MAP-CHANGE 2010

A SUSTAINABILITY BRAND MAP STUDY

FINAL RELEASE
COMPLETE COLLECTION
VOLUMES 1-3

Maddock Douglas
Agency of Innovation®

MD^{SM}

www.maddockdouglas.com

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TABLE OF CONTENTS

change MAPCHANGE 2010

TABLE OF CONTENTS

1. MapChange

A sustainable image can be a brand's best source of competitive advantage.

Although there are benefits to adopting sustainability measures for other reasons (efficiency or compliance, for example), building sustainable consumer-facing brands can provide real differentiation in increasingly commoditized consumer product / service markets.

Change's first MapChange study in 2008 showed a significant difference between brand perception and product reality. Consumers thought certain brands were sustainable when they actually weren't, while other brands weren't considered sustainable, when they really were.

This year we wanted not only to profile the difference between actual and perceived brand sustainability, but how the brands in question measure up against their direct competition.

So for MapChange 2010 we partnered with Climate Counts and Angus Reid Public Opinion to compare the top brands within 10 sectors:

1. Food & Beverage
2. Apparel
3. Household
4. Internet/Software/Media
5. Electronics
6. Airlines
7. Hotels
8. Food Services
9. Consumer Shipping
10. Banks

We gave each brand an 'actual' and a 'perceived' sustainability score and plotted the results on a classic perceptual map.

This document is the complete collection of all 10 sectors.

It is also available for download on our website.

www.getmapchange.com

2. Methodology

We used two distinct methods to calculate actual and perceived leadership in addressing climate change.

Actual Sustainability

To measure actual brand sustainability we used Climate Counts newly released 2010 corporate climate scores. For the past three years, Climate Counts has audited the brands within all 10 sectors using a scorecard that tracks corporate climate action in four key areas: measurement of impact, reduction of impact, engagement on public policy related to climate change and openness and transparency with consumers on corporate climate activities.

Climate Counts Scorecard

Climate Counts uses a 0-to-100 point scale and 22 criteria to determine if companies have:

- MEASURED their climate "footprint"

- REDUCED their impact on global warming

- SUPPORTED (or suggest intent to block) progressive climate legislation

- DISCLOSED (publicly) their climate actions clearly and comprehensively

The full scorecard can be found in Appendix 1.

Perceived Sustainability

To measure consumer brand perception, Angus Reid Public Opinion conducted an online survey of 2,032 American adults. The results were weighted to ensure a random sample that was representative of the entire adult American population.

A 'maxdiff' methodology was used to assist the respondents in evaluating the 97 companies represented across 10 different sectors meaning that respondents were asked to "choose the best and worst company in terms of their leadership in addressing climate change" out of a random group of 3-6 companies (dependent on the number of companies in each sector). The survey was divided into two parts, with five sectors in each, to mitigate respondent fatigue and ensure the quality of the data.

The complete survey methodology can be found in Appendix 2.

3. Complete MapChange Report & Brand Scores
a. Food & Beverage Sector Map
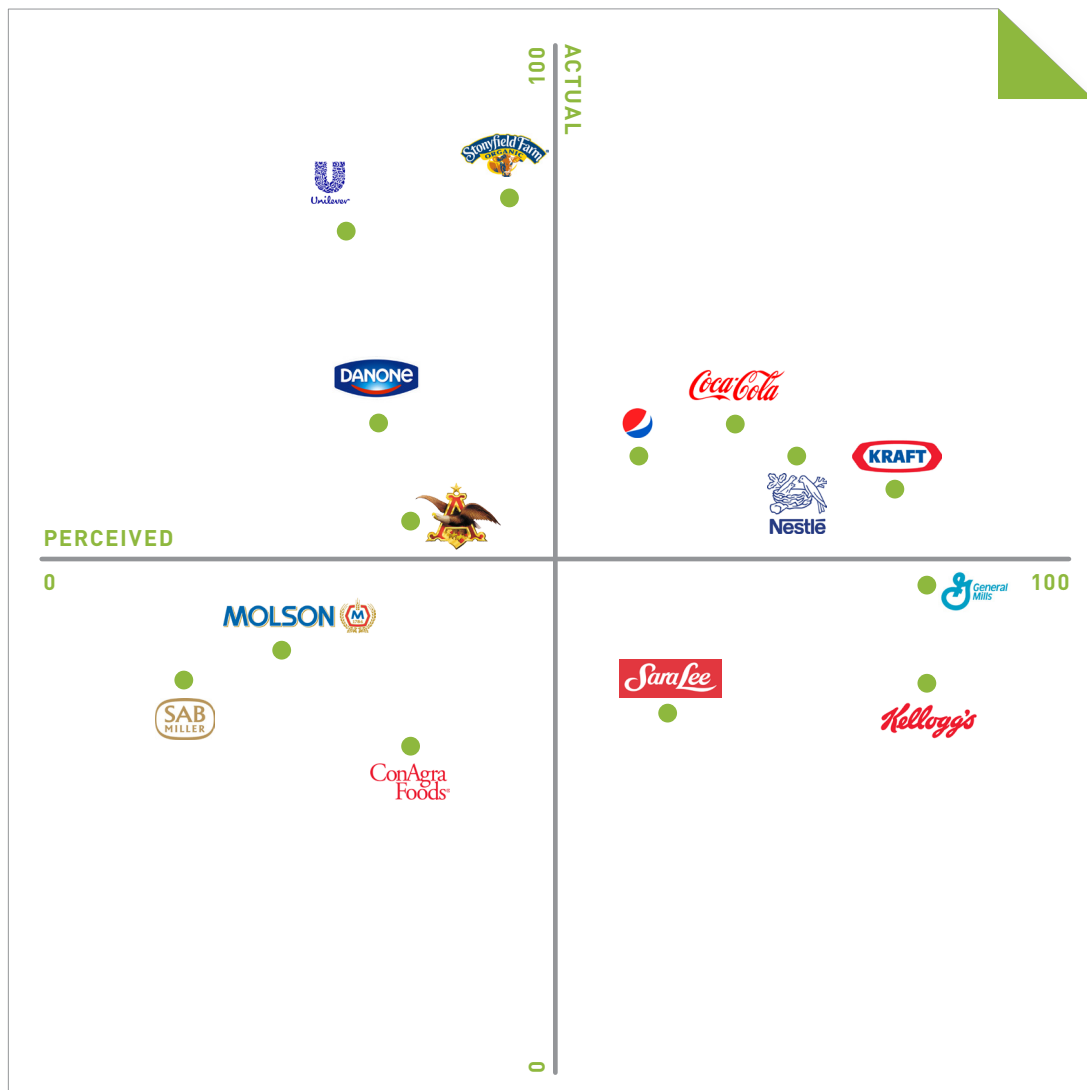
Data Source Climate Counts / Angus Reid Public Opinion

