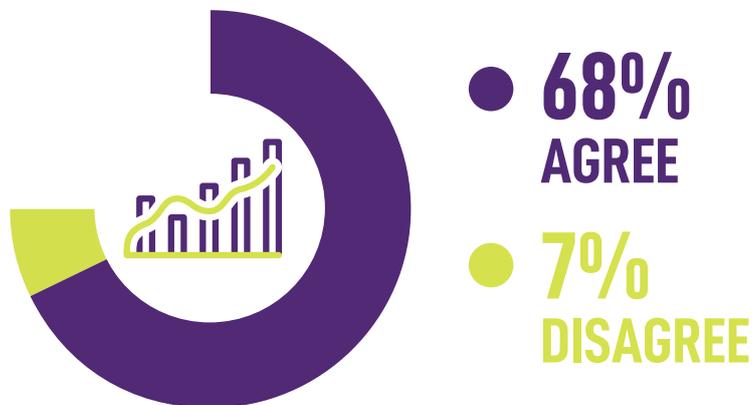
Conscious Consumerism has reached a tipping point; it is now a mainstream attitude driving consumer behaviour, with consistent agreement across the most active consumer generational segments (Z, Y, X and Baby Boomers).

4. Full results

Note: most of the results were consistent across all generations and locations. Statistically significant differences are provided where they exist.

THE ROLE OF CORPORATES / CHANGING ROLE OF CORPORATES IN SOCIETY

Q *“I believe the performance of Australian Corporates should be measured in terms of their societal performance as well as their financial performance.”*



Unusually, Baby Boomers and Gen X are a little ahead of the average (71% and 70%) of their Millennial counterparts (67%).

To provide some context, this differs to the Deloitte Millennial study of 2018, where a higher proportion of Millennials (83%) and Gen Z (80%) agreed with the same statement. Although not directly comparable, it indicates that there has been a shift in beliefs amongst mature Australians.



“Regardless of what has been done to date in CSR, it’s necessary for most businesses to rethink the whole approach. Whatever was being done clearly wasn’t working – or if it was, it’s now broken and needs to be rethought.”

**Bernard Salt, AM, Managing Director,
The Demographics Group**

THE GAP BETWEEN EXPECTATION AND PERFORMANCE - CORPORATES SUPPORTING SOCIETY & CHARITIES and AUSTRALIANS FEEL LET DOWN BY CORPORATES

Q *“Generally I feel let down by Corporate Australia in meeting its overall obligation to enhance society (not just during the pandemic).”*



- **49% AGREE**
- of which **21% STRONGLY AGREE**
- **29% NEITHER AGREE OR DISAGREE**
- **17% DISAGREE**
- **5% CAN'T SAY**

Gen Y and Gen Z are feeling slightly more let down than the average (56% & 54%), with Gen Xers not far behind (49%).



“Almost half of Australians feel let down by Corporate Australia in terms of its obligation to enhance society, with 1 in 5 agreeing strongly. This should serve as a sharp warning to Corporate Australia that change must be made or it’ll be forced upon them – in the form of boycotts and lost sales.”

Hailey Cavill-Jaspers

CORPORATES SHOULD BE DOING MORE

Q “When Australians are doing it tough, like in a recession, Corporates in Australia should do more than I’m seeing to solve societal problems and support charities.”



- **69% AGREE**
- of which **35% STRONGLY AGREE**
- **20% NEITHER AGREE OR DISAGREE**
- **7% DISAGREE**
- **4% CAN'T SAY**

For the first time in a decade, all the generations agree on this. Gen X 72%, Gen Y 71%, Baby Boomers 69% and Gen Z 62%.



“Whilst this statistic demonstrates very clearly that Australians believe it is the role of Corporates to solve societal problems, what is even more fascinating is that this statistic is almost aligned to the same question that asked whether **Government** should partner with charities to help solve societal issues (74%). It appears that Australians do not agree with traditional thinking that it’s Government’s role to solve social problems and Corporate’s role to make a profit and boost the economy.”

