




FIFTY SHADES OF GREEN
THE CONSUMER & SUSTAINABILITY
PROF. GINO VAN OSSEL



1



2



4

1



THE CONSUMER EXPOSED

5



brown consumer
(the minority)



light green consumer
(the majority)



dark green consumer
(a niche)

6



dark green consumer
(a niche)



fear → control

7



dark green consumer
(a niche)



fear → control

8



brown consumer
(the minority)



indifferent or negative

9



10



11



12



light green consumer
(the majority)



enjoy & care



13

2



CUSTOMER VALUE EQUATION

14

McKinsey
& Company



Consumers care about sustainability—and back it up with their wallets

A joint study from McKinsey and NielsenIQ examines sales growth for products that claim to be environmentally and socially responsible.

The information is confidential and for internal use only. It is not to be distributed outside the company. © 2022 McKinsey & Company. All rights reserved.

NielsenIQ

“tracking dollars instead of sentiment”





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600,000 product SKU's
44,000 brands

32 categories in food, beverage, personal care & household

93 claims reduced to 6 types: animal welfare, environmental, organic, plant based, social responsibility and sustainable packaging

5 years ('17-'22) in the US

“Consumers care about sustainability—and back it up with their wallets”, McKinsey Feb '23 (analysis by NielsenIQ based on actual sales of 600,000 SKU's in the US – cumulative growth 2017-2022)

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**FMCG products
with a sustainability
claim grow**

40%


**faster than
those without**



"Consumers care about sustainability—and back it up with their wallets", McKinsey Feb '23
(analysis by NielsenIQ based on actual sales of 600,000 SKU's in the US – cumulative growth 2017-2022)

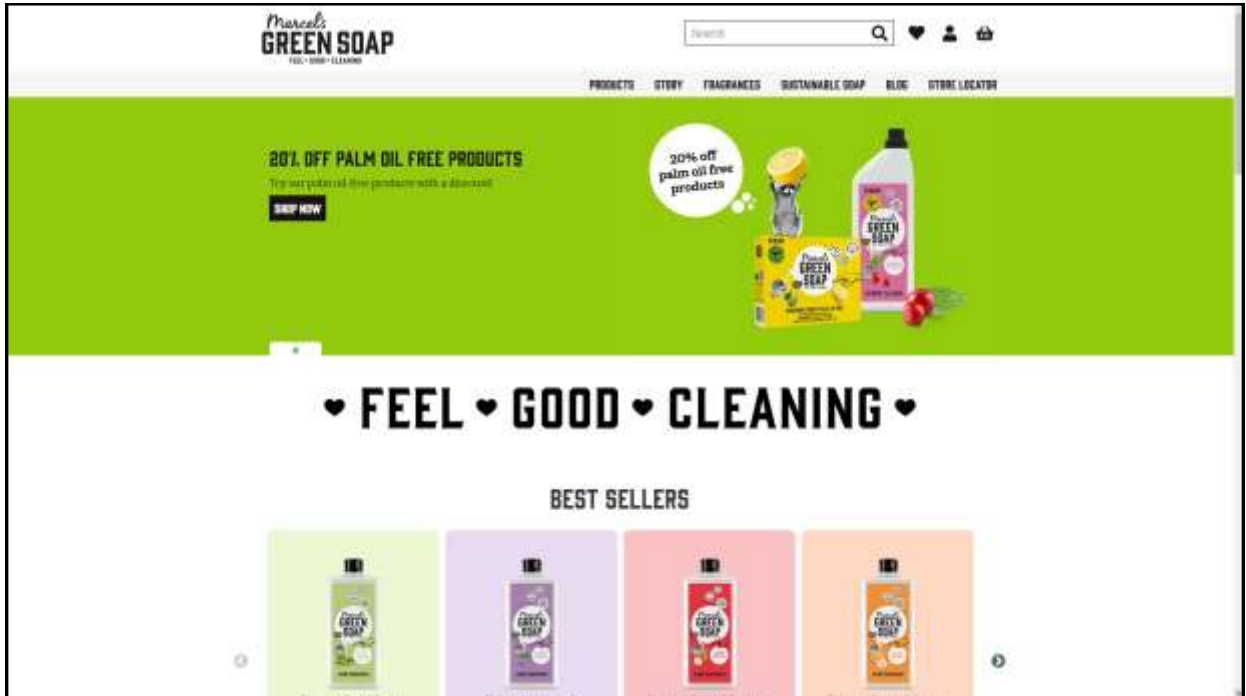
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CUSTOMER VALUE EQUATION

