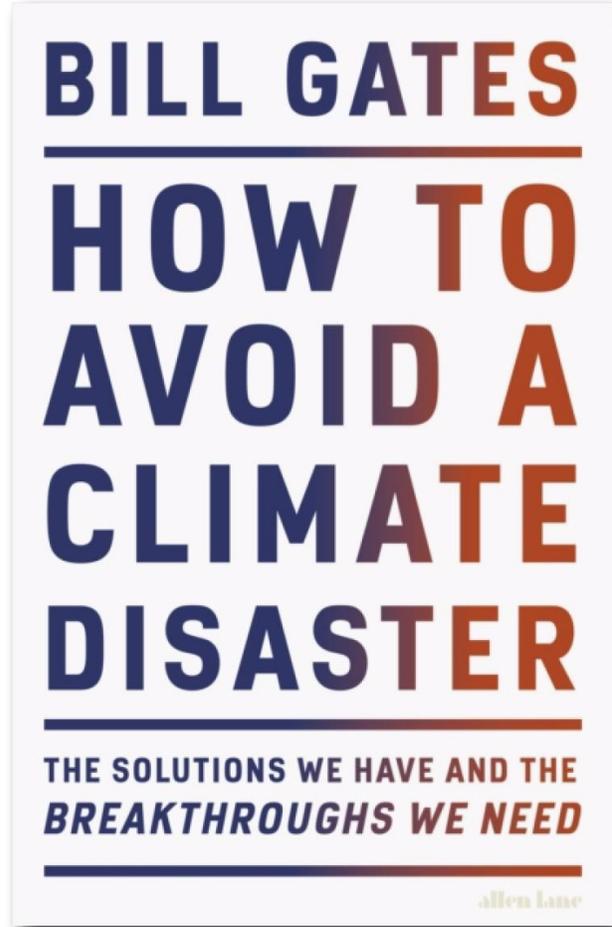




Marketing sustainability to customers – why & how

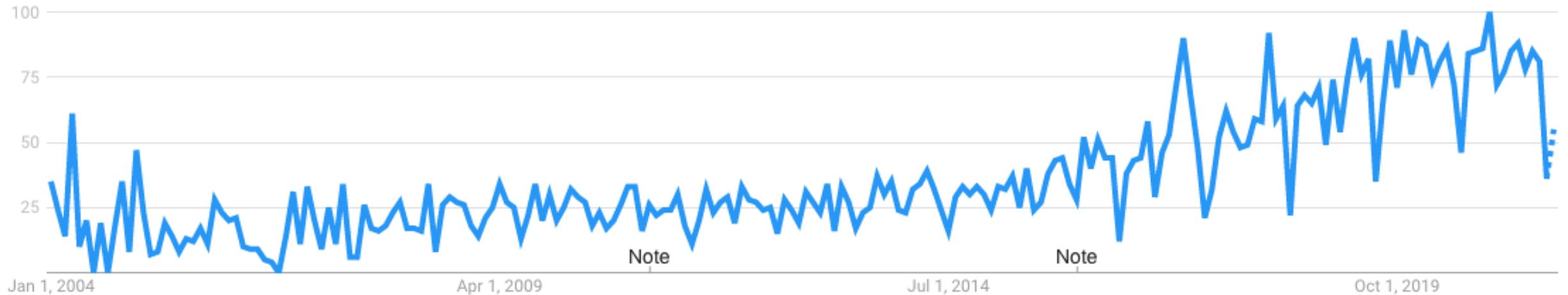
James Bryce Smith, **Magnetize**
Morten Kornerup, **Blue Business**

Number 1 best selling business book



Google Trend: Sustainability has taken off!

Interest over time [?](#)



Agenda

- 1:** Introduction
- 2:** Why market your sustainability to customers
- 3:** How to do it
- 4:** Offer

Practical remarks:

- The coffee is virtual ☺
- Please mute!
- Slides will be shared
- The webinar will be recorded and available on-demand
- Please use the chat
- Q & A at the end



Introductions



I want to see sustainable products & services flourish

James Bryce Smith

- 20+ years in B2B marketing
- Passionate scuba diver
- MBA from Copenhagen Business School

Magnetize

- Mission: To help B2B companies investing in sustainability become the preferred choice among buyers
- Using customer insights & creativity for powerful messages, strategies and content



Morten Kornerup - Blue Business

- Co-founder, Partner, Blue Business
- We help B2B companies grow their pipeline, get better leads, and strengthen their position in the market



Blue Business



Lead Generation and Account Based Marketing

Generating, qualifying and nurturing accounts and leads to increase sales and marketing effectiveness

Fortunate to work with many small, medium & large brands

salling group

 **Nilfisk**

DUPONT

CAT[®]


novo nordisk


MÆRSK

 Microsoft

FLSMIDTH

 **DFDS**

PHILIPS

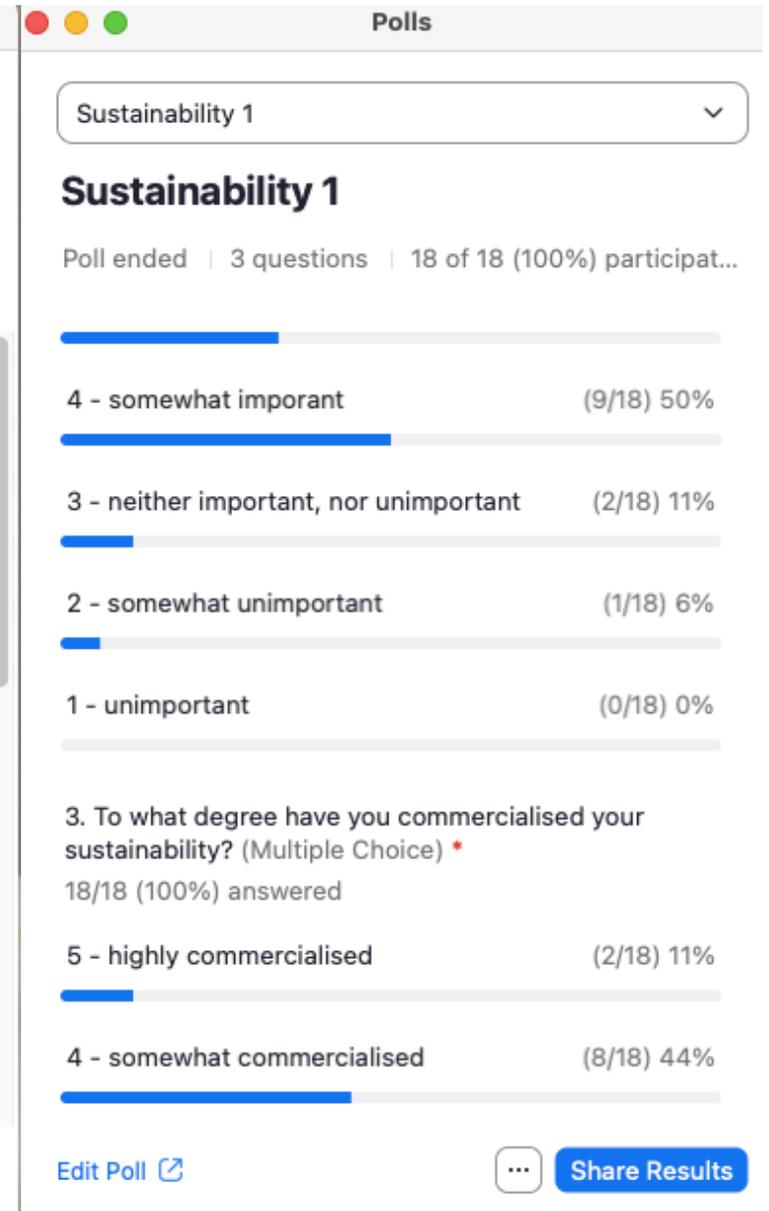
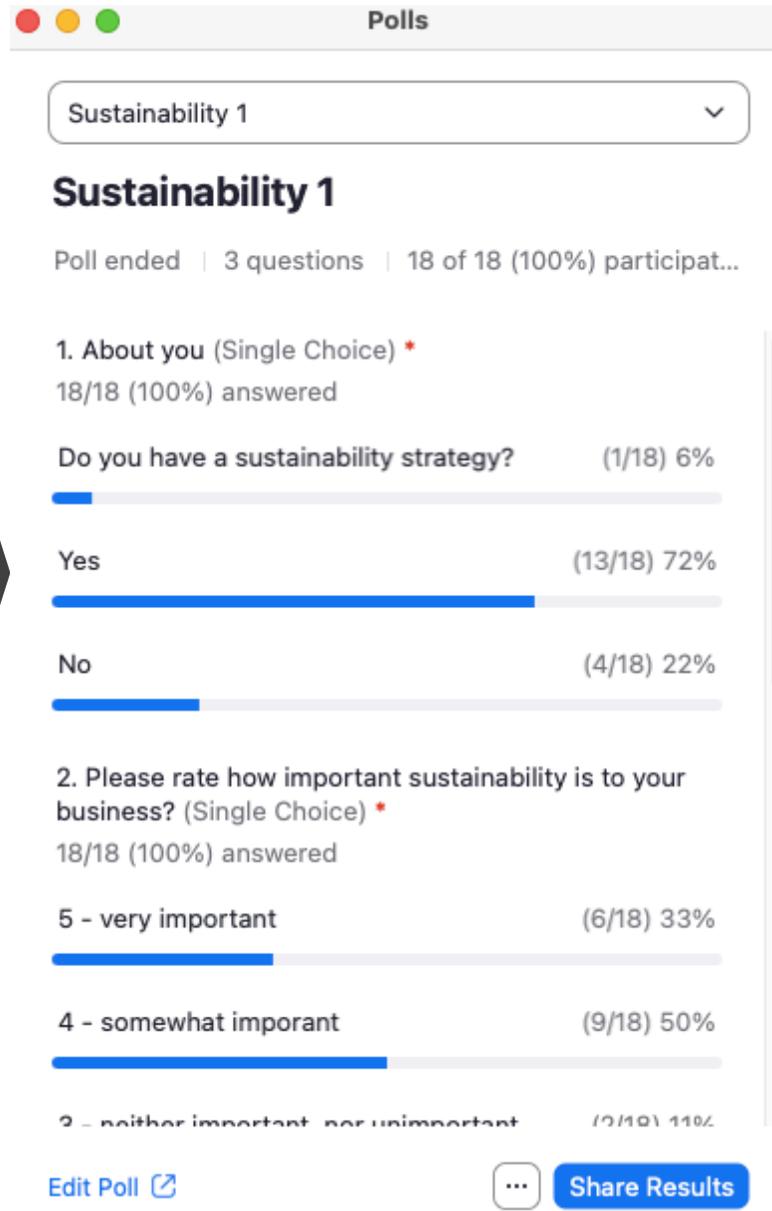
 **lactosan**

