The State of Sustainability in Japan 2021

How consumers think and act, and how brands can stay one step ahead

fabric

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About Fabric

Fabric is an affiliate of MullenLowe Group, part of IPG. We grew from MullenLowe Group Japan, building on our 15 years of experience working with businesses and brands in the Japanese market, where we bring together global expertise with local cultural insight.

Our team follows an open architecture model, collaborating with global leaders from MediaHub, MullenLowe Salt, MullenLowe Profero, and other IPG agencies to solve your biggest challenges.

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Introduction

We are Fabric.

We're a strategic consultancy helping businesses reframe problems to create shared value with customers and communities. We see this as part of a new social fabric – where the brands that succeed are the ones that: enable culture, nurture relationships, and act on sustainability.

In the new social fabric, sustainability is no longer an option, but an imperative, for governments, individuals and equally for brands.

Sustainability is by no means new to Japan. Renowned for traditions like mottainai (minimising waste), osusowake (sharing of goods or profit), and sanpo yoshi (business that benefits buyer, seller and society)[1] and with more longstanding businesses than any other country in the world[2], in some senses Japan has long been ahead of the game.

Yet now, as the world faces up to ever more urgent and complex challenges, a broader, global and integrated idea of sustainability is becoming commonplace, and Japan finds itself falling behind global standards. The UN Sustainable Development Goals (SDGs), which are lauded by experts, and gaining traction with brands and consumers alike, present a more complex and comprehensive framework. Japan currently ranks 17/166 in terms of global SDG performance[3], but improvement areas are clear: gender equality, climate action and conserving life on land and below water. Other notable sustainability challenges for Japan include managing the super-ageing population, decarbonising energy generation, reducing plastic waste and curbing food loss.

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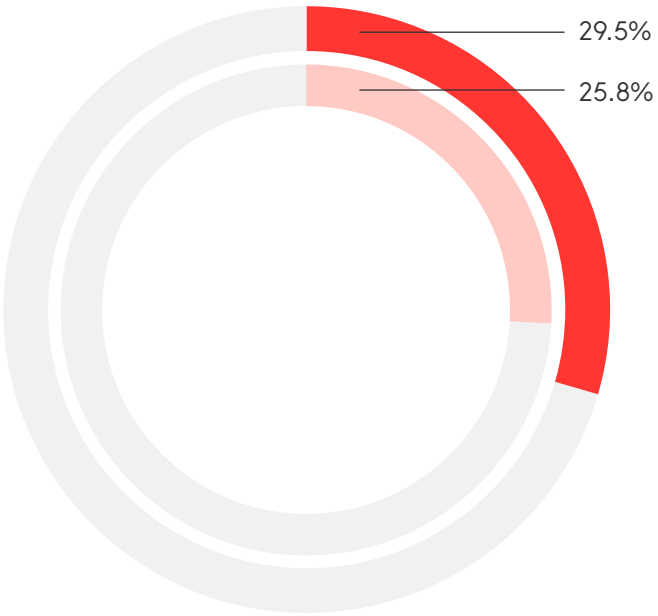
[1]Zenbird. 2021. Sustainability in Japan. [online] Available at: <https://zenbird.media/sustainability-in-japan/> [Accessed 20 April 2021].

[2]Kageyama, Y., 2021. Why Japan has the most old companies in the world. [online] Business Insider. Available at: <https://www.businessinsider.com/how-japan-has-more-old-businesses-than-any-other-developed-nation-2015-4> [Accessed 20 April 2021].

[3]Sachs et al., 2020. The Sustainable Development Goals and Covid-19. Sustainable Development Report 2020. [online] Cambridge University Press, p.270. Available at: <https://s3.amazonaws.com/sustainabledevelopment.report/2020/2020_sustainable_development_report.pdf> [Accessed 20 April 2021].

Complex challenges such as these require complex solutions, which are beyond the reach of any single actor or even sector. Japanese consumers tend to look to government to take action, but also have high expectations for brands, rewarding those they think are playing an active role in creating value for themselves and society with loyalty (30% of consumers claim they try to buy from brands that do good, up 14% from two years ago). Brands clearly have both a responsibility to act and an opportunity in doing so.



I try to buy from brands that take action on social and environmental issues (2021)

I try to buy from brands that take action on social and environmental issues (2019)

Yet many brands are struggling in this endeavour. A series of in-depth interviews with leaders from a variety of brands (ranging from automotive to apparel to engineering) revealed a shared belief that sustainable business practices would inevitably become ubiquitous, albeit at different levels of commitment and action. Current pressures to act more sustainably at a product, brand and organisational level are, they felt, pointing towards a “tipping point moment”, that, as with technological evolution, may play out differently in Japan compared to the rest of the world. Brand Leaders also expressed unease around the lack of crucial knowledge and insight that would enable sustainably-minded business planning and action. In particular, three key questions emerged:

1. What does sustainability mean to Japanese consumers and how much do they care?

2. How much do Japanese consumers know or care about brands’ level of sustainability?

3. How can brands stay competitive in their own approach to sustainability?

We set out to conduct unique and comprehensive research that would address this knowledge gap and inspire positive – and profitable – action.

Executive Summary

1 What does sustainability mean to Japanese consumers, and how much do they care?

KEY FINDINGS

Although sustainability engagement is growing, Japanese consumers have a relatively narrow understanding of the field, and have yet to embrace the interconnectedness of environmental, social and economic sustainability. Consumer awareness of the SDGs is estimated at around 30%, but the majority of people do not associate sustainability with the actual goals. Amongst the SDGs, “Affordable and clean energy”, “Life below water” and “Creating sustainable cities and communities” are the areas consumers currently associate most closely with the concept of sustainability, reflecting both immediate needs and media coverage.

There is a broad range of engagement with sustainability, as laid out in the SDGs framework, ranging from antipathy to obsession. The majority of consumers fall into the Low Engagement category, for whom immediate concerns such as price and convenience or product functionality tend to outweigh sustainability (see table below for details). Lack of time or finances makes sustainability less accessible for many.

IMPLICATIONS

While in most cases it is not a primary driver of purchase behaviour, sustainability is today a factor that, for most consumers and most categories, can deepen relationships between brands and their customers. It is closely related to trust, especially in the area of traceability and transparency, which in turn links to loyalty and advocacy. When brands make the effort to engage consumers on issues of sustainability - and deliver on their promises - consumers will nearly always respond positively, albeit at different levels of commitment.

Not all areas of sustainability are weighted equally in consumers' minds, and certain issues are more suitable for certain brands to tackle than others. Despite the temptation to jump on the bandwagon of popular causes, it will ultimately be more beneficial to brands and society if they help consumers develop a more integrated concept of sustainability and highlight how their own brand plays a unique role in the bigger picture.

To foster loyalty through sustainability, brands need to be aware of the different levels of consumer engagement in the topic, fulfilling their promises and creating shared value for each:

Engagement level (% of the population aged 18-64)	Characteristics	What this means for brands
Low | 65%	37% do not associate sustainability with any of the SDG issues. Purchase decisions are driven predominantly by immediate concerns such as cost and convenience Some do display sustainable actions such as recycling or carrying eco-bags, but often unwittingly, as a sort of "accidental sustainability"	Attract these consumers through price and convenience, using sustainability as a secondary benefit (e.g. bulk / refill packs). Loyalty is likely to increase as behaviour changes. Sustainability-driven points programmes are one technique that can be effective in nudging this tier into becoming loyal customers by providing them with a "win" in terms of sustainable action, as well as the more immediate "win" of tangible points reward. (This approach also adds value to current points offerings, making them more attractive to consumers.)
Light | 17%	Light Engagement consumers are similarly motivated by cost and convenience, but are somewhat more conscious in their efforts to take sustainable action. Often lacking the information or the motivation to make an extra effort.	Provide clearer information to help push Low Engagement consumers in the right direction - and become more loyal to your brand Here again, nudge dynamics such as those used in points schemes can drive cumulative and meaningful action at scale, resulting in increased loyalty. Win-win product innovation delivering mass functional benefits alongside sustainable benefits can also be instrumental in driving engagement for this group.
Moderate | 9%	These consumers consider their purchases carefully, but tend to prioritise other factors such as health or design Sustainability is not top of mind, but a definite nice-to-have.	Win Moderate Engagement consumers' loyalty by interweaving sustainability with other desired benefits (e.g. minimalist design), thus facilitating purchase and increasing satisfaction. Aim to surprise and delight these more discerning consumers, especially through more elegant and integrated product innovation.

Engagement level (% of the population aged 18-64)	Characteristics	What this means for brands
High | 4%	A minority of obsessive early adopters who have the potential to influence others. These consumers have an additional set of criteria for purchase decisions, including packaging, traceability, sustainability reputation and so on. They will often spend more time researching what they buy, and try to avoid wasteful impulse purchases, believing that individual action is an important part of sustainable development. Price and convenience are still important factors for this group, however, resulting in a certain amount of tension within their purchase journeys. Although potentially willing advocates, their allegiance is dependent on brand credentials, and may switch in the presence of a new disruptor.	Ensure High Engagement consumers' advocacy by facilitating their purchase decisions through clear labelling and reassurance of sustainability benefits. Equally, product, packaging and even supply chain innovation is often required to meet their more demanding needs, and retain their loyalty and influence. This goes hand in hand with in-depth storytelling and thought leadership on key issues that are in harmony with brand philosophy and values: continued communication will help to nurture these sensitive relationships.
Negative | 5%	Negative engagement consumers are at the other end of the scale, a small number of atypical consumers for whom sustainability holds distinctly negative associations. This group tend to resent brands and individuals that promote sustainability, suspecting both of hypocrisy.	Negative Engagement consumers can safely be ignored for the most part, but marketers should continue to monitor their feedback on sustainability campaigns through social channels. This group are particularly sensitive to greenwashing, and may provide a helpful reality check. Additionally note that brand integrity and transparency in communications may eventually win their favour, with the potential to recruit them into higher brand and sustainability engagement groups.

2 How much do Japanese consumers know or care about brands' level of sustainability?

KEY FINDINGS

Generally speaking, the more engaged consumers are with sustainability, the higher they will rate brands' sustainability performance. Additionally, higher sustainability perceptions are often reflected in higher consumers' commitment to that brand, especially future purchase intent. Enhancing sustainability perceptions can therefore be linked to competitive advantage in both the long and the short term.

Toyota is seen as a clear sustainability leader, reflecting its status as a representative national brand. 7 out of the top 10 brands surveyed are domestic. Google, Apple and Amazon are perceived to be the most sustainable global players,
in line with their status as leading brands.

Within the field of sustainability, each brand has its own signature strengths relating to the sustainability challenges of the SDGs, often directly reflecting brand philosophy and values (e.g. economic and technological development for Toyota, conserving the natural world for Patagonia). Consumers who are highly committed to a brand tend to be more aware of its signature strengths within sustainability.

Even brands that put sustainability at the heart of their strategy may not be gaining recognition for their efforts due to lack of communication, relatively low brand awareness or consumers' preoccupation with other more functional benefits (e.g. L'Occitane). Others may stand out in consumers' minds only for a certain aspect of sustainability, where they tend to focus their efforts (e.g. conserving the natural world in the case of Patagonia).

IMPLICATIONS

It is important to identify which sustainability challenges are genuinely relevant to both the brand and its targets, and explain how these connect with other global and local concerns. KPIs on sustainability perception should take these signature strengths into account. While local or global leaders can be a good source of inspiration, category peers are likely a more meaningful comparison when choosing benchmarks to measure against.

Communicating sustainability strategy and results is an opportunity to build consumer engagement and loyalty. Given the variation in sustainability engagement among consumers, brands would do well to consider tailoring innovations and communications to different engagement groups, as well as leveraging the influence of early adopters in order to build reputation.

3 How can brands stay competitive in their approach to sustainability?

KEY FINDINGS

Brand Leaders recognise that ultimately sustainability will no longer be a differentiating factor, but the new normal. With mounting pressures from multiple angles to enhance sustainability credentials, they consider themselves on a journey towards the new normal.

Consumers are equally on an intertwined journey, which brands can influence through their actions and communications - and be influenced by through consumer reactions.

In order to stay ahead on the sustainability journey, brands need to proactively invest in creating shared value at all levels.

IMPLICATIONS

Although each case is unique, the following are some general guidelines for how brands can stay ahead in sustainability:

Stay grounded in material truth

And integrate social, environmental and economic impact, avoiding greenwashing at all costs.

Be honest about impact

And focus on where you can make a tangible difference.

Think circular

And look for opportunities to improve products, packaging and processes.

Align internally at all levels

Make sure brand philosophy is not only fact-based but also filters down to individual action plans.

Innovate for all segments

From win-win value propositions in lower engagement groups (e.g. points schemes) to smart benefit integration in higher tiers (e.g. upcycling).

Clarify brand role and context

Communicate signature strengths in the context of an integrated view of sustainability.

Engage through storytelling

And feel free to express a bit of personality in the process.

Activate the community

And start building relationships with potential influencers.

Move quickly!

Build credibility early without waiting for perfection, since consumers will increasingly demand sustainability as a cost of entry, and competitors may well act sooner.

Approach

To address the key questions we uncovered in talking to Brand Leaders, we used a number of different methodologies:

Proprietary quantitative study

- Fielded to a panel of 5,289 Japanese respondents, aged 18 to 64 and representative of the Japanese population
- The 115-question study was specifically designed to uncover innate behavioural market segments.

Ethnographic interviews

- 6 consumers in Tokyo with varying levels of sustainability consciousness
- Including home visit and shopping trip where permitted

Desk research

More specifically as part of the quantitative study, we developed some new measures for understanding consumers' behaviours and attitudes with regard to sustainability and brands:

Consumers' Engagement with Sustainability

Consumer Sustainability Engagement was tracked using a combined score that takes into account multiple attitudinal and behavioural indicators. These indicators were based on consumer agreement or disagreement to positive and negative statements about society, as well as personal actions, based on the SDGs framework (see Appendix 1 for details).

Consumers' Perception of Brand Sustainability

The Brand Perception Score is an aggregate of Japanese consumers' (aged 18-64) perception of a given brand's commitments to each of the six areas of sustainability, based on a summary of the SDGs framework (see Appendix 2 for details).
A given brand perception score is calculated based on the perception of consumers' awareness of that brand.