Hailey Cavill-Jaspers



“Companies exist because of the consumer, no matter how much power they have. People are becoming more aware of global warming and the environmental damage that we’re doing, sometimes the result of corporations. But in the end we have the power, we can choose not to buy from those corporations.”

~ Rachael, Gen X

CORPORATES SHOULD BE DOING MORE

Q *“In the coming year, I believe Corporates should partner with charities to help solve societal issues and get Australians back on their feet.”*



- **71% AGREE**
- of which **35% STRONGLY AGREE**
- **20% NEITHER AGREE OR DISAGREE**
- **6% DISAGREE**
- **3% CAN'T SAY**

Baby Boomers, Gen Xers and Gen Y are all aligned on this expectation (73%, 72% and 71% respectively) whilst Gen Z are a little less inclined (63%).



“COVID has put immense pressure on the non-profit sector, with most event-driven fundraising income wiped out overnight. Our sector can no longer look to – or rely on – Government to rebuild society; it’s going to require the innovative mindset and resources of corporates partnering with non-profits to get Australian society flourishing.”

Julia Tauber, Chief Development Officer, National Heart Foundation



“The best system we’ve ever developed to allocate resources is capitalism. So, if we want to keep the party going, we need to think of all the unintended consequences, whether it is the inclusiveness of growth or sustainability.”
~ Satya Nadella, CEO Microsoft

When is a chocolate bar more than a chocolate bar?

When it changes a life.

A much publicised and powerful partnership that got it right on so many levels, is Nestle's **KitKat** and the R U OK? campaign. The alignment between a chocolate bar that is synonymous with 'taking a break' and a mental health organisation that encourages the question 'R U OK?' was a clever and very timely partnership, emerging at just the right time when the pandemic restrictions were causing severe havoc with many people's mental health. The campaign encouraged people to "Have a chit chat," with a positive impact.

Whilst many companies are getting this very wrong, what made this one so right?

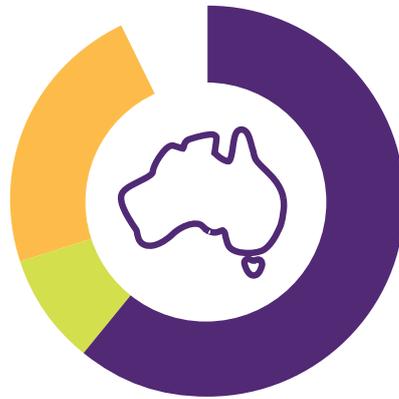
The natural synergy between the two brands gives it immediate authenticity, the extensive and genuine engagement on social media by both the **KitKat** and R U OK? teams, the relevance to consumer sentiment, plus there was no crass product pushing; it was all about the message. On so many levels, this is a brilliant example of how a company can engage in important conversations, helping to solve social problems at the same time as elevating their brand with a values-driven point of difference.

More about the partnership can be found [here](#).



TOO MUCH SPIN, NOT ENOUGH ACTION

Q “When it comes to *Corporate Social Responsibility*, most **Australian Corporations** are not truly committed to it, they’re just ticking the box and using PR spin to make themselves look good.”



● **61% AGREE**

● **9% DISAGREE**

● **23% NEITHER AGREE OR DISAGREE**

○ **7% CAN'T SAY**

Gen Y are slightly more in agreement with this statement at 66%.

Q “When it comes to *Corporate Social Responsibility*, most **Global Corporations** are not truly committed to it, they’re just ticking the box and using PR spin to make themselves look good.”



● **66% AGREE**

● **7% DISAGREE**

● **21% NEITHER AGREE OR DISAGREE**

○ **6% CAN'T SAY**

Baby Boomers are slightly more in agreement with this statement at 71%, with Gen Y at 67% and Gen X at 66%. Gen Z are less likely to agree with 56%.



“Gone are the days of ‘ticking the box’ CSR, paying lip-service to sustainability. When recycling, a bit of philanthropy and some pro bono volunteering would keep the activists at bay. Those activists are now your customers, your employees, and your shareholders. Communication of demonstrable outcomes vs insincere intentions is a vital component.”

