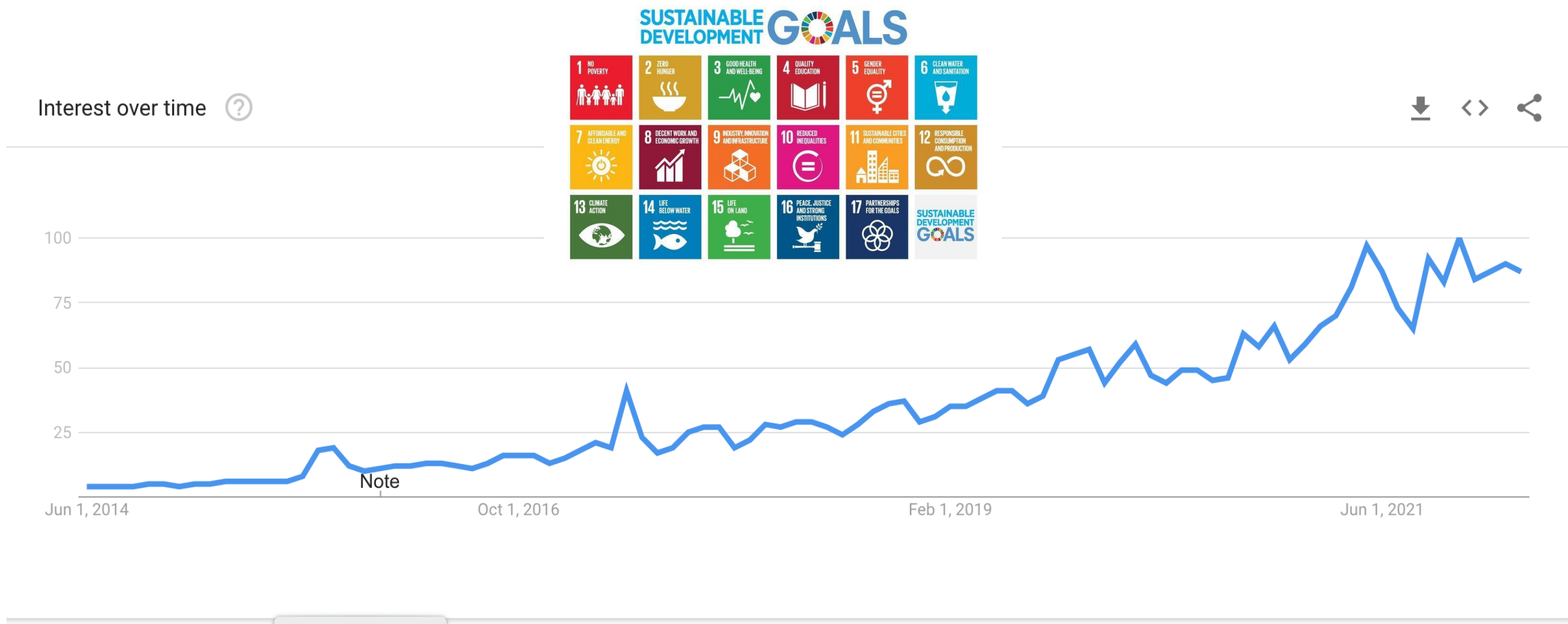


A close-up photograph of a white dress shirt collar and a tie. The tie features a vibrant green leaf pattern with yellow veins, symbolizing sustainability. The background is a soft, out-of-focus light blue.

Marketing sustainability to customers – why & how

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

Google Trend: Sustainable Development Goals have taken off!



In the article **"The 8 Biggest Business Trends in 2022"** Forbes named **"Sustainable, resilient operations"** the number 1 trend.

The author is **Bernard Marr**, describes by LinkedIn as one of the world's top 5 business influencers.

He is a frequent contributor to the World Economic Forum and writes a regular column for Forbes.

<https://www.linkedin.com/in/bernardmarr/>

Forbes

Nov 1, 2021, 01:24am EDT | 82,333 views

The 8 Biggest Business Trends In 2022

 **Bernard Marr** Contributor 
Enterprise Tech 

 Listen to article 6 minutes 



The 8 Biggest Business Trends In 2022 ADOBE STOCK

These eight major trends provide a snapshot of how business operations are evolving to suit our rapidly changing world.

Trend 1: Sustainable, resilient operations

What does war in Ukraine mean for sustainability?

- Rising commodity prices & reduced supply of fuel, grain, metals...
- Increased demand for alternatives e.g. renewable energy, secondary materials
- Companies that can do more with less will be rewarded

Brent Crude (May Contract)
111.14 +3.12%



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
- CBS MBA with focus on sustainability

Magnetize

- Mission: To help B2B companies investing in sustainability become the preferred choice among buyers
- 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?



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 displays a screenshot of the Ecovadis website, which features a header with navigation links: Enterprise Solutions, Sustainability Assessments, Resources, About, and Blog. A prominent banner reads "The World's Most Trusted Business Sustainability Ratings" over a background of terraced rice fields. A green play button icon is centered on the banner. Above the banner, a dark bar contains the text "Register for Virtual Sustain 2021, 8-9 March!" and a "REGISTER NOW" button. To the right of the banner, there are "LOG IN" and "CONTACT" buttons. Below the banner, a green circular play button is visible.

Below the Ecovadis website screenshot, the ATEA website header is shown, featuring the ATEA logo and a navigation menu with links: It-løsninger og services, Inspiration, Kontakt, Om Atea, Karriere, and IT EXPO 2021.

Two circular badges representing Ecovadis Sustainability Ratings are displayed. The left badge is for the 2020 rating, and the right badge is for the 2021 rating. Both badges indicate a "PLATINUM" rating and "Top 1%" performance.

At the bottom right, the logos for MAGNETIZE and BLUE BUSINESS are visible.

CDP - a massive buying force

- 150 members
- US\$ 4.3 trillion in procurement spend
- 95% of CDP Supply Chain members have or will have integrated CDP data into their supplier relationship management process by 2023



Source: CDP Global Supply Chain (formerly known as the Carbon Disclosure Project)