Consumers' Commitment to Brand

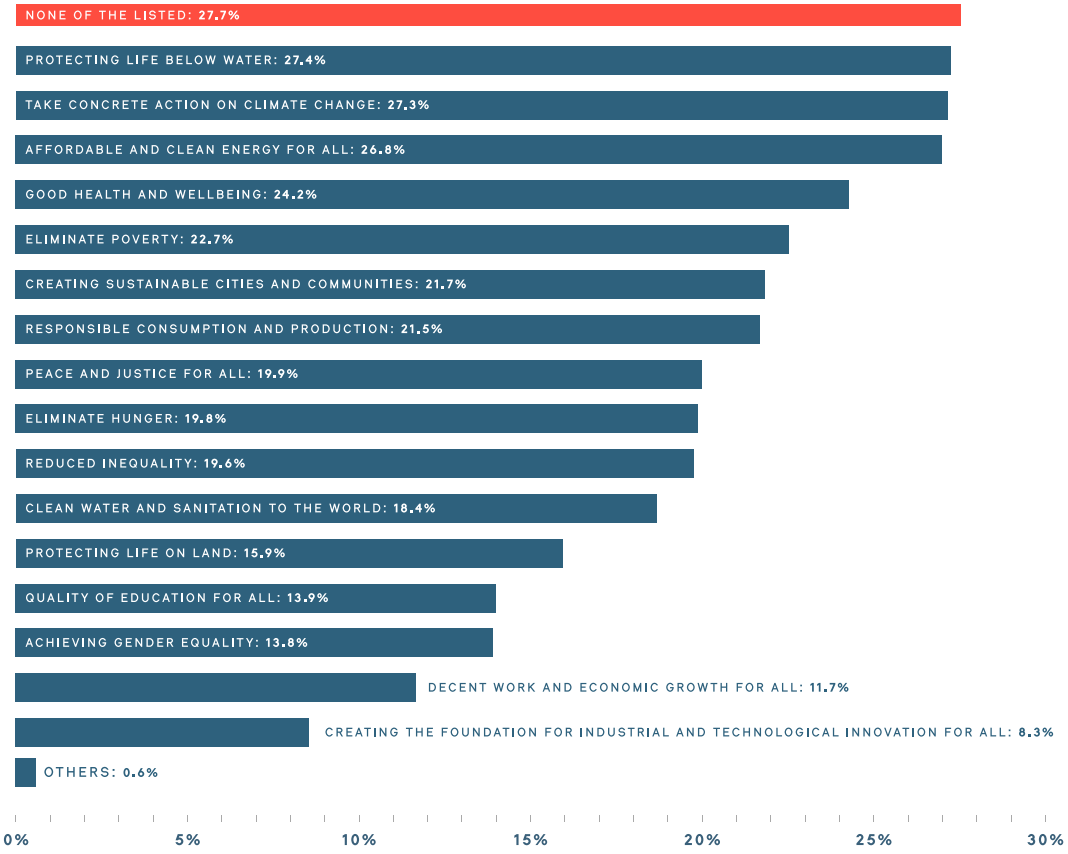
We track Commitment to Brand using a combined score, taking the following indicators into account:

- Awareness of the brand
- Past purchase behaviour
- Average spend per purchase
- Social media following
- Brand liking
- Future purchase intent
- Advocacy

1 What does sustainability mean to Japanese consumers, and how much do they care?

The concept of sustainable development laid out in the UN Sustainable Development Goals is notably complex: 17 interconnected goals cover everything from peace to gender equality to marine conservation. This is the holistic view that sustainability experts have arrived at after many years of research, and continue to promote. Yet, is this what sustainability means to consumers?

Figure 1. When you hear the term "sustainability" what comes to mind?



Although increasing, general awareness of the SDGs in Japan is estimated to be at around 30%[4] (apparently nearer 90% for Tokyo University students[5], as a benchmark). The logo and name may therefore be somewhat familiar, but the actual framework and its implications less so. In fact, the majority of consumers do not associate any of the goals with sustainability (see Figure 1.).

[4] Intage 知る Gallery. 2021. SDGsとは？17の目標のうち日本人が考える優先的に取り組むべき目標は？わかりやすく解説 - Intage 知る Gallery. [online] Available at: <https://www.intage.co.jp/gallery/sdgs/> [Accessed 20 April 2021].

[5] Source: Survey on the SDGs Awareness of UTokyo Students 2020 Report Summary), Todai Sustainable Campus Project Student Committee

Affordable and clean energy for all, protecting life below water and creating sustainable cities and communities are the sustainability goals that consumers relate to best. This reflects both immediate needs (such as the need for energy and community) as well as media coverage (such discussion of clean energy in the context of the Fukushima disaster, or increasing press attention towards marine plastic).

In 2021, Japanese consumers claimed to be 86% more worried about the environment than they were two years ago.

Goals that are closer related to economic growth, such as decent work and economic growth for all or creating the foundation for industrial and technological innovation, have a weaker connection to sustainability in consumers' minds, suggesting that the concept of the triple bottom line has yet to move beyond business circles.

Gender equality also has a notably low association with sustainability, despite being one of Japan's key improvement areas highlighted by the 2020 Sustainable Development Report (Sachs et al).[6]

Figure 2. Current Assessment - SDG dashboard SDG trends

Notes: The full title of Goal 2 "Zero Hunger" is "End hunger, achieve food security and improved nutrition and promote sustainable agriculture".
The full title of each SDG is available here: https://sustainabledevelopment.un.org/topics/sustainabledevelopmentgoals

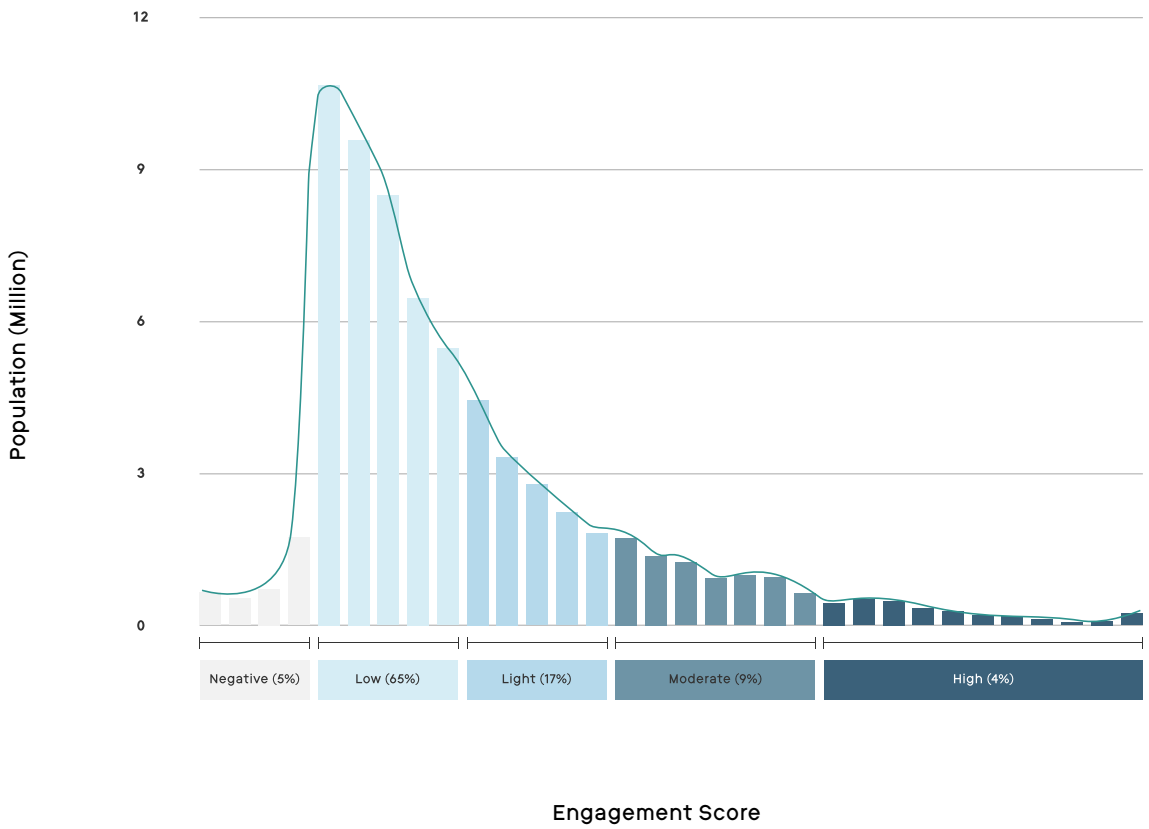
[6] Sachs et al., 2020. The Sustainable Development Goals and Covid-19. Sustainable Development Report 2020. [online]Cambridge University Press, p.270. Available at: <https://s3.amazonaws.com/sustainabledevelopment.report/2020/2020_sustainable_development_report.pdf>[Accessed 20 April 2021].

Overall, it is safe to say that the majority of Japanese consumers do not yet embrace the integrated and nuanced view of sustainability presented in the SDGs framework. Few appreciate the interconnectedness of environmental, social and economic sustainability, which implies that brands' efforts to pursue sustainable growth may still be misunderstood. Equally, it may not be immediately obvious how a brand's own chosen cause or area of focus could contribute to the bigger picture of global sustainable development. Encouraging a broader, most holistic view of sustainability, in line with the SDGs framework would be of benefit to all.

The majority of Japanese consumers have relatively low engagement with sustainability, as laid out in the SDGs framework, confirming that this view has yet to take hold. 65% score as "Low Engagement", 17% as "Light Engagement" and 9% as "Moderate Engagement". This is in line with the how the Brand Leaders we talked to perceived the general population, for whom sustainability is connected to a vague perception of "eco" but usually nothing a lot more concrete. Only a small minority, 4%, are dedicated enough to score as high, or feel resistant enough to score negatively (5%). (See Figure 3. for details).

Figure 3. Consumers' Engagement with Sustainability

There is a wide range of engagement to sustainability, with the majority falling in the low engagement group



Some clear patterns emerge when we break this down further (see Figures 4-10). There is a female skew from Light to High engagement groups, while Negative and Low skew male (in fact nearly 70% of the Negative group are male). Differences in engagement are relatively unrelated to the urban / rural divide or with having young children in the family. Those with more control of their own time (homemakers, retired people, freelancers) are more likely to have higher engagement with sustainability. Related to this, high sustainability engagement increases among over 60s, and decreases among those in their 30s, who may be distracted with career and family concerns. Consumers with lower engagement are more likely to hold a full-time job, but those who work for large corporations are actually more likely to have higher engagement, possibly due to internal education initiatives. Additionally, consumers with lower household income (under 3MM JPY) are more likely to have lower engagement. The reality is that, for many, sustainability is a luxury. Brand Leaders from apparel and skincare brands meanwhile suggested that functionality may trump sustainability for many.

Figure 4. Self-identified gender

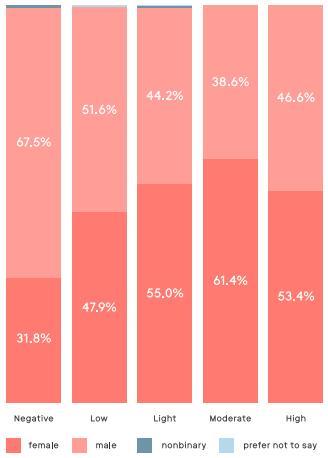


Figure 5. Age group

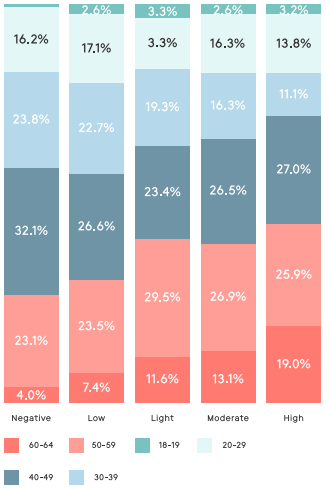


Figure 6. Children under 12

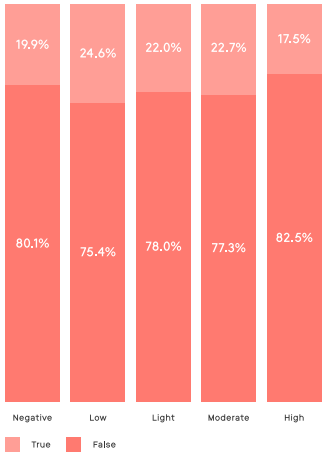


Figure 7. Employment status

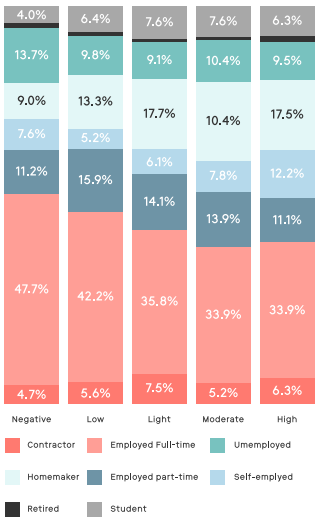


Figure 8. Company size

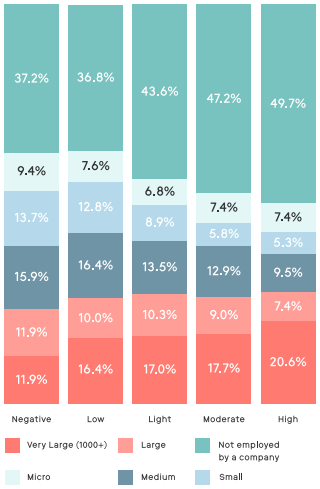


Figure 9. Household income

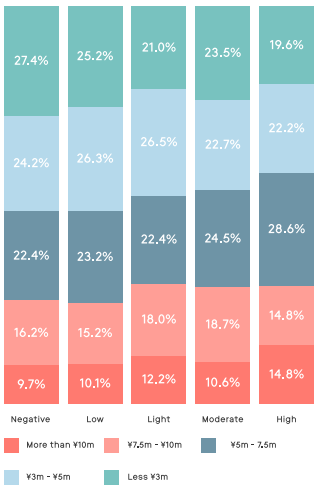
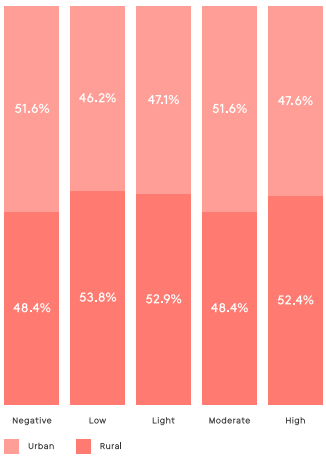


Figure 10. Urban vs Rural



Consumers with lower engagement tend not to relate SDG issues to sustainability, while the urgency of climate change apparently requires greater understanding seen only among those with higher engagement. The interconnectedness of sustainable development issues is therefore something that still requires some basic education.

