



Marketing sustainability to customers **why & how**

A guide for B2B marketing and commercial leaders





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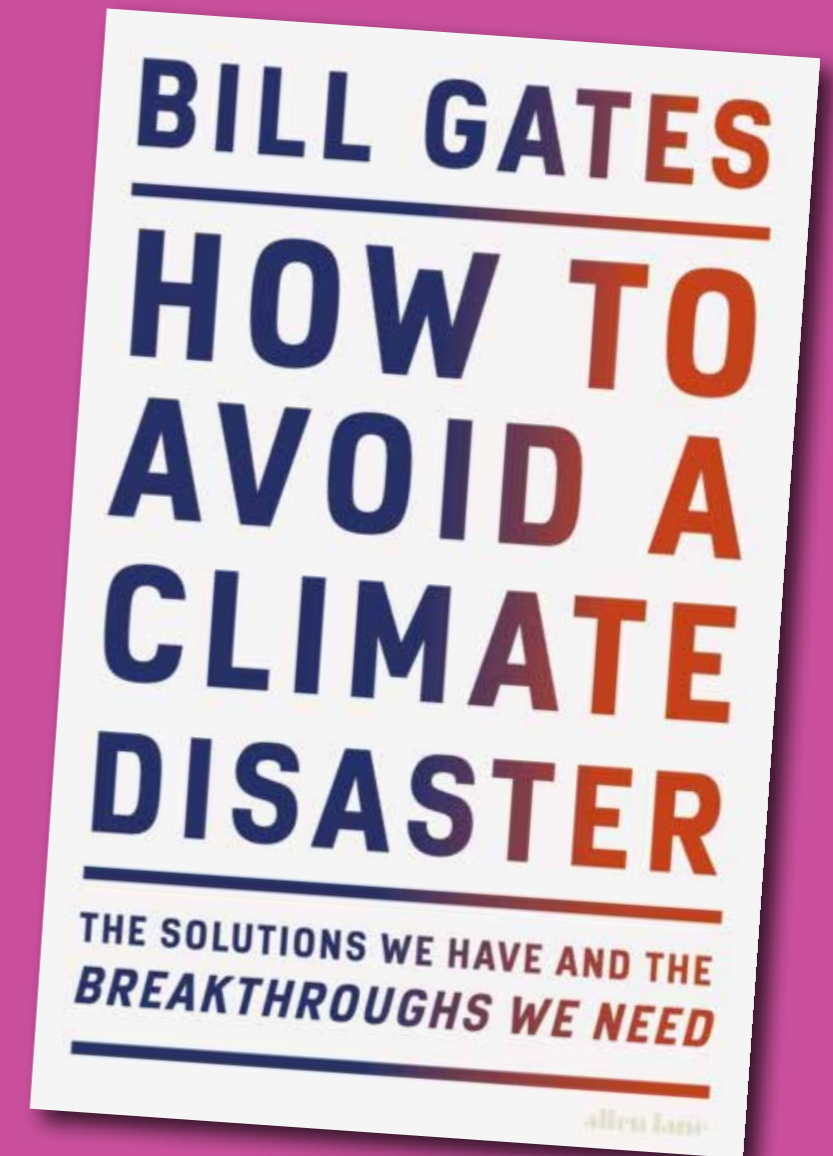
Number 1 best selling business book

Are you ready?

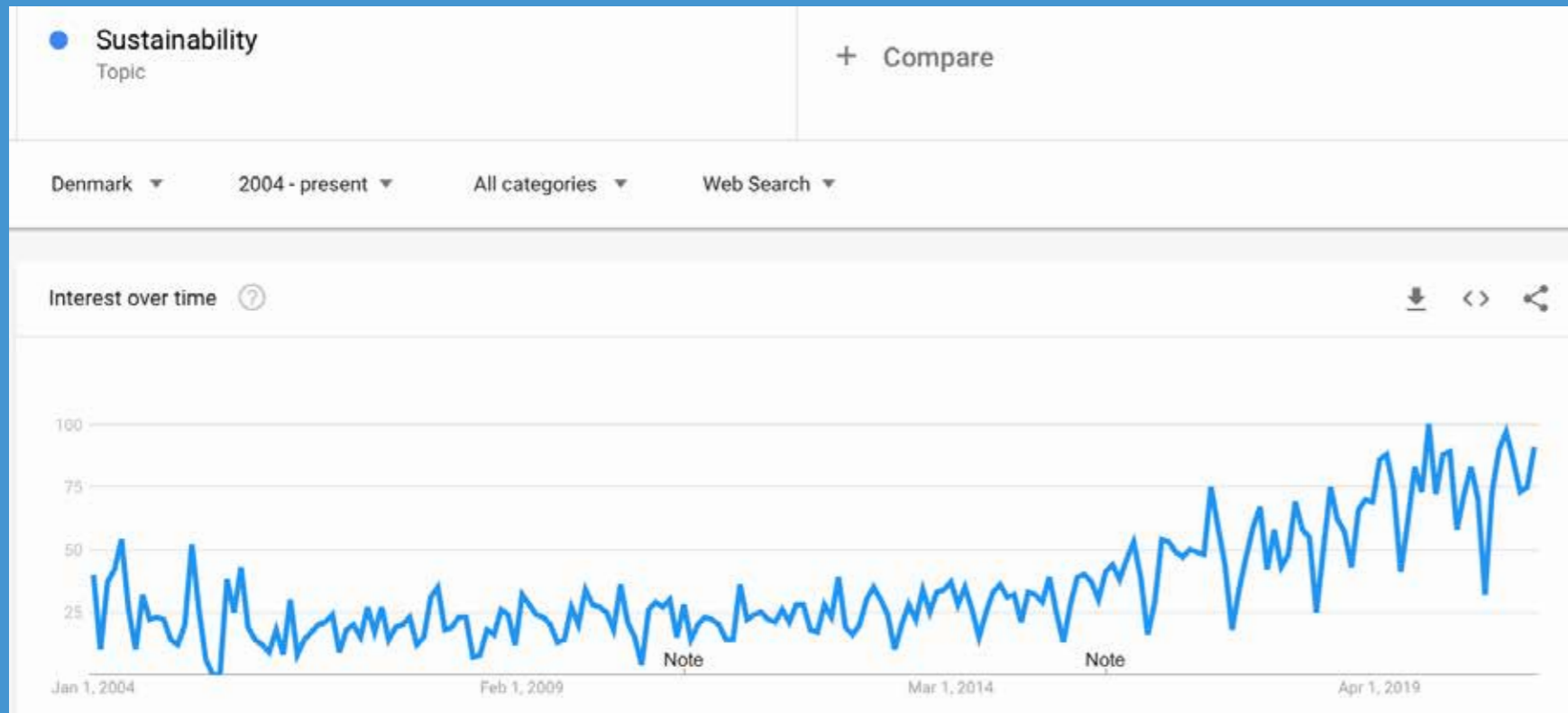
Sustainability is going mainstream. It's changing the world of B2B.

