



GROWTH ANIMALS



The Progressive Leader's Guide to Ethical Marketing

By Growth Animals

Foreword

By Paul Dunn

Think with me for just a moment.

And think with me about 'moments'.

Those moments we all have which set us on a path. Those moments we all have which open our eyes to new ways of expressing, to new ways of thinking and, most importantly, to new ways of doing.

Meeting Chris Thornhill was one of those moments for me. It was very clear that Chris was at the leading edge of a change in doing things.

So when I heard that he and his team at Growth Animals had commissioned a study into ethical marketing, I knew it would be worth waiting for. It would, I knew, create many more 'moments at the edge'.

And now it's here. The resulting report gives you a profoundly insightful roadmap for helping progressive business leaders to get to that edge, through the eyes of those already making a positive difference.

Each day in my work as Co-Founder of the Global Giving Initiative, B1G1, I get up to inspire business owners to create more positive and ethical impact in their business and on our world than they ever imagined possible.

And this report from Growth Animals brings that home to you on every page.

Furthermore, true to their word, they are making it accessible to anyone, anywhere, for free, no strings attached, staying true to their belief that marketing is at its best when helpful, educational and inspiring.

So please sit back, grab a cup of coffee and get ready for some seriously important moments.

Take in the 10 questions you really need to be asking yourself so that you can bring to life ethical marketing in your business... but don't take it all as gospel. Chris and his team would want nothing more than for you to challenge them! Share your moments with them too.

And be sure that each 'moment' you experience from your reading of the report lets you make a real and lasting difference in our world too.

Paul Dunn is the Co-Founder of B1G1, a 4 x TEDx Speaker and mentor to leading-edge businesses around the world.



Executive Summary

Ethical marketing; just another marketing buzz phrase right? Wrong. Ethical marketing is fast becoming an important consideration within the wider context of business sustainability and ethics and goes right to the heart of a business's purpose and core values. Through our survey and collection of conversations with progressive business leaders, the consensus that emerged was that ethical marketing is fast becoming a crucial part of overall business practice.

Cynics say marketing can never be ethical; that it is simply a vehicle for driving additional consumption that the individual and particularly the planet, does not need. And the core tactics employed by marketers are, they say, manipulative and intrusive. One must admit that this is often true. And it's not just the cynics. In our survey of 60 progressive business leaders and extended conversations, only a tiny minority felt that the marketing industry is currently ethical. There is, however, another way; a way that, through this guide, we aim to prove is already alive and thriving in businesses throughout the continent.

For this version of marketing, its role is to educate and empower

consumers to make better choices and to substitute consumption decisions, rather than make unnecessary new ones. In this version of marketing, the tactics are helpful and inspiring, not intrusive or manipulative. It enables businesses to grow both their bottom line and their positive impact on society.

In this guide, you will learn the 10 questions you need to ask yourself, that will enable you to bring an ethical marketing agenda to life within your business, told through the real life opinions and stories of some of the world's most forward thinking business leaders. We hope you find it both informative and inspiring.



The 10 Questions

- 01** Is your brand purpose genuinely ethical?
- 02** Could your marketing be more educational?
- 03** Could your marketing influence smarter consumerism?
- 04** Can your history inform today's challenges?
- 05** Are your marketing tactics genuinely ethical?
- 06** Can you utilise ethically superior platforms for your ad spend?
- 07** Is your website a heavy polluter?
- 08** Are you addicted to discounting?
- 09** What are you waiting for?
- 10** How will you measure your positive impact?



Morgan and Elaine Arnell founded Crumbs Brewing in 2017. Horrified by the amount of wastage their local artisan bakery, Chalk Hills, had to deal with, they set about trying to find a new purpose for one lovingly crafted artisan product, by creating a new one - beer! Since that first day in 2017, Morgan and Elaine have been driven and informed by their overriding mission to make waste wonderful. It informs their product ideas, their partnership choices, their investment decisions and of course, their marketing. Their devotion to this purpose also means that, while they are not alone in the category of beer made from bread, they are committed to always going one step further in being the truest reflection of that purpose.

As Morgan is keen to stress, "We don't just take any old unsold breadcrumbs and turn them into beer. Each of our

beers comes from a specific type of bread, from our partner artisan baker, which means that each variant has a unique story and unique flavour profile to match." Despite food waste being one of the biggest drivers of climate change, the Crumbs team are conscious that they won't be able to save the world through their brewery alone, but their purpose constantly inspires them to improve and informs their marketing, to champion those who are keen to do their bit. They're a perfect example of the importance and power of a truly ethical purpose.



Could your marketing be more educational?