Across groups, achieving equality and supporting basic living needs are judged to be the most difficult challenges in sustainable development. Consumers generally place most responsibility on Government, yet feel that Individuals and Private Companies have been playing more than their fair share in addressing sustainability challenges.

All groups apart from those with Negative engagement tend to find it first easier to accept sustainability as a social ideal than to take action on an personal level (despite recognising the need for individual engagement they are often lacking in guidance). One notable exception, for almost half of light to high engagement groups, is in the area of developing a more equal society, where Diversity & Inclusion efforts at workplaces may have influenced personal commitment. Another area of commitment, is in Reducing, Reusing, Recycling and Repairing, where 56.89% of these consumers claim to be making an effort by themselves. Here once again, repeated communication campaigns, this time from public authorities, may have sparked consumer action.

Figure 11. Instead of buying new things right away, I repair things that can still be used

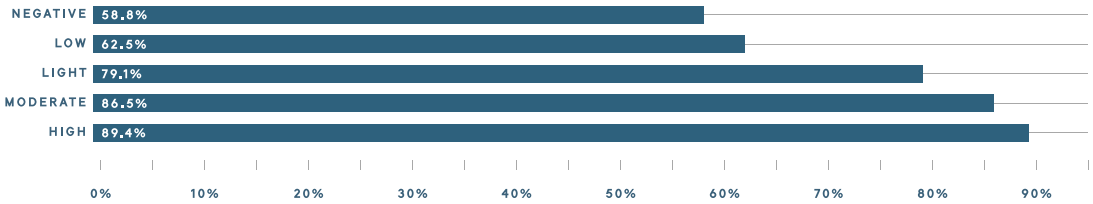


Figure 12. I try to be careful not to waste resources when buying things

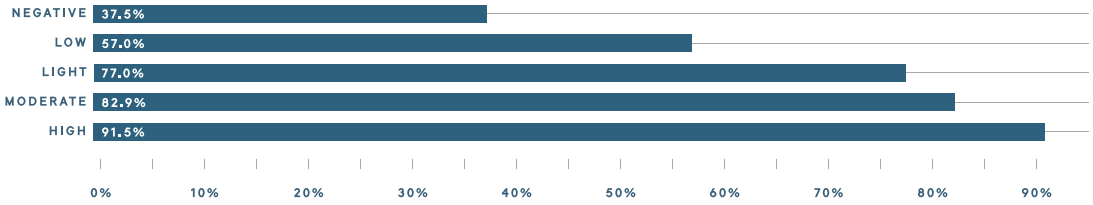
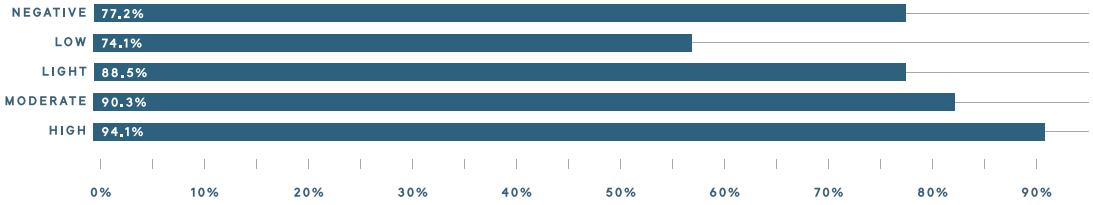


Figure 13. I buy things that can be used for a long time



Across groups, awareness of mottainai culture appears to be relatively high





In the following sections, we take a deeper look at each of the segments of sustainability engagement based on qualitative evidence.

NEGATIVE ENGAGEMENT

Consumers with a very low or negative score can display some distinct antipathy towards the idea of sustainability, resenting both brands that promote it (“a hotbed of profit”, “money-making”, “bothersome and intrusive”, “deception”, “I’m sick of seeing it for the sake of corporate image”) and people that champion it (“a word annoying people say”, “conscious idiot”). They are nearly 30% more likely than the general population not to care whether their products are sustainable or not, and nearly 4 times more likely to consider sustainability as a “marketing ploy”. This group should obviously not be the target of sustainability-related communications, although it is worth monitoring their responses on social channels to avoid backlash.

LOW ENGAGEMENT

Sustainability is not a primary concern for Low Engagement consumers, so it makes more sense for brands to appeal on more immediate benefits such as price, volume and convenience. However, if “accidental sustainability” can emerge through purchase behaviour, it will drive positive reinforcement.

Keiko

Low engagement

Keiko (not her real name), is a mother of 3 boys, and claims she does not have time for sustainability.

"I pay more attention to prices than sustainability. Prices and volume. I've always been like that, but over time it's gotten worse with the more children I have (...) When I think of sustainability, I think it's too hard - you have to be very rich - not just with money, but also have enough mental space to accept the sustainability lifestyle".

Mental space is indeed something Keiko craves, often waking up at 3am just to have some time to read the (physical) newspaper before doing housework and preparing meals. Meanwhile, her husband also leads a busy life, regularly returning from work at 1am, and continuing to work at home.

The physical space in her home is also overrun with family clutter, and she repeatedly apologises for how untidy it is, expressing regret at buying more things than they really need. One example is tablet computers, of which there are now five in the household: "When I get upset about children's behaviour, I'll put the kid's devices and iPads high up in the cupboards. But sometimes I forget where I put them and my husband bought more second hand. We only found the originals when we moved house! (...) We don't need one device per person." Keiko has a similar story when it comes to socks, which inevitably go missing, so she buys multipacks to replace them, ending up with about 10 pairs per person ("even though we've each only got two feet!").

Despite being conscious of the waste in her home, and the challenges of leading a sustainable lifestyle, Keiko is less conscious about sustainable actions she actually does perform, often for another reason.

For example, she often buys smaller refill or concentrate packs of washing detergent, not to save packaging, but because it is lighter to carry; she recycles bathwater to wash clothes, not to save water, but because hot water is more effective at cleaning than her regular cold wash; she never goes to the supermarket without her special eco-bag, which fits snugly inside the basket, because when the shop assistant packs it for her, it saves time and effort.

When choosing items to put in her shopping basket, however, price and volume are the main criteria. Although she is not extreme in her choices - for bread and bananas, for example, she chooses the second cheapest option due to higher quality and taste - she is highly conscious of how much items usually cost relative to each other, as well as any week by week fluctuations in price.

Sustainability makes most sense to Keiko when there is a clear image she can associate with it: "With recycled paper, I can imagine the way it's been recycled, but I cannot with other things (...) With the environment, I can imagine the polar bears drowning in the water, or the trees in the Amazon being cut down." Yet what drives her to take action is not these images, but a win-win proposition - such as the in-basket eco-bag that shop assistants pack - that helps her to save time or money at the same time as being sustainable: a sort of "accidental sustainability".

LIGHT ENGAGEMENT

Like Low Engagement consumers, light engagement consumers are still very much attracted by price, convenience and volume, but make more of a conscious effort to take sustainable action. Supporting and rewarding these efforts, such as by providing them with necessary information, can help win their loyalty.

Yosuke

Light engagement

Yosuke (not his real name) does what he can to be eco (he is unfamiliar with the word "sustainability"), but is not sure if it is really making a difference. He religiously recycles his plastic, and reuses his face masks (apart from the big box of paper masks they bought in the early days of Coronavirus). In his kitchen he has a huge collection of wooden chopsticks and plastic spoons collected from convenience stores over the years, explaining

"I hang onto what I'm given, although I suppose it's better not to take them in the first place..."

The same goes for the thin plastic bags given at supermarkets checkouts to wrap meat, fish and tofu, which he proudly reuses to wrap bananas before putting them in the refrigerator. He carries more than one cloth eco-bag to put his shopping in, yet instinctively takes these additional plastic bags despite never having experienced a spillage before.

Price is a key concern for Yosuke, and he will go as far as checking several stores to find the lowest prices for certain items on certain days (Don Quijote for sweets, greengrocer for vegetables etc). Provenance is less important, except when it comes to tinned mikan, for which he chooses fruit from Japan rather than China. Convenience also factors into his purchase decisions, such as the tube of tuna mayonnaise spread, which saves his family time in the morning. Health is another criterion, which affects, for example, his choice of beer (Asahi Style Free), and yoghurt drink (Meiji R-1, which he uses a starter ingredient for a home yoghurt maker).

Yosuke's home is compact, but not overly packed with things. With the exception of the Rodeo Boy exercise machine, which is now used as a shelf, and a collection of anime figurines, most things have their place. He tries not to waste things as much as possible, especially food, and sells his wife's and son's used clothes on Mercari (Yosuke tends to keep clothes for longer until they have holes, when he throws them away).

Figure 14. I want to have a positive impact on the environment/ society but don't know how

The majority of consumers from Low to High Engagement express frustration at the lack of information regarding sustainability and how to make a positive impact.

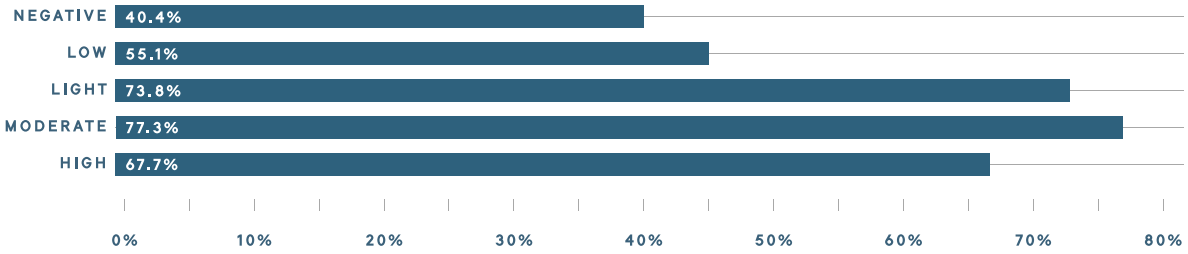
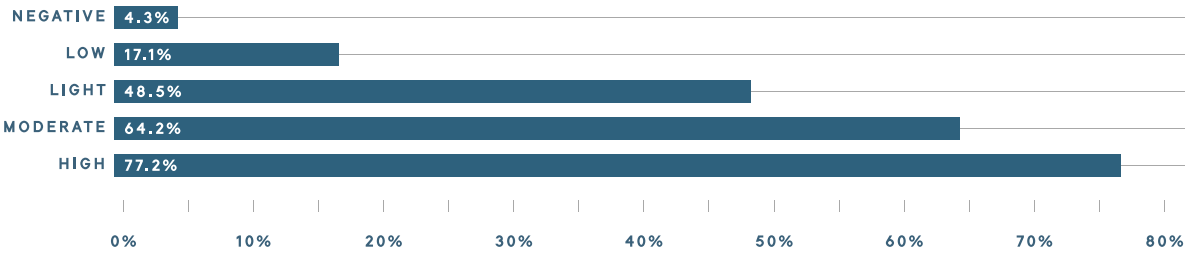


Figure 15. I make an effort to reduce, reuse, repair or recycle waste



Light engagement consumers do the bare minimum in terms of personal sustainable action, with around half claiming to make efforts to reduce, reuse, repair or recycle waste

MODERATE ENGAGEMENT

Consumers with moderate engagement consider their purchases carefully, but often prioritise other factors such as health or design. While sustainability is not top of mind, they have both financial and mental availability to invest in sustainable choices, with the added benefits they bring, even if only in terms of image. For this group of consumers, it is important to understand what their particular motivations are, and how to blend sustainability benefits with them.

Masaki

Moderate Engagement

Masaki (not his real name) is a 32-year-old young entrepreneur who manages his father's sash window business. He represents the foreign-educated, well-travelled Japanese youth, and his cosmopolitan social circle has positively influenced his awareness and views around environmental issues and sustainable living - "I became aware of environmental issues when studying abroad... I don't consciously think about my sustainable actions through the day, but the experiences from my friends and family guide my decision-making, largely."

Masaki leads a very social life and is known in his inner circle as a tastemaker particularly in food, décor, fashion and music. As someone who is identity-conscious, he takes a lot of care to be seen wearing the right brands that support his choice of self-expression. While he is actively quality-conscious, he also follows and seeks out independent clothing brands – "I am pretty careful with what I buy. I tend to like up-and-coming brands that are trying to create a new style or have a new approach."

Masaki self-identifies as a minimalist who appreciates products that last longer and hence reduce the impact on the environment. He feels this has been instrumental in shaping his fashion sense too - "When I buy things to last, I deliberately choose plain, unflashy designs so that they are unlikely to look dated in the future... With clothes I like to use them for a long time and enjoy how they age, together with me." He expressed his new-found love for hiking and camping in the Japanese outback and has invested significantly to pursue his hobby with the right amount of quality gear.

Contradicting his otherwise minimalistic outlook, he is less in favour of renting clothes, as he explains, "I don't particularly like the idea of renting clothes. I have heard of minimalists who try and only rent clothes and don't buy it. So I would not like to rent it. I remember watching a Spielberg film that creates a world where everyone wears the same clothing almost like a uniform. And I know this would be most environmentally sustainable, but I think diversity enriches culture. I can't eat the same food everyday for the same reason." This furthers the idea that while he is a conscious consumer, he would not compromise on the diversity of his self-expression and those around him. At half-time in our conversation, we begin to learn more about how this translates to his eating habits and food choices. "I don't like leftovers in my fridge. I would give the food away, instead of eating it a few days later. This is because I don't like to repeat food, but also it helps me cook only as much food as I need." In the same breath, he adds, "I care about how my fridge looks when my friends are around."

Masaki is instinctively influenced by product packaging and labels. While a big part of it is aesthetics and design, he is compelled to learn about the products' source, manufacturing quality, perishability and mostly importantly its impact on his own health. Although, he firmly believes that brands need to share a responsible value system, and allow consumers like himself, the freedom to choose based on 'personal taste', 'quality' and 'image' related factors without having to worry about the maker's ethics: "I use more skincare than most men do. But my decision making is not so much about what is good for my skin (I don't know how to judge that), but more the brand values and how much do they know what they are talking about. If I am reassured, I try to trust them and try their products out."

