

SUSTAINABILITY MATTERS

HOW TO UNDERSTAND IF YOUR ESG EFFORTS ARE IMPACTING BRAND CHOICE




It is fair to say that consumers are conflicted when it comes to sustainability. Whilst we know that global concerns are usually dominated by immediate issues, such as inflation, or COVID-19, Ipsos data indicates climate change, poverty and social inequality remain constant and significant global worries¹. However, most individuals are not willing to make substantial changes to their behaviour for the sake of sustainability alone.

Our research shows that to drive a change in behaviour, sustainability must be a 'co-benefit' alongside other factors which are key in a category, such as being easier, cheaper, or healthier. Ensuring products and services are ingrained with sustainable co-benefits can provide brands with a competitive advantage.

Understanding the importance of sustainability to consumers and how this impacts choice can be a difficult challenge for brands to navigate. For effective brand measurement you need to understand the perception of your brand's ESG credentials and whether your actions are being noticed. Knowing which messages and target groups stand to deliver the greatest return on investment (ROI) allows you to focus on actions which are most likely to impact consumer behaviour.

Ipsos have undertaken extensive R&D in this area and as a result have developed measures and approaches to help our clients tackle this issue. Drawing on that work, this article will demonstrate how brands can ensure their sustainability efforts resonate with consumers and positively impact brand choice. Here we share an example of how McDonald's (as the leader of the UK fast food market by ESG metrics) pursued the pillars of ESG together and communicated this message in an impactful way.

A close-up photograph of a person's hands filling a clear glass jar with almonds. The person is wearing a grey, textured knit sweater. They are using a wooden-handled dispenser with a metal spout to pour almonds into the jar. In the background, several other dispensers containing different types of nuts, such as cashews and almonds, are visible. The scene is set on a light-colored wooden surface.

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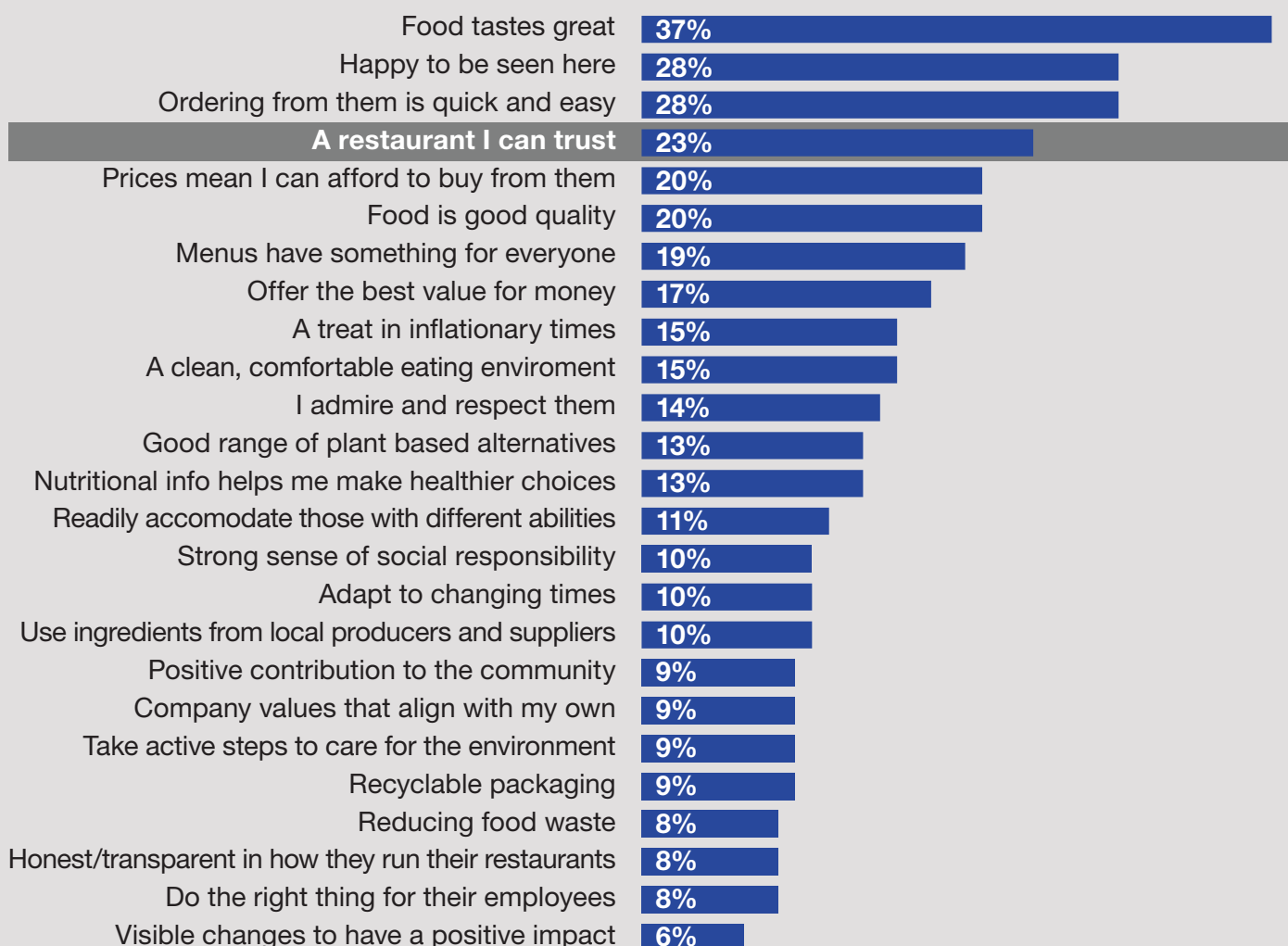
Sustainability influences consideration, but as a co-benefit

