



MOSS Sustainability Series: Precise Tour Take-outs

The MOSS 2009 Sustainability Series has recently concluded its Australia wide conference tour entitled 'License to Operate'. Our CEO, [Michael Ziviani](#) spoke on the tour and was impressed with the level of material presented. Here are his trip notes with links to various resources.

The Challenge

The conference aimed to explore a new era of stakeholder engagement and how relationships are changing.

Exploring the International Trust Barometer

An acute need for more trust is the driving force behind this change as Australians seek greater accountability and responsibility from organisations. An International Trust Barometer survey highlighted this point by inclusion of a small Australian sample. [Results](#) make for fascinating reading with a profile of the 25-64 segment of educated, high income who are highly media involved.

Precise has tracked the Trust theme across its client's coverage for some time. Results suggest where Trust is generated or eroded. See more on these findings in our next newsletter.

Fragility of Reputation

Jonathan Woolliff is an ex-Greenpeace PR manager so his session around building positive and productive relationships was both gritty and inspirational. Jonathan's approach suggested anticipating the unexpected and pointed to workable ways of managing this.

His rationale is driven by a new era which implies greater appreciation of the fragility of your reputation. This fragility is underscored by heightened expectations and overlapping issues which are increasingly values-driven. Therefore corporate responsibility moves well beyond compliance in a much more complex environment.

Whereas the traditional communications model saw the company at the centre and its various publics around that, this has now changed. The new era is seeing society as the core with consumers, communities, the company, employees, shareholders, Government and competitors surrounding society. This new model explains the increase in complexity as societal values now drive relationships.

Such complexity further mandates careful stakeholder analysis and mapping – listening and analyzing before engaging. This new era requires new methods and tools which support that engagement with a wide range of stakeholders, including critics.





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Greenwash & Corporate Credibility

A particular focus was made on CSR and green marketing. Here a number of forces are at play. On the one hand is a growing need for corporate credibility set against the changing needs of consumers for more transparency. On the other hand is innovation by the ACCC to clarify the Trade Practices Act.

Most communications professionals would now understand the issue of Green washing. This is partly as a result of the keen interest taken by the ACCC in enforcement. Minter Ellison spoke in detail about how to avoid attention of the ACCC. Several recent examples show what not to do were presented, including the Saab Grrrrreen campaign. Minters particularly emphasized caution when making claims around carbon neutrality or offsets. Such claims were shown to carry high risk of being misleading or deceptive. A number of useful resources were suggested for further information and can be found [here](#).

LOHAS Study: Outlook on life and engagement with Sustainability

Another international study profiled the Australian population around Health and Sustainability. The [LOHAS study](#) segments people into attitudinal groups of their outlook on life and engagement with sustainability. This work indicates just 10% of Australians comprise the Leading

segment - the core targets for influence and opinion leadership. They are both knowledgeable and uncompromising when it comes to sustainable purchasing and lifestyle choices.

Related research comes from the same company in the form of a Green Tracker. Recent results here show the willingness to pay a premium (of up to 25% more) for 'green' continues to fall, now at around 36% of Australians aged 18-69.

Further joint work with MOSS found that the most important factor in determining whether a company is a responsible operation is staff welfare. A telling reflection of Precise findings in our latest Newsletter. Impact on the environment was second followed by accuracy and honesty in product labelling and advertising. Anne-Maree Huxley, the CEO of MOSS made the observation that "The workplace is one of the central pillars of CSR in addition to the marketplace, community and the environment." For results of the [MOSS Green Study](#) on what makes a responsible entity.

Best Practice CSR Communications Analysis with Case Studies

The Precise CEO, Michael Ziviani, spoke on the Return on Investment of [CSR communications](#) using several models and cases. These showed how the business benefits of CSR communications can be quantified with new methods and tools. The





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rationale for such analysis was strong: Proving results justifies effort and more budget next time. Social ROI was also considered in valuing the outcomes of community based programs.

Consumer behaviour models set the groundwork for measurement showing the importance of understanding attitudes as these typically drive behaviour. Communications stages explained how consumer thinking moves from simple awareness of a message to conviction to act. Each stage requires a different communications focus. In particular, PR was noted as working to move consumers through difficult phases. Using these frameworks we then explored how to quantify the effects of otherwise intangible communications. Examples of such quantification included

- Of some 30,000 articles assessed, Precise found CSR communications typically generate double the tone score of general media coverage. Negative CSR coverage was also very rare at less than 0.5%.
- Latest [Precise Research](#) where PR represented 25% of the controllable factors driving share price movement.
- Over time and with advanced tools, communications activity can then be related to business results like market share or share price. The key is to setup the ROI framework before you commence.

Walk-Away Thoughts

Perhaps the key theme through the conference is that few companies have truly embedded CSR into their DNA.

A lack of quantified benefit seems to underpin this observation in Australia. However, Sustainability and Carbon Trading in particular are changing the debate and lifting awareness of a direct cost to big business – the top 1,000 polluters.

There is much ground to make up compared to our European counterparts. Progress is likely to be slow and patchy whilst our leaders attention is elsewhere through 2009.