Sustainability is good for business

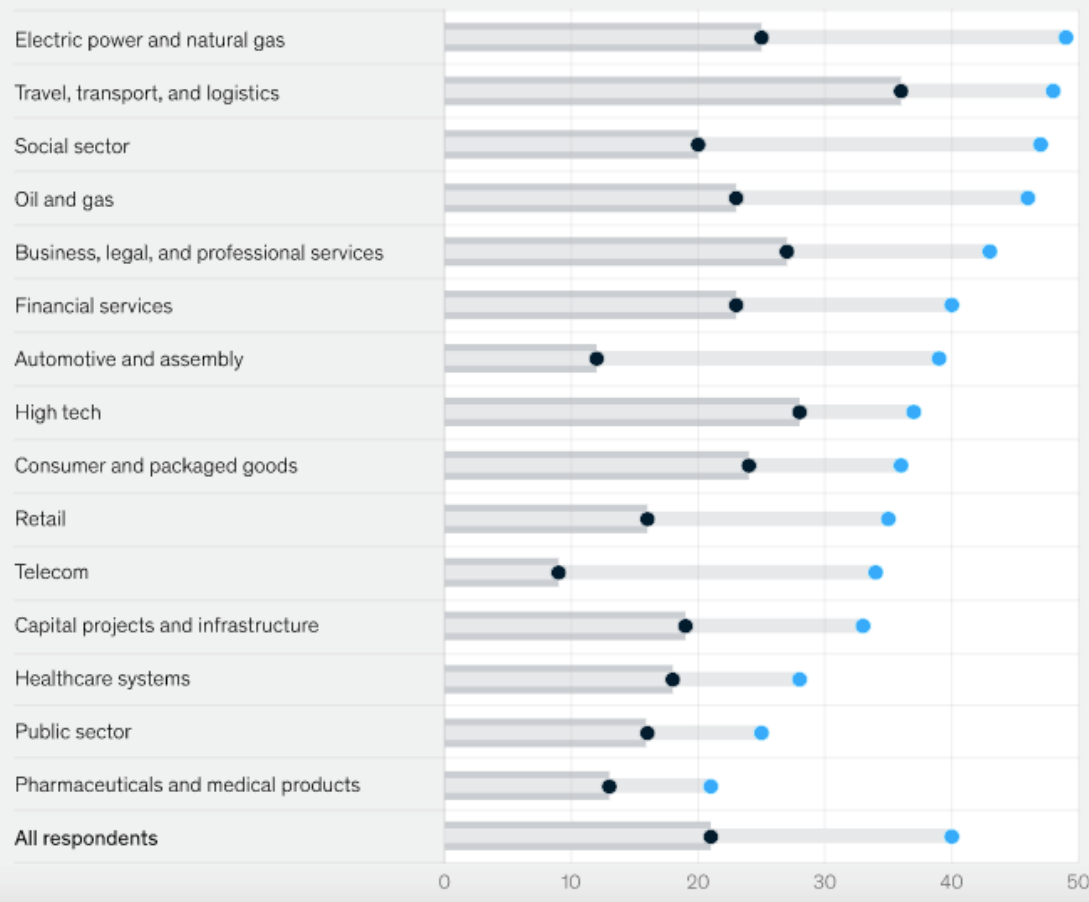
- Top ESG performers enjoy faster growth and higher valuations than other players in their sectors, by a margin of 10 to 20 percent in each case.
- Strong ESG credentials drive down costs by 5 to 10 percent, as these companies focus on operational efficiency and waste reduction

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

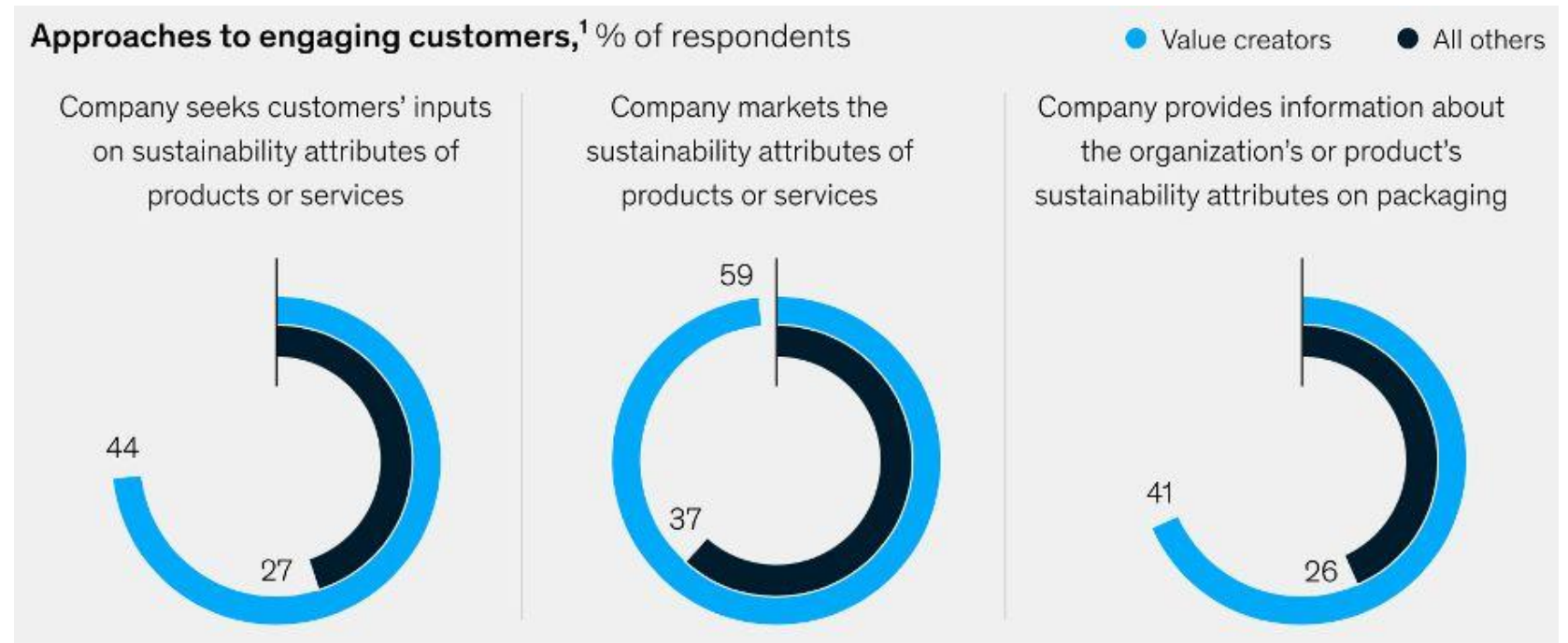


Twice as many companies, or 40 percent, expect their sustainability programs to generate value in the next five years, compared to the previous five years.

