



# REGENERATION RISING

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SUSTAINABILITY FUTURES

# TABLE OF CONTENTS

<b>4</b>	<b>WELCOME</b>
<b>7</b>	<b>WHAT IS REGENERATION?</b>
<b>12</b>	<b>BY THE NUMBERS</b>
<b>18</b>	<b>PLANET</b> BACK TO THE EARTH INSPIRING ECONUDGES DIGITAL SUSTAINABILITY MICROSOFT: INSPIRING BOLDER CLIMATE ACTION
<b>37</b>	<b>PEOPLE</b> INTERSECTIONAL ENVIRONMENTALISM ELEVATING WOMEN THE NEW BIOPHILIA STARBUCKS: INSPIRING EQUALITY
<b>63</b>	<b>PROSPERITY</b> THE COLLABORATION IMPERATIVE THE CLIMATE TECH BOOM REGENERATION, INC IKEA: INSPIRING A BETTER EVERYDAY LIFE FOR EVERYONE
<b>84</b>	<b>A QUICK TAKE ON REGENERATIVE BUSINESS</b>
<b>87</b>	<b>METHODOLOGY</b>
<b>90</b>	<b>ACKNOWLEDGEMENTS</b>
<b>91</b>	<b>ABOUT US</b>

**“Change is coming,  
whether  
you like it or not”**

*Greta Thunberg, environmental activist*



Melting Gardens, photography and set by  
Claire Harrison, ice bottle by Yan Skates

# WELCOME

**For a while, we have known it. Something isn't right. The way we live is not serving us anymore. The "take-make-use-lose" approach to our resources has pushed our planet to breaking point. Our economies have delivered unimaginable wealth, but only for the few. The system is failing people and planet. Change is overdue.**

In 2018, we forecast a pivot from sustainability to regeneration. Doing less harm is no longer enough. We need the positive impact of regeneration: restoring ecosystems, reversing climate change, upending inequality and injustice. Slowly but surely, regeneration has made its way onto the agenda and into the boardroom.

Yet 2020 had other plans, delivering the greatest disruption of our lifetimes. In COVID-19 we experienced a global shock, a universally intense and urgent threat to human health that disrupted economies and shone a harsh light on the frailties and flaws of our economic systems, governments, healthcare, supply chains and more.

Then came the aftershock. As communities reeled, a wave of social justice protests supporting the Black Lives Matter movement swept the world in response to the killing of George Floyd. Such protests have since spread, to Indigenous communities, and subsequently, with the Stop Asian Hate rallies in March 2021, to Asian communities.

The response to these crises was all-consuming. For environmentalists, the fear was raised that the plight of the planet might be pushed to one side. In fact, the opposite happened. Concern for the planet remains high, and the realization has dawned that, in fact, all of these crises are very much intertwined, with people and their wellbeing at their heart.

Further, despite our missteps, the scale of the response to COVID-19 has proved that transformation can be achieved, sometimes overnight. Writing in the *Guardian* in April 2021, Rebecca Solnit encouraged hope. "In the midst of fear and isolation, we are learning that profound change is possible," the article observed. The unthinkable is now thinkable. In the future, we may look back on 2020 as a powerful catalyst of that change.

In the words of John Elkington, founder of change agency Volans and an authority on corporate responsibility and sustainable capitalism, "we are at an inflection point." We stand on the cusp of a new era, in which regeneration can rise. This will be a time of transition, turbulence and disruption, as old systems creak and shift, and a new order seeks to impose itself.

We are already seeing signals of that new order. The appetite for change from ordinary people is strong. Of our respondents across the United States, the United Kingdom and China, 84% think economies should be rebuilt in a way that champions inclusivity and sustainability.

Political will to deliver a better normal is strengthening, with a climate-friendly president in the White House, and Green New Deals on the table in Europe, the United States and Asia. Three quarters of the world's nations now have a plan for decarbonization.

Businesses are now aspiring to a new class of leadership, setting bold commitments to net zero and pledging action on inequities. A more open era awaits, characterized by collaboration and open-sourced innovation. An explosion of tech advances promises "the investment opportunity of our time," said economist Mark Carney at the Green Horizon Summit in November 2020, looking to a regenerative revolution of renewable energy, decarbonization and green tech.

In 2018 we published “The New Sustainability: Regeneration” report, in which we forecast that regeneration was the future of sustainability. “Regeneration Rising” is a companion to it, and here we see the first buds of that regenerative age emerge.

There is still a mountain to climb. A study published in *Nature* in February 2021 gives only a 5% likelihood of the world meeting the target of 2°C of warming by 2100. Biodiversity remains in crisis, with a million species threatened with extinction. Inequalities are widening, exacerbated by the pandemic. Governments and businesses are setting themselves distant net zero targets, decades away. The 17 Sustainable Development Goals adopted by UN member states in Paris in 2015 are not on track to be met until 2082, according to estimates made in September 2020.


In the face of these sobering statistics, the necessity for us all to step up is greater than ever. But, as our report shows, a host of opportunities are now being unlocked that point to new ways for brands to innovate, to engage stakeholders and to do business, leading the way to a better future. **Regeneration is rising.**



Good Earth Cotton in bloom, FibreTrace™



**Marie Stafford**  
Global Director,  
Wunderman Thompson Intelligence



**“In the midst of fear  
and isolation,  
we are learning  
that profound change  
is possible”**

*Rebecca Solnit, writer, historian and activist*

Image courtesy of Studio Roosegaarde

# WHAT IS REGENERATION?

Regeneration goes beyond sustainability and mitigating harm, to actively restoring and nurturing, creating conditions where ecosystems, economies and people can flourish.



Cropland bordering rainforest habitat, Brazil © Frans Lanting as part of the Union of Concerned Photographers project launched by WeTransfer



In our 2018 report “The New Sustainability: Regeneration,” we said that sustainability “is no longer enough. The future of sustainability lies in regeneration: seeking to restore and replenish what we have lost, to build economies and communities that thrive, and that allow the planet to thrive too.”

Regeneration is a new paradigm, beyond sustainability. As author and leadership expert Giles Hutchins writes in his book *Future Fit*, it is business “in service of life.”

The term “triple bottom line,” encompassing people, planet and profit, was coined in 1994 by John Elkington. In 2018, he “recalled,” or revoked, it, having become convinced that it was misunderstood. He explains to Wunderman Thompson Intelligence that “the original idea was that businesses will come up with integrated solutions that embrace all three dimensions of value creation. I was seeing too many trade-offs—too many people saying: ‘we do these two, but it’s sad about that one’.” He says that today “if the triple bottom line is viewed within a regenerative or a generational framework, I’m more than happy.”

Businesses, then, are part of an interconnected, holistic system. This graphic, created by the Future-Fit Foundation, may be helpful in showing how. It takes those three dimensions of people, planet and profit (or, here, society, environment and business), often represented as intersecting circles, and nests them. Business is now at the heart of society, which in turn is part of the wider environment. To thrive, business must deliver value for all three, which Future-Fit calls “system value.”

## THE TRIPLE BOTTOM LINE

through a systems lens



Courtesy: Future-Fit Foundation



Mineral's plant buggy, a crop-inspecting robot, is being developed by Google's X, the Moonshot Factory research facility

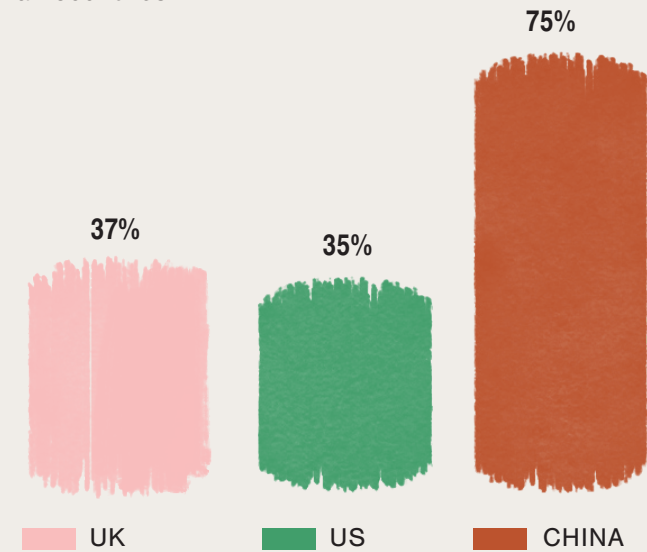
Regeneration is not just about doing the right thing, there are financial upsides. By tackling negative impacts, it reduces risk and so should make capital easier to access. It's also a route to great talent: 72% of generation Z say they would not work for a company that does not have a good record on sustainability. The climate tech boom is unlocking a wave of investment opportunity (see our trend on p69), while the World Economic Forum now forecasts that a "nature-positive" economy could unlock \$10.1 trillion in business value annually by 2030. On the next page, our survey data reveals that regeneration can also be a route to inspiring customers.

In this report we present the dynamic emerging trends we are seeing across the three dimensions of planet, people and prosperity, which are, of course, inevitably intertwined. The ultimate goal for business, as Elkington says, is to create solutions that work for all three.

# REGENERATION INSPIRES

## REGENERATION AWARENESS\*

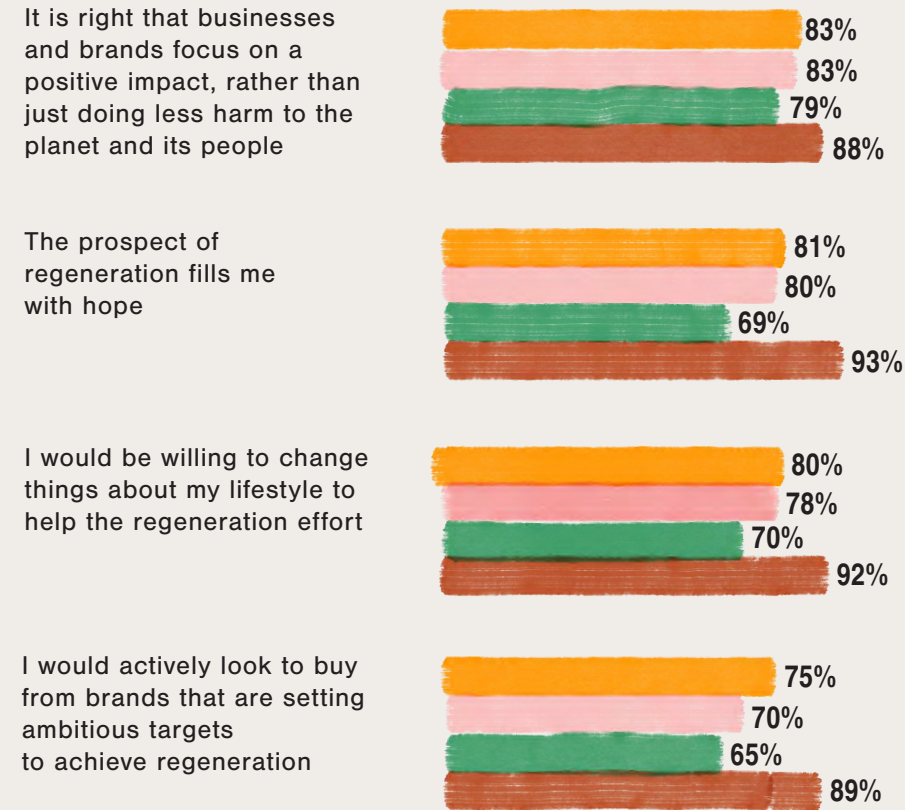
Percentage who have ever heard of "regeneration," all countries



"Regeneration is the biggest opportunity for a brand to have a net positive carbon impact. Organic isn't enough. Recycled isn't enough. Certified organic regenerative isn't enough. We need to break the habit of quick solves and connect deeply with the source" *Female, 26, United States*

## REGENERATION IS INSPIRING...

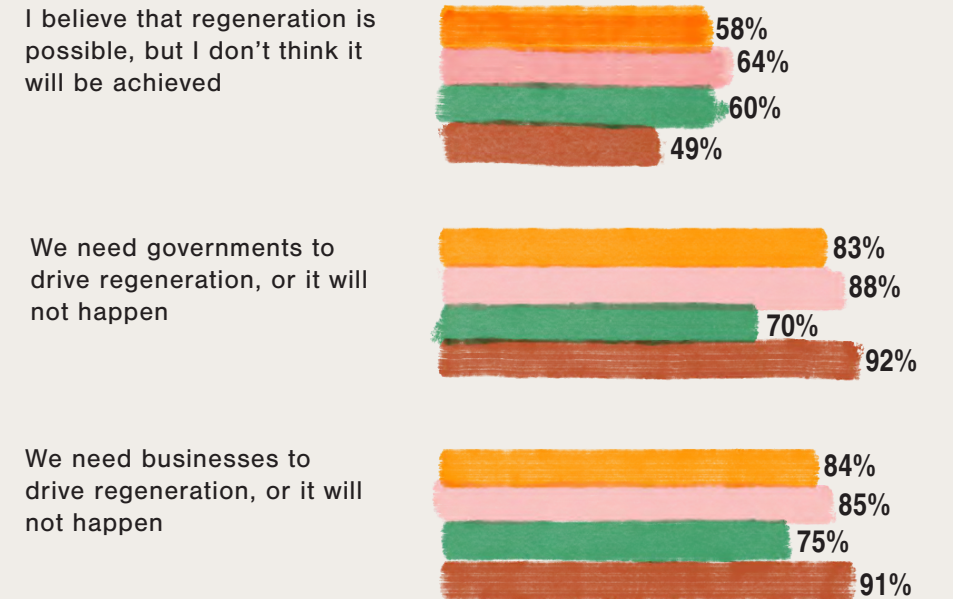
Percentage who agree, all countries



TOTAL  
UK  
US  
CHINA

## ...BUT IT'S GOING TO TAKE COMMITMENT

Percentage who agree, all countries



"I would definitely be impressed by a brand that fashioned itself as 'regenerative.' Just treading more lightly on the planet would allow the planet to utilize its own healing powers. However, I would be skeptical unless it was clearly articulating *how* it was being regenerative" *Male, 57, United States*

\*In China, the term for regeneration is more broadly defined (similar to the word "renewable") and more open to interpretation. This may explain why "awareness" of the concept appears much higher there. Despite this, Chinese responses across the entirety of the survey point to their views being very much in favor of regeneration in the sense of broader benefits to people and planet.

# BY THE NUMBERS

Original consumer data collected using  
Wunderman Thompson Data from 3,001 adults  
aged 18+ in the United Kingdom, United States  
and China. Research fielded February 2021.

# CLIMATE

## CONCERN RUNS HIGH

People are focused on the planet despite the pandemic.

### BIGGEST PROBLEMS FACING THE WORLD TODAY

Ranking, all countries

2021		2018	CHANGE
1	Infectious disease and epidemics	14	+13
2	Climate change/extreme weather	2	=
3	Protecting the environment	3	=
4	Poverty	4	=
5	Chronic health conditions	5	=
6	Economic volatility	10	+4
7	Terrorism	1	-6
8	Inequality	8	=
9	Crime	7	-2
10	Overpopulation	13	+3
11	Extremism	9	-2
12	Immigration	11	-1
13	Data security	6	-7
14	War	12	-2

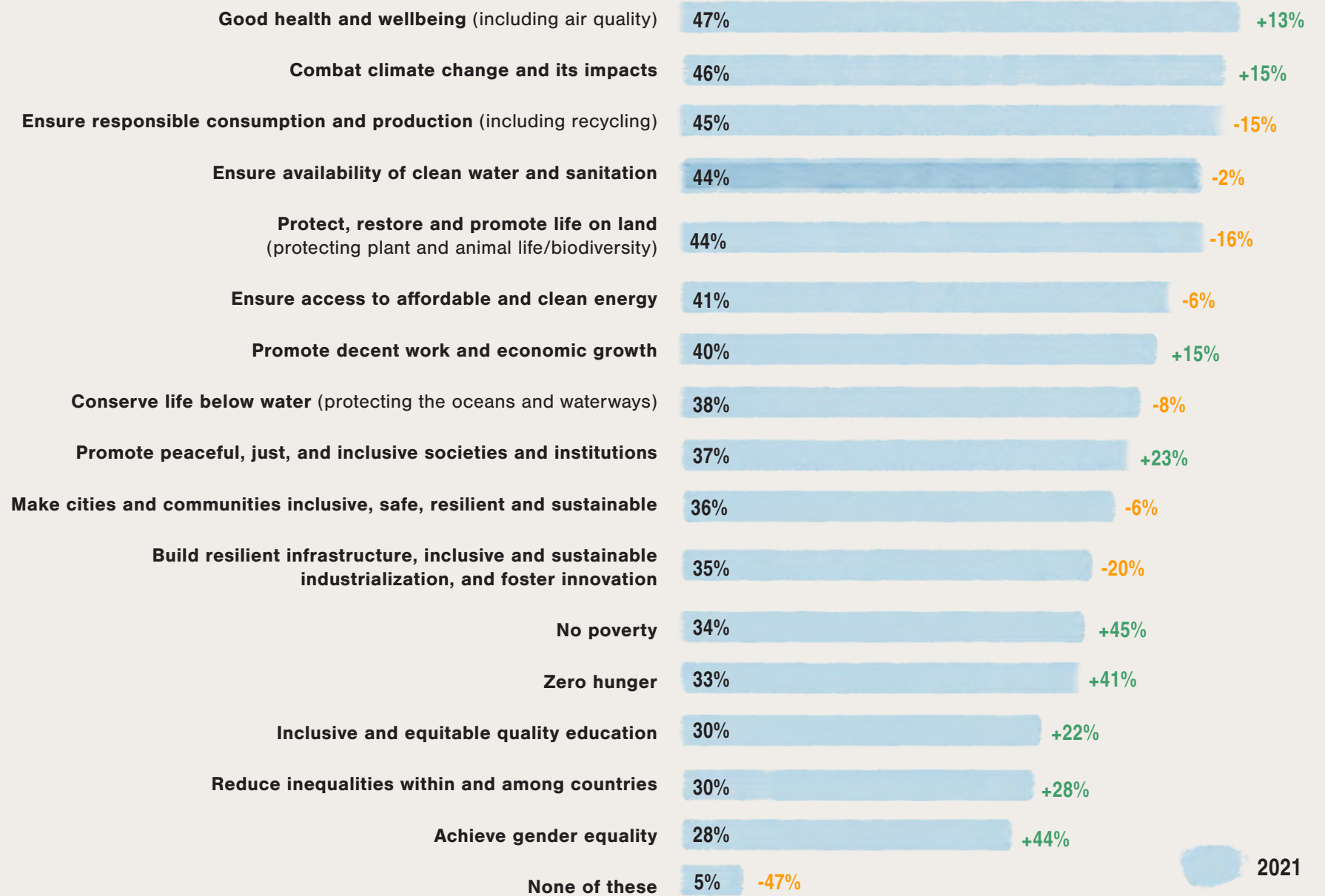
# FOCUS

## SHIFTING TO PEOPLE AND WELLBEING

The call for companies to act on inclusion and equality is growing fast.