About you - Pitstop & Poll

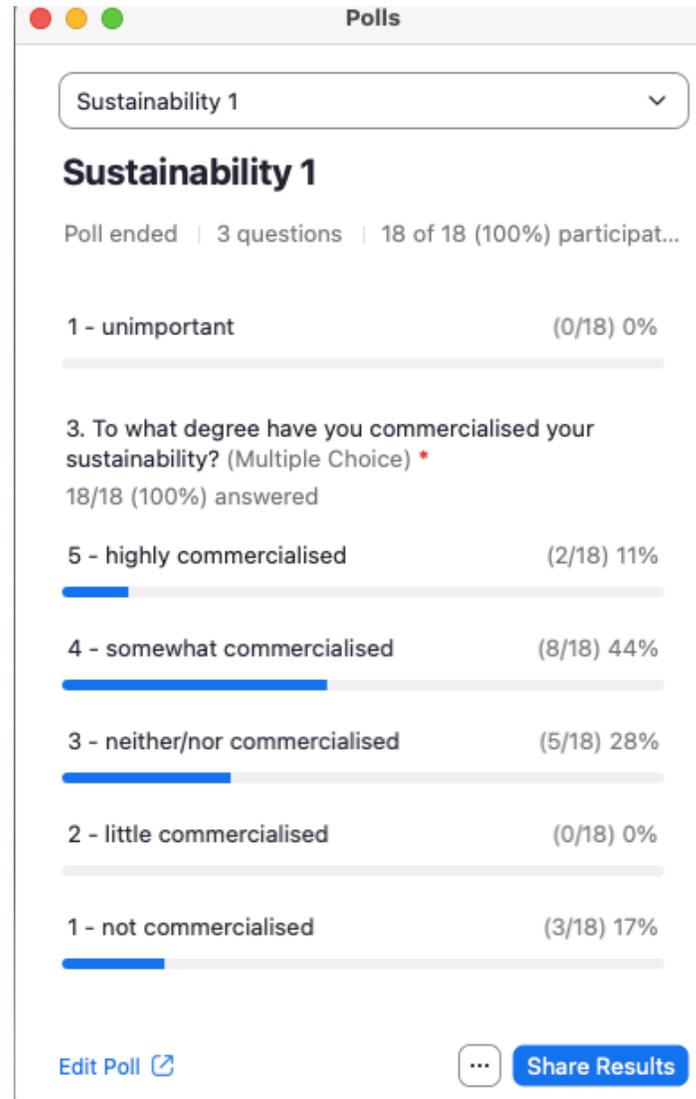
- Do you have a sustainability strategy?
- How important is sustainability to your business?
- To what degree have you commercialised your sustainability?



Response from poll 1



Response from poll 1



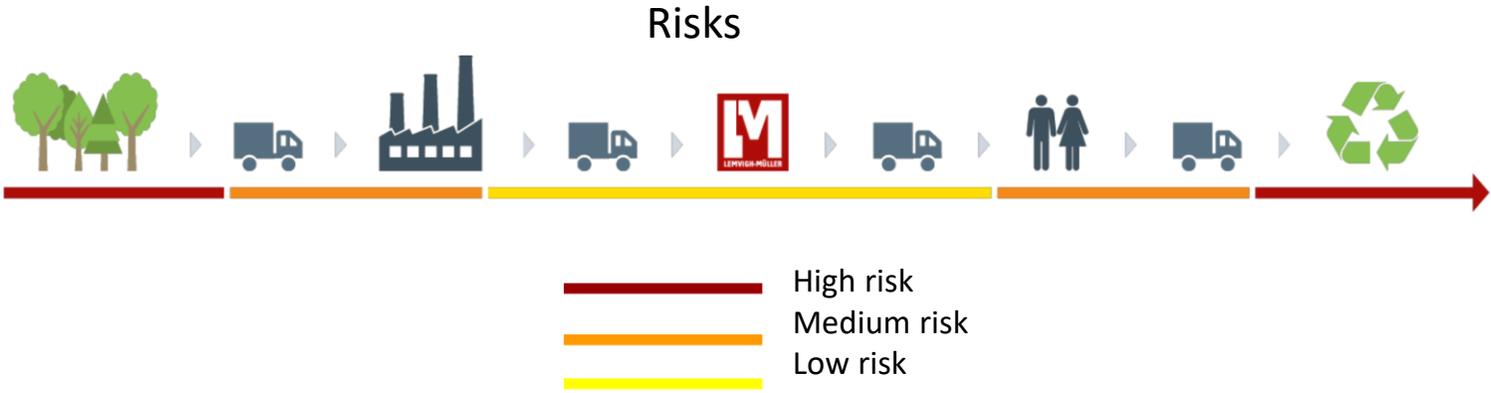
Why market your
sustainability to
customers?



1. Sustainability is now a significant B2B buying criteria

SUSTAINABILITY IN THE VALUE CHAIN

The biggest opportunities for improvement are outside a company's own operations



Source: Lemvigh Muller



1. Sustainability is now a significant B2B buying criteria

The image shows a screenshot of the ecovadis website. The top navigation bar includes the ecovadis logo, links for Enterprise Solutions, Sustainability Assessments, Resources, About, and Blog, and buttons for LOG IN and CONTACT. A banner features the text "The World's Most Trusted Business Sustainability Ratings" over a background of terraced rice fields. A green play button is overlaid on the banner. Below the banner, the AT&T logo is visible, along with a navigation menu containing "It-løsninger og services", "Inspiration", "Kontakt", "Om Atea", "Karriere", and "IT EXPO 2021".

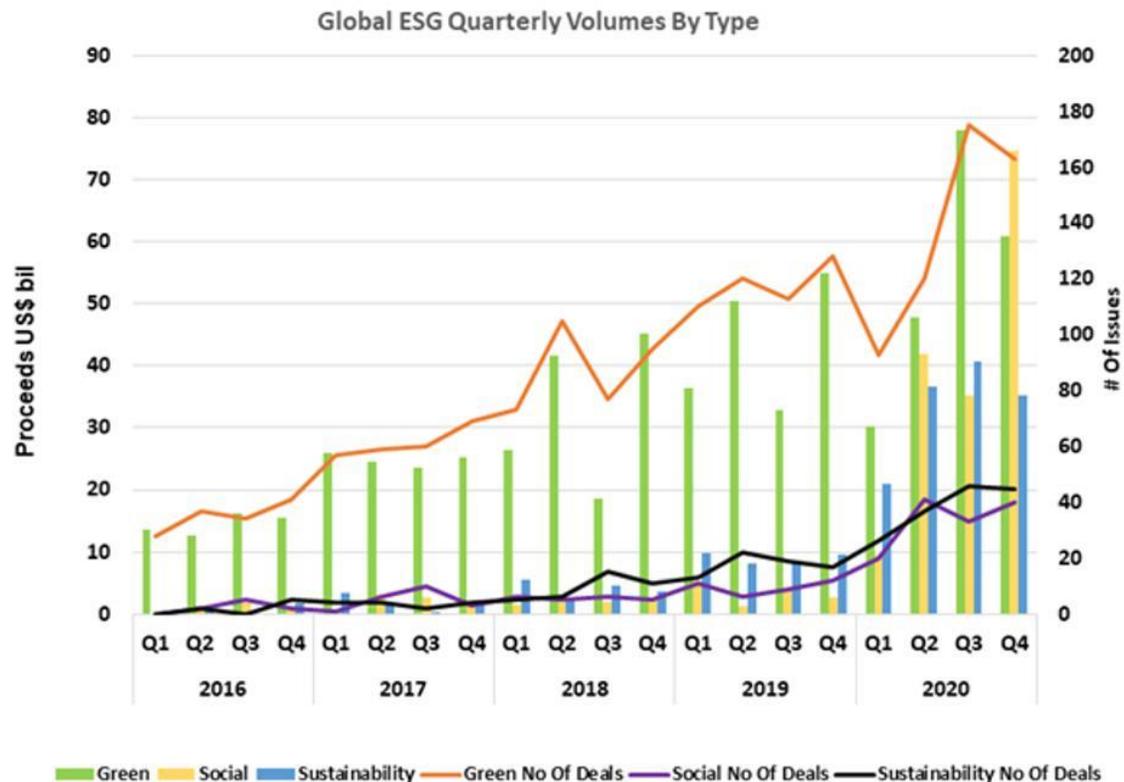
Below the website screenshot, two circular sustainability rating badges are displayed. Both badges indicate a "PLATINUM Top 1%" rating. The left badge is for the year 2020, and the right badge is for the year 2021. Both badges feature the ecovadis logo and the text "Sustainability Rating".

