

A large, faint recycling symbol (three chasing arrows forming a triangle) is visible in the background of the left half of the poster.

GLOBAL SHADES OF GREEN

A TNS GREEN LIFE STUDY EVENT

PART OF THE TNS THOUGHT LEADERSHIP SERIES



Agenda

Presenter:
Robert Tomei

The Greening of Corporate America
Shades of Green Around the World
Toward a Greener US
Targeting the US Market
Strategies
Panel Discussion



Methodology



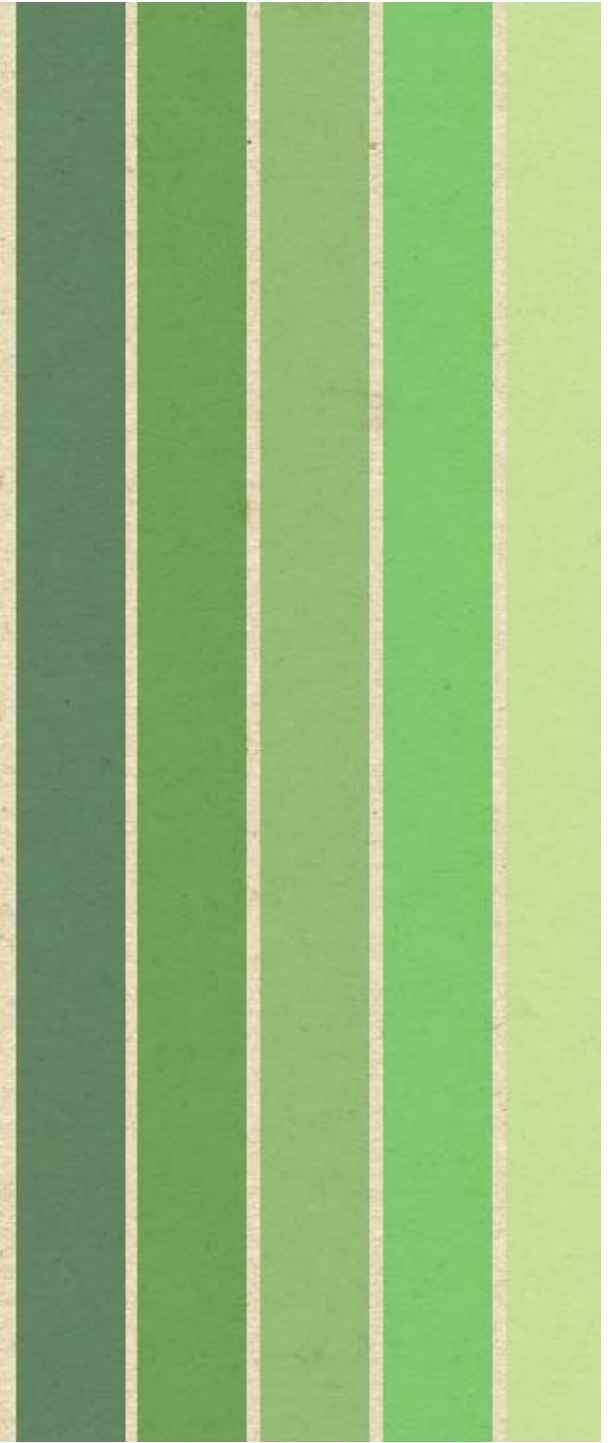
- 13,128 consumers interviewed
- Online survey

- Across 17 countries
- Leveraging the TNS 6th Dimension Panel & Livra Panel in Latin America





Which SHADE OF GREEN are **YOU**?





We have the capacity to create a very different kind of economy, one that can restore ecosystems and protect the environment while bringing forth innovation, prosperity, meaningful work, and true security.

Paul Hawken
The Ecology of Commerce



GLOBAL SHADES OF GREEN EVENT





To be a great company, you have to be a **GOOD** company. Companies that are both great AND good inspire.

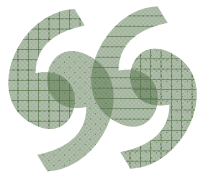


Jeff Immelt
Chairman & CEO





- Prius *Motor Trend* Car of the Year 2004; Camry Hybrid 2007
- Record profits (\$11.8 billion in 2006) and almost the world's largest automaker
- Expect to sell 1 million hybrids annually worldwide by 2010
- Branding Hybrid Synergy Drive technology across all models
- Global Earth Charter sets forth environmental responsibility plan for the company



The Rise of the Green Machine:
Toyota is driving the new Auto Age.

- WIRED Magazine



Wal-Mart has committed to a company-wide sustainability initiative:

1. Generating zero waste
2. Being supplied by 100% renewable energy
3. Selling products that sustain resources and the environment