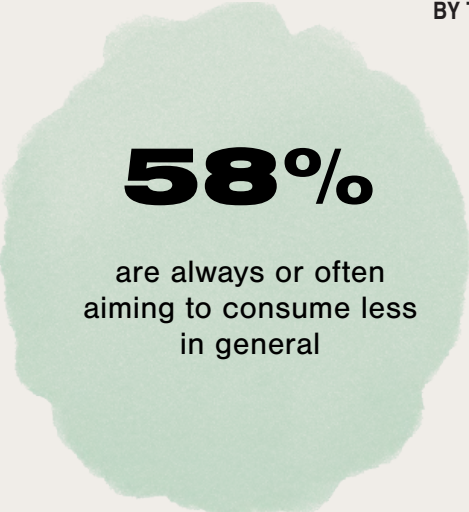
### UN SUSTAINABLE DEVELOPMENT GOALS

Which UN SDGs are most important for companies to work towards? All countries, 2021 and % change vs. 2018



# A STRONG SENSE OF PERSONAL ACCOUNTABILITY

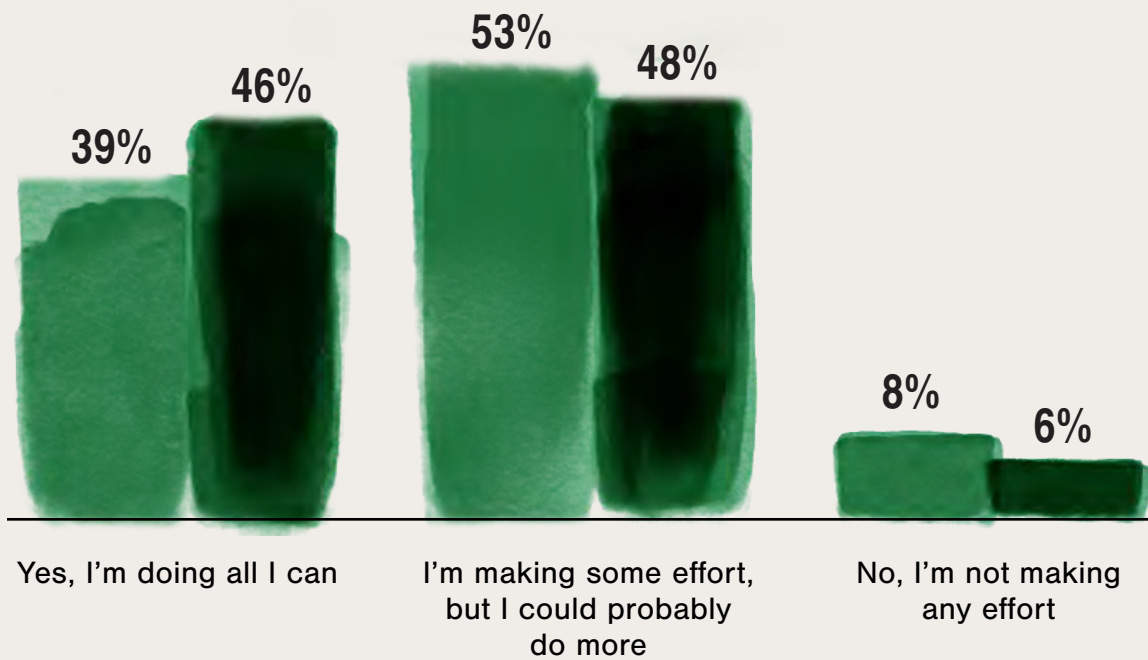
People own their responsibility for sustainability, and are willing to make changes.



## SUSTAINABLE LIVING

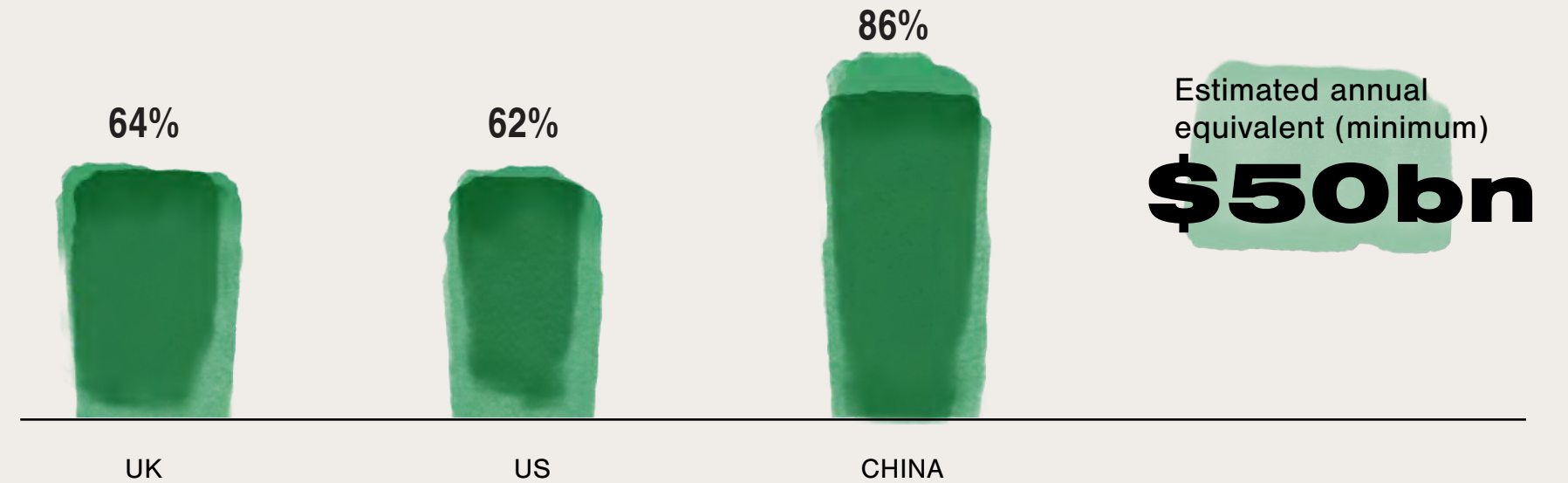
MAY 2018 FEB 2021

Percentage who claim to be making efforts to live sustainably, all countries



## WILLINGNESS TO CONTRIBUTE FINANCIALLY

Percentage who are willing to contribute at least 0.5% of annual salary to solve climate change, all countries



See methodology for details on calculation

# A POST-COVID VALUES & LIFESTYLE SHIFT?

People are willing to make sacrifices, but some positive behaviors are in reverse.

## PEOPLE WANT TO BE MORE SUSTAINABLE...

PERCENTAGE OF THOSE WHO ALWAYS/OFTEN DO ANY OF THE FOLLOWING, PAST YEAR, ALL COUNTRIES

- 77% Use up leftovers
- 77% Recycle at home
- 65% Refuse a plastic bag when shopping
- 63% Avoid single-use plastic items (straws, water bottles, plastic cutlery)
- 62% Limit water use in the home
- 58% Aim to consume less in general
- 55% Mend clothes or repair/upcycle household items

## ...BUT THE PAST YEAR HAS BEEN DIFFICULT

PERCENTAGE OF THOSE WHO ALWAYS/OFTEN DO ANY OF THE FOLLOWING, PAST YEAR, ALL COUNTRIES

- 51% Order things online they would normally just buy at the shops
- 36% Choose to drive rather than take public transport
- 28% Choose more plastic-wrapped products when food shopping

“I think the pandemic may have allowed people to re-examine their individual material needs” *Female, 36, China*

“I have had more time to reflect on my choices and learn how to make better ones. I have had time to learn to make and mend more things in my home so I’m not needing to replace things so much, and I’ve had more time to experiment with different foods so that I’m not as reliant on foods that are produced in an unsustainable way. However, I think the more I know, the more I realize how unsustainable most of our societal practices are and, as things start to unlock, I do have a fear that many people’s good intentions could fall by the wayside as we get busier” *Female, 29, United Kingdom*

# BRANDS EXPECTED TO LEAD

The pandemic has elevated expectations of brand leadership.

“Sustainability should be at the forefront of every brand and business’s driving force” *Female, 38, United States*

“Companies put too much responsibility on the consumer to properly manage end-of-life waste. The onus should be on the producer. It is difficult practicing a low-impact life when our society, government and corporations don’t provide us with the tools to do so” *Female, 26, United States*



## ATTITUDES TO COMPANY AND BRAND SUSTAINABILITY BEHAVIORS

Percentage who agree, all countries





Below: Sonora Art Village recreates a world opposite to the reality we live in. It is an oasis of warm colors, rich textures and geometric spaces. It's a place free from prejudice, racism, sexism and humiliation, and instead creates an atmosphere of joy, love and happiness. Image courtesy of Davit and Mary Jilavyan @davitjilavyan @maryjilavyan



Above: Bamboo Sports Hall, Panyaden School

# PLANET

The Planet pillar of regeneration is about understanding business impact on natural capital. In the context of regeneration, it means acknowledging and tackling environmental harms. But it's also about going further; restoring and enriching ecosystems, replenishing natural resources, and ensuring that natural systems can thrive for future generations. Thinking regeneratively means thinking for nature by thinking as nature.

# BACK TO THE EARTH

Regenerative agriculture that restores our soil is not just the key to tackling carbon emissions, it's also a route to better health outcomes.



Acre sustainable urban farm, Detroit, supported by Steward crowdfunding

Food and fashion brands are supporting regenerative techniques, which could prove a powerful antidote to the agriculture sector's greenhouse gas emissions. It all starts with the soil.

Harking back to indigenous practices that instinctively work in harmony with nature, regenerative agriculture is a loose term for a raft of techniques, including crop rotation and no-till farming, that actively restore soil and build its resilience.

Farming this way supports biodiversity, as British farmer and author James Rebanks explains in his book *English Pastoral*. “Good farmers do more than just produce commodities,” he writes. “Through benign inefficiency or good stewardship, their farms can allow a great many wild things to live in and around them.”

Crucially, the approach drives carbon drawdown, sequestering carbon and safely storing it in the soil. This matters because the load of carbon in our atmosphere is now so great that we would need a COVID-19-scale lockdown every two years for the next decade to keep global heating within safe limits, according to a study reported in *Nature Climate Change* in March 2021.

Environmentalist Paul Hawken, who has assessed a multitude of climate solutions as part of Project Drawdown, told *National Geographic* magazine that the practices that make up regenerative agriculture are “by far the single greatest solution to the climate crisis.” Here we explore how this multitasker is helping to make us and the planet healthier, and how brands are also assisting.

## CLIMATARIAN DIETS

In January 2021, a UK campaign called Regenuary mobilized supporters who made a one-month commitment to only source food from producers who practice regenerative farming.

Regeneratively farmed food is in demand as people look for ways to eat a climate-friendly diet. “There is a need for capital as farms retool their businesses to meet surging demand,” Dan Miller, CEO and founder of finance platform Steward, told Wunderman Thompson Intelligence in 2020. He has a good sense of the appetite in this space. His US “crowdfarming” platform enables individuals to invest directly in sustainable and regenerative farms, and “put money into their communities and support the transition to a resilient and sustainable food system.”

Demand surged in the pandemic, and as Miller explains, “consumers are becoming more comfortable with the direct-to-consumer model of regenerative agriculture and food distribution.” This aligns with our research, which finds that 67% of global respondents would be willing to pay more for their groceries to support more sustainable farming.

“Growing your own food is the most sustainable practice we could do. Soil health and restoration is our number one opportunity to reverse climate change and increase nutritional value (and taste) in food” *Female, 26, United States*

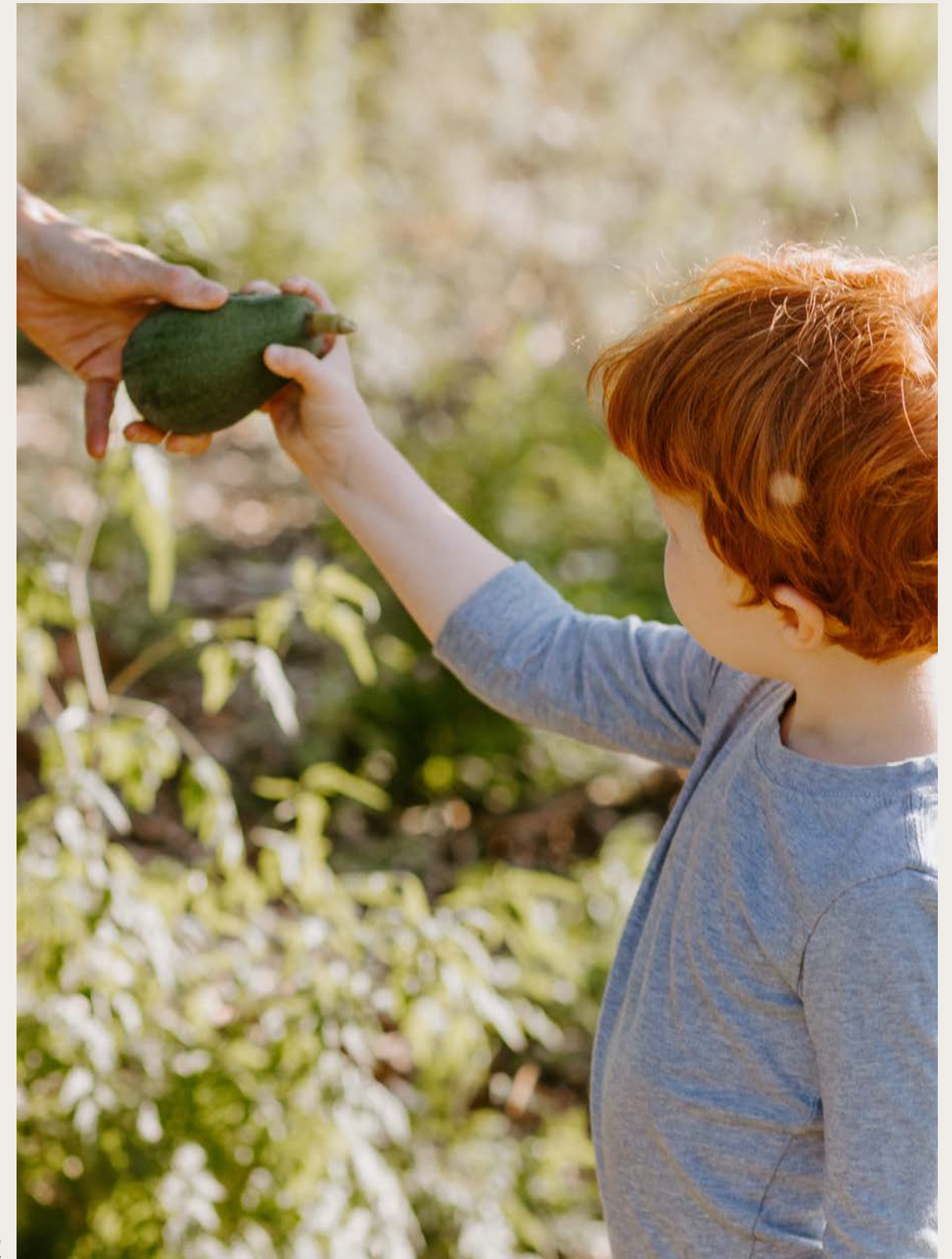


Image courtesy of Kiss the Ground documentary

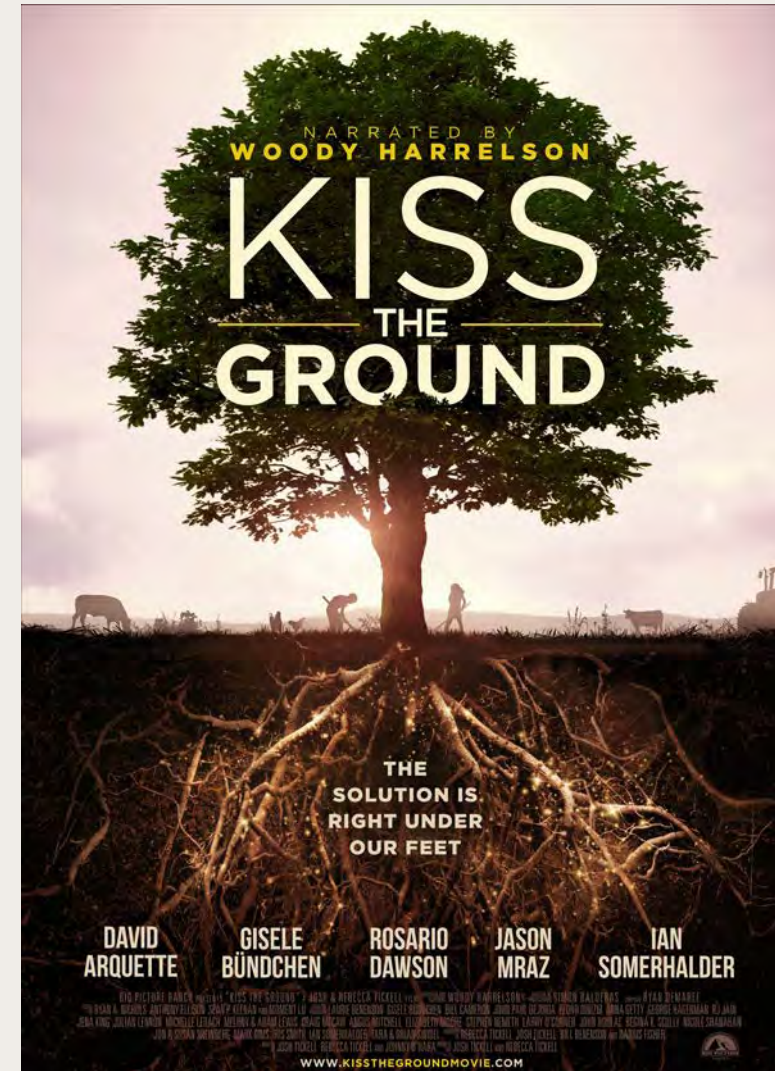


Image courtesy of Kiss the Ground documentary



Dan Miller, CEO of Steward crowd farming, out in the field



Image courtesy of Kiss the Ground documentary

### FROM SOIL TO TABLE

Beyond benefits to the planet, regenerative techniques nourish soil, creating a healthier soil microbiome. Better soil is not just good for plants, it makes for healthier food. With poor nutrition one of the leading causes of ill health worldwide, improving the quality of our soil has enormous advantages.

The way animals are used in regenerative farming also has positive benefits. Pasture-based animal welfare provides open pastures and fresh feed, and enables natural herd behaviors. Grazing animals leave behind dung and decomposing plant material that encourage insects and microorganisms that aerate and nourish the soil. This in turn adds more nutrients into the produce.

According to the US sustainable meat producer Belcampo, animals reared on regenerative farms produce meat that is higher in nutrients and healthy fats than conventionally raised alternatives.

“Healthy soils lead to a healthy plant,” explains conservation agronomist Ray Archuleta in the Netflix documentary *Kiss the Ground*. “Healthy plant, healthy animal, healthy human, healthy water, healthy climate.”

“Agriculture is definitely ground zero of this conversation”

*John Fullerton, regenerative economist, Green Swans Book Club*



Beiler's Heritage Acres, an organic grain and dairy farm supported by Steward crowdfunding

Mineral's plant buggy, a crop-inspecting robot, is being developed by Google's X, the Moonshot Factory research facility

## DIRTY BUSINESS

In 2019 we forecast in our “Future 100: 2020” and “Future 100: 2.0.20” reports that food brands would tackle climate change through regenerative farming. Now the fashion industry is following suit, meaning two global sectors worth a combined \$12 trillion are rising to the regeneration challenge.

US outdoor brand Patagonia has been experimenting with regenerative farming for some years, having previously partnered with the Hopworks Urban Brewery in Oregon to launch its own beer using a regenerative grain. Now the brand is turning its attention to another crop. Working with farmers across India, Patagonia is using regenerative organic cotton farming practices for a range of T-shirts. Patagonia is not alone. Fellow US fashion brand Timberland has set a target to source all of its natural materials from regenerative sources by 2030.