*   Stonyfield Farm is a principal funder of Climate Counts and has been scored annually by the organization in the spirit of transparency.
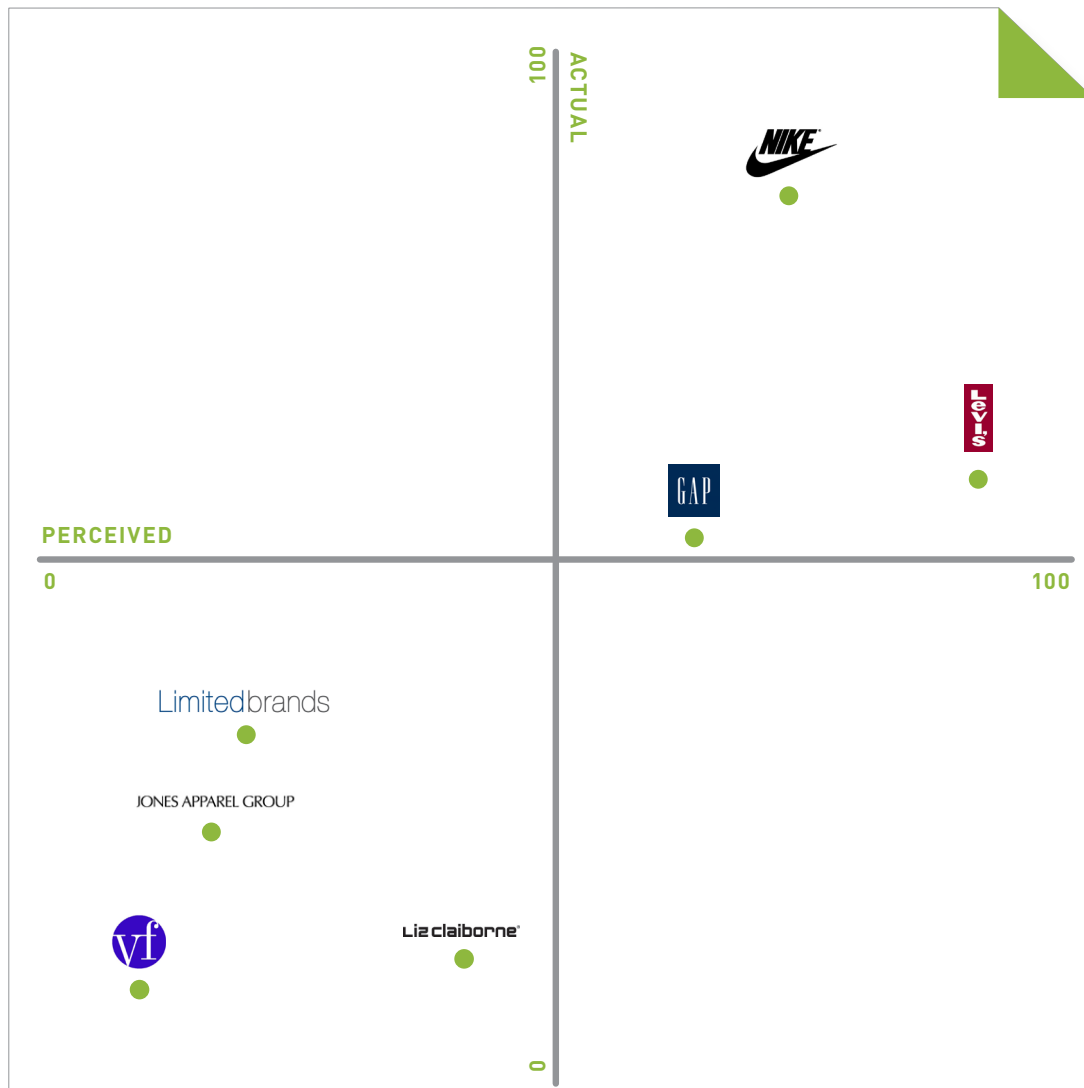
3. Complete MapChange Report & Brand Scores

a. Food & Beverage Sector – Brand Scores

	BRAND	PERCEIVED	ACTUAL
1	General Mills	82	49
2	Kellogg's	81	42
3	Kraft Foods	79	58
4	Nestle	71	63
5	The Coca-Cola Co.	64	66
6	Sara Lee	59	33
7	PepsiCo	55	62
8	Stonyfield Farm	44	81
9	Anheuser-Busch InBev	37	54
10	ConAgra Foods	36	31
11	Groupe Danone	33	64
12	Unilever	32	79
13	Molson Coors Brewing	24	44
14	SABMiller	14	44