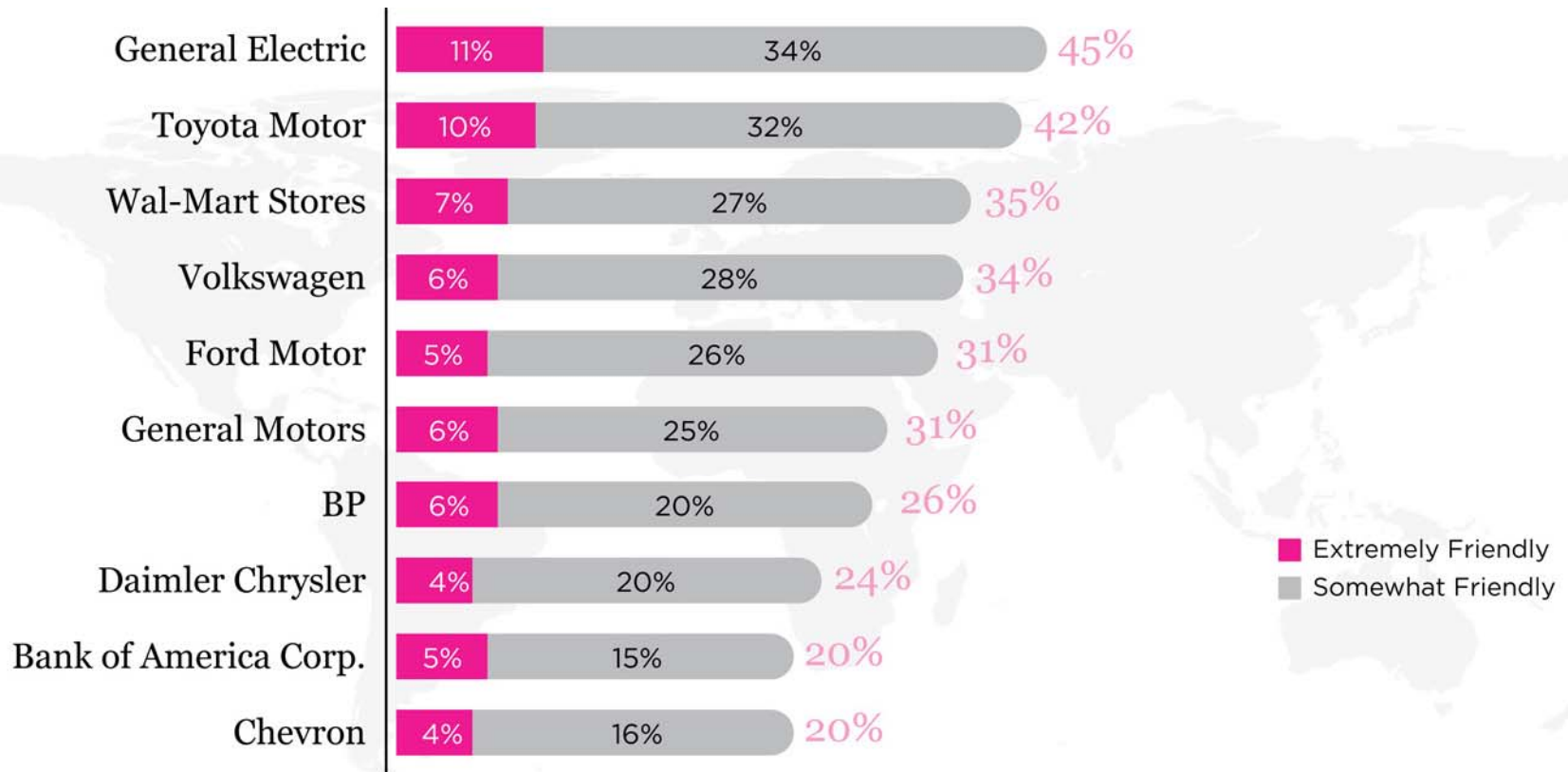


Source: <http://walmartstores.com/Sustainability/> >News Room> "Wal-Mart Expands Leadership On Energy Efficiency, Ethical Sourcing And Health Care" Released Jan 23, 2008



GE and Toyota come out on top, followed by Wal-Mart and Volkswagen

Extremely/somewhat friendly to the environment (as rated by US consumers aware of company)



Of the large global companies listed below, please rate them relative to whether or not they are friendly to the environment using the scale below:





A Green World View

Top 10

environmental issues facing the world today



**Climate
Change**



Energy



Water



Land Use



Chemicals



Air Pollution



**Waste
Management**



Ozone Layer



Oceans



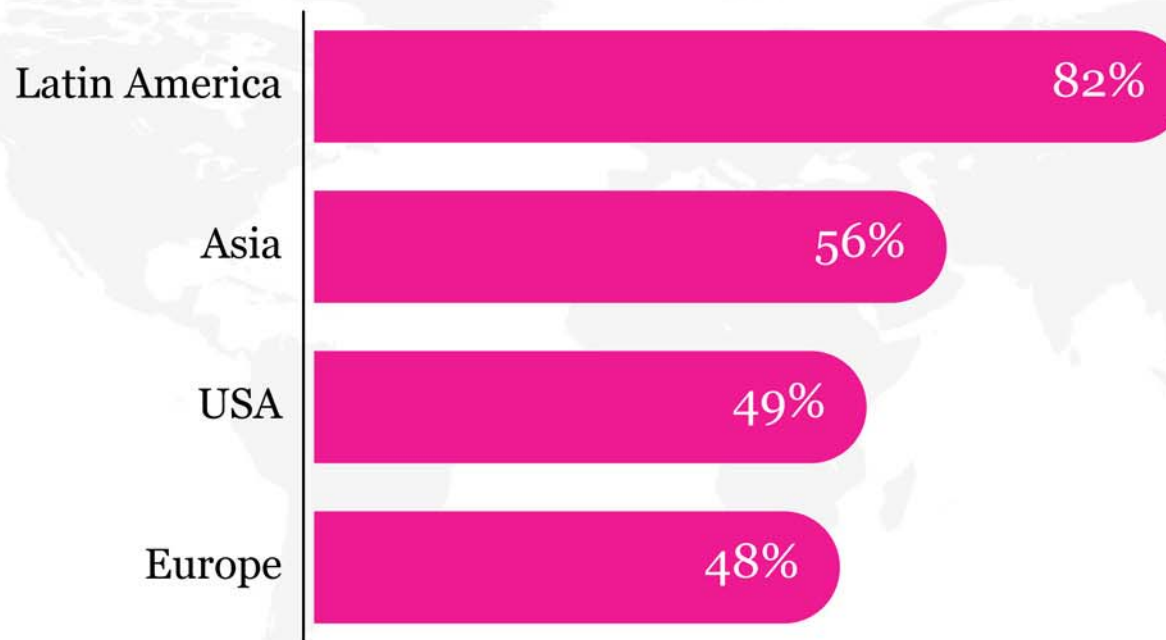
Deforestation

Source: *Green to Gold* by Daniel C. Esty and Andrew S. Winston



Concern for the environment continues to grow worldwide, particularly in Latin America