Rika

Moderate Engagement

Rika wakes up at 4:30 every morning, lies in bed for a while and then tracks her habits, weight, diet and schedule in three different apps. As a freelancer, she has developed an impressive array of techniques to stay in control of her own time, admitting with a chuckle how crazy she must sound. "I'm overwhelmed by all the things that I want to do, but it's because I want to do these things, it's a good kind of overwhelming (...) I feel really really happy and I'm glad that I chose this path for now."

One of the things she enjoys having time for is looking after her apartment, which is minimally decorated with a number of handmade dried flower decoration. Her sense of taste can be seen in all corners, including the bathroom with its plain beige shampoo and conditioner jars. She keeps Pantene refills under the bed, and uses these containers because they look better. “Honestly, I don't like to have many multiple colours like that [packaging], but usually products are all about fonts and colours and designs, so I would prefer them to be in packaging that is really simple."

As a keen athlete, Rika is in the habit of washing sports clothes on a daily basis, at the suggestion of her boyfriend. There is a certain amount of guilt associated with this habit, however: “Doing it the way I am doing, I feel like I am wasting energy - like energy bill, water bill - also the effort and time to fold. I feel kind of bad because the machine is against a wall, and I usually run it at night after my workout, so I always wonder if it is loud for the neighbours.” sustainability is therefore not always top of mind, and not without tension.

Despite her admirable discipline, she also experiences tension when visiting a local Natural Lawson, her convenience store of choice. "I like Natural Lawson because it has lots of different products from interesting places, and lots of imports compared to FamilyMart. I get veggies here sometimes.” The truth comes out sooner or later, though: “My favourite aisle is the snacks, where you can find me most days. I really wanted to buy chocolate, but I'm staying away... no, I'll get some anyway!"

The Moderate Engagement group is the one that expresses the most frustration at the lack of information regarding sustainability and how to make a positive impact. They tend to feel proud when buying sustainable products, even if nobody else knows.

Figure 16. I want to have a positive impact on the environment/ society but don't know how

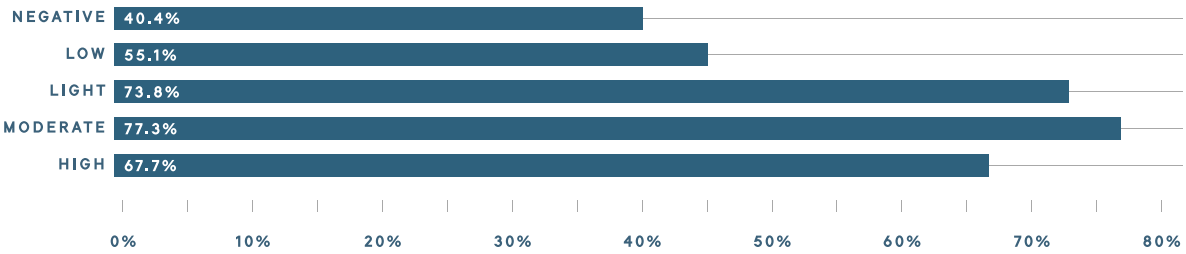
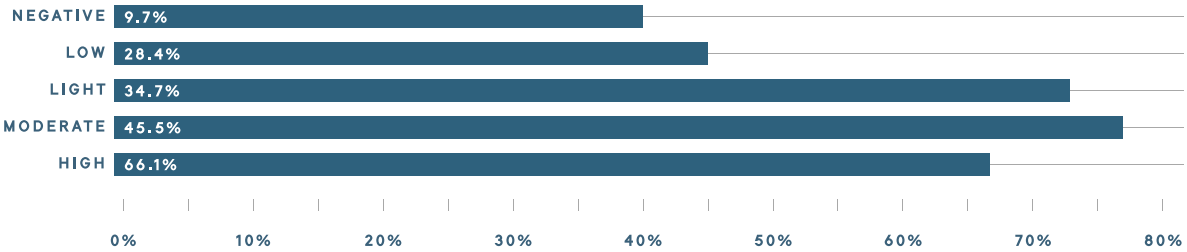


Figure 17. I feel proud when I buy sustainable products, even if nobody else knows



HIGH ENGAGEMENT

Although they are still only a small minority (~4% of total), it is well worth cultivating relationships with high Engagement consumers due to the potential influence they have. Price is usually less of a concern than other environmental or social factors, and they have fewer but better researched products in their lives (they are twice as likely to research environmental and social impact as others). As such, they are 70% more likely to reward the brands they do eventually choose with loyalty. Compared to the rest of the population, they are 122% more likely to buy from “brands that do good”, and 380% more likely to pay extra when they know they are supporting local businesses or artisans. This is the group of consumers who will keep brands on their toes, pushing for innovation in product, packaging or supply chain to meet their high expectations. They are more likely to vote with their wallets, switch brands to save packaging and to make their opinions known on social media. Brands can certainly win their favour by innovating but also through clearly communicating their competitive advantage in sustainability in order to make decisions less burdensome.

Anna

High Engagement

Five years ago, Anna (not her real name) saw a video that changed her life. It was the environmentalist, Lauren Singer, packing her own 5 years' of waste into a single mason jar. "The trigger for my lifestyle change was that video I saw. It drastically changed my perspective on things," Anna says. Since then she has, to the best of her abilities, embraced the zero waste lifestyle, and even started an Instagram account about it "to keep myself accountable". She now works in a renewable energy company in the ESG department, as a way of "amplifying" her individual actions.

A quick tour of Anna's 1LDK apartment revealed some tell-tale signs: compost on the balcony, and in the fridge; shampoo bars (to avoid plastic bottles); toothpaste tablets in a glass jar (to avoid plastic tubes); eco-accessories such as bags and collapsible tumblers to take to cafes.

In the convenience store (which we visited only because the greengrocer was closed), Anna showed as much concern for plastic and packaging as our Low Engagement candidate Keiko did for price. "Since I started being conscious about plastic, snacking has been guilt for me - not so much about health, definitely more about the amount of packaging, if it's exaggerated or not, if it has trays in it or not". While explaining this, she hesitates for about 5 minutes over a packet of cheese strings, a weakness of hers, which happens to have a plastic tray inside. She feels every package on the shelf, looking for hidden plastic wrappers. Eventually, she gives in and buys her favourite: "At the end I feel like I've worked hard enough I deserve it and I'm like "yeah it's got a tray, whatever". But it's only really for this product, not for other ones."

There are other exceptions too, however, such as beverages: "I never buy any PET bottles at all. I just don't need them. But the Pocari Sweats, if I need to get hydrated in the summer, these are the shiyou ga nai choice." The better choice is not always easier to make, especially when there are various factors to be considered, such as air miles: "If I really, really need a bottle of water because I forgot my tumbler, there's a brand called Just Water, started by Will Smith, it's in a paper package. But it you look on the packet it says it's from England so I don't know if it's good or not."

Observing her deliberations over the cheese strings, one factor that clearly did not come into play was price: "Sometimes I go to the cashier and say tell me the price and I'm like "What?! That expensive!" Anna claims that she does not spend much money on other things, so prefers to eat what she want to eat.

Although her lifestyle appears to be extreme at first glance, she maintains a balanced view, and wants to avoid alienating people through her behaviour. "I think in anything it isn't healthy to be extreme, because we still have contemporary lives that we need to attend to. That's why I talk about accessible sustainability. I want to promote something people can actually do. I don't want to sacrifice myself too much either. If the switch is easy, I do it, but if I have to think more and it takes more of my mental energy, I just do what's easy. I guess I want to promote something that's realistic. I definitely don't want to scare people and say "I'm doing this and I'm perfect"."

Hatsue

High Engagement

Hatsue (not her real name) is another High Engagement consumer, who works at a specialist recycling company. Before moving into social enterprise, she used to hold a busy sales job at an online travel company, where she was also part of the CSR committee “to offset my discomfort by doing the CSR activities at work - it was about balancing my feelings”.

Currently living with her parents, she has managed to influence them in some ways, without forcing, to lead a more sustainable lifestyle, such as trying soy meat for mabo dofu, soy milk instead of cows’ milk and Tupperware instead of wrapping leftovers in clingfilm.

For herself, she is experimenting with various eco-friendly products, especially when it comes to personal care, but with varying degrees of success. “I currently use a Dr Bronner's toothpaste, but I think it sucks. As soon as you use it it starts dissolving, and I don't really feel like I am getting the sensation of really brushing my teeth - I don't like it at all.” For her shampoo bar, she is more willing to make a compromise: “The soap that I use for shampoo doesn't foam up, so it's not my favourite for my hair, but it gets the job done”. One change that she has no regrets about is switching from disposable period products to a menstrual cup: “I've been using a menstrual cup for about 2-3 years. I feel like it's been one of the best purchase choices I have ever made because a) it saves me money and b) I'm not producing any waste, and c) it's super convenient - I can throw it in my bag whenever and I'm always safe. Travelling is super easy. I feel like changing to a menstrual cup is something very easy to implement in your life.”

Shopping with Hatsue takes some time. She is keen to read labels, check ingredients, considers waste streams, compare products and yes, also prices. A case in point is an attractive wooden toothbrush that catches her eye due to its naming and packaging: "I like this toothbrush because it's wood, the packaging is in paper - all things I feel like is marketed towards people like me. Having said that, in my mind I would have the same conversation where I would know that if this were to be 'recycled' in Japan, it would be all be incinerated anyway, so I it wouldn't make a difference.

So I would feel like it is trying to make me feel better about something that is actually nothing. It's also really expensive for one toothbrush - I would not pay that price. I also know that on Amazon you can buy packs of wooden toothbrushes cheaply."

On the other hand, she is occasionally willing to pay a premium for products she trusts, such as her beloved pair of black Allbirds sneakers, which she paid 2~3 the price of some alternatives that she saw on an Amazon discount sale at the same time. For slightly more expensive items like this, or her yoga mats (made out of recycled PET bottles with a repair guarantee), or her trusty metal tumbler (from a certified B Corp, Klean Kanteen), she will often spend several months researching and deliberating over her purchase.

Having said this, there are certain signals that catch her attention in shops and influence her decision making. The most obvious is aesthetic. Since Hatsue finds the overload of marketing information in shopping environments to be stressful, she is naturally drawn to product displays with a minimalist look and white or natural colours. For her, MUJI is the perfect shop to relax in and walk around at her own pace. Yet even in her favourite shop, Hatsue is still disconcerted by any hint of plastic packaging. “Plastic wrapping annoys me. I would still purchase the product if I wanted it, but it would be annoying for me. I haven't ever rejected buying a product because of the packaging, it just annoys me.”

With regards to driving the sustainability movement in Japan, Hatsue believes the SDGs are key. “I would think that at least 90 per cent of large companies in Japan have SDG teams, regardless of how much emphasis there is within the company to accelerate those teams. All these Japanese salarymen are now walking around with SDG logo pin badges. I guess SDGs are a good gateway for them to be intrigued and willing to listen.” She is also open to triple bottom line thinking, and suggests business plays a key role. “I understand the whole mindset of chasing profit, but I don't hate it. I loved how fast-paced everything is and how innovative [my previous] company was - for me it's just exciting, and I love that fast-paced environment.”

Figure 18. High engagement behavior vs Rest of population

	REST OF THE POPULATION	HIGH ENGAGEMENT	INDEX (HIGH/REST)
I do what is right for the environment, even when it costs money or takes more time	6.9%	50.8%	7.4
I will pay more for a sustainable product	6.0%	40.2%	6.7
I feel proud when I buy sustainable products, even if nobody else knows	30.2%	66.1%	2.2
I think about environmental / social impact before buying products	26.1%	56.1%	2.1
I would pay more for eco-friendly packaging	27.2%	57.1%	2.2
I research about environmental / social impact before buying products	21.4%	42.9%	2.0
I would switch brand to avoid excessive packaging	32.3%	60.8%	1.9

The High Engagement group are significantly more likely to perform sustainable actions, such as buying from ethical brands and choosing sustainable packaging. They also research their purchases more thoroughly.

2 | How much do Japanese consumers know or care about brands' level of sustainability?

Looking at how brands across different categories rank in terms of association with SDG issues, we can see some clear differences between perceived leaders and laggards -and not necessarily where one might expect. Among 36 brands in 13 categories, consumers of all levels of engagement to sustainability see Toyota as a clear sustainability leader, reflecting its status as a representative national brand. 7 out of the top 10 included in the survey are domestic, while Google, Apple and Amazon are perceived to be the most sustainable among global players surveyed, in line with their status as dominant brands.

While this overall ranking reflects perceived impact across a range of sustainability issues, each brand does tend to have its own signature strengths, and may be a leader only in one or two particular dimensions. Patagonia and Suntory, for example, have a particularly strong reputation in the area of “Conserving the natural world (e.g. addressing biodiversity, climate change)”, with Suntory also leading on "Managing environmental resources (e.g. avoid waste, use alternative energy etc)". Meanwhile, Toyota, the overall leader, stands out in terms of “Promoting economic and technological development (e.g. infrastructure, growth)” and “Promoting social development (e.g. smart cities, strong institutions)”. This demonstrates quite a different brand of sustainability that is indeed consistent with its long-term vision as a mobility company. The names that come to mind in terms of “Supporting basic living needs (e.g. eradicate hunger, poverty)” are budget brands focusing on Japanese consumers’ own everyday needs (Aeon, UNIQLO, Kao, MUJI, Seven Eleven). “Achieving a more equal society (e.g. reduce gender, wealth gap)” is where Google clearly distinguishes itself from other brands, including Apple and Amazon, in accordance with its ambition to make the world’s information “universally accessible and useful”.

There are several brands on this list - Adidas, Danone, L’Occitane, Lush, Ikea, for instance - that have claimed to put sustainability at the heart of their strategy, yet do not appear to be generating high awareness for their efforts (this was the case for one of the Brand Leaders we talked to, who managed to generate a small, loyal following without mass awareness). This is due to several reasons. Firstly, as with Patagonia, their strength may lie in a particular area rather than broadly covering all bases. In this case, it would be advisable to build on that strength and focus resources. Secondly, they may not be successfully communicating their focus area and all the specific activities undertaken within that area. Suntory is a successful example, where the corporate focus on water (Mizu to ikiru “Living with water”) and active CSR communication and partnerships has evidently filtered down to create perceptions of a brand that cares for Environmental Resources.

The moral for other brands is that if you believe in something and are taking action, then remember to communicate it. Thirdly, overall media investment is likely a factor too. Leaders like Toyota, Google, Apple and so on have budgets that allow them to maintain and enhance their outright presence and brand perceptions, with probable halo effects on sustainability perceptions. Where increased media budget is not an option, smart targeting and brand strategy are how other brands will need to compete.

