HOW ENERGY STAR FITS INTO YOUR CSR PLATFORM

Part of the 2013 ENERGY STAR Products Partner Meeting Webinar Series



BENCHMARK ENVIRONMENTAL/CSR CONSUMER RESEARCH

| ONE | Trend |
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| C RELATIONS & MARKETING | Tracker 👯 |
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| | KE RESPONSIBILITY FOR "GREEN" ACTIONS BUT AREN'T FOLLOWING H, ACCORDING TO LATEST CONE COMMUNICATIONS RESEARCH |
| Fac | ng resource and knowledge barriers, Americans look to companies for help |
| n eye toward "gre hen they shop, up ut environmental i | 2013) – Earth Day may be just around the corner, but consumers are buying with en" all year long. A record-high 71 percent of Americans consider the environment from 66 percent in 2008*. Additionally, nearly half (45%) of consumers actively seek information about the products they buy, according to the five-year benchmark of mmunications Green Gap Trend Tracker. |
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| | ications Trend Tracker XXXX CONSUMERS STILL PURCHASING, BUT MAY NOT BE 'BUYING'' COMPANIES' ENVIRONMENTAL CLAIMS |
| Commun | CONSUMERS STILL PURCHASING, BUT MAY NOT BE |





WHAT AMERICANS WANT TO HEAR



- More than seven-in-10 Americans consider CSR when deciding where to work (71%), what to buy or where to shop (87%) and which products and services to recommend to others (82%)
- 93% wants to see more of the products and services they use support CSR (social and environmental issues)



REWARDING CSR PARTICIPATION

WHEN COMPANIES SUPPORT SOCIAL OR ENVIRONMENTAL ISSUES, CONSUMER AFFINITY SURGES

- 93% of consumers will have a more positive image of those companies
- 90% would be more likely to trust those companies
- 90% would be more loyal to those companies





CONSUMER MOTIVES FOR BUYING GREEN

HEALTH AND ENVIRONMENTAL CONCERNS TOP THE LIST



- 88% "It's **healthier** for me, my family or community"
- 87% "I want to preserve the environment for future generations"
- 84% "It will save me time or money in the long run"
- 78% "I believe it's a better product"
- 58% "It's a way for me to show others I care about the environment"



WHAT PREVENTS CONSUMERS FROM BUYING GREEN?

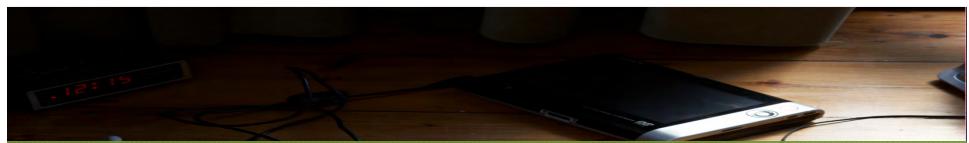
COST CONCERNS PREVAIL AS NUMBER ONE REASON CONSUMERS AVOID "GREEN"



- 42% didn't buy an environmental product in the past because they believed it cost more
- 33% didn't believe the product would be as effective/high quality
- 27% didn't trust the environmental claim on the product



HOW TO TALK TO CONSUMERS EFFECTIVELY



73% of Americans want companies to provide more environmental information on-pack





Source: 2013 Cone Communications Green Gap Trend Tracker

MOST INFLUENTIAL ENVIRONMENTAL MESSAGE

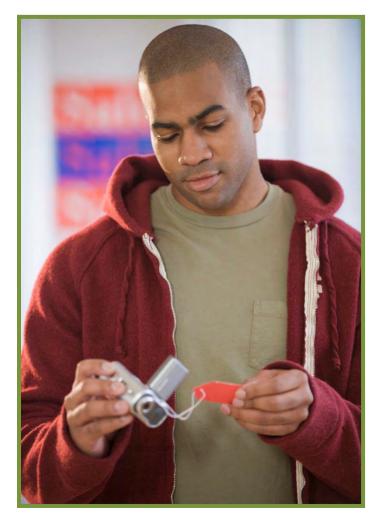


Symbol or certification

81% of consumers are influenced by a symbol or certification (e.g., CarbonFree Certified, ENERGY STAR, recycle logo)



INFLUENTIAL ENVIRONMENTAL MESSAGES



Message with specific data

80% are influenced by a message with specific data or outcomes (e.g., "This product has 50% less plastic than the original")

General environmental message

73% are influenced by a general environmental message (e.g., "environmentally friendly")

URL or QR code/smart barcode

47% are influenced by a URL or QR code/smart barcode that directs to a website with more detailed information