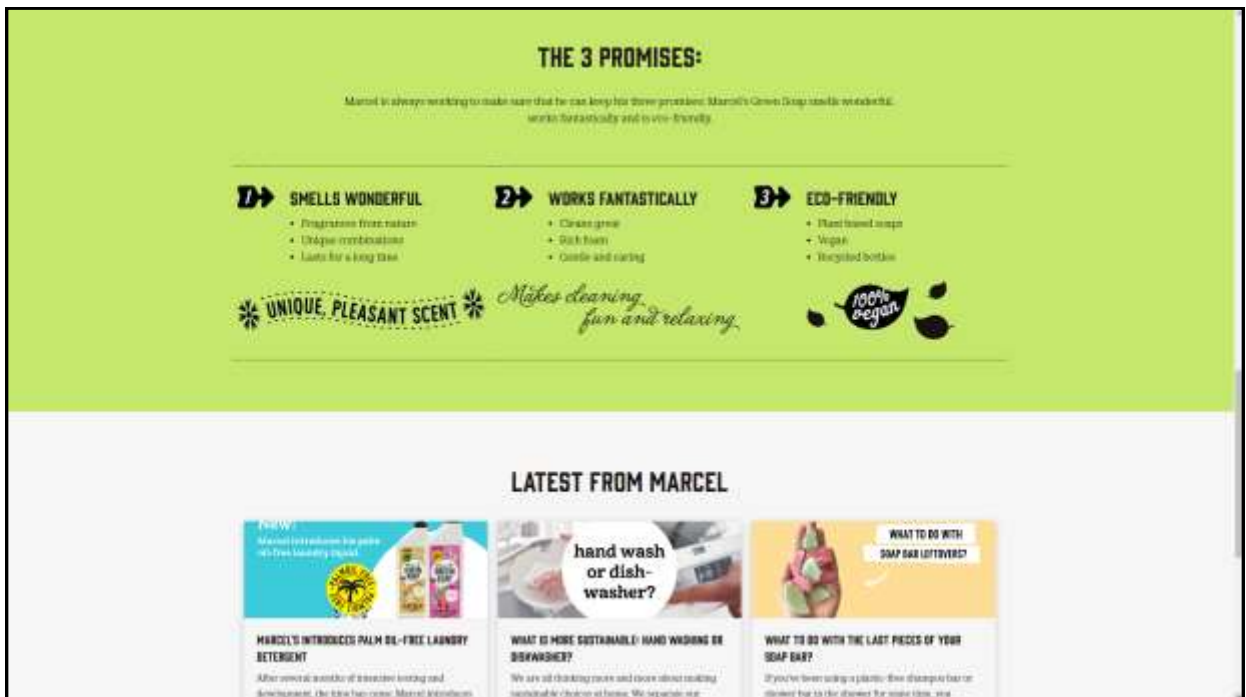


$$\text{customer value} = \frac{\text{functional \& emotional benefits}}{\text{price + effort}}$$

18



19



20

CUSTOMER VALUE EQUATION



clean
smell

97%
biodegradable

functional & emotional benefits

$$\text{customer value} = \frac{\text{functional \& emotional benefits}}{\text{price + effort}}$$



21

CUSTOMER VALUE EQUATION



=
clean
smell

+
I like 97%
biodegradable

functional & emotional benefits

$$\frac{\text{functional \& emotional benefits}}{\text{price + effort}}$$

22

CUSTOMER VALUE EQUATION



=
clean
smell

**I want 100%
biodegradable**

functional & emotional benefits

price + effort
+ +

23

CUSTOMER VALUE EQUATION



-?

clean
smell

?

functional & emotional benefits

price + effort
= =

24

3



HOW ABOUT YOU ?

25

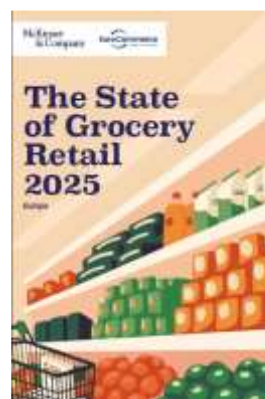
A VERY SPECIFIC CONTEXT...