At the time of writing in early 2021, the best-selling business book is Bill Gates on sustainability. Newspapers like the Financial Times and Børsen have daily sections on sustainability. Executive bonus programs are being updated to include sustainability metrics. And LinkedIn is full of companies promoting their sustainability reports.

Now it's marketing's turn to pay attention. The CEO of Christian Hansen, one of the world's most sustainable B2B corporations, calls it, "The biggest commercial opportunity ever".



Sustainability has taken off!



As you can see from the Google chart on the left, the last five years have seen a steady and clear growth in interest in sustainability.

The United Nations, politicians, activists, and the media are all contributing to the attention. And we now regularly see consumer brands touting their sustainability credentials.

In the marketing world, what starts in B2C often ripples down the supply chain into B2B. In the following pages you will see that this is now the case.

Sustainability is B2B's new competitive battleground.



**Why market your
sustainability to
customers?**



**reasons to market your
sustainability to customers**

1: Sustainability is now a significant buying criteria

2: You need to differentiate your brand

3: Stronger brands command higher prices

4: A sustainability report isn't enough

5: Your employees want to help make the world a better place

6: The sustainability movement is growing

7: The negative consequences of ignoring the trend

8: The opportunity to make marketing meaningful



**Sustainability
is now a
significant
buying criteria**

Looking into the value chain



Companies that want to improve their sustainability profile are increasingly expecting their supply chain to contribute.

Consider the chart above, adapted from Lemvigh Muller, Denmark's largest distributor of industrial products. It shows a value chain typical of many companies.

The company's own operations (middle) are low risk in terms of sustainability but the further you move to the left or right the more the risk rises. Many companies' supply chains account for 90% or more of their overall environmental and social impact.

This is why big companies increasingly demand to work with more sustainable suppliers. And why sustainability ratings organizations are growing so fast. Ecovadis, which claims to be one of the largest, already has a global network of 75,000 rated companies.

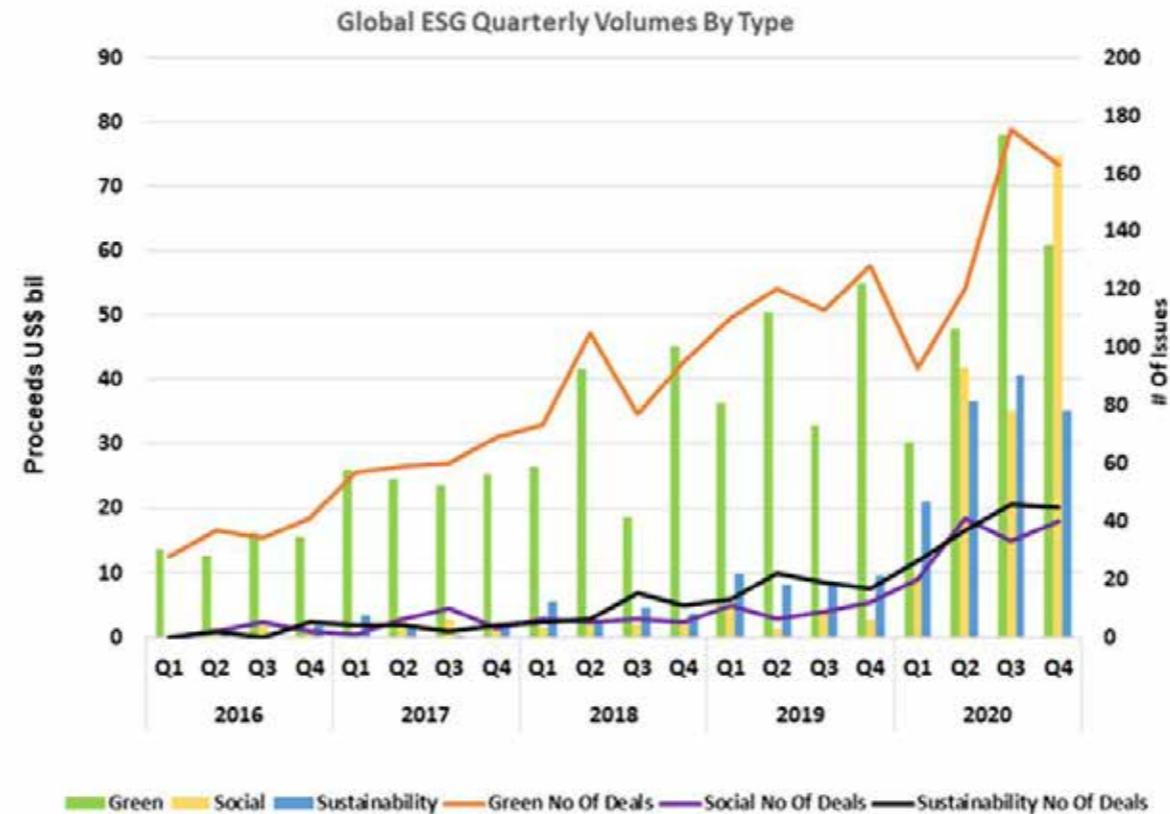


Investor pressure

Like it or not, money makes the world go around. And the growth of ESG (environmental, social and governance) investment is rapid. The days of investors only caring about financial returns are disappearing fast.

EU regulation will tighten the rules around ESG investments, increase trust and transparency, and drive demand even higher.

>>>



“I spend more time discussing ESG with investors than the latest quarter’s results”.

Alan Jope,
Unilever CEO

FINANCIAL TIMES

Half of FTSE 100 companies link executive pay to ESG targets

Investor pressure

BØRSEN

BØRSEN BÆREDYGTIG

BÆREDYGTIG

En gang om ugen skal FLSmidt levere klimadata

The currency of ESG investments is data. If you want to attract investors and capital you must be able to document your progress on sustainability issues, including in your value chain. FLSmidt, a large Danish mining and cement company, has five full-time employees gathering and reporting sustainability data to investors.