Data Source   Climate Counts / Angus Reid Public Opinion

3. Complete MapChange Report & Brand Scores
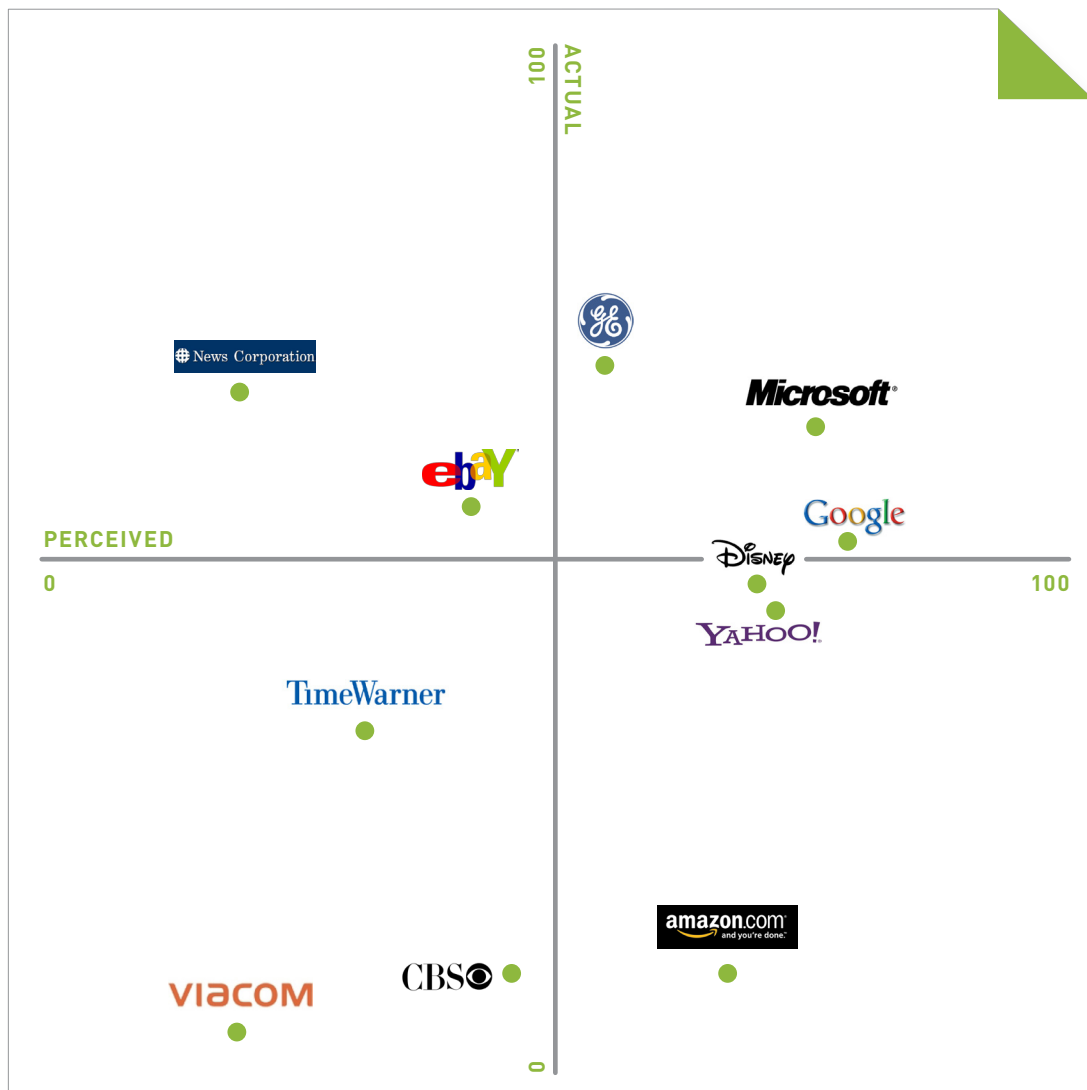   **b. Apparel Sector Map**
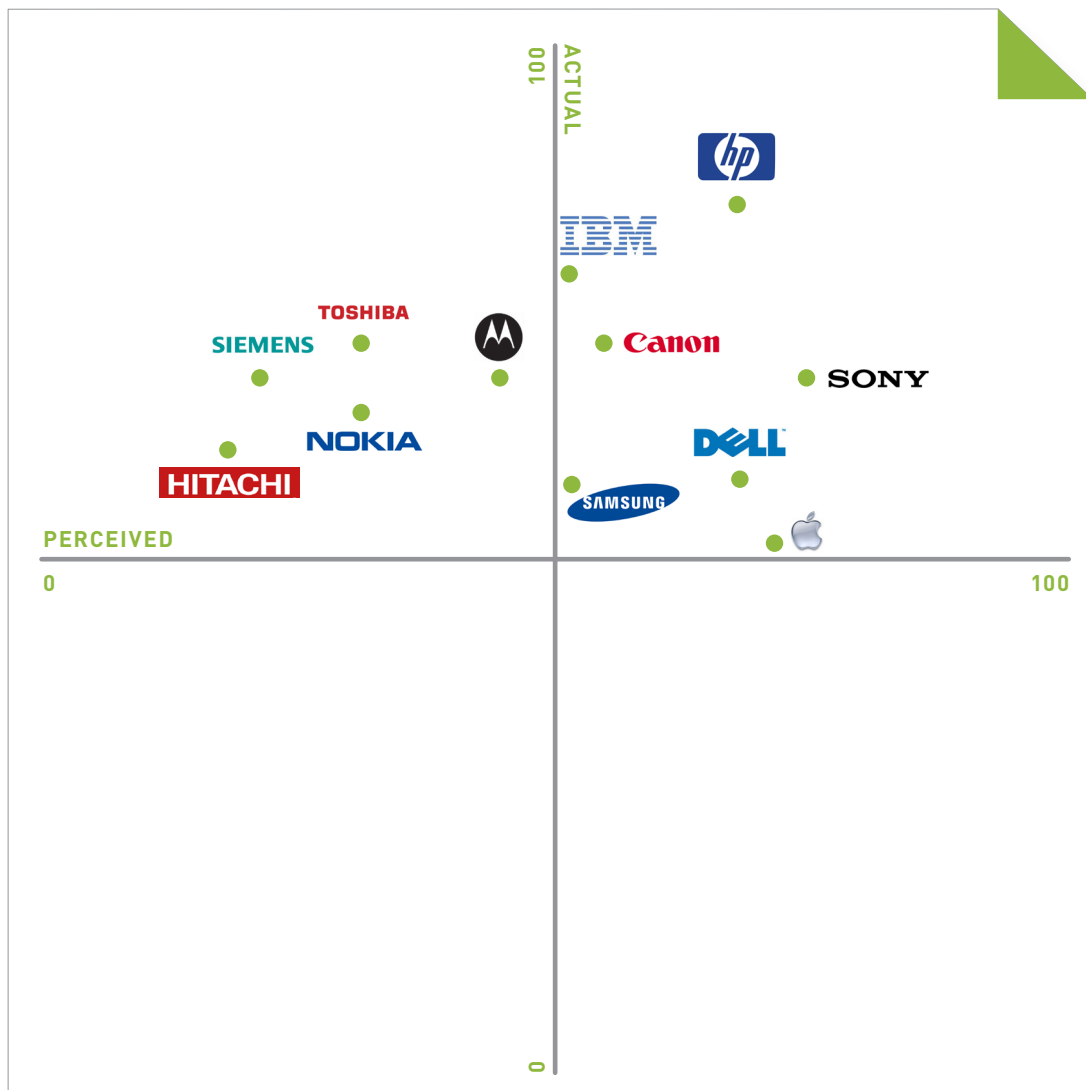

