Minding the Eco gap

Executive Summary

CCB fastMAP

GYO®

A report on the disparity between consumer beliefs and marketers' presumptions backed by up-to-the-minute online panel research.

The environment will remain one of the hottest topics for years to come. Therefore it is vital that companies stay abreast with the views and opinions of the general public surrounding green issues. Yet there is disparity between what marketers are communicating and what consumers actually care about – a fact that is surprising considering the increasing levels of media coverage and the growing interest in all issues involving the environment.

Gyro International carried out research[1] in order to investigate these differences and to present a case to inform and persuade marketers to change their strategies on green issues accordingly.

Key findings

Marketing Directors are out of touch with consumer opinion on Green Issues
Green Issues have far more influence on purchasing decisions than Marketing Directors really think.

The majority (61%) of Marketing Directors believe that **less** than 30 per cent of consumers consider green issues, when making purchasing decisions. The actual figure was 53% with the trend set to increase significantly, born out by the increasing influence consumers say green issues will have on their lives in the next two years (see point 5).

Consumers do not believe companies' environmental claims
Nearly half of our consumer panel (48%) is untrusting of the environmental claims companies make and 13% are 'very untrusting'. Marketer's were way off the mark in their assumptions about consumer trust, 78% of them believing that more than 20% of consumers would be trusting of green marketing messages. The actual figure was just 17%.

UK consumers are less influenced by green issues than their European counterparts
Consumers in the UK ranked green issues lower in importance than consumers in mainland Europe (UK 63%, Europe 73%). UK consumers are also less likely to be influenced by green issues in their purchasing decisions (UK 48%, Europe 64%), and are less prepared to pay a premium for environmentally friendly products and services (UK 28%, Europe 53%) compared to their European counterparts.

People are more likely to pay a premium for personal greener purchases, compared to a greener purchase for business.
The survey uncovered a difference in what people are willing to pay for environmentally friendly products on a personal and business basis. For example, only 31% would be willing to pay a premium for business travel compared with 42% of those traveling for leisure.

Consumers want to see companies do more research and development
According to the survey, the green issue most of our panel (28%) would like businesses to tackle is packaging & recycling.

Next on the list and with support from nearly a quarter of our consumer panel (23%) is Research & Development. This was underestimated by Marketing Directors; only 5% thought consumers would consider it as most important. Energy consumption (18%) and green house emissions (18%) followed, then finally fuel economy (11%).

People accept that green issues will affect their lives more over the next 2 years
Our survey asked recipients whether they thought they would be doing more for the environment over the next 24 months, from recycling more to taking fewer holidays abroad.

Across the board, consumers said they expect to be doing more for the environment over the next two years and that their lives would be impacted to a greater extent. Of particular interest to those in the automotive sector, 48% of our panel expected to drive less over the next two years, whilst 54% aim to buy cars with more efficient fuel consumption.

The younger generation is willing to pay more for a greener future
The under 45s were found to be more concerned about green issues (69%) than the over 45s (62%).

The younger generation is also more likely to accept paying a premium for environmentally friendly products (41%) than the over 45s (31%).

Conclusions

- There is disparity between marketing professionals' presumptions over green issues and the actual values and opinions held by consumers.

- Consumers are accepting that green issues will affect their lifestyles in the short term.

- More people are influenced in their purchasing decisions by green issues than initially thought.

- The report supports evidence of the rise of a group of conspicuous green consumer, whose purchasing decisions are based on choosing products and services that conspicuously demonstrate personal green virtues.

  The rise of this type of consumption has helped create a new genre of 'eco-iconic' purchases: eco-friendly goods and services that help the eco-conscious show off their eco-credentials to their peers.

- Nearly half (48%) of the general public are untrusting of the claims companies are making about their green credentials. However, a recent report[2] by the Advertising Standards Authority into advertising claims made by companies across Europe upheld the majority of cases (94%).

  These findings should concern every business, marketers and company director. Gaining trust with consumers is vital to creating loyalty and maintaining lasting market share.

- The younger generation – whose opinions will shape the trends and policies in the future – are more concerned about green issues and, importantly, are more willing to pay a premium for environmentally considerate products and services.

1 Gyro International commissioned CCB fast.MAP, a specialist independent research company that has perfected the use of 'by-invitation-only' online surveys, to undertake the research on its behalf.
2 Compliance Report: Environmental claims survey 2008, ASA.

Survey methodology
The survey was conducted by CCB fast.MAP on behalf of Gyro International. Two panels were selected: 1,866 consumers and 150 Marketing Directors across the UK, US and mainland Europe. Both panel groups were asked a total of 15 questions on a range of topics surrounding attitudes to green marketing issues. Participants from both panels were asked the same questions, but while consumers were asked to express their own views, the marketers were asked to use their experience and judgment to predict how the consumers would respond to each of the questions. This resulted in a GAP analysis, highlighting the differences of opinion between the perceived view of marketers and the actual opinions of the general public.

About Gyro International
Gyro International is an independent full service integrated communications agency and is the fastest growing large agency in the UK and the UK's largest and fastest growing business-to-business agency. Formed in 1991, the agency has built up an enviable list of clients including Sony, Oracle, American Express, Hewlett Packard, Adobe, UPS, Nokia, Shell, Google, T-mobile, Tate & Lyle and Virgin Atlantic.

Gyro International has offices in London, Manchester, Geneva, San Francisco, New York, Stockholm, Amsterdam, Dublin, Hamburg, Munich, Dubai, Madrid and Paris.