In a world of sound bites, polarised politics and fake news, in which brands often espouse subjective opinions designed to satisfy their consumers' confirmation bias, it's often hard for people to tell the difference between fact and fiction. This elevates the importance of brands to educate, not just around the benefits of their own products, but also around the associated benefits of choices linked to their purpose, through well researched and scientific fact.

Heather Nicholson, founder of One Green Bottle, is dialling this sentiment up to eleven and is studying quantitative system dynamics, in the hope that it will enable her to pull together mathematical formulae around the optimal way to defeat climate



change.

Coming from an industrial background, Heather knew the dangers of plastics all too well and so created a stainless steel bottle brand that prides itself on being high performance with low impact. Made from responsibly sourced, sustainable materials, each bottle should also last a lifetime. Furthermore, for each One Green Bottle sold the business collects 25 single-use plastic water bottles from ocean bound trash. They have also invested in recycling processes and are making caps from discarded fishing nets.

Despite this, Heather admits that they are not perfect and that they (and all organisations) should continually strive towards reducing their environmental impact. Key to this is the role of education, to ensure that she and her team are best informed to make the optimum positive impact, but further still that her consumers are informed about the most effective actions they can take to protect our planet.

Could your marketing influence smarter consumerism?

It's easy to say that most marketing is unethical, because it encourages people to buy and consume things that they don't need. This is despite there being a number of categories in which one could make a strong case for the fact that the promotion and consequential purchase of their products or services provide happiness, health, or various other beneficial side effects. One area of marketing, however, elevates itself higher on the ethical spectrum, and that is the area of sustainable substitution marketing.

Paul Hargreaves is CEO of Cotswold Fayre, a leading speciality and fine food wholesaler and one of the first UK companies to achieve B-Corp status. He firmly believes that marketing is at its best when making people aware of sustainable alternatives, which in the case of Cotswold Fayre means, "encouraging people to eat better, not more."

His team uses their marketing to educate people about food substitutions and the impact those substitutions have on the individual, their community and the

environment. As a B2B focused business, in real terms it means influencing their customers to stock foods that have lower carbon footprints and better ethical sourcing.

When asked whether substitution marketing is something unique to the food and beverage industry, Paul was quick to highlight that the theory can work in many other categories, such as sustainable fashion and even the motor industry, in promoting electric over petrol. The sinners for him were those industries that still encouraged unnecessary consumption and hard bake in obsolescence, such as mobile phones and tech, with their back-end support systems that artificially switch off, forcing people to buy new phones that, in reality, they don't need.



Can your history inform today's challenges?



The dawn of a new ethical era in marketing and all round corporate accountability, presents opportunities and challenges for all businesses, but for those organisations that have existed for decades or centuries, single-minded historical focuses on profit alone can prove to be a stumbling block. When Coutts bank attempted to modernise and become an ethical bank through its 2021 B-Corp accreditation, it created a significant amount of controversy, as people struggled to see past recent sexual harassment scandals and their historic links to the royal family.

Jaap Röell, MD of Roxburghe Estates, knows firsthand the challenges of reimagining the narrative of a centuries-old brand, as it attempts to stride forward in an increasingly critical world. Home to eleven successive Dukes of Roxburghe since 1721, Floors Castle and the Estate that it sits upon, is today like many historical British estates, a thriving commercial enterprise that welcomes thousands of visitors every year.

Jaap is pragmatic about the Estate's

ethical and sustainable activity, pointing out that, "for family businesses such as ours, they have always been proponents of ultra long term sustainability, in order to enable their estates to thrive and to successfully be passed down from generation to generation."

Where he is more cautious, is in the knowledge that the historic motivation behind those principles was rarely altruistic and more often born out of a desire to retain a certain level of wealth and lifestyle within a close clique. He's therefore conscious that a fine line needs to be crossed between doing the right thing by way of the local community and environment, such as supporting affordable housing or forestry conservation, while also not overly boasting about these ethical activities through marketing, as the silver spoon comments are rarely too far from the surface.

Ultimately reshaping a heritage brand is entirely possible, but requires a delicate touch, in which such stories are told more sympathetically over time.

Are your marketing tactics genuinely ethical?

Often overlooked, but widely considered a scourge of the industry, unethical marketing tactics create tension between consumers and brands, as both parties oblige in a zero sum game, often just because 'it's how things have always been done,' or 'because everyone else does it.'

When one is confronted with tactics, such as false scarcity (the practice of always creating a sense of urgency for a sale, using tactics such as count down timers, flash sales, etc), it quickly becomes apparent how frequently these tactics are used, often by some of the worlds biggest and most respected brands. These tactics are unethical, because they create feelings of anxiety and stress in the consumer and they have the power to make someone purchase a product or service that they otherwise might not have purchased.