Figure 19. Overall Brand Sustainability Perceptions

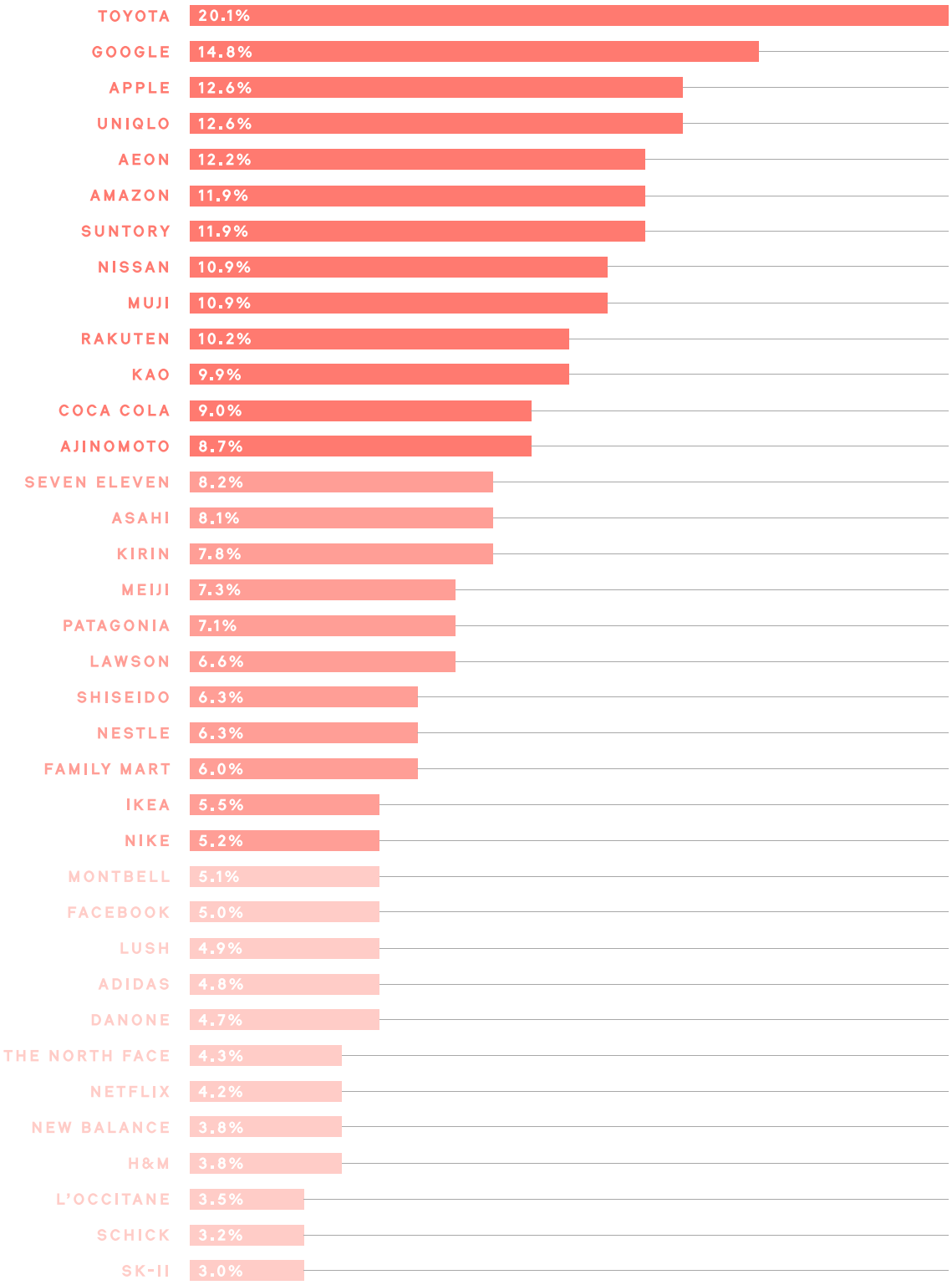


Figure 20. Overall brand sustainability perceptions by sustainability area

	OVERALL	SOCIAL DEVELOPMENT	ECONOMIC/ TECHNOLOGICAL DEVELOPMENT	BASIC LIVING NEEDS	CONSERVATION	ENVIRONMENTAL RESOURCES	EQUAL SOCIETY
1.	**Toyota** 20.1%	**Toyota** 30.3%	**Toyota** 41.7%	**Aeon** 23.8%	**Suntory** 17.9%	**Suntory** 12.5%	**Google** 11.6%
2.	**Google** 14.8%	**Google** 23.0%	**Google** 28.5%	**Uniqlo** 21.3%	**Patagonia** 13.4%	**Toyota** 12.4%	**Toyota** 10.0%
3.	**Apple** 12.6%	**Apple** 19.6%	**Apple** 27.2%	**Kao** 20.1%	**Toyota** 12.0%	**Muji** 12.3%	**Uniqlo** 9.9%
4.	**Uniqlo** 12.6%	**Amazon** 17.3%	**Nissan** 25.3%	**Muji** 19.7%	**Muji** 10.9%	**Uniqlo** 11.7%	**Apple** 8.9%
5.	**Aeon** 12.2%	**Nissan** 15.1%	**Amazon** 18.9%	**Seven Eleven** 19.5%	**Aeon** 10.0%	**Patagonia** 8.8%	**Amazon** 8.2%

In the following sections, we take a deeper look at each of the segments of sustainability engagement based on qualitative evidence.

Case Study 1: Toyota

Toyota is perceived as Japan's leading sustainable brand, tackling society's most significant technological, economic and social problems.

It has been over 30 years since Toyota launched the world's first mass-produced hybrid vehicle in Japan, the first generation Prius. Since then, over 15 million consumers worldwide have purchased a hybrid electric vehicle from Toyota, contributing to an estimated reduction in CO2 emissions by more than 120 million tonnes, compared to the sales of equivalent petrol vehicles[7]. But today, consumers recognise Toyota's holistic approach and its sustainable mission that goes far beyond simply reducing harmful vehicular emissions.

When asked to score brands based on their perception of how committed they are to each of six pre-defined areas of sustainability, Japanese consumers ranked Toyota in the top 3 for all categories except Basic Living Needs. Signature strengths for Toyota are perceived to be Social, Economic and Technological Development, suggesting a clear awareness amongst consumers of Toyota's sustainability efforts and philosophy. Nissan - the other auto brand surveyed - also features highly in these categories, though scoring almost half the points of Toyota.

[7] Toyota. 2020. Toyota passes 15 million hybrid electric vehicles global sales. [online] Available at: <https://newsroom.toyota.eu/toyota-passes-15-million-hybrid-electric-vehicles-global-sales/> [Accessed 20 April 2021]." (cutting repetition of title)

Figure 21. Japanese consumer perceptions of Toyota's sustainability

	OVERALL	SOCIAL DEVELOPMENT	ECONOMIC/ TECHNOLOGICAL DEVELOPMENT	BASIC LIVING NEEDS	CONSERVATION	ENVIRONMENTAL RESOURCES	EQUAL SOCIETY
1.	Toyota 20.1%	Toyota 30.3%	Toyota 41.7%	Aeon 23.8%	Suntory 17.9%	Suntory 12.5%	Google 11.6%
2.	Google 14.8%	Google 23.0%	Google 28.5%	Uniqlo 21.3%	Patagonia 13.4%	Toyota 12.4%	Toyota 10.0%
3.	Apple 12.6%	Apple 19.6%	Apple 27.2%	Kao 20.1%	Toyota 12.0%	Muji 12.3%	Uniqlo 9.9%
4.	Uniqlo 12.6%	Amazon 17.3%	Nissan 25.3%	Muji 19.7%	Muji 10.9%	Uniqlo 11.7%	Apple 8.9%
5.	Aeon 12.2%	Nissan 15.1%	Amazon 18.9%	Seven Eleven 19.5%	Aeon 10.0%	Patagonia 8.8%	Amazon 8.2%
15.	Asahi 8.1%	Asahi 7.8%	Kirin 7.8%	Toyota 14.1%	Ajinomoto 5.9%	Seven Eleven 5.0%	Patagonia 5.0%

The Wall Street Journal once wrote: “The emperor of Japan, its prime minister and nearly half of the population of the world's second-biggest economy have one thing in common: They all ride in Toyotas.”[8] As Japan’s biggest company by market capitalisation and its largest corporate employer, it is not surprising that Japanese consumers are more aware of Toyota’s sustainable actions than other brands.[9]

Our research shows that the more committed a consumer is to Toyota, the more they perceive Toyota to be a sustainable company, suggesting a deeper understanding of the brand’s ethos - and going beyond mere hybrid ownership.

Figure 22. Social development - Toyota

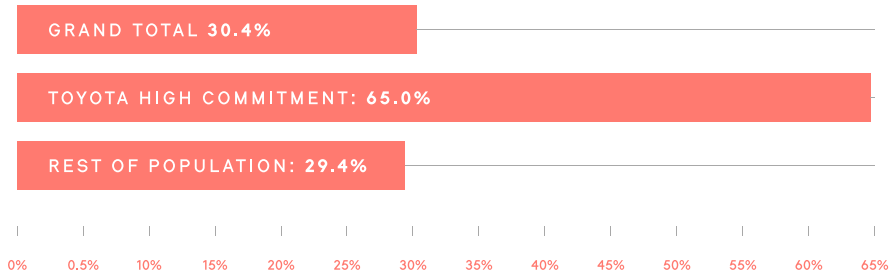
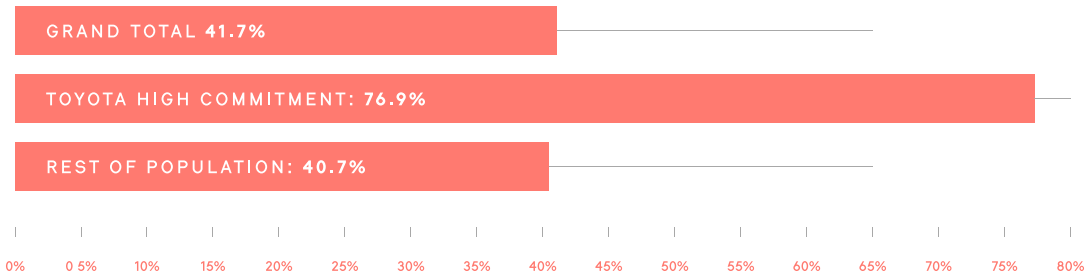


Figure 23. Economic/Technological development - Toyota



Arguably the most significant step towards a more sustainable future for Toyota came in 2018, when president Akio Toyoda announced that his company would transition from being an automaker to a ‘mobility company providing mobility-related services’, under the following corporate vision:

Creating Mobility for All

In a diverse and uncertain world, Toyota strives to raise the quality and availability of mobility. We wish to create new possibilities for all humankind and support a sustainable relationship with our planet.[10]

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[8]WSJ. 2010. Toyota's Influence Looms Over Japan. [online] Available at: <https://www.wsj.com/articles/SB10001424052748703357104575044761211965140> [Accessed 20 April 2021].

[9]Yahoo!ファイナンス. 2021. 連結従業員デイリーランキング-全市場:株式ランキング - Yahoo!ファイナンス. [online] Available at: <https://info.finance.yahoo.co.jp/ranking/?kd=42&mk=1&tm=d&vl=a> [Accessed 18 May 2021].

[10]Toyota, 2021. Toyota Philosophy | Vision & Philosophy | Company | Toyota Motor Corporation Official Global Website. [online] Toyota Motor Corporation Official Global Website. Available at: <https://global.toyota/en/company/vision-and-philosophy/philosophy/> [Accessed 20 April 2021].

https://global.toyota/jp/album/images/34997209/?_ga=2.188601000.1214067334.1619017536-275684496.1618555423

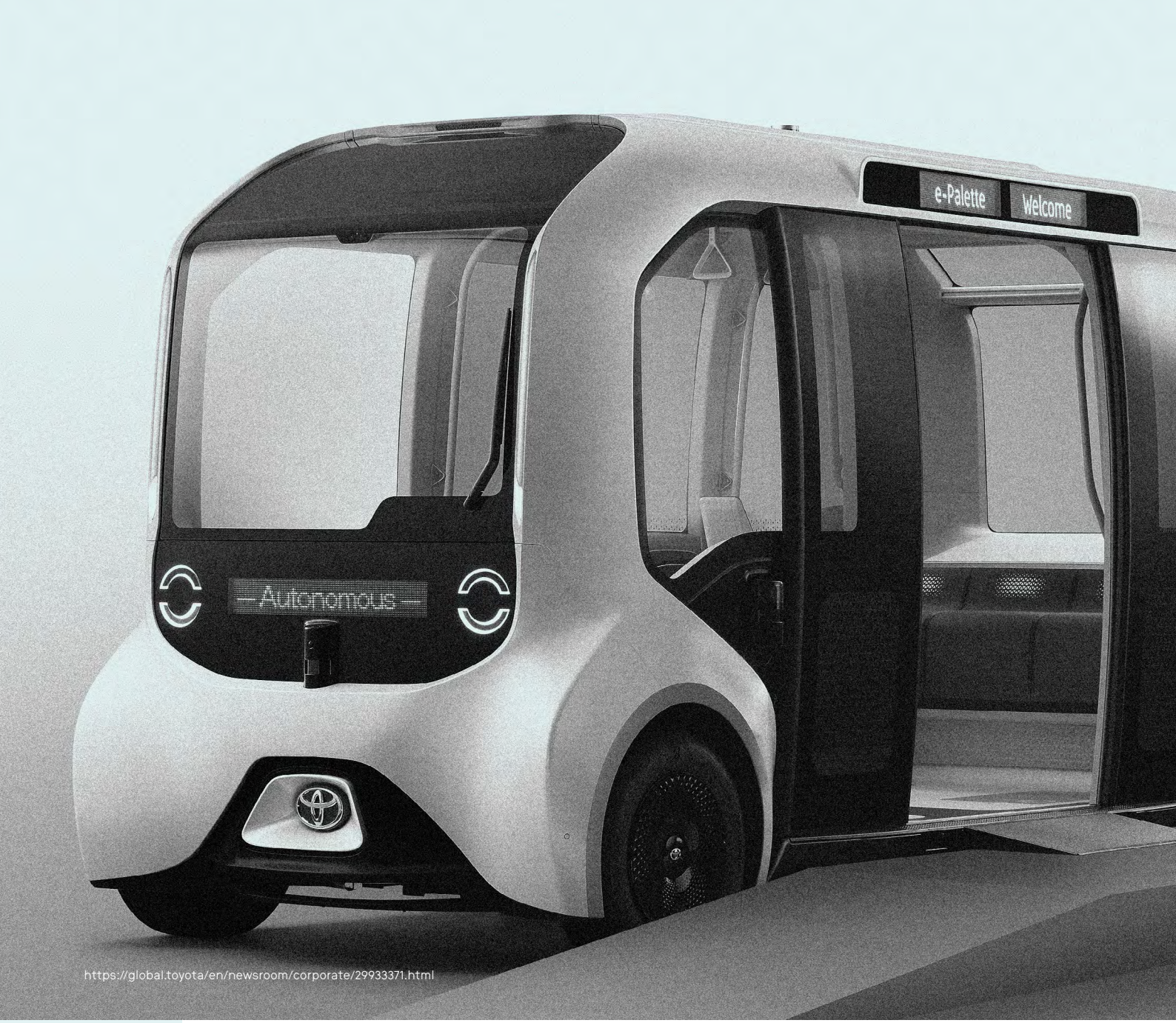
With this came a formalisation of sustainability at Toyota, and clear communication around not only its commitment to environmental issues via initiatives such as Challenge2050 – a Zero C02 emissions challenge across new vehicles, production plants and the vehicle lifecycle – but also a more holistic approach addressing Society and Governance issues. As such, today Toyota's approach to sustainability aligns closely with the ESG framework. In terms of accountability, progress and impact, Toyota appears to demonstrate rigorous dedication to international standards and benchmarks – not least the Sustainable Development Goals (SDGs), the Global Reporting Initiative (GRI) and the sustainability Accounting Standards Board (SASB) – all of which are frequently referenced by Toyota in the context of sustainability-related imperatives and communications. Furthermore, Toyota makes its sustainability performance publicly available by publishing the Sustainability Data Book on an annual basis.