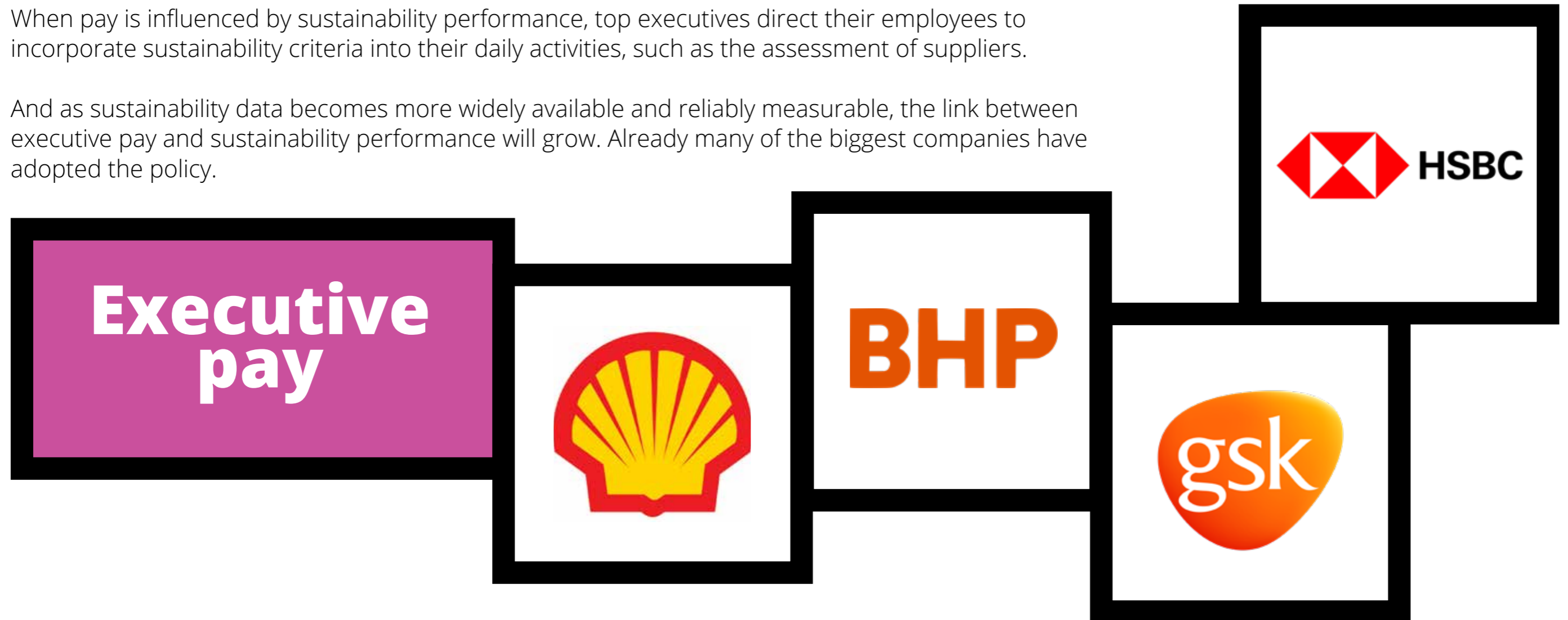
This demand for sustainability data drives corporate behaviour, influencing who companies buy from and what they buy.

The power of money is felt elsewhere on the sustainability agenda: in corporate executives' own wallets.

Over recent years there's a growing trend to use financial incentives to align corporate behaviour with sustainability objectives.

When pay is influenced by sustainability performance, top executives direct their employees to incorporate sustainability criteria into their daily activities, such as the assessment of suppliers.

And as sustainability data becomes more widely available and reliably measurable, the link between executive pay and sustainability performance will grow. Already many of the biggest companies have adopted the policy.



Examples in the media

BØRSEN

Green in 2023 - Tryg drops dirty suppliers

THE TIMES

Morrisons sets farms zero emissions target

Consumer goods giant Unilever has pledged to spend €2bn each year by 2025 with suppliers owned and managed by people 'from underrepresented groups'

PIONEERS POST

Big companies are often keen to communicate their sustainability targets and strategies – and the impact on suppliers is clear.

For example, Unilever pledges to spend €2bn per year on small and medium-sized suppliers owned

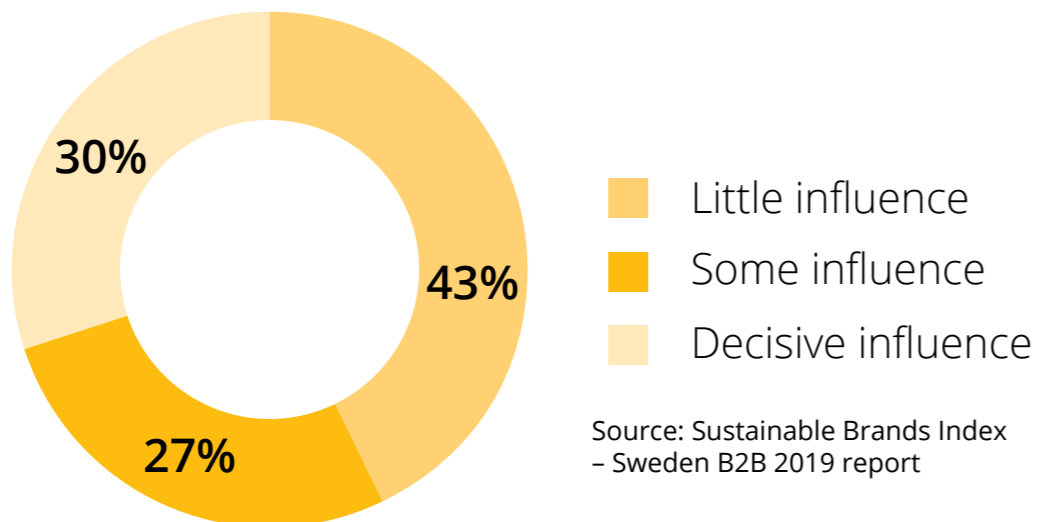
and managed by women, ethnic groups, those with disabilities, and LGBT people.

Danish insurer Tryg has new environmental requirements of its suppliers and will drop the plumbers, builders and electricians it deems 'dirty'.

But it's not only the biggest companies who are buying more sustainably.

According to Swedish research in 2019, **62%** of all B2B companies had a sustainable procurement policy and **57%** reported that sustainability influenced their final purchase decision.

To what extent has sustainability influenced your purchases during the past 2 years?



The role of sustainability in purchasing

62% of companies have a sustainable procurement policy

57% say sustainability influences the purchase decision “somewhat” or “decisively”

67% of buyers seeking to work with companies that are striving to lower their impact on the environment.