At the bottom right of the image, there are two logos: "MAGNETIZE" with a stylized 'M' icon, and "BLUE BUSINESS" with the word "BLUE" in a blue box above "BUSINESS".

1. Investor pressure driving corporate sustainability

“I spend more time discussing ESG with investors than the latest quarter’s results.”

Alan Jope, Unilever CEO



Source: Forbes

BØRSEN

BØRSEN BÆREDYGTIG

BÆREDYGTIG

En gang om ugen skal FLSmidth
levere klimadata

1. Top management is now measured on sustainability



BHP



FINANCIAL TIMES

Half of FTSE 100 companies link executive pay to ESG targets

MARCH 17, 2021

BØRSEN

BØRSEN BÆREDYGTIG

BÆREDYGTIG

Bæredygtighed rykker ind i lønpakkerne hos topselskaberne

1. Big companies are changing their buying criteria

BØRSEN

Green in 2023 - Tryg drops dirty suppliers

THE  TIMES

Morrisons sets farms zero emissions target

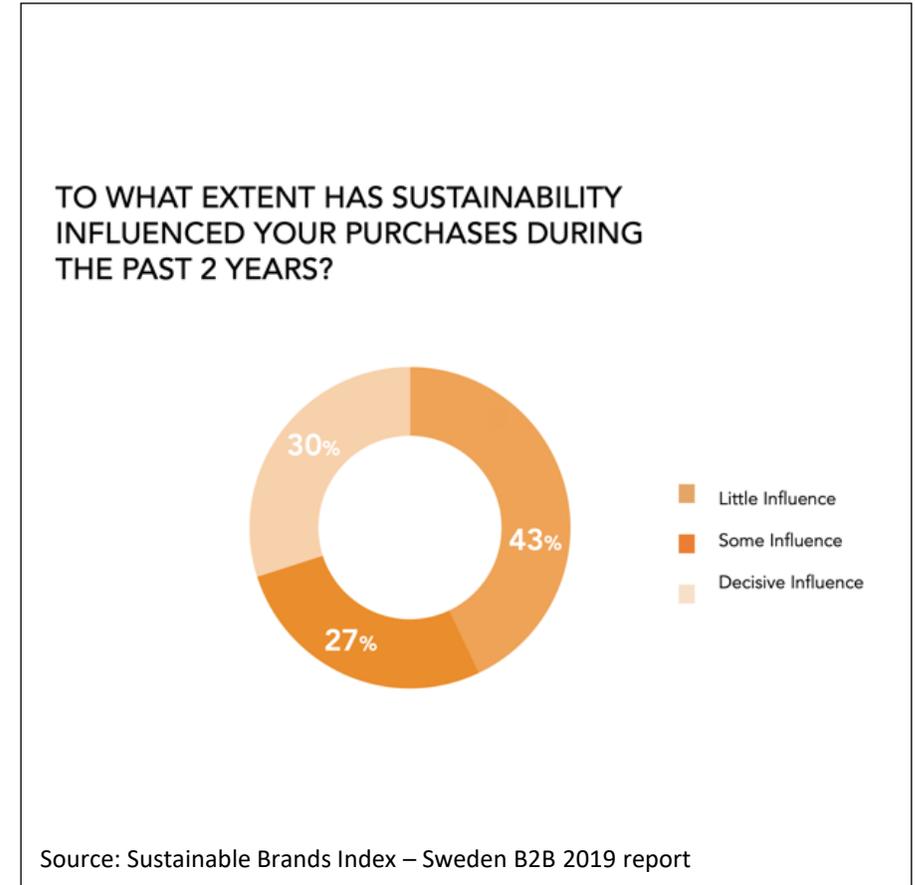
PIONEERS POST

Consumer goods giant Unilever has pledged to spend €2bn each year by 2025 with suppliers owned and managed by people ‘from under-represented groups’.

1. Sustainability is now a significant B2B buying criteria

62% of companies have a sustainable procurement policy

57% of B2B buyers say sustainability influences the purchase decision “somewhat” or “decisively”



1. Sustainability is now a significant B2B buying criteria

67%

67% of B2B buyers seeking to work with companies that are striving to lower their impact on the environment.

30%

30% of B2B buyers will disengage from a brand whose values don't match their own

1. Sustainability is now a significant B2B buying criteria

Generational shift

- Buyers under 45 are twice as likely to prefer a brand that shares their stance on environmental and social issues, compared to buyers over 45

1. Sustainability is now a significant B2B buying criteria

68%

68% of B2B buyers factor brand purpose into their buying decision

48%

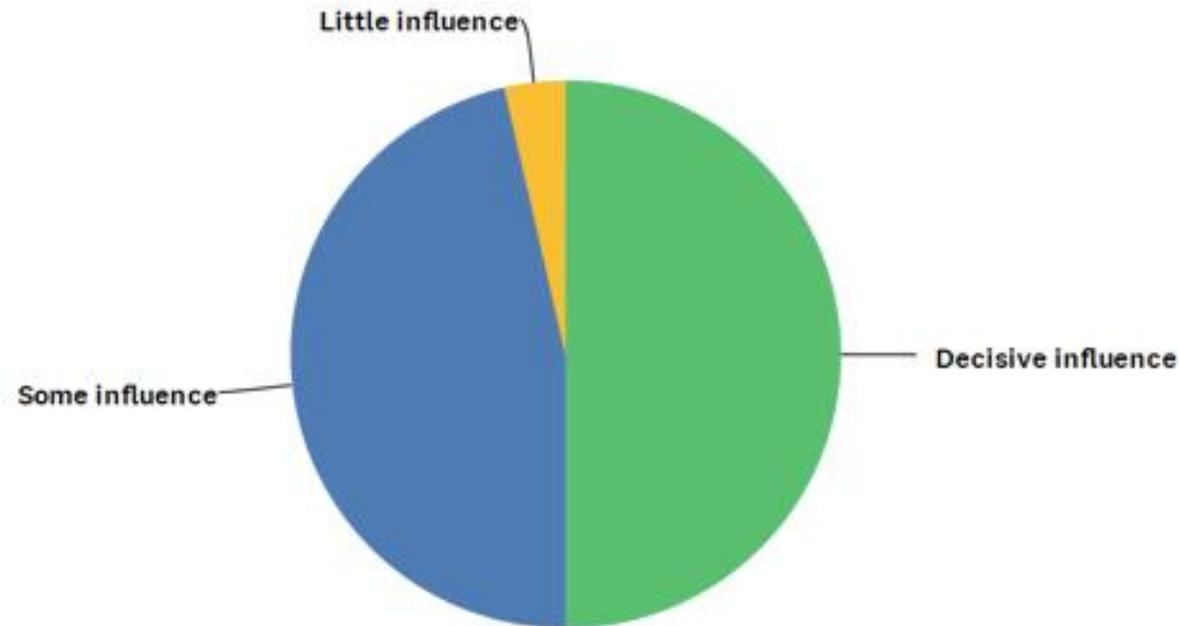
48% of B2B brands have lost sales in last two years because they didn't demonstrate a clear sense of purpose

63%

63% of companies agree that sustainability is an important competitive parameter

1. Sustainability is now a significant B2B buying criteria

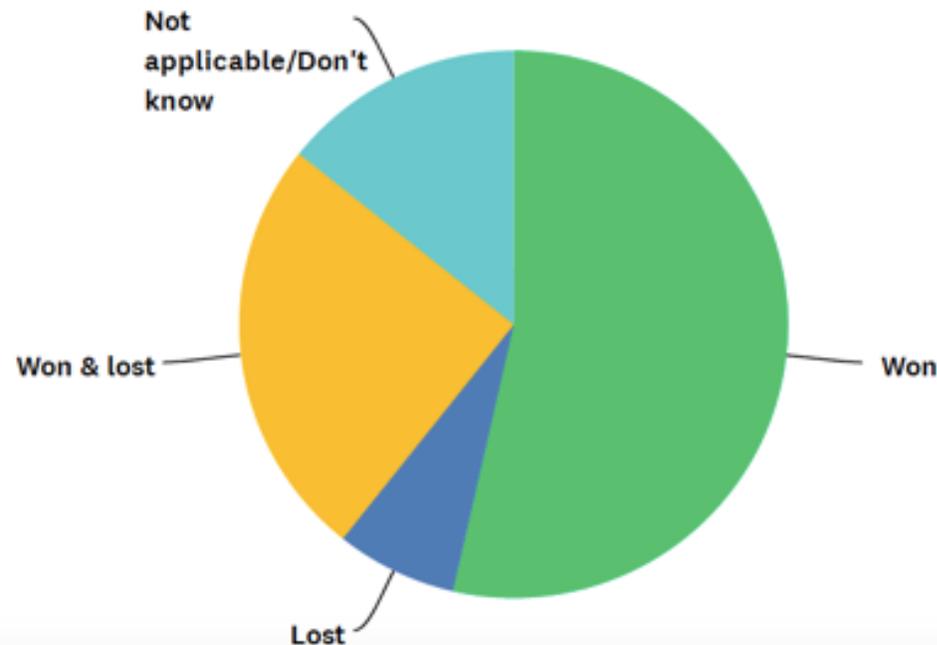
Q6 To what extent does sustainability influence your customers' and prospects' decision to buy from you?



