



The state of sustainability in advertising APAC 2023

Does sustainable messaging in advertising perform better?

With increasing pressure and motivation across the global population to live sustainably, it's never been more important for brands to prove how they are achieving this. Every brand wants to be seen as socially responsible and in a world faced with growing environmental challenges, it is fast becoming an integral part of many media and advertising strategies.

Key questions:

- Do sustainable brands increase consumer sentiment and if so, how do they create effective communication strategies to demonstrate this?
- What happens if a brand doesn't possess much social purpose and ultimately doesn't help save the world? Are they at a disadvantage?
- If so, how can brands adopt the right communications to ensure they remain to be seen positively?

This report aims to develop a greater understanding of sustainability within advertising and ascertain if brands that carry messaging of sustainability at its core perform better than those who don't.

Our key findings across the report include:

People care about sustainability but cost is currently a barrier when it comes to adoption.

Sustainability messaging in advertising works. HOWEVER only if brands correlate in an authentic way.

The report begins with analysis via our own research tracker examining exactly how consumers are feeling around sustainability and how this varies across different sectors. We get to the bottom of consumer understanding and how this affects behaviours, particularly amidst increasing pressures around the cost of living, highlighting the key trends and opportunities for brands.



The following section examines our own aggregated benchmark data, which tells us a fascinating story on how brands who use sustainable messaging perform in terms of their effectiveness. This gives us a clear picture into the sectors that are doing this type of advertising well and allows us to wrap up with sharing some case studies and top tips when it comes to creative best practice in sustainability advertising.

Arguably, it's never been more important for brands to get sustainability messaging right. We hope this report goes some way in helping achieve this.

Embracing Sustainability

Sustainability is certainly at the front of consumers' mindsets with **84% agreeing they have knowledge around sustainable living**. Alongside the increasing pressure to live more sustainably in order to avoid a climate crisis, this knowledge and concern is only likely to become more pertinent, increasingly integrating itself into brand awareness and purchasing habits. 71% are worried about environmental sustainability and 69% are willing to pay more for sustainable choices.

Analysing this across the separate APAC territories suggests that overall knowledge of sustainability is high and 82% are willing to pay more for sustainable products in the Philippines, alongside 80% in Thailand and 71% in Malaysia. As such, there is a huge opportunity for brands to increase their focus on this audience and promote how their products or services help them live sustainably. Our data also shows us that those consumers who know more around the topic of sustainability are significantly more likely to pay more and give preference to brands that are sustainable.

Question	Australia	Indonesia	Malaysia	Philippines	Singapore	Thailand	AVERAGE
Knowledge of sustainability	81%	82%	82%	82%	88%	87%	84%
Worried about environmental sustainability	57%	78%	78%	79%	54%	71%	71%
Will to pay more for sustainable products	57%	69%	71%	82%	52%	80%	69%

Consumers are beginning to place more credence upon sustainability when it comes to purchase habits.

However, this is just the start of the sustainability journey and more is needed from both consumers and brands.

What's the deal with consumers right now?

At present, some of the sustainable trends we see are no doubt driven by the current cost of living. Ensuring longevity is therefore vital for brands, enabling them to successfully navigate the Trust – Price – Practicality triangle. Further education and awareness are also needed.

How should brands react?

Brands need to lead the charge and prove themselves in an authentic way. However, they need to fully commit to the cause in order to make this connection a success. Turning up with a half-hearted approach simply doesn't work.

71%

are worried or stressed
about sustainability

74%

prefer environmentally
friendly brands

However, there are still barriers to sustainable living...

Albeit there is much positivity towards making changes that reflect more sustainable living practices, there is no doubt that there are still barriers evident, meaning there is still a long road ahead for both consumers and brands. Price is currently the main factor and with the increased cost of living, this is furthermore impacting consumer behaviour. Alongside this, there is also practicality to consider and, in some cases, (particularly since the covid pandemic), there has been an increasing use of disposable materials following previous progress in reducing this.

Interestingly, the same barriers are also seen for those consumers with increased knowledge around sustainability, demonstrating that being more aware doesn't make these issues any less prevalent. However, brands (in some cases) could turn this into a positive through supporting customers in highlighting longevity and ultimately reducing buying frequency.