Buyers under 45 are twice as likely to prefer a brand that shares their stance on environmental and social issues, compared to buyers over 45

Source: Marketo Brand Affinity Report 2019

Generational shift



The power of purpose



68% of B2B buyers factor brand purpose into the buying decision

48% B2B brands have lost sales the last two years because they didn't demonstrate a clear sense of purpose

Source: Marketo Brand Affinity Report 2019

30% of B2B buyers will disengage from a brand whose values don't match their own

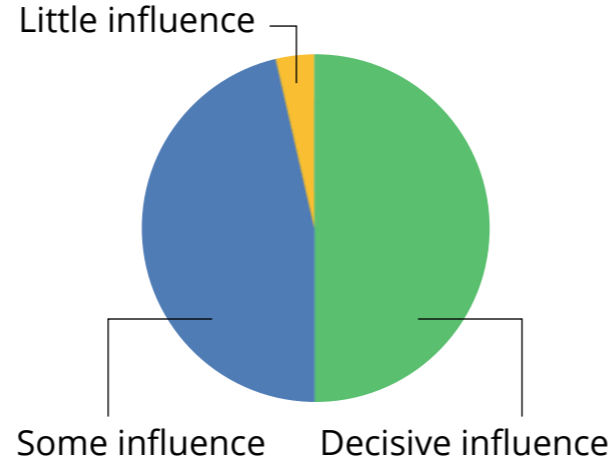
Source: Sustainable Brands Index – Sweden B2B 2019 report

Research from Magnetize in 2020 found that UK B2B sales and marketing professionals already experience sustainability as a decisive factor in winning – or losing – business.

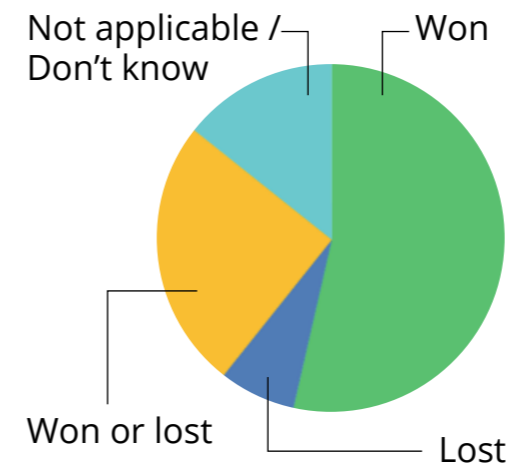
And they expect the influence of sustainability to grow in 2021.

The view of marketers & salespeople

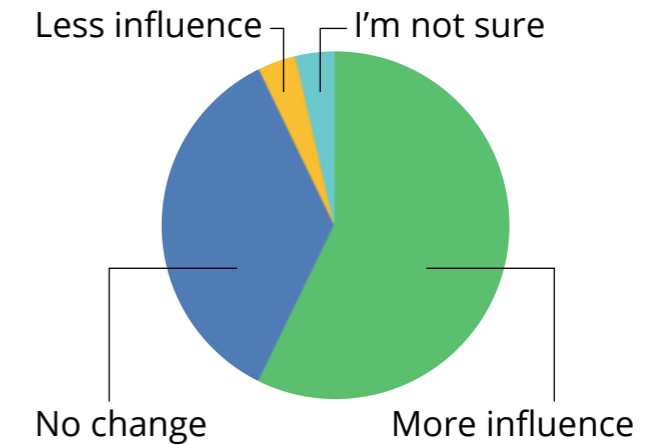
To what extent does sustainability influence your customers' and prospects' decision to buy from you?



Have you lost or won business for sustainability reasons?



Do you expect the influence of sustainability in buying decisions to change over the next year?



You need to differentiate your brand



The problem

71% of B2B customers do not feel engaged with their B2B suppliers

31% of B2B marketing and insights professionals believe their brand communicates a distinct purpose or strong USP's are all the rational arguments

Sources: Gallup, Analytics & Advice for B2B Leaders, 2019 and B2B International, Top 3 Focus Areas for B2B Brands, 2020

If you don't stand out you become a commodity and chosen on price

Many B2B products and services are perceived as a commodity, which puts the focus on price and erodes margins.

The statistics above show that differentiation and engagement are common weaknesses for B2B companies.

But it doesn't need to be that way. Sustainability is a great topic on which you can stand out and help your customers, moving the focus away from price and more towards the relationship.

Which position to claim

In any industry there's a big range in the level of investment in sustainability from one company to the next.

This chart from the food industry shows that approximately half the companies invest in the average range. Around a quarter invest less and a quarter invest more.

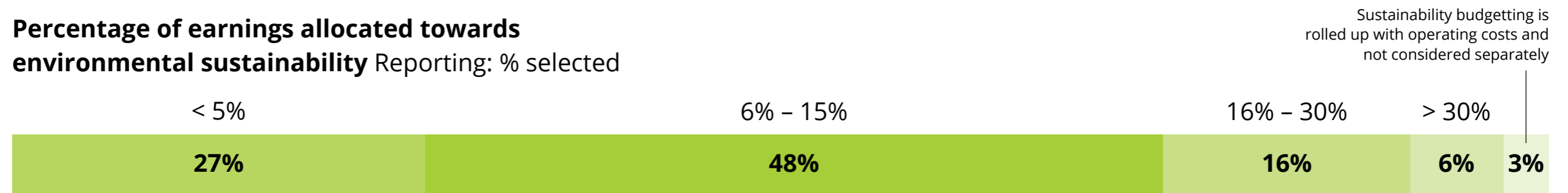
Where would your company place?

If in the left quartile, your company may simply keep up with minimum sustainability requirements required by customers and the law. You are unlikely to be able to occupy a brand position with an emphasis on sustainability.

But if you are on the right, where you lead your industry and innovate in sustainability, claiming a brand position based on sustainability is likely to be realistic.

In the middle, you might offer more sustainable versions of your products. You're likely to incorporate a sustainability message into your marketing to support your overall brand promise.

