clownfish

New York•London•Shanghai

Trends for businesses 2009/2010

We have compiled a list of 20 sustainability trends that are changing the business landscape. We're keeping our eyes on these…

From economic collapse to a green economic recovery

Interest in all things ‘green’ continues to grow as the economy sinks. 34% of Americans are now more likely to buy environmentally responsible products and 44% of Americans indicate their environmental shopping habits have not changed as a result of the economy (Cone consumer survey 2009).

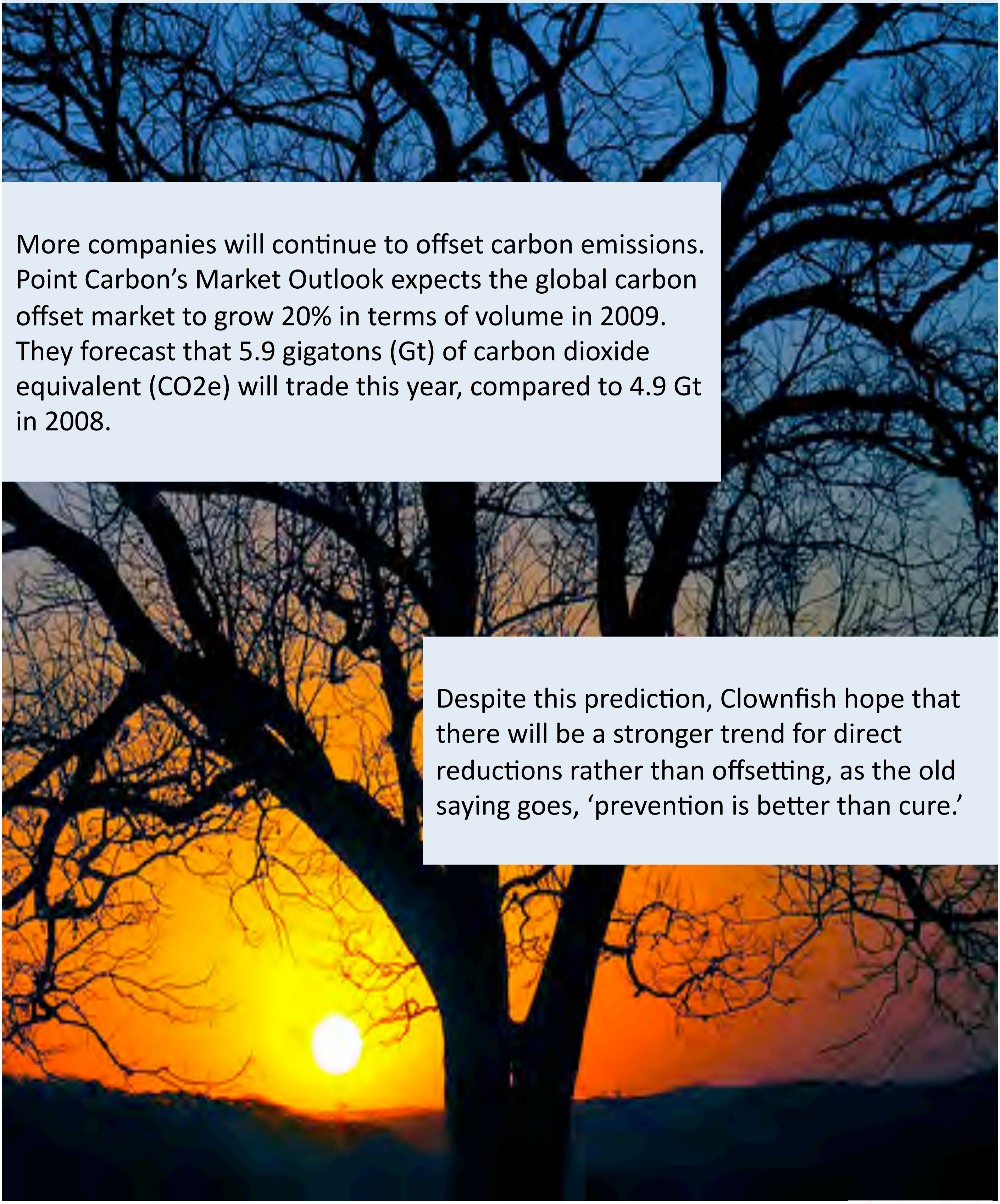
Sustainability is coming into its own as a force to drive competitiveness; this development is substantiated by the global stabilisation of green jobs while others have collapsed. Businesses are increasingly realising the ability to minimise costs through environmentally conscious operations – boosting profits, developing brand value and building a strong position to beat less adaptive competitors when the recession ends.