General Mills has also promised to adopt regenerative agriculture techniques by 2030. The “Soil Matters” campaign for its Annie’s Homegrown brand featured limited-edition packs made with ingredients grown using regenerative practices.

More food brands are joining in. US confectioner Moonshot Snacks aims to inject regenerative techniques throughout its entire production cycle. Dutch cookie brand Farm Brothers donates 0.5% of its turnover to farmers transitioning to regenerative practices.

Scaling regenerative agriculture will require the right incentives for farmers since many of them rely on subsidies. Pioneering companies, from Chipotle to Kering-owned Gucci to Danone and Nestlé, are looking to make a more meaningful impact on climate change by injecting financial investment into the industry. There are already signs that the investment could pay back. Research from Ecdysis Foundation found in 2018 that regenerative agriculture was 78% more profitable than conventional farming, and the 2020 Netflix documentary *Kiss the Ground* claimed that by switching, US farmers could increase profits by \$100 billion annually.



Image courtesy of General Mills



Images courtesy of Moonshot Snacks

## WHAT THIS MEANS FOR BRANDS

In addition to the more than two thirds of the global population interested in buying sustainable produce, a growing number of businesses across food and fashion are getting into the regenerative farming game. Alongside the benefits for health and environment, these practices could also be good for business.

**“We are just waking up to the fact that we as a species are impacting something that we thought was just beyond our influence.**

**The whole planet.**

**It takes generational shifts in order to enable people to not only see that, but also respond”**

*John Elkington, founder and chief pollinator, Volans*

Spinnova microfibrillated cellulose.  
Image courtesy of Spinnova



# INSPIRING ECONUDGES

Brands will leverage behavioral econudges to inspire people to make better choices.

## BARRIERS TO LIVING SUSTAINABLY

Ranking, top five among those who say they “could do more” and those “making no effort”

RANKING	UK	US	CHINA
1	Too expensive	Too expensive	Too much effort
2	Not convenient	Not accessible to me	Not convenient
3	Not accessible to me	Not convenient	Too expensive
4	Not in the habit	Not in the habit	Not accessible to me
5	Don't really know how	Don't really know how	Not in the habit

“The biggest barrier [to living sustainably] is money...The only supermarkets that provide a wide range of alternatives are more expensive shops... I believe that if all shops, restaurants, et cetera, offered cheaper, tasty vegan options, I would be faced with fewer barriers”

*Female, 22, United Kingdom*

Living more sustainably is an aspiration for almost everyone: 94% of our respondents say they are trying to do so, even if they don't always hit the target.

Brands don't always make it easy for people to make the right choices. Our data shows that across all markets people see issues around cost, convenience, access and inclusion among others.

People need help to close this behavior gap, and they are open to hearing from brands. In our survey, 79% of respondents say they would be interested in more practical tips and advice from companies or brands on how to live more sustainably. Is it now time to nudge people towards better behavior?

You might think that in the wake of a grueling pandemic, virtuous living would be the last thing people want to hear about. Yet now might be a really good time to consider econudges. According to an Ipsos report on behavioral science insights amid the COVID-19 outbreak, times of upheaval or disruption can make people more receptive to more change.

While there is a crucial role for governments in setting the right incentives, there is a parallel opportunity for brands. Studies have shown that nudging can complement the classic approach of attitude-behavior change, by simply changing context. We predict that pioneering brands will now seek to lead, amplifying impact by leveraging behavioral nudges.

## MAKING IT EASY

**86%**

think companies should be more inspiring when it comes to sustainability issues

Making sustainability easier drives purchase motivation: 81% of respondents say that if brands make it easier to reuse or recycle their products and packaging, they are more likely to make a purchase.

One 29-year-old female UK panelist calls for simple details on provenance: “I would like to see brands having to share more information about the reality of their supply chains and production practices, by law, so that customers could make properly informed choices.”

While there are no consistent approaches just yet, a number of brands are experimenting with ecolabeling to nudge more sustainable choices.

New York-based fast casual dining chain Just Salad labels menu options with their carbon footprint, and offers a climatarian search filter so diners can identify the most planet-friendly meals. Restaurant chain Chipotle has devised a sustainability tracker called Real Foodprint, which compares ingredient performance on metrics such as soil health, water usage and carbon emissions.

The concept extends beyond food. In 2020, Allbirds was the first fashion brand to label all its footwear with the relevant carbon emissions. In beauty, L’Oréal is rolling out a labelling system that will rank its products from A to E, in accordance with their environmental performance. US independent beauty brand Cocokind has released a new packaging format which quantifies a product’s impact, from ingredients to end of life.

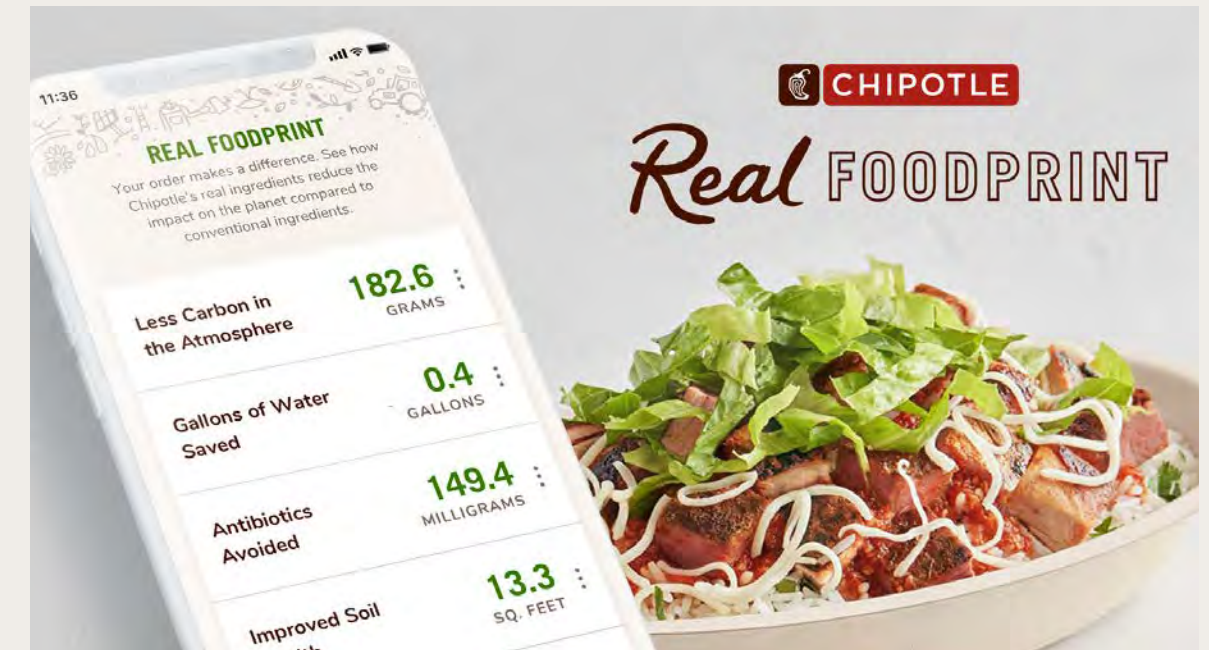


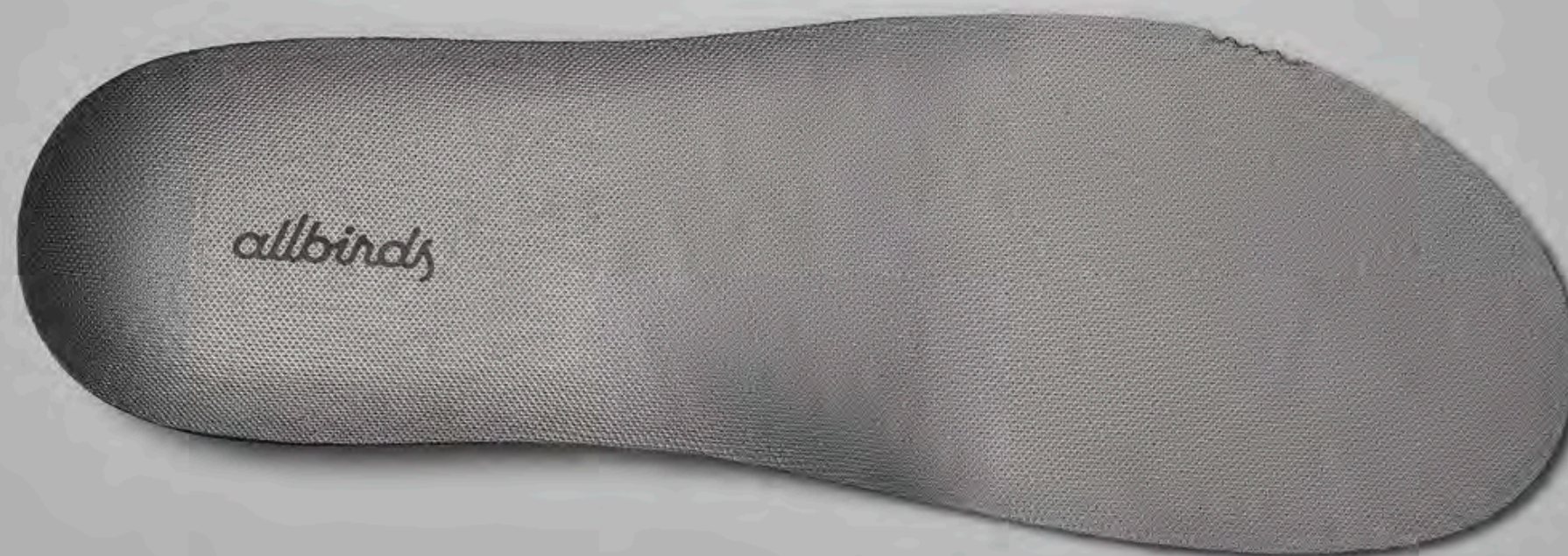
Image courtesy of Chipotle

## MAKING IT FEEL NORMAL

What we see as “normal” is a social construct. We look to our peers as well as to wider cultural cues to understand “normality,” so the way brands design experiences can help to shape perceptions.

The city of Cape Town had to implement a water saving plan in 2018 due to extreme water shortages. Alongside simple, clear messaging, its highly successful strategy relied on behavioral science to drive change, including prosocial tactics like a water map of households that were achieving reduction targets. Making peer behavior visible can make others want to align.

Brands can normalize sustainable choices by building these cues into experiences. For instance, vegetarian or vegan food is often presented as “other” or separate on restaurant menus by having a distinct section or label. Research by the Plant Based Foods Association showed that sales of plant-based foods grew by 23% when supermarkets positioned them in the meat aisle.



Carbon footprint sticker inside Wool Runners, Allbirds

## MAKING IT APPEALING

As culture shapers, brands can make sustainable options the most appealing natural choice.

Ikea’s furniture leasing models tackle a key barrier identified in our research: affordability (see table on page 25). These initiatives not only help to drive circularity, but also make quality products accessible to those on a budget.

Another strategy might build sustainability into “power” products in order to reach a wide audience. Kraft Heinz is testing Footprint, LLC’s first recyclable and compostable fiber-based microwave-safe cup, designed for its iconic Mac & Cheese product, a staple of American dinner tables for decades. The packaging also eliminates plastic labels via new direct-print technology, appealing to the 63% of our respondents who try to avoid single-use plastic.

Brands can also work to make sustainable choices more desirable. The reusable bottle brand S’well has launched GroundS’well, a “sustainability as a service” platform helping to improve consumer habits through collaborative and covetable products and designs. The first collaboration, an upscale vitamin case, is with vitamin brand New Chapter.

## WHAT THIS MEANS FOR BRANDS

Post-COVID-19, consumers are juggling concerns over health and money with their desire to live more sustainably. Pioneering brands can inspire them, eliminating friction, building in desirability and accessibility, and thus nudging them toward sustainable choices.



Image courtesy of S’well and New Chapter



Footprint’s first recyclable fiber-based microwave-safe cup for Kraft Heinz

“If brands in China put some real efforts into promoting environmental protection, energy efficiency, carbon emission reduction, or promoting vegetarian diets, a lot of people will be willing to change” *Female, 26, China*

# DIGITAL SUSTAINABILITY

Brands have an opportunity to help people use technology more mindfully as it becomes ever more fundamental in daily life.

“If the internet were a country, it would be the sixth biggest polluter in the world.” So says a 2021 study from email organization app Cleanfox, which reports that promotional emails alone are responsible for two million tons of CO2 emissions annually in the United Kingdom.

Emails are the tip of the iceberg. Consider cryptocurrency mining. In March 2021, research by Cambridge University claimed that Bitcoin consumes more electricity annually than Argentina. The latest crypto-craze is non-fungible tokens (NFTs), a digital asset traded on the Blockchain. The recent sale of a piece of crypto art by Joanie Lemercier as an NFT consumed 8.7 megawatt-hours of energy, equivalent to two years of energy use in the artist’s own studio.

As we embrace ever more immersive digital experiences, how do we balance the value of technology with its spiraling carbon emissions?



Daan Roosegaarde's artwork GROW pays homage to the beauty of agriculture. In its world film premiere, GROW appears as a 20,000-square-meter luminous dreamscape of red and blue waves of light over an enormous field. GROW is inspired by scientific light recipes which improve plants' growth and resilience. Image courtesy of Studio Roosegaarde

## THE STREAMING TSUNAMI

Mike Hazas, professor of human-computer interaction at Uppsala University, tells Wunderman Thompson Intelligence that video streaming makes up the bulk of internet traffic today, at around 57% of the total. His research shows that most people are unaware that digital activities have environmental impacts, and often they don't reflect on the consequences of TVs streaming to an empty room or of sleeping while YouTube endlessly autoplays.

Thus far, efforts to moderate digital usage have focused on wellbeing impacts, highlighting the attention-sucking effects of tools such as autoplay and infinite scroll. Attempts to push back on these have previously been mooted, with bans proposed by lawmakers in the United States. Brands can get ahead by showing leadership on these issues. Hazas points to opportunities to build in more transparency on the energy expended by tech experiences, so that users can make informed choices, as well as designing in ecoefficiencies by default, such as turning off autoplay mode, or using standard definition as the default video quality.

In March 2021 *Wired* reported that Netflix is working with a tool called Dimpact to better map its carbon footprint and proactively tackle emissions hotspots. Improvements could include hosting shows that are popular in certain countries in local data centers, while those that are not being watched could be automatically switched off sooner.



Image courtesy of Netflix

## THE 5G IMMERSIVE ERA

The 5G rollout is under way, and with Apple's launch of the iPhone 12 in more than 50 countries in late 2020, it's set to become mainstream.

"5G has a huge potential to save energy, because it's efficient," says Hazas. "But most forecasting models assume that people will access more services faster, so actually it's expected to cause a growth in demand."

5G will enable brands to deliver jaw-dropping immersive experiences. Samsung's 5G experience at the NFL's AT&T Stadium in 2019 offered a taste of what's to come. Huge augmented reality (AR) holograms of football players powered throughout the stadium, while in the stands fans played an AR game where 80-foot players tackled giant robots on the field. It was innovative and exciting, but data intensive.

On top of this, 5G's impact on the cloud gaming experience could be seismic. Smooth and seamless performance, extremely high-quality graphics and audio—all available on the go—will be part of the upgrade, but the act of streaming these to a TV or phone via 5G will intensify the demand on servers. A 2020 Lancaster University study estimates that if gaming moves to streaming over the next decade, it could push up carbon emissions by 30% globally.

The climate special interest group of the International Game Developers Association is hoping to help fix the problem. In January 2021, the group announced it is compiling Climate Guide 101, a guide for game developers that will advise on sustainable game design patterns and offer industry benchmarking.

More such initiatives will likely be needed. Vertiv, a critical digital infrastructure provider, estimates that 5G will increase total network energy consumption by between 150% and 170% by 2026.

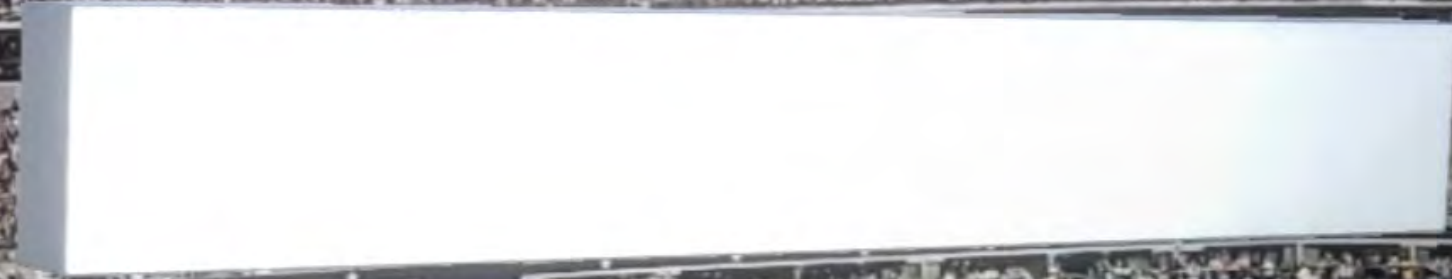
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# DAK PRESCOTT

## TOTAL PASSING YARDS

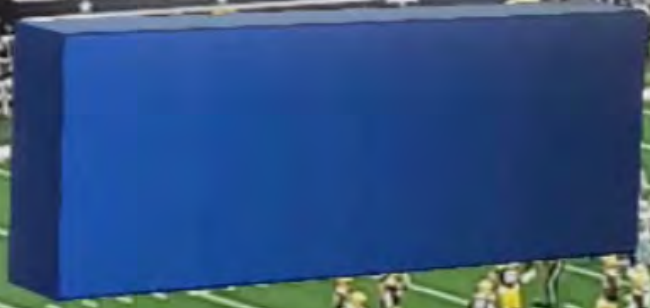


2018



3885

2019



1405



Augmented reality experience at NFL's Dallas Cowboys AT&T Stadium, US. Image courtesy of Nexus Studios, Dallas Cowboys, AT&T and Samsung

## TO THE METAVERSE

The pandemic has seen lives transition to the digital realm, from work to school to working out. As we note in our New Gaming Frontiers trend in the “Future 100: 2021” report, virtual and gaming environments are already morphing into cultural and lifestyle spaces. In the future, we may all live and work seamlessly across an integrated physical and digital ecosystem, spanning real and virtual worlds simultaneously.

This concept, sometimes dubbed the metaverse, could have its upsides for the planet, cutting out the commute and reducing business flights, for example. It also offers inclusion, making participation in work and leisure more accessible for those with disabilities. Yet experts say the metaverse may rely on some energy-intensive technologies, like the Blockchain and the NFTs that enable us to acquire, own and trade virtual assets.

It’s likely that solutions will emerge as we head toward this future, just as we are already seeing the emergence of energy-efficient marketplaces for NFTs like the Tezos NFT marketplace Hic et Nunc, and New Zealand’s VeVe. Nevertheless, as the virtual becomes indistinguishable from the physical, brands will need to be intentional about the experiences they create, designing in carbon and energy efficiency wherever possible.

