Assessment of Green Claims in Marketing:

Technical Appendix

Brook Lyndhurst
A research report completed for the Department for Environment, Food and Rural Affairs
January 2010
This research was commissioned and funded by Defra. The views expressed reflect the research findings and the authors’ interpretation; they do not necessarily reflect Defra policy or opinions.
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1 Introduction & Background

This project, undertaken by Brook Lyndhurst, Icaro Consulting and AAI+Friends on behalf of Defra, explored ‘green’ claims in advertising from two different perspectives: first, from the perspective of statistical data to explore headline trends over time; second, from the perspective of the advertising and marketing community. The purpose of the research is to support the development of the Green Claims Code (GCC), by providing a robust evidence base that will help inform Defra’s forthcoming revisions to the Code and practical guidance.

The Defra Green Claims Code was developed in 2003 to give advice to business and consumers about using green claims on products and services. Green Claims are defined by Defra as “information appearing on a product, its packaging, or in related literature or advertising material, which can be taken as saying something about its environmental aspects. It can be in the form of text, symbols, or graphics”. The Code outlines current UK and EU legislative requirements, codes of good practice and provides guidance, including sector-specific guidance, on how to make self-declared environmental claims. It provides principles for best practice that cover unambiguous terminology, accuracy and guidance around terms such as ‘sustainable’ and ‘environmentally friendly’. The Green Claims Code is also referenced in the Committee of Advertising Practice (CAP) Code which is enforced by the Advertising Standards Authority’s (ASA) self-regulatory system.

Given the sharp increase in the number of green claims since the publication of Defra’s Green Claims Code in 2003, and the fact that the nature of these claims is constantly changing, a review is both important and timely. The consumer landscape now looks very different with green claims evident across most sectors, from retailers through to banks and car manufacturers. Both scientific and consumer understanding of environmental issues has evolved since 2003, with new terms, such as ‘carbon neutral’ and ‘carbon positive’, entering the lexicon.

Alongside information in-store and on-product, green claims in advertising have the potential to encourage consumers to make sustainable consumption choices and, in doing so, reward progressive companies for their efforts. This would then in turn encourage business to make further environmental innovations, completing what Futerra refer to as the “virtuous cycle”.

According to figures from the Co-operative Bank’s Ethical Consumerism Index, the average household spent £707 in 2007 in line with their ethical values, up 93% from 2002. Average household spending in 2007, however, stood at £459 per week, so that ethical spending still accounted for only 3% of household spending.

Green claims also have the potential, intentionally or otherwise, to confuse and mislead consumers and, in doing so, erode trust in the premise of environmentally responsible purchases. The Advertising Standards Authority (ASA) has recorded complaints as follows: 117 complaints about 83 advertisements in 2006, with 8 upheld; 561 complaints about 410 ads in 2007, with 18 upheld; and 369 complaints about 264 advertisements in 2008 with 16 upheld. By October 2009 a total of 158 advertisements had prompted a total of 917 complaints – though over 700 of these arose from just one ad, and 149 from another. 17 complaints about 12 cases had been formally investigated and upheld.

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1 Sectors for which specific guidance is available are: aerosols; cleaning products (e.g. detergents); decorative coatings (e.g. paints); greeting cards; and growing media.
2 The Greenwash Guide, Futerra Sustainability Communications (2008)
4 Family Spending 2008 (Table A1), ONS (2008)
5 Environmental claims in advertising. Is green a grey area? ASA (2008)
1.1 Objectives

This project has 3 main objectives:

1. To get an overall picture of the extent of green claims found in advertisements, including in the press, on TV, on the radio and, if possible, on websites. This does not include claims made on product packaging or within company reports\(^6\);

2. To identify in which sectors, services and products such claims mostly appear, and to understand the context of the identified claims; and

3. To engage with advertisers and their agencies in order to gather their views on green claims; what claims and terminology they use and why, what evidence they use to make those claims and to raise awareness of the Green Claims Code.

1.2 Methodology

The research involved statistical interrogation of datasets alongside stakeholder engagement workshops. The specific methodological approach for each Objective is outlined within the respective sections of the report.

1.3 Structure of this report

Reflecting the divide between the two main stages of work – the statistical analysis (Objectives 1 & 2) and the stakeholder engagement workshops (Objective 3) - this report is divided into two main chapters and deals with each phase of work in turn. The final chapter presents reflections on the findings and implications for future action.

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2 Trends in green claims 2006-9

Introduction

The purpose of this element of the research was to establish a robust, headline picture of the extent of green claims in advertisements (excluding claims made on product packaging and in company reports). Key variables to capture, among others, were:

- total number of green claims in UK ads, 2006-2009;
- the distribution of these ads in terms of the format in which they appear (TV, print, radio, online)

Methodology

This element of the research involved three main phases:

1) A search of Xtreme Information’s library of adverts to identify recorded green claims over the year period Jan 2006 – March 2009. This entailed establishing a list of 40+ environmental search terms, including ‘green’, ‘environmentally friendly’, ‘carbon’, ‘climate change’, and ‘biodegradable’ (see Annex A for the full list). Using these terms, a total of 4,083 adverts carrying green claims was identified (from a total of 598,134 adverts held by Xtreme).

2) Converting the raw output from Xtreme into an analytically accessible spreadsheet, and undertaking basic analyses to elicit, for example, the distribution of these 4,083 green claims over time and according to different media formats and different industry sectors.

3) The purchasing of a random sample of 1,000 ads carrying a green claim (drawn from the overall sample of 4,083 ads) - chosen using a basic ‘1 in n’ selection approach with stratification to ensure a minimum number of claims from specific media sources. From this a second analytical spreadsheet was created in order to delve into more specific details of each ad, including the terminology and imagery deployed, the comparative frequency of green terms, the use of third party endorsements and/or a focus on particular environmental issues.

This has led to the establishment of a large and robust data set. Nonetheless, it is important to note four methodological caveats:

- Firstly, while the coverage of Xtreme’s dataset is comprehensive (covering 325+ publications at national and regional level as well as a host of niche publications – see Annex B), it does not cover all sources of advertising in the UK. The publication “The Ecologist”, for example, is not included in the Xtreme dataset.

- Second, and in terms of how adverts are categorised as ‘green’ or not, each ad is tagged with key terms to reflect the main content of the ad. It is possible that an ad is classified as green because it carries one of the search terms (e.g. green curry sauce), when in fact no environmental theme was intended (this would tend towards over estimating the proportion of green claims). Similarly, it is possible that an ad with a green claim may be excluded if the claim is not a prominent part of the ad, for example if it appears only as a footnote (which would tend towards under estimating the number of green claims). It was not possible to quantify the scale of these effects, though it is estimated to be a minor consideration.

- Third, while in the majority of instances we have simply analysed the dataset according to categories that have been pre-defined within the Xtreme dataset, in a couple of instances we have had to undertake a level of additional judgements (e.g. taking a view on whether the green imagery contained with an advert is ‘subtle’, ‘moderate’ or ‘strong’). In the interest of
transparency we note in the text where such an approach has been taken by the research team, and acknowledge that such distinctions required a subjective assessment.

- Fourth, and finally, the advertisements are collected as single examples of adverts according to their first recorded appearance, and therefore the analysis does not offer a measure of how widely seen the advertisement was (geographically or demographically), how often it was repeated, or over what period of time. Therefore, the percentage of ads containing green claims cannot be used to infer the share of advertising seen by consumers that contains green claims, or the amount spent on such advertising.

None of these caveats detracts significantly from the overall robustness of the analysis, but it does mean that it is not strictly true to refer to these as “all green ads” in the UK, but rather “all green ads recorded by Xtreme”. Finally, it is important to note that the analysis proceeds on the basis of “numbers of ads”, not other factors (e.g. the associated spend on the ads).

2.1 Overall number of green ads

Over the period January 2006 – March 2009, Xtreme Information catalogued a total of 598,134 adverts. Of these, 4,083 were classified as making some form of green claim (representing 0.68% of all ads in the Xtreme database).