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

Marketing key to creating value from sustainability

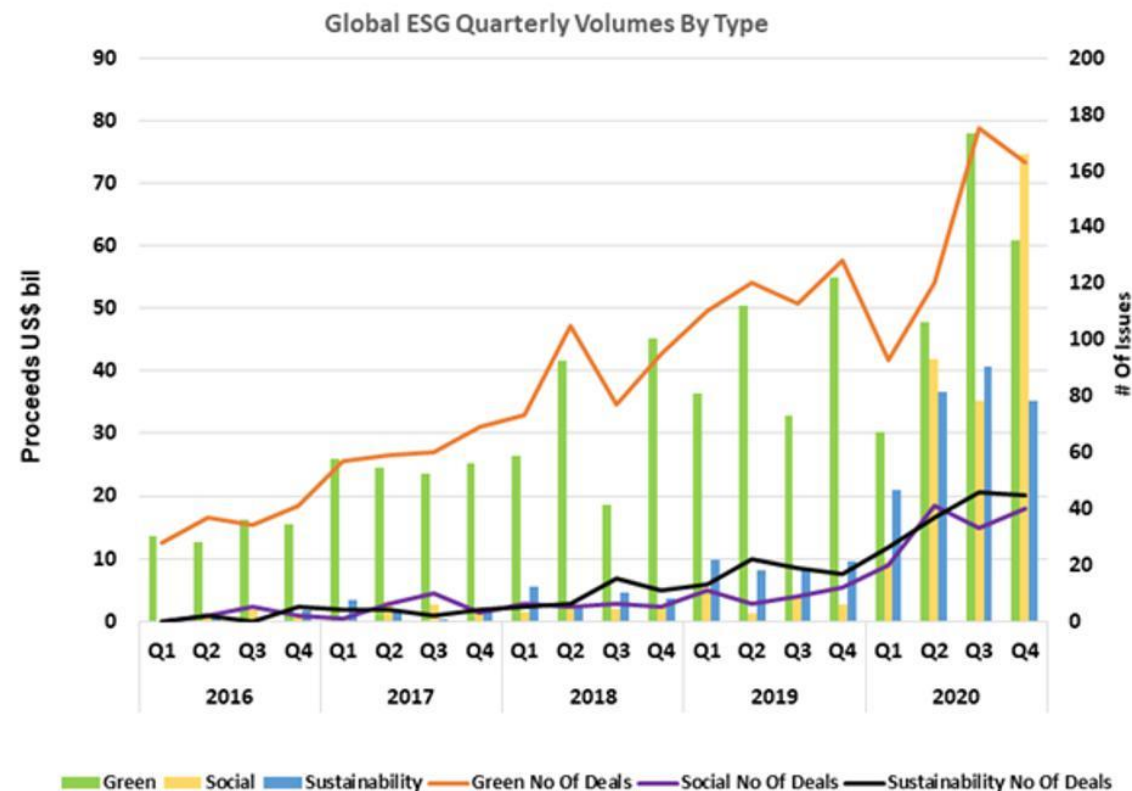
Value creators are more likely to market their sustainability and offer sustainable brands



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**

The rise of corporate climate reporting

Chart 3a: “Net Zero” References in Corporate Reporting 2012-2021

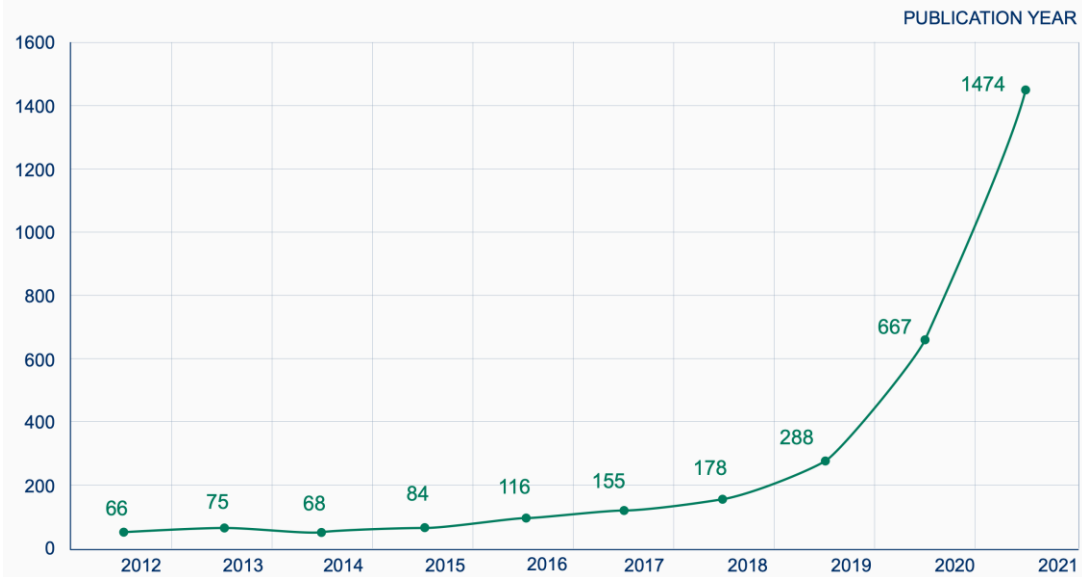
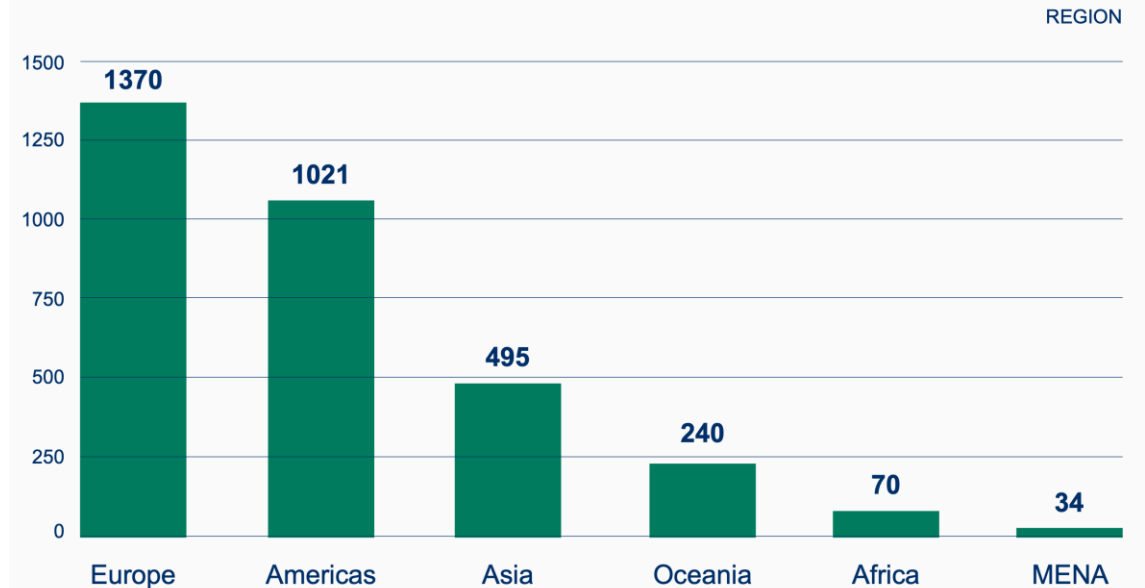


Chart 3b: “Net Zero” References in Corporate Reporting by Region 2012-2021



Source: [ERM, The SustainAbility Institute, 2022 Trends](#)

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’.



Salesforce will require all its suppliers to set science-based climate targets by 2024



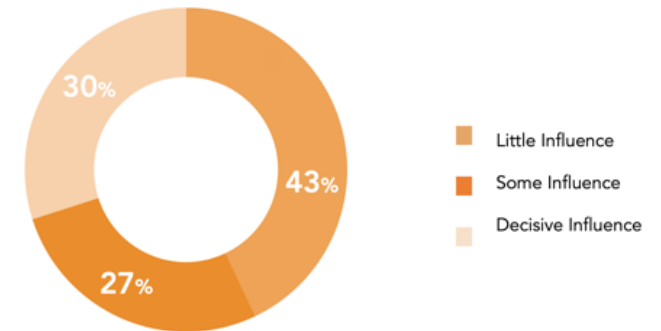
1. Sustainability is now a significant B2B buying criteria

62% of companies have a sustainable procurement policy

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

48% of B2B companies are encouraging or requiring **suppliers and business partners** to meet specific environmental-sustainability criteria

TO WHAT EXTENT HAS SUSTAINABILITY
INFLUENCED YOUR PURCHASES DURING
THE PAST 2 YEARS?