Data Source Climate Counts / Angus Reid Public Opinion

3. Complete MapChange Report & Brand Scores

b. Apparel Sector – Brand Scores

	BRAND	PERCEIVED	ACTUAL
1	Levi Strauss	86	58
2	Nike	73	83
3	Gap Inc.	62	52
4	Liz Claiborne	42	7
5	Limited Brands	24	35
6	Jones Apparel Group	22	20
7	VF Corporation	14	6

Data Source Climate Counts / Angus Reid Public Opinion

3. Complete MapChange Report & Brand Scores

   c. Household Sector Map

Data Source Climate Counts / Angus Reid Public Opinion

3. Complete MapChange Report & Brand Scores

c. Household Sector - Brand Scores

	BRAND	PERCEIVED	ACTUAL
1	Procter & Gamble	70	63
2	Colgate-Palmolive	64	59
3	Clorox	56	27
4	Kimberly-Clark	50	59
5	Avon	34	51
6	L'Oreal	33	67

Data Source Climate Counts / Angus Reid Public Opinion

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3. Complete MapChange Report & Brand Scores
d. Internet / Software / Media Sector Map

Data Source Climate Counts / Angus Reid Public Opinion

3. Complete MapChange Report & Brand Scores
d. Internet / Software / Media Sector – Brand Scores

	BRAND	PERCEIVED	ACTUAL
1	Google	77	52
2	Microsoft	76	61
3	Yahoo	64	45
4	Disney	63	47
5	Amazon.com	60	14
6	General Electric	55	74
7	CBS	45	13
8	eBay	40	53
9	Time Warner	30	36
10	Viacom	17	3
11	News Corp.	16	68