Source: Magnetize, 2020

1. Sustainability is now a significant B2B buying criteria

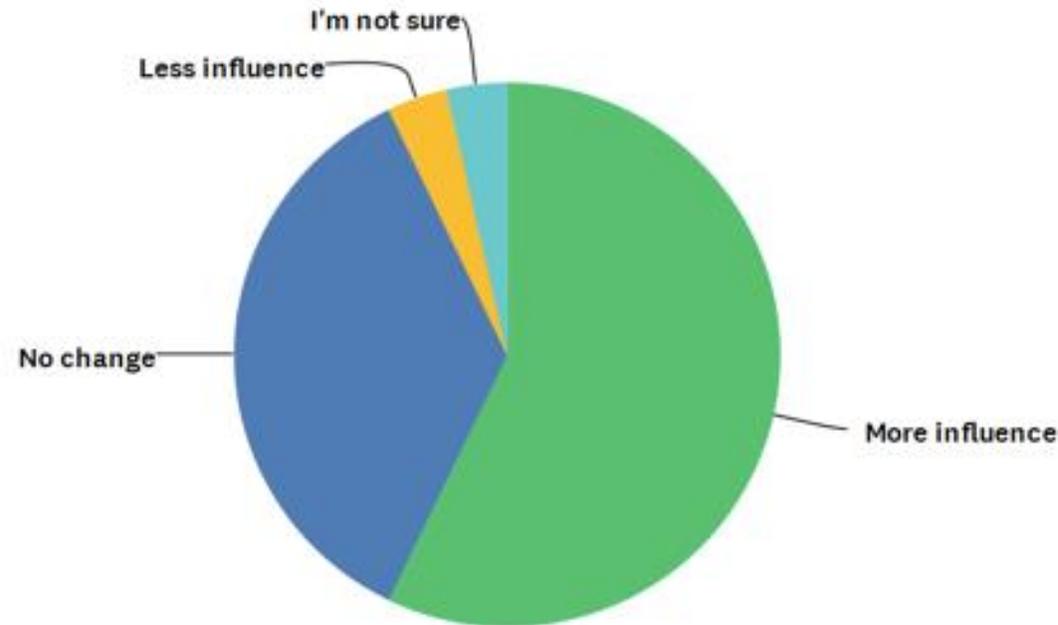
Q7 Have you lost or won business for sustainability reasons?



Source: Magnetize, 2020

1. Sustainability is now a significant B2B buying criteria

Q8 Do you expect the influence of sustainability in buying decisions to change over the next year?



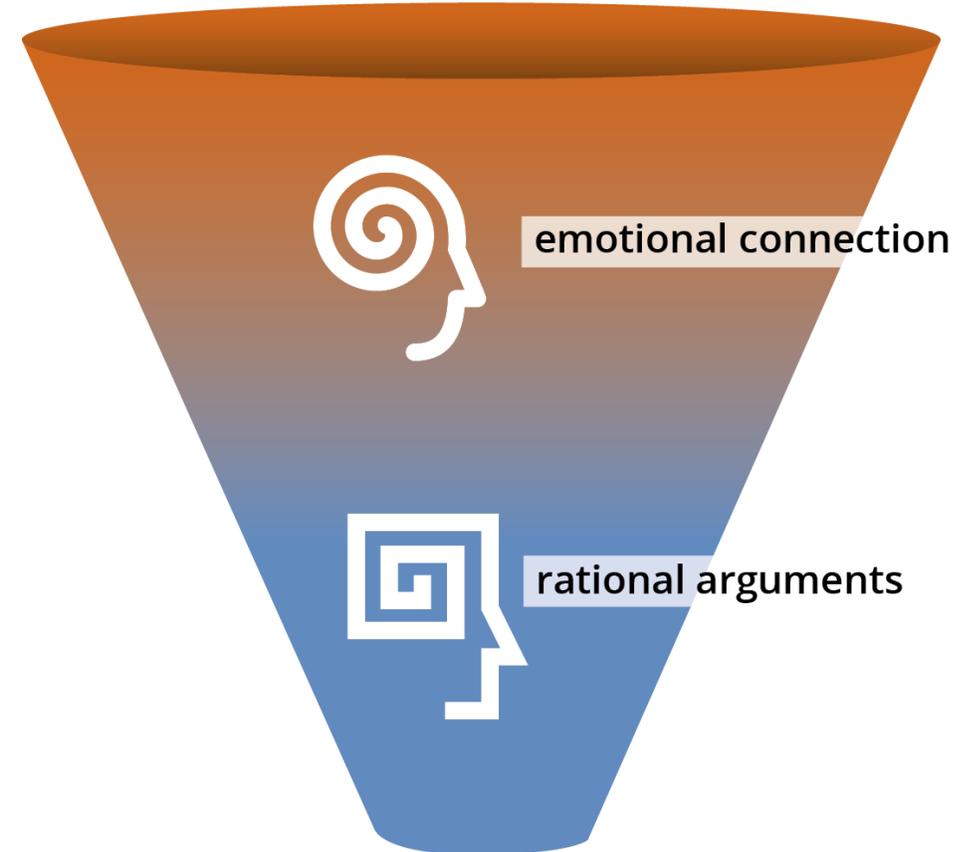
Source: Magnetize, 2020 and Confederation of Danish Industry, 2021

2. You need to differentiate your brand

- If you don't stand out you become a commodity and chosen on price
- “Only **31%** of B2B marketing and insights professionals believe their brand communicates a distinct purpose or strong USP”
- “**71%** of B2B customers do not feel engaged with their B2B suppliers”

Sources:

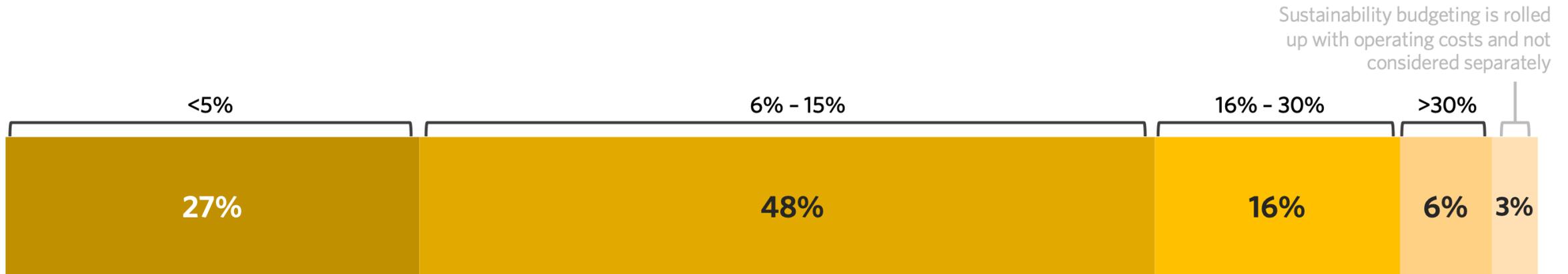
- Gallup, Analytics & Advice for B2B Leaders, 2019
- B2B International, Top 3 Focus Areas for B2B Brands, 2020



2. You need to differentiate your brand

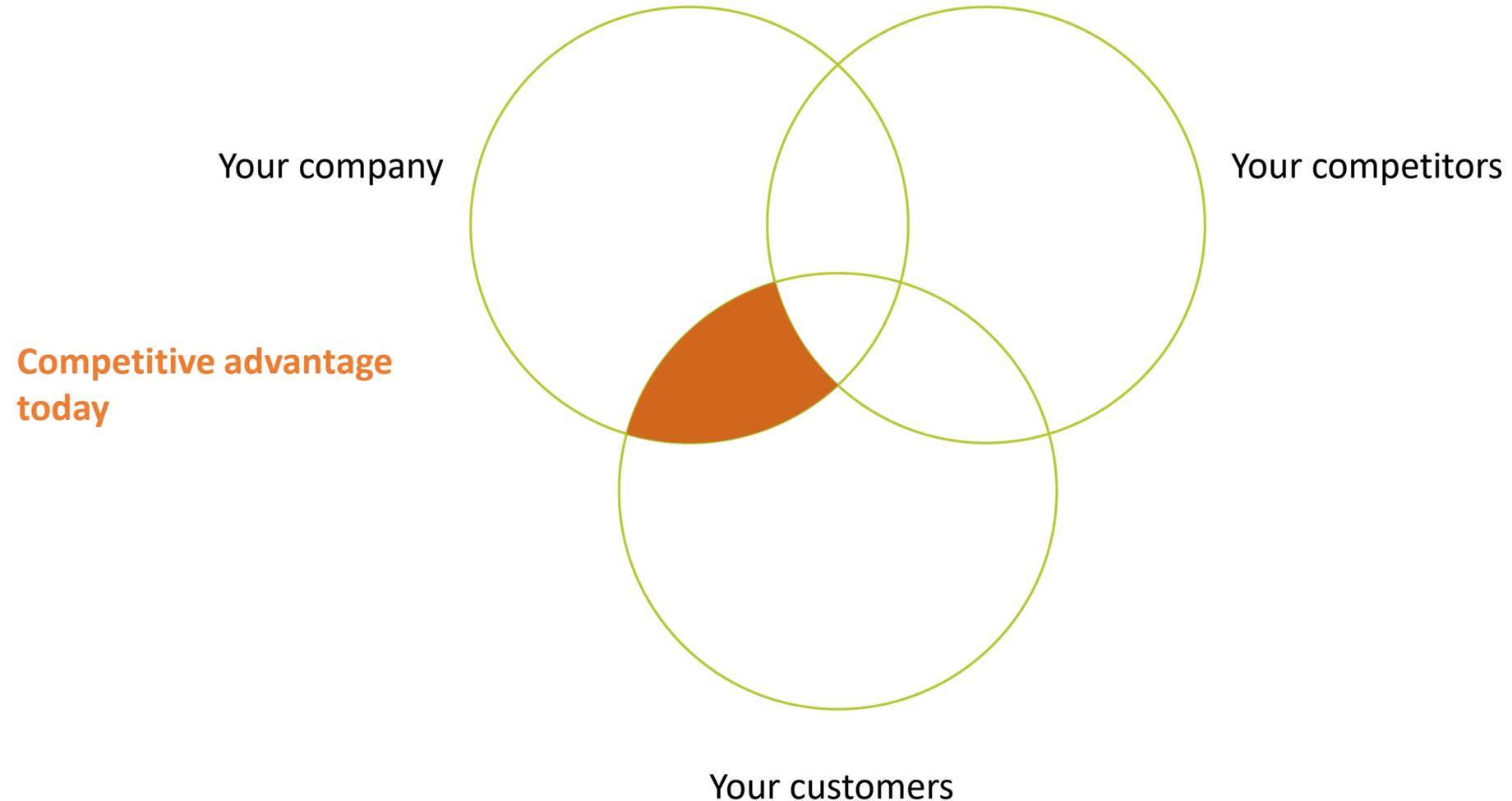
- Big range of investment levels
- Opens the door to using sustainability as a differentiator
- Don't be a laggard