## WHAT THIS MEANS FOR BRANDS

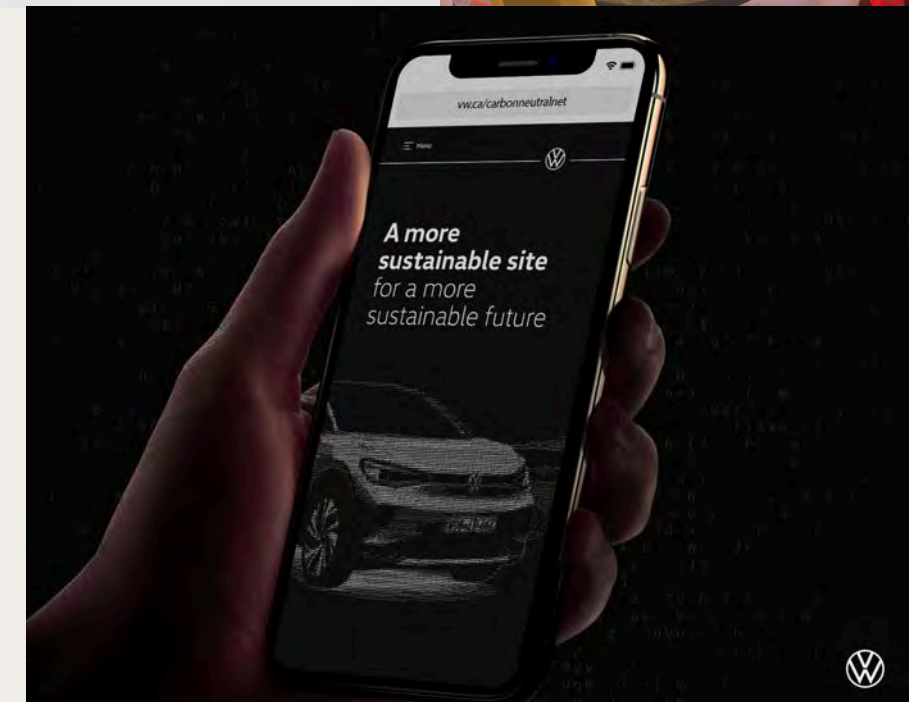
Awareness of digital sustainability is rising. Companies should audit their digital impact across products, apps and even their websites. Transparency on digital energy consumption or carbon emissions will empower real choice. Brands should consider designing in energy efficiency as a default, like Microsoft Xbox’s standby mode, which reduces power from 15W to 2W when the device is not in use, as well as creating meaningful digital experiences that enrich lives, not just churn carbon.



Xbox Series S. Image courtesy of Xbox



Virtual boardroom, Teeoh



Volkswagen’s Carbon-Neutral Net, a TYPE1 project by Wunderman Thompson and TAXI. Image courtesy of TYPE1





# INSPIRING BOLDER CLIMATE ACTION



Microsoft retrieving its underwater data center as part of Project Natick, 2020, Microsoft

Tackling global carbon emissions is a monumental challenge that demands that we all commit to change. But transformational change is hard.

Experts have studied the power of inspiration to motivate change. Unlike other psychological states, inspiration leads to a shift in attitudes, feelings and/or behavior. Of our respondents, 70% tell us that inspiration from a brand would motivate them to join the fight to save the planet. Now more than ever, brands have a duty to lead by example.

In 2020 Wunderman Thompson launched a longitudinal study exploring the nature of inspiration to drive positive change. Our Inspire Score index ranks 33,000 global brands by their capacity to inspire via three key brand metrics: Elevating people’s expectations, Motivating action, and drawing people towards a better future by being Magnetic. We found that brands that rank high on our inspiration index are more likely to grow market share and to command premium prices. Inspiring people to change inspires brands to grow.

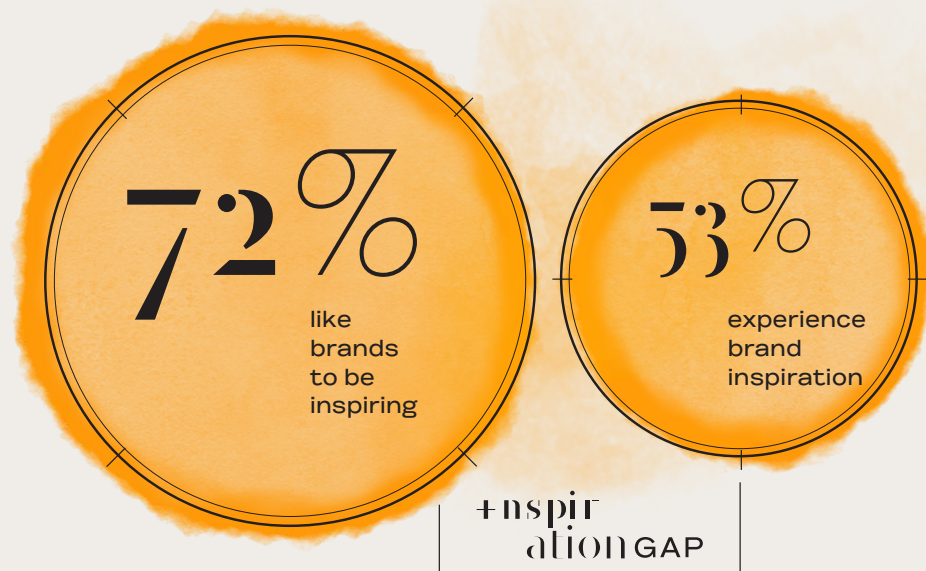
**70%**  
say “If a brand inspires me, I am more motivated to join the fight to save the planet”

As one of the most valuable brands in the world, Microsoft has been trailblazing since its inception in 1975. Inspiring people down the decades, it is a company consumers describe as “leading the way,” and the “the best at what they do” as part of our recent “Inspiring Growth” study. The company has made a series of bold sustainability commitments that are inspiring its stakeholders.

In 2020, Microsoft made a pacesetting pledge to become carbon negative by 2030, and, by 2050, to eliminate all its carbon emissions since founding. The company's ability to Elevate people's perception of what's possible is precisely one of the reasons the brand ranks high on our Inspire Score (60).

**MIND THE INSPIRATION GAP**

"Inspiring Growth" study, all countries



“While the world will need to reach net zero, those of us who can afford to move faster and go further should do so” *Brad Smith, president, Microsoft*

Microsoft's climate initiatives are ambitious and far-reaching: a \$1 billion Climate Innovation Fund investment to accelerate promising technology; an innovative “Planetary Computer” driven by artificial intelligence, to support scientific discovery; and strategic incentive-setting with an internal carbon fee. Progress against these goals will even be tied to executive pay, including that of CEO Satya Nadella.

Such ambition will chime with the 75% of respondents who are inspired by companies that pledge to eliminate their carbon footprint. Microsoft Motivates people to change behavior for good. Its lofty goals set the bar for others. Furthermore, it acts as a Magnet, building momentum by drawing more people toward the cause.



Microsoft president Brad Smith, chief financial officer Amy Hood and CEO Satya Nadella announce Microsoft's plan to become carbon negative by 2030. Photography by Brian Smale

In January 2021 Microsoft announced it had reduced emissions by 6%. While there is a long way to go, it is carving a role as an inspiring advocate for the planet.

“Microsoft has inspired me by constantly creating new and innovative technology that helps make the world a better place”

*Respondent, “Inspiring Growth” study, United Kingdom*



Microsoft president Brad Smith details the company's plan to become carbon negative by 2030.  
Photography by Brian Smale

## INSPIRING PLANET: THREE WAYS TO FOLLOW MICROSOFT'S LEAD

*(for more see our Quick Take on Regenerative Business on pages 84 and 85)*

### 1. Business must lead the way

Business must show leadership on societal challenges. Those that advocate and elevate expectations will build resilience, for society and themselves.

### 2. Focus on the long term

Regenerative transformation won't happen overnight, so it's time to think long term, making for more valuable companies and better outcomes for stakeholders.

### 3. Honor future generations

Put future generations on your stakeholder map and consider their need for a livable planet and an inclusive, stable society.



Daan Roosegaarde's artwork GROW pays homage to the beauty of agriculture. In its world film premiere, GROW appears as a 20,000-square-meter luminous dreamscape of red and blue waves of light over an enormous field. GROW is inspired by scientific light recipes which improve plants' growth and resilience. Image courtesy of Studio Roosegaarde

# PEOPLE

Climate change and environmental aspects have dominated the sustainability debate, but the human impact is now rising up the agenda. The People pillar considers business impact on all stakeholders: employees, customers, suppliers, communities and more. People must be at the heart of the regeneration effort. We can't begin to tackle climate change without also working to alleviate inequalities, poverty and racial injustice.

# INTERSECTIONAL ENVIRONMENTALISM

**An intersectional approach to climate that includes everyone in the debate can help to create inclusive and equitable solutions.**

The impacts of climate change are unequal. Those at the sharp end—Black and Indigenous communities and people of color (BIPOC), and the poor—have long been excluded from the debate. This goes for women too (see our Elevating Women trend on page 45).

Tackling climate means addressing social issues: 80% of our panel believe that sustainability is inextricably linked to other problems we face, such as poverty, equality and social injustice. Brands and businesses have a key role to play in addressing the structural inequities that cause BIPOC and low-income communities to bear the brunt of so many crises, from climate to COVID-19.



Minimum Monument by Néle Azevedo, Rome, 2020.  
Photography by Pedro Palhares

## THE RACISM “PANDEMIC”

In recent months, systemic racial injustice has been laid bare, from disparities in numbers of cases of COVID-19 to the death of George Floyd. The latter ignited a global movement demanding justice, encompassing refugees and Indigenous communities as far away as Australia.

The same forces driving these impacts see BIPOC communities disproportionately impacted by pollution, poor water quality, and exposure to toxic emissions from landfill sites. For people of color, the rallying cry “I can’t breathe” is layered with meaning.

American climate justice communicator, social impact consultant and public speaker Elsa Mengistu believes we need an intersectional perspective. “Inequality and climate change are directly tied to each other,” Mengistu tells Wunderman Thompson Intelligence. “Climate change will wreak havoc most on people that are already disadvantaged and structurally oppressed.”

Brands are finding ways to help drive change. Apple, Adidas and Estée Lauder are among those pledging to increase Black representation in their management ranks. Others are vowing to purchase from more Black-owned businesses, including PayPal, which has made a \$535 million pledge to support Black and minority-owned businesses in the United States. Most of the funds will be devoted to an economic opportunity fund. In June 2020, Nike announced a \$40 million fund to support Black communities on behalf of the Nike, Converse and Jordan brands. And Microsoft is tying renewable energy procurement with environmental justice, by developing solar energy projects in under-resourced communities, “working with local leaders and prioritizing minority and women-owned businesses.”

Positive moves, but businesses need to ensure they commit. “Is this something that we’re doing long term or are we doing it until the heat passes by?” asks Mengistu. “You need to check up on the promises that you made in the summer.”



Elsa Mengistu

“If you want to do environmental work, you also have to do anti-racist work. Otherwise, your environmentalism is only geared towards 30% of the population”

*Elsa Mengistu*, climate justice communicator, social impact consultant and public speaker

UNTIL BLACK LIVES MATTER

ALL LIVES CANNOT MATTER

# BLACK LIVES MATTER

Image courtesy of Nike



## THE CLIMATE FRONTLINES

“The people that are creating climate change are not the ones that are going to feel it first,” explains Mengistu. “Climate change is going to impact Africa and other regions in the global south before anywhere else because they do not have the resources to insulate themselves.” According to the Environmental Justice Foundation, someone is forced from their community due to the climate crisis every 1.3 seconds.

The challenge of delivering support to vulnerable communities is immense. Africa’s Great Green Wall initiative is an ambitious project which aims to transform lives by planting a vast 8,000 km stretch of trees and grasslands on the edge of the Sahara, providing jobs and land suitable for growing crops for border communities. The project, which is backed by multiple nations as well as footwear giant Timberland, Danish fashion brand Vero Moda, and tree-planting search engine Ecosia, received a \$14.3 billion dollar boost in funding in January 2021.

In Brazil, Accenture is teaming up with NGO Gerando Falcões to regenerate the Rio Preto favela, where 80% of residents live below the poverty line. The project aims to deliver an eightfold boost in income for residents through a digital transformation project that will equip socially and financially vulnerable people with valuable life skills.

People respond positively to brands that contribute in this way: 71% say they are more likely to buy from businesses that have made strong commitments to equality and social justice. On the flip side, as the Ethical scoreboard trend in our “Future 100: 2021” report outlines, brands are being held accountable for perceived irresponsibility. #PayUp is just one campaign putting pressure on companies, in this instance on those who canceled orders already fulfilled or in production by garment factories in the global south, due to the pandemic.



Planting saplings to protect the Daka River in Yendi, Ghana. Image courtesy of Tree Aid



Re-greening land in La Toden, Burkina Faso. Image courtesy of Tree Aid

## SUSTAINABLE INCLUSION

Economic hardship is a feature of BIPOC communities around the world. A 2020 report from the UK's Social Metrics Commission found that Black and minority ethnic households are twice as likely to live in poverty as white households. Official data from the United States shows a similar picture.

Brands have an opportunity to deliver affordable, sustainable options for those on lower incomes, who often struggle to access sustainable products or services. A fifth of our respondents strongly agree that socioeconomic factors limit their ability to take action. Ikea is one brand that has already adopted this mindset; its Buy Back scheme will buy and resell second-hand furniture items at reduced prices (see full case study on page 81).

“The environmental problem’s solutions need to be inclusive at every level, therefore affordable and accessible. By putting them in a higher price bracket, it separates certain social economic groups, and sounds just like any brands and businesses who are trying to cash in on sustainability as a trend. It’s not healing, community developing or restorative if they are exclusive” *Female, 38, United States*



The Youth Climate Summit in Miami, Florida 2019. Image courtesy of Zero Hour

Climate activist Ivy Jaguzny, press lead with the Zero Hour movement, points out that expecting people to shoulder the burden of solving sustainability by spending is not always fair. “Consumers, especially low-income consumers, don’t really have a choice,” she tells Wunderman Thompson Intelligence. “It’s unproductive to shame people for their individual choices, because it’s a systemic issue.” Will Skeaping, creative strategist and Extinction Rebellion activist, puts it much more bluntly: “Any brand passing the buck to the consumer is lying.”



Image courtesy of Great Green Wall

### WHAT THIS MEANS FOR BRANDS

It is everyone's responsibility now to self-educate on the many issues facing disadvantaged groups. Businesses must ensure they treat all communities equitably, starting on the inside with their own employees. Inclusion must be the byword throughout every aspect of the business. This is not just the right thing to do, it's also good business sense, as global populations grow more diverse.

**“I want to live in a world where Black kids are safe and affirmed, Black choice is affirmed.**

**I want to live in a world with a restructuring of power directly into the hands of people—where people don’t have to worry, because we have the resources to make sure that everybody lives a dignified, healthy, luxurious life.**

**So, whatever we have right now, I want the opposite.**

**I want people to have the means to live a beautiful, safe, affirming life”**

*Elsa Mengistu, climate justice communicator, social impact consultant and public speaker*

Sonora Art Village recreates a world opposite to the reality we live in. It is an oasis of warm colors, rich textures and geometric spaces. It's a place free from prejudice, racism, sexism and humiliation and instead creates an atmosphere of joy, love and happiness. Image courtesy of Davit and Mary Jilavyan @davitjilavyan @maryjilavyan

# ELEVATING WOMEN

## Could educating and empowering women be the “secret solution” to climate change?

“We cannot properly address climate change without addressing gender inequality,” Marina Andrijevic tells Wunderman Thompson Intelligence. Andrijevic is a research analyst at Climate Analytics and lead author of the December 2020 research paper “Overcoming gender inequality for climate resilient development.”

The link between female empowerment and the climate change fight has not garnered much attention in mainstream media coverage, but many experts are identifying it as a vital piece of the puzzle.

“Girls’ education, gender equality and climate change are not separate issues,” female education activist and Nobel Peace Prize laureate Malala Yousafzai said during a March 2021 panel. “Girls’ education and gender equality can be used as solutions against climate change.”

Empowering women and girls in developing countries was ranked as the second most effective solution for curbing global warming to 2°C, according to a March 2020 report by the climate research organization Project Drawdown. The report revealed that educating girls and improving access to contraception could stop 85 gigatons of carbon dioxide—the equivalent of three times the world’s annual carbon dioxide emissions—and could curb the global population by more than a billion people by 2050.

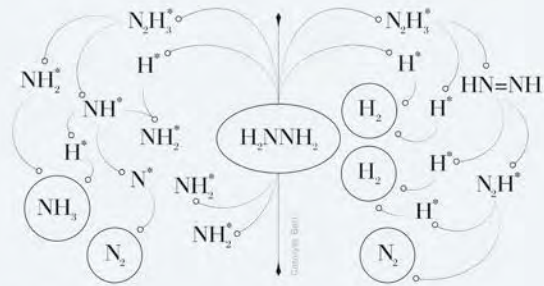
“What’s good for girls is good for the climate,” Christina Kwauk, an expert in girls’ education and a fellow in the Center for Universal Education at the Brookings Institution, told the BBC during a December 2020 episode of *The Climate Question* podcast. “More education, more life prospects and the choice to have fewer kids.”



Olay has committed to increase the representation of women, particularly women of color, in Science, Technology, Engineering and Math (STEM) careers by 2030. Image courtesy of Olay

Image courtesy of Fashion  
Makes Change, an initiative  
that supports women working  
in global supply chains

*Because* when you add women to STEM you get:



of change



**Alyssa Carson**  
Future Mars-walker  
World's youngest  
Astronaut in training  
PoSSUM Space  
Academy Graduate.

Alyssa Carson in the New York Times as part of Olay's STEM brand commitment. Image courtesy of Olay

## What is the STEM gap?

```
def LetsFacelt (gender, ethnicity):
    try:
        if (gender != "Male"):
            chanceOfSTEMJob = "24%"
            if (ethnicity != "White" and ethnicity != "Asian"):
                chanceOfSTEMJob = "5%"
        except:
            logging.error("This is the STEM gap")
    return chanceOfSTEMJob
```



**Erica Joy Baker**  
Director of Software  
Engineering, GitHub  
Advocate for diversity,  
equity, and inclusion.

Erica Joy Baker in the New York Times as part of Olay's STEM brand commitment. Image courtesy of Olay

## LEVERAGING EDUCATION

Educating girls makes countries more resilient to climate change. According to a 2017 Brookings Institution study, for every additional year of schooling a girl receives on average, her country's resilience to climate disasters can be expected to improve by 3.2 points on the ND-GAIN Index, which calculates a country's vulnerability to climate change in relation to its resilience.

Project Drawdown reiterates this, observing that: "Education... is one of the most powerful levers available for avoiding emissions by curbing population growth."

There's an imperative for brands to link girls' education to their social sustainability commitments, especially considering that nearly a third of global respondents think sustainable brands and companies should be trying to achieve inclusive and equitable quality education.

Chloé is restructuring its business model around women's progress, *Women's Wear Daily* reported in November 2020. As part of the shift—which includes creating a social profit and loss account, akin to an environmental profit and loss account (EP&L), and seeking B Corp certification for its social and environmental performance—Chloé is establishing an impact fund dedicated to girls' education.

In September 2020, skincare brand Olay announced a 10-year commitment to double the number of women and triple the number of women of color in Science, Technology, Engineering and Math (STEM) careers by 2030, focusing on promoting STEM education for girls.