More concerned compared to 5 years ago

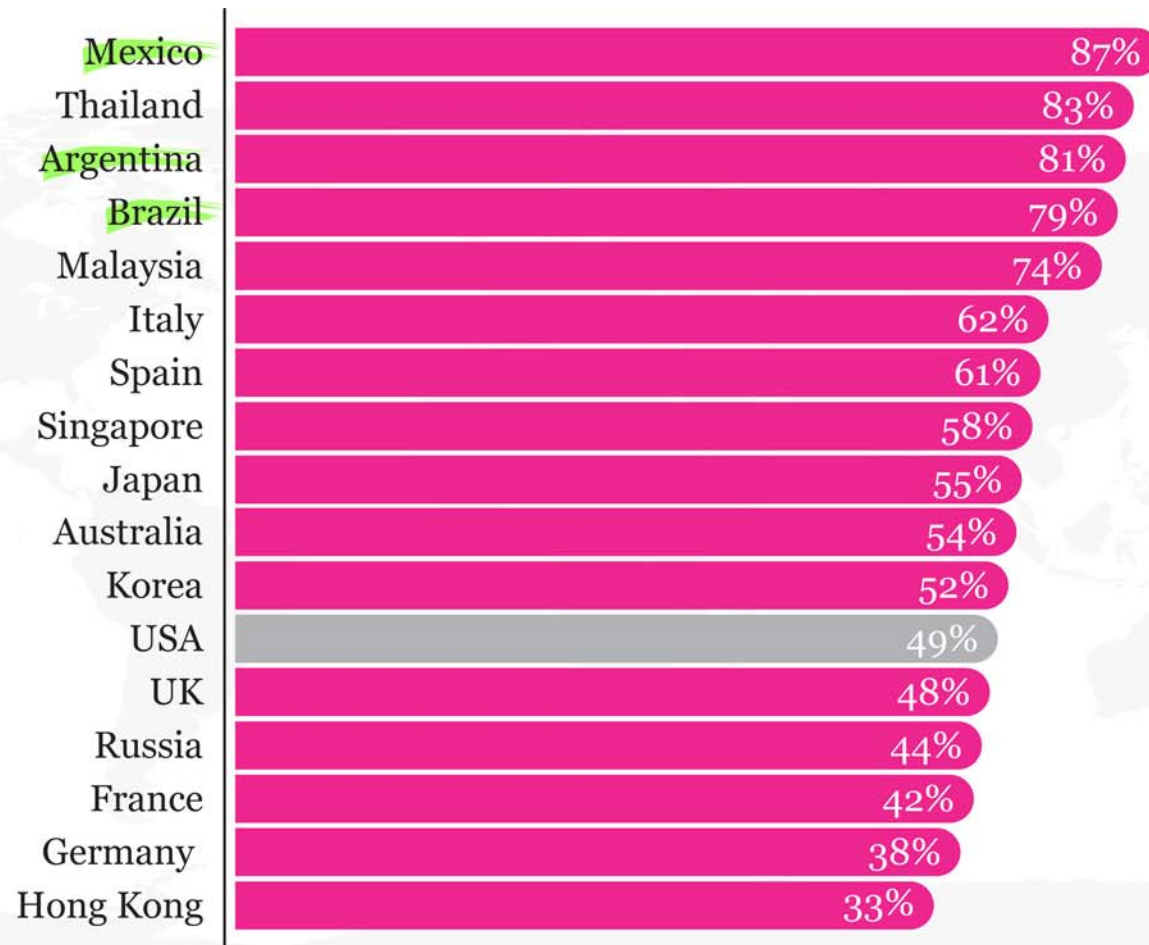


Latin America - Argentina, Brazil, Mexico; Asia - Australia, Japan, Korea, Singapore, Malaysia, Thailand, Hong Kong; Europe - UK, Germany, Spain, Italy, France, Russia

I am more concerned about the condition of the environment compared to 5 years ago - completely/pretty much agree

Concern for the environment continues to grow worldwide, particularly in Latin America

More concerned compared to 5 years ago



I am more concerned about the condition of the environment compared to 5 years ago - completely/pretty much agree



Many are educating themselves about environmental issues

I make an effort to keep well-informed about the environment

Latin America

69%

Europe

37%

USA

36%

Asia

29%

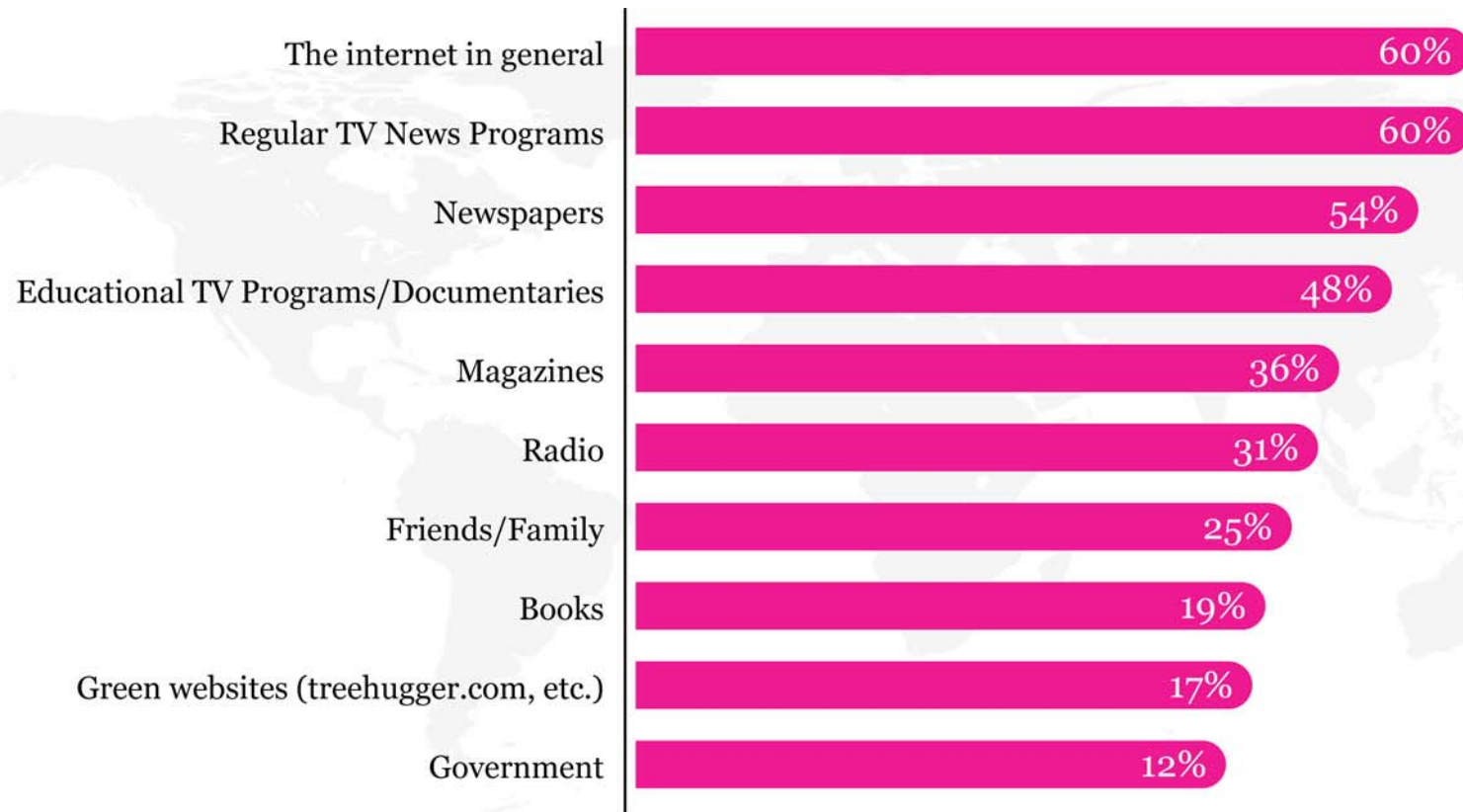
Latin America - Argentina, Brazil, Mexico; Asia - Australia, Japan, Korea, Singapore, Malaysia, Thailand, Hong Kong; Europe - UK, Germany, Spain, Italy, France, Russia