From carbon footprint confusion to footprint awareness

More than 50% of the global population is aware of the term ‘carbon footprint,’ up from 38% in 2007. The UK tops the scoreboard with 96% of the public aware of the term (Environmental Leader 2009).

Many consumers are translating this awareness into actions by trying online carbon footprint calculators. And as this awareness continues to grows, it is likely that global consumers will drive the global sustainability market by demanding low carbon products.

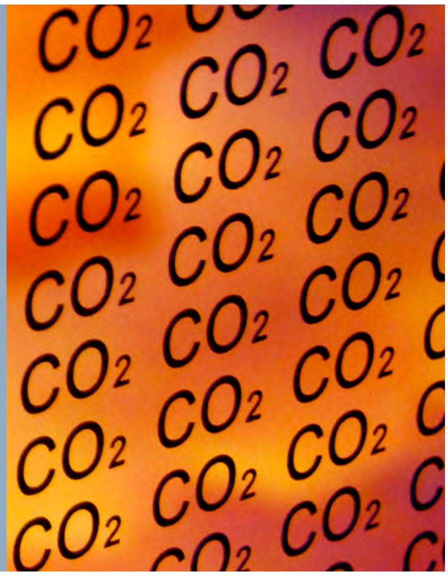
From carbon offset doubt to market development



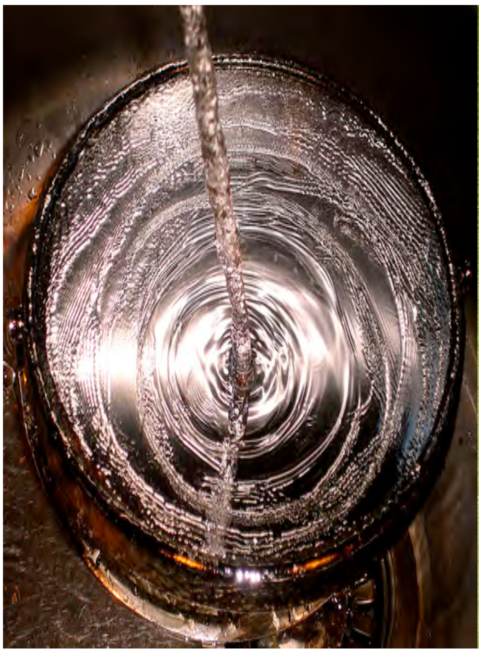
More companies will continue to offset carbon emissions. Point Carbon’s Market Outlook expects the global carbon offset market to grow 20% in terms of volume in 2009. They forecast that 5.9 gigatons (Gt) of carbon dioxide equivalent (CO2e) will trade this year, compared to 4.9 Gt in 2008.

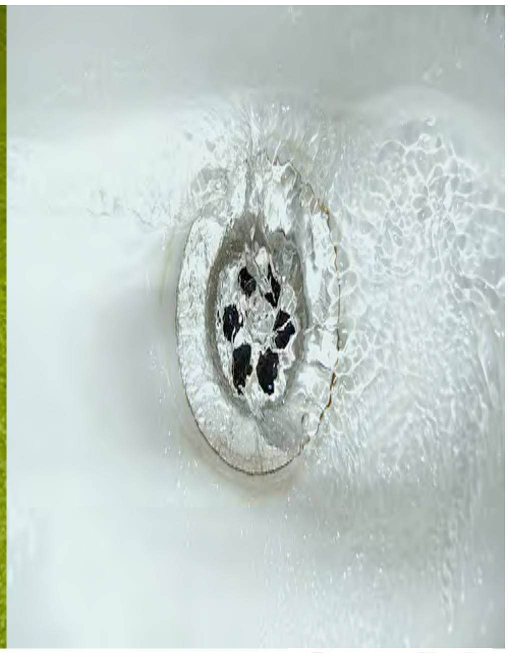
Despite this prediction, Clownfish hope that there will be a stronger trend for direct reductions rather than offsetting, as the old saying goes, ‘prevention is better than cure.’

