

SHOW ME WHO YOU ARE

The future of influencing buying decisions: an in-depth look at ESG, humanisation and B2B tech brands





IN A NUTSHELL

Ask business leaders what ESG means to them and you'll get a raft of different answers. But at its core, ESG covers three broad issues — environmental, social and governance — that relate to sustainability, social responsibility and ethics.

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As consumers we're already familiar with this mindset; whether it's deciding to follow a more plant-based diet, forgo plastic in the supermarket, or only buy from conscientious retailers (read: not buying £5 jeans manufactured in a sweatshop).

For business, ESG isn't anything new. But there certainly seems to be a gap between talking about it and having a policy in place, and actually putting those words and actions into practice. That's not to say no-one is getting it right; there are surely organisations out there that have nailed it. After all, according to Mckinsey¹, doing it properly can create value in five ways:

1. Top line growth
2. Cost reductions
3. Regulatory and legal intervention
4. Productivity uplift
5. Investment and asset optimisation

And as ESG becomes more pervasive, that consumer mindset will invariably flow into B2B buying behaviour and decision making. In the past B2B decision making was driven by product and cost considerations, there is another school of thought that suggests B2B buying is more emotionally driven than ever before.

That is where humanisation and emotion come in. With that consumer mindset influencing B2B decisions, the human element is playing an ever more important role — especially during the pandemic where we have all experienced the blurring of boundaries between our "work selves" and "social selves".

Extolling the benefits of ESG isn't the focus of this report. Rather, we spoke to business leaders and marketing professionals, as well our own leadership team, to find out their views on ESG, values and humanisation, and how that applies to their own experience.

We uncovered five common themes that we have set out on the following pages with commentary and views from our respondents. They are:

1. ESG — it's a given
2. Abandon the bandwagon
3. A commitment to communicate
4. Listen, listen, listen
5. Connection

Please read on to discover more and we hope you find the content as insightful as we did.



Bekki Bushnell
Head of Business Development
Whiteoaks International



"I think people resonate with brands more that are a bit more personable and a bit more human. I don't think that means that you have to be a B2B business with a wacky website."

You can still be quite corporate, and still quite professional, to inspire that level of trust and the safe knowledge that you can do the job well, and you're professional enough and a professional organisation."

I think just seeing that human side, resonates really, really, well and helps form that connection, especially when you're trying to market a product to the wider world."

Nick Beale
Marketing Communications Manager
Stark

¹ <https://www.mckinsey.com/business-functions/strategy-and-corporate-finance/our-insights/five-ways-that-esg-creates-value>

² <https://www.b2bmarketing.net/en-gb/resources/blog/b2b-decision-making-getting-very-emotional>



ESG - IT'S A GIVEN

As mentioned, there are varying definitions of ESG and what it means to different organisations. But there are some things that most can agree on – what's it's not.

Greenwashing. Inflating claims about what a business is doing or lying altogether. Is this actually a thing? Yes, yes it is.

Each year the European Commission and consumer authorities report back on websites that have been seen to breach European Union consumer law. For the first time this year, greenwashing was included in the research, analysing “green” claims and credentials. The results? More than 4 out of 10 claims were found to be “exaggerated, false or deceptive...”³. While this relates to consumer brands, the implications for B2B businesses are clear.

There has also been a recent rise in CSO hires. In the US, Fortune 500 companies hired more chief sustainability officers in 2020 than the previous three years combined⁴. And a global survey by Deloitte earlier in 2021 found that while fewer than 15% of respondents said their organisation had a CSO in place, three quarters stated they had a similar role, such as head of sustainability⁵.

So what do B2B brands think about ESG? The expectation to have those policies in place will only grow. More than that, ESG is no longer an issue that can be ignored or tagged on to the bottom of the boardroom agenda. It requires action. It requires commitment. And it requires buy-in from the C-suite and board. It is also no longer seen as a differentiator; rather, it's expected.

Gabriele Dado, Managing Director of BLK Global, an online commodity, raw materials and industrial supplies marketplace, agrees about the importance of ESG.

“For us, this (ESG) is hugely important. If I were to place them in order, I would say the social aspect comes first and well-being of the people. BLK allows for a real revolution



in today's society. We allow people to buy from people regardless of the size of your business because the internet is the great equaliser.

The environment is also a close second because we are committed not only to be a negative carbon business by 2030, but by 2035 to having removed all of the emissions that we have emitted in our life. Not just that, we recently set up a new business unit which is focused on carbon trading. We support businesses decarbonising their supply chains and then we help them monetise on the carbon savings that they made.

Corporate governance is a must, and being a start-up, we have some way to go. We recognise that. We also recognise the importance of maintaining a set of flexibility and agility in decision-making.”

From a media perspective...

“In terms of what's driving ESG, it's much more embedded in the public consciousness now and consumer attitudes and discussions are really starting to impact business decisions. We project our own personal beliefs and awareness as consumers into their business behaviours. In terms of businesses talking about ESG, it has to be a meaningful conversation if they're going to be part of it.”