I make an effort to keep well-informed about the status of the environment - completely/pretty much agree



The Internet, TV and newspapers inform most

Sources used to keep up-to-date with environmental issues

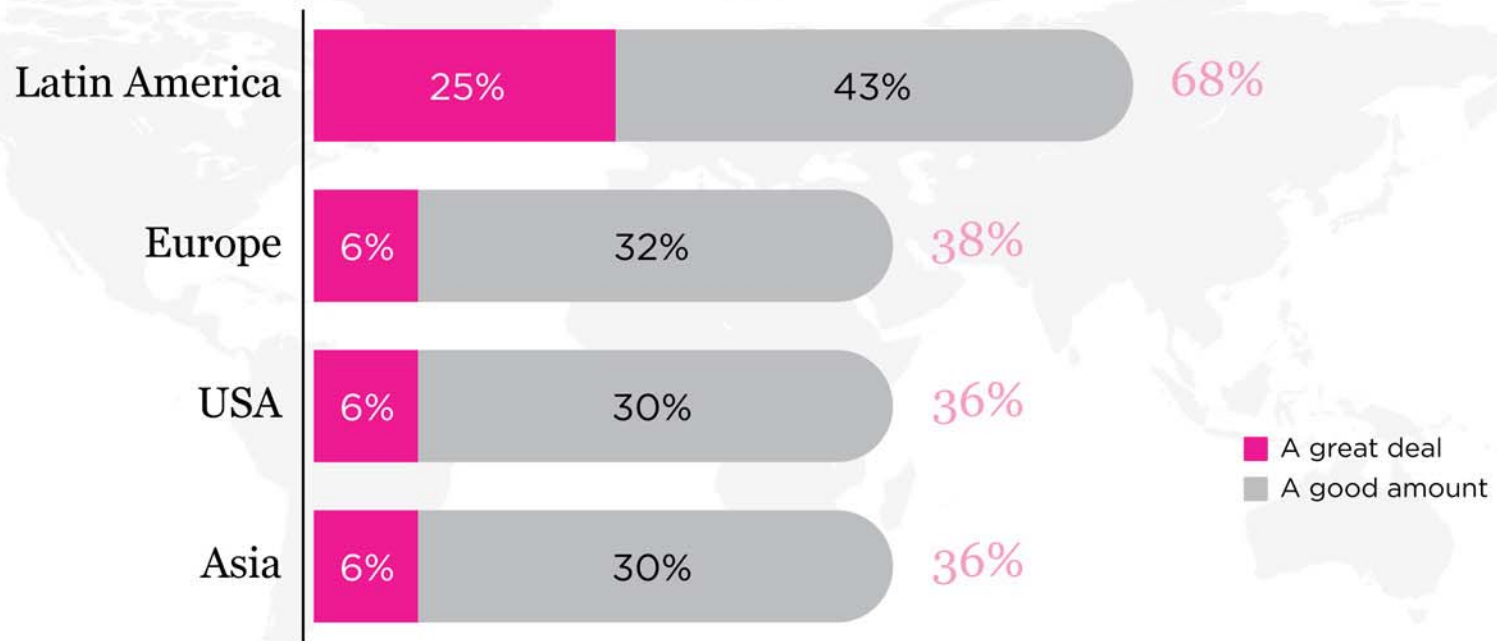


What sources are used to keep up-to-date with green/environmental issues



And consumers are beginning to change their behavior

Have changed behavior to benefit the environment

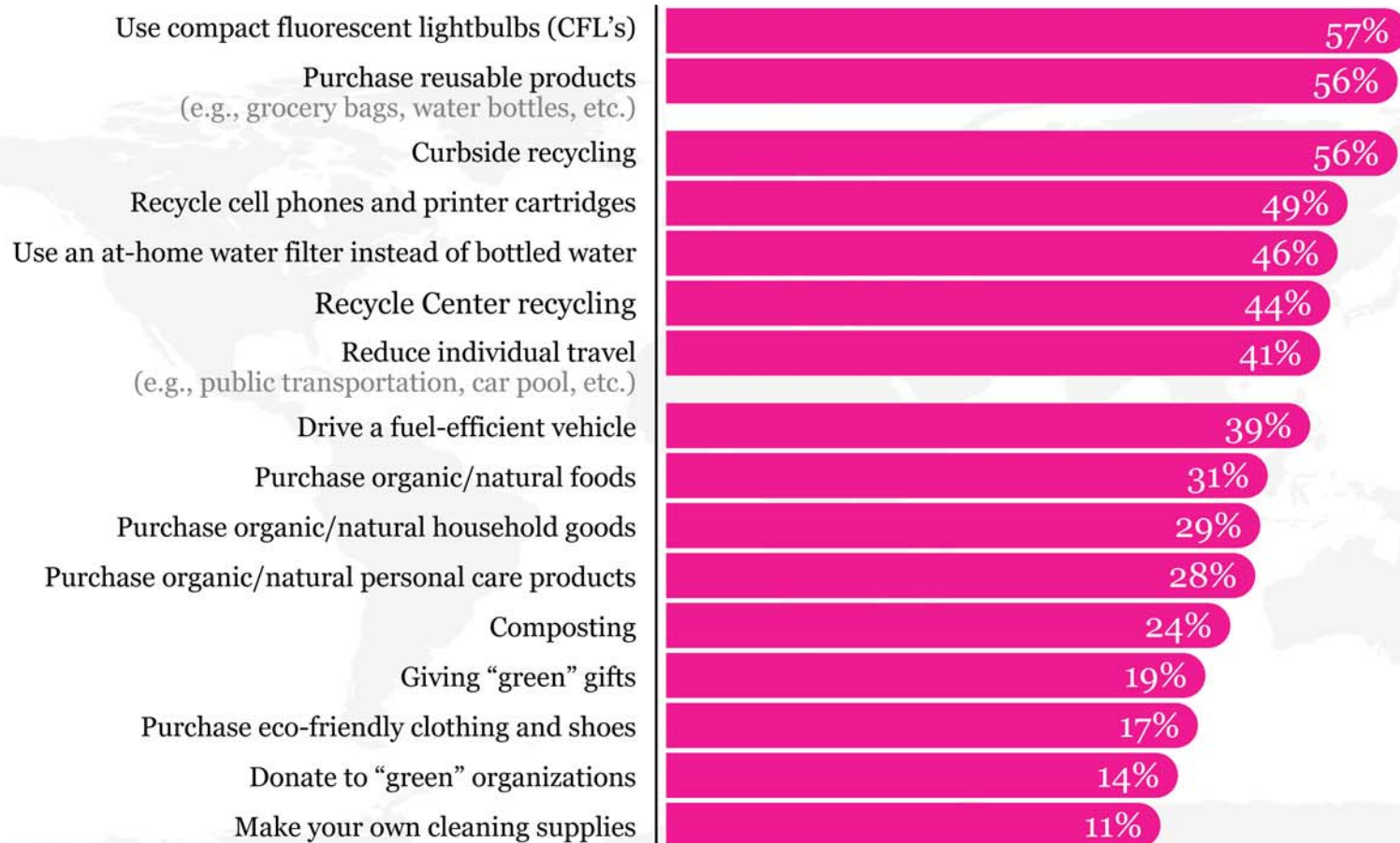


Latin America - Argentina, Brazil, Mexico; Asia - Australia, Japan, Korea, Singapore, Malaysia, Thailand, Hong Kong; Europe - UK, Germany, Spain, Italy, France, Russia