**mass,
not niche**



**high
involvement**



**indirect
sales**



**strategic
category**

26

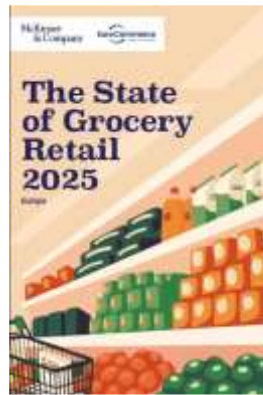
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27

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French baguette gets Unesco heritage status

30 November 2022

Flora Drury
BBC News

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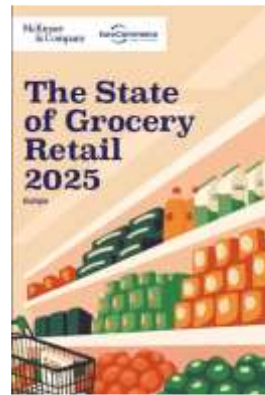
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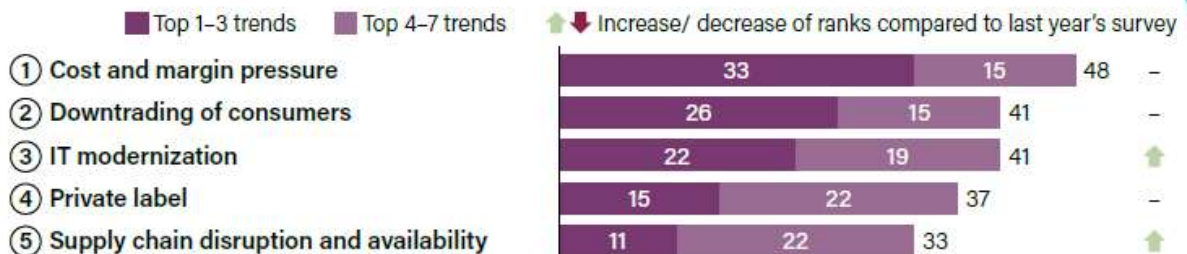
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29

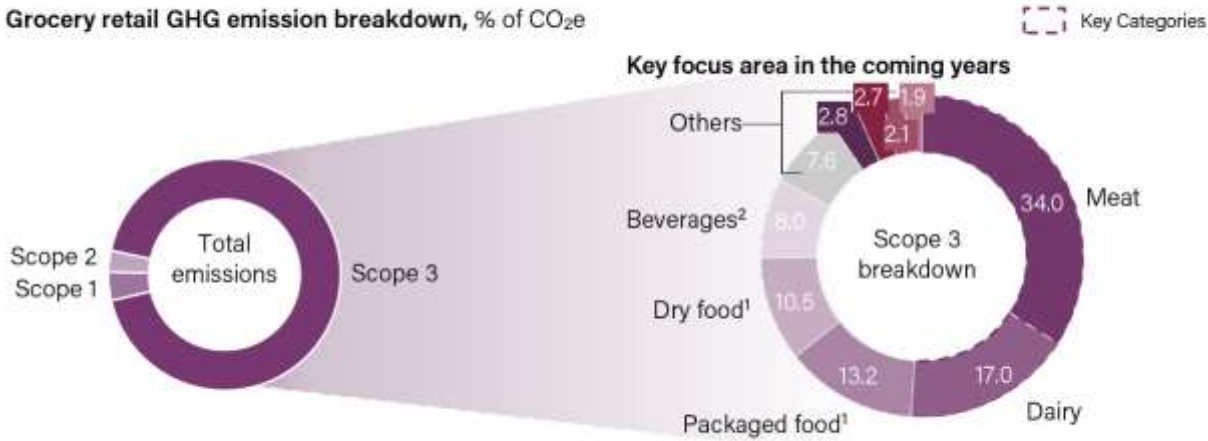
TOP 15 TREND MENTIONED BY CEO'S



30

The equation for Scope 1 and 2 is directionally solved and accounts for a minor share of emissions, while Scope 3 remains a key issue.

Grocery retail GHG emission breakdown, % of CO₂e



¹ Processed meat, processed seafood and others (pizza, ready meals, soups, etc.).

² Both alcoholic and soft beverages.

Source: Euromonitor; Poore & Nemecek

The State of Grocery Retail 2023 (McKinsey & EuroCommerce)

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The top ten European grocers are on a final sprint to meet their 2025 goals.



Note: Top 10 European grocery retailers: Schwarz Group, ALDI Süd, Ahold Delhaize, Tesco, Edeka, Rewe, Leclerc, Carrefour, Sainsbury, Casino.

¹ Some of the retailers have multiple targets per category. ² Including supplier goals.

Source: Company sustainability reports, company websites


¹ The top ten European grocers are Schwarz Group, ALDI Süd, Ahold Delhaize, Tesco, Edeka, Rewe, Leclerc, Carrefour, Sainsbury, and Casino; Euromonitor, accessed February 2024.

