

What am I doing about sustainability in my business?



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I recently had the opportunity to attend the <u>Sustainable Brands Summit</u>. This was a gathering of local and international brands, social entrepreneurs and sustainability advocates sharing their stories, thoughts and strategies around sustainability. The information I received from this event left me thinking, "What am I doing about sustainability in my business?"

"In a volatile world of growing social inequality, rising population, development challenges and climate change, the need for businesses to adapt is clear, as are the benefits and opportunities." Paul Coleman Unilever CEO.

The call for responsible, sustainable and equitable business practices is getting louder and any responsible business leader should be acting on it. So what is a sustainable business? Wikipedia sums up the definition: "It is an enterprise that has minimal negative impact on the global or local environment, community, society, or economy - a business that strives to meet the triple bottom line."

I've noted some interesting points from speakers at the Sustainable Brands Summit and added my thoughts and research to share with you, my fellow business owner. I believe this could be of value, as you think about building a sustainability strategy for your business.



1. Smart companies turn sustainability into billion dollar brands

"Doing good, is good for business," says Richard Branson – and there's data to support this. Unilever is one of these smart companies. Their CEO reported that they've seen positive results from their "Sustainable Living Brands" programme. In 2014, these brands delivered stronger and faster growth than other Unilever brands; they also contributed to 50% of the company's growth and grew at double the rate of the rest of the <u>business</u>. The business case for incorporating sustainable practices into your business strategies is solid. Although the initial investments may seem high, the long-term returns are worth it.

2. 'Goodvertising' is good for brand, bottom-line, people and planet

Spread the word about your good business practices. Tell the good stories about what your business is doing around

sustainability. It's not only good for business, but also for society at large and the planet. Brands are influencers and if big brands are sharing their sustainability stories, they spread the good message and influence others to make necessary changes.

Woolworths is an example of a company that does "doing good" well, and this is one of the reasons they've been voted the most reputable retailer in South Africa. Their values, such as "Integrity, sustainability and excellent service", are at the heart of everything they do.

3. Human brands are brands that are empathetic

A sustainable brand is an empathetic one. Empathy is the ability to put yourself in someone else's shoes, experiencing the world from another individual's perspective. Empathy is central in the designing of sustainable systems, processes and brands.

As business owners, we need to think about how our products and services impact the user. Do they make life better for them? Are we adding value? How does a brand do this? One answer is human-centred design. Made popular by ideo.org, human-centred design is a process whereby – you, build solutions from the perspective of the user. Visit Human Centred Design to learn more.

4. Innovation was not a coincidence, but a game plan

"Innovation was not a coincidence, but a game plan," stated P&G IMEA president, Mohammed Samir, in his speech at the summit. Innovation and sustainability go hand in hand. P&G reported that between 2007 and 2012, their sustainable innovation brand sales (products that provide a greater than 10% reduction in energy use) compared to older product versions, sold \$52bn. This is approximately 11% of the company's total cumulative sales over the same period. Read more here. Sustainable innovation is the equivalent of evolution in the business world – it's a competitive and long-term growth advantage.

5. You need to be a brand with purpose if you want to effectively reach millennials

Today's youth look for value in the brands they choose to consume. If you, as a business owner or innovator, are not creating brands which are youth focused, you're missing out on future growth potential.

Here are the facts that should inspire you to start creating sustainable products and services targeted at the youth:

- Our continent, Africa: This continent has the youngest population in the world. The African Economic outlook reported that Africa has almost 200 million youth, and by the year 2045, this number will double.
- The youth's incredible spending power: According to <u>Adage</u>, starting in 2017, millennials will spend \$200bn annually, and up to \$10tn in their lifetime.
- The youth is socially and environmentally conscious: An online global study conducted by Neilson found that in 2014,

55% of respondents aged between 15 and 20 were willing to pay more for products and services which have a social and environmental impact and this increased to 72% in their 2015 survey.

6. We have an obligation to imagine a better world

Being conscious about what we are doing to the environment and to society as a whole is a moral obligation. "It's not all about money... It's about people using their skills and figuring out ways to use the assets of their businesses to drive not only profits, but a better world. Writing a cheque might impact hundreds of people's lives; mobilising your whole business to drive change can impact millions of lives and give a whole new life purpose to all the people who work in your company." Richard Branson, *Screw Business as Usual, 2013*.

As a business still in its early stages I have the opportunity to design my business model to ensure that sustainable business practices are at the core of what I do, and not just an afterthought. I'm going to start making sustainability central to my business, I hope you will too.

ABOUT NOKWAZI MZOBE

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