## INVESTING IN FEMPRENEURS

Educating women also provides a direct boost to the economy. A 2011 analysis carried out by the World Bank Human Development Network Children and Youth Unit/Poverty Reduction and Economic Management Network Gender Unit across 14 developing countries found that if girls complete one more level of education—for example, if students who might otherwise leave after primary school advance to and complete secondary education—this could lead to productivity gains equivalent to up to 68% of annual GDP.

“Women’s equality is the single greatest unlock for social and economic development globally,” said Alan Jope, CEO of Unilever, announcing in March 2020 that the company had achieved gender balance across management globally.

Leading brand champions of sustainability are deepening their commitments to female entrepreneurs and women-owned businesses.

Fashion Makes Change is an industry-wide initiative to deliver women’s empowerment and climate action in tandem. In March 2021, it launched its first consumer program, Your Change Can Change Everything, to support women working in global supply chains. It is notable for its breadth; Macy’s, Nordstrom, Ralph Lauren, Theory, Versace, Everlane and Madewell are just a handful of the brands participating in the program, which lets shoppers round up their purchase to the nearest dollar or make a separate donation when shopping.

Coca-Cola recently hit a 10-year goal to empower five million women entrepreneurs with its 5by20 program, which supports female restaurant owners, fruit farmers and retailers by providing business skills training, mentoring and peer networks as well as financial support.



Image courtesy of Tree Aid



## ENVIRONMENTAL HEROES

In December 2020, more than 400 prominent women—including actor Emma Watson, British MP Caroline Lucas, and Google’s sustainability officer Kate Brandt—signed an open letter to the British government calling for more women in “decision-making roles” at the UN’s COP26 climate summit in November 2021.

It’s a critical call for a number of reasons, not least of which is that “there is early stage research showing that countries with more equal representation of women in parliaments and [other governing bodies] are also better at taking stringent climate action,” Andrijevic tells Wunderman Thompson Intelligence.

Climate and sustainability headlines provide ample proof of this: Greta Thunberg, Deb Haaland, Patricia Espinosa, Xiye Bastida, Christiana Figueres and Vandana Shiva are some of the most ardent leaders driving climate change reform on the global political stage.

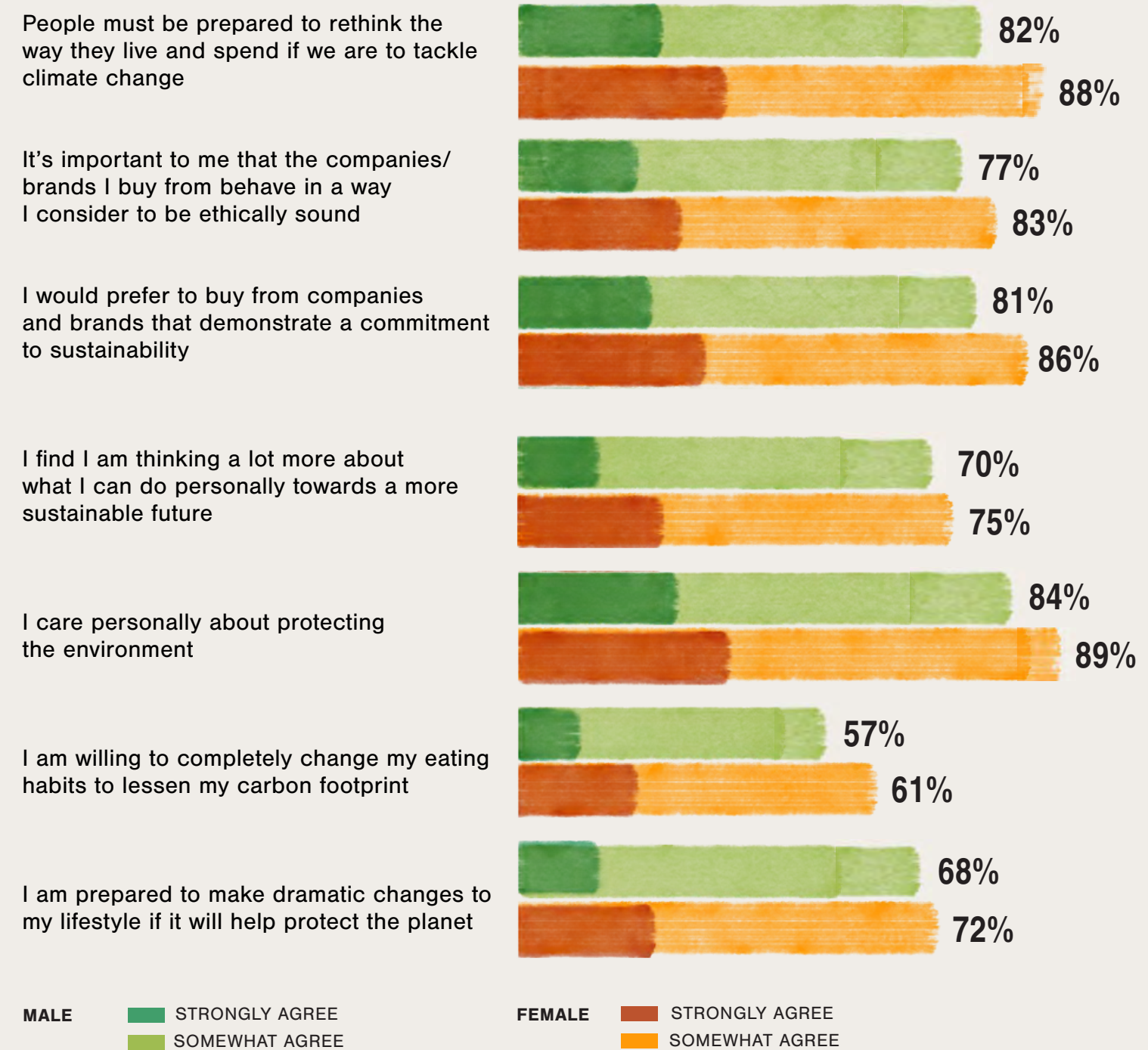
Women’s impact isn’t limited to politics—women are often the ones driving sustainability efforts at the individual and household levels as well. According to our research, women take more personal responsibility than men when it comes to climate change (see table opposite). When asked who should be held accountable for ensuring a sustainable future, significantly more women than men say it is up to individuals (women: 61%, men: 56%) and communities (women: 53%, men: 44%). Women are also more likely than men to shift their habits based on environmental impact and to have higher expectations of brands when it comes to sustainability practices—which is especially impactful given that they’re often the ones making household purchasing decisions.

## WHAT THIS MEANS FOR BRANDS

Can a brand or company claim to be truly sustainable if they aren’t working towards gender equality? “I don’t think so,” Andrijevic says. “I don’t think women—current and future women—will have it.” It’s clear: supporting women is key to achieving systemic, enduring progress in sustainability. For brands that are committed to sustainable practices, educating and empowering women must be a core tenet of their sustainability action plans.

# THE GENDER GAP

Percentage who agree, all countries



**“We cannot properly address  
climate change without tackling  
gender inequality”**

*Marina Andrijevic, research analyst at Climate Analytics  
and lead author of “Overcoming gender inequality for climate resilient development”*

Image courtesy of Caleb  
George on Unsplash

# THE NEW BIOPHILIA

A growing affinity with nature is emerging post pandemic, alongside an appreciation that human and planetary health are intertwined.

Our relationship with nature has been reset: 82% of people now say they value nature more than before.

The understanding that the pandemic was driven by human encroachment on nature has hit home too—76% agree that it has made them aware of the effect humans have on the planet's ecosystems. A wave of biophilia now sees people seeking to protect nature while also pursuing its wellbeing benefits.

Rewilding by Heal: the marmalade hoverfly. Image courtesy of Chris Towler

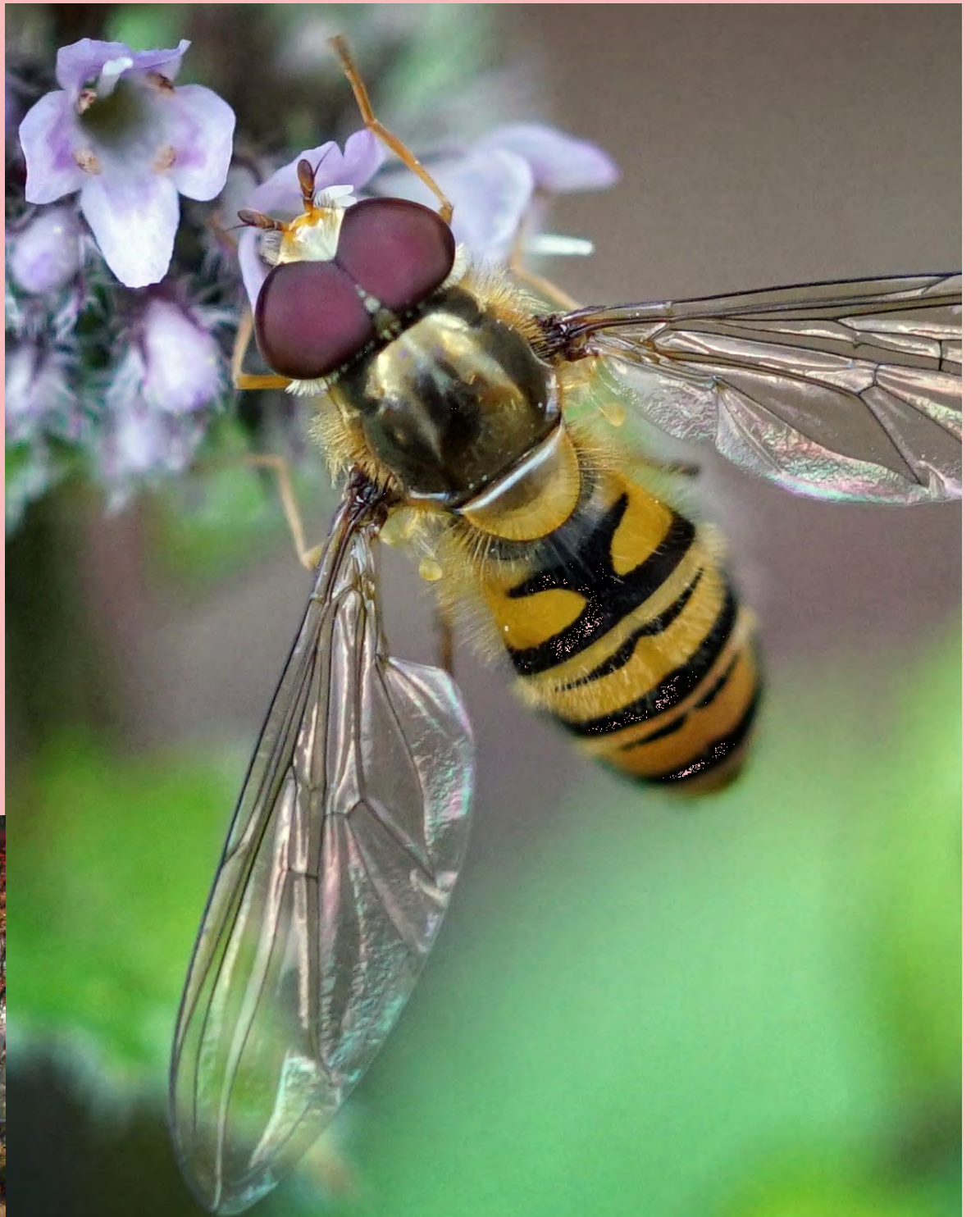


Image courtesy of Trees for Life Dundreggan Rewilding Centre

## SOOTHING ECO-ANXIETIES

“It’s honestly scary,” Ivy Jaguzny, press lead with the Zero Hour movement, tells Wunderman Thompson Intelligence. “Realistically, I’m not materially impacted. It’s just the stress of growing up with so much uncertainty and always feeling this looming threat over your head.”

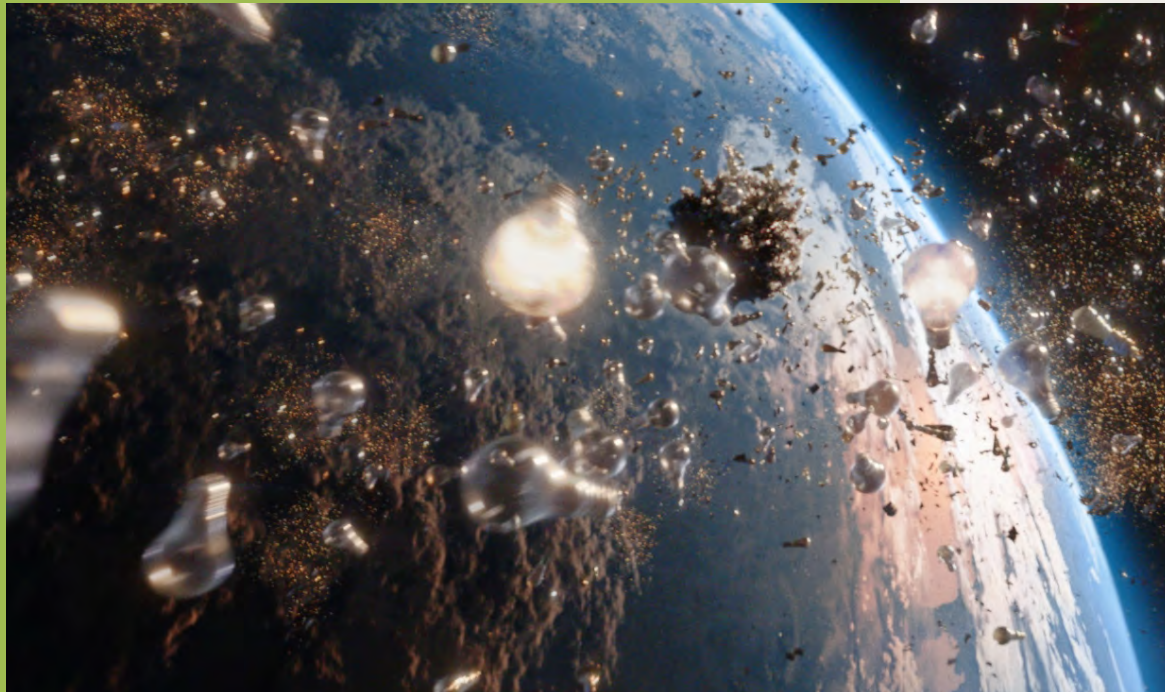
For many like Jaguzny, eco-anxiety is real—66% of respondents express anxiety about how climate change will affect them personally, rising to 72% of generation Z.

British mental health campaigner Matt Haig believes it’s no coincidence our mental wellbeing is suffering, tweeting that “Mental health and environmentalism are related issues. Our detachment from nature, and from our own human nature, is as bad for our minds as it is for our eco-system.”

Some brands are looking to alleviate the stress, such as Ovo Energy, which has compiled a list of tips for sufferers to better support their mental health. Suggestions include spending more time in nature and getting involved: in both gardening and protesting.

Channeling fear into action is a strategy Samsung is advocating. The telecommunications brand has created a self-learning course with Not a School called Turn Climate Anxiety into Positive Action: How can technology unlock activism in everyone?

Recognizing not everyone will take the activist approach, Ikea’s “Fortune Favours the Frugal” campaign highlights the small steps we can all take to make a difference. As a giant meteor of trash crashes down on the earth, each sustainable choice—like using a drying rack or planting herbs—shrinks the plummeting ball of garbage to just one plastic bottle, which a child promptly recycles.



Ikea UK and Ireland  
“Fortune Favours the  
Frugal” sustainability  
campaign



## GREENING THE CITY

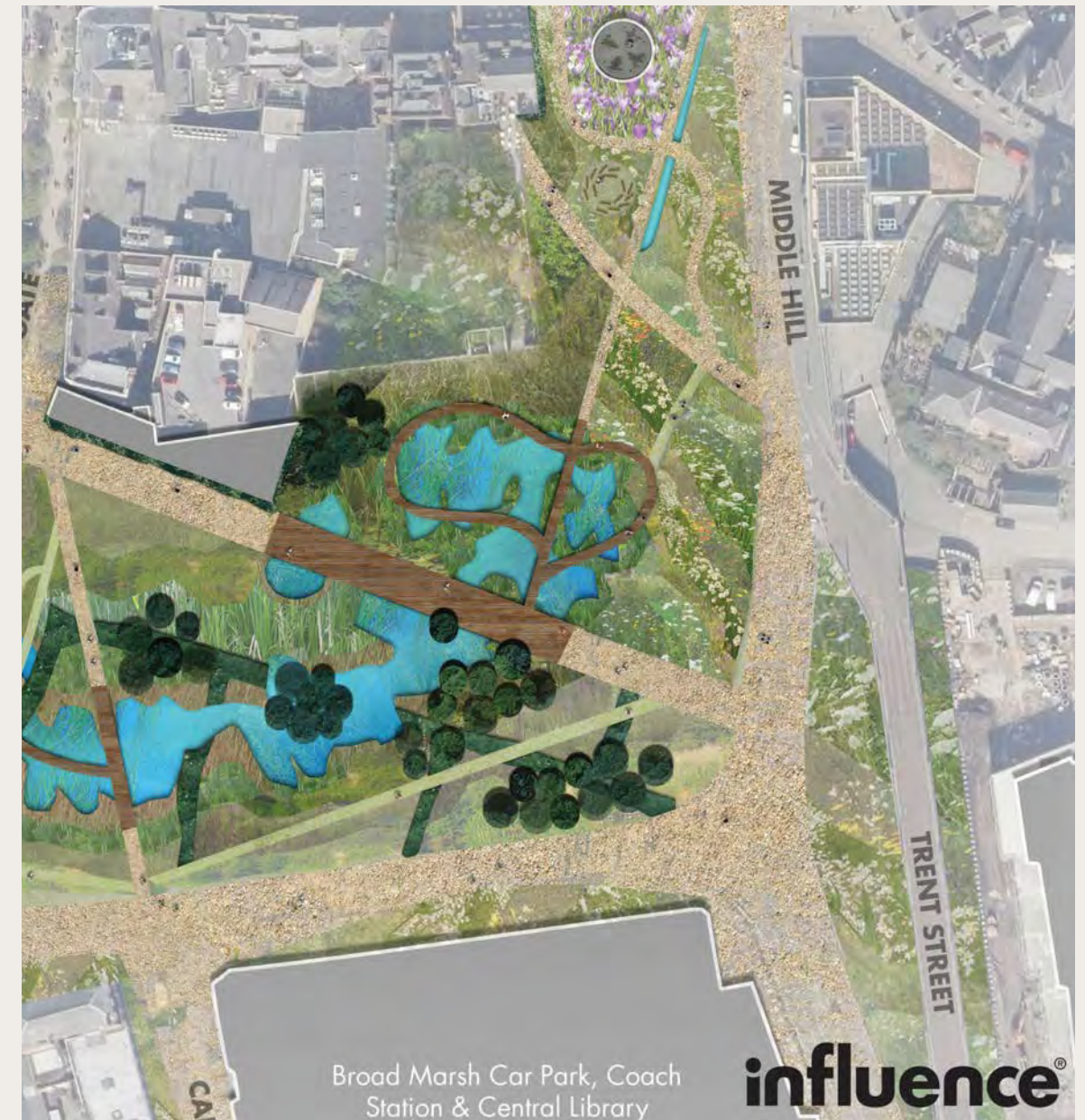
Contact with nature has proven benefits for wellbeing, yet many lack access to green spaces, particularly those in poorer neighborhoods. In urban areas, a correlation between income and tree cover has been documented in cities such as San Francisco, Johannesburg and Mexico City. In the United States, people of color are three times more likely to live in nature-deprived areas, according to a report led by the Hispanic Access Foundation and the Center for American Progress.