43%

state price as a barrier
to sustainability

39%

also state practicality
as another factor

SECTOR ANALYSIS



Travel and commuting

There’s no doubt about it, but there is still a strong preference for cars. On average, 60% state the car as their main mode of transport (rising to 73% for those who reside in Australia).

However, transport usage is significantly varied across the wider APAC territory with 79% stating public transport as their main mode of transport in Singapore and 70% stating the same in the Philippines. Across in Indonesia and Thailand however, bikes are a leading choice with 60% in Indonesia and 50% in Thailand quoting this as their main mode of transport.

This demonstrates that transport use is incredibly varied across the APAC region but these choices are not always a direct correlation to living sustainably.

Mode of transport	Australia	Indonesia	Malaysia	Philippines	Singapore	Thailand	AVERAGE
Car	73%	47%	85%	49%	31%	72%	60%
Public transport	39%	41%	32%	70%	79%	44%	51%
Bike	19%	60%	33%	44%	15%	50%	37%
Ride sharing	20%	39%	47%	50%	10%	37%	34%

SECTOR ANALYSIS



Travel

Consumers still really want to travel. Despite economic turbulence, it seems that post covid restrictions have in fact increased desire to travel, with many not wanting to forgo their annual holiday.

In fact, research from Booking.com suggested that 73% of people are more optimistic about travel than they were in 2022 and 72% said travelling is still worth it.² Incorporating leisure travel therefore is a must for most.

However, with going away still being high on the agenda, consumers do admit to adopting more sustainable practices whilst on holiday, with 62% giving high importance to choosing sustainable activities and 59% stating they feel it's important to choose sustainable accommodation.

We also see those consumers with a higher level of sustainability knowledge more likely to make sustainable choices.

81%

give high importance to choosing sustainable activities

78%

feel it's important to choose sustainable accommodation

² <https://www.booking.com/articles/travelpredictions2023.html>

SECTOR ANALYSIS



Energy

Our data suggests that consumers are making efforts to better manage their energy usage. Overall, across the APAC market, 67% agreed to having a sustainable energy provider, but again this varies hugely across country. Agreement to having a sustainable provider across Australia and Singapore is lower (51% and 56% respectively) but rises to 76% in Indonesia and 80% in the Philippines. 49% agree to purchasing energy saving appliances and 56% are turning appliances off in a bid to reduce consumption.

When it comes to different audience groups, we see females being significantly more likely to be managing their energy usage. Energy companies are also seen as the most proactive industry in terms of achieving increased levels of sustainability.

67%

have a sustainable supplier

62%

haven't thought about switching to a sustainable energy provider

SECTOR ANALYSIS



Food

81% of consumers are conscious of food waste and around a quarter state that sustainability impacts their buying choices.

On average across the APAC market, 60% agree to buying loose fruit and veg but again, this varies widely by region from Australia where 76% purchase products loose against 44% in the Philippines.

81% are conscious of food waste

	Australia	Indonesia	Malaysia	Philippines	Singapore	Thailand	AVERAGE
Purchase food that is ethical and sustainable	26%	59%	41%	59%	33%	15%	39%



Does a sustainability strategy aid in brand growth?

Our research helps demonstrate how sustainable behaviours are effecting a wealth of sectors and the opportunities and challenges this poses for brands.

As its pertinence across all sectors increasingly embeds into consumer mindsets and behaviours, brands need to be savvy on how to communicate sustainable messaging in the right way in order to drive brand growth.