From carbon-centric to water-centric



Everyone has become obsessed with carbon footprints, but now the term water footprint has entered the corporate vocabulary. 2.6billion people have no access to clean water (Good Homes 2008), a problem not isolated to developing countries. This has pushed water issues up the environmental agenda, and will become a new focus for 2009/2010. European legislation is changing to achieve the Water Framework Directive's aim to have good or high quality water in the whole European Union by 2015. And in the US, President Obama plans to launch more than 2600 water projects to address the country's serious water issues. Businesses will no longer be able to ignore their water use and efficiency.





From direct water use to embedded water use

Experts suggest that every American uses about 320 litres of water per day, but this only includes water use from activities such as having a drink, running a bath, flushing the toilet, watering the garden or doing laundry.

The average person in the UK directly uses about 150 litres of water per day. But Waterwise (2009) estimates that behind this direct use there is an indirect use, which is about 23 times higher at 3400 litres per day. Of that 3400 litres, 31% is embedded in industrial goods and 65% embedded in food, with the other 4% relating to drinking water and water used for domestic purposes. To reduce this indirect usage, consumers will be calling on businesses to make changes to their products.

From high energy-use light bulbs to light-sensors

A recent survey of over 2000 lighting and electrical experts has found that occupancy sensors are the most recommended energy saving office tool. Among new building projects surveyed in the past two years, occupancy sensors were recommended in 55% of applications, which can save an average of 30% in lighting costs (LightNowBlog 2009). Clownfish expects more companies to be adopting energy saving techniques this year, particularly as companies tighten their purse strings in the recession and energy bills continue to fluctuate.

From cheap carbon taxes to costly carbon car taxes

European taxes on carbon emissions for new cars are becoming stricter; they are increasing to 130g/km by 2012, this target is likely to increase after 2012. Over the next year, suppliers will need to be engaged and made aware of the realities that they will face when this legislation is passed.

From fast fashion to slow fashion

Fashion experts are predicting that the days of fast fashion will soon dwindle. Consumers are beginning to steer away from cheap, disposable items and appreciate the value of investing in ethically-sourced, organic and fairtrade fabrics.

According to Fairtrade Labelling Organisations International (FLO), fairtrade sales have increased across the world; Sweden saw the biggest leap in fairtrade sales in 2008, up 75% on the previous year, the UK saw 43% growth and the US 10%. Respondents from 15 countries, numbering some 14,500 in total, indicated that it is no longer good enough for companies to do no harm in the areas from which they source – they are also expected to fair and accountable in their dealings in developing countries.

