

GREEN MARKETING AND 'ECO AUSSIES'

There's nothing like an economic downturn to examine the focus of consumer sentiments and approach to environmental issues. Will job security or fear of worse to come make Australians less environmentally concerned?

Nielsen has clearly reported in recent months that confidence is down across all social strata of the community. Tough times lead to changes in behaviour; priorities shift from indulgence to lifestyle re-evaluation with a return to basic values. For example eating at home, spending time with the family and generally shunning materialism.

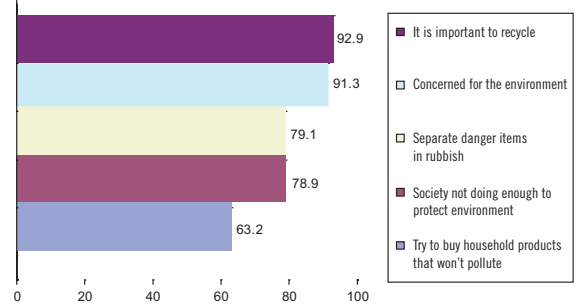
Consumers, however, have not forgotten about the pre-crisis warnings of global warming. Many corporations have identified that a growing wave of consumers are being driven by lifestyle concerns issues such as health and the environment.

Despite a very challenging economic environment, where consumers are looking everywhere to cut back, environmentally friendly products remain in vogue. According to the latest Nielsen Panorama findings into *Most Important Social Issues in Australia*, the environment ranked as the fourth biggest social issue (51 per cent). It finished not far behind equal top ranking economic growth and interest rates, which rose sharply from fifth and sixth ranking respectively in survey 1, 2008.

Most Important Social Issues Ranked on 1st & 2nd Highest Priorities for All People 14+		
	2009	2008
Economic Growth	55%	50%
Interest rates	55%	48%
Health	53%	56%
Environment	51%	55%
Education	50%	52%
Drugs	47%	52%
Crime	46%	46%
Unemployment	40%	36%
Gambling	31%	31%

Source: Nielsen Panorama - Survey 1, 2009 (12 months)

EcoAussies by Environmental attitudes – 4.68 million Consumers 14+



Source: Nielsen Panorama March 2008-February 2009

Nielsen has identified a core and sizable group of consumers who place great importance on concerns for the planet, the environment, and the future. This segment represents well over 4.6 million consumers, or 26 per cent of all people 14+, a discerning group of consumers with big purchasing power, who Panorama has labeled "EcoAussies".

How many EcoAussies are your prospective customers in the next 12 months?

Retailer and electronics marketers should consider this environmentally concerned group as they do the rest of the population, in terms of their product purchasing trends. Of all people 14+, 28.7 per cent are intending to purchase a new computer in the next 12 months. A similar percentage of those among EcoAussies intend to buy also, however, they will be more discerning across a range of environmental and corporate responsibility criteria.

Seeking products from those demonstrating corporate responsibility

Increasingly, even in these tight economic times, consumer attitudes are not just confined to the products they buy; they extend to the companies that make or market those products. Among EcoAussies, over 67 per cent say that when buying products it is important they show a high level of social/environmental responsibility. And 75 per cent think more highly of these companies.

A significant number of EcoAussies (68 per cent) are willing to pay more for products from responsible companies who support worthy causes concerned with the environment. For less environmentally attuned companies, almost two-thirds say they purposefully avoid specific companies because of concerns about their impact on people or society. Over 63 per cent would like companies to explain more about the difference they are making in order to support them.

Implications for marketers

Many Australians are actively supporting products and services of environmentally committed companies. The vast majority will avoid purchasing from those who are not. Consumer attitudes and a growing sense of the importance of caring for our environment may have lessened marginally during the current financial downturn. Marketers however, need to be engaging in this sooner rather than later to avoid becoming less relevant in the years ahead. For more on EcoAussies, contact Simone Bryant at The Nielsen Company on (02) 8873 7736.

ABOUT NIELSEN PANORAMA

The Eco Aussies findings are sourced from the latest Nielsen Panorama data, which is based on continuous interviews across Australia, with the findings released ten times per year to coincide with Australian TV and Radio audience ratings.

ABOUT THE NIELSEN COMPANY

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