Data Source Climate Counts / Angus Reid Public Opinion

3. Complete MapChange Report & Brand Scores
e. Electronics Sector Map

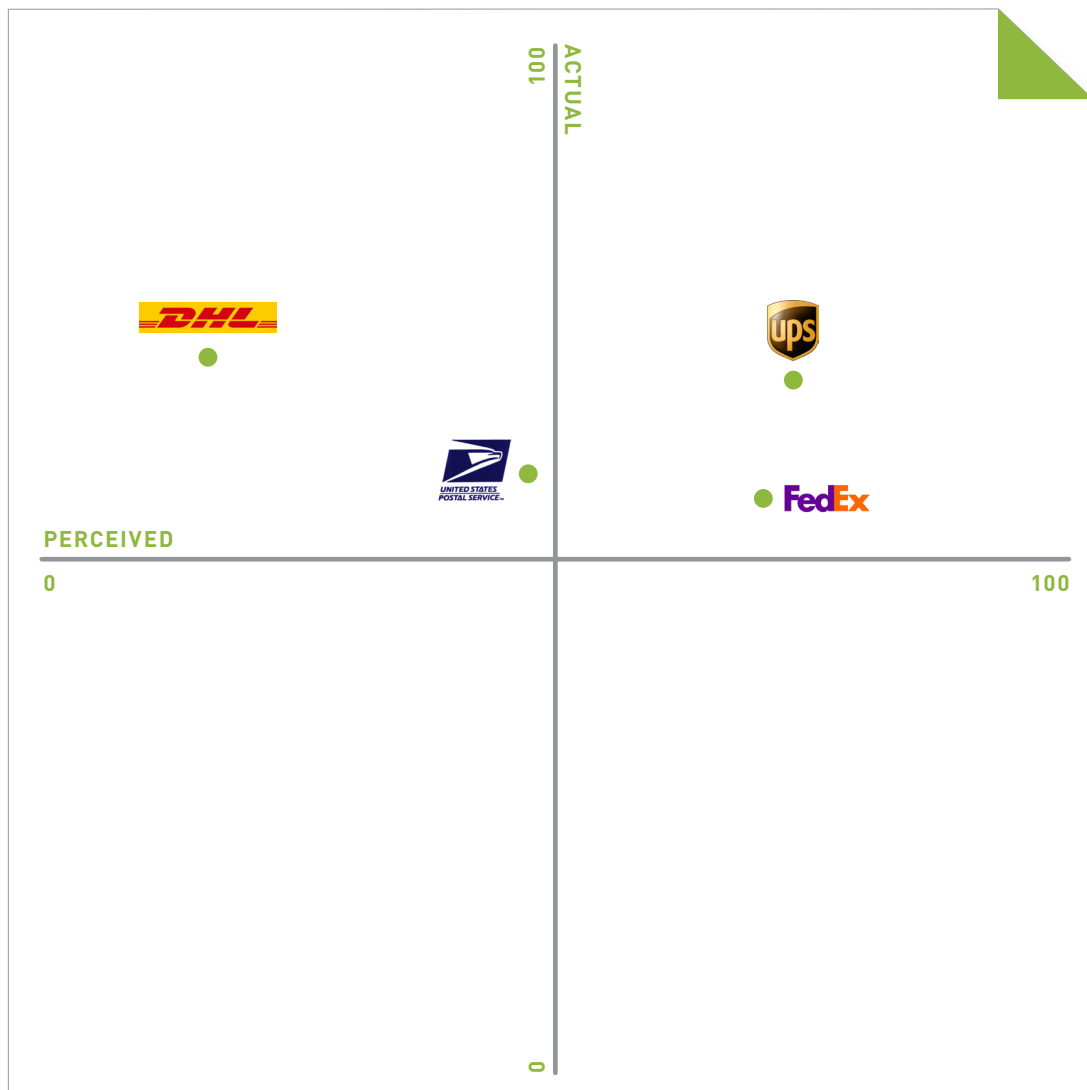

Data Source Climate Counts / Angus Reid Public Opinion

3. Complete MapChange Report & Brand Scores

  e. Electronics Sector – Brand Scores

	BRAND	PERCEIVED	ACTUAL
1	Sony	74	62
2	HP	68	78
3	Apple	68	52
4	Dell	66	57
5	Canon	52	71
6	Samsun	51	56
7	IBM	51	76
8	Motorola	48	67
9	Nokia	38	66
10	Toshiba	34	71
11	Siemens	22	64
12	Hitachi	17	59

Data Source Climate Counts / Angus Reid Public Opinion

3. Complete MapChange Report & Brand Scores

   f. Airlines Sector Map

Data Source Climate Counts / Angus Reid Public Opinion

3. Complete MapChange Report & Brand Scores

f. Airlines Sector – Brand Scores

	BRAND	PERCEIVED	ACTUAL
1	Southwest	77	40
2	American	72	48
3	United	69	37
4	Delta / Northwest	67	40
5	US Airways	63	43
6	Continental	62	37
7	JetBlue	52	33
8	Alaska Air	51	23
9	British Airways	47	36
10	SkyWest Air	33	0
11	AirTran	29	5
12	ExpressJet	24	7

Data Source Climate Counts / Angus Reid Public Opinion

3. Complete MapChange Report & Brand Scores
g. Hotel Sector Map

Data Source Climate Counts / Angus Reid Public Opinion

3. Complete MapChange Report & Brand Scores

g. Hotel Sector – Brand Scores

	BRAND	PERCEIVED	ACTUAL
1	Marriott	80	51
2	Hilton	72	23
3	Hyatt	72	12
4	Wyndham	42	25
5	Carlson	17	12
6	Starwood	16	24

Data Source Climate Counts / Angus Reid Public Opinion

3. Complete MapChange Report & Brand Scores

    h. Food Service Sector Map

Data Source Climate Counts / Angus Reid Public Opinion

3. Complete MapChange Report & Brand Scores

h. Food Service Sector – Brand Scores

	BRAND	PERCEIVED	ACTUAL
1	Wendy's International	64	2
2	McDonald's	56	30
3	Darden Restaurants	49	30
4	Burger King	49	10
5	Starbucks	48	51
6	Yum! Brands	34	30

Data Source Climate Counts / Angus Reid Public Opinion

3. Complete MapChange Report & Brand Scores
i. Consumer Shipping Sector – Brand Scores

Data Source Climate Counts / Angus Reid Public Opinion

3. Complete MapChange Report & Brand Scores

   i. Consumer Shipping Sector – Brand Scores

	BRAND	PERCEIVED	ACTUAL
1	UPS	76	69
2	FedEx	71	55
3	US Postal Service	49	56
4	Deutsche Post / DHL World Net	16	68