The role of the employee must also be attributed as a key factor in Toyota's evolution as a sustainable brand. Toyota recognised that in order to achieve sustainable growth and deliver their mission of 'Producing Mass Happiness for All,' the organisation would need to be structured in a way that enabled sustainable visions to be embedded in the way that every team operates. So, at Toyota every individual and every team is mandated to respond to how its work aligns with the corporate sustainability philosophy. Toyota is in essence, bringing its renowned engineering mentality to the way it tackles some of the world's largest social problems.

Toyota's transition from automaker to mobility services company has been accelerated through powerful collaborations, not least the establishment of MONET Technologies Inc, a joint venture with Softbank to "deliver an AI mobility revolution." Junichi Miyakawa, President and CEO of MONET Technologies Inc., says: "Together with our partners we will work to realise and spread innovative service that can resolve Japan's social mobility issues and create new value."

The venture aims to solve some of society's most pressing problems by launching an on-demand mobility service (AutonoMaaS) for buses and cars in Japan, with Toyota's e-Palette vehicles becoming integral to the service. This modular approach would enable autonomous vehicles to serve multiple purposes, be that ride-sharing, corporate shuttles, food delivery, logistics or services for the disabled or elderly. As a sustainability pioneer within its category in Japan, Toyota shows industry leadership in inspiring and educating its peers, with other auto brands now also joining the MONET venture - Isuzu, Suzuki, Subaru, Daihatsu and Mazda will each acquire approximately 2% of its shares.[11]

[11]Auto Futures. 2020. Japanese Car Companies Invest in Next Gen Mobility Venture MONET - Auto Futures. [online] Available at: <https://www.autofutures.tv/2019/06/28/self-drive-venture-monet/> [Accessed 20 April 2021].



https://global.toyota/en/newsroom/corporate/29933371.html

In 2014, the financing arm of Toyota (TMCC) introduced the auto industry's first-ever asset-backed Green Bond, to support the development and sale of environmentally friendly vehicles. TMCC had issued four Green Bonds totalling $6.1 billion as of December 31, 2020, and in March 2021 announced plans to issue up to 500 billion yen (US$4.7 billion) "Woven Planet Bonds," aimed at funding projects that contribute to UN Sustainable Development Goals (SDGs).[12] The bond program has been independently reviewed by Sustainalytics, which found that Toyota leads its competitors in supporting its carbon transition through green bond investments across the categories of use of proceeds, project evaluation and selection, management of proceeds and reporting.

The Green Bond strategy can be viewed as a prime example of economic and technological advancement coming together, and our research shows that consumers recognise Toyota's efforts in this space - not least amongst people who are highly and moderately committed to the brand.

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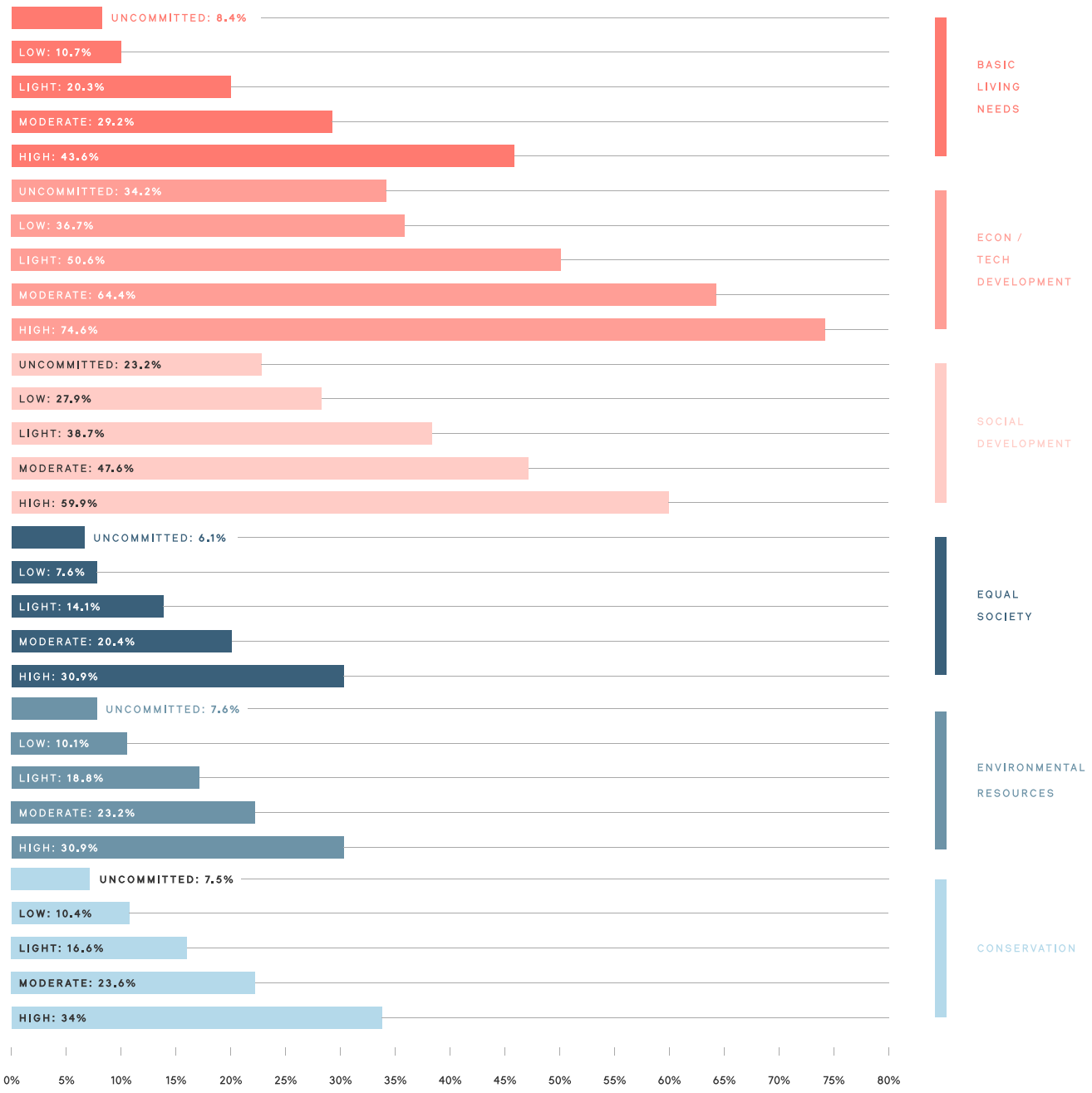
[12]Segal, M., 2021. Toyota to Issue up to $4.7 Billion "Woven Planet Bonds" Supporting SDG Initiatives - ESG Today. [online] ESG Today. Available at: <https://www.esgtoday.com/toyota-to-issue-up-to-4-7-billion-woven-planet-bonds-supporting-sdg-initiatives/> [Accessed 20 April 2021].

Figure 24. Japanese consumer awareness of Toyota sustainability efforts by engagement group



https://nrev.jp/2020/12/30/woven-city-the-field-of-dreams-imagined-by-toyota/

In its own words, Toyota's sustainability journey can be viewed in three stages:

1. Founding spirit and technologies cultivated through manufacturing
2. Transformation into a mobility company
3. Contributing to solving social issues

Toyota's most significant sustainability initiative to date is the prototype city of the future, the Woven City - a 175 acre connected ecosystem, at the foot of Mt. Fuji, powered entirely by hydrogen fuel cells. The infrastructure of Woven City aims to create a real-life environment for the development of new services and products by connecting goods, information, and cities through software and connected technology centred on people - Toyota's boldest step yet, in its mission to solve social issues.

Sustainable growth, it could be argued, is absolutely engrained in the DNA of Toyota. It has not only excelled in defining a clear set of sustainability goals and actions, but also in bringing Japanese consumers along on this journey through distinct consumer-facing initiatives and communications. In its next chapter, through initiatives such as The Woven City, the world will be eager to see if Toyota can deliver meaningful impact in tackling Japan's social problems.

Case Study 2: Patagonia

From its home in California, Patagonia is widely recognised as an activist brand with unerring dedication to saving our natural planet. Yet in Japan, the majority consumers appear to have relatively low awareness of Patagonia's environmental mission and impact.

Patagonia's corporate vision has remained unchanged for 50 years: Build the best product, cause no unnecessary harm, use business to inspire and implement solutions to the environmental crisis.

Bold environmental goals such as a commitment to Carbon neutrality by 2025 (and now plans for climate positivity), the 1% donation pledge, fair trade and organic cotton, and a commitment to the increased use of recycled materials, Patagonia is viewed as a pioneer by brands both in and out of category and has been awarded status as a 'UN Champion of the Earth.'

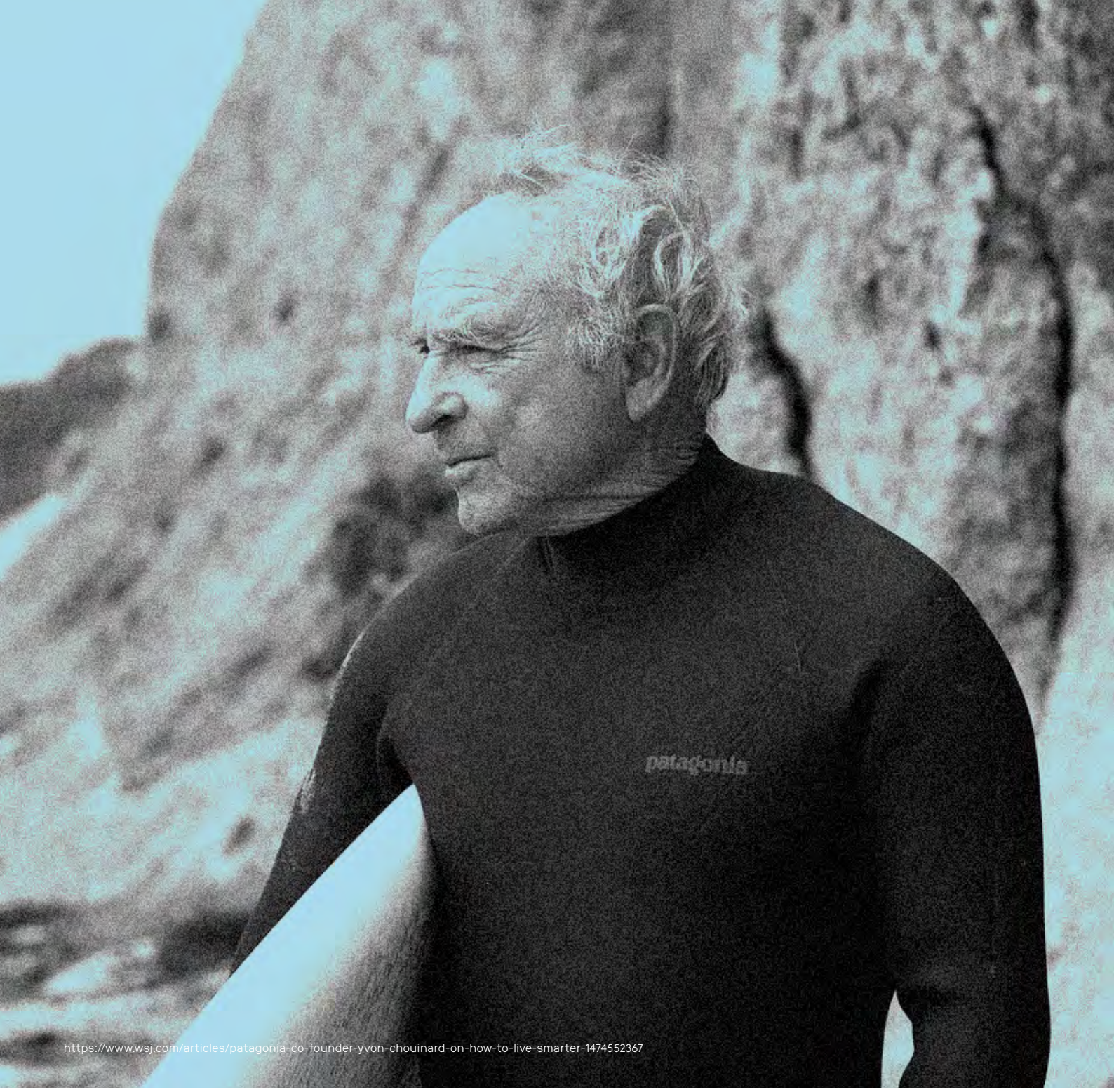
Patagonia's recent move into responsibly sourced food through its Provisions proposition, shows that the company is not afraid of tackling some of the world's most complex, urgent problems, and that their mission is authentic:

With Provisions, we make that turn and step toward a new kind of future. One filled with deeply flavourful, nutritious foods that restore, rather than deplete, our planet. A future with widespread adoption of Regenerative Organic Certification, which ensures that food is produced in ways that build soil health, ensure animal welfare and protect agricultural workers. In short, I'm talking about foods that are a key part of the solution instead of the problem.