Have changed behavior a great deal/good amount in the recent past to benefit the environment



CFLs, reusable products and curbside recycling have caught on in more than half of the world

Regular participation

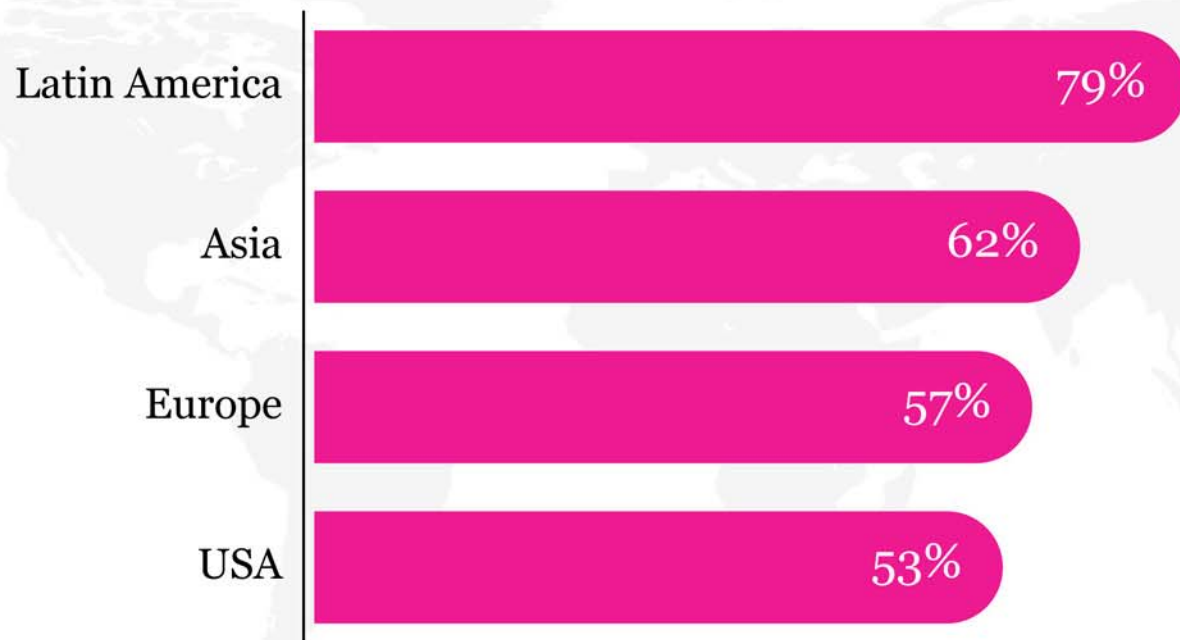


How often currently participate - always/often



Over half of consumers say they are willing to pay more for eco-friendliness

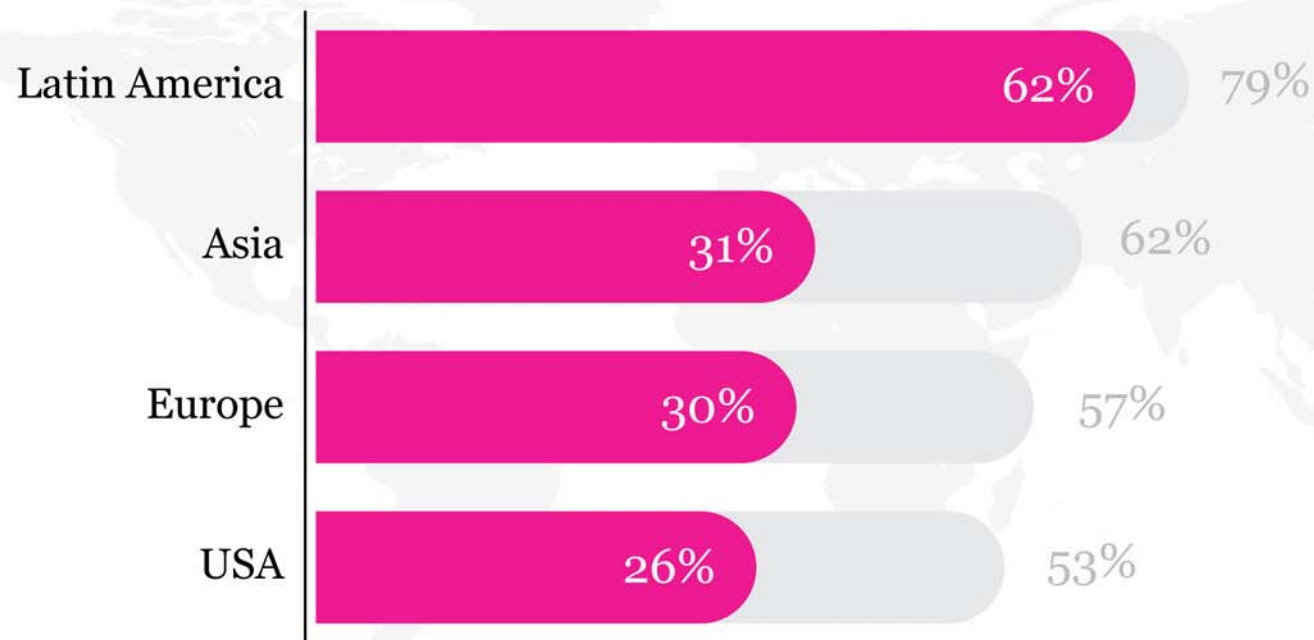
Willing to pay more for environmentally friendly products



Latin America - Argentina, Brazil, Mexico; Asia - Australia, Japan, Korea, Singapore, Malaysia, Thailand, Hong Kong; Europe - UK, Germany, Spain, Italy, France, Russia
% willing to pay more for environmentally friendly products