2.2 Trends over time

Looking over the period 2006 – 2009 (Figure 1) it is evident that there was a notable and rapid growth in claims between 2006 and 2007/8. The number of claims made in Q1 of 2006 (132) had almost tripled by the same time the following year (365), and went on to peak in Q2 of 2007 (485). This growth coincided with fairly major moves and announcements by a host of mainstream brands, including M&S, Tesco, Eurostar and HSBC. The growth in green claims was largely sustained until Q3 of 2008, when the number fell back abruptly to around 250 – still above the starting point in 2006 but almost half the peak achieved in 2007. This fall coincided with the worsening economic climate. [Please note that we outline trends over time according to specific sectors in Section 2.4]

![Figure 1](chart.png)

*Figure 1 Number of green ads per quarter*

*Chart by Brook Lyndhurst and Icaro Consulting, derived from Xtreme data*
The analysis shows that this pattern (i.e. rapid growth followed by an abrupt falloff) is specific to green claims, not adverts in general. As Figure 2 demonstrates, the total number of adverts in the UK – as captured by Xtreme - has remained relatively stable across the same period (though with a cyclical pattern showing peaks in Q4 of each year, shaped by the Christmas period). Again, as a reminder of the total share of green claims in advertising in relation to all claims, the proportion of green claims is indicated by the small green bar on top of the main grey bars. Figure 3 provides more clarity on the actual proportions and shows that, in Q1 of 2006 green claims accounted for 0.33% of all adverts, rising to 1.14% in Q3 of 2007, before falling back to 0.4% in Q4 of 2008. The dip in the percentage figure for 2007Q4 would appear to be a result of a surge in general, non-green advertising in that quarter; while the result in the first quarter of 2009 is a noteworthy upturn.

**Figure 2**  Number of Green Ads in Relation to Total Ads

[Chart by Brook Lyndhurst and Icaro Consulting, derived from Xtreme data]

**Figure 3**  Percentage of Total Ads Making Green Claims per Quarter

[Chart by Brook Lyndhurst and Icaro Consulting, derived from Xtreme data]
2.3 Media source of green ads

Figure 4 demonstrates that - on the basis of numbers of ads - green claims in advertising have largely appeared in print media, which accounts for over two thirds (68%) of all green claims made. This is followed by TV (15%) and internet (8%).

Delving further into the data, it is clear that green claims – at least in relation to print media – are clustered in specific publications, indicating that advertisers are targeting specific groups of consumers. Figure 5 shows that over one third (38%) of green claims in print form have been made in the broadsheet newspapers, compared to 10% via tabloid publications. A significant proportion of close to one in four (26%) have been sourced in magazines.
2.4 Industry sectors making green claims

There are several ways of classifying industry sectors, and here we focus on two – the first (Figure 6) looks at 39 categories (thus providing a high level of detail), while the second (Figure 7) looks at a smaller number of “meta sectors” where we have combined the 39 sectors into 10.

Figure 6 demonstrates two key things. First, there is a high degree of clustering with three categories – consumer utilities, public information and the automobile industry - responsible for a significant share of all green claims (which may of course reflect that the automotive sector is under a duty to provide basic emissions data in their promotional material). However, and secondly, it also shows – by virtue of the long ‘tail’ on the graph – that green claims are not restricted only to these sectors. Indeed, it is evident that a large and diverse range of sectors are making green claims, even if the number of claims they are making is relatively few in number.

![Figure 6: Number of Green Ads per Sector](chart)

Figure 7, looking at the 10 meta sectors, makes clear the significance of ‘public information’ (driven largely by Government and Government agencies) which accounts for around one in five (21%) of all green claims (i.e. in the form of public information campaigns such as ‘Act on CO2’).
and 'Love Food, Hate Waste'). This is closely followed by the energy sector (20%) and automotive (15%). Food and consumables account for one in ten (10%) green claims.

(Note that the analysis, throughout, treats statements that are mandatory requirements as 'green claims'.)

Figure 7 Proportion of Ads per Meta-Sector

![Chart by Brook Lyndhurst and Icaro Consulting, derived from Xtreme data](chart)

It is also possible to reflect back on trends over time in green claims according to specific sectors. Figure 8, for example, outlines the proportionate share of green claims amongst the top 5 meta sectors presented in Figure 7. This shows that there have been notable variations across the period 2006-2009, with the number of green claims generated by energy and food relatively stable over the period, and the most variation evident for the retail/service sector (which includes non-food retailers and the financial services sector). During the peak in green claims in 2007, retail/service accounted for an increasingly significant share of all green claims; however it then fell back sharply in 2008 and early 2009. The proportion of green claims generated by the automotive sector has also changed over time but according to a different pattern – its share also began to grow in mid 2007 but, unlike retail/services, this actually continued throughout 2008 (potentially reflecting the introduction of the duty on the automotive sector to publish emissions data in promotional literature since The Passenger Car (Fuel Consumption and CO₂ Emissions Information) Regulations 2001 entered into force. (These Regulations were amended in 2004).

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7 As outlined in the methodology sector, Xtreme assign key words based on an ads main content. Ads which carry green information as a footnote may not, therefore, be captured by the keyword search – unless there is a significant additional green feature in the ad. This is most likely to impact the automotive sector, given their requirement to state carbon emissions data in their promotional material. For this reason the contribution of this sector to the total share of green claims is very likely an underestimation. Only those automotive ads doing something beyond the minimum mandatory requirement are likely to have been captured by the analysis.
Looking at the data from a different angle, how does the share of green claims vary within a particular sector? The analysis has already demonstrated that ads carrying a green claim – across all sectors in total – account for 0.68% of all ads, but this does not tell us whether this proportionate share is distributed evenly across certain sectors, or whether there are higher and/or lower concentrations within specific sectors. While the ability to undertake such analyses systematically across all sectors is substantially hindered by varying sectoral definitions across the datasets, it has been possible to look at the automotive sector as a specific example. This shows that, even after noting again that a car ad will only be classified as a green claim if the ad contains something significantly over and above the inclusion of basic emissions data as a footnote, that green claims account for a much larger share of all car ads than the 0.68% overall figure would imply – rather, green claims in automotive ads account for 2.69% of all car ads.

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Figure 8  Proportion of Ads across the five main Meta-Sectors (taken from Figure 7)
2.5 Specific Brands making green claims

Figure 9 outlines the 20 brands making the highest number of green claims, revealing that British Gas tops the list (by some distance). Other strong players are Corporate Energy companies (with BP and Shell occupying 2nd and 9th places, respectively), and government-funded organisations, with the Carbon Trust, Transport for London, Recycle Now and Energy Saving Trust all featuring prominently (3rd, 4th, 5th and 6th, respectively).

![Figure 9: 20 Brands Making Most Green Claims](chart.png)

Chart by Brook Lyndhurst and Icaro Consulting, derived from Xtreme data
2.6 Purpose of advert

Looking at the purpose of green claims made in advertising (Figure 10), almost two thirds (61%) relate to the promotion of a specific product or service (i.e. that a consumer can purchase). In contrast, close to one in five (21%) relate to the broader brand and its corporate social responsibility. A similar proportion (17%) convey public information, such as recycling campaigns, while a very small proportion (1%) are classified as "policy information", where organisations provide information about a specific policy initiative (e.g. TfL and the congestion charge) or where organisations make a policy statement (e.g. a company, trade body or NGO expressing a political view on a particular green issue).

Figure 10: Purpose of Advert

Chart by Brook Lyndhurst and Icaro Consulting, derived from Xtreme data
Figure 11 demonstrates that the purpose of a green claim varies significantly according to the sector making the claim. Using again the top 5 meta sectors from Figure 7, it is evident that brands within both the banking/finance and automotive sectors predominantly make green claims that relate to specific products and services. In contrast, brands within the corporate energy sector (i.e. those selling a range of energy products) are much more likely to make claims relating to their broader CSR and brand reputation, while the consumer utilities (i.e. those specifically selling energy products for use in the home) demonstrate a roughly even split between CSR and product/service.

![Figure 11: Purpose of Advert – by sector](chart.png)

*Chart by Brook Lyndhurst and Icaro Consulting, derived from Xtreme data*
2.7 Deployment of green: alone or in combination?