Percentage of earnings allocated towards environmental sustainability Reporting: % selected



Source: Food & Nature Digest, The Nature Conservancy, November 2020

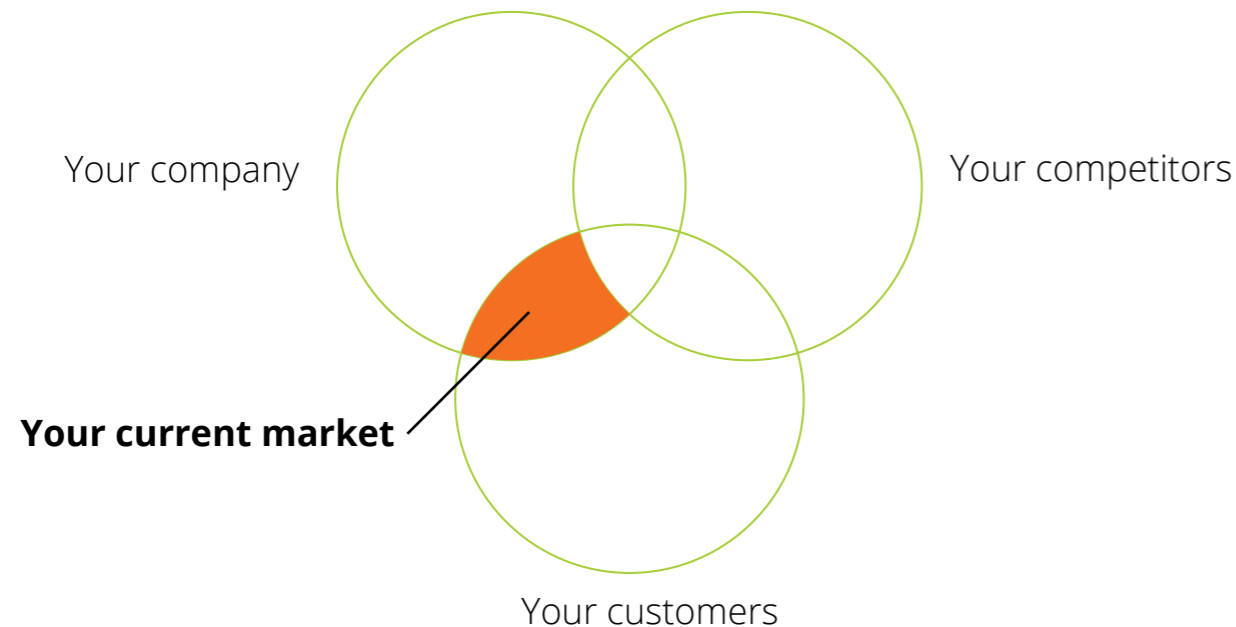
In many B2B product categories there is currently no company established in the minds of buyers as the sustainable option.

Yet as we have seen in the pages above, B2B customers value sustainability. Therefore, if you can become known for sustainability in your category, it will enhance the perceived value of your offering. Which makes it easier for customers to choose you and the sale to progress faster.

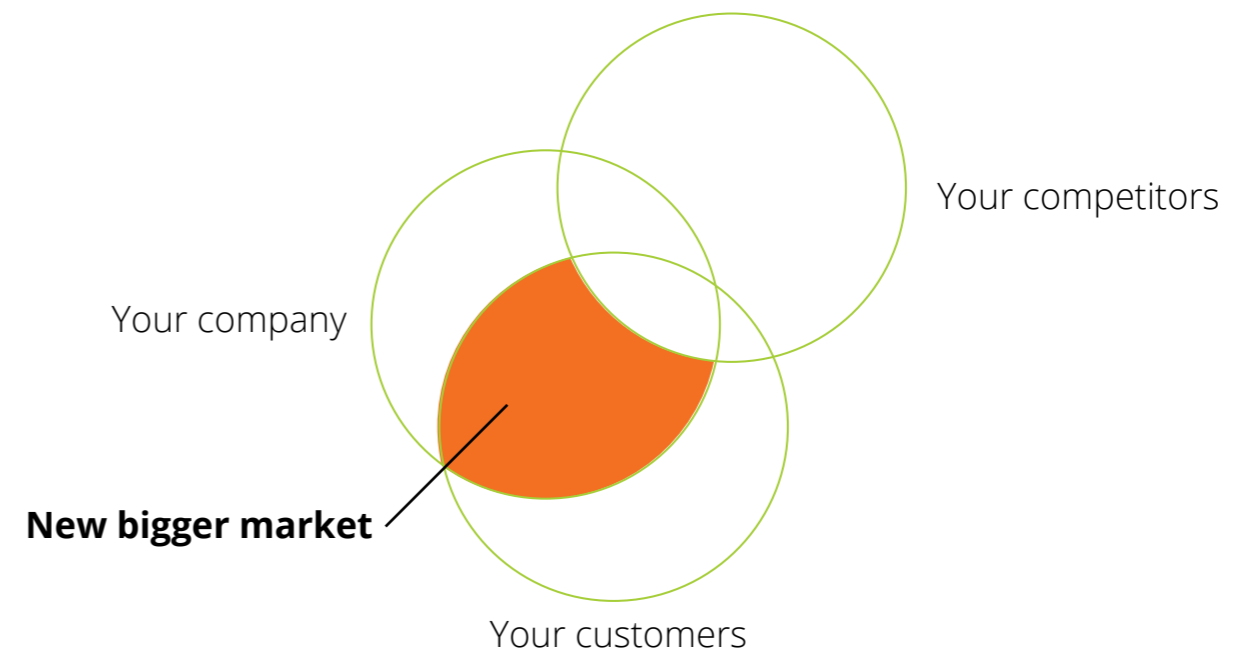
This is an incredible opportunity for the companies that move first. Far easier to claim unoccupied territory than remove a competitor who has already occupied it.

The opportunity

Competitive advantage today



Competitive advantage after repositioning



A we have seen, many B2B sales and marketing organisations are battling with commoditisation and downward price pressure, but by marketing your sustainability effectively you can differentiate and strengthen your brand.

Research shows that stronger brands command higher prices, leading to higher profitability and allowing reinvestment in sustainability initiatives.

**Stronger
brands
command
higher
prices**

**Market
your
sustainability**

**Strengthen
your brand**

**Achieve
higher prices**

A sustainability report isn't enough

The purpose of a sustainability report is to demonstrate that your company is taking responsibility.

The readers are typically investors, NGOs, industry and financial media, and interested members of the public.

Only the most dedicated buyers will scour a sustainability report in the hope of finding information that is relevant to them.

If you have a sustainability report it's a great source of content for marketing. You can create messages that appeal specifically to customers and are delivered in the channels and formats that customers use.

“We used to see the same in B2C... Today, we see diverse sustainability communication accessible for several target groups.”

Source: Creating a Culture of Sustainability, Sustainable Brand Index, 2019

Your employees want to make the world a better place

Research shows that millennials and generation z are far more sustainability oriented than generation x and boomers. In 2020 they accounted for around 50% of the global workforce. By 2025 this number will grow to around 60%.

As millennials and gen z grow in number and seniority, so they will grow in influence. Top talent will be able to select the workplaces that match not only their professional and financial needs but also their values.