Active search for eco-friendly products lags the favorable disposition toward their value

Actively seek environmental products (compared to those willing to pay more)



Latin America - Argentina, Brazil, Mexico; Asia - Australia, Japan, Korea, Singapore, Malaysia, Thailand, Hong Kong; Europe - UK, Germany, Spain, Italy, France, Russia
I actively seek environmental products - completely/pretty much agree

“Green” companies are also beginning to surface on the radar

“Greenness” of company impacts my purchasing decisions

Latin America

53%

Europe

22%

Asia

20%

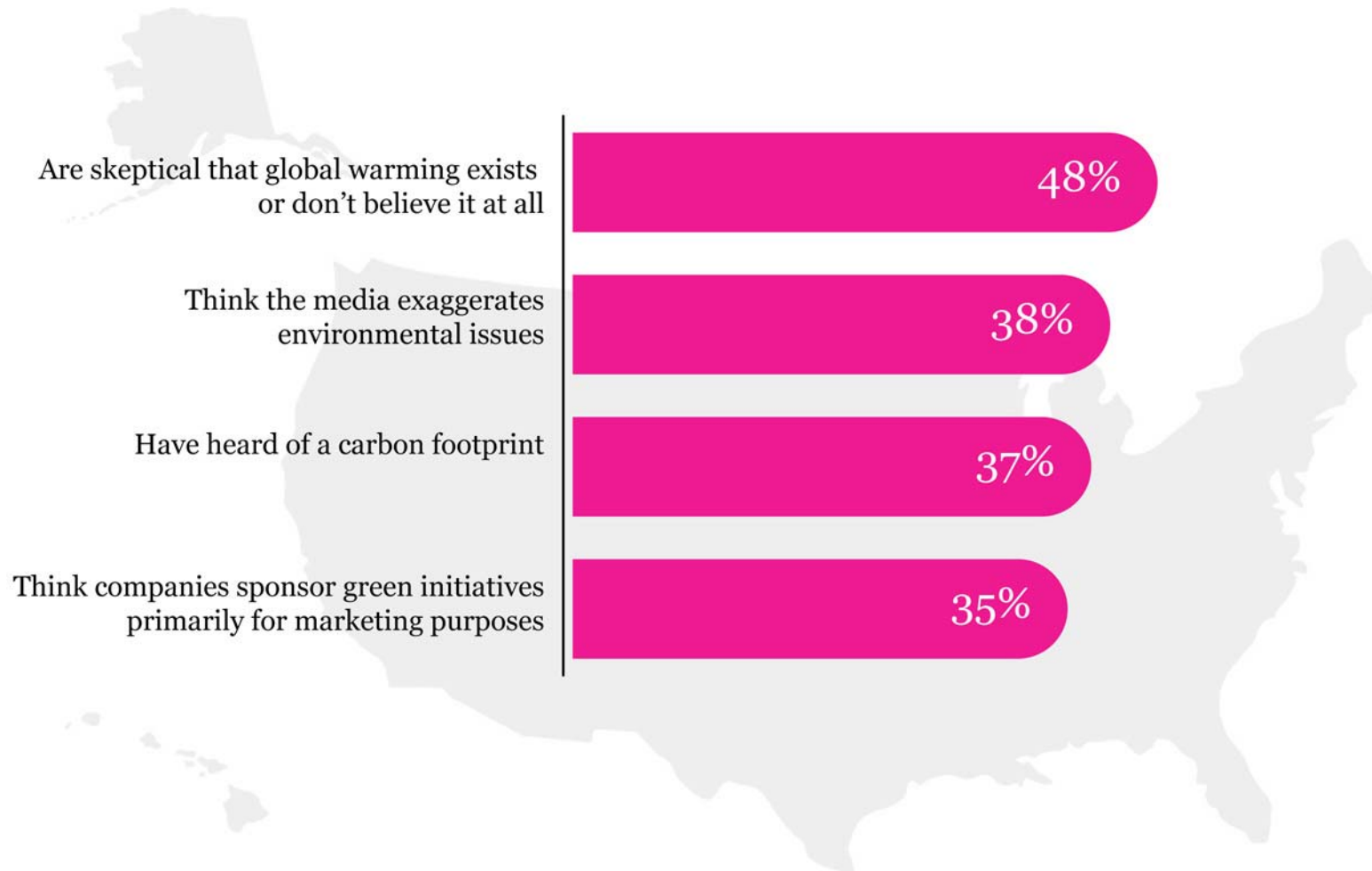
USA

19%

Latin America - Argentina, Brazil, Mexico; Asia - Australia, Japan, Korea, Singapore, Malaysia, Thailand, Hong Kong; Europe - UK, Germany, Spain, Italy, France, Russia
Companies promoting themselves as "green" has a significant/large impact on purchasing decisions



There are many skeptics within our ranks (U.S.)

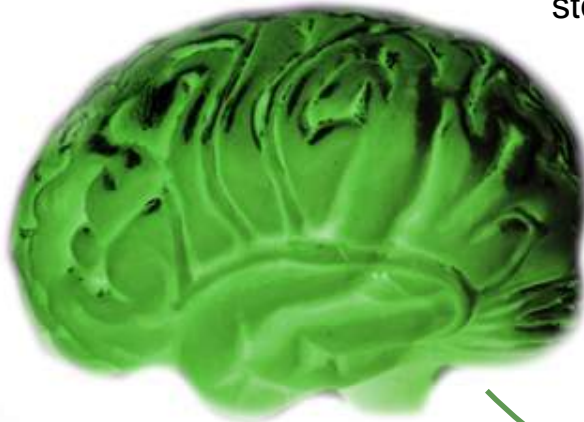


At the end of the day, however, there is still a vast gap between green concern and green consumerism

“I could save plastic milk and detergent bottles to recycle but

that means storing them in the house and taking the bus across town once a month to a drop off spot in order to recycle plastic.