Data Source Climate Counts / Angus Reid Public Opinion

3. Complete MapChange Report & Brand Scores
j. Banks Sector Map
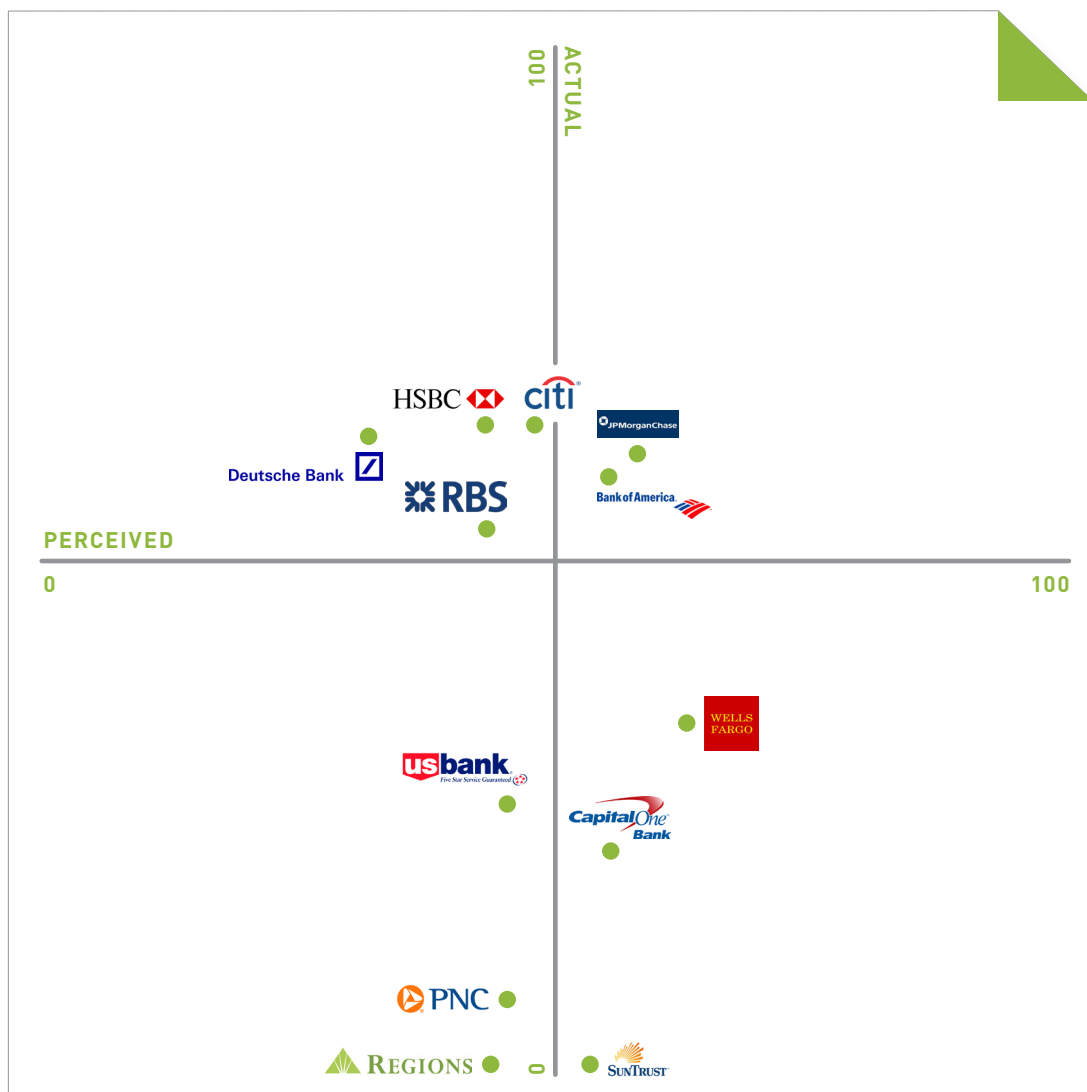
Data Source Climate Counts / Angus Reid Public Opinion

3. Complete MapChange Report & Brand Scores

j. Banks Sector Map – Brand Scores

	BRAND	PERCEIVED	ACTUAL
1	Wells Fargo	66	27
2	JP Morgan Chase	61	63
3	Capital One	57	12
4	Bank of America	57	60
5	SunTrust	51	2
6	CitiGroup	49	67
7	HSBC	46	67
8	US Bancorp	45	25
9	National City	44	3
10	Regions	42	1
11	Royal Bank of Scotland	42	55
12	Deutsche Bank	37	66

Data Source Climate Counts / Angus Reid Public Opinion

4. Insights

- Across every sector, MapChange shows a disparity exists between the actual sustainable activity of brands, and consumers' perception of sustainable activity of those brands.

- Some sectors emerged as sustainability leaders and others, as laggards. For example, the Consumer Shipping brands all scored above 55, whereas the Airline brands all scored below 50.

- This year, most of the brands had much higher 'perceived sustainability' ratings than they did last year.

- This increase in 'perceived' sustainability could be due to:

  a. Improved/increased brand communications about sustainability initiatives

  b. Increased consumer-facing sustainable products

  c. Heightened consumer and media interest in sustainable brands

- To compete, brands need to generate sustainable innovation quickly and communicate it effectively.

- In some sectors, brands with high perception scores actually had average actual scores. This suggests that the overall positive perception of these popular brands has a positive 'halo' effect on their perceived sustainability. In some cases it could be linked to the trend of large master brands buying smaller brands known for their emphasis on sustainability. The smaller brands imbue the larger master brand with a halo of sustainability.

- On the other hand, brands with the highest actual scores sometimes had relatively low perception scores. This suggests that the corporation's sustainability activity might not be consumer-facing, or that the activity might be focussed in areas outside of the products / services being produced.

- This represents an opportunity to improve perception through increased consumer-facing sustainable product innovations and improved communications.