A brand driver analysis for UK fast food revealed, not surprisingly, that first and foremost success requires you to provide tasty food, be seen as a place that people are happy to visit and provide quick and easy service.

Category Drivers of Consideration

UK Fast Food

% impact on consideration



The next most crucial driver was trust. Viewing the drivers analysis as structural maps (demonstrating relationships between attributes) uncovered that in the UK fast-food category trust is driven by shared values. So, **it is here where sustainability can make an impact, building deeper relationships once the core functional and emotional consumer benefits are met.**

Understanding consumer values and demonstrating that your brand does the right things for its employees, the community and the environment and runs its business honestly and transparently all drive trust in the brand, which ultimately contributes to consideration.

So, while you need to ensure consumers are aware of what you are doing regarding sustainability, to impact their behaviour your actions must resonate with their own beliefs as well as their broader category needs. Performing well on these ESG metrics genuinely impacts brand consideration, once the basics are in place, so brands must deliver on the category fundamentals first and foremost. ESG credentials alone are not sufficient to have a strong impact in this sector.



McDonald's: A case study for winning on ESG

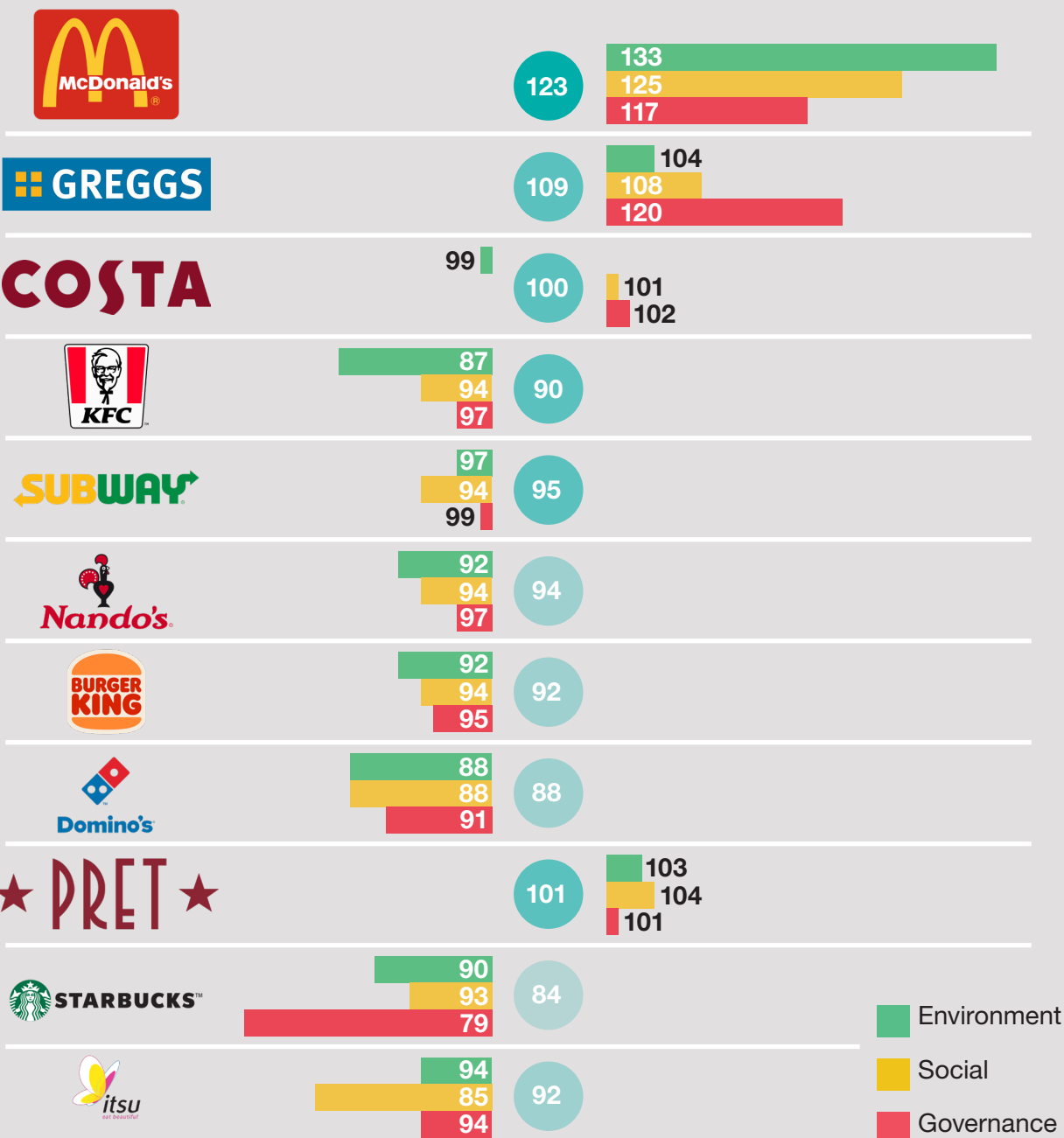
When it comes to finding a brand that has excelled at getting its sustainability efforts to deliver for the brand and its customers, McDonald's is a great example. It leads the UK fast-food category by quite some margin in terms of the strength of their sustainability performance².

But it hasn't always been like that. As McDonald's and their agency, Leo Burnett London, acknowledge in their Gold winning IPA Effectiveness paper, "McDonald's: How we got customers Lovin' It and kept them Lovin' It, no matter what", they once lost the love and trust of the British public and back in 2006, McDonald's found itself the recipient of a mix of negative PR.

So, McDonald's took a long hard look at itself and built a pillar model to drive success. Crucially, it didn't just change what it said, it changed what it did. As the paper says: "McDonald's brand building would drop the front, own the brand's problems, and adopt a tone that was 'confidently humble'."³