Environmental imagery

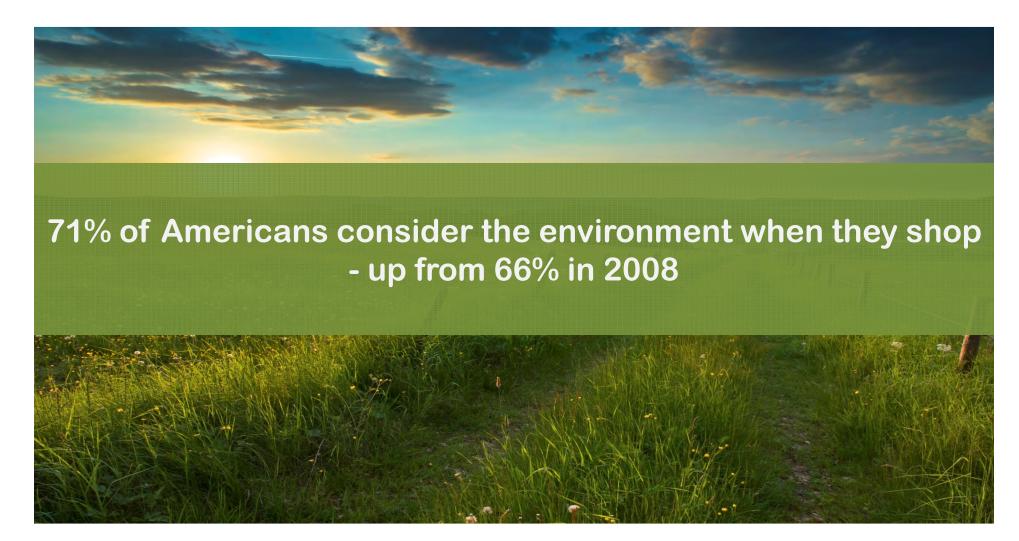
44% are influenced by environmental imagery (e.g., a mountain range, a green leaf)



OPPORTUNITIES TO BETTER REACH CONSUMERS THROUGH ENERGY STAR



ENVIRONMENT IS A MOTIVATOR





Source: 2013 Cone Communications Green Gap Trend Tracker

ENVIRONMENT IS A DIFFERENTIATOR

89% OF AMERICANS WOULD **SWITCH BRANDS** TO ONE THAT ADDRESSES SOCIAL OR ENVIRONMENTAL ISSUES GIVEN SIMILAR PRICE AND QUALITY







Source: 2013 Cone Communications Green Gap Trend Tracker



Saving 100 kilowatt hours a year on an ENERGY STAR certified home theatre in a box may not seem like much, but...







...consumers may understand saving the carbon emissions driving from Washington D.C. to New York City...





Source: According to calculations using U.S. EPA Greenhouse Gas Equivalencies Calculator



...or the greenhouse gas emissions avoided by recycling 1,391 16oz water bottles instead of sending them to a landfill. That's quite a lot!





Source: According to calculations using U.S. EPA Greenhouse Gas Equivalencies Calculator

ADDITIONAL CSR COMMUNICATIONS TRENDS AND OPPORTUNITIES



CONSUMERS ARE MOST INFLUENCED BY END-OF-LIFE MESSAGES

PRODUCT TAKE-BACK AND RECYCLING IS TOP-OF-MIND FOR AMERICANS



Americans were **most influenced** by messaging related to the environmental impact of:

- 42% **Disposing** of a product
- 33% Using a product
- 27% Manufacturing a product



CSR AND SOCIAL MEDIA ENGAGEMENT

51% OF AMERICANS REPORT USING SOCIAL MEDIA TO ENGAGE WITH COMPANIES AROUND CSR



- 27% to **share positive information** about companies and issues they care about
- 26% to learn more about specific companies and issues
- 20% to share negative information about companies and issues they care about



ONLINE INFORMATION INFLUENTIAL IN ELECTRONICS AND APPLIANCE PURCHASES

CONSUMERS MORE LIKELY TO GO ONLINE TO FIND INFORMATION ABOUT ELECTRONICS AND HOUSEHOLD APPLIANCES OVER OTHER INDUSTRIES

- 59% of Americans go online to do research after receiving a purchase recommendation
- 60% believe the information they find online is useful/relevant to what they are looking for