The analysis looked at whether green claims are deployed as a standalone message in and of itself, or in combination with some other feature (e.g. cost saving, performance, ethics). The analysis focused on explicit references to these additional features, excluding implicit suggestions (e.g. that organic food is, by default, healthier). Figure 12 reveals that over a third of green claims (37%) trade on an environmental message alone, whereas around two thirds trade explicitly on a green message alongside an additional feature – most commonly ‘green & cost savings’ (27%) and ‘green and performance’ (18%). Also significant, but applying to only a relative minority of green claims, are messages using combinations of ‘green & cost savings & performance’ (7%), ‘green & future’ (7%), ‘green & ethical’ (4%) and ‘green & health’ (2%).

Figure 12 Properties Advertised

![Chart by Brook Lyndhurst and Icaro Consulting, derived from Xtreme data]

Figure 13 demonstrates how these trends vary across the top 5 meta sectors, with green claims in public information ads dominated by ‘green alone’ with a secondary message of ‘green & health’. The Banking/financial and consumer utilities sectors are more likely than others to use the ‘green & money’ theme, whereas the automotive sector tends to focus on both cost and especially performance alongside the green angle.
Figure 13  Properties Advertised – by sector

Chart by Brook Lyndhurst and Icaro Consulting, derived from Xtreme data

Looking at trends over time, Figure 14 shows that the combination of ‘green & money’, although always a significant theme, did indeed increase in prominence in 2008 (coinciding with the worsening economic climate) whereas other combinations – including ‘green alone’ – fell back.

Figure 14  Properties Advertised – over time

Chart by Brook Lyndhurst and Icaro Consulting, derived from Xtreme data
2.8 Specific features of the ads

The data allows for analysis of specific features of the ad, including the presence and strength of green colour and green imagery, the use of smallprint to convey green information, the presence of a third party organisation (as a partner or independent verifier), and so on. These are now presented in turn.

Green colour

The research demonstrates that there is no single convention for the use of green colour to support a ‘green’ claim (Figure 15). Aside from a small number of green claims where colour is not applicable (i.e. radio), it is evident that around one in three green claims use no green colour at all. Of those using green colour in their ads, there is a roughly even division between those where the colour green appears strongly, moderately and subtly.8

![Figure 15 Strength of Green Colour](chart)

Green imagery

In keeping with the findings for the use of green colour in green claims, there is notable variation in the use of green imagery (Figure 16). Aside from the ‘n/a’ category (i.e. radio ads), around one in three green claims again deploy no form of supporting green imagery. Once green imagery is used, however, the data shows it tends to feature either moderately or strongly in the ad (i.e. only relatively few ads using imagery choose to deploy it in a subtle way). Further detail and examples of imagery used can be seen in ‘motifs’, below.

8 The classification of the adverts into the categories ‘none’, ‘subtle’, ‘moderate’ and ‘strong’ was undertaken by the researchers on the basis of the random sample of 1,000 ads, not the full sample of 4,083 ads carrying a green claim, and is – inevitably – partly subjective. Both are also true of the categories in relation to ‘green imagery’.
Figure 16  Strength of green Imagery

Figure 17 demonstrates how the use of green imagery varies across the top 5 sectors from Figure 6, although variation in this instance is relatively minor. Green claims generated by the corporate energy, banking/financial and consumer utilities are more likely to have stronger green imagery, in contrast to public information ads and green claims made by the automotive sector.

Figure 17  Strength of green imagery – by sector

Chart by Brook Lyndhurst and Icaro Consulting, derived from Xtreme data
Motifs

Figure 18 shows that cars are the most frequent motif for green ads (by some margin), reflecting the prevalence of ads from the automobile industry. Following cars, the data shows that a wide range of images and motifs are used in green claims. Images of children and animals appear frequently (and may indicate a trend towards emotional-based green advertising), as do natural images of landscapes and the countryside. The use of wind turbines and light bulbs, also prominent as green motifs, is interesting because the imagery is deployed in two different ways – in some of the ads it is used to relate directly to an energy-related claim; while in others it is used more broadly as a 'green' symbol in general.

![Figure 18: Top 20 'Motifs' in Green Ads](image)

The analysis also allows us to focus in on specific categories of images to elicit more detail. So, for example, Figure 19 explores in more detail the types of animal imagery being used and finds that cows, cats and lions all feature prominently, as do a wide range of other animals.
Third party

The analysis shows that only a relatively low proportion (13%) of adverts making green claims use a third party organisation (i.e. an organisation independent of the producer or the advertiser) to support the green claim being made (Figure 20). The same proportion (13%) use a third party but not in relation to the green claim (e.g. a company making a green claim as well as using a third party to show that it has been recognised for customer satisfaction). In contrast, the majority of green claims (74%) have no third party of any description.
Smallprint

Small print in adverts (whether in print, TV, or online ads) is, as expected, fairly common, appearing in just fewer than half (42%) of adverts making green claims (Figure 21). However, the small print often does not relate to the green claim specifically, but to some other element of the advert. Indeed, only 17% of green claims contain ‘green smallprint’. Approaching three in five (58%) green claims contain no small print of any description.

**Figure 21 Presence of Smallprint**

Chart by Brook Lyndhurst and Icaro Consulting, derived from Xtreme data

Web reference

The analysis demonstrates that the majority (75%) of adverts making a green claim also carry a website link (Figure 22). Often, however, the website address is merely a generic feature of the ad (i.e. it is not inviting the reader to visit a particular part of the website or look for information on a specific product and/or subject matter). Therefore, looking at the proportion of ads which include some form of text or design to proactively drive or invite the consumer to the website, the analysis finds that just less than half (48%) do this (Figure 23). The extent to which the website re-direct is about providing more information to substantiate a green claim, as opposed to providing sales information for the product, is outside the scope of this project.
Figure 22  Contact Details on Advert - Web Reference

Chart by Brook Lyndhurst and Icaro Consulting, derived from Xtreme data

Figure 23  Contact Details on Advert – Directs to Web

Chart by Brook Lyndhurst and Icaro Consulting, derived from Xtreme data
2.9 Concepts

Looking through the ads, 27 distinguishable ‘concepts’ were identified, and all ads were categorised as conveying one or several of these concepts. (‘Concept’ refers to a standalone idea within an ad which, with other elements within the ad, together comprises the overall theme of the ad). The general notion of ‘green’ appears most frequently as the overarching concept behind green claims (Figure 24). This is closely followed by waste/recycling, a financial incentive in tandem with energy efficiency, and then carbon. Energy and renewable energy are also prominent, especially if they are combined together.

![Figure 24 Concepts Conveyed by Green Ads - Streamlined](chart)

We now go on to explore in some more detail some of the most prominent concepts of green claims, first disaggregating them into their constituent elements and then exploring how different concepts are used by the different sectors. This analysis is only possible for the main concepts and main sectors, given the diminishing sample sizes for progressively smaller categories.

(a) Concepts in more detail

Looking at the main concepts presented in Figure 24, some of these can be broken down further into constituent elements. This includes ‘carbon’, ‘recycling’ and ‘eco/environmentally friendly’, which are presented below. In contrast, no further break down is possible for other concepts – notably ‘green’, ‘financial/cost saving’ and ‘energy efficiency’ – which are used as broad, generic themes as opposed to an umbrella term under which different constituent elements can be identified.

**Carbon** - There are many manifestations of ‘carbon’ in green claims (Figure 25). Most frequent is ‘carbon footprint’, accounting for 23% of ads using carbon as a concept. This is followed by ‘CO₂ emissions’ (21%) and ‘CO₂’ (18%). The term ‘carbon’ alone only features 4th, whereas it is more frequently used in derivatives such as ‘carbon emissions’, ‘carbon neutral’, ‘low carbon’, ‘carbon capture’, and the aforementioned ‘carbon footprint’.

January 2010
Recycling - Whereas there are many variations on the concept of carbon, recycling has much fewer constituent elements (Figure 21). ‘Recycling’ (including instructional statements such as ‘please recycle’) accounts for 68%, followed by ‘waste’ (28%). Much less prominent are both ‘packaging’ (3%) and ‘compost’ (1%).
**Eco/environmentally-friendly** - This concept breaks down into four main groups of terms – the stand alone term 'environment' is most prominent, accounting for 62% of the use of this concept. 'eco' and 'eco-friendly' account for 22% and 10%, respectively (Figure 22).

