



THE ULTIMATE GUIDE TO

The Growing Demand for Sustainability in Business

Introduction

We're at a turning point. People prefer purpose-led companies that share their beliefs and can demonstrate sustainability in business. Choosing the right technology is critical to building a reputation that resonates with your customers and your employees - reducing your costs and impact on the planet at the same time.

Every company has an impact on our planet and the people who live on it. That impact can be a net positive or net negative. It can be long-term or short. The right technology with the right approach and digital strategy can help to ensure that impact is positive, long-lasting, and lucrative.

DEFINITION

Sustainability in Business

Sustainability in business is running your company in a way that doesn't negatively impact our environment, community, or society as a whole.

What is Sustainability in Business?

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The goal of a sustainable business is to have a positive impact on the world. That means making decisions with the long-term good in mind and not making short-sighted choices that put profit in front of people and our planet.



Data Analytics



Automation



Cloud

EXAMPLES OF SUSTAINABILITY IN BUSINESS

There's no standard for what a sustainable business looks like. Different companies have different approaches, initiatives, and practices. Some examples include using:

- Data Analytics to understand issues and inefficiencies in your operations.
- Automation to reduce waste and use of resources.
- Cloud to empower employees to work remotely and provide a superior customer experience wherever, whenever.

Thanks to digital-first initiatives like these, companies with higher Environmental, Social, and Governance (ESG) ratings are at less risk and as a result, have a lower cost of debt and equity. But there's another, bigger reason why sustainability is becoming more of a priority.

Why is Sustainability a Business priority?

Sustainability is fast becoming one of the key priorities for many companies. 83% of c-suite teams believe that ESG programs will create more value for shareholders in five years' time than they do today.

What's driving this change? Your customers, employees, and stakeholders are all becoming more mission-driven.

Consumers value sustainability. They value it so much that two-thirds are willing to pay more for products and services that are sustainable. And 55% say that environmental responsibility is very or extremely important when choosing a brand.

At the same time, 71% of the workforce say they find environmentally sustainable companies more attractive as employers. This is a number that will continue to increase with each new generation. 43% of Gen Z believe a company's mission, purpose and values are essential - compared to 39% on average.

The bottom line? People are purpose-led. They want to work for and buy from companies that share their values. Your company values are just as important - if not more important - than the value you provide. This is why sustainability and its benefits for business is such a popular topic of discussion.



The Benefits of Sustainability in Business

STAND OUT FROM THE COMPETITION

With increasing scrutiny into what companies are doing to move towards a carbon-free world, there's no shortage of players greenwashing their activities - or exaggerating sustainability efforts.

But people aren't easily fooled. 43% of employees say their employer is guilty of greenwashing. And 50% of consumers won't shop with brands they think are greenwashing.

This is why sustainability - as long as it's authentic - is still a major differentiator that will set you apart from the competition. For retail company Patagonia, sustainability is a key part of how they position themselves in the

market. It's even in their mission statement to "build the best product, cause no unnecessary harm, use business to inspire and implement solutions to the environmental crisis."

Saying it, though, is one thing - doing it is another. Patagonia's purpose-driven positioning only works because they can back it up with sustainable, digital-first initiatives. For example, like when they cut their landfill waste by 170,000 pounds just by replacing paper tags with QR codes.

Whether you're trying to attract customers or employees, your reputation matters. If you're able to demonstrate investment into sustainable technology and green products, you will win and retain new market share as well as attract top talent.

CUT WASTE AND COSTS AT THE SAME TIME

Sustainability in business is also a win-win when done right. The same principles that put people and the planet first can also lead to significant cost-savings for your business.

By replacing hundreds of unique, printed paper product tags with 20 QR codes, Patagonia didn't just reduce their environmental impact.

They also cut 353 days of work time needed to design, print, QA, and distribute the tags down to just 3 days each year.

The Global Manager of Packaging and Branding at Patagonia says, "use less and it's not just a win from an environmental standpoint; it's a financial win. If retailers go more digital with information, it opens up the opportunity to save on materials - that saves us money."



FUTUREPROOF YOUR BUSINESS

If your existing products, services, and supply chain rely on resources that are becoming scarce, then you're putting yourself at risk of significant disruption in the future. Companies that run more efficiently and rely on fewer resources are at much less risk of disruption - either due to scarce resources in the supply chain or changing environmental laws.

Take Ikea, for example. In an interview with IMD, Ikea's Chief Digital Officer (CDO) claims that sustainability and digital complement one another perfectly. At Ikea, the mission of building a more future-proof, visible, and circular company is "entirely based on digital product information, supply chain visibility and the data flows that underpin all these digital processes."

To achieve this, you need to invest in the right tools that help you to understand where the inefficiencies are in your business. With the high level of visibility that comes from having a digital-first supply chain, you can safeguard your company against a reliance on increasingly scarce resources.

As Ikea's CDO says, "everyone benefits when we save on goods and raw materials" which is "only possible because of our ongoing digital transformation."

Building Sustainable Products & Services

1. DISCOVER WHERE THE WASTE IS

The first step in building a successful and sustainable solution for your business is product discovery.