Percentage of Earnings Allocated towards Environmental Sustainability
Reporting: % Selected

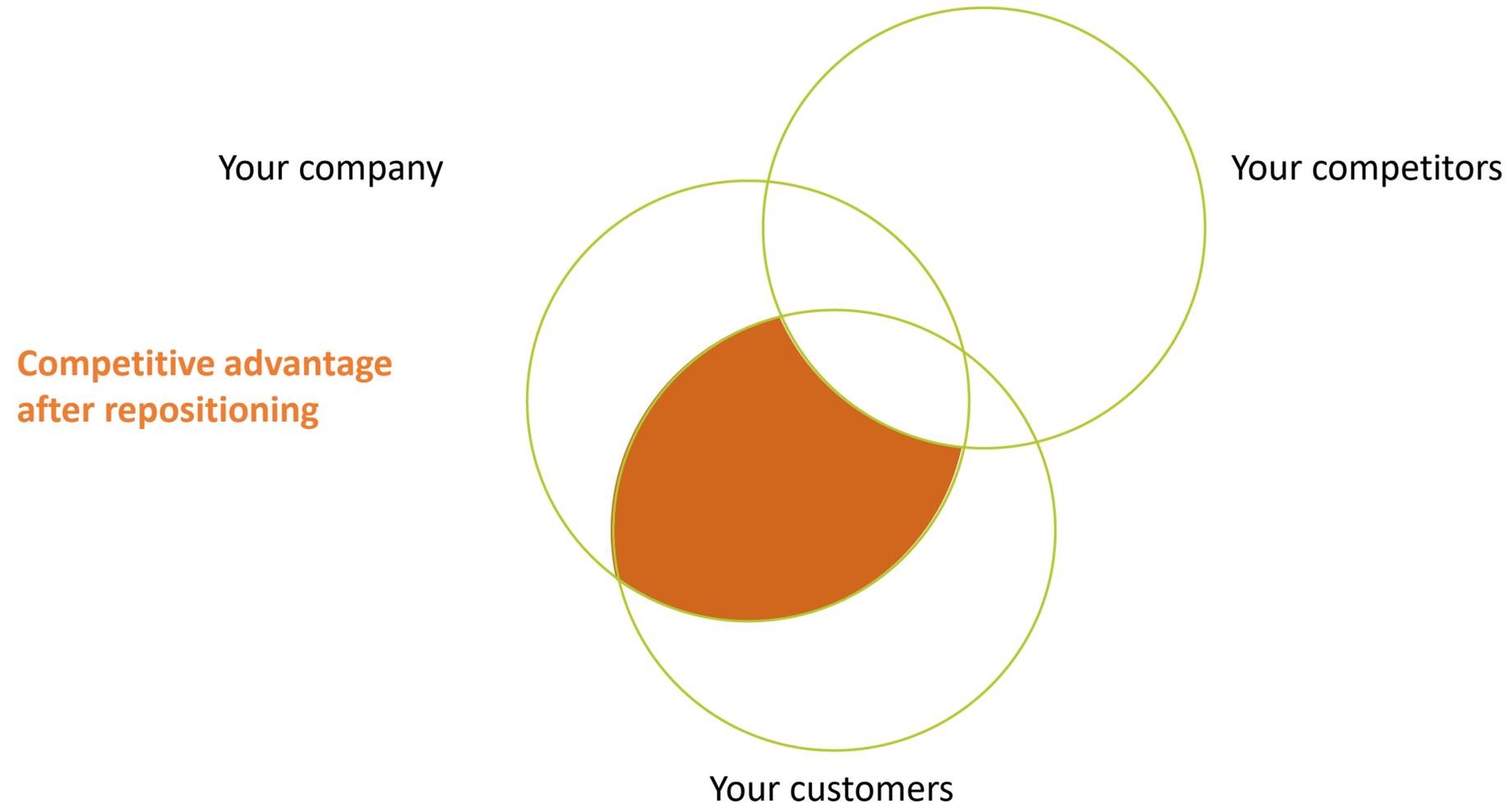


Source: Food & Nature Digest, The Nature Conservancy, November 2020

2. You need to differentiate your brand



2. You need to differentiate your brand



3. Stronger brands command higher prices



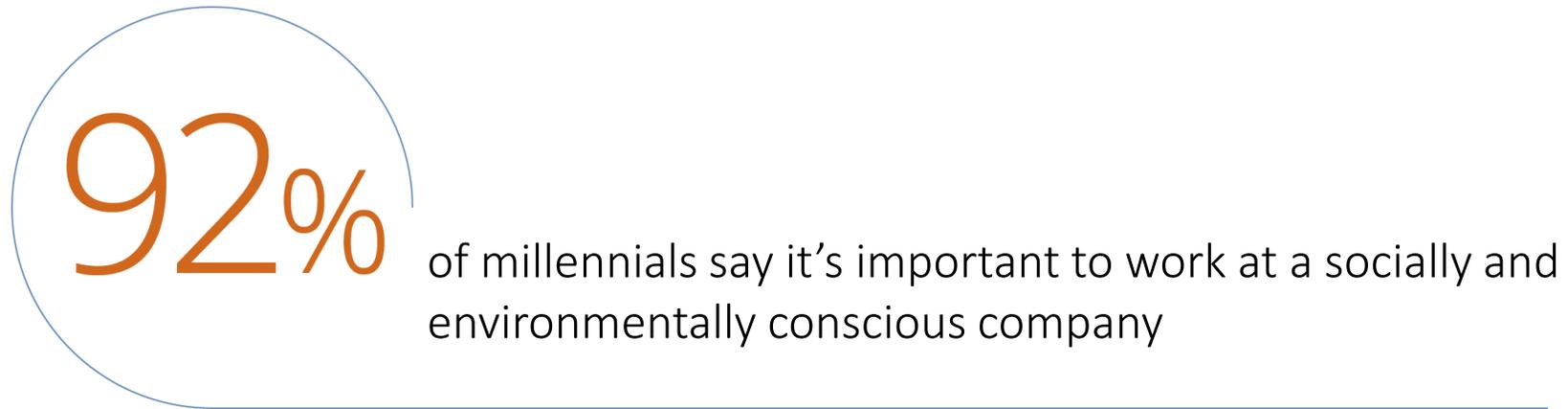
4. A sustainability report isn't enough

- Targets a broad audience with the goal of demonstrating responsibility
- Not a focussed message for customers
- But it's a great launchpad
 - Provides data, targets, strategy, results, initiatives

“We used to see the same in B2C... Today, we see diverse sustainability communication accessible for several target groups.”

Source: Creating a Culture of Sustainability, Sustainable Brand Index, 2019

5. Your employees want to help make the world a better place



Source: Why Millennials Choose CSR, MorningFuture, 2017

And the movement is growing

US rejoins Paris accord: Biden's first act sets tone for ambitious approach

By Matt McGrath
Environment correspondent

🕒 19 February



COP26



GETTY IMAGES

President Biden introducing members of his climate and energy team



[Agenda](#) [Platforms](#) [Reports](#) [Davos 2021](#) [Videos](#)

🌐 English

Sign-in



[Global Agenda](#) [The Davos Agenda 2021](#) [How to Save the Planet](#) [Climate Change](#)

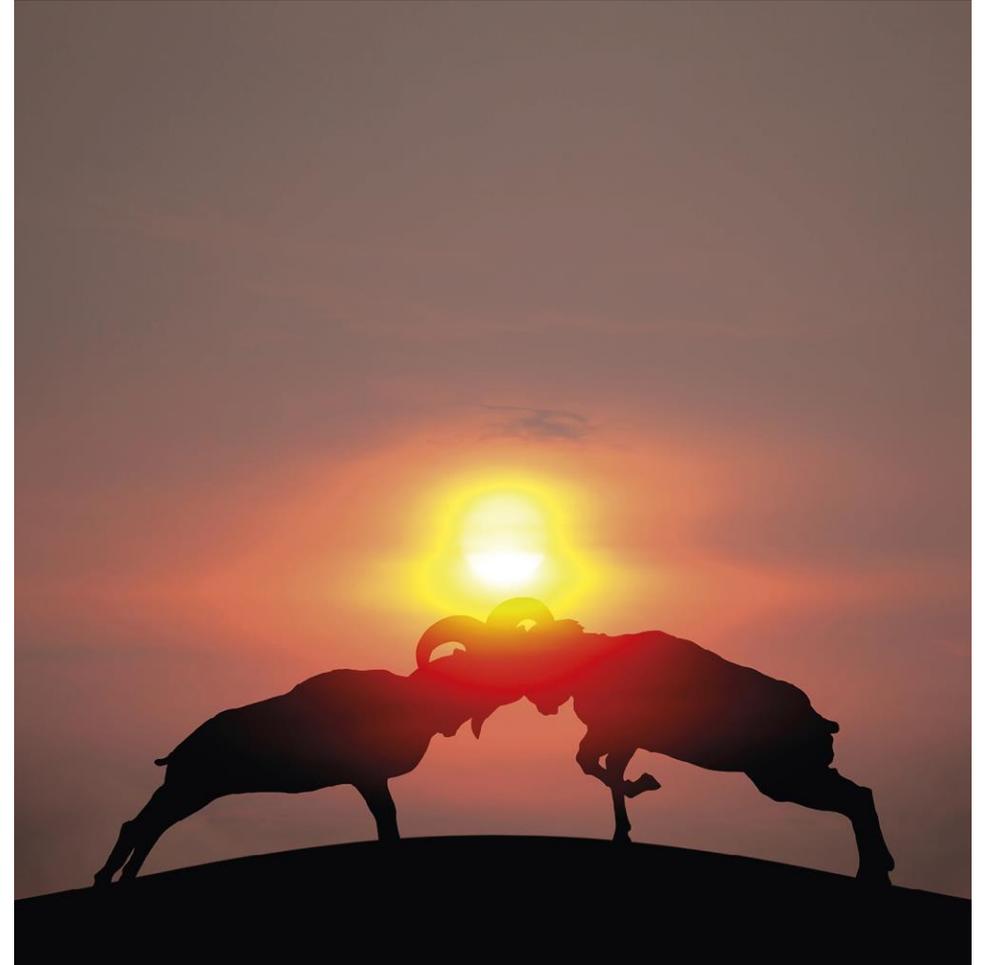
What changes to environmental stewardship will 2021 bring? Here's what business leaders say