Enter rewilding, a trend we reported on in “Future 100: 2021.” In an urban context, it’s about bringing nature back to the city. “It’s not only about wildlife and ecosystem services,” explains Kate Hardwick, conservation partnership coordinator at Royal Botanic Gardens, Kew, “it’s about the mental wellbeing benefits.”

In the British city of Nottingham, the local Wildlife Trust has proposed transforming the partially demolished Broadmarsh shopping center into wetlands, pocket woodlands and a wildflower meadow, perhaps provoking a debate on the purposes of our city centers.



Both images: Broadmarsh shopping center proposed rewilding project by Nottinghamshire Wildlife Trust. Image courtesy of Influence



Broadmarsh shopping center  
proposed rewilding project by  
Nottinghamshire Wildlife Trust.  
Image courtesy of Influence



On a smaller scale but no less impactful, mini urban forests are popping up on disused land around the world. Indian company Afforestt creates dense microforests in parking lots and backyards using the Mayawaki Method. This involves planting native species of trees close together, which can make the plants grow 10 times faster than usual.

Urban farms are improving biodiversity with the added benefit of boosting food resilience. 2020 saw the opening of the world’s largest rooftop farm to date, Nature Urbaine in Paris, while in Singapore, the rooftops of multistorey car parks are being converted into urban farming sites. Atlanta has grown the biggest free food forest in the United States, with more than seven acres of edible and medicinal plants, while in Los Angeles, Ron Finley, aka “the gangsta gardener,” has been converting unused plots of land around the city into food gardens for underserved communities.

Greening our cities offers a host of benefits for physical and mental wellbeing, tackling air pollution and urban heat and, in the case of edible rooftops and gardens, improving local food resilience too. Says Finley: “Gardening is the most therapeutic and defiant act you can do.”



Nature Urbaine’s rooftop farm.  
Image courtesy of Agripolis  
and Nature Urbaine

## DIGITAL NATURE

For those with no immediate access to nature, a growing body of research finds that digital nature can provide a viable and therapeutic alternative.

According to research from the University of Exeter, looking at videos or even computer-generated images of nature can alleviate anxiety and sadness, while watching in VR can have an even stronger impact. The University of Waterloo in Canada has reported that people who spent time in a virtual forest showed reduced stress levels and improved happiness and relaxation.

With this in mind, the BBC has launched Soundscapes for Wellbeing, a virtual collection of soundscapes of nature and music, including calming playlists, nature sounds from the broadcaster's effects archive, and a Radiophonic Travel Agency, which takes listeners on an immersive audio journey to another part of the world.

Alongside the 2022 launch of David Attenborough's new series *The Green Planet*, the BBC will also launch an augmented reality app in partnership with EE. The experience will bring exotic and endangered plant species into the home. Using scientifically accurate digital botanical imagery, the app will allow people to nurture and observe plants as they grow.

Digital nature is an area that is ripe for brand involvement. Brands can look to nurture the relationship between people and nature in the virtual worlds in which many are increasingly spending time.

## WHAT THIS MEANS FOR BRANDS

The fragility of our life on this planet has come as a shock, disrupting mental wellbeing. Brands can play a role in alleviating anxieties in a host of ways: by helping to protect and restore nature, and in providing ways for ordinary people to take action too. Remember that nature itself is a powerful ally in building mental and physical resilience.



Images courtesy of the BBC,  
<https://canvas-story.bbcrewind.co.uk/soundscapesforwellbeing/>





“If we don’t  
take care of nature,  
we can’t take  
care of ourselves”

*Inger Andersen, executive director,  
United Nations Environment Programme*

Image courtesy of Durrell Wildlife Conservation Trust

# STARBUCKS™

## INSPIRING EQUALITY



### Starbucks faces up to discrimination, producing a tailwind of inspired fans.

Tackling global carbon emissions is a monumental challenge that demands that we all commit to change. But transformational change is hard.

In 2020 we launched our Inspire longitudinal study. Our inaugural “Inspiring Growth” report proved that brands that inspire people are statistically more likely to grow market share and command premium prices. The mechanism for igniting this growth is threefold: Elevating people’s expectations, Motivating action, and drawing people towards a better future by being Magnetic. In short, inspiring people inspires brands to grow.

Today, more than ever, an inspiring brand must care for people. The triple bottom line has long nudged business to consider performance holistically, weighing impacts on people, planet and profit equally. The people-related aspects have often been the “poor relation” here, but the events of 2020 put social equity and justice firmly front and center.

This is a sentiment felt by more than one out of every three people who think sustainable brands and companies should be trying to promote peaceful, just and inclusive societies and institutions. What’s more, 80% consider issues like sustainability inextricably linked to other problems we face, like poverty, equality and social justice, while 88% believe companies and brands have a responsibility to take care of the planet and its people.



Image courtesy of Starbucks



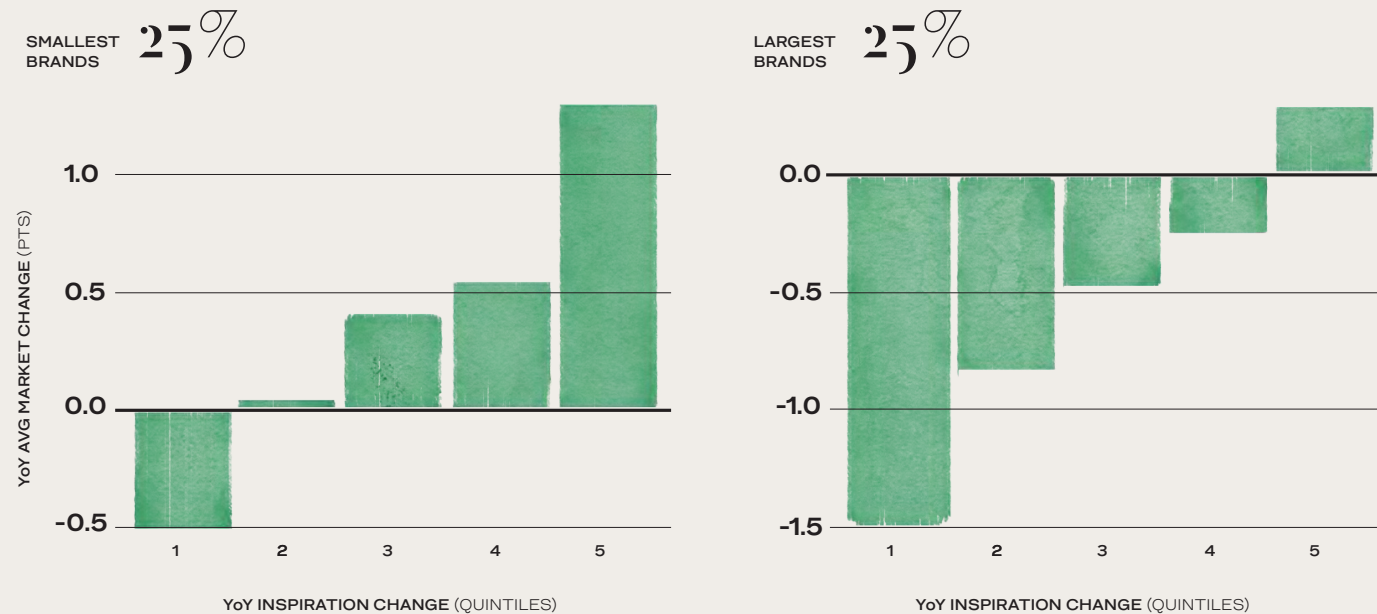
Images courtesy of Starbucks

### OUR STORE HOURS

Monday	05:00 a.m.-09:00 p.m.
Tuesday	05:00 a.m.-09:00 p.m.

## INSPIRE SCORE VS. MARKET SHARE

Here the value of inspiration is shown compared to market share derived from BrandZ™ metrics. The pattern is true for brands of all sizes—small brands have lots to gain from growing their Inspire Scores, and big brands have lots to lose from letting theirs fall. For more information on the scores see our Methodology section.



This expectation that brands look beyond their own commercial goals and Elevate their mission to benefit the planet and its people is something US retailer Starbucks takes very seriously. Ranking ninth on our proprietary Inspire Score index, Starbucks is one of the most inspiring brands in the world. Alongside aims to become resource positive and to empower local and coffee-growing communities, Starbucks hits the triple bottom line by standing for an authentic approach to inclusion that convinces people it really cares—and helps it correct and rise above missteps.

Starbucks’ reputation hit a low after criticism for incidents involving discrimination. Most prominent: the 2018 arrest of two young Black entrepreneurs for “not ordering” at a Philadelphia outlet, a video of which went viral. In response, the company has taken decisive action, instating a raft of ambitious initiatives in an effort to make its culture more diverse and inclusive. By turning problems into opportunities for change, the Magnetic brand prompted a positive response from customers. A 2020 *Harvard Business Review* article points out that the brand has been rewarded with customer loyalty for repeatedly engaging in a bid to “get it right.”

A key step for the brand has been to address inequity in its own workforce. It has pledged that at least 30% of corporate staff and 40% of those in retail and manufacturing roles will be people of color by 2025. It has also linked executive compensation to diversity targets and will track and openly disclose progress. Finally, it has created two investment funds that amount to more than \$100 million to support Black and minority-owned businesses as well as non-profits led by and serving BIPOC communities.

Starbucks is one of the world’s most inspiring brands, because it excels at creating a sense of community. Via initiatives that start with and empower people, Starbucks Motivates others to aspire to a just and equitable world.



Image courtesy of Starbucks



Image courtesy of Starbucks

## INSPIRING PEOPLE: THREE WAYS TO FOLLOW STARBUCKS' LEAD

*(for more see our Quick Take on Regenerative Business on pages 84 and 85)*

### 1. Drive climate and social literacy

Boards can't meet their targets or understand risk unless they are literate in climate, environment and social justice.

### 2. More than just a paycheck: make lives better

Employees are piling on the pressure for companies to live by their values. Find ways to inspire them to make meaningful contributions at work.

### 3. Foster ripples of change

Aim to support personal journeys, empowering individuals to speak and act in line with their values, creating ripples of change.



Image © Jørn Tomter, Ready Made Go 3, Modern Design Review and Ace Hotel London, taken from Why Materials Matter, Seetal Solanki, published by Prestel

# PROSPERITY

Regenerative brands and businesses do more than deliver profits for a privileged few. They drive wider prosperity through innovation, employment and taxation. They are inclusive and distributive, ensuring that their very presence delivers benefits beyond the borders of their own business, bringing prosperity to communities and wider society, and securing it for future generations.

# THE COLLABORATION IMPERATIVE

Faced with complex challenges, businesses are seeing the value in working across systems, collaborating with competitors and stakeholders alike.

## B(R)ANDING TOGETHER

There are many business benefits to collaboration: risks and costs can be shared, there is better collective accountability, and impacts can be amplified. As social and environmental challenges intensify, businesses are seeing the value in working with even their fiercest competitors.

A consortium of retail giants, including Walmart, Target and CVS Health, is behind the Beyond the Bag initiative, which seeks to collectively fund and scale alternatives to single-use plastic. In response to the Beyond the Bag Challenge, a competition to reinvent the retail bag, nine winning ideas were announced in February 2021, ranging from biodegradable bags to subscription bag rentals and even a stretchy paper bag from paper mill Domtar.

A similar project has leveraged collaboration to innovate a sustainable alternative to plastic bottles for liquid goods including carbonated and still drinks, and beauty products. Paboco, also known as the Paper Bottle Company, counts Carlsberg, Coca-Cola, Absolut and L'Oréal among the members of its Paper Bottle Community, which explores further development and commercial opportunities for sustainable paper bottles. After seven years of development, in-market trials will begin this summer with Coca-Cola's AdeZ brand.



Fill it Forward, one of the winners of the Beyond the Bag Challenge. Image courtesy of Fill it Forward

By sharing technical research, learnings and expertise, brands can move faster together than alone. That's the motivation behind a pioneering collaboration between Adidas and Allbirds, which aims to codevelop a sneaker with the "lowest-ever carbon footprint." The plan is for the final product to hit shelves proudly bearing both brand logos.

"When you think about competition, you just have to change your perspective," James Carnes, vice president of brand strategy at Adidas, said in an interview with *Vogue* about the partnership. "We're competing in the same race against time, the thing that's sitting between us and a better future."





Futurecraft.Loop circular and sustainable shoe, Adidas

## CLEANING UP THE SUPPLY CHAIN

According to environmental disclosure nonprofit CDP, the impact of end-to-end supply chain emissions is more than five times that of direct operations. That's why a number of businesses, such as Microsoft and Bayer, are setting emissions targets for their suppliers. More than 2,300 suppliers have signed up to Walmart's Project Gigaton, which aims to eliminate 1 billion metric tons of greenhouse gases from the global value chain by 2030.

The influence goes beyond emissions. Outdoor brand Patagonia famously refuses to work with suppliers that don't align with its values, and more brands are taking this stance. In 2020, retailers ASOS and Zalando dropped lines by the fast-fashion brand Boohoo after allegations of unsafe conditions and low pay at its factories in the United Kingdom. In January 2021, Unilever announced it would refuse to work with suppliers that do not pay staff a living wage from 2030. Ahead of the game, L'Oréal selected 97% of its strategic partners in 2020 based on their environmental and social performance, with a goal of 100% for the near future.


H&M is taking a different approach, opening up its entire supply chain to other brands. Its B2B initiative Treadler offers access to its expertise in sustainable sourcing, product design, and development and logistics. The service is largely aimed at startups and smaller businesses, but is open to any brand. "Individual brands can only make it so far," said MD Gustaf Asp, as reported by the *Financial Times*. "To take it further in the industry we need to open it up to collaboration."

The Treadler approach highlights the value in "engaging everyone across the entire value chain," as Will Skeaping, creative strategist and Extinction Rebellion activist, explains to Wunderman Thompson Intelligence. "It's vital that the entire supply value chain of those industries has a say in how they shift."



**88%**

believe companies need to keep a close eye on their suppliers as well as their own business, to ensure they are sustainable



Images courtesy of Treadler



## THE OPEN-SOURCE ERA

Pioneering companies and brands are looking to open source their learnings on sustainable business practices, ensuring this rising tide will lift all boats.

All Together is an advisory panel for small businesses in the United Kingdom that shares the leadership acumen of CEOs. Born out of the pandemic, the concept builds on the notion that a collective society should share knowledge for the greater good. Also seeking to effect change by connecting business leaders is Imagine, founded by ex-Unilever CEO Paul Polman. The organization is working to shift business models and the mindsets of business leadership to put purpose at the heart of every company.

Others are making practical tools and platforms available to all. Launching in 2021 and created by A Plastic Planet, Made Thought and IBM, Plastic Free is a blockchain-powered open-source platform that helps designers identify plastic-free materials. Swedish fintech startup Doconomy is levelling the playing field on life-cycle assessments, which include carbon footprint calculations and are often slow and expensive to produce. Its 2030 Calculator is a simple tool that will enable any brand to calculate its own carbon footprint to drive greater transparency for businesses and customers.

“Any significant human endeavor requires collaboration; sustainability is no different”

*Phil Hamlett, director, School of Graphic Design, Academy of Art University*

## WHAT THIS MEANS FOR BRANDS

These are just some of the ways collaboration is playing out. We're also seeing cross-sector tie-ups such as The Board Challenge, which seeks to improve representation of Black directors in American boardrooms, and corporate startup partnerships including circular grocery platform Loop. In the face of existential challenges, competition is giving way to collaboration. These strategies play well with customers: 89% of people think companies, brands, countries and individuals should all work together to tackle sustainability issues.



Image courtesy of Loop

**“Start speaking to your competitors,  
start speaking to your rivals. Just make  
that call. And it has to happen.  
Immediately you will have something  
which is bigger than you all but  
will actually do something useful”**

*Will Skeaping, creative strategist and Extinction Rebellion activist*

# THE CLIMATE TECH BOOM

**A new gold rush gets underway as investment floods into the climate tech space.**

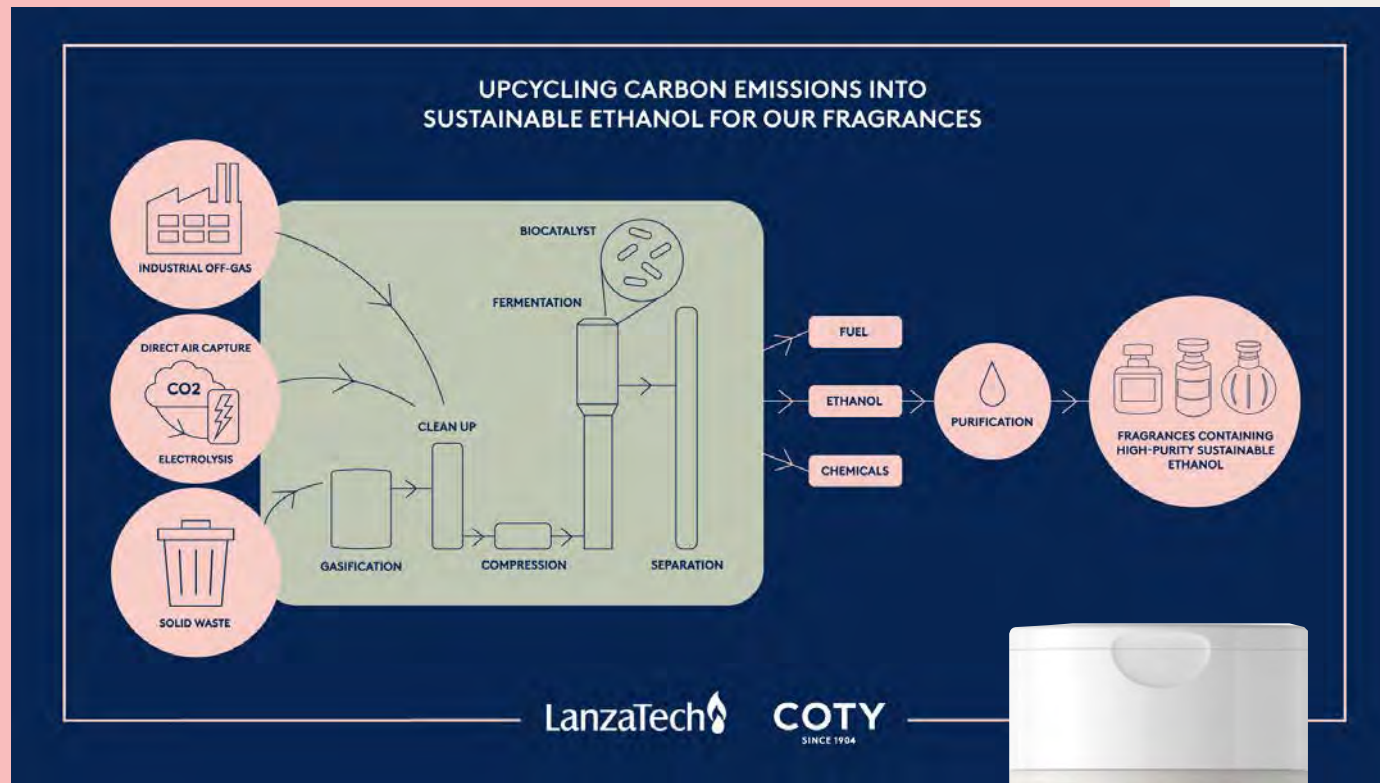
“I think the world’s first tech trillionaire will be a green-tech entrepreneur.” This prediction from *New York Times* tech guru Kara Swisher could be on the money. A slew of startups are already vying to be the next climate tech unicorn, in similar vein to Tesla or Nest. According to 2020 analysis from PwC, venture funding for climate-related technology is growing five times faster than the rest of the venture capital market, even outpacing artificial intelligence.