When our pool of progressive business leaders were asked, 'what's holding companies back from doing ethical marketing?' Over half highlighted their top reasons as being that it 'opens up opportunity for scrutiny, if not completely ethical,' that the 'ad platforms' had too much power', 'that there is no blueprint to follow' and that they were 'under pressure to deliver immediate results.'



Can you utilise ethically superior platforms for your ad spend?

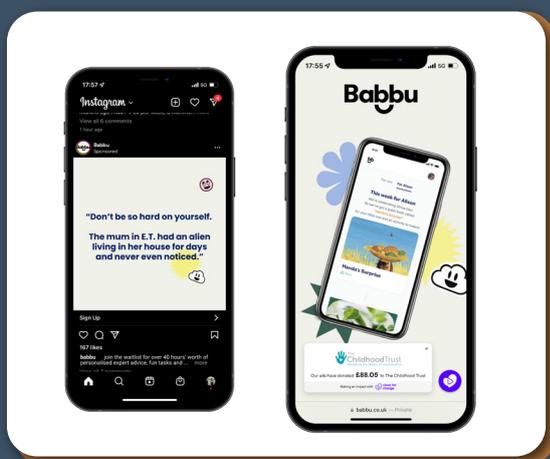
It's no wonder that the best intentioned business leaders and marketers resort to the same tried and tested ad platforms and tactics, with ethics that are, at best, dubious. However, hope is very much on the horizon. Lately we've seen the rapid emergence of ethical alternatives that not only do good, but also deliver demonstrably better ROI, such as the environmentally friendly search engine, Ecosia, and the in-built charity donating video advertising platform, Good-Loop.

Nicola Telford is CEO & Co-Founder of Views For Change, one of a growing number of start-ups that are creating solutions at the intersection of ad-tech and impact, enabling brands to advertise both ethically and effectively. The platform enables advertisers to reward their audiences when they

click on, or view their ads, with a donation to a cause that's close to the business's heart.

It works across adverts on the big social networks, Facebook and Instagram and at a time when scrutiny over the negative impact of social media on our mental health is at an all time high, Nicola admitted that some of her clients are seeing her platform as a form of 'social offsetting'. The key advantage that Nicola sees in this approach is the benefits that it provides for her clients. "We're proud of the fact that our platform both rewards consumers for viewing advertising and delivers better results for our clients, thanks to how positively received the donation gesture is viewed by social media users."

An example of the better ROI, is the fact that viewership of adverts adopting this approach, improves by an average of 28 seconds. One can only hope therefore that Views For Change quickly becomes one of a number of clever tech solutions to bring digital marketing back from the precipice of its currently unhealthy reputation.



Is your website a heavy polluter?

As the saying goes, “charity begins at home”, and so does ethical marketing. For there is no good concerning oneself with choosing the right media or tech partners to promote one’s brand, if the foundations it is built on are not ethically sound. One such area that is fast gaining traction and attention, is the importance of low carbon websites.

Vineeta Greenwood, Co-Founder and Account Director of Wholegrain Digital, a London-based web development agency that works exclusively with positive businesses and charities, told me that the key to developing an ethical website is, “to leave greed at the door and focus on the problem you’re looking to solve for your customer, which in our case is, how ethical businesses amplify their voice digitally.”

But what does this mean in practice? For starters, it means simplifying the lives of your customers by adopting the ‘less is more’ philosophy. Minimising dwell time and ensuring that it’s as easy

as possible for the customer to solve their specific problem on your site, is ultimately a sign that you’re treating their time with respect. Furthermore, by using images that are only the size they need to be and no more and by maximising effective use of text, it lowers the bandwidth required to run your site, which has the dual benefit of increasing load speeds (convenient to the customer and good for your SEO rankings) and lowering emissions, thus improving the sustainability of your offering. Finally, considering accessibility, whether that be to help with physical or visibility impairments, as an important step in the web build process, will help ensure that your digital ‘shop window’ is suitable for everyone and ethically fit for purpose.

If you’d like to see whether your website is a heavy polluter, check for yourself at websitecarbon.com.



Are you addicted to discounting?



Discounting, in particular the bargain basement kind that we see during periods such as Black Friday or flash sales, creates feelings of loss aversion amongst potential consumers, whereby the fear of missing out on the best price causes people to behave irrationally and make bad choices, which in the case of discounting, leads to purchases they might otherwise not have made. This artificial stimulation of demand cannot inherently be ethical but, done the right way and for the right reasons, it is not an entirely unethical tactic. When used as a reward rather than bait, or when used to clear old stock, rather than as a loss leader, this age-old tactic has merits worthy of consideration.