A big advantage for the companies with a reputation for sustainability.

92%

of millennials say it's important to work at a socially and environmentally conscious company



After his inauguration, Joe Biden immediately set about reversing the climate denial of his predecessor. Committing USD 2 trillion to climate action in 2021 alone.

Meanwhile, the World Economic Forum, whose members are 1,000 of the world's largest corporations, continues to forge ahead with a sustainability agenda to reform 20 industries.

Make sure these companies know you're still relevant by updating your marketing to include your sustainability.



President Biden introducing members of his climate and energy team

US rejoins Paris accord: Biden's first act sets tone for ambitious approach

By Matt McGrath
Environment correspondent

© 19 February

 COP26

The movement is growing



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Global Agenda | The Davos Agenda 2021 | How to Save the Planet | Climate Change

What changes to environmental stewardship will 2021 bring? Here's what business leaders say

To address the health and economic crises, we must also address climate change. Image: REUTERS/Pascal Rossignol



According to the evidence, it seems the 2020s will be the decade of sustainable brands.

Sustainability is firmly on the agenda of all major stakeholders and buying behaviour is changing. The next 2-3 years will be decisive in establishing who the sustainable brands are. It's an opportunity to upset the status quo.

There's still white space in many industries – so now is the time to act. Far easier to claim the sustainable position when it's vacant than oust a rival who's already claimed it.



**The new
competitive
battleground**

The biggest commercial opportunity ever

“The companies that will be the winners of tomorrow are the ones capable of commercializing their innovations to address the global challenges that our world is facing. Any business that wishes to stay relevant in the future needs to recognize that “going green” is the biggest commercial opportunity ever.”

Mauricio Graber, CEO, Chr. Hansen

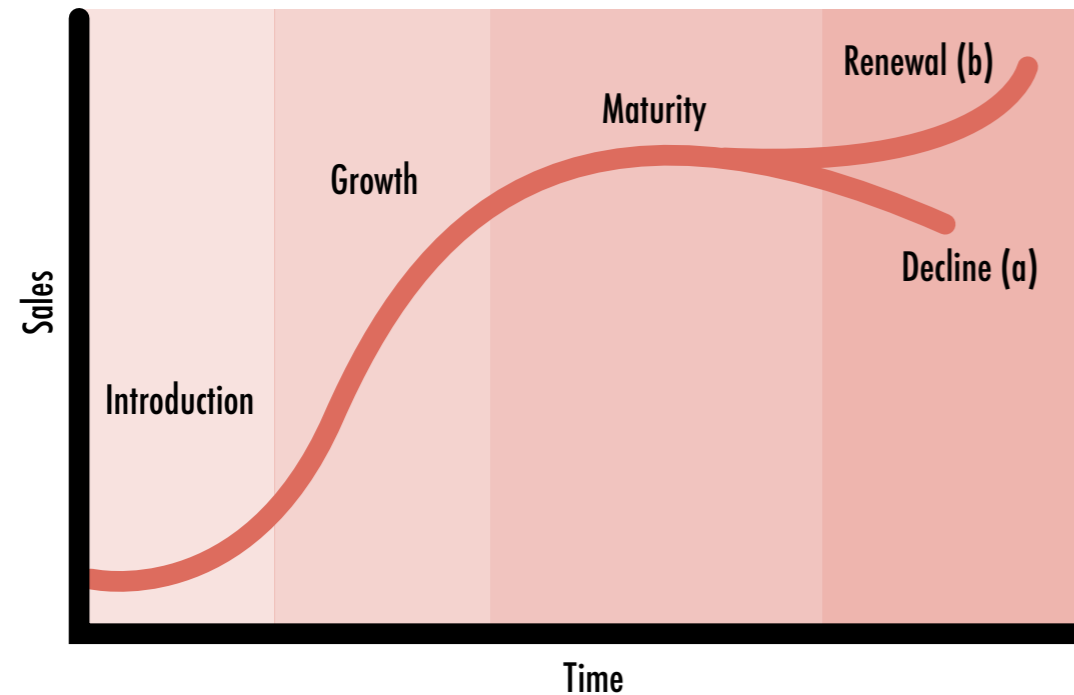
(One of the world’s most sustainable companies according to Corporate Knights’ annual rankings)



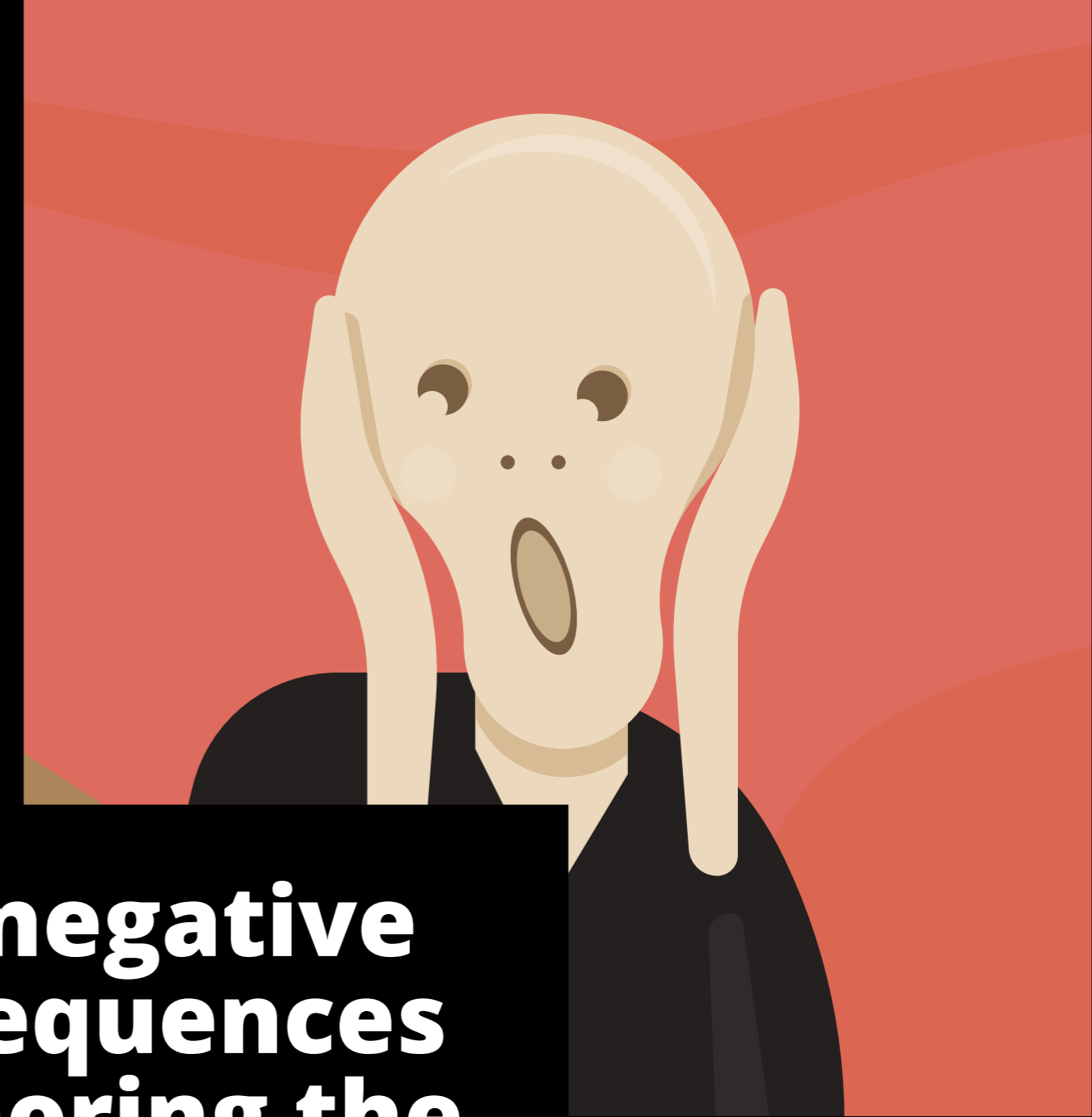
Every company has a choice to make. Do we make the most of our sustainability and turn it to our competitive advantage or not?