![Figure 27 Breakdown – ‘Eco/Environmentally-Friendly’ Concept](chart.jpg)

*Chart by Brook Lyndhurst and Icaro Consulting, derived from Xtreme data*
(b) Concepts by Sectors

The data also allows for an analysis of how concepts are used across different sectors, demonstrating that individual sectors tend to focus on a much more streamlined and specific series of concepts. Data is presented for each of the top 5 sectors (from Figure 6, earlier) and, in addition, electrical goods.

**Consumer utilities** – Figure 28 shows a strong clustering around five core concepts. ‘Energy efficiency’ and ‘energy’ come first, and is much more prominent than in Figure 24 (i.e. looking across all sectors), displacing ‘green’ as the main concept. Renewable energy is also used more frequently. In contrast, recycling is much less prominent.

![Figure 28 Total Concept Use in Consumer Utilities Adverts](chart)

*Chart by Brook Lyndhurst and Icaro Consulting, derived from Xtreme data*
Automotive – Figure 29 shows a similar pattern of clustering, this time around 6 main themes. Hybrid technology is the main concept in automotive ads, and it appears relatively unique to this sector. ‘Emissions’, ‘energy efficiency’ and ‘carbon’ also feature strongly, as do ‘green’ and ‘financial incentive’.

Figure 29 Total Concept Use in Automotive Adverts

Chart by Brook Lyndhurst and Icaro Consulting, derived from Xtreme data
**Banking/Finance** – the banking/finance sector, as shown in Figure 30, frequently uses two main concepts – ‘financial incentive’ and ‘green’. Secondary concepts include ‘planet earth’, ‘renewable energy’, ‘climate change’ and ‘ethical’.

**Figure 30**  Total Concept Use in Banking/Finance Adverts

![Chart showing concept use in Banking/Finance adverts](chart)

Chart by Brook Lyndhurst and Icaro Consulting, derived from Xtreme data
**Energy, Corporate** – two concepts dominate green claims from the energy (corporate) sector – ‘energy’ and ‘renewable energy’. ‘Carbon’ and ‘biofuels’ are both secondary themes, the latter of which is relatively specific to this sector.

**Figure 31** Total Concept Use in Energy – corporate Adverts

![Chart by Brook Lyndhurst and Icaro Consulting, derived from Xtreme data](chart.png)
**Electrical goods** – possibly as a result of the implementation of the WEEE Directive, an even more dramatic clustering of concepts is evident in this sector, which is largely dominated by the concept of waste/recycling.

![Figure 32 Total Concept Use in Electrical Goods Ads](chart)

*Chart by Brook Lyndhurst and Icaro Consulting, derived from Xtreme data*
Public information – Recycling and carbon are the main concepts (Figure 33), although there is less clustering in general and a wider use of additional, secondary concepts such as ‘energy efficiency’, ‘financial incentive’ and ‘carbon footprint’.

**Figure 33  Concepts Conveyed in Public Information Ads from All Sources**

Splitting public information into “Public sector” information and “NGO” information reveals an interesting contrast (Figure 34). While, in general, the public sector is clearly a dominant source of public information green claims, the NGO sector makes up the largest share of claims in terms of the ‘climate change’ and ‘planet’ concepts. The public sector does address the issue of climate change, but using the concepts of ‘low emissions’, ‘carbon’ and ‘CO2’.
Figure 34 Concepts Conveyed in Governmental & Non-Governmental Public Information Ads, (top 15)

An alternative way of presenting the data is to list a single concept and see which sectors use it the most. Using ‘organic’ as an example (Figure 35), this reveals that ‘food & drink’ and ‘supermarkets’ account for the large majority of claims in this area.

Figure 35 Use of ‘Organic’ Concept by Sector
We now present the same form of graph for the main concepts (as outlined in Figure 24).

‘Green’ – a wide range of sectors use the ‘green’ concept, although both consumer utilities and banking/finance are evidently responsible for the majority of such claims, followed thereafter by automotive, computing, public information and travel/transport.

Figure 36 Use of ‘Green’ Concept by Sector
‘Recycling’ – the pattern for this concept (Figure 37) shows a high degree of clustering, with the majority of claims generated by public information, electrical goods and local government.

**Figure 37** Use of ‘Recycling’ Concept by Sector

![Chart showing the use of ‘Recycling’ concept by sector](chart)

Chart by Brook Lyndhurst and Icaro Consulting, derived from Xtreme data
‘Financial incentive’ – a wide range of sectors use the financial incentive concept (Figure 38), led by banking/finance and consumer utilities, and followed by automotive and public information.

**Figure 38** Use of ‘Financial Incentive’ Concept by Sector

Chart by Brook Lyndhurst and Icaro Consulting, derived from Xtreme data
‘Energy Efficiency’ – Figure 39 demonstrates that the energy efficiency concept is relatively widespread across a range of sectors, although consumer utilities clearly deploy this concept the most. Automotive, home/business infrastructure and public information also account for a prominent share of claims using energy efficiency.

Figure 39 Use of ‘Energy Efficiency’ Concept by Sector

Chart by Brook Lyndhurst and Icaro Consulting, derived from Xtreme data
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‘Carbon’ – four sectors account for the main use of carbon as a concept – public information, automotive, consumer utilities and energy corporate. Local government and travel/transport are secondary sources but, beyond this, the concept is not frequently deployed.

Figure 40 Use of ‘Carbon’ Concept by Sector

Chart by Brook Lyndhurst and Icaro Consulting, derived from Xtreme data

2.10 Qualification

Green claims can be made in some sort of comparative fashion, or in a manner that limits or qualifies the extent of the claim. The analysis identified six different ways in which green claims are qualified in adverts:

- **Relative qualified** – e.g. ‘ranked the greenest of the major retailers by x’; ‘equivalent to taking 100,000 cars off the road’
- **Relative unqualified** – e.g. ‘lower emissions’, ‘greener’, ‘reducing our impact’
- **Selective qualified** – e.g. ‘this has led to a saving of up to 100 tonnes of carbon’; ‘we are investing £1 billion in alternative fuels’
- **Selective unqualified** – e.g. ‘every day we are helping to improve the energy efficiency of peoples’ homes’
- **Absolute and relative comparisons** – e.g. ‘we are committed to selling one million vehicles with CO2 emissions below 140g/km this year, 30% more than our rival x’
- **None** – e.g. ‘environmentally-friendly’, ‘green’

Figure 41 shows that four in ten ads (40.4%) do not carry any qualification, either because they state a claim such as ‘green’ or ‘environmentally friendly’ with no definition or supporting information, or because they issue an instruction (e.g. particularly relevant in the case of public
information ads, such as Recycle Now). Relative comparisons are relatively common, appearing in 33.2% of ads carrying a green claim, but the balance is in favour of relative comparisons that are unqualified (18.5%, compared to 14.7% which are qualified). Selective comparisons also appear on a significant minority of ads (19.4%), and are generally qualified in some way. Very few ads (4.7%) make qualifications that provide relative, as well as absolute, information on the green claim.

![Figure 41: Qualification Given](chart.png)

Chart by Brook Lyndhurst and Icaro Consulting, derived from Xtreme data
3 Perspectives from the industry

Introduction

In this section of the report we turn to the industry workshops, which comprised brand managers, marketers and advertising agencies. The purpose of the workshops was two-fold:

- First, to establish “where we are now” - in respect of both the current Green Claims Code (GCC) / Green Claims Practical Guidance (GCPG) and, more broadly, what the industry is thinking about green claims.

- Second, to explore “what happens next” in terms of encouraging the industry to make more, and better, green claims. This again involved a focus on the GCC and GCPG, as well as broader industry and Government action.

Methodology

Recruitment

The target audience for these workshops were mainly client companies and brand communication agencies of all types from advertising to pack designers. As these were ‘open’ workshops however, other participants signed up like advertising regulators, NGOs, think-tanks and smaller companies with ‘green’ as central to their remit.

All recruitment was done in late March and April through ISBA, and IPA databanks. In total c.5000 email invitations were sent out. Follow up phone calls were also made to the ‘top green advertiser list’ supplied by Brook Lyndhurst.