Why the feverish excitement? First of all, there’s now political will. Alongside the election of a more climate-friendly US president in 2020, there has been a flurry of government pledges to “build back better” in 2021, as well as Green New Deal policies on the table in the United States, Europe and South Korea. More than 100 countries have now committed to achieving net-zero carbon emissions by 2050, while Chinese president Xi Jinping announced the country would aim to meet this target by 2060.

Companies are also making long-term commitments to tackle carbon emissions, with brands such as Unilever and Microsoft even launching their own climate funds to accelerate and scale promising technologies. Even though proven renewable energies such as solar and wind power will be crucial, experts believe we will need all of the exponential solutions we can muster. Some are even proposing ambitious—and controversial—concepts such as solar geoengineering, that could cool the planet by reflecting sunlight into space.



Rendering of how Carbon Engineering’s large-scale direct air capture plants will look. Image courtesy of Carbon Engineering



The process of upcycling carbon emissions into sustainable ethanol for Coty fragrances. Image courtesy of Coty



L'Oréal, Total and LanzaTech bottle made from recycled captured carbon. Image courtesy of L'Oréal

## CARBONOMICS REVISITED

For this year's Earth Day, XPrize officially launched its biggest competition yet: a \$100 million award, funded by Elon Musk, for carbon removal solutions that can be scaled to gigaton levels.

One idea gaining traction is direct air capture (DAC) technology, which sucks CO2 from the atmosphere. In September 2021, Carbon Engineering will begin operations from its prototype DAC plant in Squamish, British Columbia. A cookie-cutter model for much larger plants, it initially aims to remove a tonne of CO2 from the air every year.

DAC is expensive, and researchers have forecast that we may need thousands of plants in the future. However, price may turn out to be less of a deciding factor than necessity. According to the World Resources Institute, most climate models suggest that we need to remove billions of metric tons of CO2 by 2050, alongside ramping up emission reduction.

What happens to all this CO2? It's either stored, or it can be recycled and used. Coty is collaborating with carbon recycling company LanzaTech to turn CO2 into ethanol for its perfumes, while Finnish beer brand Everyman's Right Brewery plans to use captured carbon in its brewing process and aims to start production by the end of 2021. L'Oréal, Total and LanzaTech have even developed a recycled plastic bottle made from captured carbon.

Spinova/Bergans Collection  
of Tomorrow anorak.  
Image courtesy of Bergans



Spinova fiber.  
Image courtesy  
of Spinova



Xampla single-use  
sachets made from  
pea protein. Image  
courtesy of Xampla

## SOLVING PLASTIC

Worldwide, manufactured plastics now have a greater mass than all land and sea animals combined, according to a 2020 study published in *Nature*. There's not just a lot of plastic, it's everywhere. Microplastics are now found in pristine Arctic landscapes as well as in human placentas. Although the health effects are still unclear, scientists have recently warned that chemicals in plastics are wreaking havoc with human fertility.

Despite COVID-19 hygiene concerns driving an uptake in plastic-wrapped goods, more than half of consumers now frequently or always avoid single-use plastics in all markets, rising to 68% in the United Kingdom and 69% in China. Almost 350 million people globally have taken The Plastic Pledge to cut down plastic use in their lives, including corporations and celebrities. Its latest iteration, The Plastic Pledge 2050, launched on April 22, Earth Day 2021, is backed by Hollywood and music artist A-listers.

Startups are working on more earth-friendly alternatives. Xampla, a spinout from the University of Cambridge, has developed a plant-based alternative to plastic that uses the principles of spider silk. It aims to replace single-use plastics such as sachets and even microplastics in liquids and lotions.

Sway, a California company that makes a seaweed-based alternative to plastic bags, was one of a handful of startups selected by the Beyond the Bag consortium as a winner in its Beyond the Bag Challenge. Spinova, a Finnish startup, makes spinnable fibers for clothing from wood without huge water usage and CO2 emissions of conventional textile manufacturing. It has recently announced a partnership with H&M.



Sway's seaweed-based alternative to plastic bags. Image courtesy of Sway





## TRACEABILITY TECH

In recent years, traceability tech has become important in the food industry, enabling, for example, quicker diversion of grocery supplies according to demand and allowing faster response time to food safety alerts.

Now it's extending to sustainability, with businesses using blockchain or other tools to trace supply chains in a way that's visible to all, to support their green-friendly claims.

"If I have one piece of advice for corporations, it would be: increase the transparency," says Bella Zhang, director of energy and sustainability in China at Plug and Play, a Shanghai accelerator that works with startups and big brands to collaborate on systemic change. "Really let the consumer know about your whole reverse supply chain and how you're doing the circular economy, or how you're tackling your producer responsibility. Otherwise, people cannot visualize how much carbon they have saved by using your product."

Beijing startup Trashaus partners with brands to create miniprograms on WeChat. Users scan a QR code to trace the origins of a recycled product, based on data collected all along the supply chain, from trash collectors to makers of recycled plastic granules to product manufacturers.

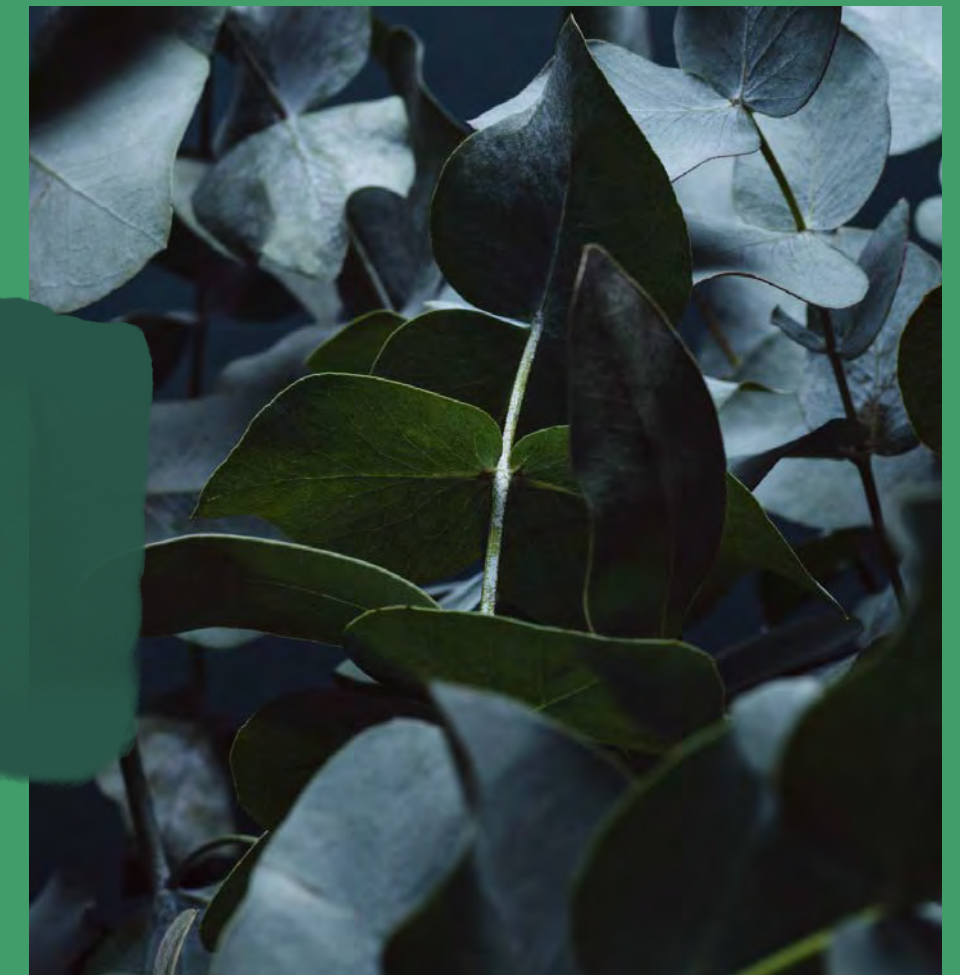
Trashaus launched the WeChat miniprograms in 2020 and has 7,000 users currently, founder vAns Zhang tells Wunderman Thompson Intelligence. It's currently working with Meituan, one of China's biggest food delivery platforms, tea shop chain HeyTea, and coffee chain Seesaw Coffee, as well as with Unilever, to create a circular economy model for plastic waste.

## WHAT THIS MEANS FOR BRANDS

Brands will need to develop, purchase and invest in transformative exponential solutions to meet decarbonization and regeneration goals. The rapidly growing climate tech space offers both solutions and opportunities.

# 83%

believe that technology will drive positive impacts on the environment in the future



Eucalyptus leaves, Spinnova

## Pioneering brands are helping build a better normal by factoring regeneration into their business models

Capitalism has brought the world incredible benefits, lifting billions out of poverty and improving education and health outcomes. Yet there is a growing consensus that the system no longer benefits everyone.

The pandemic shone a spotlight on widening global income and wealth inequalities. According to a special report from the *Financial Times* on the economic impact of the coronavirus, those on low incomes have been hardest hit by the economic fallout from COVID-19, while the wealthy have thrived—the top 10 billionaires in the world added \$319 billion to their wealth in 2020.

In tandem, our economies are failing to protect the natural resources on which we depend. Multiple planetary boundaries are still being exceeded and our natural resources are being depleted at an alarming rate. Yet a 2020 report from World Economic Forum tells us that more than half of the world's GDP—equivalent to \$44 trillion—is dependent on nature and the services that ecosystems provide, such as pollination or water quality.

While we don't yet have all the answers, there are ways for businesses to show leadership and build resilience through regeneration: setting transformational goals, committing to greater transparency and, ultimately, weaving it into the business model.



Image courtesy of BrewDog

## DELIVERING TRANSFORMATION

People want businesses to deliver growth and prosperity that benefits everyone: 82% now believe that businesses should put people and planet before profit. Purpose must also be interwoven throughout the business and not siloed away: 85% of respondents say that actions on sustainability mean nothing unless they are integrated throughout the entire business.

Today you would be hard pressed to find a business that is not talking about purpose and planet, and we have seen some truly ambitious pledges. But, as a recent report by *Business of Fashion* reveals, while fashion businesses are talking about sustainability more than ever, “actions are lagging public commitments.”

As Tom Bregman, head of corporate engagement at Future-Fit Business, tells Wunderman Thompson Intelligence, “there is this disconnect between what businesses are saying and what they are doing.” And the problem goes even deeper, according to Bregman: “One of the biggest challenges we face is that incumbent businesses are focused on incremental gains, not transformation.”

Rhetoric now needs to be matched with action. For businesses, this means taking a deeper look at how they show up in society, acknowledging negative impacts as well as highlighting the good they are doing. In future, says Bregman, businesses will need to take a holistic approach to the UN Sustainable Development Goals, aiming to deliver across all of them, rather than selectively focusing on a few. See *The Regenerators* (page 78) for examples of businesses striving to achieve this.

# 83%

say it is right that businesses and brands focus on a positive impact, rather than just doing less harm to the planet and its people



Image courtesy of VivoBarefoot

## ACCOUNTING FOR PEOPLE AND PLANET

Balancing profit with purpose is not easy, as the recent departure of CEO Emmanuel Faber at Danone underlines. While some talk of the need for “degrowth,” this is more about a need for a new kind of growth that goes beyond the borders of the business and is “regenerative and distributive,” as economist Kate Raworth puts it.

The complexity of doing both has led some, such as London Business School’s Ioannis Ioannou, to call for “new metrics to judge companies and management” that take better account of extra financial impacts.

In fact, a number of projects aimed at revamping disclosure are already in play, including the World Economic Forum’s Stakeholder Capitalism Metrics. This universal set of environmental, social and governance (ESG) metrics is aimed at standardizing non-financial reporting, and more than 60 businesses including Nestlé and Unilever have now signed up.

There’s also Harvard Business School’s Impact-Weighted Accounts Project, which hopes to inspire a “new era of impact transparency.” The project had already assessed the cost of environmental impacts for 1,800 companies as of September 2020, and will this year add product and employment impacts to the mix. Its creators believe it can “reshape capitalism” by catalyzing “a change in corporate behavior.”

Ultimately, the benefit of gathering the right data goes beyond disclosure and to the heart of business decisions, as Bregman explains. “What’s more important, at least in the journey to future-fitness, is making everyday decisions in a more informed way, considering both negative and positive impacts.”



Reformation Liza High Rise Straight Jeans in Aden at Good Earth Cotton farm, Moree, New South Wales. Image courtesy of FibreTrace™



Images courtesy of VivoBarefoot

## THE REGENERATORS

A number of businesses, including Patagonia, General Mills and Interface, are designing regeneration into their business models, working to eliminate negative impacts while pursuing net-positive outcomes in everything they do. Retail giant Walmart has also announced its aspiration to become regenerative.

VivoBarefoot, a footwear company and Certified B Corporation, has set itself the bold goal to “evolve into a regenerative business; interconnecting economic, environmental and social values.” This means reviewing every aspect of the business, from product design to manufacturing to employee happiness, ensuring that it aims for a net-positive impact across the board. The business has pioneered integrated reporting for 2019/20, detailing social and environmental impacts alongside financial performance. Tellingly, the brand refers to stakeholder, not shareholder, relations. And CEO? That stands for chief ecosystem officer.

Modular carpet manufacturer Interface has long been a regenerative pioneer, exploring a circular business model and even creating carbon-negative carpet tiles. In 2018, it piloted the Factory as a Forest project in Australia and is applying its findings at its US factory to deliver positive ecosystem services such as fresh, clean water, clean air and carbon sequestration.

BrewDog, which claims to be the world’s first carbon negative brewery, is carving out a reputation as a real climate leader. The Scottish B Corp has worked with world-leading carbon impact expert Mike Berners-Lee to calculate its carbon impact and now double offsets its emissions, including its supply chain. It has also purchased land in Scotland to create a BrewDog Forest of 1 million trees and restored peatland. Alongside these initiatives, it is working on a 24-month plan to drive down its operational footprint and become a zero-waste business.

On page 81, we also profile Ikea, an inspiring retailer that has committed to making life better for millions and respecting planetary boundaries.

Image courtesy  
of VivoBarefoot



Interface's Composure Edge carpet uses a combination of carbon-negative bioplastics and mineral filler



BrewDog Forest initiative. Image courtesy of BrewDog



VivoBarefoot employee.  
Image courtesy of VivoBarefoot

## WHAT THIS MEANS FOR BRANDS

For long-term resilience, businesses must deliver growth with broad benefits. Pioneering companies are building regeneration into their business models, setting transformational ambitions and pursuing radical transparency to drive progress that benefits people and planet. See our quick guide to regenerative business on pages 84 and 85.

“I think for most people, wanting to live on a more just planet is a given. But I think you have to address the stark realities of the economic system which we live under. And that’s capitalism which is based on profit, and profit at the expense of human beings on the planet. That has to be confronted” *Male, 51, United Kingdom*

**“Telling the truth  
to ourselves and to our audiences  
is the absolute number one priority  
of what we should be doing.  
I think that the bravery in doing that will  
elevate anyone who does it”**

*Will Skeaping, creative strategist and Extinction Rebellion activist*

Regenerative Fund for Nature, Kering/Conservation International





## INSPIRING A BETTER EVERYDAY LIFE FOR EVERYONE

### Ikea rethinks growth and prosperity.

At a time when achieving growth is increasingly difficult, brands must now also show civic leadership, ensuring that their very presence delivers benefits beyond the borders of their own business.

Inspiring brands provide real value by demonstrating the three core principles of brand inspiration: Elevating people's expectations, Motivating action, and drawing people towards a better future by being Magnetic. By doing so, our 2020 "Inspiring Growth" report reveals that they are statistically more likely to grow their market share and charge premium prices. People reward inspiring brands with their business.

In fact, we found in March 2021 that 75% of global consumers are motivated to give their business to companies that pledge to eliminate their carbon footprint. More and more people are inspired by companies that adopt climate-positive business models. The key to this finding is that by minimizing impact and regenerating resources, those companies are delivering broad benefits not just to society but also to future generations.



Cargo bike delivery. Image courtesy of Ikea

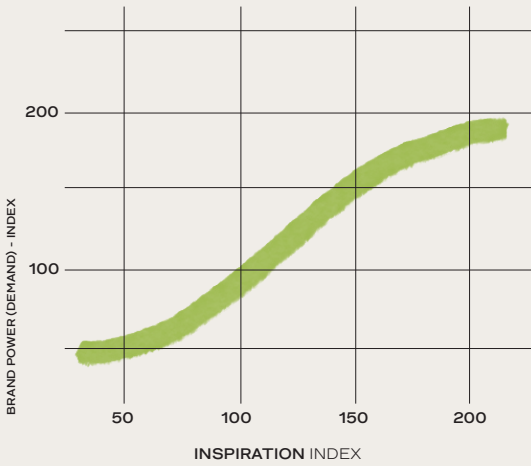
“At Ikea we don't want to merely be a part of the sustainability movement, we want to lead it”

*Jonas Carlehed, sustainability manager, Ikea*

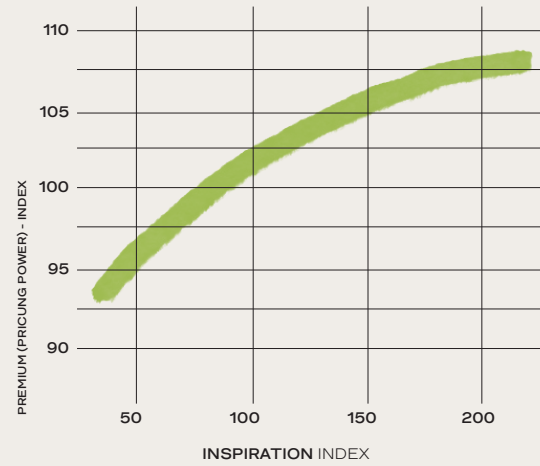
## INSPIRE SCORE VS KEY BRANDZ™ METRICS

Inspiration predicts 63% of the variation in consumer demand for brands, 52% of brands' ability to command higher prices, and 48% of brands' ability to convert customers at the point of purchase.

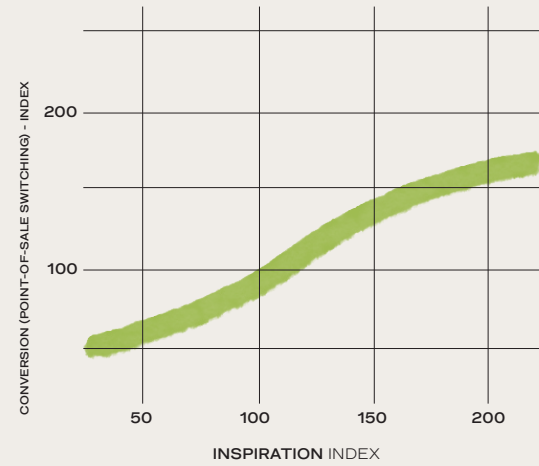
63%  
OF BRAND  
DEMAND



52%  
OF PRICING  
POWER



48%  
OF POINT-OF-PURCHASE  
CONVERSION



One brand epitomizes this phenomenon in spades. Ranking fifth overall and second within its sector out of 33,000 global brands on our proprietary Inspire Score index, Ikea is the Swedish homeware giant famous for democratizing design. Now the company has baked impact into its mission, aiming to “inspire and enable a better everyday life” for more than a billion people—but not at any cost. The mission commits to growing the Ikea business responsibly, “within the boundaries of our planet.”