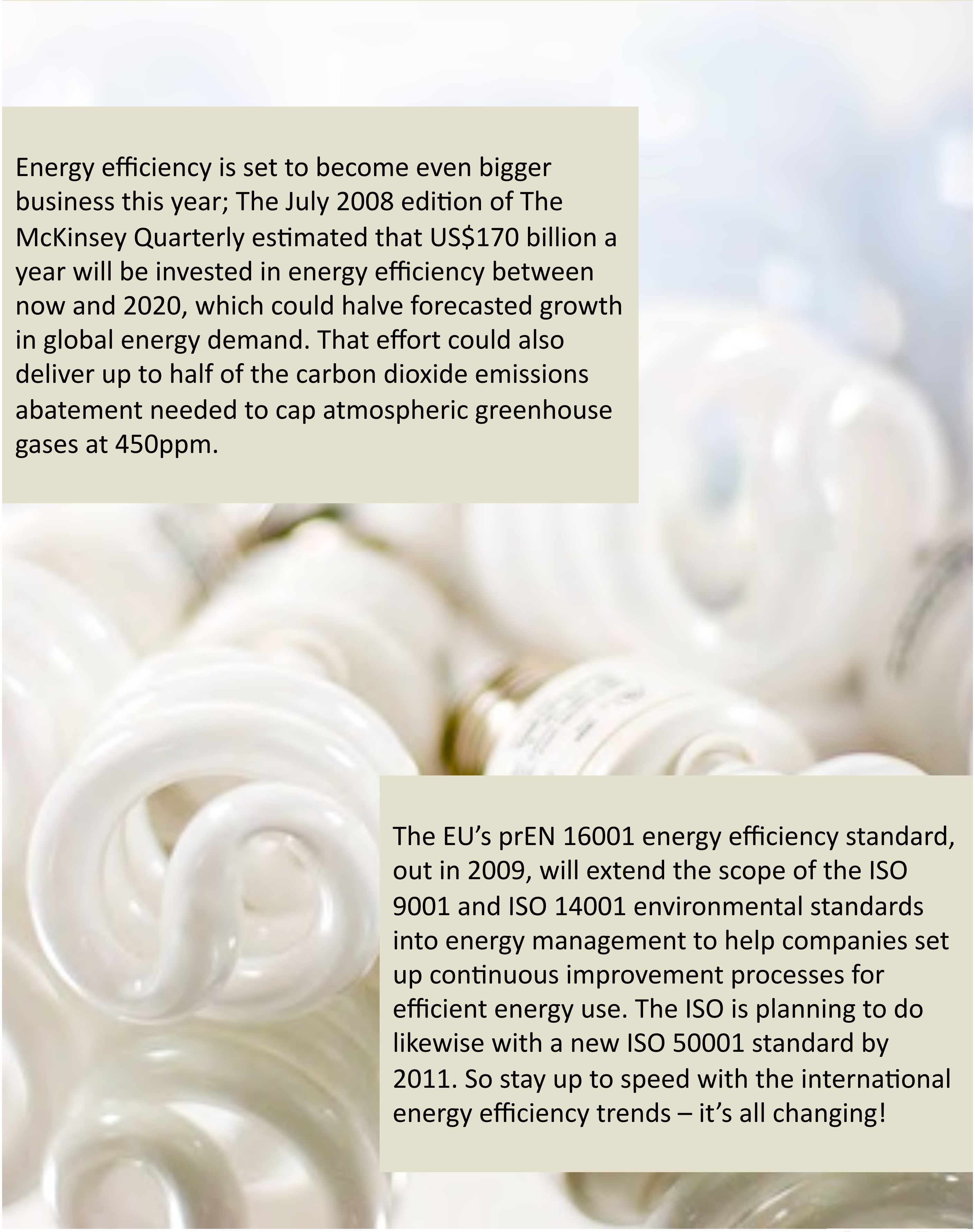
In 2009, consumer awareness will continue to grow and shoppers will no longer consider products that cause environmental destruction or promote unethical practices to be the best on the high street. Luxury fashion will begin to associate environmentally and socially responsible products with status – lets hope the celebs won't just be wearing Gucci because of its price tag, but wearing Noir because it is ethically responsible – a price tag worth paying.

From landfill waste to lack of space

Global landfill sites are rapidly running out of space. In London, landfill sites for non-hazardous rubbish are likely to be full by the end of 2010. As a result, UK Landfill taxation has risen to £40/tonne this April. This is in line with European waste targets that hope to achieve a 75% reduction in landfill waste between 2005 and 2010, a further 50% by 2013 and 35% by 2020. So companies will have to seek reductions in waste or be forced to pay up.

And more importantly, according to the European Container Glass Federation (FEVE) survey, nearly 60% of consumers pay attention to the environmental friendliness of food and drink packaging material during their grocery shopping. So companies need to address their packaging or face reductions in sales.

From energy excess to energy efficiency



Energy efficiency is set to become even bigger business this year; The July 2008 edition of The McKinsey Quarterly estimated that US$170 billion a year will be invested in energy efficiency between now and 2020, which could halve forecasted growth in global energy demand. That effort could also deliver up to half of the carbon dioxide emissions abatement needed to cap atmospheric greenhouse gases at 450ppm.

The EU's prEN 16001 energy efficiency standard, out in 2009, will extend the scope of the ISO 9001 and ISO 14001 environmental standards into energy management to help companies set up continuous improvement processes for efficient energy use. The ISO is planning to do likewise with a new ISO 50001 standard by 2011. So stay up to speed with the international energy efficiency trends – it's all changing!