² Scope 1 is direct emissions generated by an organization. Scope 2 is emissions generated by production of purchased energy. Scope 3 is indirect emissions from up and down the value chain.

³ Scope 3 refers to all greenhouse gas emissions that happen in the value chain before or after grocery retailers (that is, suppliers and consumers).

⁴ Regenerative agriculture includes farming and grazing practices that improve soil health, crop resilience, nutrient density, water management, and biodiversity, as well as the livelihoods of farmers.

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PRESS RELEASE

AUGUST 8, 2021 10:00 AM

Ahold Delhaize achieves AAA MSCI ESG Rating



Zaandam, the Netherlands, August 8, 2021 - Ahold Delhaize is proud to share that its **MSCI ESG rating has been upgraded to AAA**, coming from an AA rating. MSCI is a prominent benchmark in the sustainable financing world. As triple-A is the highest scoring range, for Ahold Delhaize, this indicates that it is a leader in its industry in managing the most significant ESG challenges and opportunities.

Ahold Delhaize CEO Frans Muller comments, "As MSCI's ESG rating is a primary research tool and a widely used benchmark by investors, Ahold Delhaize's ranking upgrade will help investors to understand the importance we place on the transformation to a healthy and sustainable food system and being a business that is fit for the future."

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"To solve for net zero, I expect brand owners to address their Scope 1 and 2 emissions."

Ole Robert Reitan

CEO, Reitan Retail

Reitan Retail employs more than 43,000 people and has a network of 3,850 grocery, convenience, and mobility stations across seven countries, including Norway, Denmark, Sweden, Finland, and the Baltic states.

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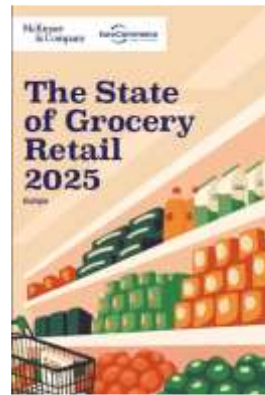
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37

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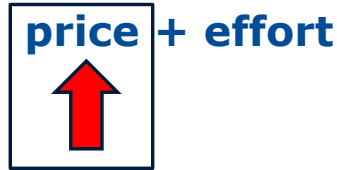
CUSTOMER VALUE ?

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CUSTOMER VALUE EQUATION



$$= \frac{\text{functional \& emotional benefits}}{\text{price} + \text{effort}}$$



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US
UK
EU
CA
AU/NZ
BR

BETTER CHICKEN COMMITMENT

COMMITMENTS
WHY THE BCC?
THE POLICY
SUPPLIERS
FAQ
SCIENCE
CONTACT

THE BETTER CHICKEN COMMITMENT

The Better Chicken Commitment is the leading set of standards for broiler welfare driving the food industry towards higher welfare practices.

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Beter Leven  **ABOUT THE LABEL** **PARTICIPATE** **REGISTER** **PROJECTS** **NEWS** **CONTACT**   

Consumers **Business**

Home > What is the Better Life label?

What is the Better Life label?

The Better Life label scheme uses a star rating to indicate the animal welfare of livestock for the production of meat, eggs and dairy produce. The higher the number of stars, the more attention is paid to animal welfare. The scheme also shows the exact criteria per animal species that are applicable for livestock farmers and producers.

The Better Life label scheme was created by the Dutch Society for the Protection of Animals (DSPA) in 2007. It was the first chain-wide scheme for animal welfare in the production of meat, eggs and dairy produce. Various other species of animals have now been added to the Better Life label scheme. The Better Life label is a chain-wide scheme. This means that in addition to livestock farmers, processors, retailers, etc. must also be inspected and certified. For more information about the Better Life label scheme click [here](#).

The Dutch Society for the Protection of Animals is the founder and owner of the Better Life label. In this capacity it establishes the criteria relating to animal welfare which must be complied with by the participating companies. In addition to this, the Better Life label Foundation was founded in 2012. The Better Life label Foundation is the private certification organisation responsible for correctly assuring the Better Life label and for communication with the business sector. For more information about the Better Life label Foundation click [here](#), for more information about our organisation click [here](#).