1. Sustainability is now a significant B2B buying criteria

A large orange '81%' is partially enclosed by a blue circular arc on its left side.

81%

81% of executives agree/strongly agree businesses should make even greater efforts to protect the environment

A large orange '63%' is partially enclosed by a blue circular arc on its left side.

63%

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

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



Join us

Global Agenda

Sustainable Development

Youth Perspectives

Gen Z cares about sustainability more than anyone else – and is starting to make others feel the same



Source: Marketo Brand Affinity Report 2019 & World Economic Forum 2022

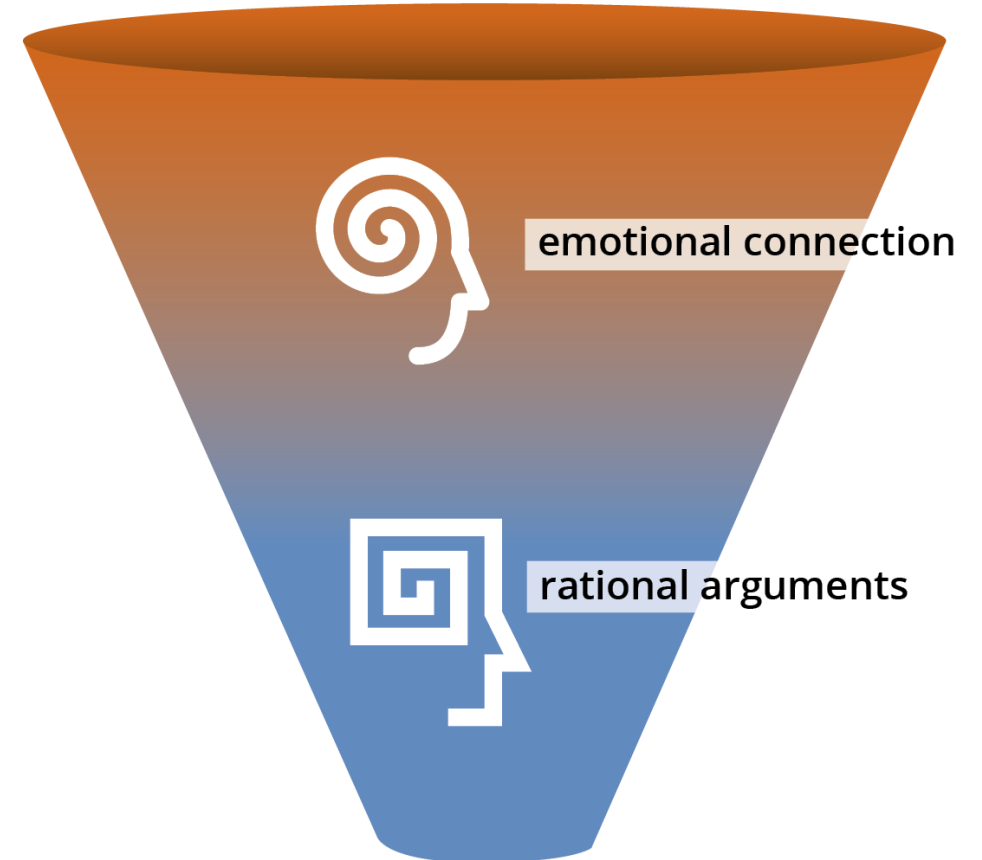


2. You need to differentiate your brand

- 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:

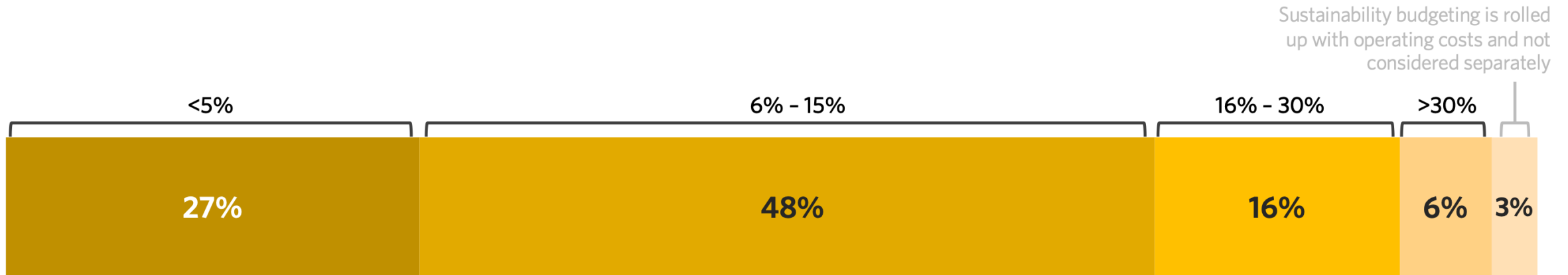
- Gallup, Analytics & Advice for B2B Leaders, 2019
- B2B International, Top 3 Focus Areas for B2B Brands, 2020



2. You need to differentiate your brand

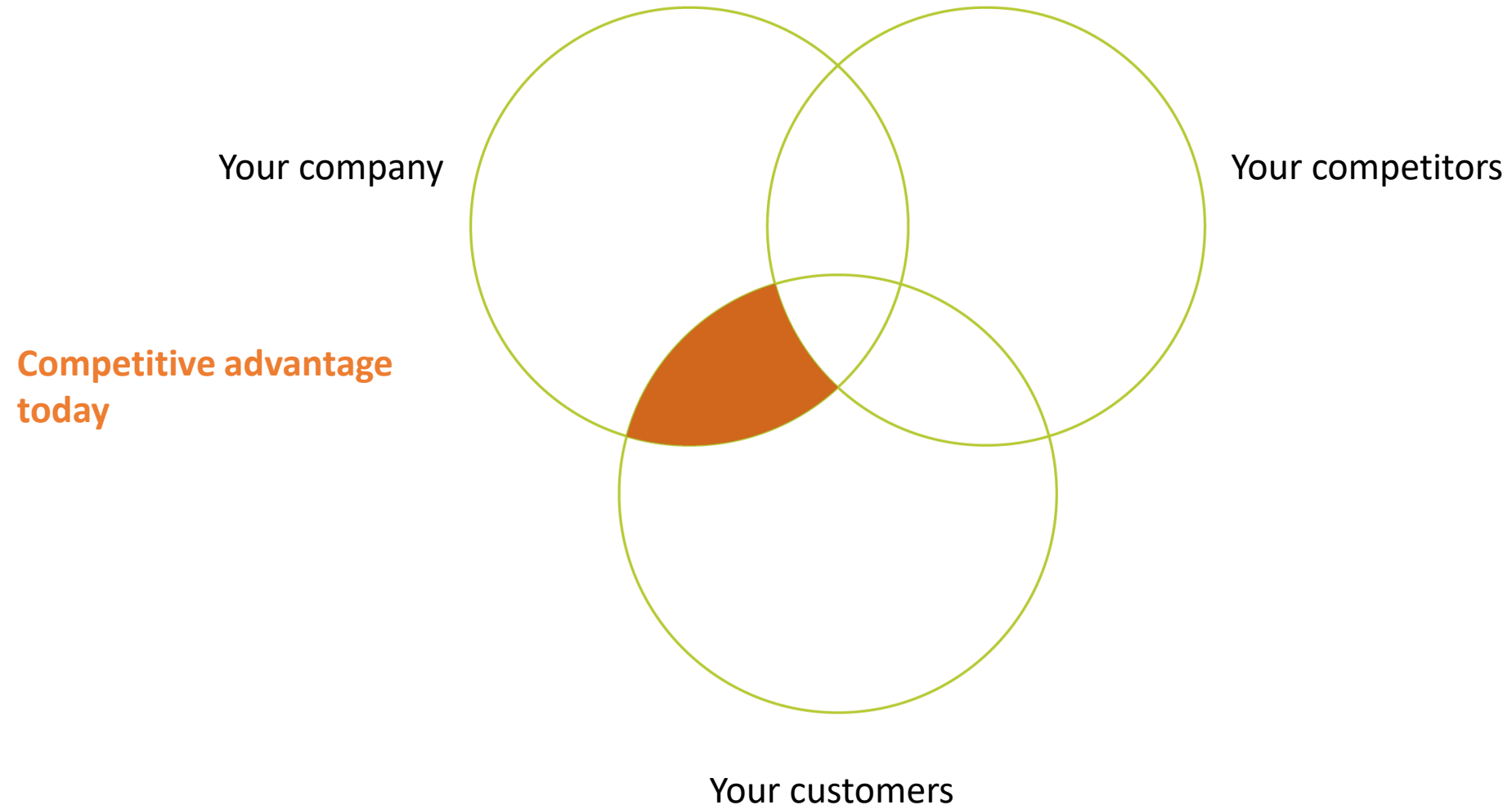
- Big range of investment levels
- Opens the door to using sustainability as a differentiator
- Don't be a laggard