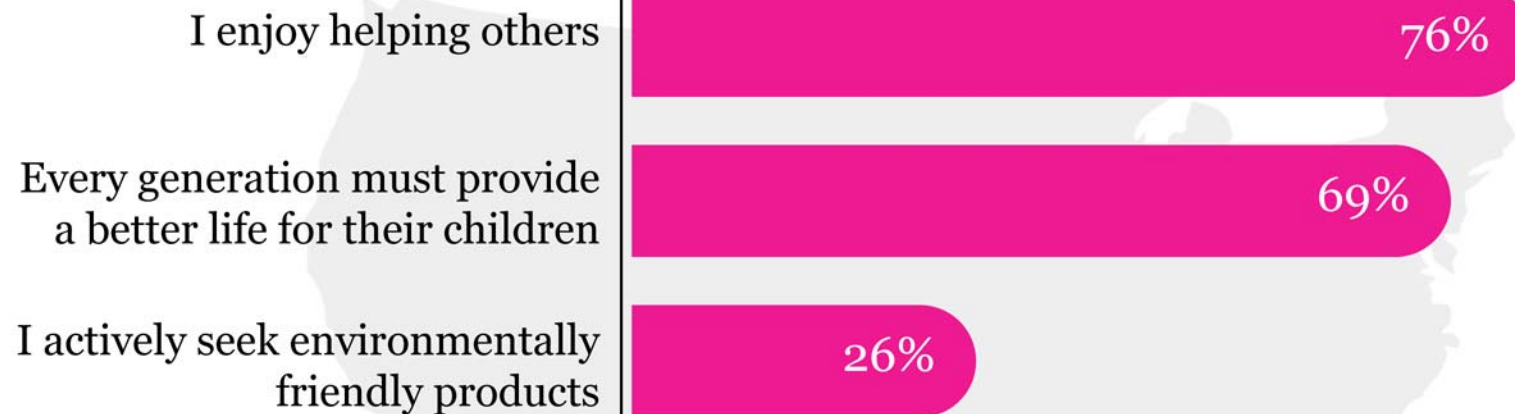
I am lazy in that respect and just trash the plastic.”



Detailed quotes courtesy of TNS - Quenter Research Collaboration: Understanding the Trade-Offs of Being Environmentally Active, June 2007



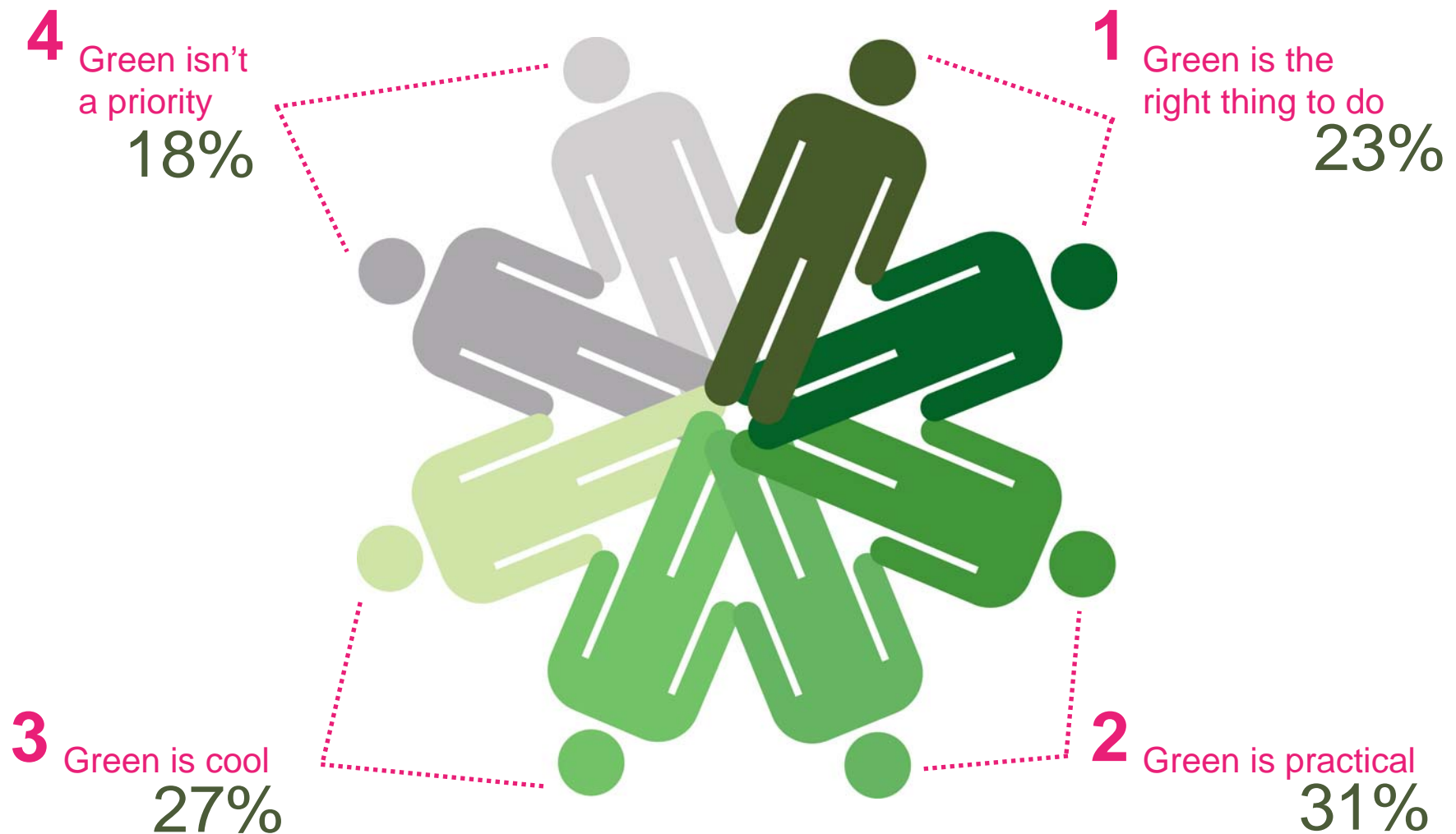
Although helping others and providing a better life for the next generation resonate, “environmentally friendly” isn’t always sufficient



Top 2 Box Agreement on 5 pt Scale (Completely/pretty much agree)



The Segments



1 *Green is* THE RIGHT THING TO DO

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Eco-Centrics

High education/income urbanites actively doing their part to protect and improve the environment



Attributes:

Engage in a wide variety of green activities: vegetarianism and organic eating; recycling; willing/able to pay more for eco-friendly products; Toyota lovers; impacts investment decisions; well informed, actively involved, always wanting to do more

To Reach Them:

Responsible trade practices, no exploitation of workers

No animal testing

How the product was made

Global responsibility, sustainability, and good corporate citizenship



Respectful Stewards

Urban Hispanics holding a deep concern for Earth as the giver of life



Attributes:

Community-/culture-focused; outgoing and stylish; idealistic; eco-friendly products; willing to pay more for green products

To Reach Them:

A commitment to ecology – the sacrifices corporations make

Straightforward and simple messaging – but that doesn't downplay issues

A focus on children and family

An emphasis on the specific problems of overdevelopment



Clorox Green Works

The first line of natural cleaners developed by a major consumer products company



I think the stuff will be especially useful in areas where smaller company products aren't available. Not everyone has a health food store or a Target nearby where they can get 7th Generation or Method, but they'll probably be able to find this at their local grocery store. A company like Clorox can't "go green" completely overnight, so it's really better than not doing anything at all.