**as of 2023:
only "1 star Better Life" chicken in
Dutch supermarkets**



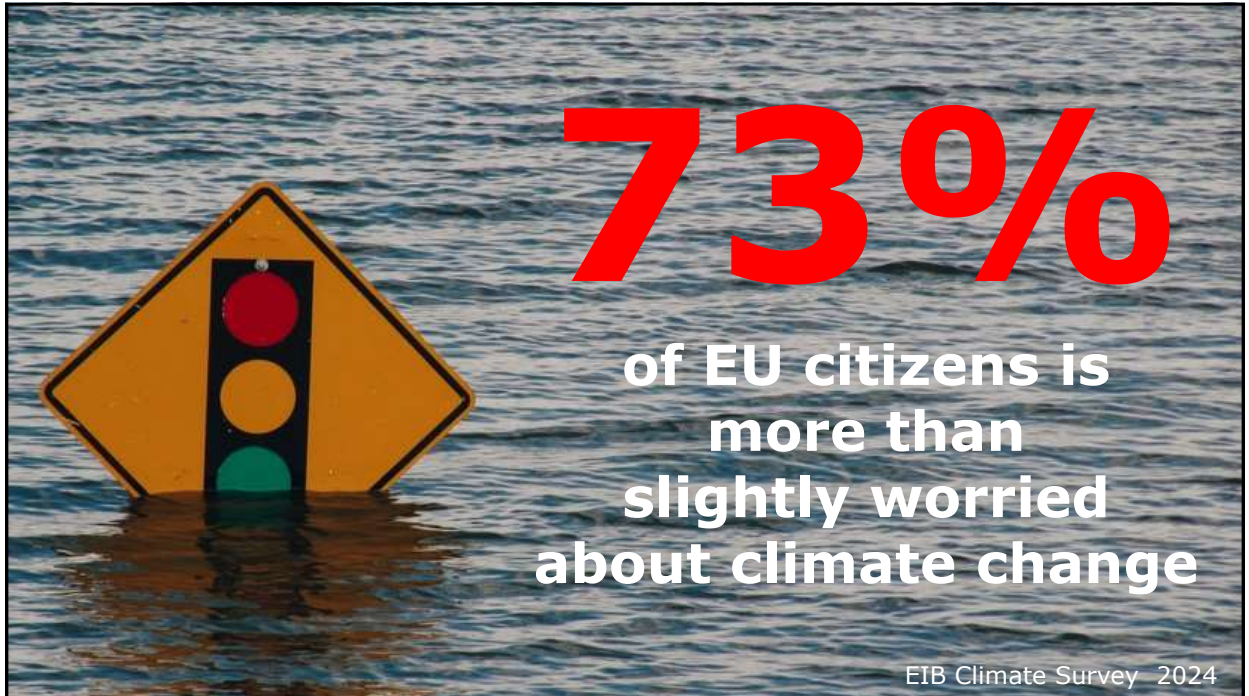
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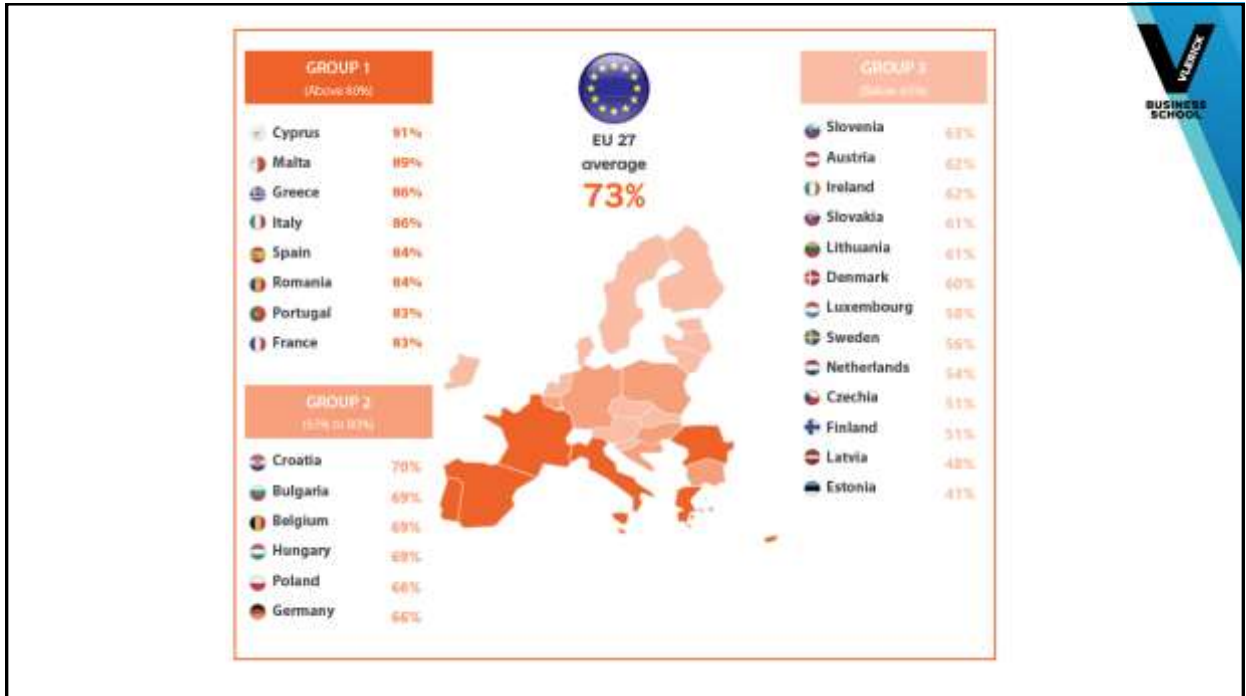
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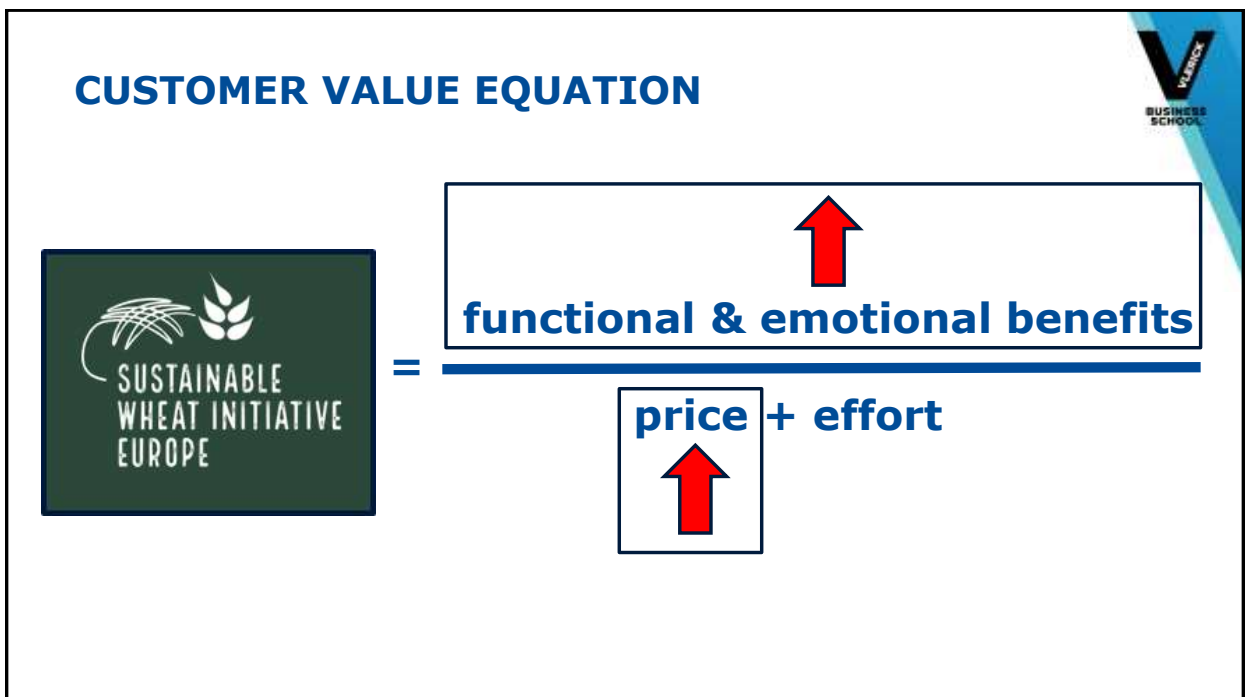