The decade of sustainable brands:

The new competitive battleground

- Next 2-3 years will be decisive in terms of establishing who the sustainable brands are and upsetting the status quo
- Still white space in many industries – easier to claim the sustainable position when it's vacant than oust a rival who has already claimed it



“The biggest commercial opportunity ever”

“The companies that will be the winners of tomorrow are the ones capable of commercializing their innovations to address the global challenges that our world is facing.”

Mauricio Graber, CEO, Chr. Hansen, 2020

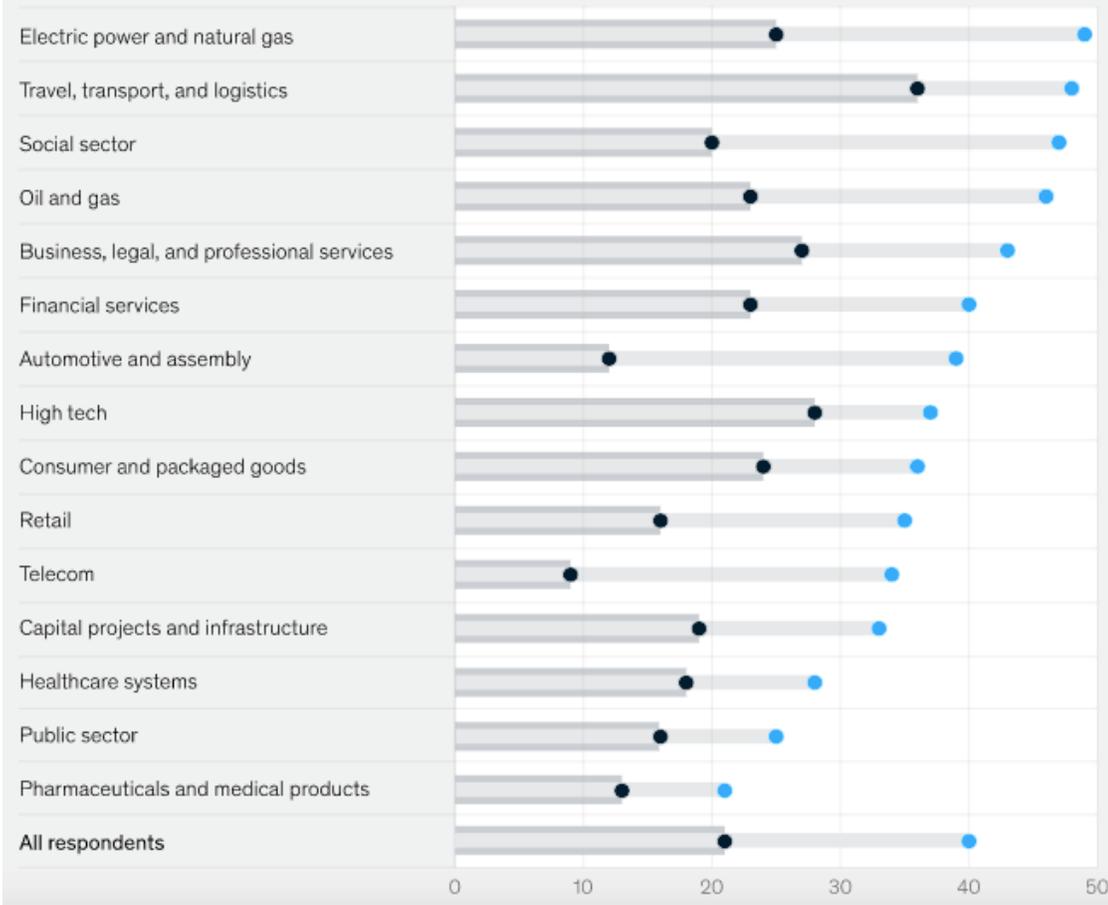


Sustainability as a value driver

Forty percent of respondents expect company sustainability programs to generate value in the next five years—nearly double the current share.

Share of respondents who report or expect 'modest' or 'significant' value created from sustainability programs, by industry,¹%

● In the past 5 years ● In the next 5 years

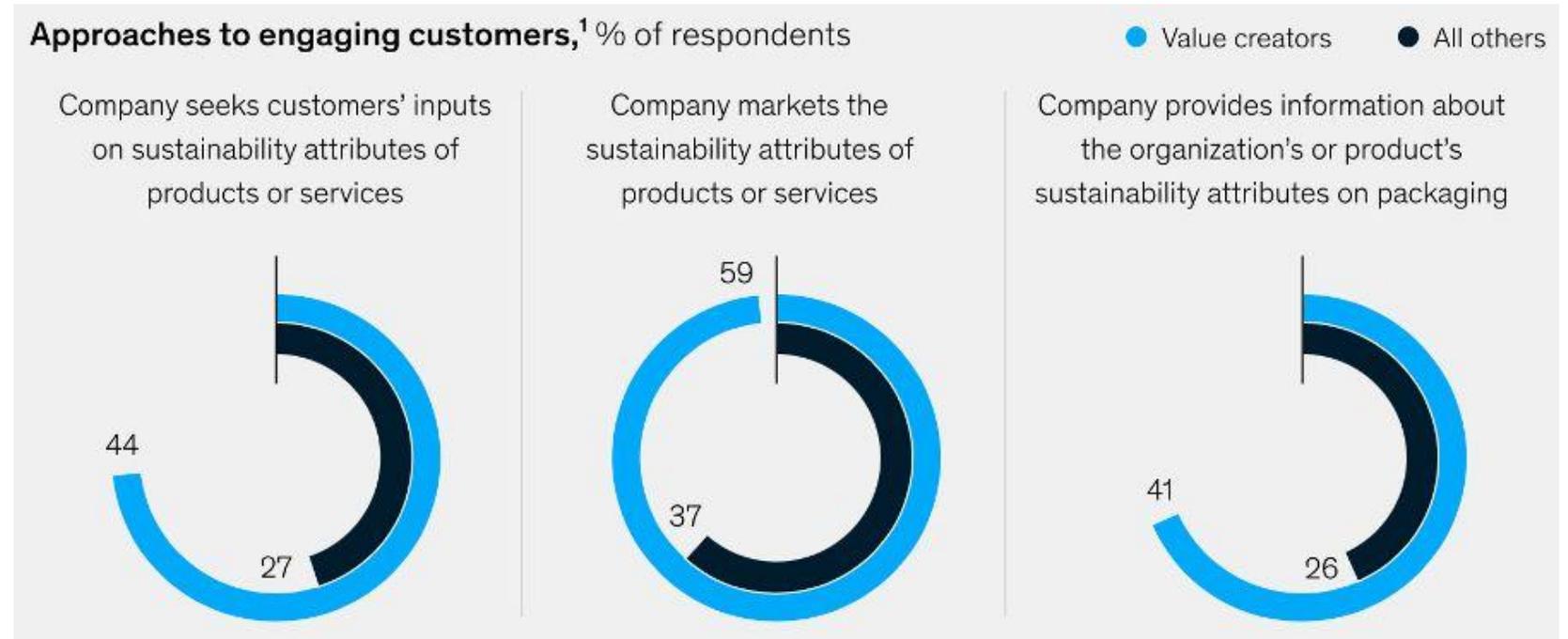


Twice as many companies, or 40 percent, expect their sustainability programs to generate value in the next five years, compared to the previous five years.