Dates, venues and subject matter

- 12th May London – Transport/Travel/Automotive (28 delegates)
- 14th May London – Food/Clothing/Personal Care & Household Products (30 delegates)
- 20th May Manchester – all categories (24 delegates)
- 22nd May London – sweep up of all categories (16 delegates)

Attendance was good at all workshops (save for the last one as it suffered due to the Monday bank holiday following the workshop). A total of 143 delegates attended across the five sessions. The discussions were very fluid on all workshop days and the delegates engaged fully with the material, exercises and speakers.

The workshops produced a rich amount of detail, which is summarised in the following sections of this report. A full summary of the issues arising from each workshop, captured as a series of PowerPoint slides, is presented under separate cover as a reference document.

Speakers

- 12th May – Simon Thompson from lastminute.com and Russ Lidstone from Euro RSCG
- 14th May – Kirstie Hawkes from P&G
- 15th May – Jo Wisby from BP and Marianne Hude from BT
- 20th May – Bruce Learner from Kelloggs and Paul Hemingway from Co-op Bank
- 22nd May – Neil Golightly from Shell and Matthew Nielsen from Royal Mail
3.1 Where are we now? The current state of play

This section looks at where the industry is now, covering industry perspectives on recent trends in green claims, what internal and external processes are in place within organisations to govern green claims (if any), and what future trends the industry predicts or believes is likely for green claims moving forward. The workshops demonstrated:

**This is an important issue for the marketing community**

The attendance, at nearly 150 people including representatives of 18 advertising agencies, suggests that the subject of compliance with green claims codes and guidelines is an important one for the marketing community and one which they take very seriously, even if they are not frequent users of such claims themselves. There was a high degree of agreement that green marketing should not be allowed to become devalued by “greenwash”. Delegates were aware of companies that had been adjudicated against and felt that they faced wider condemnation than for more normal product-performance claim infringements.

**The proportion of green claims in advertising is lower than expected**

There was some surprise, in response to the research findings outlined in Section 2, that green claims in advertising make up only a very small proportion of claims in advertising\(^9\). This was particularly true of the automotive workshop, where the sector is governed by regulation and has a duty to provide information on emissions data\(^10\). Delegates across the groups speculated why this may be, including some candid acknowledgements - for example they thought that green claims have largely appeared in the print media because these are cheaper, easier to amend/withdraw and reputation-led. Delegates from the Automotive and Petroleum sectors also felt that they face more scrutiny and scepticism by virtue of their products and services (which often carry larger environmental impacts).

**The industry has put its “toe in the water” but is cautious about making green claims**

There was general agreement that green claims to date – at least as far as mainstream agencies and brands are concerned – represent the equivalent of a “toe in the water”. The general view was that, with the possible exception of some automotive developments, the “flurry” of adverts in 2007 most likely represented the “easy and quick wins” which required little in the way of genuine product/brand shifts (e.g. claims from cars that were smaller anyway, or from lower carbon forms of transport, e.g. trains, buses).

Delegates felt that this is partly a function of time. Many in the industry – both agencies and brands – are relatively new entrants to the green claims arena, and there is still some way to go to move from “first attempts” to more consistent and well developed messaging. However, two other reasons were raised that pose more of a challenge:

- There is **confusion** – in the industry and among consumers - around symbols, terminology and language, with little sense of agreement on which terms are the most meaningful and relevant to consumers. Some participants flagged what they see as the polarisation in green claims between vague, broad claims on the one hand (“greenwash”), and “mega technical detail” that consumers do not understand on the other. Others noted the need to be mindful of the tension between putting out a simple brand message and having the ‘back-up’/substantiation in the brand communication. Some participants noted that qualifying green claims is actually quite tricky, especially in relation to new issues like carbon neutrality or biofuels.

\(^9\) Notwithstanding the caveats outlined earlier regarding whether or not Xtreme catalogues a claim to be green.

\(^10\) The way in which Xtreme catalogue ads will certainly lead to an underestimation of green claims in the automotive sector where advertisers have an obligation to publish emissions data. An auto advert, if it only carries the obligatory information as a footnote with no other ‘green’ angle, is unlikely to have been classified as a green ad.
Delegates conceded that there is a prevailing mood of caution in the industry in relation to green claims, which can be best described as a “fear to tread”. Brand owners were cautious, even the more experienced, and fear that even if a claim is 90% it still equates to 10% exposure/risk. Some referred to the “green claims minefield” which has prevented companies saying things they would have liked to have communicated to consumers. Other delegates made the point that green claims are very apparent and that the media, NGOs and consumers are more likely to approach a green claim with scepticism/cynicism than they are other types of claim. Others noted that they had encountered a backlash to their claims from consumers who perceived that the change benefited the organisation, not the consumer or the environment.

There are very different systems in operation for making and managing green claims

The workshops revealed a diverse range of practices in terms of developing and managing green claims. At one end of the spectrum, several delegates said that their organisation has no bespoke process in place for green claims, or that green claims are considered in the same way as any claim (which was especially true of smaller organisations).

At the other end of the spectrum, some delegates described a well developed process involving multiple stages and engagement with a variety of internal and external stakeholders. Some even reported having an internal green claims code, which they use before making a claim. Formal scientific analyses, such as Life Cycle Analysis, were mentioned by only a small proportion of delegates and is clearly an “advanced” activity at present.

The division between internal and external engagement is a useful one and we outline below some of the main sources used by delegates under each heading.

**Internal sources**

- Use parent company guidelines
- Use our legal teams
- Use R&D/science lab to help back up claims
- A 4 step process with a science advisor
- Use a “green committee” made up of euro legal, euro marketing folk, external experts – ideas go to the committee for clearance
- Sustainability team
- Marketing “taskforce” on sustainability
- R&D departments

**External sources**

- Use IPA/ISBA advice
- Use Clear Cast consultant (ITC code)
- Use other industry sources e.g. ASA bad examples, recent adjudications
- Buzz/blogosphere monitoring
- Reference an advisory code – ASA/Defra/etc
- We do a life cycle analysis on all brands and then address the common issues e.g. households using hot water
- Use peers as sounding boards
- Third parties, e.g. Soil Association, FSA, Fair Trade
- Public focus groups and ask suppliers
- Monitor competitor claims
- Work with Government agencies, e.g. Carbon Trust, WRAP

In terms of the agency–client relationship, several agency delegates noted that they tend to defer to their client’s in-house legal and R&D teams as they know more of the science, whereas their role is to ask the “right questions” (e.g. will it add value? With which consumers? etc.)
Delegates also highlighted a tension between what their marketing teams say (i.e. ‘we must be braver’) and what the Legal team say (i.e. ‘we must avoid getting tripped up’). This is, of course, not a new tension, nor one that is specific to green claims. Nonetheless, it is considered a barrier to both making a green claim in the first place, and also making specific claims (since generic claims are perceived to present fewer legal issues).

On the subject of what drives organisational behaviour change, the workshops provided a glance at the plethora of reasons that explain why, when and how some organisations decide to make green choices in their product line and/or their advertising. Some delegates, for example, highlighted high level buy in and leadership from management, or the support of specific individuals within the organisation. Others highlighted pressures in the supply chain, e.g. from consumers, shareholders, investors. It was also noted, candidly, that Government often drives change in terms of the regulation in place now and/or the signals it sends about the future trajectory of policy and regulation (i.e. “is this important now? Will it become more or less important in the future?”).

**Green claims will likely increase again in the future...eventually**

There was an interesting discussion in the workshops about likely trends in green claims moving forward. While, as already discussed, there was some surprise at the proportion of green claims relative to all claims, the distribution of claims over time was less surprising to delegates, particularly that green claims had fallen in number recently. Indeed, several agency delegates noted that the recent dip in claims is something that they are experiencing, and also would have expected given the economic recession (as brands shift emphasis to other messages).

In terms of future trends, many delegates questioned whether or not the green spike was just a short term ‘fad’, or whether the recent lull merely reflects the prevailing economic environment. There was some convergence around the idea that the trend going forward would be one of “phased growth”. This was based on the idea that the next phase of growth would be based not just on favourable economic circumstance, or taking advantage of legitimate “quick wins”, but also on organisations making some longer term and strategic thinking about how the green agenda fits with their products and, more tellingly, with their wider brand image.