Georgia McIntosh, Communications Whiz, Cavill + Co

30+ years of championing social good

The Body Shop were one of the first to demonstrate business can be a force for good, and proved that it's also good for business. Meeting Founder Anita Roddick in London in the '80s was one of the pivotal life-moments that influenced me to leave my corporate career and tread a new path towards becoming a DoGoodologist.

As true leaders in the domain of Corporate Responsibility, they continue to champion women's empowerment and equality and inspire future changemakers. Since 2019, they've partnered with Plan International Australia the charity for girls' equality, to support the Youth Activist Series. They promote the partnership through numerous channels and consumer touchpoints, including on-pack (\$5 from every Shea Body Lotion goes to the cause), in-store campaigning, paid print and outdoor advertising and extensive social media exposure.

Plan International integrate the partnership into their communications to supporters via online and print, including website, socials, direct mail, blogs, newsletter and their annual report.

I love this partnership because it has a real sense of a brand coming full circle, starting out as an activist brand and now nurturing future leaders and social warriors. It just feels really authentic.

This year's campaign was disrupted by COVID and the partners had to adapt quickly, increasing online investment and presence. Reach via Instagram alone was over 750,000 Australians. The YAS team in Australia and youth in3 Vietnam instigated a project, surveying young people globally during the pandemic, inviting them to declare what a 'better normal' could look like. The Better Normal report went to the UN General Assembly last month – fulfilling the young activists' dreams.

More about the partnership can be found [here](#).



CORPORATES ONLY CARE ABOUT PROFIT

Q *“In general, all Corporates care about is profit and they’ll do anything to get it, even damage society and the environment in the process.”*



Gen Y are most ardently in agreement with this (69%) followed closely by Baby Boomers (66%) and Gen X (64%).

“The importance of serving stakeholders and embracing purpose is becoming increasingly central to the way that companies understand their role in society. Actions that damage society to maximise short term returns will catch up with a company and destroy shareholder value. By contrast, a strong sense of purpose and a commitment to stakeholders helps a company connect more deeply to its customers and adjust to the changing demands of society.”

~ Larry Fink, Chairman & CEO, BlackRock,
in his annual letter to CEOs, 15 January 2020

VOTING WITH THEIR WALLET



“In the last year, I have actively boycotted a company / brand / product / service because of their poor reputation in social responsibility (by boycott we mean, refused to purchase / petitioned against).”



● **36%**
AGREE

● **34%**
DISAGREE

● **25%** NEITHER AGREE OR DISAGREE

○ **5%** CAN'T SAY

The most active boycotters are Gen Y (49%), followed closely by Gen X at 42%.



“We asked this same question two years ago (December 2018), albeit it was answered slightly differently by participants. At that time, 19% said ‘Yes’, whereas now 36% agree. By generation we found 19% of Gen Y said ‘Yes’ and now 49% of them agree. For Gen X, 18% said ‘Yes’ and now 42% agree. Although results can’t be directly compared, on the surface it appears that such behaviour is more prevalent than it was two years ago, particularly among Gen Y and Gen X.”

Paul Di Marzio, Managing Director, Di Marzio Research



“In our 2018 research we asked Gen Y what kind of behaviour they considered boycott. The top 3 answers were ‘Stop buying a product’ (86%), ‘Refuse to buy a product’ (53%) and ‘Switch to a competitor’ (43%). This negates the idea that Gen Y are simply clicktivists⁸ – they’re warriors at the checkout, not just the keyboard.”

Hailey Cavill-Jaspers

⁸ Clicktivism – a form of activism, which is online, largely social media, to galvanise protests

CORPORATES HAVE GREATEST POTENTIAL

Despite feeling let down by corporates, and sending a message loud and clear to corporates and brands that consumers will vote with their wallets, Australians still hope that corporates will step up to the plate:

Q *“Of all the major institutions, I believe that Corporate Australia has the greatest potential to solve societal problems in the coming years.”*



● **63%**
AGREE

● **8%**
DISAGREE

● **24% NEITHER AGREE OR DISAGREE**

○ **5% CAN'T SAY**

It is the most active boycotters that believe this
– Gen Y (67%) and Gen X (65%).