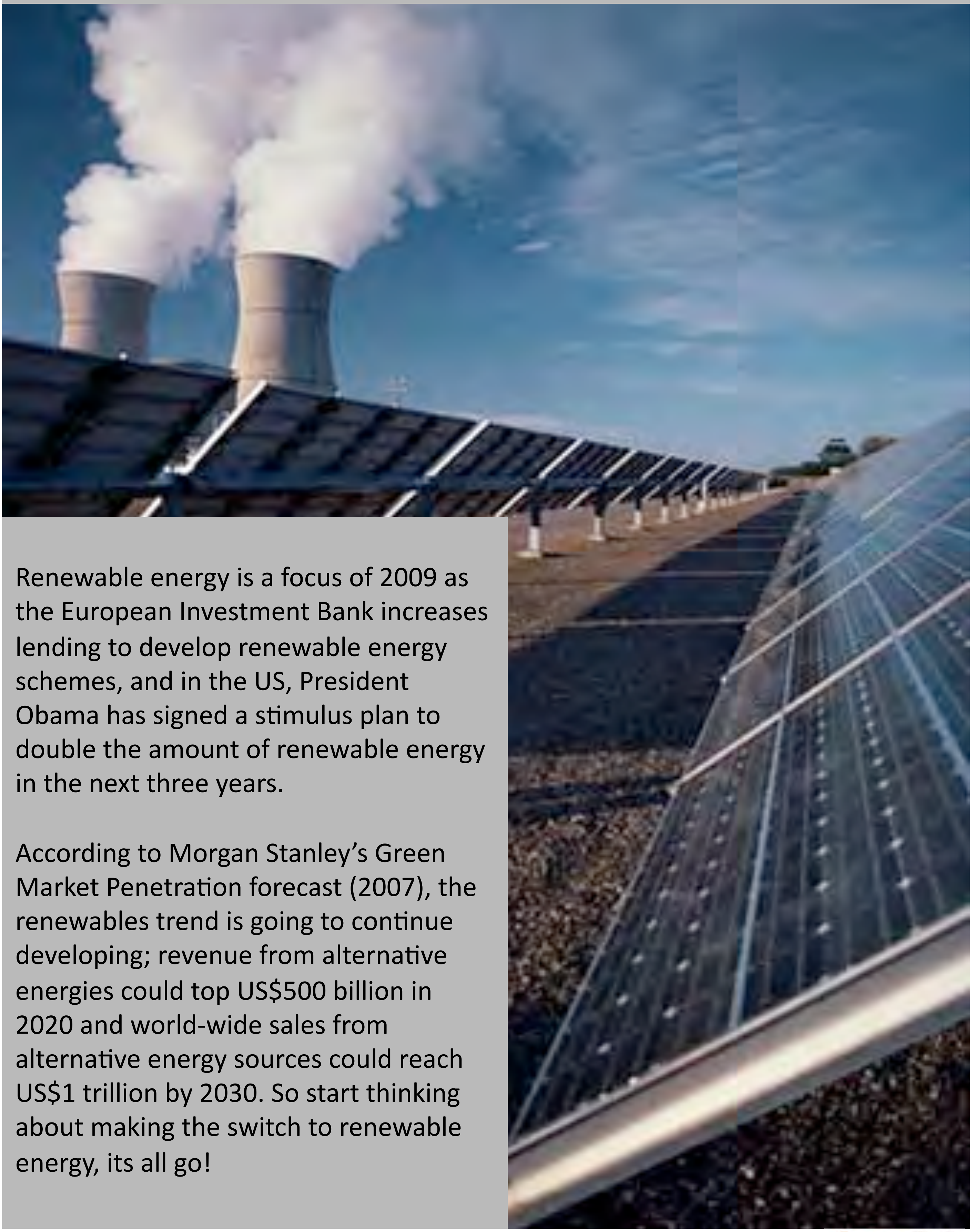
From energy efficiency standards to legal requirements

New energy laws are likely to be just around the corner.

Alongside the EU's prEN 16001, a draft EU standard for energy efficiency services was published in March 2009 for public comment. It outlines standards for calculating energy consumption, energy audit methodologies, and energy certificates, which the EU hopes may be tradable in the future. These standards will have significant effects on management systems throughout Europe - even more so when the governments decide to implement some of the recommendations into law.

In the US, President Obama has signed a stimulus plan which includes investing $6.3 billion in state energy-efficient and clean-energy grants and $4.5 billion to make federal buildings more energy efficient. So make sure your company is considering its energy-efficiency.

From fossil fuels to renewables



Renewable energy is a focus of 2009 as the European Investment Bank increases lending to develop renewable energy schemes, and in the US, President Obama has signed a stimulus plan to double the amount of renewable energy in the next three years.

According to Morgan Stanley's Green Market Penetration forecast (2007), the renewables trend is going to continue developing; revenue from alternative energies could top US$500 billion in 2020 and world-wide sales from alternative energy sources could reach US$1 trillion by 2030. So start thinking about making the switch to renewable energy, its all go!