### 3.2 Where are we now? The existing Defra GCC & GCPG

This section explores industry reactions to the existing GCC and accompanying GCPG, offering a critique that forms the basis for the perspectives on potential revisions (outlined in Section 3.4). The workshops revealed a range of reflections, most notably:

**Awareness is low**

It was evident that not many of the delegates had heard of the Code prior to the workshop, and fewer still had actively used it. It was, nonetheless, considered a positive step to have a working document on which to based edits and improvements.

**There is a need for more obvious and visible coordination with other codes and other organisations working in this area**

The delegates expressed a view that there appears to be a plethora of organisations operating in this space and that it is not clear, at least to them, about who is “in charge” and driving the agenda, and who is responsible for implementation and enforcement. The majority of delegates conceded that they didn’t know precisely how one code sits with another.

In response, there was a call to make clear how ASA/Defra/VCA/Ofcom join up. There was also a comment that UK codes need to have consistency with international codes (especially for those brands operating in a range of markets). In addition, several delegates, talking about implementation, mentioned that they thought that EST or the Carbon Trust were the
organisations to contact in the first instance and wanted to know how Defra planned to coordinate their efforts with them.

**The existing Code is caught trying to do two separate things**

Several delegates felt that the Code is weighed down by two competing demands – to act as guidance booklet and to set out regulatory requirements – and ends up achieving neither. There was a general sense that Defra faces a choice as to whether it wants it to be a more detailed formal regulatory document or a guidance toolkit with tips & visual references.

**The GCPG focuses on things they can’t do, not what they can do**

This point was made repeatedly across the sessions, mostly in relation to the list of terms that the guidance advises against. A common view, in this respect, was that “if we can’t use ‘green’ and ‘environmentally-friendly’ then what can we use?” This also extended to a desire for more examples of what is considered “right” and “wrong” (on specific mocked up examples of real ads), and clarification on “the best” logos, labels and third parties to use.

**The GCPG content is satisfactory but the presentation is ‘dry’**

A frequent remark by delegates was that, while the content of the GCPG is satisfactory the presentation is a non-trivial barrier. In particular, delegates considered it overly text-led, with not enough illustrations and “real” case study ads. Several delegates suggested that, to appeal to the ad industry, it needs to be re-designed more creatively (potentially engaging the industry to design this).

**The GCPG is generic and not sector specific**

There was strong demand, across the groups, for more detail in relation to specific sectors and in relation to specific issues. This did not seem to be about length or number of words (in fact these were highlighted as drawbacks of the current guidance), but about bespoke detail that can easily and readily applied to a range of situations. It does undoubtedly present Defra with an interesting challenge in respect of how best to achieve breadth as well as depth. This tension seemed to be the driving force behind many delegates’ view that it needs to be an online tool. In terms of specific issues, there was demand for guidance in relation to carbon offsetting and footprinting.

**Guidance needs frequent updating to reflect new techniques and new understanding**

As noted above there was a demand among some delegates for more information on specific issues (e.g. carbon accounting), which reflected a wider point that delegates made about the need for the GCPG to be kept up to date. Many delegates acknowledged that green issues represent something of a “moving target” where terminology and assumptions can change quite suddenly (e.g. biofuels). Several also felt that the existing references in the guidance to third parties and labelling schemes are in need of updating.

### 3.3 What next? Proposed actions for the industry

This section turns attention to what delegates think will happen next to green claims in the industry. It looks at the issue of “quick” green claims vs. longer term commitments, at the pitfalls that the industry believes it needs to avoid, at potential industry-wide actions, and finally at the issue of the “green claims journey” – what is it reasonable to say at which point? The workshops revealed:

**The importance of brand, and the need for “big discussions” internally**

One of the key themes to emerge from the workshops was the importance of brand reputation in governing consumer reactions to green claims (as well as the reactions of other stakeholders,
e.g. media, NGOs). This was acknowledged to be a challenge for some brands, who conceded that "consumers listen to who we are, not what we say".

This led to a further discussion about the internal processes required to prepare for making a green claim. While delegates believed that some of the green claims to date (and especially the 2007 "flurry") were believed to be the result of organisations 'waking up' to the agenda and looking for something easy and quick to say, they also believe that more organisations will begin to approach the issue strategically and with a long term perspective. This would see green claims move to become part of the core brand offering, or in the words of one delegate "a part of the company's DNA".

Pitfalls to avoid

Delegates felt that a reasonable body of knowledge was emerging within the sector on some of the pitfalls to avoid in making a green claim, including:

- Not confusing consumers through overly vague or overly complex terms, through ineffective descriptions (e.g. "1 tonne of carbon") or through the proliferation of symbols and labelling.
- Doing green as a tick list rather than rooted in business strategy / Green as part of business goals not just brand communication.
- Being selective in claims / not cherry picking
- Generating negativity in the blogosphere
- Not relying only on an external verification to make a claim (what credibility does the third party have with consumers?)
- Consider imagery that signals green – don’t abuse this
- Don’t claim what is the industry norm as it is the entry level and should not appear as a claim of any note e.g. recycled content within manufacturing environment – is the claim really something new?
- Factor in enough time preparing to make a green claim – ensuring green claims are part of a bigger strategy and brand story
- Using terms where the authorities are not yet clear, e.g. carbon neutral, bio-fuels, etc.
- Avoiding a perception that it benefits only the company, not consumers.
- Not qualifying the claim within context of whole life cycle of the product, but neither over substantiating in the ad with too much technical back up.

Could there be Industry-wide action and standards on green claims?

Turning to specific actions moving forward, there were some interesting discussions in the workshops about the specific steps that industry could take. Four areas of thought emerged that are of particular interest:

- Work to substantiate claims, partly in the ad itself but also – in terms of providing greater detail – through a website or independent source. Although the ASA requires that advertisers be able to substantiate their claims, many delegates felt that evidence needs to be easy for consumers to access and should be layered to reflect different levels of interest.
- Develop better visual tools to indicate how green a product is. Several delegates mentioned the success of White Goods labelling and speculated on the wider application of an A-G scale, or a ‘traffic light system’, for other sectors, all of which may have helped consumers to understand information that might otherwise have been inaccessible.
• **Rationalise green information**, both in terms of symbols and also language/terminology. Many delegates mentioned the number of green terms in operation and the lack of consensus on which are the best ones to use (in the way other industries had broad agreement on the technical jargon – e.g. broadband download speeds or mobile broadband ‘dongles’).

• **Tying into the behaviour change agenda** by matching specific products with specific actions, e.g. Ariel’s Turn to 30°C. Some delegates thought this could build brand trust as well as help support Government’s work in this area.

**Is it ok to begin by declaring intent, without achieving first?**

An interesting thread to the discussions was a tension between a desire from some to be able to “declare intent” (i.e. without having done anything/much) and the views of others that groundwork is required prior to making a claim (e.g. R&D, product offerings, brand/green integration). These two positions could be said to merely represent different stages on the “green journey”, but at the same time it led to some interesting (and unresolved) issues about how the two could co-exist without confusing consumers, or giving the impression that an organisation making a “fledgling claim” was not trying to claim parity with a competitor who had done much more work.

### 3.4 What next? Proposed actions for Defra

This final section explores stakeholder opinion on what the revised Code and practical guidance should ‘look and feel like’ moving forward. It looks at comments specifically about the Code & guidance itself (in relation to both format and content, and how it can be future proofed) and the wider actions that Defra should consider taking in support of the Code (e.g. industry coordination, consumer engagement).

**A. Revising the GCPG**

The workshops generated a rich series of comments about how Defra can build upon the existing guidance, most notably:

- **Firstly, in terms of format, there was a loud and consistent call across the workshops for a more accessible, interactive and online guidance**, accompanied by a ‘guidance toolkit’ (preferably on its own site/micro-site). Delegates were clear that this was not just about ‘vanity’ and appearance, but about mirroring the way in which they work and what kinds of things they respond to (and don’t). Most important of all, such an approach would enable them to access specific elements of the guidance according to their need. Delegates talked variously of a green claims “Wikipedia” or a green claims version of “NHS Direct”. Several delegates suggested that Defra should engage a **creative agency** to help develop the toolkit to ensure the right balance in terms of language, word count, visuals etc.