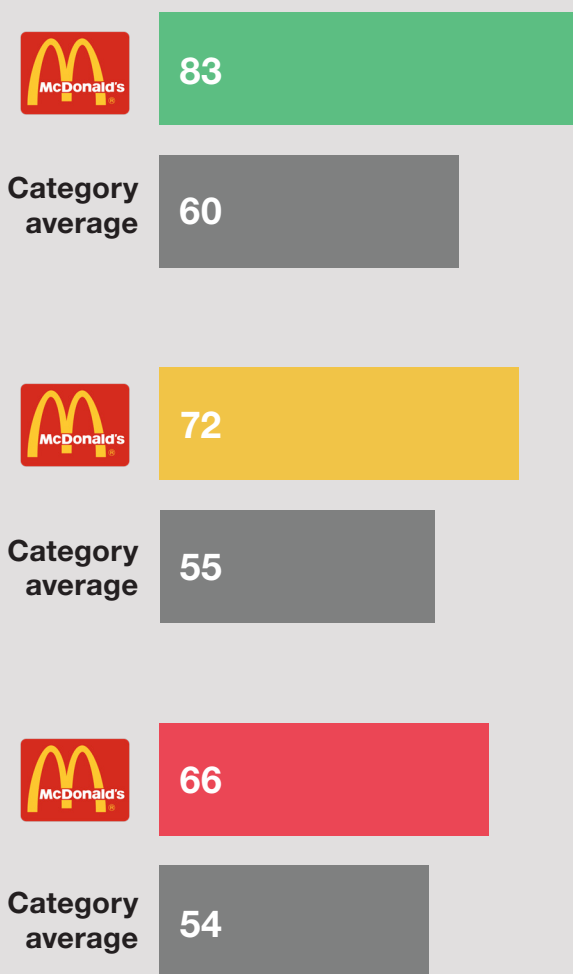


ESG Brand Metrics UK
Fast Food



Knowledge of Activities
UK Fast Food
% 'I know what they do in this area'

Environment Social Governance



This led to the campaign work, started in 2015 with ‘Good to Know’, confronting issues around food provenance and production. The results speak for themselves, by 2022 eight in 10 UK consumers felt they knew what McDonald’s environmental practices were, and the associations tended to be positive.

The brand was much more likely to be seen as part of the solution for issues such as sustainably sourced ingredients, supporting local communities, and using local suppliers than other brands in the sector.