Source: Organizing for Sustainability Success, McKinsey & Co, 2021

Marketing key to creating value from sustainability

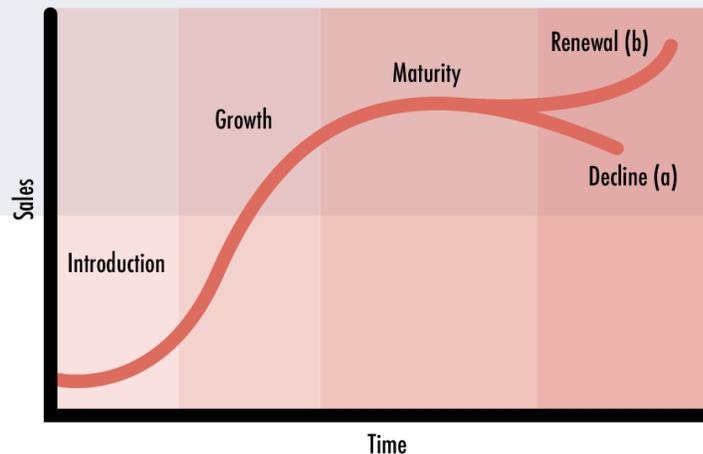
Value creators are more likely to market their sustainability and offer sustainable brands



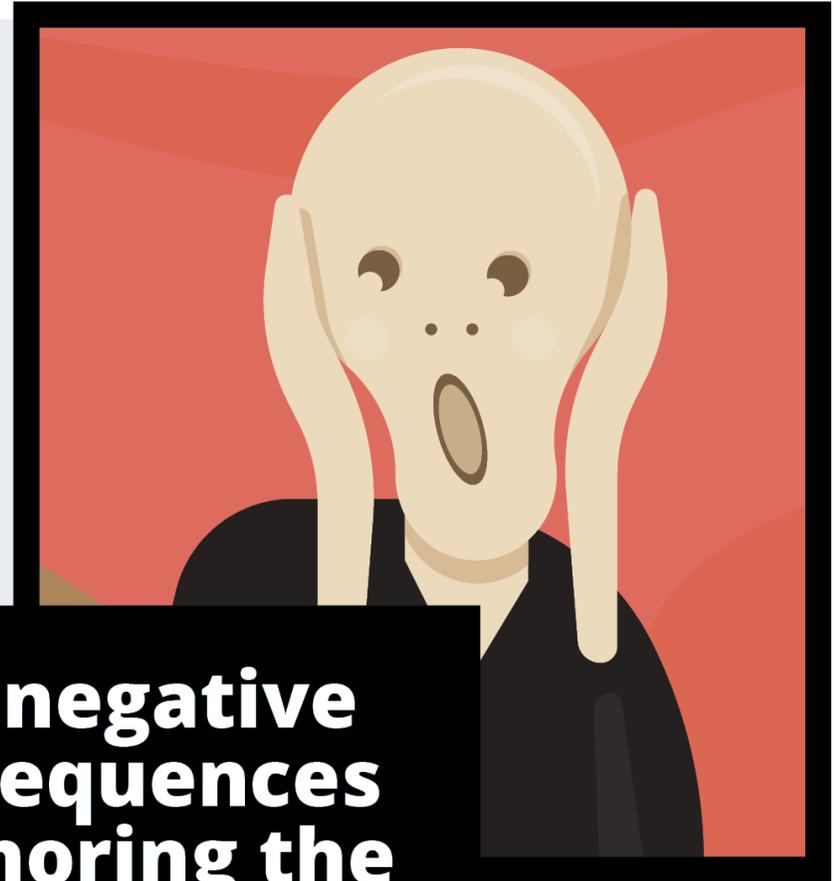
But if you don't market your sustainability...

The future could be bleak:

- Declining sales may lead to financial difficulties
- Lost talent and investment
- Fail to have your desired impact in the world



The negative consequences of ignoring the trend



But if you don't market your sustainability...

"Our focus had to be a complete green transformation if the company wasn't to end up in the grave within a decade."

Peter Pallishøj

CEO of foundry & component company Baettr



Let's make marketing meaningful



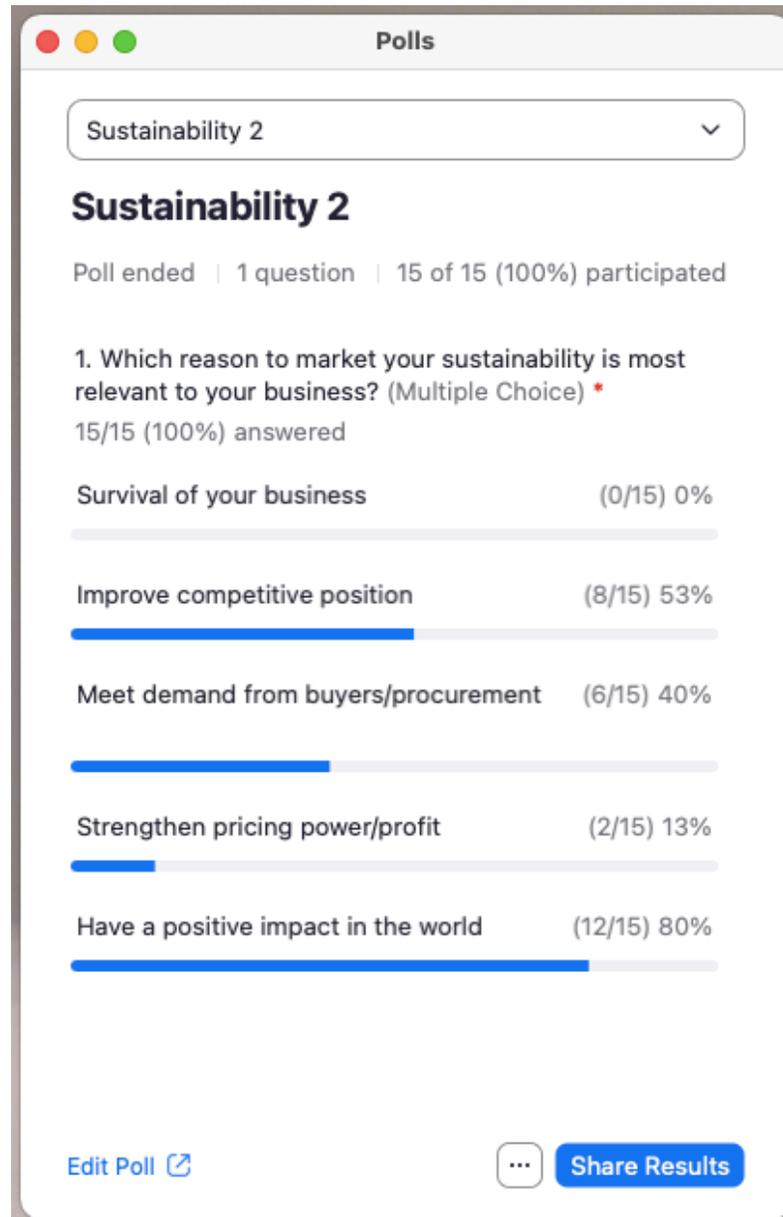
Pitstop & Poll

Which reason to market your sustainability is most relevant to your business?

1. Survival of your business
2. Improve competitive position
3. Meet demand from buyers/procurement
4. Strengthen pricing power/profit
5. Have a positive impact in the world



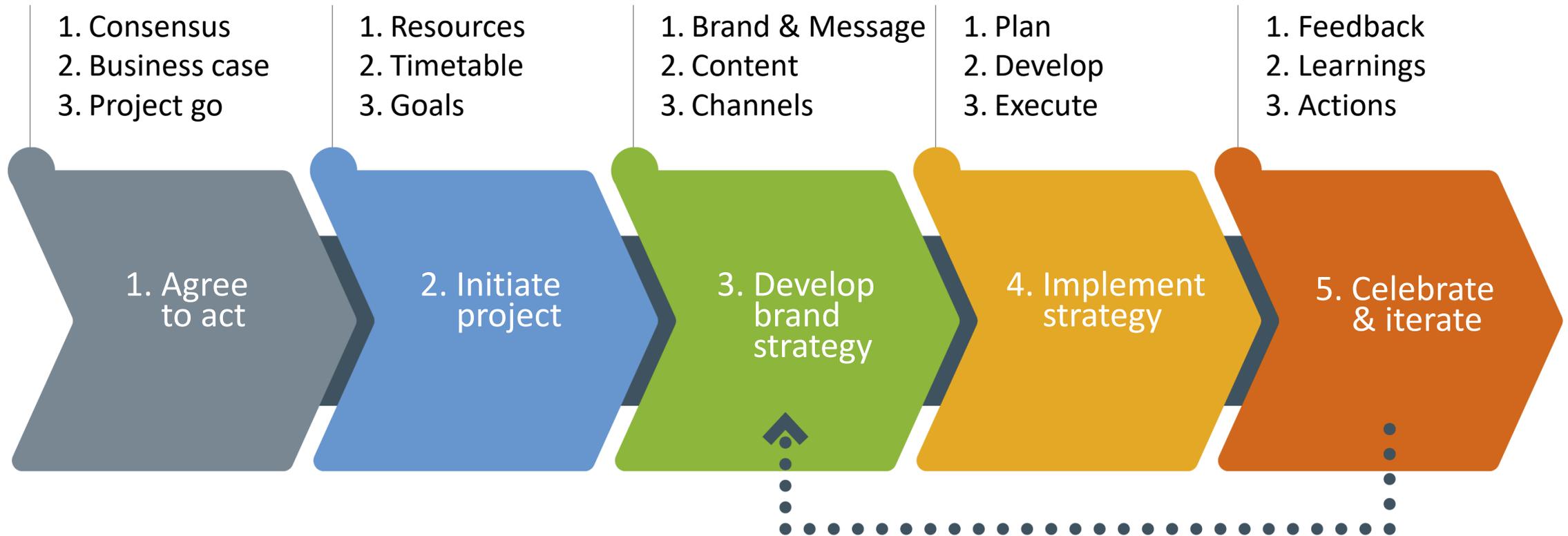
Response from poll 2



How to market your sustainability to customers?



5 steps to marketing your sustainability



The 5 Cs of establishing a sustainable brand



1. Clarity

A distinct message, stated simply

- What is the overall message you want customers to know?
- Do you need to update your overall brand promise or company purpose?
- Align with SDGs



2. Credibility

The message must be trustworthy

- Avoid greenwashing by backing up claims
- Mix of data and stories
- Real investment and long-term commitment is expected, not words or charitable donations
- Don't put your reputation at risk. Enhance it



3. Competitiveness

Differentiated & appealing

- Existing target market?
- New target market?
- Millennials, Gen X...?
- What are their values and sustainability issues?
- Not about how wonderful you are
- What are your competitors saying & doing?