In a conversation at the World Economic Forum’s Davos Agenda in January 2021, Ingka CEO Jesper Brodin explained that climate- and society-positive business models like this are the future. “There is a great misunderstanding around the world that being climate positive must come at a premium or that it will only be within reach of the few. But it’s actually the opposite. This is the modern way of running companies.”

By reframing growth, Ikea is challenging the status quo, shaking things up, and calling for others to follow suit, which are all classically inspiring brand behaviors. Leading the way by driving prosperity at scale inevitably functions as a Magnetic call to arms, where competitors are Motivated to keep up and people are drawn in by their equitable vision. Indeed, 84% of people told us that they would like to see the economy rebuilt in a sustainable, inclusive way.

Ikea’s promise is that everyone can live well, and it delivers on this with good quality, accessible products. As one respondent enthused, “You can always see something clever or different that you want to have for home. I rarely leave empty handed.”

Beyond this, Ikea is introducing concepts such as furniture rental and leasing that are beautifully aligned to a world that wants to spend more mindfully. Coupled with Ikea’s drive to circularity and regeneration, its approach to retail delivers value for future generations, by helping to protect and restore resources. By framing its intention through the lens of quality of life, the company demonstrates care, making it a truly Elevating brand. Ikea’s business model paves the way to that future.



Employees at Ikea’s circular shop. Image courtesy of Ikea



Image courtesy of Ikea

## INSPIRING PEOPLE: THREE WAYS TO FOLLOW IKEA'S LEAD

*(for more see our Quick Take on Regenerative Business on pages 84 and 85)*

### 1. Build regenerative business models

For business to thrive, we need social and natural capital to thrive, so drive regenerative impact across the triple bottom line.

### 2. Honor future generations

Put future generations on your stakeholder map and consider their need for a livable planet and an inclusive, stable society.

### 3. Motivate leaders with the right incentives

In the future, the C-suite will be incentivized on environmental and social goals, as well as financial targets.

# A QUICK TAKE ON REGENERATIVE BUSINESS

## 1 BUSINESS MUST LEAD THE WAY

There is now a broad consensus that business must show leadership on the societal challenges we face. As our most powerful institution, “only business has the power to address these critical challenges with the necessary pace and scale,” says John Elkington. Those brands that advocate and lead will build resilience for society and themselves.

## 2 BUILD REGENERATIVE BUSINESS MODELS

By now it’s clear—doing less harm is not going to be enough. For business to thrive, we need thriving social and natural capital too. This demands positive, regenerative impact across the triple bottom line. Regeneration won’t thrive in a vacuum. It needs to be yoked to business and brand initiatives from strategy to social justice, driving decision-making.

## 3 TAKE AN INTERSECTIONAL APPROACH

As Elsa Mengistu explains, we can’t tackle issues like climate change without also addressing the structural inequities in the system that mean some communities are disproportionately impacted. In our report we focus on women, BIPOC communities, LGBTQ+ communities, people with disabilities and other disadvantaged groups.

## 4 FOCUS ON THE LONG TERM

Regenerative transformation won’t happen overnight, so it’s time to think long-term. Warren Valdmanis, coauthor of *Accountable: The Rise of Citizen Capitalism*, says business must focus on further horizons rather than chase the “sugar highs” of quarterly profits: “Thinking longer term makes for more valuable companies and better outcomes for stakeholders at the same time.”

## 5 HONOR FUTURE GENERATIONS

As we have established, inclusion and social justice are now central to sustainability. But to truly embrace regeneration, businesses need to put future generations on their stakeholder maps too, taking into account their needs for a livable planet and an inclusive, stable society.

## 6 COLLABORATION IS KEY

The Collaboration Imperative drives home the need for businesses to work together to drive positive change at the system level. Yet, as became clear during the pandemic, governments are also crucial collaborators for business that should not be forgotten. John Elkington points to the work of economist Mariana Mazzucato, which highlights the pivotal role government plays in driving innovation.

## 7 MOTIVATE LEADERS WITH THE RIGHT INCENTIVES

In the future, the C-suite will be incentivized on environmental and social goals, as well as financial targets. Indeed, businesses from Apple to Starbucks are already tying some element of compensation to non-financial metrics. This is a growing trend, especially in Europe. A study by Willis Towers Watson found 11% of the top 350 European companies linked executive pay to emissions, compared with 2% of the S&P 500 in the United States.

## 8 DRIVE CLIMATE AND SOCIAL LITERACY

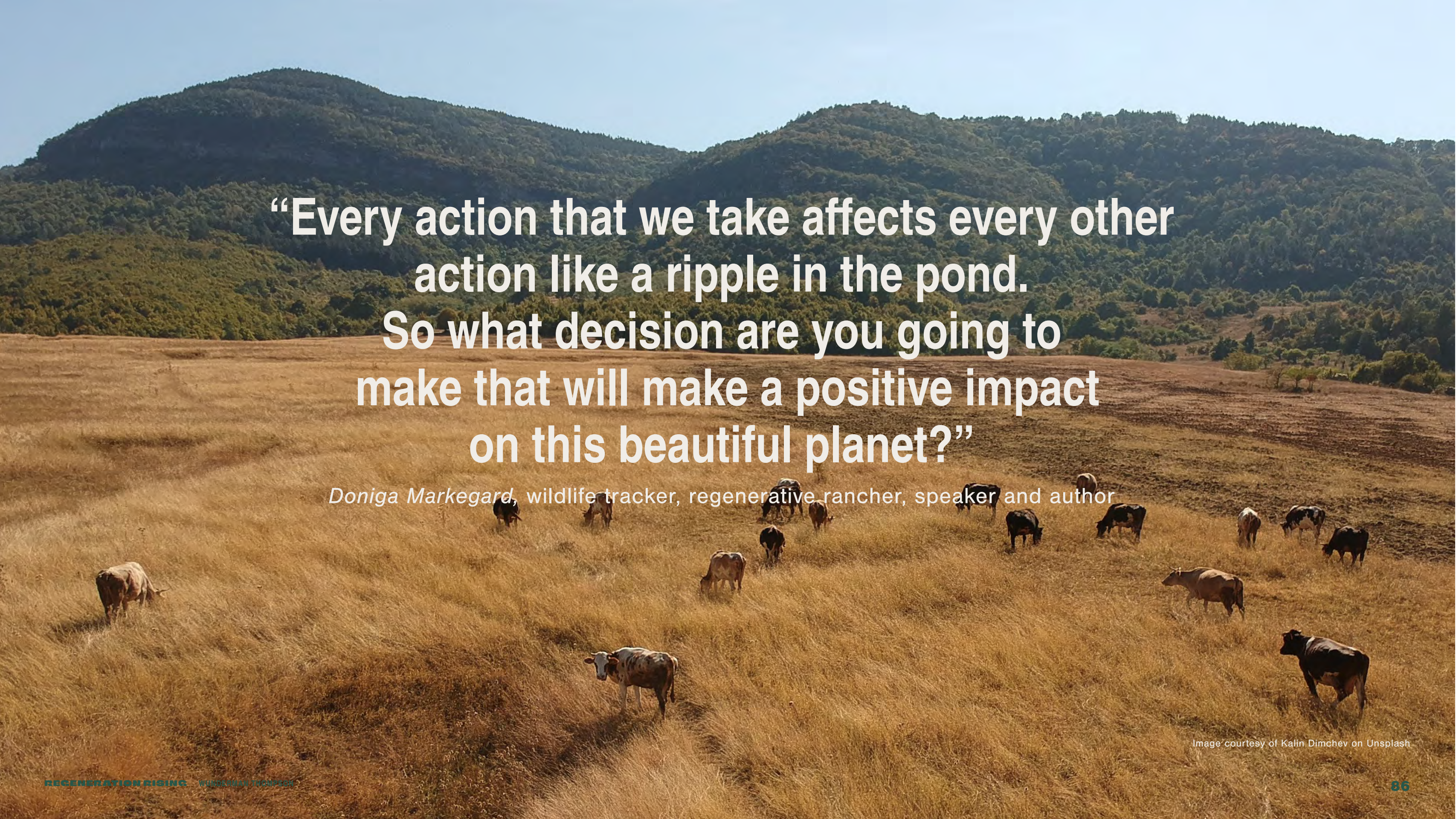
Boards can meet their ESG targets and understand risk when they are properly informed. Going forward, companies can ensure their boards and leadership are literate in climate, environment and social justice. According to a study from the NYU Stern Center for Sustainable Business, just 6% of leaders at the 100 largest US companies have environmental experience, and 0.2% have climate expertise.

## 9 MORE THAN JUST A PAYCHECK

In our “Future 100: 2021” report we note the rise of employee activism, a reflection of deep concerns in wider society. Employees are calling for companies to live their values: 66% of gen Z and 67% of millennials would choose their next employer based on sustainability goals. Businesses can seek ways to help employees feel inspired and deliver meaning through their work.

## 10 FOSTER RIPPLES OF CHANGE

Support personal journeys, empowering individuals to speak and act in line with their conscience in their own roles. Climate and social issues can be deeply affecting so ensure that employees are empowered to speak and are listened to. Purpose Disruptors is one grassroots organization seeking to drive “ripples of change” in the marketing and advertising industry by encouraging individuals to use their skills towards a net zero society.



**“Every action that we take affects every other action like a ripple in the pond. So what decision are you going to make that will make a positive impact on this beautiful planet?”**

*Doniga Markegard, wildlife tracker, regenerative rancher, speaker and author*

Image courtesy of Kalin Dimchev on Unsplash

# METHODOLOGY

**Our research comprised several methodologies and covered the period January to March 2021.**

In addition to extensive desk research, we conducted a quantitative study using Wunderman Thompson Data. In February 2021, we surveyed 3,001 adults in the United Kingdom, the United States, and China.

For the purposes of clarity, within the report all statistics, unless otherwise stated, are reported for a combined total population from all three countries.

In March 2021, we conducted two online qualitative studies. The first used Swiftography, Wunderman Thompson's proprietary research methodology, and involved four respondents from the United States and four from the United Kingdom. For the Chinese market, we used Instapanel for our field research, which involved five respondents in mainland China.

We also conducted in-depth interviews with 11 experts and thought leaders from around the world, across sectors including science and technology, food and drink, activism, and brand strategy and marketing.

The salary contribution estimate on page 14 was based on the percentage of workers within each country who would be willing to donate at least 0.5% of their annual salary. We used average annual salary for full and part-time employees in the United Kingdom, all wage earners in the United States, and all urban workers in China.

## Sources:

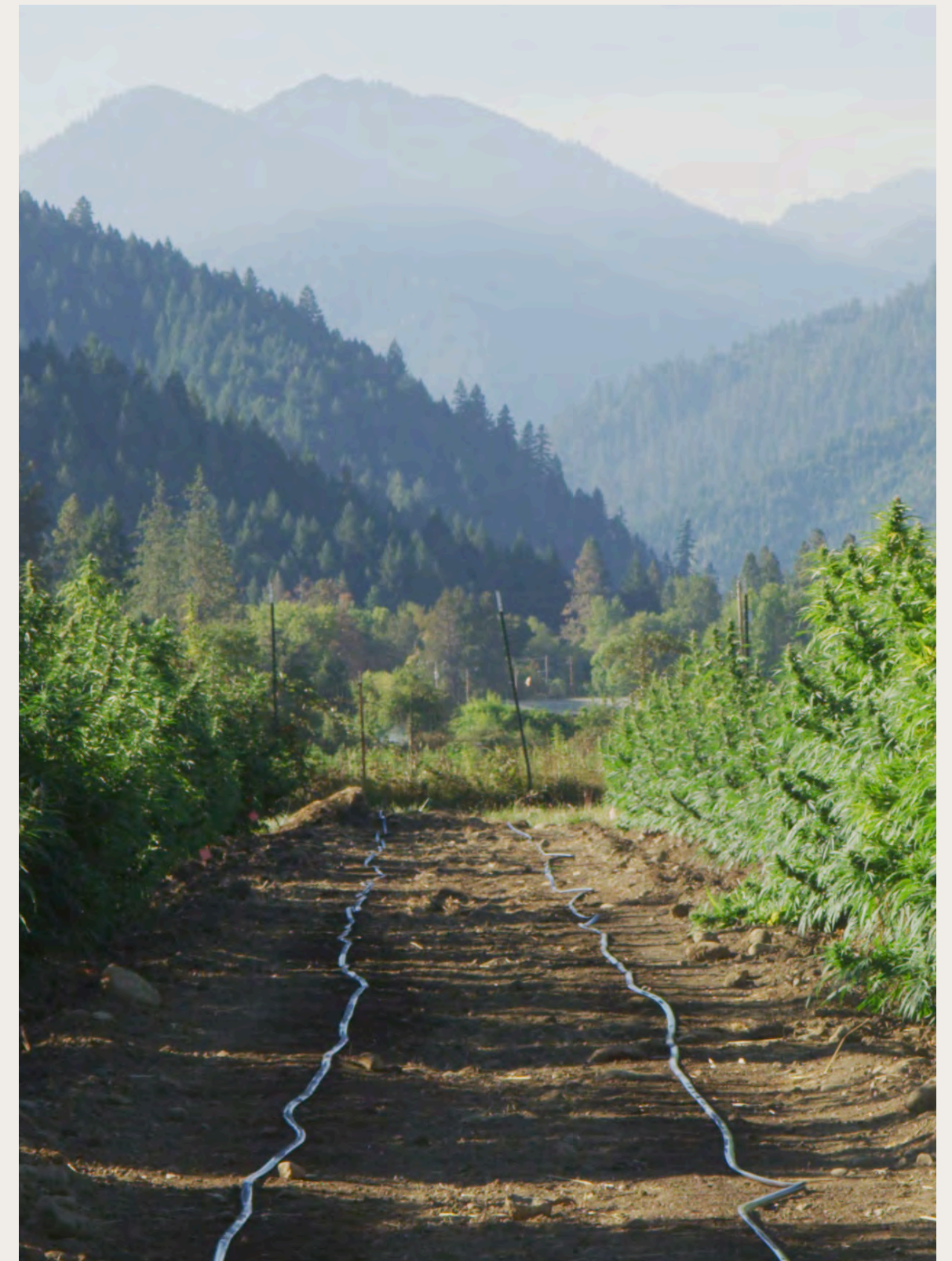
United Kingdom: Office for National Statistics

United States: Social Security Administration

China: National Bureau of Statistics of China

Currency Conversion: OANDA, April 12, 2021

All data was correct and up to date at the time of writing in March 2021.



East Fork Cultivars, Oregon, supported by Steward crowdfunding

In addition to our own research, findings in this report were further enhanced by insights from WT Inspire.

WT Inspire is an in-depth, global research initiative from Wunderman Thompson that explores the relationship between inspiration and brand growth. Using data collected from January to October 2020, the inaugural “Inspiring Growth” study is based on rigorous, multidimensional research across four continents, including comprehensive desk research and the following methodologies:



Nature Urbaine rooftop farm.  
Image courtesy of Nature Urbaine

## INTERVIEWS

We conducted in-depth interviews with leading academics, including Todd Thrash, a respected authority on inspiration. We also interviewed marketing experts across categories including technology, food and beverage, oil and gas, and telecommunications. Finally, we conducted online surveys in the United States, United Kingdom, China, and Brazil using Instapanel. These interviews enabled us to define the parameters of inspiration and how we could quantify it.

## QUANTITATIVE

To gather additional information and ensure that our research findings on inspiration are correct, we conducted a major new survey using Wunderman Thompson Data. It reached 4,000 people aged 18+ in the United States, United Kingdom, China, and Brazil. We also conducted a mini mobile survey to better understand both natural and prompted vernacular used on the topic.

## STATISTICAL MODELING

Based on this research we identified inspirational brand attributes within the Kantar BrandZ™ data set. BrandZ™ covers 33,000 brands in 183 categories and 45 markets. This massive data set enabled us to create an Inspire Score that measures the strength of brand inspiration and its impact on growth. The Inspire Score is:

- **Indicative of inspiration** We constructed this metric using brand attributes that correlate positively with the process and impact of inspiration as defined by leading academic studies.
- **Predictive of growth** We paired them with two proprietary BrandZ™ metrics that are strongly predictive of financial growth for brands. These are Brand Power, which measures consumer demand, and Premium, which details price elasticity, or how much more consumers are willing to pay for a brand’s product over a competitor’s product.





# ACKNOWLEDGEMENTS

## WUNDERMAN THOMPSON INTELLIGENCE WOULD LIKE TO THANK THE EXPERTS AND ACADEMICS WHO GAVE THEIR TIME AND INSIGHTS TO ENRICH THIS REPORT:

Marina Andrijevic, research analyst,  
Climate Analytics

Tom Bregman, director of corporate engagement,  
Future-Fit Business

John Elkington, founder and chief pollinator, Volans

Phil Hamlett, director, School of Graphic Design at  
the Academy of Art University, San Francisco

Mike Hazas, professor of human-computer  
interaction, Uppsala University

Ivy Jaguzny, press lead, Zero Hour

Alvaro Marín Soré, behavioral economics lead,  
The Cocktail Analysis

Elsa Mengistu, climate justice communicator,  
social impact consultant and public speaker

William Skeaping, creative strategist and Extinction  
Rebellion activist

Bella Zhang, director of energy and sustainability in  
China, Plug and Play

vAns Zhang, founder, Trashhaus

## WE'D ALSO LIKE TO THANK THE FOLLOWING PEOPLE FOR THEIR GENEROUS CONTRIBUTIONS:

James Baker, Wunderman Thompson  
Rebecca Bedrossian, Wunderman Thompson  
Meredith Chase, Wunderman Thompson  
Emma Chiu, Wunderman Thompson  
Omar El-Gammal, Wunderman Thompson  
Heather Field, Wunderman Thompson  
Eimear Fitzmaurice, Folk Wunderman Thompson  
Maihri Gill, Wunderman Thompson  
Neil Godber, Wunderman Thompson  
Hannah Harrison, WPP  
Brooke-Lynn Howard, Wunderman Thompson  
Noor Jafar, Wunderman Thompson  
Susan Koehler, Footprint  
Kaitie Kovach, Wunderman Thompson  
Alexa Mackie, Wunderman Thompson  
Mike Maxwell, Wunderman Thompson  
Lisa Merrick-Lawless, Purpose Disruptors  
Jo Weston, Wunderman Thompson  
Jonathan Wise, Purpose Disruptors

# ABOUT US

## ABOUT WUNDERMAN THOMPSON INTELLIGENCE

Wunderman Thompson Intelligence is Wunderman Thompson's futurism, research and innovation unit. It charts emerging and future global trends, consumer change, and innovation patterns—translating these into insight for brands. It offers a suite of consultancy services, including bespoke research, presentations, co-branded reports and workshops. It is also active in innovation, partnering with brands to activate future trends within their framework and execute new products and concepts.

For more information visit:  
[intelligence.wundermanthompson.com](http://intelligence.wundermanthompson.com)

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# REGENERATION RISING

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SUSTAINABILITY FUTURES