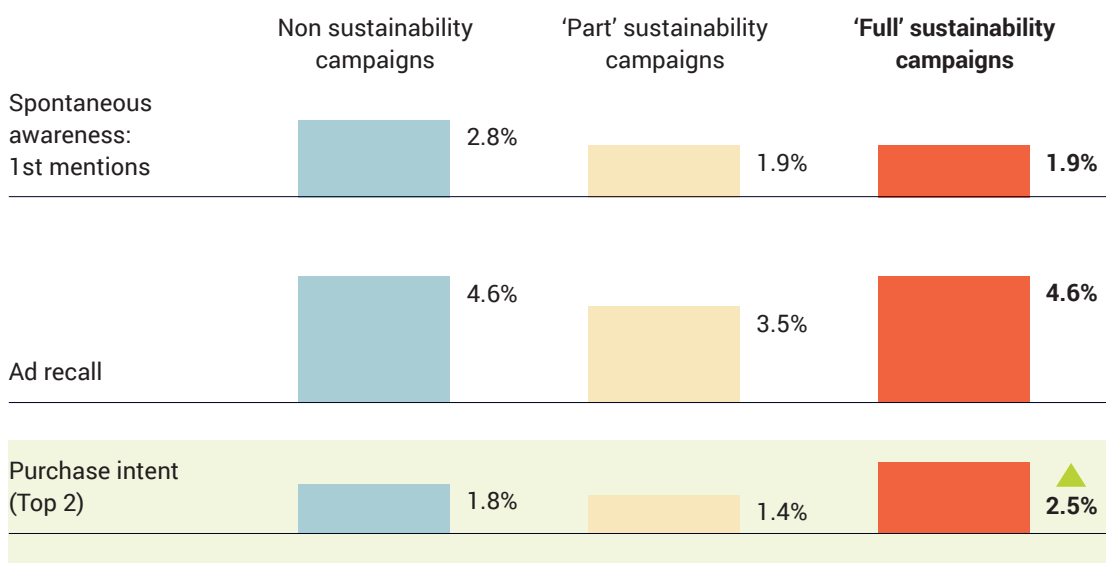
However, there are still barriers to consumers in fully adopting a sustainable lifestyle. Brands need to overcome trust barriers to ensure consumers see all efforts as a 50/50 partnership. Consumers have become alert of promoting social purpose for social purpose's sake and there is increased scrutiny to prove they are really doing what they say and fundamentally ensuring they are contributing to the greater cause.

In most cases, we all need to do more. A further key part for us was to better understand how sustainability within a brand's messaging may help drive increased effectiveness when it comes to advertising. As a result, we reviewed the creatives and objectives of all the campaigns we have measured from January 2019 to February 2023. This spans 3 of our databases across digital, OOH and social media and encapsulates 1562 campaigns in total. From this, we created 3 campaign groups; non sustainability campaigns, part sustainability and full sustainability. We then compared the average performance of these 3 groups across our regular brand funnel metrics and creative metrics.

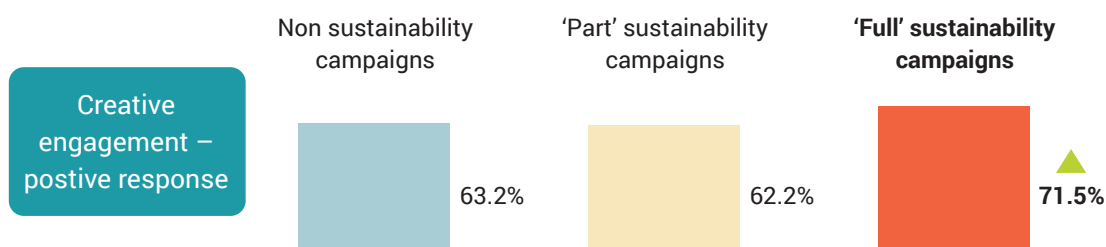
Non Sustainability Campaigns	Part Sustainability Campaigns	Full Sustainability Campaigns
No mentions of any of the sustainability areas covered within our tracker.	Mentions/uses sustainability areas that are covered within our tracker, but are either: a) brand or product lead and/or b) more generic in their messaging.	Mentions/uses sustainability areas that are covered within our tracker, and puts sustainability at the heart of some/all of the creative and/or gives specific sustainability messaging.