4. Creativity

Communicate with impact

- Invoke the emotions, as well as rational arguments
- Stand out in a sea of communications



5. Consistency

Incorporate sustainability across the buyer journey

- Brand marketing
- Lead generation
- Sales communications
- Customer base

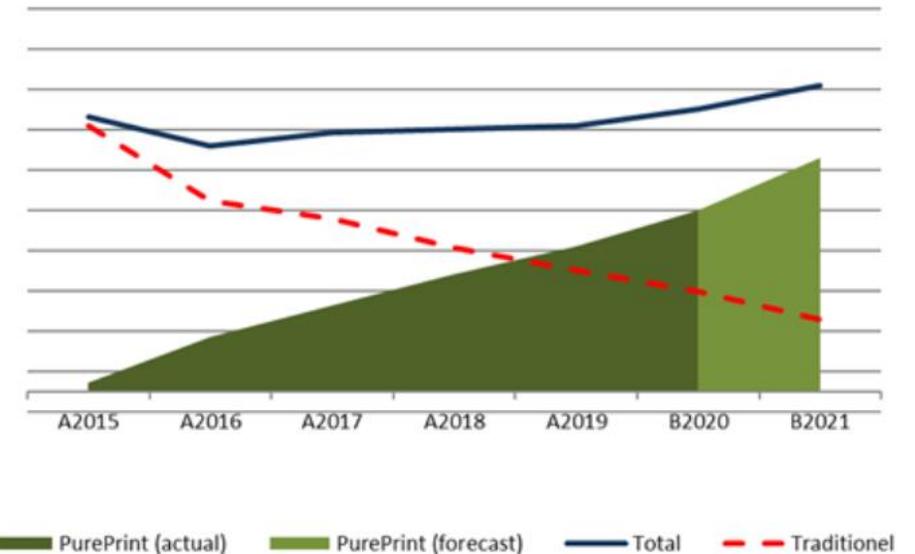


Case: KLS PurePrint



KLS PurePrint: Sustainability as a survival strategy

- A fourth-generation family-owned printing company operating in a market declining by **5 – 10%**
- In 2015 KLS launched a new strategy focusing on sustainability and with **the vision of being the worlds most sustainable printing company**
- The strategy has resulted in **150 new customers** including McDonalds, Coop and Pandora



Sales of sustainable solutions have ensured survival in a market where the number of printing companies have been reduced from 2,000 in 2007 to 80 in 2020!

Pitstop & Poll

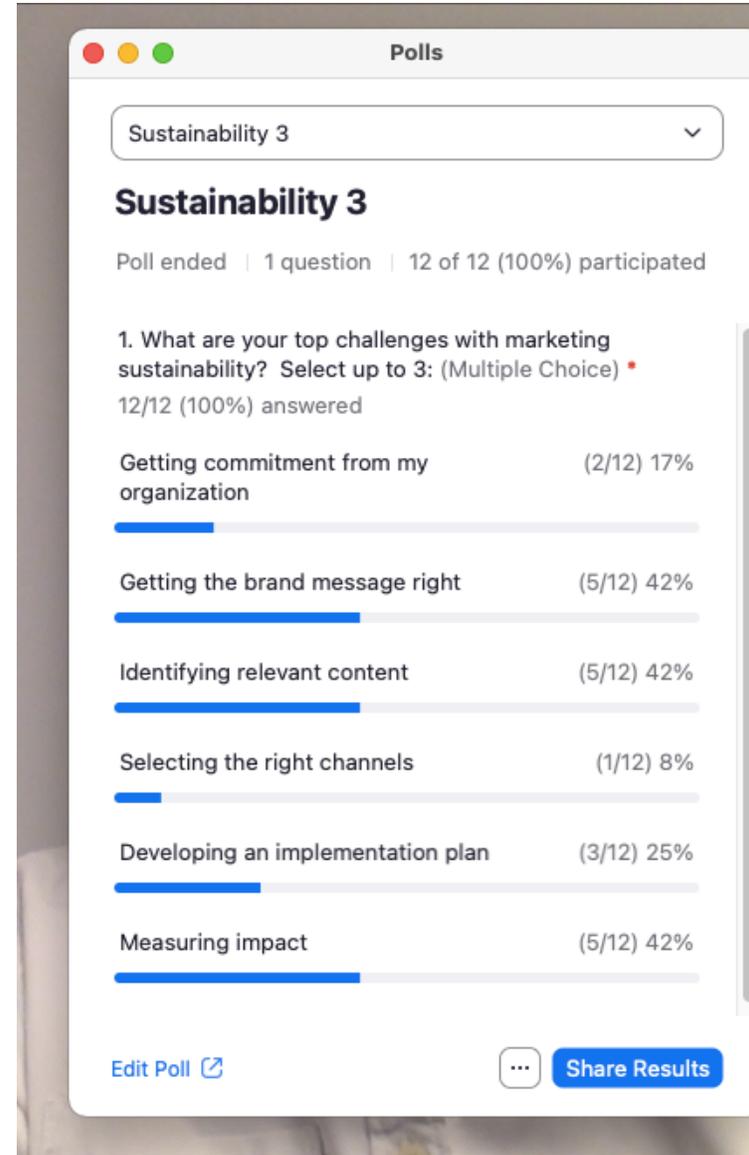
What are your top challenges with marketing sustainability?

Select up to 3:

- Getting commitment from my organization
- Getting the brand message right
- Identifying relevant content
- Selecting the right channels
- Developing an implementation plan
- Measuring impact



Response from poll 3



Offer



Discover your sustainable brand potential

Free Discovery Meeting (1 hour online) where your sustainability brand potential is assessed

Send one of us an email with the word “Discovery”

James

james@magnetize.dk

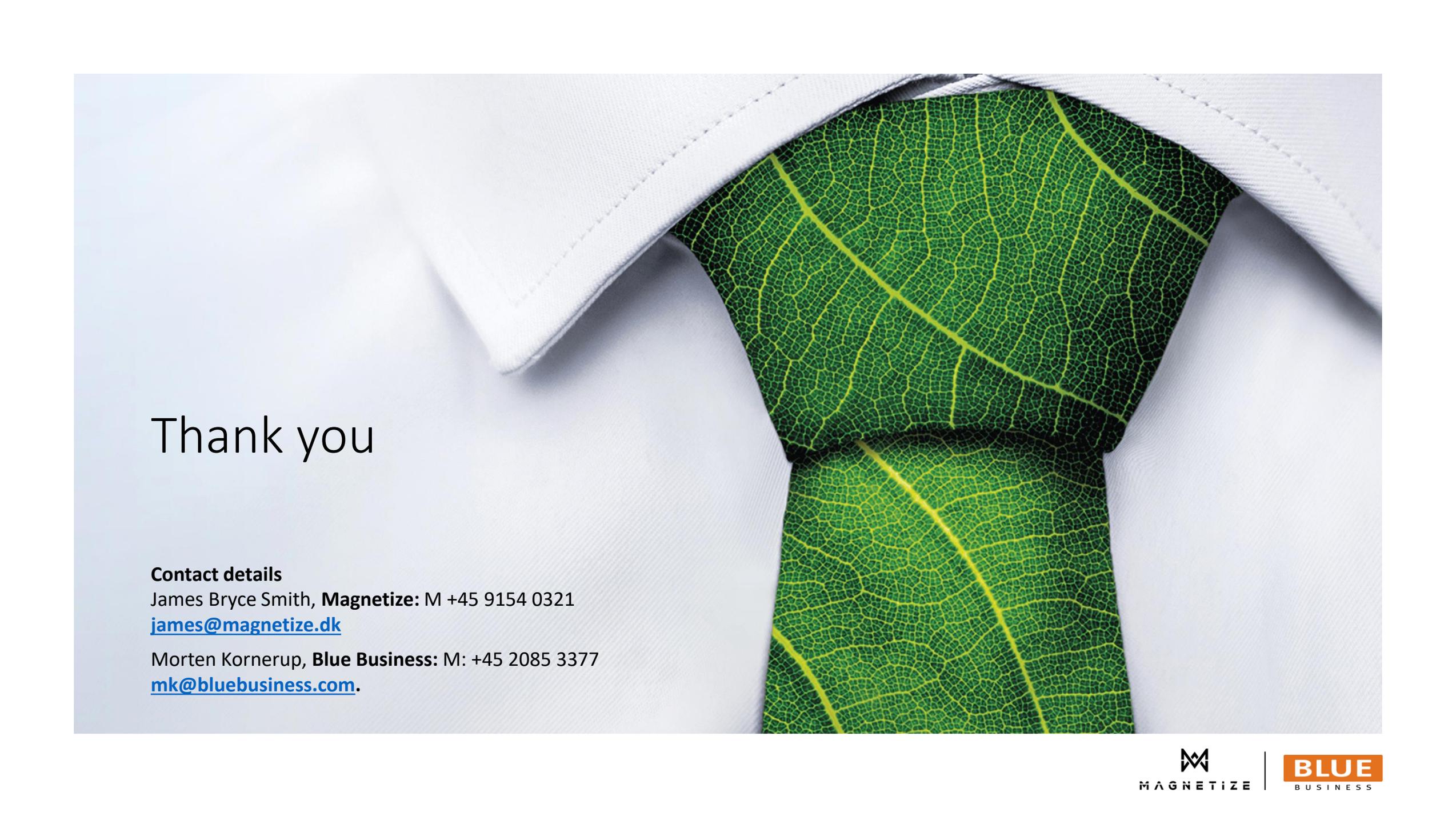
Morten

mk@bluebusiness.com



Q&A





Thank you

Contact details

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james@magnetize.dk

Morten Kornerup, **Blue Business**: M: +45 2085 3377

mk@bluebusiness.com.