I love it! I think it works wonderfully and it doesn't have the harsh bleach smell. Hey, and if it helps out the environment and the future for my kids, I am all for that.



Source: Blogs monitored by TNS Cymfony



2 *Green is PRACTICAL*

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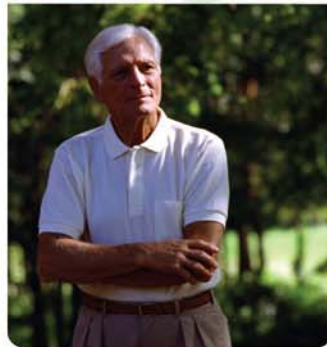
Proud Traditionalists



“Salt of the Earth” rural
Midwesterners with a local focus

Attributes...

Driven by family and hard work; keep pets and tend gardens; run efficient, environmentally responsible homes; experiment with eco-friendly items; enjoy camping, fishing and other traditional hobbies



To Reach Them:

Involvement in their local communities

Your products so they can test them first-hand

The practical money-saving benefit, not just the idealistic big picture

Skeptical about big company motives

Frugal Earth Mothers



Practical, prudent females in
lower income, rural households

Attributes...

Insulated, weatherproofed homes; buy used items locally; save money by washing clothes in cold water, air-drying, turning appliances off when not in use and dialing the thermostat down in the winter.



To Reach Them:

A focus on what is good and wholesome

Benefits clearly; they take things at face value and won't do research

Dependability and safety



GE Energy Smart™ Compact Fluorescent (CFL) Bulbs

a product of Ecomagination

Save money. Save energy.

Simply by replacing a standard bulb with a GE Energy Smart™ bulb, you'll be able to put more money back in your pocket, while lowering energy costs and helping the environment.



If you go to the GE Lighting home page and take their "pledge" to replace at least one bulb in your house with a compact fluorescent, you can print two coupons at bricks.com.



Source: Blogs monitored by TNS Cymfony



3 *Green is COOL*



Skeptical Individualists



Very highly educated and high income males on the urban coasts

Attributes:

Embrace the Internet wholeheartedly; not community- or spirituality-focused; believe in global warming and carbon footprints, generally skeptical about corporate green initiatives

To Reach Them:

Messaging based on financial and children's futures

Transparency of process and source is key, as they will get to the bottom of any "greenwashing" and call you out on it

The appeal of keeping sports playing grounds (e.g., ski slopes, golf courses) pristine



Eco-Chic



Young adults who see Green as something new and hip

Attributes:

Like the cause but haven't considered the state of the environment in-depth; live for today; politically and environmentally naïve; impulse buyers and early adopters

To Reach Them:

Media savvy in editorial fashion magazines

Cool, hot, hip, phat, and fierce

Celebrity endorsements, trendy restaurants with organic offerings and PETA affiliation



The segments talk about the Toyota Prius: Motor Trend Car of the Year 2004

"If you want to take full advantage of hybrid technology from Toyota, then the only way to go is the Prius. It gives you the maximum hybrid benefit as its systems are optimized to provide maximum fuel economy."



"But the Prius has become more than just a way to save money. It's 'the' cool car because it's small and understated and high-tech."



Prius appeals to multiple segments



Source: Blogs monitored by TNS Cymfony

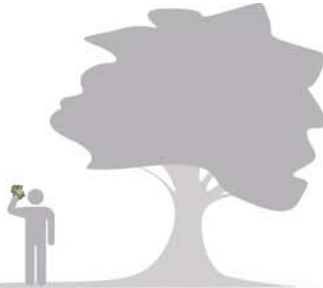


4 *Green* ISN'T A PRIORITY



Green Naives

Young, low-income group
often living on their own



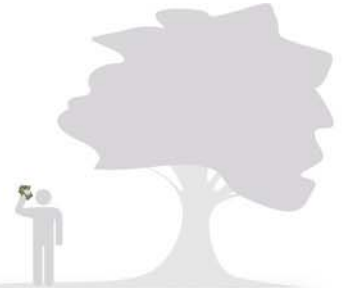
Attributes:

indoor people, watch television frequently; focused on shoring up their financial resources for their own comfort; have not yet registered the cause/effect relationship of eco-responsibility



Eco-Villains

Midwestern middle-income men
in small/midsized metro areas



Attributes:

Consider themselves leaders; see everything in black and white; have dismissed environmental concerns outright – don't believe in global warming; do NOT seek out eco-conscious products; condemn company-sponsored green initiatives as thinly-veiled marketing campaigns



Marketers can use this segmentation schema to develop products and messaging that target audiences along the shades of green continuum.

Keys to Success:

Identify target customers...



Understand which mindsets apply to them



Determine the targeted green needs you can address



And develop how your company is going to deliver green-ness



TNS Panel

Moderator:

Kimberly Bastoni

Product Development & Innovation:

Carl Edstrom

Brand & Communication:

Jeni Lee Chapman & Melinda Smith

Multicultural Practice:

Emil Morales

Retail & Shopper:

Mary Brett Whitback, Dan Boehm and Kelly Tackett

Stakeholder Management:

John Gilfeather



Product Development & Innovation

- Food and beverage: organic = green
- Other packaged goods: fundamental problems
- Financial services: creative developments
- Technology: “Techno trash”

What to consider?

- Product must work as well as or better
- Green can't be the primary benefit – remember price of entry attributes/benefits!
- Price is a key driver!

For more information on Product Development & Innovation ideas contact Carl Edstrom:

carl.edstrom@tns-global.com

312/466-2601



- Be Relevant
How can you meet unmet wants and needs in a Green way?
- Be True to your Brand
What equities does your brand own that can address these unmet needs?
- Know your “who”
What to say, who should you say it to...

For more information on Brand & Communications ideas contact Jeni Chapman:

jeni.chapman@tns-global.com

201/836-0040



Multicultural



- Emergence of a Latino segment should not be a surprise
- Latinos are not monolithic
- Many opportunities present themselves

For more information on Multicultural ideas contact Emil Morales:

emil.morales@tns-global.com

619/814-1902



Retail & Shopper

- Retailers & shoppers have embraced green agenda
- Not yet driving store choice
- Lack of awareness of green retailers
- Green agenda not a fad
- A win for the bottom line!

For more information on Retail & Shopper ideas contact Mary Brett Whitfield:
mwhitfield@retailforward.com
614/355-4010



Stakeholder Management



- Workers
- Media
- Individual & Institutional Investors
- Government

For more information on Stakeholder Management ideas contact John Gilfeather:

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