“We have a global ambition to transform the lives of 100 million girls. Collaboration with business is essential to harness innovation and scale solutions. We deeply value their contribution - problem solving, expertise as well as funding.”

Vanessa Calvert, Partnerships Manager at Plan International

The wine with a hairy 'nose'

South Australia's wine brand Little Giant just released its 2020 vintage to support the southern hairy-nosed wombat that chooses to call South Australia its home.

This is a perfect example of a brand aligning with a national and topical cause (wildlife preservation) but giving it a local flavour, to honour its South Australian roots. It avoids tokenism, by fully embracing the cause in its presentation – even the bottle is short & stumpy, like the wombat. Every purchase contributes to WIRES, the non-profit dedicated to rescue, rehabilitation and recovery.

After bushfires destroyed millions of hectares of habitat and over 3 billion animals were killed or displaced, this little fella needs all the help he can get. Can drinking good wine get any better?

More about the partnership can be found [here](#).



“I think companies are beginning to realise it’s in their financial interests to do the right thing by people and planet. If they want to survive long term and be competitive in the marketplace it’s something they have to do.”
~ Martin, Gen Y

SWITCHING IN THE LAST YEAR TO SUPPORT A CAUSE

Q *“In the last year I have actively switched from my usual product / service to another because of its support of a cause or charity I care about.”*

2020 the results are:	
Total 28% said YES	40% Gen Y said YES
43% Gen Z said YES	30% Gen X said YES

2017 the results were:	
Total 14% said YES	19% Gen Y said YES
37% Gen Z said YES	11% Gen X said YES

2014 the results were:	
Total 16% AGREED	19% Gen Y AGREED
No Gen Z	19% Gen X AGREED



“We asked this same question three years ago (2017) and six years ago (2014), albeit with different response options. Although results can’t be directly compared, it’s fair to say that the incidence of switching to support a cause appears to have increased in this time period.”

Paul Di Marzio, Managing Director, Di Marzio Research



“In our 2017 study we asked where Australians heard about the cause alignment, prompting them to make the decision to switch. There wasn’t one primary source, with 11% saying Facebook, 10% word of mouth, 10% the product itself and under 10% for online, TV ads, magazines and company website. This demonstrates that when a company decided to partner with a cause, it needs to communicate this broadly and widely in order to trigger switching behaviour.”

Hailey Cavill-Jaspers

SWITCHING TO SUPPORT A CAUSE **IN THE COMING YEAR**

Q *“In the coming year, when purchasing a product or service that you would normally purchase, how likely would you be to choose one that supports a cause or charity you care about, assuming the product / service, quality and price are equal?”*

Definitely/probably	Definitely/probably/possibly
48% total	78% total
48% Gen X & Gen Z	75% Gen X & 86% Gen Z
42% Baby Boomers	72% Baby Boomers
57% Gen Y	85% Gen Y

“My children have been involved in a lot of sustainability projects at school, and they’re bringing that knowledge home. That got me thinking about the products that I buy for the home, everything from sustainable fish to toilet paper (we love Who Gives a Crap), detergents and so on. I’ve learned so much from my kids, especially during Covid as they’ve home more”
~ Pam, Gen X

TYPES OF CAUSES MOST MOTIVATING TO SWITCH BRANDS

Q *“Following on from the previous question, which of the causes or social issues listed would motivate you most and second most to make such a choice?”*

Note: Only those respondents that said they would definitely, probably, or possibly choose to switch brands to support a cause answered this question, so the sample size was smaller (779) not the total sample of 1,004:

Top 5 – 1st choice only		Top 6 – 1st & 2nd choice combined	
Medical Research	11%	Environmental protection & conservation	19%
Environmental protection & conservation	10%	Mental health services	18%
Healthcare & disease prevention	10%	Healthcare & disease prevention	18%
Disaster response & relief in Australia	9%	Medical research	18%
Mental health services	9%	Disaster response & relief in Australia	16%
		Child protection	16%

The only significant difference was that 25% of Baby Boomers voted Medical research in their top 2.