For the companies that fail to act, the future could be bleak:

- Declining sales may lead to financial difficulties
- Inability to attract talent and capital
- Failure to have your desired impact in the world



The negative consequences of ignoring the trend



The opportunity to make marketing meaningful



Aside from all this rational business logic, there's an extra reason why you should market your company's sustainability.

So you can feel good about your work. Look back on your career with pride. Know you helped make the world a better place.

More than ever before, marketing is important. Because without marketing, the job is only half done.

Your company is busy developing its sustainability "product". But only you can make it appealing, raise awareness, connect with buyers, and support sales.

Speeding up the transition to a more sustainable world is your opportunity. And your opportunity for meaningful work.

**Let's make
marketing
meaningful**





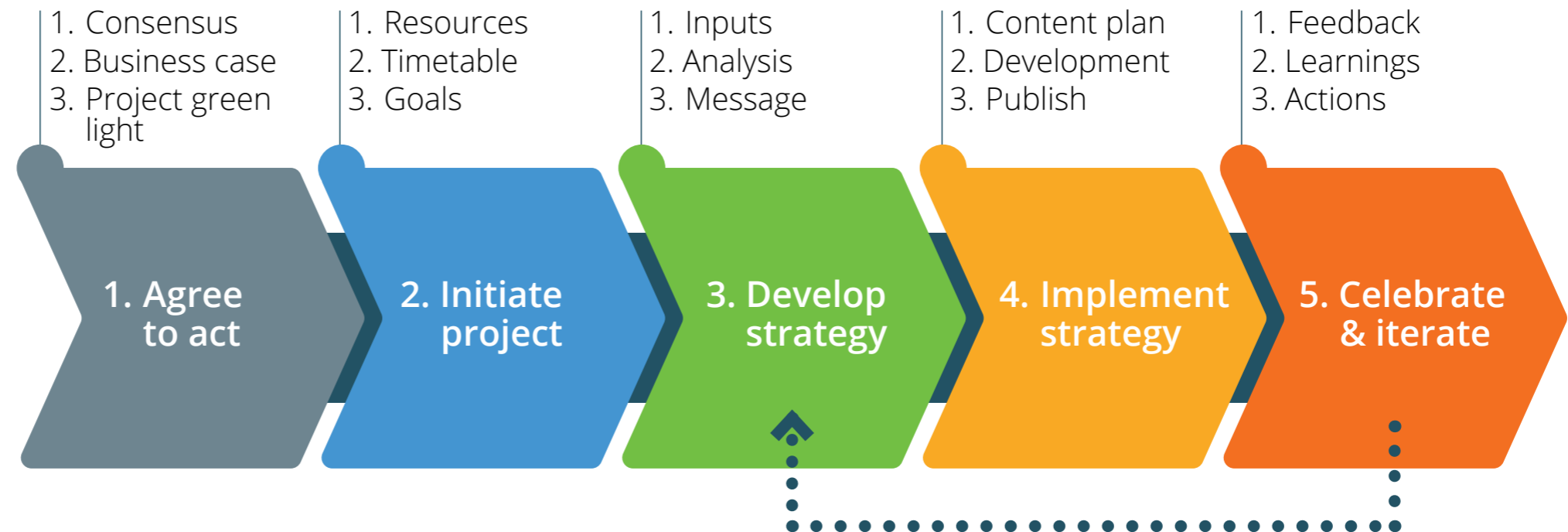
How to market your sustainability to customers

If you're just getting started with marketing your sustainability, follow these five steps to ensure you have the most impact in the shortest time.

If you skip a step your work will be less impactful. You'll have to go back and complete the part you missed.

Get it right first time!

5 steps to marketing your sustainability



5 considerations

As you progress through the five steps above, we've got 5 things for you to think about...

1
Audience

2
Message

4
Credibility

3
Company
purpose

5
Buyer
journey



Who is your audience?

Does your sustainability investment allow you to reach a new market? Such as the organisations that often prioritise sustainability, like big consumer brands and NGOs.

Is there a new individual you need to target in your marketing, for example, someone who is responsible for reducing carbon footprint?

What is the age of the person you are targeting? As we have seen, the younger the person, the more likely sustainability will be an important factor.

Roll up your sleeves, get into the details, and flesh out your buyer personas with sustainability in mind.

To have impact it's essential to get your message straight. Find the right balance between sustainability and other buying factors.

Also be clear on which sustainability factors are most important to your customer. Create a message that connects with their priorities and consider aligning it with the UN Sustainable Development Goals.

Does your sustainability mean you need to update your overall brand promise? Or does your sustainability message sit neatly under your existing promise?

How are your competitors communicating? And which rational and emotional levers can you pull?

**Get your
message
straight**





If you have a company purpose, vision or mission that is internally oriented, now could be the right time to update it. Seldom do visions of “being the number one supplier of product X” inspire your customers or employees.

Sustainability, with its attention to external stakeholders, demands that business thinks outside-in. Your company purpose should describe the kind of world you want to see. It tells your customers what you value and can help create an emotional connection.