- On the flip side, brands already benefiting from a positive consumer perception have an opportunity to strengthen this position through increased sustainability efforts and continuing to innovate new, consumer-facing sustainable products.

Note These insights are necessarily general, given the broad spectrum of sectors studied. We would be happy to discuss more specific insights pertaining to individual sector maps. To arrange a conversation, please leave your contact information at info@changebiz.com.

5. The 5 C's of Sustainability Branding

From our MapChange study research and five years experience building green brands we've created 'The 5 C's of Sustainability Branding' – a tool that outlines the 5 things brand sustainability must be in order to succeed:

1. COMPETITIVE

To compete, brands must innovate – and the best new innovations tend to be sustainable. All other things being equal (price & quality = value), sustainability differentiates and provides durable competitive advantage.

2. CONSUMER-FACING

Not sure what to do first? Get the most benefit out of new sustainability initiatives by making them something the consumer will see. There are plenty of ways to improve corporate sustainability, but consumer-facing changes will have the most immediate impact on public perception and, potentially, financial performance.

3. CORE

Tying sustainability to a brand's core business is another way to ensure it resonates with consumers. If a brand sells hamburgers, its sustainability has to be about hamburgers ie. organic beef, recycled wrapper etc. Car brands must focus on making more fuel-efficient, cleaner cars, not saving the rainforest. Don't do something that is unrelated to what people know you for, or they won't reward your efforts and you could be seen as greenwashing.

4. CONVERSATIONAL

Sustainability branding is more effective as a two-way conversation rather than one-way communication. Honesty and transparency will go a long way with consumers. Disclosing what you're doing well and what you could be doing better will instill trust. And trust breeds loyalty. Inviting consumers to participate in a conversation about your process will further strengthen the brand-consumer relationship.

5. CREDIBLE

Sustainability strengthens brands. But, greenwashing, even if unintended, damages them. The good news is that it is easily avoidable and the key is sequence. As long as sustainability efforts are in place, functioning and measurable before being announced, they will be viewed as credible. And, proven, objective credibility paired with innovation and communication is the key to sustainable brand success.

6. About Change

Change is an innovation brand agency specializing in green innovation. Clients include multinationals like Unilever, key regionals like TransLink, and innovation-driven companies like Powertech. With 'outside the jar' thinking and a simple, flexible process, Change helps companies incorporate brand innovations that provide competitive advantage, then helps communicate those brand innovations in a way consumers can understand, appreciate and reward. Change is structured like a hub – key strategists and creative thinkers at the core, and trusted specialists in research, analysis, design, social media and production in an 'on call' network. Change's work has won over 20 international design awards, and has been profiled in international journals, newspapers and books. The organization's founder, Marc Stoiber, is also an expert speaker on green brand innovation, with engagements that include the TED conference and Strategy's Cause and Effect Conference.

7. About Climate Counts

Climate Counts is a non-profit campaign that scores companies annually on the basis of their voluntary action to reverse climate change. The Climate Counts Company Scorecard—launched in June 2007—helps people vote with their dollars by making climate-conscious purchasing and investing choices that put pressure on the world's most well-known companies to take the issue of climate change seriously. Launched by organics pioneer Stonyfield Farm, Climate Counts believes everyday consumers can be the most important activists in the fight against global warming. Climate Counts has currently evaluated nearly 150 companies—representing over 3000 brands—in sixteen major consumer sectors. Climate Counts' work has appeared in many of the world's leading media outlets, among them the New York Times, National Public Radio, The Economist, BBC World Service, the Wall Street Journal, Newsweek, The Huffington Post, and the Harvard Business Review. The organization will launch its iPhone app and its Climate Counts Industry Innovators (I2) program in early 2010.

8. About Angus Reid Public Opinion

Angus Reid Public Opinion is the public affairs practice of Vision Critical – a global research and technology company specializing in custom online panels, private communities, and innovative online methods. Vision Critical is a leader in the use of the Internet and rich media technology to collect high-quality, in-depth insights for a wide array of clients. Dr. Angus Reid and the Angus Reid Strategies team are pioneers in online research methodologies, and have been conducting online surveys since 1995. Vision Critical is now one of the largest market research enterprises in the world. In addition to its five offices in Canada—located in Vancouver, Calgary, Regina, Toronto, and Montreal—the firm also has offices in San Francisco, Chicago, New York, London, Paris and Sydney. Its team of specialists provides solutions across every type and sector of research, and currently serves over 200 international clients.

9. The Story of MapChange
Interview with Founder of Change, Marc Stoiber.

In January 2010 Change, Angus Reid Public Opinion and Climate Counts release the findings from the second MapChange study.

The original study was conducted in 2008. The new study is over 10 times larger, and covers virtually every sector in North American consumer goods and services.

In the following interview, Change founder Marc Stoiber explains the origins of the study, what it was meant to answer, and how it has evolved.

INTERVIEWER (I): Tell us about how MapChange started.

MARC STOIBER (MS): In 2008, Change was still a relatively new company, helping companies build green innovation into their brands. The only problem was, big companies didn't believe they needed us, or green brands. They were all building green into their operations, and thought that was enough.

I: What was your pitch to them?

MS: We told them that building green into your operations was great, but the real win was building green into the things they made and sold... their brands.

I: And the response was?

MS: They told us to take a hike.

I: So MapChange was the door opener?

MS: Actually, MapChange was the result of us sitting around, thinking about how we could convince these big companies that we were right and they were wrong!

We thought the best way to do this was to show how companies that 'did' green didn't necessarily get credit for it. And companies that didn't 'do' green often ended up with more credit than they deserved. Our thinking was, that if a good company could see they were getting short shrift from consumers, that would make them sit up and smell the organic coffee.