“It’s very reassuring that Australians are motivated to purchase products and services that support a cause, especially medical research and health. The long-term effects of this year are yet to be seen, but it’s going to take collaboration like never before to restore Australians back to full health in a new world where the medical ramifications of COVID on recoverees, is still an unknown.”

Julia Tauber, Chief Development Officer, the Heart Foundation

From plunderer to pioneer



In 1994, inspired by customers, Ray Anderson, Founder & CEO of Interface, a carpet manufacturer, courageously admitted to the negative impact his company was having on the environment. “The way I’ve been running Interface is the way of the plunderer – plundering something that’s not mine, something that

belongs to every creature on Earth. The day must come when this is illegal, when plundering is not allowed, when people like me will end up in jail.”

Ray convened a formidable task force to shape an environmental vision and strategy – to become carbon neutral by 2020 – that would become his legacy and one of the most outstanding transformations of any company.

Today, Interface manufacturing plants in Europe are using 90% less carbon and 95% less water. Zero waste is going to landfill and 95% of energy consumption comes from renewable sources (including biogas purchased from a fish processing company).

Interface’s journey towards Mission Zero has been successful, applauded by customers and suppliers, shielded them from energy price volatility, saved millions of dollars in wasted water and energy and has inspired the broader business community.

It took a brave mindset, determined commitment, development of new technology and constant pushing of boundaries to achieve such radical transformation.

More info [HERE](#)





5. Conclusions

What it means for corporates, companies & brands

a) Make CSR & Social Good a priority

Whilst investing in CSR & Social Good may seem counter-intuitive at the start of a recession, it's essential. What was considered only a decade ago a discretionary 'feel-good' option, is now a crucial, holistic strategy with far reaching business benefits. If this year was characterised by three words, they would be: unprecedented, pivot and reinvention.

These words must now be embraced regarding the role of business in society. Stale companies must have uncomfortable conversations with all stakeholders about the negative impact of its operations. Companies and brands must pivot from profit (at all cost), to purpose. Those already on the CSR path must re-invent the way they measure and communicate their good works, to ensure consumers can see it, believe it and trust it.

Innovation loves a crisis. Nimble start-ups will spring up, hungry and ready to steal a large slice of market share. Risk tolerant challenger brands will emerge, more attuned to consumer attitudes, needs and desires, with purpose at their core. No matter what their size or longevity, companies and brands must embrace new ways of doing business – because the old way will no longer work.

There are few strategies as potent as embracing Corporate Social Responsibility & Social Good – because it impacts numerous aspects of a business. This includes attracting the best talent, increasing staff pride & retention, stimulating brand differentiation, increased sales, and customer loyalty. Social good stories that evoke strong positive emotion cut through and create deeper engagement on social media – and get more shares⁹. Companies with a reputation for social good enjoy stock market resilience and will be better able to secure capital¹⁰.

Doing Good is no longer just good for business – it's a pre-requisite for survival.

⁹ Buffer/Fractl research <https://buffer.com/resources/viral-content-emotions-ages-genders/>
¹⁰ Black Rock, 2020

b) Partner with non-profits to enact Social Good

The pandemic has impacted everyone, but especially vulnerable Australians. Financial instability, unemployment, social isolation, mental health distress, and disproportionate youth unemployment have been but a few of the terrible consequences. The result will mean increased and immense pressure on the for-purpose sector – the non-profits serving those Australians most severely impacted.

This is not the time for companies and brands to just look inward, focusing purely on adapting and surviving. Consumers are calling for companies and brands to step up and play a central role in solving societal problems, to help get Australia back on its feet – not just the economy, but society. Now is the time to do it – and those showing leadership will have a clear competitive advantage.

Search for non-profits that are innovative, professional, and adaptable and forge mutually beneficial partnerships that will make your company shine in the eyes of customers, employees, stakeholders, and the community. Or let us find one for you.