Percentage of Earnings Allocated towards Environmental Sustainability
Reporting: % Selected

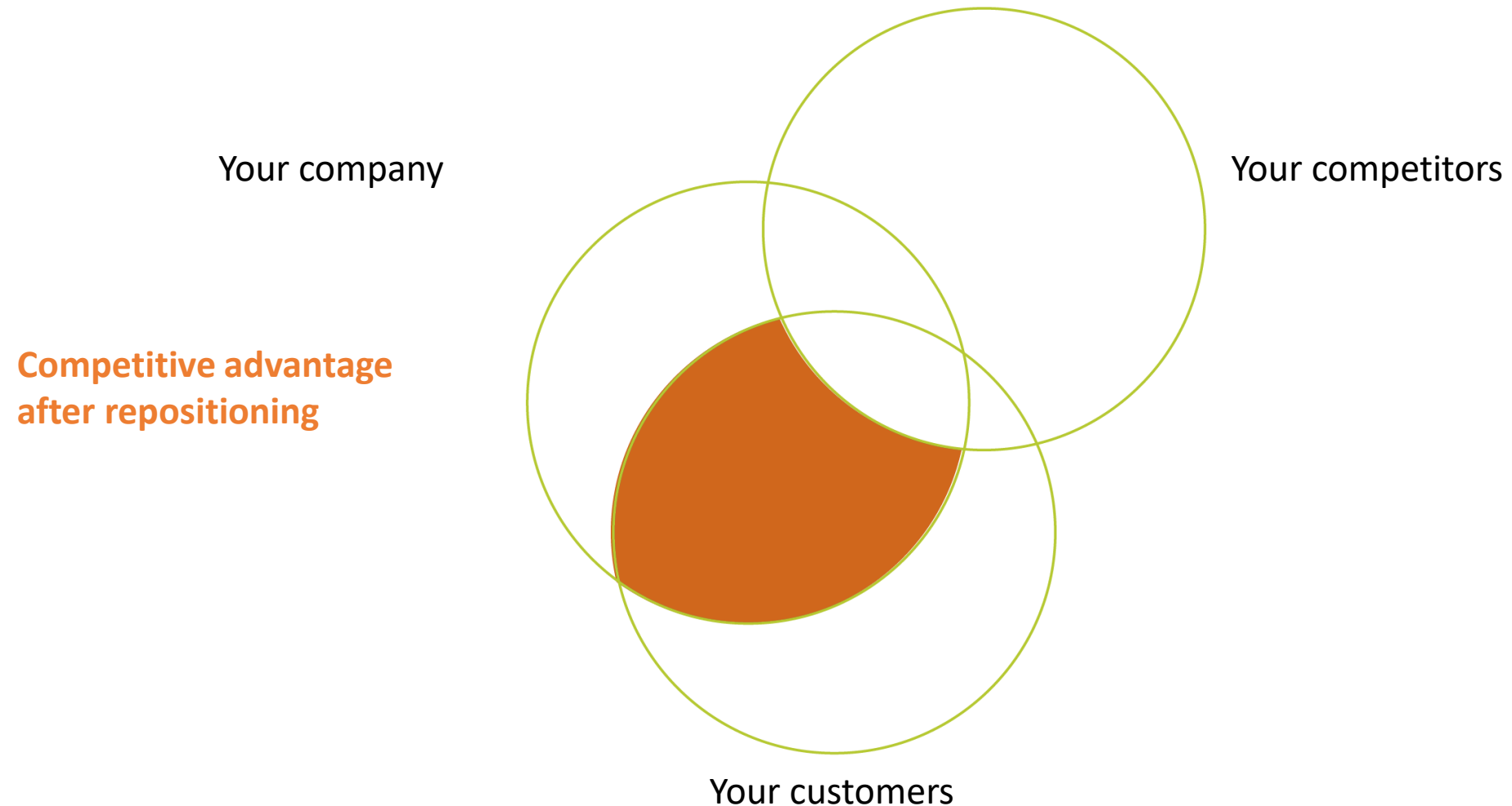


Source: Food & Nature Digest, The Nature Conservancy, November 2020

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

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



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ECONOMIC
FORUM

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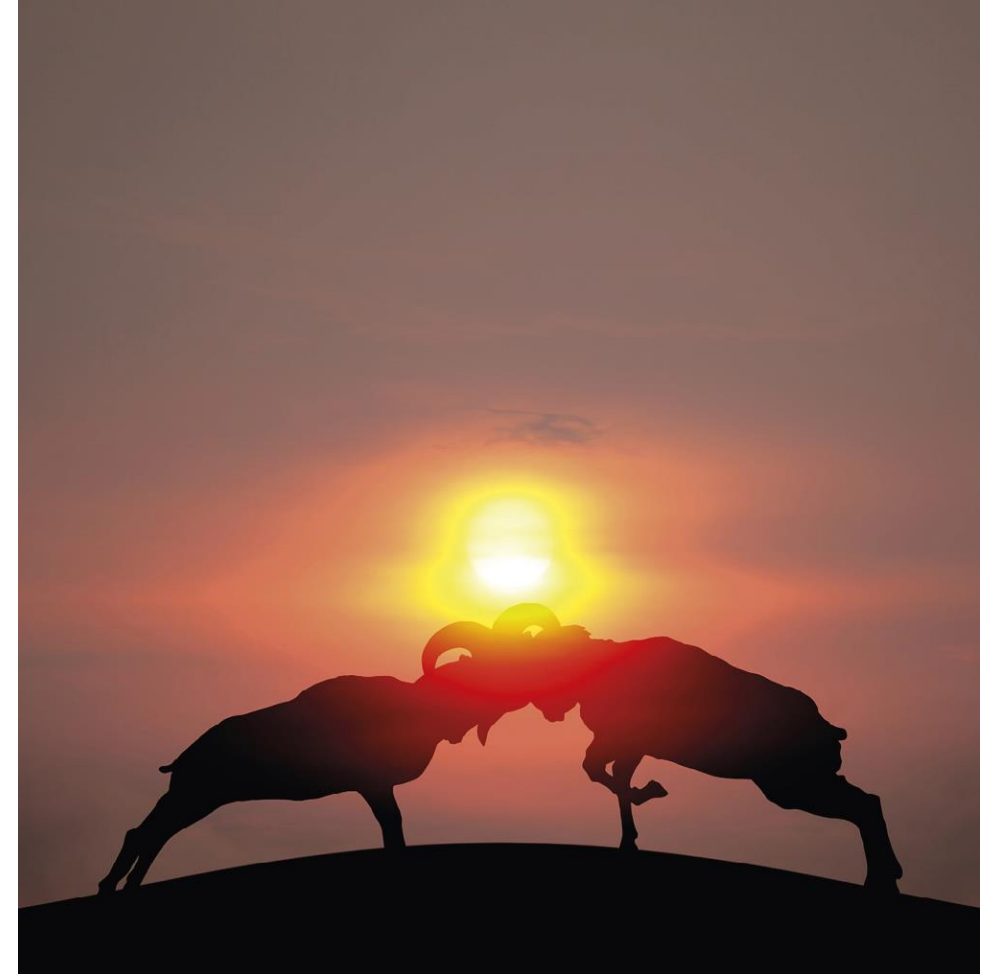
First Movers Coalition is tackling the climate crisis



The decade of sustainable brands:

The new competitive battleground

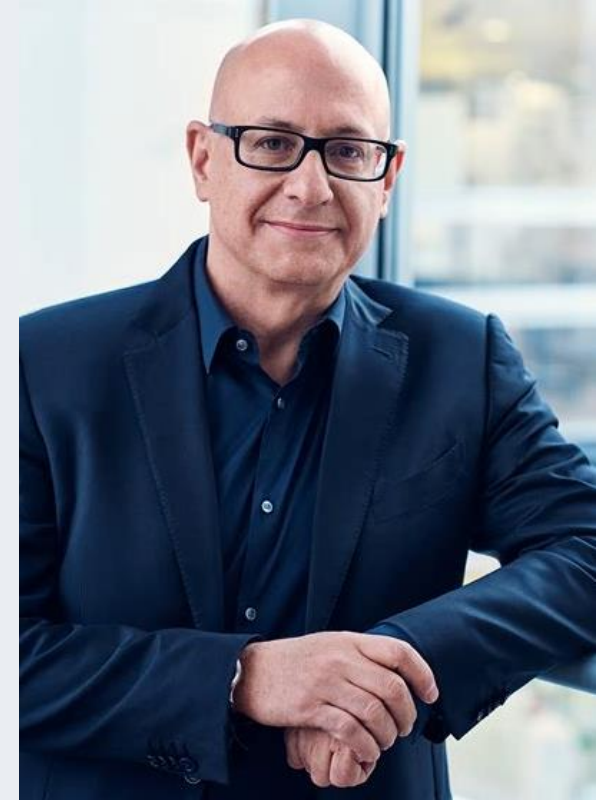