- **Turning to content, and reflecting earlier observations, there was a strong demand for more specific and bespoke detail.** To avoid adding to the word count and length, delegates suggested a range of “**access points**” – with the guidance layered according to industry sector, specific issues, or an organisation’s experience level in making green claims (i.e. baby steps, teenager, adult, old sage, etc). This was considered important by delegates to allow them to ‘dip in and out of’ the guidance and be able to easily extract and apply what they need.

- **There was strong demand for more case study examples of ads** (with Defra commentary on what is deemed ‘good’ and ‘bad’ in relation to the Code), **industry examples** of how companies have gone about developing and deploying green claims, and a **summary check list** of questions that they need to ask in developing a claim.
There was demand for additional information on green terminology, with many delegates looking to Defra to provide more guidance on the ‘preferred’ list of terms. Delegates also expressed a desire to contact “experts” – which referred to ad experts as well as scientific/technical experts.

B. Future proofing the Code

Delegates considered environmental issues, and by implication green claims, to be an ongoing process and a “moving target”. They were therefore keen to see the Code kept up to date, both in terms of tracking/trend analysis and also in terms of revisions to keep pace with changes in e.g. legislation, consumer literacy on green issues, labelling requirements and case study ads. Many suggested some form of annual review and update of the guidance, according to how much things had changed. Some delegates felt the annual review update was a good opportunity to “re-promote” the Code and maintain the momentum in terms of awareness and interest.

C. Wider engagement with industry

Turning away from the detail of the Code itself to explore some of the wider actions that Defra could take to support the Code and engage the industry, the workshops demonstrated an eagerness among delegates to stay involved in the process. For example:

- Some spoke of the green agenda being an “endless journey of learning”, and that Defra could plot consumers’ journey on green issues, set out its behaviour change objectives, and share this with the industry (in much the same way as Defra is already doing via its ‘roadmaps’ for certain sectors).

- Taking the idea of a joint approach to behaviour change further, some delegates thought Defra could turn this into an industry challenge – telling brand leaders each year the headline goal for Defra and then rewarding those who develop the most innovative/effective approaches and communications.

- Some delegates were very interested to learn more about Defra’s research with consumers on pro-environmental behaviours (whereas others had very evidently done lots of their own research in this area). Some suggested shared learning across companies’ research departments (i.e. an intelligence sharing forum), although others doubted how much information commercial companies would be willing to share.

- There was a call for more co-ordination among the different regulatory bodies (e.g. ASA), government agencies (e.g. EST, Carbon Trust) and watchdogs (e.g. Consumer Focus), and many delegates charged Defra with overall responsibility to be the umbrella organisation that brings it all together and clearly defines roles and responsibilities for the other groups.

- There was widespread backing for Defra deploying “soft power” in the form of carrots and sticks. In this sense the carrots could take the form of awards, or recognition for those companies/agencies which have done innovative work in the area (playing to the industry’s desire for “fame and glory”). Many spoke of turning the current “fear to tread” on green claims into a desire to make green claims, which Defra could help by being outwardly supportive of those companies making genuine efforts. On sticks, there was little reservation about “naming and shaming” examples of bad green claims that breach the Code, both to send a signal to the industry as well as to consumers.

Finally, and turning to “hard” power, the workshops suggested a mixed response to the idea of Government intervention. On the one hand, delegates seemed comfortable that Government has an important role to play, and candid that – by setting requirements - this can raise the profile of green claims and drive innovation. Some delegates wanted more intervention to “level the playing field” and mandate benchmarks in order to eliminate what, from their own individual
perspective, represent disparities with how their competitors are reporting on green issues. In this sense the desire for standardisation, and developing a scheme that consumers could trust and buy into, was strong. In addition, some delegates were concerned by what they considered a lack of enforcement of existing standards (e.g. MPG in some Member States), which could potentially undermine consumer confidence.

However, and on the other hand, delegates wanted things that encouraged them to make claims, and not add to their sense of caution, or ‘fear to tread’. They wanted room to innovate, and some didn’t want to be overly burdened by accreditation schemes. In particular, it was considered important to be flexible with the green claims “newbies”, and some delegates, from larger companies with international remits, were also keen to point to consistency in regulatory approaches across different markets.

Therefore, the issue among delegates was not “intervention vs non intervention” by Defra, but rather what kinds of intervention. The most common suggestions included some form of visual and standardised benchmark for different sectors (e.g. traffic light labelling, A-G labelling), or a kite mark/motif/stamp of approval to show compliance/leadership in green claims. Others speculated about the need for a voluntary scheme where a body is established to offer pre-approval of the ads (e.g. as per Clear Cast), or to review claims in the market.

D. How to engage industry

Delegates provided a series of ideas on how Defra could best engage the industry, most notably:

- Strong involvement is needed from the representative trade bodies (e.g. IPA, ISBA)
- Hold more workshop sessions like this, or convert to specific panels that meet periodically
- “Get the right people involved” - set up a working party of experts handpicked from Defra, leading ad agencies and leading brand owners
- Develop PR to promote the Code and the guidance (e.g. email news service, articles in e.g. Marketing Wk, online); target agency heads/gurus to get ‘trickle down’
- Set up an awards scheme or competition (e.g. based around behaviour change goals).

E. Work with consumers

Delegates saw a role for Defra in engaging consumers, which typically took on two different forms:

- **Consumer intelligence** – adding to / disseminating research expertise from within Defra (and from other sources in the industry if available) on what consumers make of green claims, e.g. whether some terms and concepts are better understood than others, whether some issues are more important than others, what symbols are confusing to them and why, etc.

- **Building confidence** among consumers that green claims in advertising are legitimate, either through a kite mark, stamp of approval of rating scale, or through communications that acknowledge good claims and reassure the public that claims are subject to regulation.
4 Reflections & Implications

This research was deliberately intended to gather and present a variety of data in a relatively detailed fashion. It is the detail of the work, rather than an analysis thereof, that provides Defra with the material it needs to develop its future support for and/or engagement with 'green claims'.

Nevertheless, the research team has had the opportunity to make a number of reflections on the findings from the work, and these are presented below. These led us to a concise series of conclusions and suggestions for action by Defra and these, too, are presented below.

4.1 Reflections on the Findings

Our overall interpretation of the results leads us to three key reflections.

1. The Issue of Scale

Although the analysis shows that the number of green ads represented less than 1% of the total, it is not necessarily straightforward to deduce what this means. A raw count of advertisements does not reveal, for example, the frequency with which these advertisements appeared nor, by extension, the extent to which consumers were exposed to green ads.

The total figure obscures the fact that some sectors – notably the consumer utilities and the automobile sectors – were much more likely to make green claims in their advertisements than other sectors; and, also, the fact that there was a 'long tail' of sectors that had made at least some green claim. These findings give grounds for optimism: there are clearly some sectors for whom green ads are already 'normal' (and whose experiences could therefore be valuable to other sectors); and the number of sectors that have put a 'toe in the water' (and who might reasonably be expected to make further green claims in the future) is relatively high.

Nevertheless, there was a general sense among those that considered the statistical findings (including attendees at the workshops) that there have been fewer 'green ads' than many had been expecting, and there was discussion about why this might be so.

Some delegates expressed the view that many green ads to date were a result of 'product push' rather than 'consumer pull'. That is to say, producers were responding to legislation or regulation, or were developing their corporate responsibility agenda, and that it was these factors that were prompting green ads, rather than their being a groundswell of 'green demand' from consumers to which advertisers were responding. This view was not unanimously shared, however, and evidence to explore this issue still needs to be developed further.

One factor which was strongly supported as an explanation for the pattern of green ads to date, however, was the sense that there was, across the industry, a 'fear to tread'.

2. The Fear to Tread

A strong and clear refrain through the workshops was the notion of a 'fear to tread' among delegates. That is to say, for many sectors, many companies and many products, the perceived risks of making green claims – notably of being accused of 'greenwash'; of falling foul of the ASA; and of using images or language that alienate consumers - outweigh the perceived benefits.

Delegates at our workshops nevertheless felt that there was a desire within the industry to be able to make green claims with more confidence; and if there was more confidence, that there...
might be more green ads. This confidence could be provided, to a significant extent, by improved guidance and support.

