

Consumers expect companies to create positive change

A new study shows that consumers are more likely to engage with your business if some of your profits go towards creating positive social change. This is according to a recent study by consumer measurement and information company, Nielsen.

The study – a Global Survey on Corporate Social Responsibility – polled 30,000 consumers in 60 countries to understand how passionate consumers are about sustainable practices when it comes to purchase considerations; which consumer segments are most supportive of ecological or other socially responsible efforts; and which social issues/causes are attracting the most concern.



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The results showed that 55% of online consumers say they are willing to pay more for products and services provided by companies that are committed to positive social and environmental impact.

It is not very surprising that consumers would rather do business with companies who dedicate some of their profits to creating positive change in society – especially in developing countries.

“Consumers around the world are saying loud and clear that a brand’s social purpose is among the factors that influence purchase decisions,” said Amy Fenton, global leader of public development and sustainability, Nielsen. “This behaviour is on the rise and it provides opportunities for meaningful impact in our communities, in addition to helping to grow share for brands.”

While it must be noted that the results are based on claimed behaviour rather than actual metered data – and that the online audience represents, perhaps, younger, more affluent respondents – they certainly show a shift in the way in which consumers are making decisions.

It seems that it is no longer enough for a company to spend millions on simply advertising to persuade consumers to buy their goods. These days, consumers expect more from big business. They are aware of the inequality between those who have and those who do not – and know it is time for business to cough up, and participate in practices, projects and events that make a difference in the community.

Sun International CEO SleepOut

One event that calls on business leaders to give back is the Sun International CEO SleepOut, which sees business leaders, companies, influencers and entrepreneurs spend a night outdoors, raising funds and gaining empathy for the homeless. With these groups as its participants, the CEO SleepOut has raised over R34m for beneficiaries in the last two years.

“It has attracted some of South Africa’s leading brands. In addition, while they are helping fix social issues, they are also going to be attracting these socially-conscious consumers,” says Yusuf Abramjee, ambassador for The CEO SleepOut.

Nielsen reviewed retail sales data for a cross-section of both consumable and non-consumable categories across 20 brands in nine countries. “These brands either included sustainability claims on packaging or actively promoted their sustainability actions through marketing efforts,” it reports.

“The results from a March 2014 year-over-year analysis show an average annual sales increase of 2% for products with sustainability claims on the packaging and a lift of 5% for products that promoted sustainability actions through marketing programmes. A review of 14 other brands without sustainability claims or marketing shows a sales rise of only 1%.”

“It is clear that consumers are asking business to use their profits for purpose. Now, will businesses listen up? If they do not, it appears they would be facing a drop in turnover and hopefully that thought will scare them into action,” concludes Abramjee.

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