Full sustainability campaigns increase purchase intent

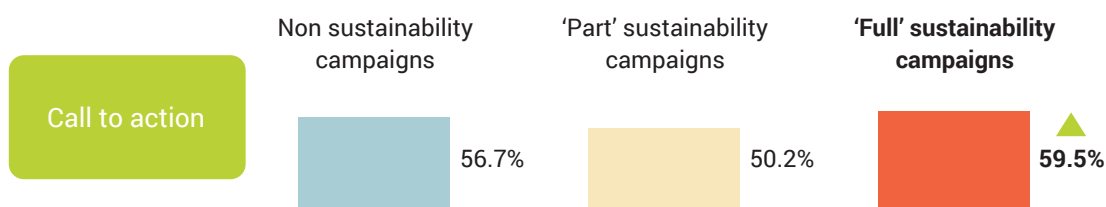
Our analysis suggests that sustainability advertising clearly aids in driving purchase intent. Those consumers exposed to full sustainability campaigns are significantly more likely to purchase that brand than those campaigns that had no mention of sustainability or were only partly sustainable in their message. This lower funnel metric is traditionally one of the hardest to shift, so its sharp increase indicates a robust performance for those brands.



We also see sustainable messaging attain a significantly stronger positive emotional response versus a 'normal' campaign. In fact, **71% had a positive emotional engagement with campaigns that had a fully sustainable message** compared to 62% for those with part sustainable messaging.



This helps prove that sustainable messaging does help increase positive associations when creatively executed well in advertising. What we also establish is **campaigns with a full sustainable message generate a significantly greater call to action and instigate 'visitation' of a brand.**



CASE STUDY 1



Brand A

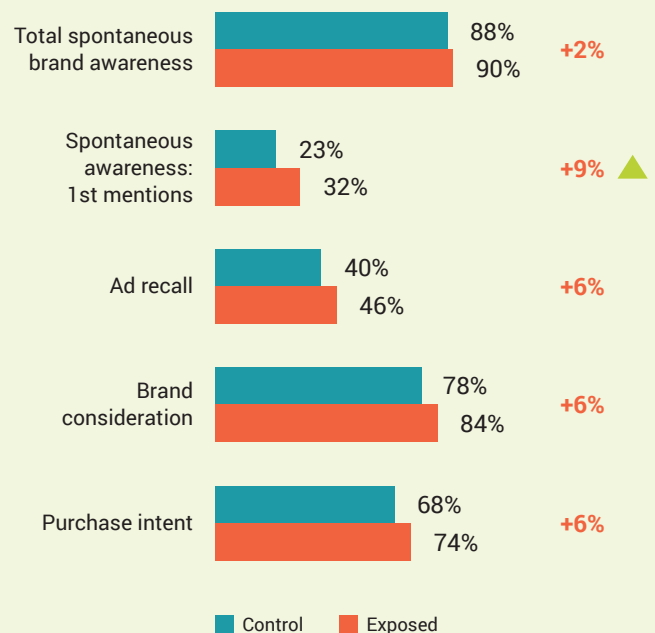
Brand A drove positive product sentiment through their sustainability campaign which heightened both consideration and purchase intent.

80% Positive Response

- Positive about the new sustainable versions - 37%
- Interested to learn more about the trainers - 33%
- Curious to see more of the range - 33%

83% Call to Action

- Visit/visited the website - 31%
- Search/searched for information online - 28%



For this footwear brand, their advertising actively showcased their involvement and impact when it came to sustainability, which reassured and grew identification amongst consumers, while encouraging purchase. Study data demonstrated that there was a 6% increase in consideration and 6% increase in purchase intent for the brand following the campaign.