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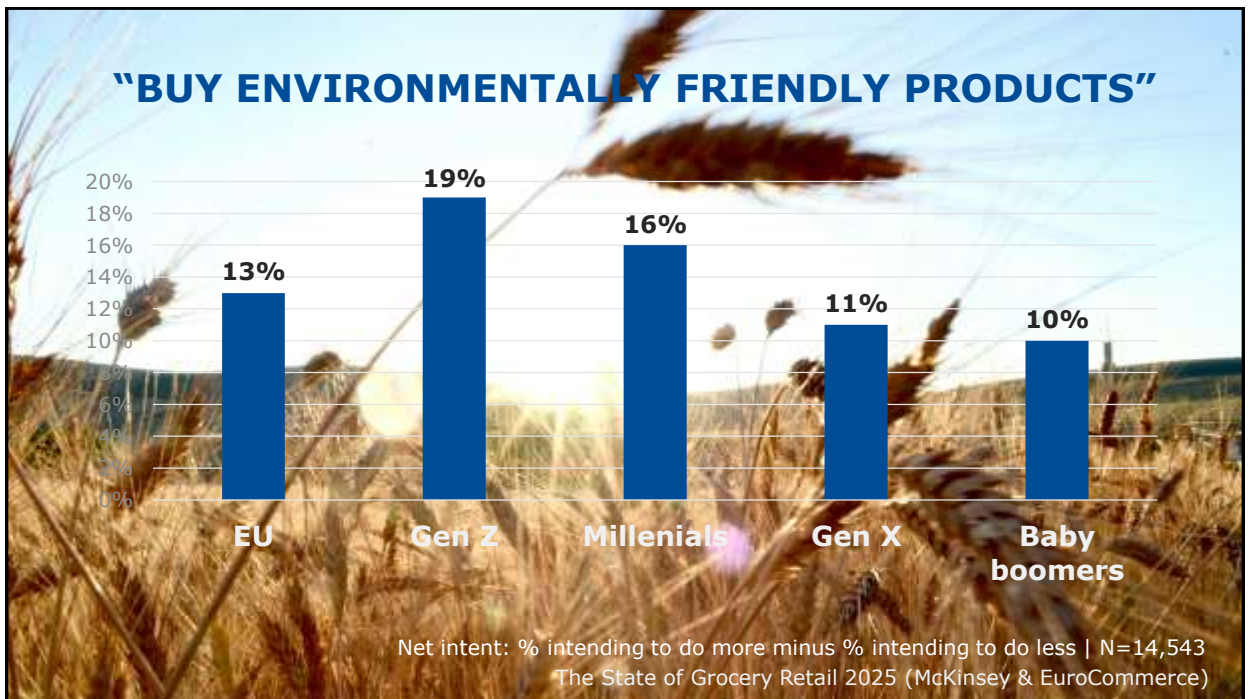
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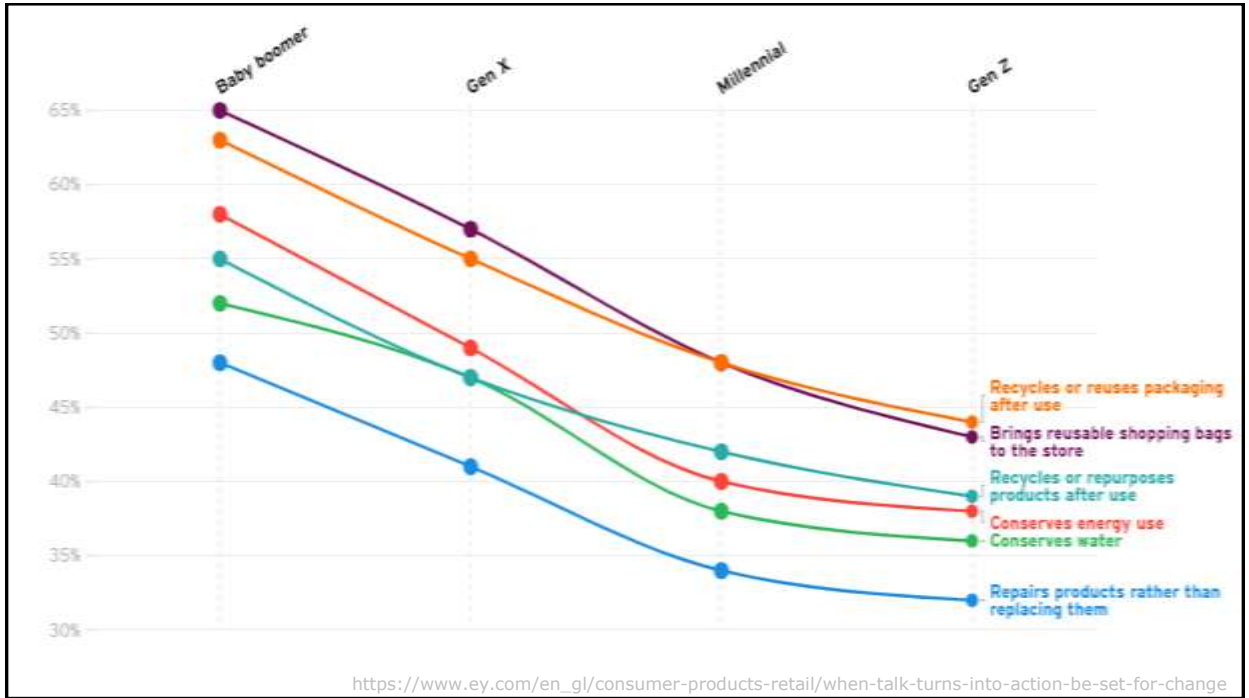
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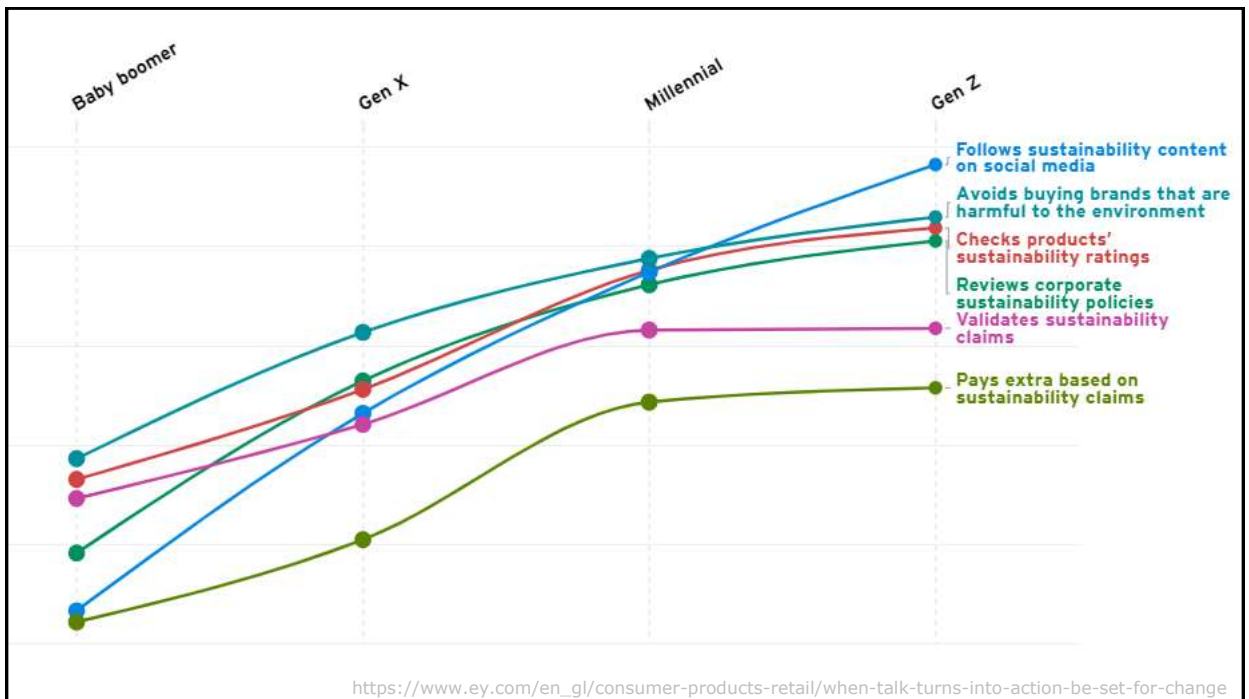
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CONCLUSION

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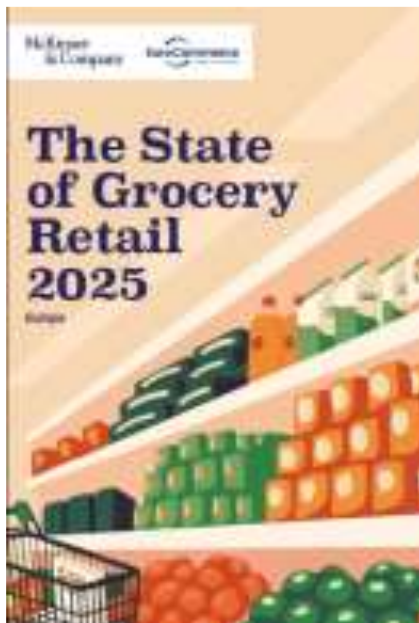
CUSTOMER VALUE EQUATION



$$= \frac{\text{functional \& emotional benefits}}{\text{price} + \text{effort}}$$

Red arrows point upwards from the numerator and denominator boxes.

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the retailer !!!

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may the force be with you



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Prof. Gino Van Ossel

gino.vanossel@vlerick.com



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