

Summary

WEC Gold Medal Colloquium,
Washington, D.C., May 14, 2010

“SUSTAINABLE CONSUMPTION: STRATEGIES AND PRACTICES OF BUSINESS, EXPECTATIONS AND BEHAVIOUR OF CONSUMERS”

WHAT:

The topic of sustainable consumption combines both business challenges and opportunities in a rapidly evolving marketplace. The Gold Medal Colloquium assembled approximately 90 sustainability leaders from business, government and multi-lateral and non-governmental organizations to address a number of critical issues including:

- Will sustainability ultimately become mass market in scale or will it evolve into a niche market phenomenon?
- What is the future of the growing number of schemes for product certification and labelling, and how can such initiatives be better integrated?
- What are successful strategies for motivating consumers to factor sustainability criteria into their purchasing decisions?
- How will product portfolios evolve in future years, and what are likely scenarios for achieving greater scale in sustainable consumption?

WHO:

The Colloquium was structured to provide a highly interactive discussion amongst 16 sustainability experts representing companies in a variety of business sectors: consumer products, food & beverage, manufacturing, retail and services.

MODERATORS

Boeing Company: Mary K. Armstrong
Coca-Cola Company: Jeff Seabright
Harvard University: Jane Nelson
IBM Corporation: Wayne S. Balta
World Environment Center: Terry F. Yosie

SPEAKERS

Aveda: Charles J. (Chuck) Bennett
Best Buy: Leo Raudys
Cargill: LaRaye M. Osborne
Dow Chemical Company: Neil C. Hawkins
Du Pont: Dr. Thomas M. Connelly
Kellogg Company: Diane B. Holdorf
Marks & Spencer: Mike Barry
Marriott International: Mari J. Snyder
Sara Lee Corporation: Audra Karalius
Unilever: Gavin E. Neath
Walmart: Mike Hagood

MAJOR POINTS OF DISCUSSION AND RESULTS:

- (1) Current research concludes that **consumer opinions are changing, but they don't always translate into action.** Issues of concern vary across countries and include climate change, poverty, water access and consumption, excessive packaging and food safety. Concerns are highest in developing nations where people have more direct experience with environmental issues.
- (2) There is a big disconnect between consciousness of the environment at home and when shopping. Consumers will generally not compromise on quality, price, and convenience. **Barriers to more sustainable shopping** include: price, confusion (e.g. “what is better: plastic or glass?”), trust, lack of time, and a sense of hopelessness that single actions cannot solve the problem. Consumer engagement can be driven by linking “what’s in it for me?” to “what’s in it for the planet;” further personalization of sustainability issues and building trust with third party endorsers. These and other drivers can locate a consumer “sweet spot.”
- (3) **Creating sustainable brands** can only be successful if sustainability is “hard-wired” in the core business. The business case for sustainability is that it will fuel innovation and growth, win with customers, aid growth strategies in developing nation markets, build consumer preferences and generate cost savings.
- (4) Companies that want **to win consumers** have to generate knowledge for the consumer. Telling **a consistent and relevant story** that consumers understand over and over again is key to gaining their confidence in sustainable products.
- (5) A number of global companies that compete with each other can nonetheless identify **collaboration opportunities for learning and cost savings in the pre-competitive aspects of their business** - e.g., greening the supply chain initiatives, logistics management, exchange of best practices).
- (6) **Government policies** will, over time, play an important role in pricing carbon, establishing product stewardship standards and improving the rate of regulatory compliance. Leading global companies and their NGO partners are currently transforming individual market sectors through sustainability initiatives.