That's the revolution I want to be a part of. Why is Patagonia making and selling food? The real question, to me, is how could we not? I realise, now more than ever, that the requisites for a thriving business and thriving people are one and the same.

- Yvon Chouinard, Founder Patagonia[13]

[13]Chouinard, Y., 2020. Why Food?. [online] Patagonia Provisions. Available at: <https://www.patagoniaprovisions.com/pages/why-food-essay> [Accessed 20 April 2021].



https://www.wsj.com/articles/patagonia-co-founder-yvon-chouinard-on-how-to-live-smarter-1474552367

Through their leadership in sustainable business, Patagonia has driven other global brands to adopt more sustainable practices in turn. Not least through bold advertising campaigns, such as the infamous New York Times page that told customers not to buy their jacket on Black Friday, or in more recent times with initiatives such as the Ironclad Guarantee, and the Worn-wear program. This invites customers to buy second-hand Patagonia products, and has now become a valid business, growing by 40% in 2020 and adopted by other outdoor apparel brands such as The North Face and Arc'teryx.[14] While other brands show signs of progression, Patagonia's mission stands alone in terms of meaning and impact.

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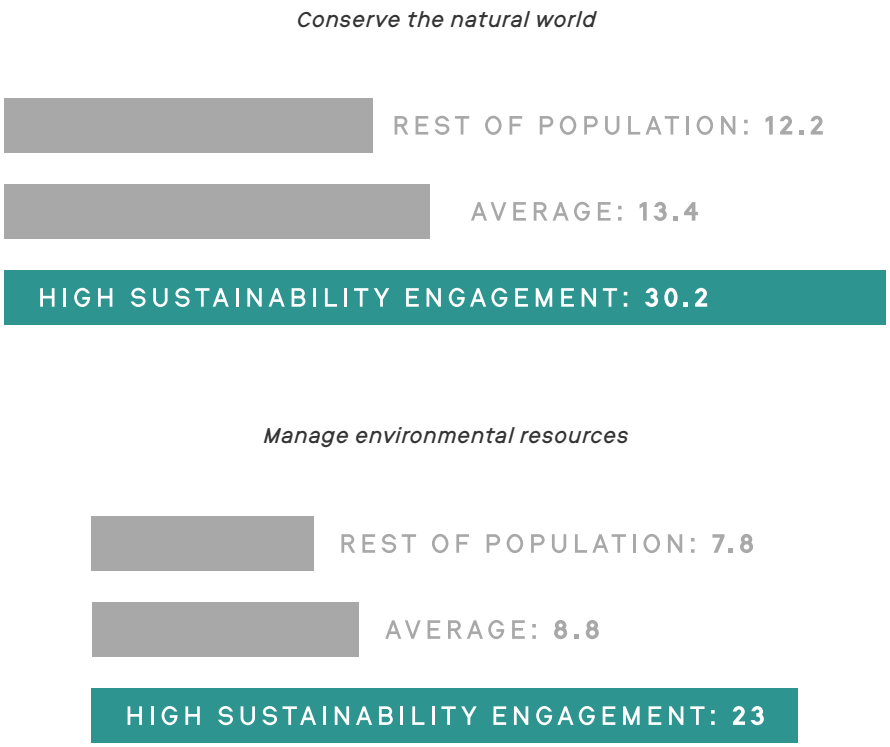
[14]Youra, S., 2020. What Makes Patagonia a World Leader in Sustainability. [online] Medium. Available at: <https://medium.com/climate-conscious/what-makes-patagonia-a-world-leader-in-sustainability-486073f0daa> [Accessed 20 April 2021].


patagonia

For consumers in Japan, our research shows that the more committed they are to sustainability, the more they perceive Patagonia to be a sustainable brand – this is especially true in areas such as Conservation and Environmental Resources, where Patagonia has historically focused:

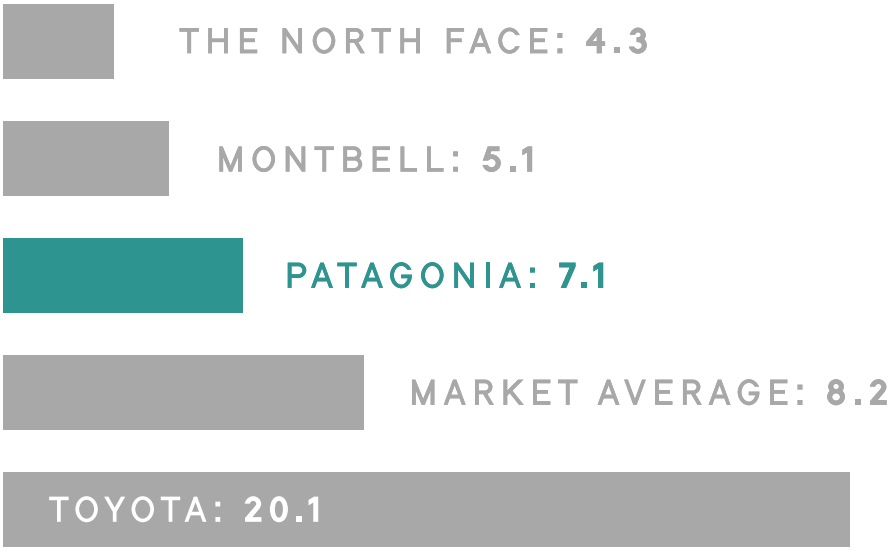
Figure 25. Patagonia signature sustainability strengths according to Japanese consumers



However, in general these scores are lower than we would anticipate. When we benchmark Patagonia against other outdoor apparel brands such as Montbell and The North Face, we see only minor improvements in Patagonia scores – this in spite of Patagonia's perception in North America as a sustainability pioneer. This would suggest a relatively low awareness of Patagonia's mission and environmental activism in Japan.

Furthermore, when we compare Patagonia with the outright leader in our research, Toyota, we see that Patagonia scores below average overall (7% vs 15%). This perhaps is less surprising given how deeply engrained Toyota is in Japanese society, but significant all the same.

Figure 26. Patagonia sustainability perception scores



In Japan, Patagonia has also established the viability of the "green premium" business model, and inspired other businesses to develop and strengthen their sustainability strategy. Yet the company has yet to achieve the same level of consumer understanding that it enjoys in North America. Becoming more deeply engrained in communities in Japan by telling local, original stories will be critical to unlocking success – and the 22 stores, which Patagonia views as community hubs will be at the heart of this.

With community in mind, a large part of Patagonia's environmental work in Japan has been at the grass roots level, signalling its commitment to protecting the local natural environment with dozens of grants to support Japanese projects – covering a broad range of conservation themes such as recovery activities for native peoples, support for movements against damming, preventing coal plants and slowing deforestation. We see that nurturing youth activism is a priority, with educational programs via the Climate activism school and working with snow activism groups like POW - Protect Our Winters and other NGOs.

Encouragingly, our data shows that Japanese consumers with a high commitment to Patagonia exhibit traits that align closely with Patagonia's ethos regarding the apparel industry – perhaps inspired by Japanese fundamentals such as an appreciation for nature and concepts such as mottainai. We believe this represents an opportunity for Patagonia in Japan:

128%

More likely to believe they can have a positive effect on the environment through the choice.

118%

More likely to buy based on quality than price

368%

More likely to buy second-hand because it is better for the environment

Generally speaking, Japanese consumers have been slow in reacting to the urgency of the climate crisis, and brands like Patagonia have great potential to bring consumers on a journey from light eco-consciousness to real, meaningful impact. For consumer perceptions to evolve, and for Patagonia to bring more Japanese consumers into their environmental mission, it must find ways to have a bigger voice.

Case Study 3: L'Occitane

Few Japanese consumers recognise L'Occitane's commitment to sustainable practices, in spite of a rich history of progressive and meaningful actions.

In 1976, a 23-year old Olivier Baussan asked customers of his small botanical oils stall, to return their empty glass bottles for refilling or recycling at the local glass factory. Inspired by a passion for the natural resources and traditional production techniques of Provence, L'Occitane now has +1600 retail locations in more than 80 countries worldwide - including +160 retail outlets in Japan.[15]

Critical environmental studies have long pointed to the establishment of mass markets and the commodification of natural resources as a key contributor to lack of traceability and associated supply chain issues. Today, an estimated 90% of ingredients used in new L'Occitane products are sourced from natural raw materials, a large proportion of them from regional Provence in France - an area the company views as its number one supplier.[16] As consumers increasingly associate source of origin with quality, L'Occitane's regional association with Provence provides it with authenticity, a true point of differentiation and importantly the opportunity to limit the negative impact it has on the natural environment from which it sources the vast majority of ingredients.

L'Occitane's commitment to conservation of biodiversity in Provence is embodied by programs supporting the responsible harvest of wild flowers, the restoration of bee populations, and ensuring that immortelle and lavender fields are managed consciously and sustainably - all under a formal partnership with the International Union for Conservation of Nature. Beyond Provence, L'Occitane uses Burkina Faso as its primary source of Shea Butter, which is 100% organic and made using traditional methods. It is certified Fair Trade and all the shea butter is directly purchased from the women's shea butter cooperatives.

[15]Ridder, M., 2021. L'Occitane: number of retail stores worldwide by country 2020 | Statista. [online] Statista. Available at: <https://www.statista.com/statistics/753823/l-occitane-retail-stores-by-country/#:~:text=As%20of%20March%2031%2C%202020,directly%20by%20the%20Group%20worldwide.> [Accessed 20 April 2021].

[16]Group L'OCCITANE. 2021. Sustainability | L'OCCITANE Group. [online] Available at: <https://group.loccitane.com/commitments/sustainability> [Accessed 20 April 2021].

https://www.moodiedavittreport.com/wp-content/uploads/2021/03/LOccitane_Pascale-Cherubin-Immortelle-Producer.jpg

Plastics are a key theme for L'Occitane. The company has never used plastic bags in their stores, and has a worldwide policy of not using plastic cups, straws or cotton buds. As early as 2008, the company began to introduce refill packs, and there are now 15 refill pack products in the range, which use 90% less packaging in comparison to the original containers. Currently, approximately 30% of the plastic used in bottles is recycled plastic, with the goal of reaching 100% by 2025, and a global partnership with TerraCycle since 2014 means that consumers can now return cosmetics containers in-store at across over 30% of L'Occitane outlets worldwide.[17] In March 2021, L'Occitane opened doors to a flagship sustainability concept store in Hong Kong, where guests

can participate in activities such as a three-minute carbon footprint evaluation, or sustainability workshops with a focus on recycling awareness, in partnership with A Plastic Ocean Foundation (APO) – a Hong Kong-based charitable organisation dedicated to raising awareness against plastic pollution. Shoppers can also register for the #MEGA (Make Earth Green Again) Sustainable Rewards Program and earn rewards for conscious actions such as returning empty cosmetics containers (from any brand).

While L'Occitane recognises that it could still do better - Palm Oil, for example, still features as an ingredient in a minority of products - in many ways, it could be argued that the company is a model actor when it comes to progressive, sustainable practices within the cosmetics industry.

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[17]L'Occitane. 2021. [online] Available at: <https://www.loccitane.com/en-us/terracycle> [Accessed 20 April 2021].

Amongst consumers who are highly committed to L'Occitane in Japan, we recognise traits that align closely with the company's philosophy and mission. For example:

47 %

More likely to always check ingredient and nutritional content of food products they buy

93 %

Say they would buy eco-friendly products if it they cost the same as regular products

32 %

More likely to want packaging to be recycled as much as possible

37 %

More likely to think they can influence companies and markets by how they choose to spend money

When we compare L'Occitane with the other brands in our research, we see that the company ranks amongst the top 6 lowest in perceived sustainability across all categories, with the exception of Conservation where it scores only marginally higher. In recent years, L'Occitane has shown itself to be a positive, local actor through a partnership with the Kumamoto Foundation, supporting reforesting projects in Kyushu, a 5m Euro donation to the redevelopment of Fukushima - which may account for Conservation being the sustainability category for which L'Occitane is best perceived in Japan.

Figure 27. Japanese consumer perceptions of L'Occitane's sustainability

	OVERALL	SOCIAL DEVELOPMENT	ECONOMIC/ TECHNOLOGICAL DEVELOPMENT	BASIC LIVING NEEDS	CONSERVATION	ENVIRONMENTAL RESOURCES	EQUAL SOCIETY
1.	Toyota 20.1%	Toyota 30.3%	Toyota 41.7%	Aeon 23.8%	Suntory 17.9%	Suntory 12.5%	Google 11.6%
2.	Google 14.8%	Google 23.0%	Google 28.5%	Uniqlo 21.3%	Patagonia 13.4%	Toyota 12.4%	Toyota 10.0%
3.	Apple 12.6%	Apple 19.6%	Apple 27.2%	Kao 20.1%	Toyota 12.0%	Muji 12.3%	Uniqlo 9.9%
4.	Uniqlo 12.6%	Amazon 17.3%	Nissan 25.3%	Muji 19.7%	Muji 10.9%	Uniqlo 11.7%	Apple 8.9%
5.	Aeon 12.2%	Nissan 15.1%	Amazon 18.9%	Seven Eleven 19.5%	Aeon 10.0%	Patagonia 8.8%	Amazon 8.2%
25.	Montbell 5.1%	Family Mart 5.7%	Ikea 5.3%	Adidas 5.7%	**L'Occitane 3.7%**	Family Mart 3.9%	Asahi 4.0%
30.	The North Face 4.3%	Danone 4.4%	Montbell 4.5%	Schick 4.3%	Nike 3.1%	**L'Occitane 3.2%**	Kirin 3.7%
32.	New Balance 3.8%	H&M 4.1%	Danone 3.9%	Montbell 3.8%	New Balance 2.6%	New Balance 2.7%	**L'Occitane 3.5%**
34.	**L'Occitane 3.5%**	**L'Occitane 3.9%**	The North Face 3.4%	Facebook 3.6%	SKII 2.3%	Schick 2.6%	SKII 3.2%
35.	Schick 3.2%	Schick 3.6%	**L'Occitane 3.2%**	**L'Occitane 3.4%**	Netflix 2.2%	Netflix 2.4%	Danone 3.1%

L'Occitane views sustainability as part of a larger consumer trust agenda, where elements such as product quality and high standards of customer service all contribute to building lasting relationships with committed consumers. While L'Occitane's mission is authentic and its products are loved by a large number of Japanese consumers, showing a strong commercial performance, there is still ample scope for communicating its philosophy and having meaningful impact in Japan, where cosmetics consumers continue to value product efficacy (eg. anti-ageing) and sensorality (eg. foaming), over naturality.