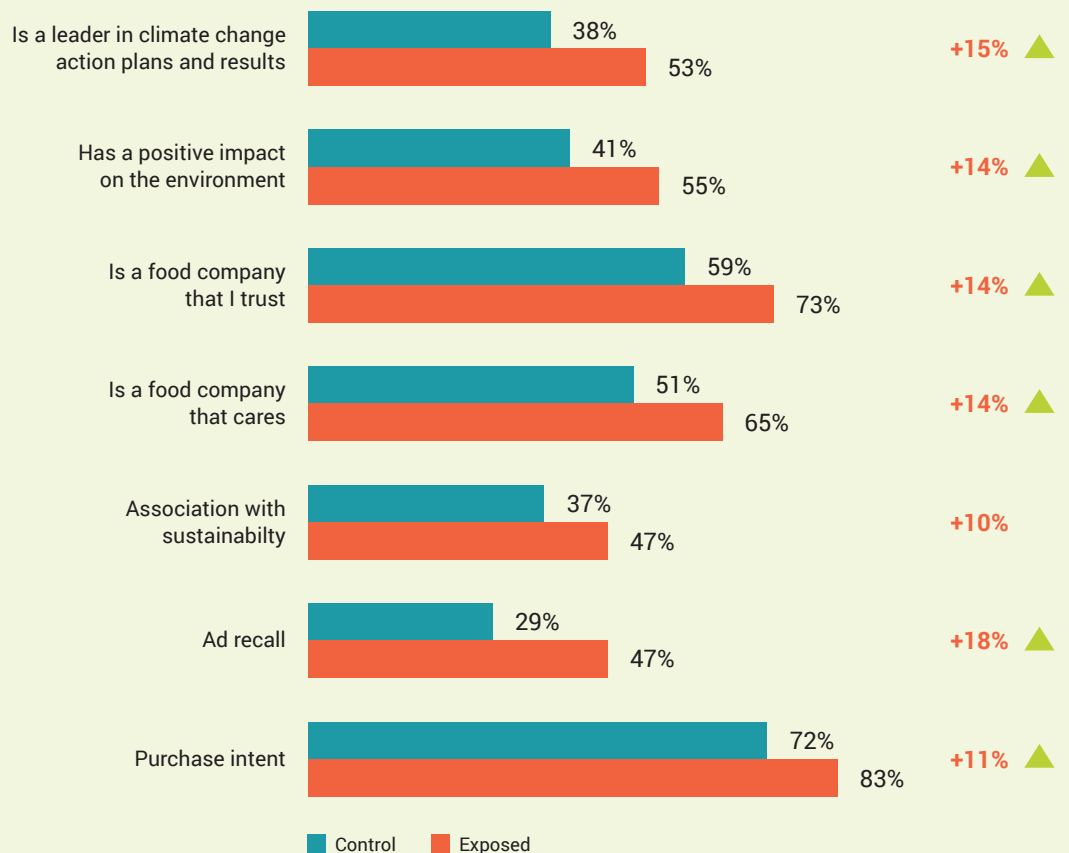
The creative execution of this campaign had seen branding used at the beginning, middle and end alongside being clear on how the brand was supporting sustainability through using recycled materials in its products. It was also delivered in a positive tone and gave sense of their commitment to the cause.

CASE STUDY 2



Brand B

Creatively, for our second case study across a drinks brand, we saw a slightly different approach, where branding was applied consistently throughout the advert. This resulted in significant enhancement of both perceptions (+10%) and purchase (+11%).



They were also 15% more likely to agree to the brand being a company that is a leader in climate change, +14% more likely to agree they had a positive impact on the environment and +14% more likely to agree they are a company they trust and that cares for the sustainability cause.

The key to getting sustainability messaging right

It's important for brands to appreciate that consumers have become wise to the differences between simple association with sustainable messaging against actually proving that point. As such, we've analysed all of our top performing sustainability campaigns to highlight the best ways to creatively win when it comes to sustainability campaigns.

Top performing sustainability ads adhere to 4 of the 5 key principles:



Conclusion

It's clear that there is a growing acceleration towards more conscious consumerism across the APAC region and this demonstrates the increasing importance of sustainability for brands. As we begin to witness wider cultural and social shifts to adopt more sustainable lifestyles, consumers want to continue to do more but cost is still a big barrier to overcome when it comes to purchase.

Although there is a degree of trust in brands doing the right thing when it comes to sustainability (62% have trust in the government in Singapore and on average 47% across APAC overall), the reality is that visibility of more proactivity is still low (On average, a mere 28% believe policies are proactively actioned), which poses brands with the perfect opportunity to earn this and prove how they can help support consumers in living a greener lifestyle.

That said, consumers are more savvy than ever against greenwashing and therefore full authentic commitment from brands is a must. Our creative learnings suggest success in sustainability is driven via clear messaging clearly linking their correlation to the cause whilst delivering messaging in a positive tone.

Ultimately, there is no perfect alternative that provides a like for like match of what we have now and everyone needs to do more. **Brands stand in a unique position to help fundamentally shift consumer habits for the better and for those that do it right, the rewards are clear to see.**

Want more?

For further details on this report or more information on our brand measurement solutions please contact us below.

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