From printed papers to digital development

Digital marketing has provided new tools for brands to reach their audiences; the development of online videos, social networks, podcasts and games, highlights that the digital marketing space will continue to expand. A consumer's online experience can significantly affect future behaviour; 81% of consumers are more likely to return to the website if they had a good experience (Cosmetic Design 2008).

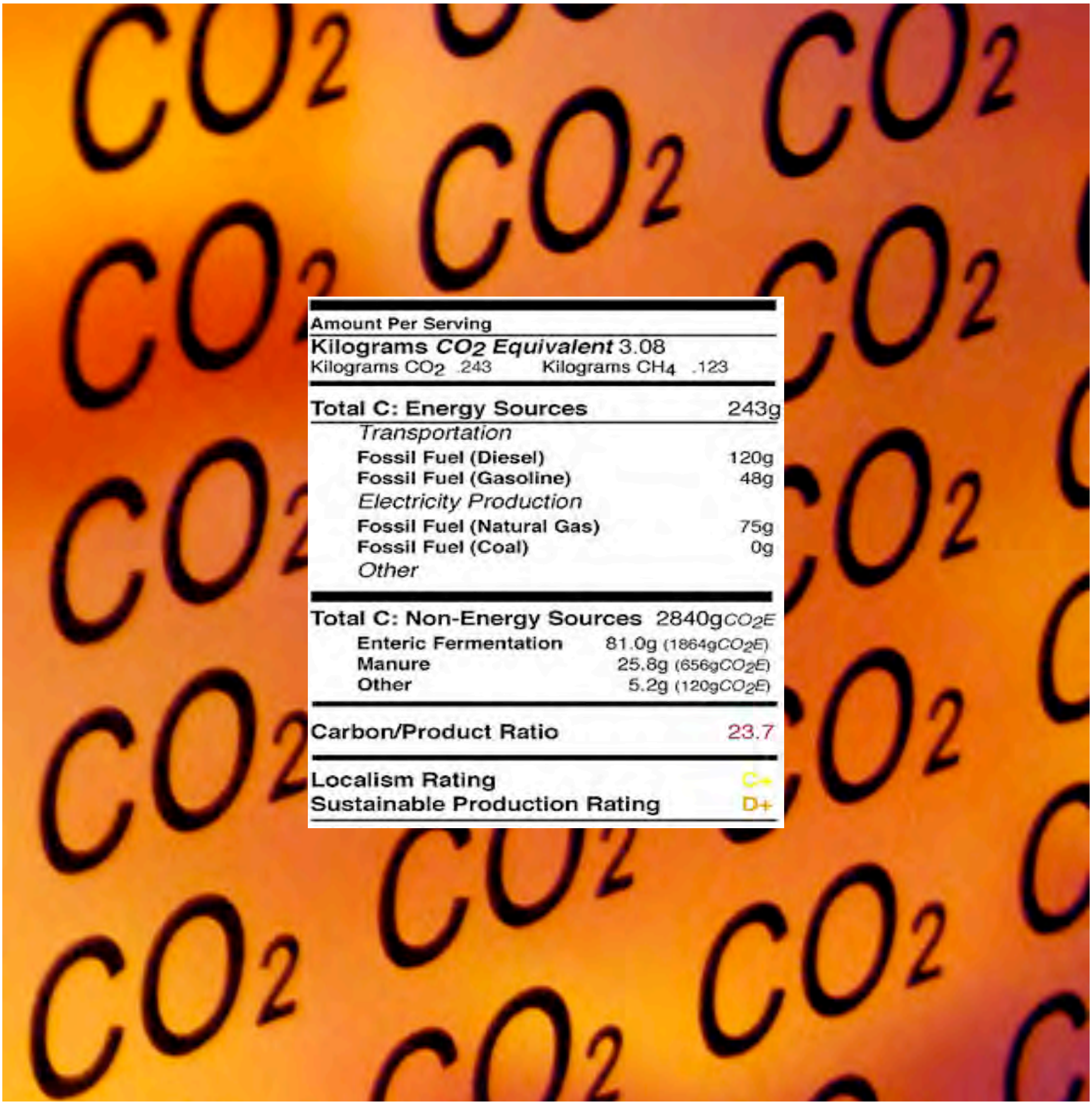
Brands will increasingly use online spaces in 2009 to communicate with consumers. Digital means that today the brands that will win, will be those whose consumers and other stakeholders tell the best stories. It's no longer a one-way narrative, it's about a two-way conversation.