3. The Call for Guidance and Support

Although there are many other factors that will influence the future volume and nature of green ads – not least the development of the wider economy over the next few years and the shape of consumer preferences within that wider development – there was a strong and consistent call for improved guidance and support. Chapter 3, above, outlines many of the detailed suggestions for the content and manner of this guidance and support, but the overall requirement would appear to be a suite of materials that make it as easy and secure as possible for to make a green claim as and when they feel it is appropriate for their product/service. The provision of guidance and support will not, in and of itself, increase either the desire to make green claims or in any direct way the actual number of green claims; it could, however, facilitate the those considering making a claim to overcome their ‘fear to tread’.

4.2 Conclusions

It was clear to us that one could draw conflicting conclusions from these reflections. Two questions were particularly challenging:

- Is there a risk that efforts to make it easier for the industry to make green claims (by overcoming the ‘fear to tread’) could make it easier for companies to stray into ‘greenwash’, thus undermining the broader intention to lead consumers towards greener choices?

- Is it really the role of government to offer ‘support and guidance’ to the advertising industry; or should market forces sort it out (i.e. when ‘green’ is really a device for enabling businesses to sell and/or differentiate their products/services, they will work out how to do it for themselves)

On balance, we concluded that:

- **Corporate leadership** on green issues is an important component of moving consumers generally towards a broader set of pro-environmental behaviours; and mechanisms that enable businesses to demonstrate that leadership, even in advance of ‘traditional’ consumer demand, are therefore justified

- A **responsive consumer market** is essential to reward the, sometimes very expensive, research and development required. In the absence of leadership from green claims, consumer “pull-through” might rest on variable factors like media coverage of the issues. Greening the supply side must be synchronised with consumer demand to be sustainable

- Defra is ideally positioned to play an **enabling role**, and the Green Claims Practical Guidance (together, potentially, with additional devices) offers a mechanism for allowing Defra to help businesses to develop their environmental leadership functions

- This role should not be passive but should be an **active effort**, at least in the short and medium term, not least because the ‘fear to tread’ is likely to take some while to overcome.

Given these conclusions, our suggestions for change are as follows.
4.3 Options for Change

Suggestion 1 - Consolidating green terminology and language

At present there is a large range of green claims, motifs and concepts in use, with few signs of agreement or consolidation across industry. While we certainly do not believe that Defra should (or even could) impose a strictly defined group of “government approved” terms and images, we nonetheless note that the rationalisation of terminology is something that (a) is possible (e.g. note the mobile phone industry’s self-coordinated use of terms such as ‘modems’ and ‘dongles’); (b) something that the industry stakeholders argued for as desirable to give them a steer on what terms to use and what not to use; and (c) something that is necessary to protect consumers.

On this basis, we judge that there is research work to be done to better understand what UK consumers make of the proliferation of terms, and which terms ‘speak’ loudest to them in terms of encouraging pro-environmental choices and behaviours. It also seems to us that consolidation of green information would be greatly encouraged through extending the current use of standardised labelling (whether it be in the form of a Kite Mark, A-G label or traffic light symbol); though whether this could or should be undertaken by Defra, other agencies or – for example – NGOs remains a more open question.

Suggestion 2: Improving the Green Claims Practical Guidance (GCPG)

Unless it is felt that the CAP codes have something important missing, it is difficult to recommend that Defra continues as a non-regulating ‘code’ creator, but redefines its role as a provider of insight and guidance in support of the self-regulation system. We believe this would allow the Defra GCPG to become a more broadly useful document than code owners are likely to be able to provide.

We believe, in fact, that the more awareness of Defra’s GCPG grows, the more it will operate de-facto as a non-regulated code.

Providing advice on what to do is hard for a code creator, but more possible for a guidance provider. To avoid adding to the “fear to tread”, actual examples and case-histories should be reduced to unbranded examples, but should lose nothing for that. Defra could become the expert on defining terminologies and how ideally they should be supported. Creating understanding of the specific support required to justify a claim is felt to be a very desirable development.

Appearances matter and Defra could greatly improve the design of its guidance.

It is also possible that Defra could carry out a still wider review of the GCPG. Since many marketers and their agencies are headquartered in UK, at least for Europe, Defra could consider providing a comparative review of all applicable codes that marketers might have to comply with. We are not aware of any current source for this, which would fill an industry gap.

Expansion from Guide to Toolkit

We recommend that the new CGPG should be re-developed professionally as an online “Toolkit”, with hard copy versions of the key parts only and far more comprehensive online guidance. It could be put out as a tender to competent suppliers for the design and construction and ongoing maintenance.

Online capabilities could be exploited to create a multi-layer toolkit, that can be as sector-specific as possible and fully searchable through keywords. The ability to create layers of information should overcome the sheer bulk of information required to be sector-specific. Sections can be downloadable, as can a range of materials including posters and materials that will act as reminders for companies.
We recommend that the content be reviewed on an annual basis and updated as necessary. This could be as part of ongoing marketing sector liaison to be discussed below.

**Suggestion 3: Industry engagement**

Following the interest expressed by many workshop respondents to remaining involved with the issue, we recommend holding a Green Claims day each year together with leading marketing and advertising representative organisations to review latest judgements, look at interesting cases, review terminologies and hear latest successful case histories in green advertising.

**Information provider**

We believe Defra can confirm its leading position in green issues by becoming an information provider, sharing consumer research and behavioural information that is beyond many marketers and unavailable commercially. As has been stated earlier, there are significant gaps in understanding of consumer reactions to green claims and even if marketers are able to do sufficient research work, it is unlikely that this would be made available for the wide range of potential advertisers to learn from. This would require studies on a range of subjects, perhaps chosen in agreement with ISBA’s Sustainability Group.

**Educator**

To build awareness of sustainability issues in marketing over time seems to us to require integration in training courses, especially those offered by IPA and CIM, but also in university marketing curricula. There would be costs associated, but we feel that Defra is really the only central resource likely to be able to pull academics and professional organisations together to produce such content.

Planting sustainability needs in the mind at the same time as business or communications skills must help to ensure that new entrants to the business come in better able to balance and manage what can sometimes be complex and conflicting needs.

**Rewarded**

Marketing and advertising are very much worlds where awards mean a lot to many practitioners. More than simply appealing to vanity, awards generally play a role in distillation of best practice and in drawing attention to new ideas and techniques and this has been demonstrated many times by UN Environment Programme, who have drawn freely on awards for their helpful advice documents.

Though one can say there are many awards, there are few that are specific enough to really focus on green issues. We believe that Defra should be looking to endorse award schemes that meet strict criteria and perhaps also to offer a Defra prize for the best winners. These could, for example, be aligned with Defra’s pro-environmental behaviour goals.

An awards idea that might translate well to UK and bring politicians and marketers together over green issues could be to start a domestic version of the EACA Care Awards for responsible advertising, which are voted annually in Brussels by MEPs.

**Leaders**

One particular form of engagement that we judge would be a very effective use of resource is the engagement of key leaders from the green claims field, many of whom have already become apparent during the course of the workshops. In the short term this group could act as a formal or informal advisory body, helping Defra flesh out the findings from this research process and translate these into firm policy actions. In the medium to longer term we believe there is scope to
consider a more formal 'roadmap' structure to engage industry, along the lines already established by Defra in several other areas, such as sustainable clothing.

**Suggestion 4: Projecting the Defra role**

The role of the ASA / CAP receives constant promotion to marketers, through reporting of judgments in trade journals and as a by-product of wider consumer awareness campaigns. For Defra to achieve and maintain a constant level of awareness would require a communications programme to marketers and agencies on an on-going basis. It is unlikely that professional organisations like IPA, ISBA, CIM could fund this, but they should have no objections to referring queries they receive to Defra and making their email lists available to Defra for promotion of materials and reminders of the online location of guidance materials.

We recommend an email campaign at least annually designed to reach all levels of the marketing and advertising businesses.

Similarly, an early question for the advisory group of leaders suggested above might be whether they believe that Defra’s Behaviour Change Goals are interesting enough to industry to influence the kinds of green claims they make, and whether these could be used to not only market the product but also bring about a specific change in consumer behaviour. This could well serve to promote Defra’s profile, and further enhance the salience of the Green Claims Practical Guidance.