BEST PRACTICES FOR CSR AND SOCIAL MEDIA



BEST PRACTICES: INFORM

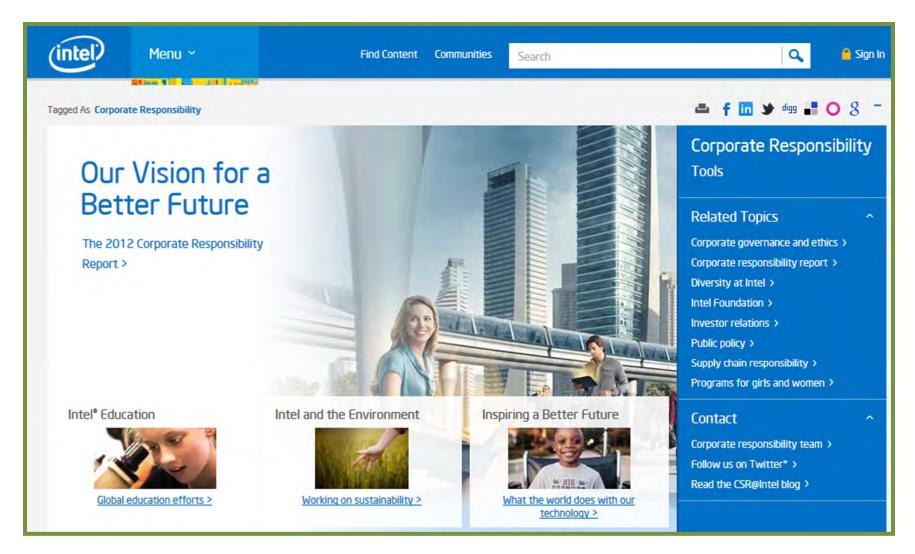
- Publish a CSR Report
 - Create content that is shareable on social media
 - Include progress against goals
- Integrate CSR across existing social channels (e.g., LinkedIn, Facebook, Twitter)
- Make CSR and sustainability content
 - **Searchable** on the company's newsroom
 - Shareable on social media from the company's newsroom
- Publish sustainability content on company managed communications channels, i.e. a corporate blog







INTEL'S SHARING CAPABILITIES





INTEL'S BUILD YOUR OWN REPORT





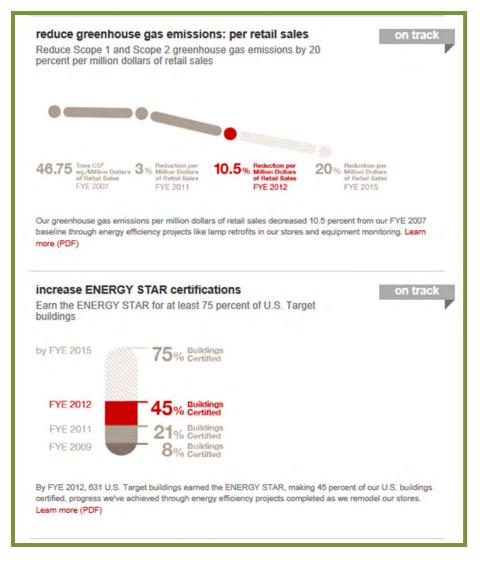
TARGET PRESENTS GOALS & PROGRESS

goals & reporting

In our 2012 corporate responsibility report, we share what we've done in the past year to continue our commitment to environmental sustainability, responsible sourcing, strong, healthy and safe communities, being a great place to work, and our legacy of giving and service.

We also share our second year of progress toward our corporate responsibility goals, explaining whether we're on track or need improvement. We believe our work toward these goals can help create a brighter future for our team members, our communities and the world we live in.







BEST PRACTICES: ENGAGE

- Allow for feedback with stakeholders (consumers, media, activists) on social channels
- Position company as a thought leader on third-party channels (e.g., Twitter, Facebook, LinkedIn)
 - Have company SMEs engage actively in conversation
 - Be part of the dialogue at sustainability conferences
 - Engage with influential CSR/sustainability leaders online
- Launch sustainability initiatives or make sustainability announcements via social. (Twitter chats, Google Hangouts, etc.)







CAMPBELL'S VP: ACTIVE ON TWITTER





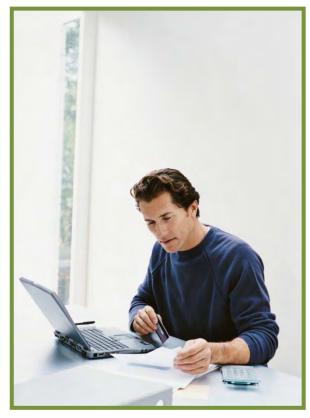
EMC CSO PROMOTES SUSTAINABILITY REPORT





CASE STUDY: Nestle Waters North America





KEY TAKEAWAYS

- Environment is **influential** in purchasing decisions
- Americans want companies to provide more clarity around environmental messaging
- Consumers look for information at point-of-sale and increasingly online
- Consumers use social media to share both positive and negative information about companies' CSR efforts
- Opportunities for ENERGY STAR partner companies:
 - Supplement the numbers with real-life experiences consumers can relate to
 - Talk about your business practices and address issues such as recycling
 - Monitor and engage visibly on social media



THANK YOU.

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