- Next 2-3 years will be decisive in terms of establishing who the sustainable brands are and upsetting the status quo
- Still white space in many industries – easier to claim the sustainable position when it's vacant than oust a rival who has already claimed it



“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



THE VOICE FOR CLEAN CAPITALISM
Corporate Knights
SINCE 2002

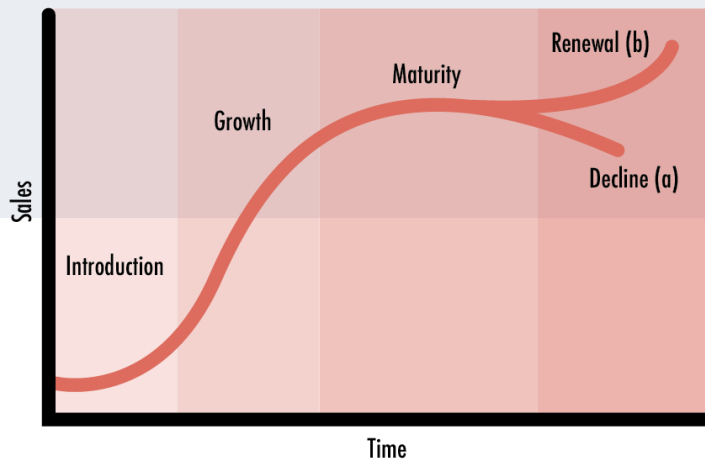
The 100 most sustainable corporations of 2022

2022 G100 Rank	2021 G100 Rank	Company	Country	Climate commitments	Overall Score
1	21	Vestas Wind Systems A/S	Denmark	1.5°C, SBTi	A+
2	24	Chr Hansen Holding A/S	Denmark	1.5°C, SBTi	A

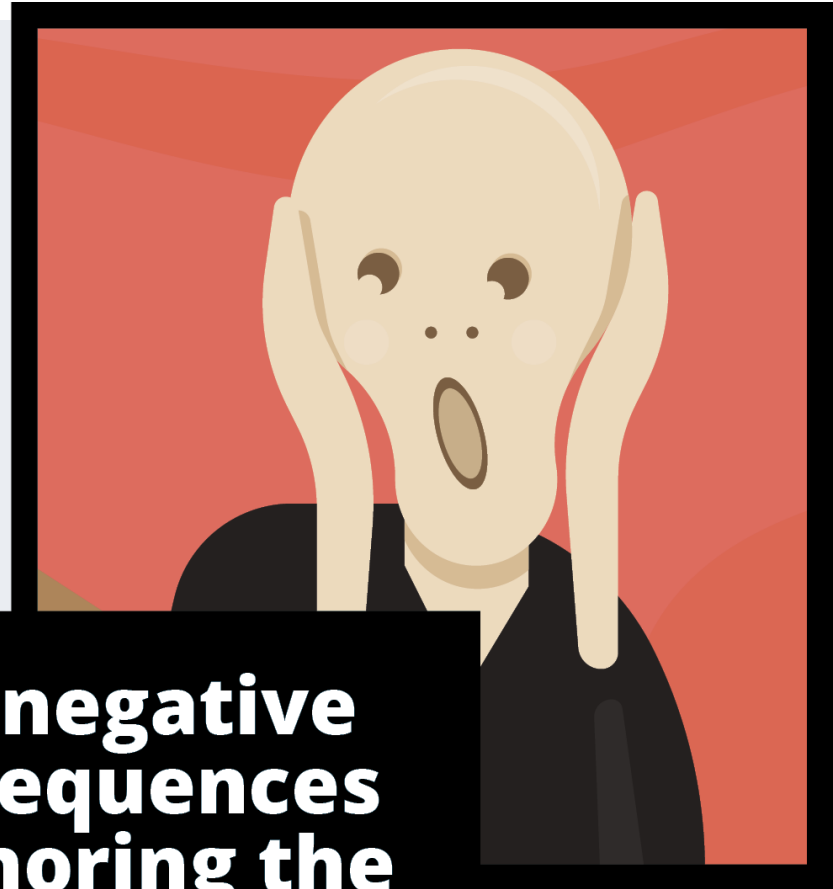
But if you don't market your sustainability...