Shaun Russell is founder of Skandinavisk, a Scandinavian-inspired fragrance brand for body and home, with products designed to leave a lighter footprint. He recently made the bold decision to cap the appeal of short-term sale periods in tandem with prioritising the delivery of continuous value to their most loyal customers by creating a flexible subscription box service. Now, subscribers always receive the most punchy discounts, with up to 20% off regular prices, free shipping, and a free gift in every delivery.

For Shaun, this is the first step towards a world in which Skandinavisk (and ideally all progressive brands) look after their regular customers first and foremost. When asked why they took this move, he replied that,

"they had felt that their marketing had been guilty of stimulating artificial demand which didn't match their overall values and B-Corp way of doing business." While he emphasised that it is far more rewarding to service a regular customer than to constantly chase after more predatory bargain hunters, there is also an additional environmental benefit, as it means orders get delivered straight from their warehouse to the customers door, thus cutting out all incremental transport emissions, such as Amazon distribution centres, or a customer driving to a shop to purchase the product. Ultimately Shaun aims to prove through this model that loyalty pays, both with regards to the prices and rewards it gives, along with the impact it can have on the environment.

Responsible discounting and pricing is a crucial part of being an ethical marketer, due to the power it has over the consumer. Research published in the British Medical Journal*, showed how reverse engineered price hikes (eg. \$5.99 - \$6.00) are powerful enough to impact an individual's motivation to stop smoking, so it's evident how even the tactical use of 99 pence or cent price tags, have the power to manipulate and exist only to benefit the seller. Ultimately, using a clear and transparent price point, is helpful to the consumer and enables them to best evaluate the said product or service, based on its merits.

What are you waiting for?

One question that people appear to be split on, is whether ethical and sustainable business practices act as a competitive advantage more so now than it might in the future. The vast majority of our respondents saw it as being a source of competitive advantage for organisations today and largely agreed that it would also be true for organisations in ten years time. The opinion splits by those who feel consumers haven't yet prioritised these principles enough over cheaper alternatives, but may well do so more in ten years time, vs those who feel the competitive advantage might already be at its peak or peaking, whereas in a decade, ethical business practice will have become a hygiene factor.

Katie Clarke, Co-Founder & CDO of Clic, the UK's first climate neutral certified accountancy firm, sits firmly in both camps. "While it's a nice thing and the right thing for us to be climate neutral certified, it's not what currently draws people to our business over another accountancy practice." For Katie, there is a concern that, while people likely do have their own environmental concerns, it is not a conscious part of their decision making process in relation to their companies finances. In that hierarchy, cost and level of service come first.

She does however agree that the peak of the curve is coming soon and that in ten

years time, it might no longer be a USP and will be more of a right to enter. This was a view echoed by Paul Hargreaves of Cotswold Fayre, who felt that in his sector of food & drink, where there are more B-Corps than in any other category, ethical practices are fast becoming a right to play.

The expectation too seems to fall faster on premium brands, as the businesses tend to have the margins to invest in more sustainable resources and the consumers have the disposable income to pay an 'ethical premium'. Over time that premium will come down, but Katie is happy to draw the parallel between ethics and value, and hopes that it stands as a marker of the type of people prospective customers would be working with if they chose to do their accounting with Clic.



KPI. It sits at the heart of their business, with equal weighting to their financial KPI's, featuring heavily in every board meeting, which also includes a sustainability consultant, who is brought in to attend quarterly meetings, lead on new initiatives and move forward their score year on year. When asked whether the B-Corp framework also influences their decisions around marketing, Tim responded that, "it drives us to always think smarter, so for example, when we were exploring tasting cards to place in workspaces around our machines, we made sure to use Woodland Trust accredited card and sourced stands for the cards made from locally reused wood." Originally B-Corp certified two years ago, it's clear to hear, when speaking to Tim, that the ethical values

that underpin the B-Corp movement, are shining brightly across Amamus and influencing decision making in all manner of positive ways.

To see whether your business is ready to be B-Corp, take the free [B-Corp impact assessment](#).



Summary

For the modern day ethical business, marketing is the next horizon to get right, following on from the natural first steps of sustainable supply chains, better people policies and environmental considerations. As this guide has demonstrated, there is great inspiration all around us for how best to achieve ethical nirvana, but it can indeed be distilled down into two simple principles:

01

Ground your marketing in a truly genuine ethical purpose that can become an inspiring springboard for all communications.

02

Always hold a mirror to the tactics that underpin the activity, to ensure that your marketing is helpful and inspiring, not intrusive or manipulative.

By combining these two principles, you will have set in place the foundations for marketing that can grow both your bottom line and positive impact.



Sources

- [Growth Animals ethical marketing survey](#)
- [Deloitte survey into consumer attitudes to environmental and ethical sustainability](#)
- [British Medical Journal study into left-digit price effects on smoking cessation motivation](#)



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