Ensure the cause resonates with your customers and reflects your company's personality and purpose. Start small if need be, but do start. Focus on something and do it well. Identify the genuine impact you're making, before you go public with window-dressing.

Consider the gifts and resources that you can offer to a non-profit – your expertise, your people, your knowledge, your profit, and your immense reach. Forge partnerships that build resilience and which allow your partners to emerge stronger and more adaptable, fully capable of tackling the societal issues they confront.



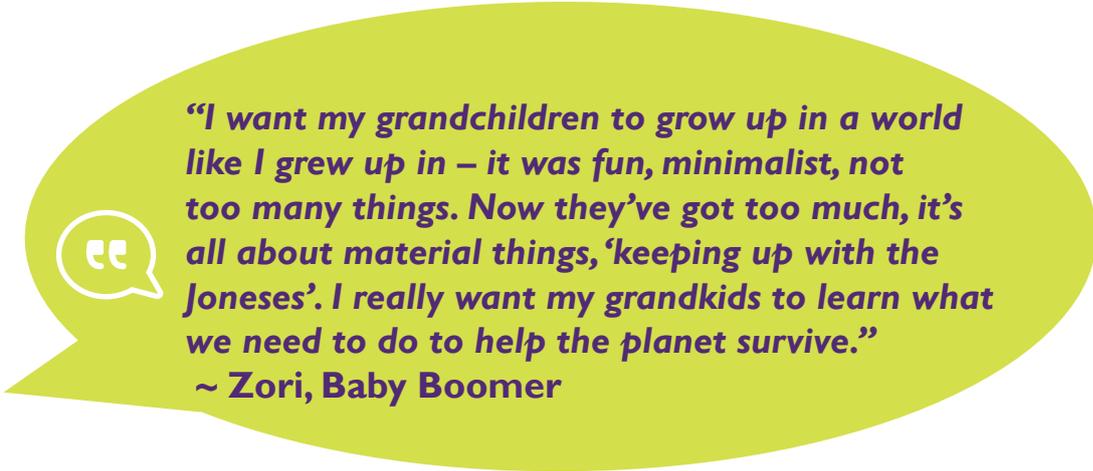
***“How do we as a company succeed?
The world has to do well.”***

Satya Nadell, CEO Microsoft

c) Walk the Talk

Communicate your CSR & Social Good, but:

- Ban all jargon, cliches and motherhood statements – use plain English and radical transparency
- Minimise complex, data-heavy reporting and CSR reports – put out clear, shareable infographics instead
- Avoid green-washing, health-washing, woke-washing or cause-washing
- Use storytelling to share your achievements (human brains are wired for it)
- Be brave and share your challenges and struggles honestly
- Canvass – and listen to – the social issues that matter to your customers, employees, and shareholders
- Show your human face – be imperfect, be relatable, live and breathe your purpose
- Stand for something and stand up for something – have a voice, be provocative
- CEOs must show leadership – and be visible on CSR issues
- Spearhead change – the new normal is for you to identify and provide solutions for society to flourish
- Embrace risk – the status quo no longer exists
- Start from the inside – employees need inspiration right now



“I want my grandchildren to grow up in a world like I grew up in – it was fun, minimalist, not too many things. Now they’ve got too much, it’s all about material things, ‘keeping up with the Joneses’. I really want my grandkids to learn what we need to do to help the planet survive.”
~ Zori, Baby Boomer



6. Connect with us

We do hope that these insights and statistics will provide professionals - within corporations, companies and brands – the impetus to start a conversation about CSR & Social Good. The best ideas start off as simple conversations.

For 20+ years my boutique company Cavill + Co has advised blue-chip companies and brands on CSR & Social Good. We've built over 50 cause partnerships for clients, including Disney Australia, Vodafone Foundation, Mondelez Australia and SEEK, to name just a few.

I've commissioned and authored several research reports on the rising conscious consumer movement, my last e-book being Talking the Walk® 2, which includes a new model for authentically communicating CSR & Social Good. Download it [HERE](#)

Are you brave enough to start a conversation that truly matters?

**Let's
talk!**

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