3 How can brands stay competitive in their approach to sustainability?

The brand leaders we interviewed agreed that, sooner or later, sustainability would become the new normal. Complete sustainable credentials will become table-stakes in all B2C and B2B categories - no longer a differentiator, but a mere cost of entry, like product quality or absence of scandal nowadays. All commented that it was difficult to articulate a clear transition strategy and none showed confidence in predicting a timescale for change. Yet there was at least consensus that each business is on its own journey towards that point.

With regards to competitors, there appears to be a number of different approaches, ranging from a determination to always be “out in front” at one extreme, to an intent to “follow our customers” and let others brands take the lead at the other extreme. In between, the ground is mapped out in multitude ways relative to the unique set of factors, risks and opportunities for the respective businesses.

The majority of those interviewed were able to share specific sustainability efforts from recent years, including examples at the individual product-brand, master brand and corporate commitment levels, with a bias towards the environmental dimension of sustainability clearly evident. Sustainability-related attributes at the product-brand and master-brand levels were frequently put into a competitive context, showing that sustainable “claims” are now well and truly part of market dynamics. The need for a holistic, integrated approach across these levels and a company’s web of physical and social impacts was stated clearly by some but not all.

Leaders today feel rising pressure or expectations to take greater responsibility for impact and to demonstrate it via progress against stated targets, the SDGs framework, improving ESG scores, or growth in sales of sustainably-positioned products or services, with the most common reasons cited for this increase being:

- Regulatory pressure - already in play in the EU, coming to the US, expected to hit Japan soon
- Internal (staff) expectation - typically collaborative but sometimes activist in nature
- Shareholder desire for sustainability proposition-driven growth - particularly global enterprises
- Fear for reputational damage for not acting quickly enough or at sufficient scale
- Rising consumer demand - still low in Japan but seen as likely to accelerate as it has overseas
- The threat to current market share from sustainably-purposed disruptor brands
- A personal sense of responsibility to make a positive contribution

In the context of the inevitable normalisation of sustainability, and the pressure on brands that is currently mounting from multiple angles, business leaders are seeking insights to guide them on their journey. While every case is unique, there are three common areas where all leaders can start building or enhancing their competitive advantage: Integrated Strategy, Enhanced Innovation and, especially for marketers, Authentic Storytelling.

1.

Stay grounded in material truth

Consumers are quickly becoming more sensitive and less forgiving towards greenwashing. True sustainability strategy needs to be grounded in rigorous materiality assessment, analytics and triple bottom line accounting. This in turn needs to be fully integrated with business strategy and to become the foundation for corporate decision making. An example of a company that has made such a commitment to sustainability is Danone, a brand that, at the corporate level is playing out the tension in the shift from shareholder to stakeholder capitalism. Danone Japan became B Corp in May 2020, a rigorous certification process which rates companies' social and environmental performance covering the four areas of governance, workers, community, the environment, as well as the product or service provided by the company.

2.

Be honest about impact

Once grounded in facts, it should become obvious which actions are going to make the most difference and which are more cosmetic. Focus on what really matters, and be transparent about meaningful progress. For example, temporarily changing the company logo in honour of International Women's Day may gain PR attention and encourage dialogue about gender equality, but taking action on equal pay or hiring policies would be a much bolder and more meaningful statement.

3.

Think Circular

The dominant linear paradigm of simply extracting, using and discarding natural resources is becoming untenable. Brands need to adopt more of a "cradle to cradle" approach. This means examining product lifecycles, from production to usage to disposal, and working towards more holistic, circular systems with new products, packaging and processes. Products like UNIQLO's DRY-EX line, which is now partially made with fibre from recycled PET bottles, are a result of such circular thinking. Another example is Mizkan Holdings, which launched a range of plant-based products that eliminated all waste by using the entire vegetable, such as the stem and seeds from bell peppers, cobs from corn, and the seeds and skins of pumpkins.

4.

Align internally at all levels

Internal alignment is also crucial to ensure smooth execution of the strategy. More than one Brand Leader told of regular all-staff, department and team meetings to focus and realign on sustainability pillars as part of the business planning process. In one case this filtered down even to the individual level, reflecting the need for total alignment throughout the organization.

5.

Innovate for all segments

When considering how to add value through innovation, it is equally important to consider the different levels of consumer engagement and cater to each accordingly. Low and Light engagement groups are attracted by win-win value propositions such as points campaigns, where the positive ideal of sustainable action gives them an abstract sense of satisfaction while also “winning” a more tangible and immediate reward. Product innovation combining mass functionality with sustainable benefits is another powerful tool (for example, H&M’s organic cotton range that feels smoother to the touch, Shiseido’s cosmetics with convenient recyclable packaging, CLIF cereal bars that have a sustainable supply chain and more nutritional value). Moderate engagement consumers will respond positively to smart product innovation that combines sustainable and other functional or aesthetic benefits (for example Adidas Parley sneakers that are not only upcycled from marine plastic but also outperform in terms of fashion and flexibility). High Engagement consumers are those who are willing to pay a “green premium” without any immediate reward or secondary benefit other than alignment with their ideals, and the opportunity to amplify their own individual voice. Yet they have the highest standards and expectations for brands to continue evolving, and may be open to switching to disruptive newcomers that outperform on sustainability.

6.

Clarify brand role and context.

Our data revealed that consumers are largely unaware of the interconnected nature of sustainability, but do perceive brands as having certain signature strengths. By explaining the wider context of sustainability, and highlighting which areas a brand impacts, consumers are more likely to appreciate brands’ efforts and be able to make a meaningful contribution themselves. Tokyu, for example, has been educating passengers on the Denentoshi, Toyoko and Setagaya lines with fully wrapped “SDGs Trains”. Posters inside the carriage explain about the SDGs, and in which areas Tokyu is making efforts. While this sort of overt education campaign is not for all, it helps raise awareness of the brand’s unique role.

7.

Engage through storytelling

As the characteristics that differentiate brands become more circular and connected, narrative storytelling is more likely to stand out and engage than simply stating claims. Currently, storytelling around sustainability is prone to being technical or preachy. There is a real need for brand publishers and content creators to go beyond using these stories as an awareness tool, to an activism platform enabling people to co-create positive social impact. For this to happen at pace and scale, it is imperative that brands tailor their narrative to rally both the consumer and the business community. This would require the content to be snack-able (easy to understand), share-able (fun and engaging) and own-able (representative of shared community/cultural values). Toyota and Discovery did an exemplary job of making technical content enjoyable for the U.S. launch of the Mirai in 2015 with the Fueled by Everything series of short movies, which showed how hydrogen could be made from everything from lemonade to “bullsh*t”. Allbirds have also retained a sense of fun in their Japan market entry, alongside serious sustainability credentials, which is reflected in their product attribute communications on digital and in store.

8.

Activate the community

Community engagement also plays a significant role in brand-building, and is relevant throughout strategy and innovation stages too. On the community level, one cannot underestimate the potential power of influencers, while equally observing the general lack of them in this field. Nurturing relationships with likeminded influencers and celebrities will pay back in the long-term with enhanced brand perceptions and personal reputation respectively.

9.

Move quickly!

The perceived risk of not seeing payback is still high, and may inhibit some companies from making a move - but given that sustainability is likely to be reshaping the playing field of most categories in the coming years, those who have the courage to invest in this area first will have the most impact and reward. As with some technological innovation (the introduction of smartphones for example), change in Japan can take time arrive but then develop at speed. Sustainable transformation may also follow this pattern. Brands cannot wait for perfection in this area to take action, but need to be transparent about progress towards goals.

Brands' journeys towards sustainability are inevitably intertwined with those of their consumers. As a more integrated understanding of sustainability seeps through to the public consciousness, we can expect to see consumers moving up the ladder of engagement. Factors other than immediate self-interest will increasingly drive purchase decisions, compelling brands to continue refining their offering. Ironically, Japan's original brand of sustainability - the circular culture of mottainai, and the stakeholder capitalism of sanpo yoshi - are now more relevant than ever as creating shared value, rather than profit alone, becomes the accepted goal of business. The "father of Japanese capitalism", Eiichi Shibusawa is indeed soon to be honoured on 10,000yen notes, a constant reminder of brands' and businesses' integration into society. The new social fabric calls for both individuals and brands to expand their view to fully integrate economic, social and environmental responsibility, to recognise the urgency of our current situation, and to make every action count.

Fabric is an affiliate of MullenLowe Group, part of IPG. We grew from MullenLowe Group Japan, building on our 15 years of experience working with businesses and brands in the Japanese market, where we bring together global expertise with local cultural insight.

Our team follows an open architecture model, collaborating with global leaders from MediaHub, MullenLowe Salt, MullenLowe Profero, and other IPG agencies to solve your biggest challenges.

Our team is part of an open architecture model, collaborating with global leaders from Mediahub, MullenLowe Salt, MullenLowe Profero, and other IPG agencies to solve your challenges.

To find out more about how we can help you with sustainability and other challenges, please contact us at *hello@fbrc.co*

Thank you for reading.

Appendix 1

Sustainability Engagement Framework

Consumer sustainability Engagement was tracked using a combined score that takes into account multiple attitudinal and behavioural indicators. These indicators were based on consumer agreement or disagreement to positive and negative statements about society, as well as personal actions, based on the SDGs framework.

	Support basic living needs	Promote economic and technological development	Promote social development	Achieve a more equal society	Manage environmental resources	Conserve the natural world
Society 1	As a society we should do whatever we can to eliminate poverty.	We should make sure that every job pays enough to provide a decent life	To create a peaceful society, we should support and invest more in government programs	I think that sexual discrimination and violence are a problem in my society	We need to do more to assure that everybody has access to safe drinking water	We need to take urgent and significant action to protect natural habitats
Society 2	Nobody in our day and age should need to go hungry	All technological development should be to the benefit of society	To create a peaceful society, we should support and invest more in government programs	I think that racism is a problem in my society	We need to do more to assure that everybody has access safe and affordable energy	Climate change is an existential threat to humanity
Society 3	Healthcare is a human right.	We need to ensure that all economic growth is done sustainably	Richer countries have a duty to provide financial aid to poorer countries	There should be more education around LGBT issues in schools	We can have a positive effect on the environment through the choices we make as consumers	Humans are responsible for mitigating their impact on the natural world
Personal 1	I donate to charities to help empoverished peoples of the world	I always support local businesses	Japan should be doing more to participate in the global community	I am actively involved in diversity and inclusion related organizations, communities, circles	I make an effort to reduce, reuse, repair or recycle waste	I support environmental groups
Personal 2	I have contributed to a local food bank.	I will pay more for a sustainable product	One of the main reasons I choose to live in my neighbourhood is because it facilitates a sustainable lifestyle	At work or in my daily life, I make a conscious effort to treat women and men equally	I buy used items (e.g. from second hand shop) because it's more eco-friendly	I do what is right for the environment, even when it costs money or takes more time
Personal 3	I give money or food to homeless people	I am in favour of universal internet access	I take active part in a neighborhood safety/care community	I call out discrimination when I see it	I try to reduce my meat or fish consumption to protect the environment	I pick up litter, especially in the countryside or at the beach
Negative 1	It's not my responsibility to look after the poor - that's something the governemnt should do	I think sustainibility is a marketing ploy	Japan needs to focus on helping Japanese people before we worry about foreign countries	Women should quit their job when they get married	I prefer buying new brand than recycled one because their quality is better	We should prioritize human needs over animal needs
Negative 2	Poverty isn't an issue in Japan	Maximizing economic growth should always be the top priority for governments and businesses	Poor countries need to pick themselves up by their own bootstraps	I don't think that the government should promote same-sex marriage	There are more than enough natural resources in the world	The environment isn't as in danger as people think
Negative 3	I don't want to waste my money on charitable causes	Sustainable products are a waste of money	I put me and my family first, and am not so involved in my local community or city	I try to avoid foreigners	I don't make an effort to recycle because it doesn't make a difference anyway.	It's not my individual responsibility to protect the environment

Appendix 2

Sustainability Perception Framework

The Brand Perception Score is an aggregate of Japanese consumers' (aged 18-64) perception of a given brand's commitments to each of the six areas of sustainability, based on a summary of the SDGs framework. A given brand perception score is calculated based on the perception of consumers' awareness of that brand.

SDGs Area	By this we mean (respondents were given the following definitions)
Support basic living needs (SDGs #1, 2, 3)	Ending poverty in all its forms everywhere Ending hunger, achieving food security and improved nutrition and promoting sustainable agriculture Ensuring healthy lives and promoting well-being for all at all ages
Promote economic and technological development (SDGs #8, 9)	Promoting sustained, inclusive and sustainable economic growth, full and productive employment and decent work for all Building resilient infrastructure, promoting inclusive and sustainable industrialization and fostering innovation
Promote social development (SDGs #11, 16, 17)	Making cities and human settlements inclusive, safe, resilient and sustainable Promoting peaceful and inclusive societies for sustainable development, providing access to justice for all and building effective, accountable and inclusive institutions at all levels Engaging in global partnerships for Sustainable Development
Achieve a more equal society (SDGs #4, 5 10)	Ensuring inclusive and equitable quality education and promote lifelong learning opportunities for all Achieve gender equality and empower all women and girls Reducing inequality within and among countries
Manage environmental resources (SDGs #6, 7, 12, 14)	Ensuring the availability and sustainable management of water and sanitation for all Ensuring access to affordable, reliable, sustainable and modern energy for all Ensuring sustainable consumption and production patterns
Conserve the natural world (SDGs #13, 14, 15)	Taking urgent action to combat climate change and its impacts Conserving and sustainably using the oceans, seas and marine resources for sustainable development Protecting, restoring and promoting sustainable use of terrestrial ecosystems, sustainably manage forests, combat desertification, and halting and reversing land degradation and halting biodiversity loss

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