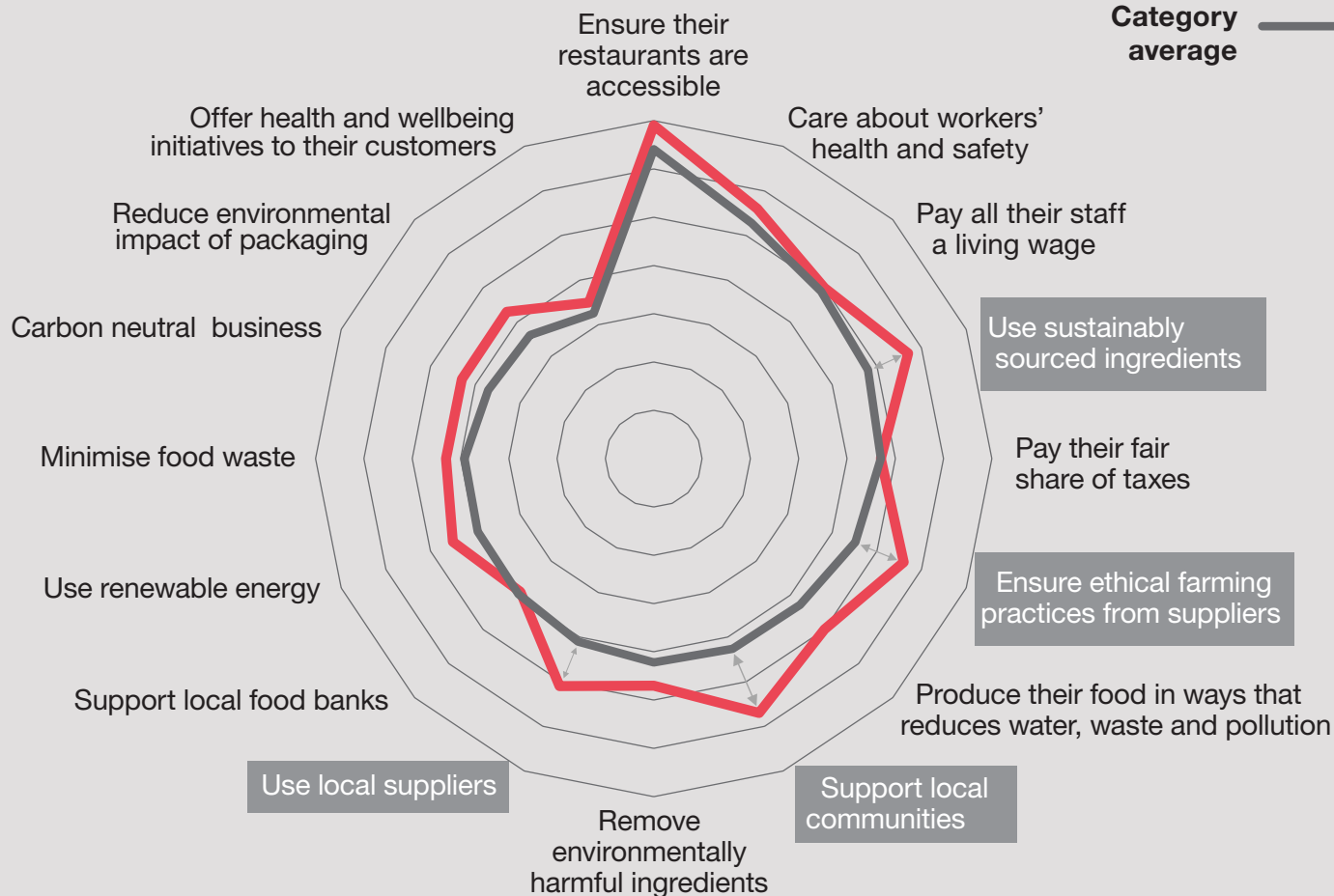


Most recently, the “Change A Little, Change A Lot” campaign continues that ‘confidently humble’ tone, generating a clear response from consumers, and positively impacting the brand. Crucially this wasn’t limited to a small group of consumers; at the time of our research nearly half our sample recognised at least one of the two TV ads ‘Waste’ and ‘Farming’, with the campaign also extending into other executions and other media.

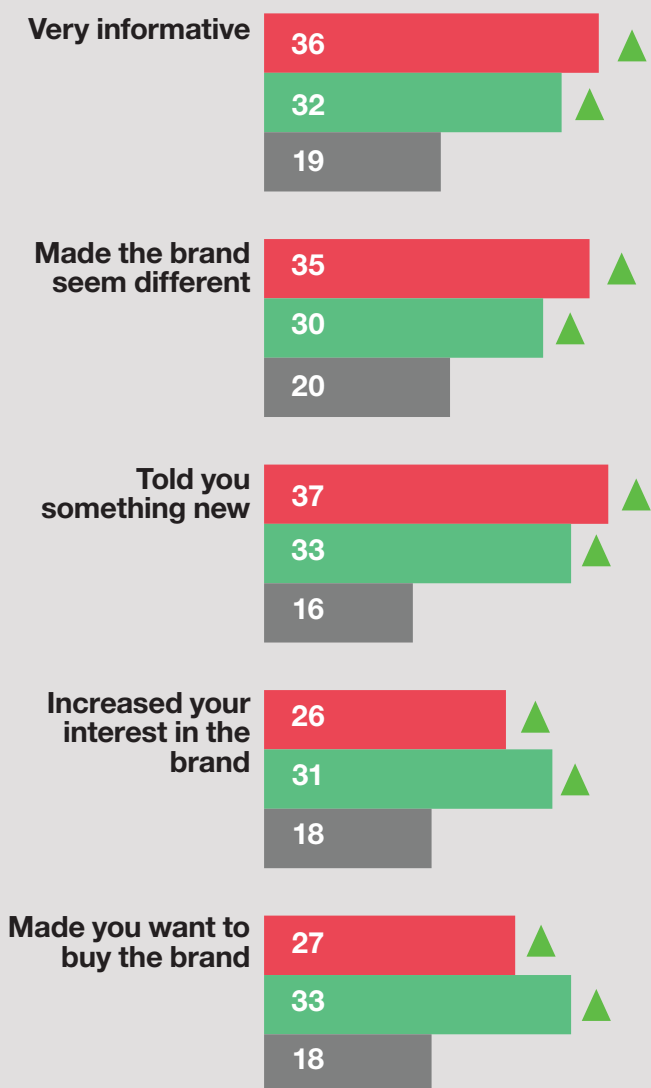
Issue Association
% agree part of the solution



Category average



Change a Little, Change a Lot
Advertising Diagnostics
% agree strongly



Waste



Farming



Norm



Comparison to in-survey benchmark

By avoiding cliched sustainability advertising conventions⁴, and demonstrating the actions they are taking on sustainability, such as recycling McCafé cups, turning used cooking oil into biodiesel, and supporting their employees via investments in British farming, McDonald's illustrated its position on social responsibility and drove increased consideration amongst consumers.