The future could be bleak:

- Declining sales may lead to financial difficulties
- Lost talent and investment



**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?

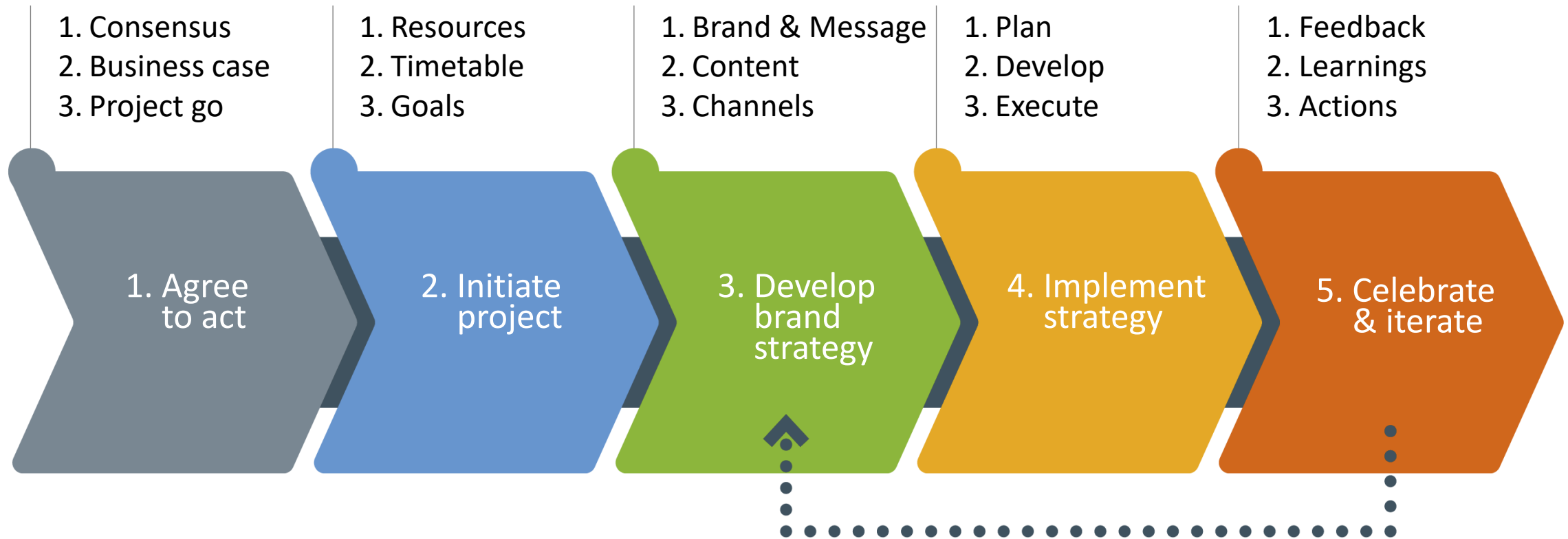
1. Survival of your business
2. Improve competitive position
3. Meet demand from buyers/procurement
4. Strengthen pricing power/profit
5. Have a positive impact in the world



How to market your sustainability to customers?



5 steps to marketing your sustainability



The 5 keys to 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



Avoid the risk of greenwashing

Bloomberg the Company & Its Products

Bloomberg Terminal Demo Request

Bloomberg Anywhere Remote Login

Bloomberg Customer Support

Bloomberg Green

Green

First Danish Climate Lawsuit Targets EU's Biggest Pork Producer

By Frances Schwartzkopf • Sign Up

4 June 2021, 11:52 BST

6

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STAN SMITH

adidas

French Advertising Watchdog Finds that Adidas' Ad for "Recycled" Stan Smith Sneakers is Misleading

September 2, 2021 • By TNS

Image: adidas

Adidas has been slapped on the wrist in a matter centering on the advertising of its famed Stan Smith sneaker, a new version of which the German sportswear giant has been promoting as made from "50% recycled" materials. As part of its overarching "commitment to use only recycled polyester by 2024," adidas launched a "fresh redesign" of one of its most iconic silhouettes, touting the sneaker as made from "50%

The Grocer

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Alpro censured by ASA over environmental claims in almond milk advert

By Kevin White | 20 October 2021 | 3 min read

NO SUGAR

NO SUGAR

ace & tate

Look,

we f*cked up.

OUR BAD MOVES

MAGNETIZE

BLUE BUSINESS

How to comply with sustainability marketing rules

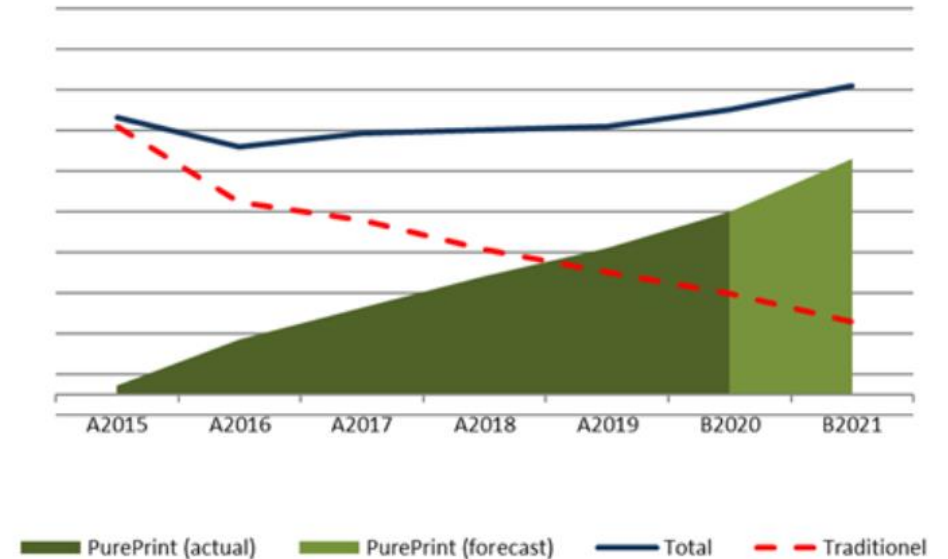
1. Ensure you can document the claims
2. Avoid exaggeration
3. Avoid general or imprecise claims
4. Figures must be up to date
5. When using a certificate, explain what it means.
6. Don't create your own certification if there is already a similar one.
7. Your marketing needs to be in proportion to the effort you are making.
8. Don't hide important information
9. If you are using claims made by your suppliers you are responsible for verifying their accuracy.

Case:
The turnaround of
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!