From greenwashing to green authentification

Complaints about the misuse of green terminology in advertisements to the UK's Advertising Standards Authority (ASA) have increased dramatically in recent years. In 2006, the ASA received 117 complaints about environmental claims in 83 advertisements, but in 2007, there were 561 complaints about 410 advertisements - almost a 500% increase.

The most common claims being challenged were those referring to carbon reduction, cradle-to-grave and green energy sources. This year we will see the problem of greenwash spread across the rest and the world, but hopefully it will be followed by advertising standards and an increasing requirement for brands to have claims that are underpinned by fact.

From creative carbon labels to consistent carbon labelling



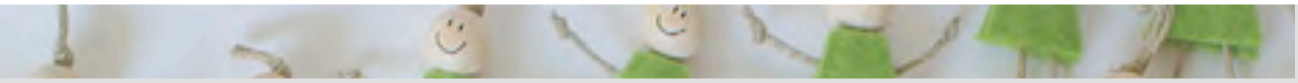
Carbon labelling schemes are up and running on lots of packaging, but there is a lack of transparency in the calculations and no international standardisation - Watch for this to be developed in 2009.

From offline to online

Brands can no longer hide behind their TV ads or billboard posters because of the power of online search. Consumers can find information about anything, anytime, and they are actively seeking information about the brands with which they interact. In 2009, it is going to be increasingly important for brand image to match company behaviour. After all, 81% of UK consumers place more importance on what companies do than what they say (The Drum 2008). So it is about clear, genuine, authentic messages that promote transparency, as this research shows there is a positive correlation between transparency and trust - It’s about being tangible.

From environmental sustainability to embedded sustainability

In 2009 we will see stronger links between sustainability and well-being. The UN Development and Happiness Index, and the NEF Happy Planet Index integrate human well-being and environmental impact. The credibility of these indices will continue to increase, with the $200 billion Lifestyles of Health and Sustainability (LOHAS) market expected to double by 2010 and quadruple by 2015, according to the Natural Marketing Institute. As awareness increases about the intertwined relationship between the environment and well-being, the public will rapidly demand environmental action.



From company claims to external verification

Consumers no longer passively accept news and product information thrown at them by marketers, ads, or their peers. 64% of consumers want third-party verification of green claims according to the GfK-Roper's 2007 report.

Some unusual partnerships are already developing between non-governmental organisations (NGO's) and large organisations, for example McDonald's and Greenpeace, Coca-Cola and WWF and Vodafone Greece and Greenpeace. As this trend continues in 2009, there needs to be a balance between credibility and values for both the company and the NGO. This will help to retain the trust of consumers.

From one renewable success to another

Patents in wind, fuel cells, hydroelectric, tidal and geothermal were up in 2008 over 2007, with hydroelectric and tidal patents being at all time highs. In contrast, solar, hybrid/ electric vehicle and biomass/biofuel energy patents fell slightly in 2008. In 2009, it will be interesting to see which renewable energy sources will continue to develop new technology.

From bins to bucks

More and more people are consciously avoiding just throwing things in the bin. People are now opting to reuse, resell, donate or recycle old goods. Millions of us sell used goods on Ebay, which has recently launched 'green team' and 'world of good' websites to help users buy, sell and think green.

With tightening waste restrictions and legislations, we are beginning to see end use considered in the design stage of the products we buy. Manufacturers are reusing parts of returned products, essentially accomplishing two things: repurposing the materials and holistically extending the life of the product. This is an environmentalists' dream that will hopefully spread across the business world in 2009/2010.

Clownfish specialises in sustainability and communications

We combine expertise from a myriad of disciplines, including environmental technology, eco-design, corporate responsibility with creative talent, consumer insights and experience in digital marketing, PR, branding and communications.

We help businesses reduce their environmental footprint while creating a positive social impact; reducing costs and enhancing brand value. As part of Isobar, we bring award winning creative capabilities and the best media strategist in the world.

Clownfish are experts in helping brands unlock the value of sustainability

We help brands build long lasting relationships across all stakeholder groups (consumers, employees, suppliers, government and NGO's) and boost brands' bottom line by improving efficiencies and developing innovative, "future-proofed" products and services .

clownfish
New York•London•Shanghai