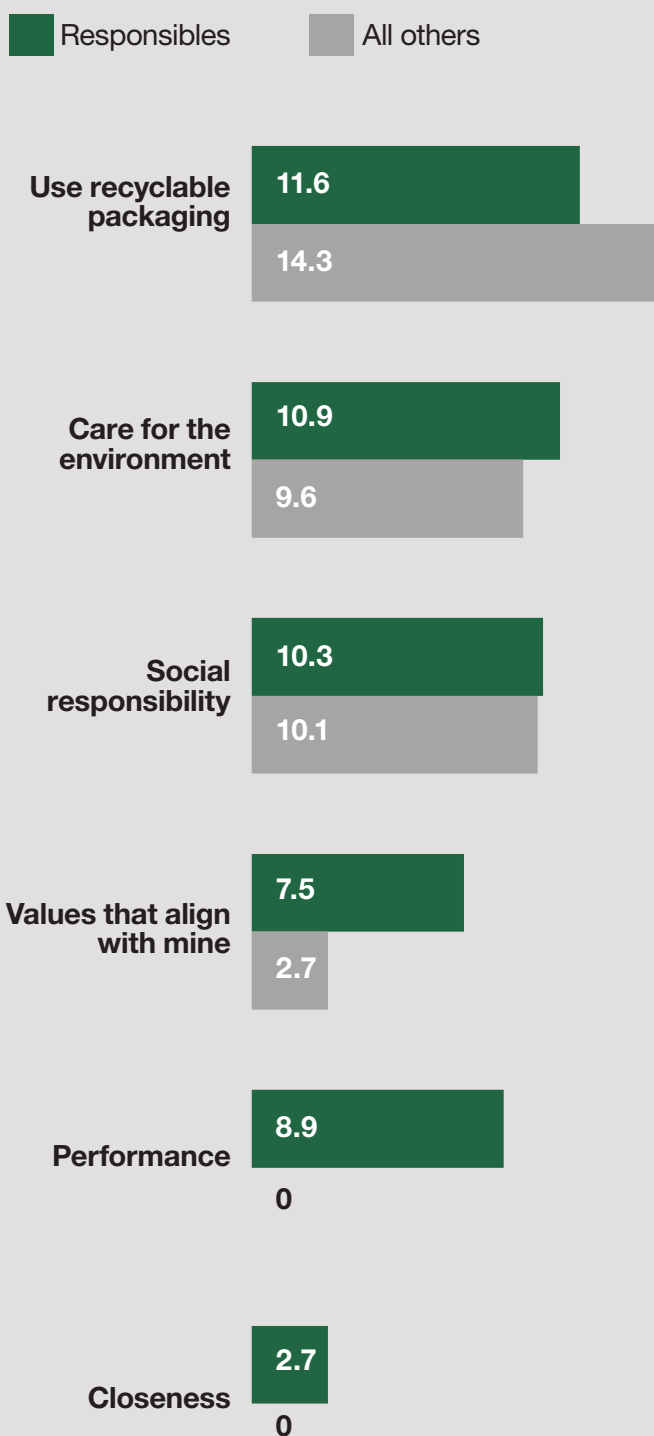
LIFT ANALYSIS

Activation Impact Modelling
 Recognisers vs Non-Recognisers
 % difference in brand association,
 controlling for influencing variables
 including brand usage, demographics
 and category engagement

Our Activation Impact Modelling (AIM) demonstrated that those who recognised the campaign were more than 10% more likely to believe McDonald’s use recyclable packaging, were reducing food waste, care for the environment and had a strong sense of social responsibility (AIM already considers pre-existing relationship with the brand and engagement with ESG issues, so these differences come simply from the advertising).



Activation Impact Modelling
 Responsibles vs all other groups
 % difference recognise vs non recognise,
 controlling for other variables



Not all consumers share common attitudes to ESG: Meet the Responsibles

Whilst we can already see a link between ESG, trust and increased consideration, sustainability matters much more to some people than others.