I: What was the structure of the first study?

MS: It was simple. We developed a scorecard that could measure the declared – that is online or publicly reported – green actions of a company. Then we developed a questionnaire that would enable us to probe consumers on what they thought of those companies and their green actions. Then we picked 20 top brands in Canada, and did the study. When we had the numbers, we mapped out the brands on a perception / reality chart.

I: Did the numbers surprise you?

MS: To put it mildly, yes. They revealed that most of the companies engaged in green actions did not get their due in the court of public opinion. And a few companies that did virtually nothing to fight climate change were getting undeserved credit.

I: What happened when you went back to the companies in the study?

MS: Molson hired us! (laughs) Actually, we managed to use the study as a good door opener with a few companies. I was surprised that more of them didn't at least take a closer look. And yes, Molson did turn around and hire us because of their results in the study.

I: Fast forward to 2010. What makes the new study better?

MS: Depth and breadth. First, we asked Climate Counts in the US to provide us with much more thorough information on the climate change actions of companies. They're experts at this, and gave us incredible info – much deeper and more insightful than the info we'd gathered in the first study.

Second, breadth. In our first study, we measured 20 companies. Now we're measuring over 100, in 10 different sectors across North America.

There's also a greater breadth in the consumer questionnaire. Our partners at Angus Reid actually quizzed over 2000 Americans for their perspectives on the companies in the study.

I: How will this study help further the green agenda?

MS: I believe it will make companies less reticent about greening the things they make and sell. Consumers want to buy green. They want green brands. And if we can sell green brands instead of non-green brands, the world might be a bit better for it. So I believe that the green agenda will be served by convincing companies to take green outside their own 4 walls, and into the world of their consumer-facing brands.

TO SEE THE NEW MAPCHANGE STUDY, GO TO

WWW.GETMAPCHANGE.COM

Appendix 1: Climate Counts Scorecard

Appendix 2: Survey Methodology – Consumer Perception

CONDUCTED BY
Angus Reid Public Opinion

SAMPLE SIZE
2,032

METHODOLOGY
Online omnibus

FIELD DATE
November 2009

SAMPLE COMPOSITION
General US Population

Sample Weighting: Results were weighted according to the most current education, age, gender and region US Census data to ensure a random sample representative of the entire adult American population.

A Maxdiff methodology was employed to assist the respondents in evaluating the 97 companies represented across 10 different sectors. Respondents were given four tasks for each sector where they were asked to "choose the best and worst company in terms of their leadership in addressing climate change" out of a random group of 3-6 companies (dependent on the number of companies in each sector).

From November 6 - 12, 2009, Angus Reid Public Opinion conducted an online survey among 2.032 American adults who are Springboard America panelists. The margin of error – which measures sampling variability – was ±2.2%. The results have been statistically weighted according to the most current education, age, gender and region US Census data to ensure a sample representative of the entire adult population of the United States.

The survey was divided into two parts (with five sectors in each part) in order to manage respondent fatigue and ensure the quality of the data. A total of 2978 completes were obtained for Part One (margin of error ±1.8% at the 95% confidence level) and 2032 completes for Part Two. The data was collected over the following time frames: Part One Nov 6 – 9th and Part Two Nov 9 – 12th.

Appendix 2 Continued: Survey Methodology – Consumer Perception

	Field Dates	Sample Sizes	Margin of error 95% Confidence Level	Sectors
Part One	Nov 6 – 9th	2970	±1.8%	Electronics Banks Apparel Shipping Food & Beverage
Part Two	Nov 9 – 12th	2032	±2.2%	CPG Airlines Hotels ISM Food

Angus Reid Public Opinion polls in the US are conducted using the Springboard America (www.springboardamerica.com) online panels, which are carefully recruited to ensure representation across all de-mographic and psychographic segments of these populations. Panel members pass through rigorous screening and a double opt-in process ensuring highly motivated and responsive members. These premier on-line survey platforms present respondents with highly visual, interactive, and engaging surveys, ensuring that panel members provide thoughtful and reliable responses. Each survey is actively sampled and weighted to model the characteristics of the universe required and employs the latest in quality control techniques to ensure data validity.

Appendix 3: Limitations

Choosing climate change leadership as our measure of 'actual' sustainability necessitated the exclusion of certain other factors like community, charity and fair trade and ethical sourcing initiatives.

For the perception measure, we could not avoid the fact that some brands were less well known to consumers than others and acknowledge that the low perception scores of some of these lesser-known brands could be attributed to low awareness rather than negative consumer perception.

We believe we need to clarify the use of the word "brand". MapChange uses the term to reference the corporate brand (Kellogg's, Nestle, etc.) while Climate Counts generally uses "brand" to refer to the actual products (Pop Tarts, etc.). MapChange profiles the corporate brand's sustainability perceptions (which inevitably are linked to consumer perceptions of a corporation's sub-brands).

The scorecards could also have influenced the general increase in 'perceived sustainability' of this year over last. 2008's scorecard, created by Change (actual) and Environics (perceived), was a broader, more general measure of overall sustainability, whereas this year's, created by Climate Counts (actual) and Angus Reid Public Opinion (perceived), focused solely on climate change.

Lastly, in order to coordinate brand perception scores with Climate Counts' actual scores, consumers were asked to rate their perception of company brands, not sub brands. In other words, respondents were asked to make a decision about the company, and not the individual brands in its roster.

To avoid confusion we provided respondents with the full list of the sub brands under each corporate brand.

Contact Us

For more information on the study or to obtain the map for your sector, please contact us:

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