Case:

How Amphenol generated a sales pipeline for upcycled antennas



Business situation

- Manufacturing antennas for mobile operators
- Big competitors undercutting on price
- Market share challenge



Integra

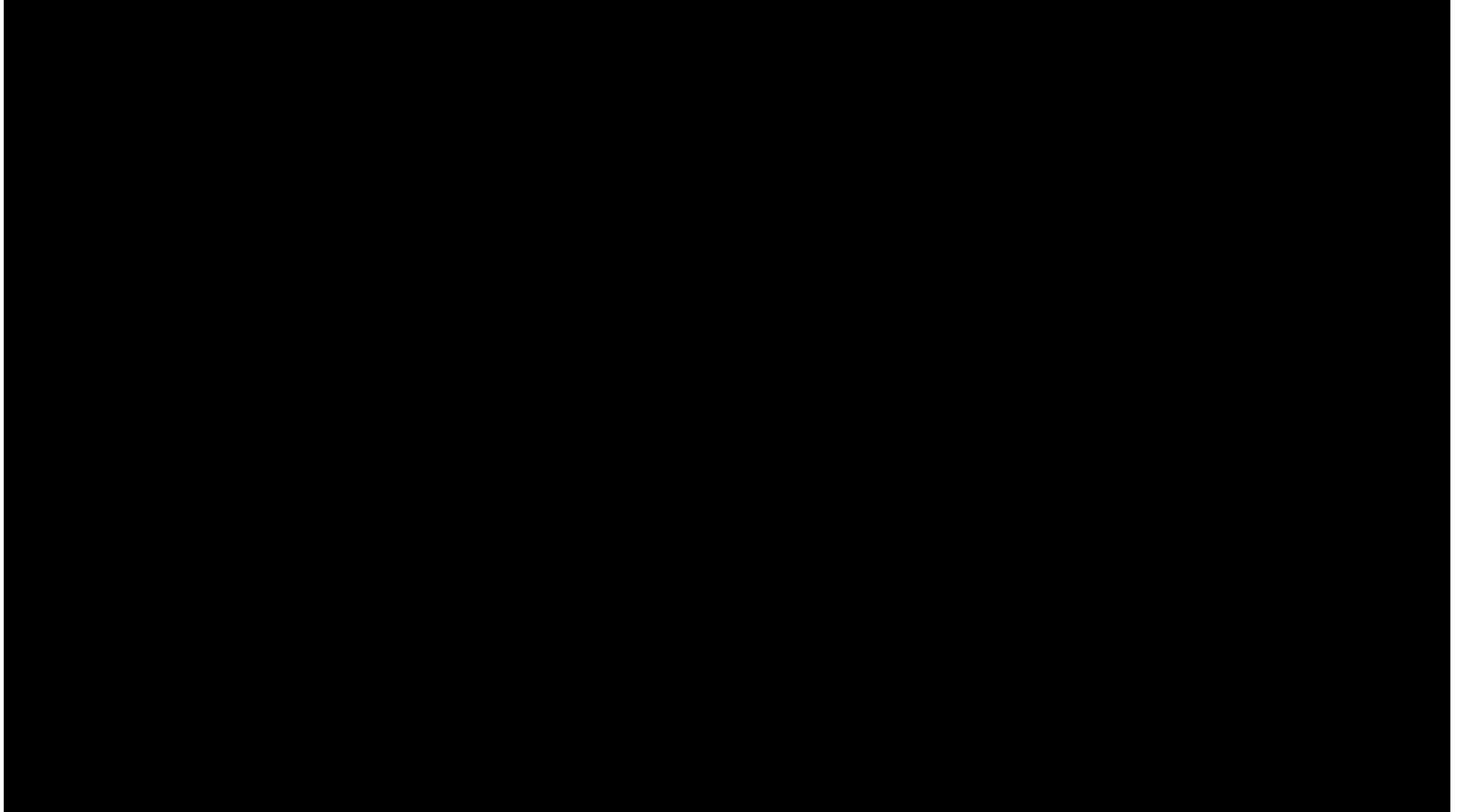
- A new, more sustainable antenna concept
- Lower carbon footprint



Insights

- RAN managers are the priority target audience
- Their priority is to keep antennas up to date to support network needs
- As a result, thousands of functioning antennas get scrapped every year
- They feel bad about this waste but see it as unavoidable
- Most network operator have made CO2 reduction commitments

Video



**Keeping your antennas up
to date is not a choice.**

But antenna waste now is.

Scrap

Upgrade



Across the world. Around the corner.

**Network
evolution
creates huge
piles of
waste**



Contributing to climate change

IPCC report:
'Code red' for human
driven global heating,
warns UN chief



But MNOs are responding

- Fastest adopting industry of UN Race to Zero campaign
- Two thirds of mobile operators have committed to Science-Based Targets carbon reduction
- 13 GSMA members in Europe targeting 47% cut by 2030

GSMA Climate Action Taskforce members



**And now
the world's
first
upgradeable
antenna**



The latest technology for 50% of the carbon footprint



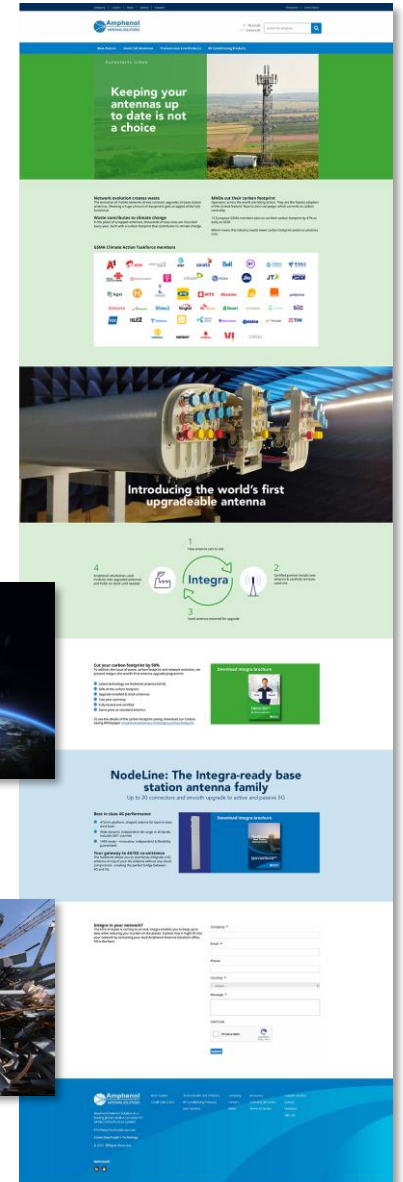
The choice is yours

Scrap

Upgrade

Campaign assets

- Logo
- Landing page
- 30-second video
- Sales slides
- Press release
- LinkedIn posts
- Brochure



Results so far

- Great adoption & feedback internally
- 25,000 impressions on LinkedIn
- 425 brochures landed on target contacts' desks
- Sales follow-up resulted in several opportunities among Europe's largest mobile operators



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 marketing channels
- Developing an implementation plan
- Measuring impact



Offer



NEXT

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

James Bryce Smith, **Magnetize**: M +45 9154 0321

james@magnetize.dk

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

mk@bluebusiness.com.