We know from our Global Sustainability segmentation⁵ that not everyone cares to the same degree about these issues and that segmentation of the population is important to ensure messaging and activation is relevant, engaging and lands well. So, we extended our drivers analysis to understand whether purchasers in this market broke down into different groups motivated by different circumstances and personal values. This revealed a group, representing 22% of our sample, for whom sustainability is even more important in driving their brand consideration. This group, a group we called The Responsibles, are also most likely to put their beliefs into practice, knowing it's more than just recycling but also buying local, caring about ethical business practices, and sustainable sourcing that can make a difference in this sector.

For this group, McDonald's activity translated into a belief that the brand shared their values (a key driver of trust) and delivered uplifts on perceptions of the brand's Performance, as well as their own emotional Closeness to McDonald's. A full virtuous circle.

Emulating McDonald's success

So, what does this mean for brands looking to learn from McDonald's success in building strong perceptions on sustainability and thus increase consideration with consumers?

Firstly, **get the basics right**. Brands must offer good quality products in an accessible way. For the fast-food category that means tasty food with quick and reliable service.

Next, **offer something extra**. Show consumers that the brand is making efforts to have an impact in the world of ESG. This should be positioned as an additional benefit, rather than the sole reason for buying. For McDonald's this meant confronting their issues head on, taking responsibility, and showcasing the actions they took to solve the problem to re-build trust with consumers.

Finally **deliver the message at scale, make your communications big and recognisably you**. McDonald's advertising has a recognisable tone of voice and blends the familiar with the new to create connection to the brand ensuring that the message is heard, associated with the brand, and differentiated. It also delivers the message at scale, with nearly half the people seeing the activity in one form or another, meaning that it delivers, not just small uplifts, but ultimately impacts in market.

Sustainability matters and the job of your brand tracking programmes are to **measure the impact sustainability efforts have for people and on your brands**, so you know better where to focus and what to communicate. Ipsos can help you ensure sustainability associations make a difference to your brand's equity, discovering the crucial expectations that your brand needs to uniquely meet so that you are delivering on all aspects that impact brand choice.

ABOUT IPSOS

In our world of rapid change, the need for reliable information to make confident decisions has never been greater.

At Ipsos we believe our clients need more than a data supplier, they need a partner who can produce accurate and relevant information and turn it into actionable truth.

This is why our passionately curious experts not only provide the most precise measurement, but shape it to provide a true understanding of society, markets and people.

To do this, we use the best of science, technology and know-how and apply the principles of security, simplicity, speed and substance to everything we do.

So that our clients can act faster, smarter and bolder.

Ultimately, success comes down to a simple truth:

You act better when you are sure.

FOR MORE INFORMATION CONTACT:

Hazel Freeman

Global Head of Brand Health Tracking Communications Research, Ipsos

Hazel.Freeman@ipsos.com

+44 7787 005 290

Jon Harper

UK Head of Brand Tracking Offer and Design, Ipsos

Jon.Harper@ipsos.com

+44 7825 942 356

+44 (0)20 3059 5000

ukinfo@ipsos.com

www.ipsos.com/en-uk

www.twitter.com/ipsosuk

www.linkedin.com/company/ipsos-UK

www.instagram.com/ipsos-uk

All the data is sourced from a study run in the UK online in July 2022. Sample was 1500 16-74 year olds who have purchased from a fast food outlet in last 3 months.

¹ [Ipsos Global Advisor. What worries the world. Feb 2023](#)

² Our unique ESG Brand metrics provide insights into how consumers perceive brands in the category to perform in terms of Environment, Social and Governance individually with the ESG Brand Scores and overall with the Single Sustainability KPI.

³ McDonald's and Leo Burnett London, Gold winning IPA Effectiveness paper: "McDonald's: How we got customers Lovin' It and kept them Lovin' It, no matter what"

⁴ [Ipsos. Making Magnificent Advertising. Not Wallpaper, Feb 2023](#)

⁵ [Environmental Sustainability: Who cares? A segmented landscape of engagement, challenges and opportunities, Nov 2022](#)