Documenting all the processes, workflows, and different supply chains used throughout your business helps you to pinpoint where the waste is. User Journey Mapping can help to highlight where the inefficient activities are or the pain points for customers and employees where time and resources are being wasted.

2. SOLVE THE PRIORITY PAIN POINTS

Once you understand the pain points where your business is wasting valuable resources, you can test sustainable solutions to prove their value using Design Sprints.

These are fast, highly focused, and low-risk loops where you work collaboratively to solve the problems raised during discovery and can create realistic prototypes to test with actual users for lightning-fast feedback.

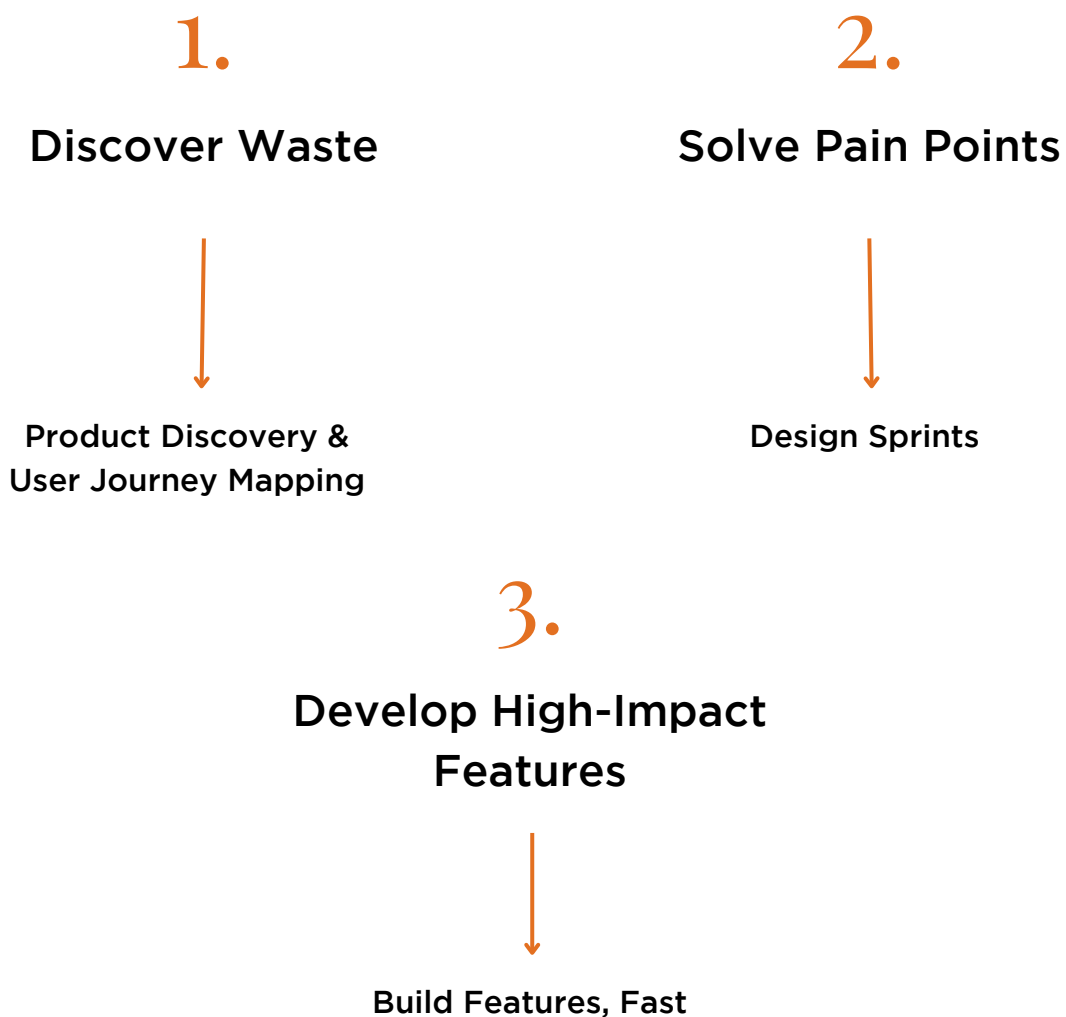
This is essential if you want to avoid investing years and hundreds of thousands of pounds in an idea that doesn't impact the sustainability of your business. Design Sprints make sure your proposed solution will move the needle in the right direction.



3. DEVELOP HIGH-IMPACT FEATURES FAST

With a validated solution that helps to increase the sustainability of your company, you can begin building features you know will have an immediate and tangible impact on your business, the community, the environment, and society as a whole.

Continuing to listen to your community of customers, employees, and stakeholders and the feedback they provide will allow you to refine your sustainable solution over time, improve its effectiveness, and increase its positive impact on the world.



Building Your Business Case

If you're looking to build a reputation for sustainability that helps you win new customers, keep existing ones, and attract the best talent available - all while increasing your profit margin - then get in touch.

Our in-house experts are ready to help you pinpoint where the waste is in your business and where the right technology can help you cut costs while also protecting the planet.

LET'S TALK



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