**Review
your company
purpose**

Many companies are hesitant about marketing their sustainability. They see the frequent accusations of greenwashing but also want to enhance their reputation.

So make sure you back up your claims. Use a mix of data and stories. Real investment and long-term commitment around making your core products and services sustainable are more powerful than charitable donations.



Be credible

Incorporate sustainability across the buyer journey

Many companies only communicate around sustainability late in the sales process. Like when they receive a questionnaire from a prospect.

This is a mistake. Make sustainability part of your brand marketing and lead generation. It can help connect you to customers and differentiate your offering.

After the sale is made, keep letting your customers know about your sustainability and it will help them to feel good about the choice they made.





KLS PurePrint®

KLS PurePrint is a printing company in Denmark.

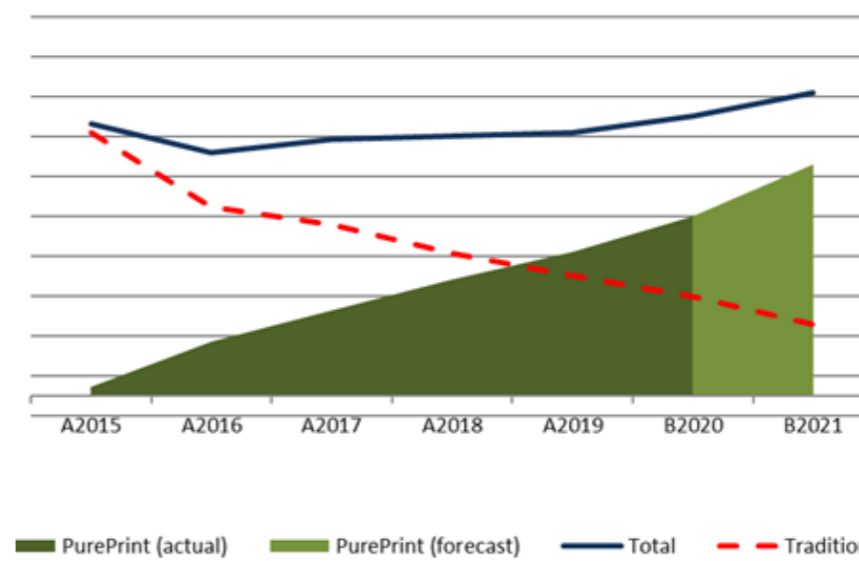
It operates in a challenging market that's declining 5-10% per year.

In 2007, there were 2,000 printers but by 2020 just 80 remained. KLS PurePrint is one of the survivors. In fact, it has grown its market share by 40%.

It's all thanks to the company's aim to become the world's most sustainable printing company. Effective marketing helped get their story on TV and radio. And pick up 150 new customers, including leading brands like WWF and McDonalds.

As they now expand into packaging, a continued investment in sustainability and marketing looks set to assure a healthy future for the company.

From surviving to thriving



COOP

PANDORA

**Moving
forward**



Need help?

If you'd like help with marketing your sustainability, you can request a free strategy session.

The first part is a 1-hour Discovery Workshop where we get to know your current situation, goals and challenges and can provide you with a readiness score.

This is an essential step ahead of part two, the Strategy Workshop, where we provide you with a plan for how to move forward to achieve your goals.

To book a meeting, call or email us.
Contact details on the last page.



My mission is to help B2B companies investing in sustainability become the preferred choice among buyers.

I have an MBA with a focus on sustainability from Copenhagen Business School and 20+ years leading B2B marketing for dozens of multinational corporations and SMEs as a marketing director and agency leader.

I use customer insights to develop powerful messages, strategies and content to make the most of your sustainability while protecting you from greenwashing, helping you turn your sustainability investment into commercial success.



MAGNETIZE

James Bryce Smith,
Magnetize:

[Phone +45 9154 0321 >>](tel:+4591540321)

[Email >>](#)

[LinkedIn >>](#)

**I want to see
sustainable
products &
services
flourish**





**If you want
pipeline and
leads your
brand has to
engage**

I thrive when our customers have success. The climate challenge is facing all of us and we all have a duty to do our bit. Having worked with international B2B companies for more than 20 years I am convinced that those companies working seriously with sustainability have the opportunity of their lifetime.

Get ahead, connect with your customers, potential customers, employees, and all your stakeholders and you will achieve personal satisfaction and see the bigger meaning of your marketing and sales efforts. A strong relevant brand is your first step towards building pipeline and get better leads.

BLUE
BUSINESS

Morten Kornerup,

Blue Business:

[Phone +45 2085 3377 >>](tel:+4520853377)

[Email >>](#)

[LinkedIn >>](#)

The logo for salling group, featuring the word "salling" in a bold, lowercase, blue sans-serif font with a horizontal line under the "l", followed by the word "group" in a smaller, lowercase, blue sans-serif font.The logo for Nilfisk, consisting of a circular icon with a stylized blue and red swirl, followed by the word "Nilfisk" in a bold, blue, sans-serif font.The logo for DUPONT, featuring the word "DUPONT" in a bold, red, sans-serif font, enclosed within a red, rounded, pill-shaped border.The logo for CAT, featuring the word "CAT" in a bold, black, sans-serif font, with a yellow triangle pointing upwards from the bottom of the letters.The logo for Novo Nordisk, featuring a blue silhouette of a cow with a blue circle above its head, and the words "novo nordisk" in a lowercase, blue, sans-serif font below it.The logo for MÆRSK, featuring a blue square with a white star inside, and the word "MÆRSK" in a bold, black, sans-serif font below it.The logo for Microsoft, featuring the four-color square icon (red, green, blue, yellow) followed by the word "Microsoft" in a grey, sans-serif font.The logo for FLSMIDTH, featuring the word "FLSMIDTH" in a bold, blue, sans-serif font, with a blue square icon to the left of the letters "FLS".The logo for DFDS, featuring a dark blue square with a white cross inside, followed by the word "DFDS" in a bold, black, sans-serif font.The logo for PHILIPS, featuring the word "PHILIPS" in a bold, blue, sans-serif font.The logo for lactosan, featuring a yellow square icon with a white circle inside, followed by the word "lactosan" in a lowercase, blue, sans-serif font.

**A few of the
companies we've
worked with**

James Bryce Smith,

Magnetize:

[Phone +45 9154 0321 >>](tel:+4591540321)

[Email >>](#)

[LinkedIn >>](#)

Morten Kornerup,

Blue Business:

[Phone +45 2085 3377 >>](tel:+4520853377)

[Email >>](#)

[LinkedIn >>](#)