Chris Patmore, Whiteoaks International

³ https://ec.europa.eu/commission/presscorner/detail/en/ip_21_269 ⁴ <https://businesschief.com/sustainability/charting-rise-chief-sustainability-officer>

⁵ www2.deloitte.com/global/en/pages/about-deloitte/press-releases/the-chief-sustainability-officer-will-rise-to-prominence.html



ABANDON THE BANDWAGON

While ESG is fast becoming the norm, it must be tangible. Organisations shouldn't be talking about it if their words don't match their actions. For many businesses creating an ESG policy is the easy bit. The challenge comes in talking about those values with purpose, being authentic and being credible.

The attitude towards ESG, the passion and the value need to be evident across the business. And in order for that to happen, the business needs to actually be doing something about it and not just paying it lip service.

Asha Palmer is the Chief Ethics and Compliance Officer for Convercent, a provider of ethics and compliance solutions.

"We are trying to empower people and companies to be able to sustainably and scalably enter into ethical business practices. We have focused historically on ethics and compliance, but ESG and ethics and compliance are the work besties, the cousins of each other, and that they are motivating, elevating, promoting, encouraging ethical business practices.

"In ethics and compliance, the interesting thing is that we're the owners of the code of conduct. There was this big wave where every company created a code of conduct. It was like, great, well, there's these wonderful statements that everyone makes about ESG related topics, as well as a wide breadth of other topics. I think everyone saw the gap in the market, and it was a case of, "Okay, great you say these things, but what are you actually doing to bring these things to life? What are you actually doing behind these things?"

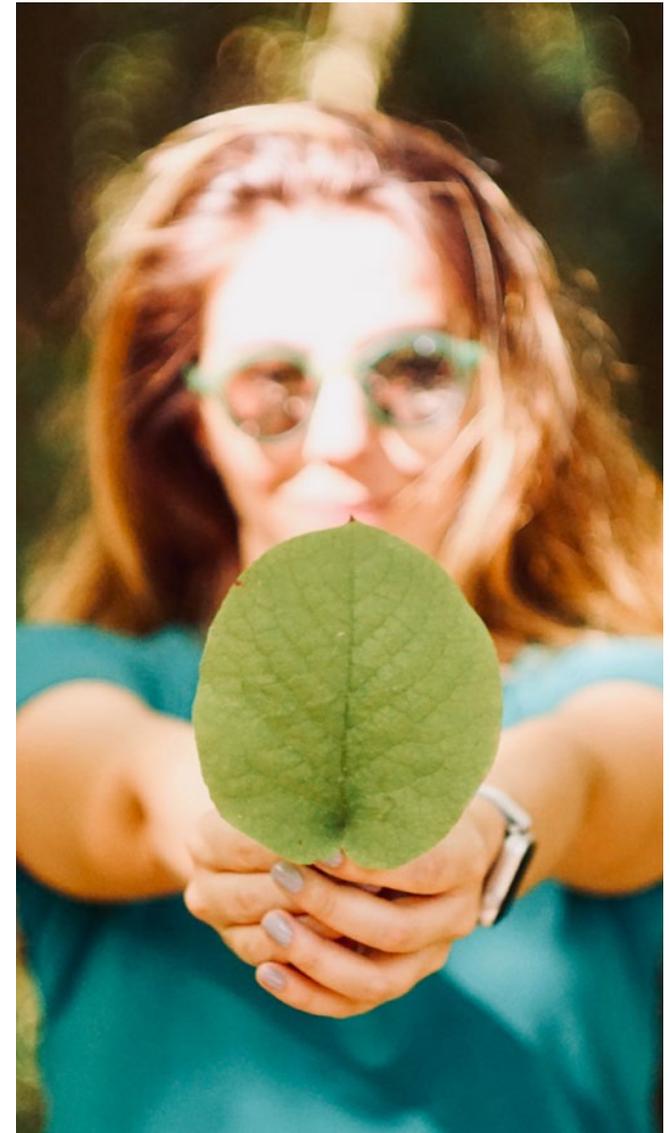
I think for a while, companies were able to make statements that they didn't back up, or at least they didn't publicly and transparently show the efforts they were taking to progress the statements and meet the goals that they said they were reaching."

Nick Beale works for Stark — the UK's leading energy data and analytics company that helps other businesses reach their 2050 net zero target through the use of high quality energy data, analytics tools, and machine learning algorithms. The aim: to help customers save time, energy and money by identifying the quickest and most cost-effective way to get to net zero.

"From our point of view, we want to be able to help those companies get to net zero quicker, which will entice greater customer loyalty, better financial stability as we move into that new dawn of greener business. I think it's incredibly important that every company has one (ESG policy) and has an approach to it. Then again, it's so varied in its approach and understanding. You can, for example, put a policy together and think, "That's it, that's done. I'll just plant some trees to offset. We can't just increase that spend on offsetting year on year and then think we've ticked that box".

"We need to put a proper focus on there and say we need to actually understand what net zero looks like for a business. It's going to be unique to every single organisation and the journey to get there is going to be unique to every organisation as well. There's going to be a lot of prep work. Just planting trees alone isn't going to save the planet, to put it bluntly.

We need to look to minimise the consumption, minimise that impact and minimise the waste first, and try and change that behaviour, so having access to energy data first would be essential. It's just trying to make sure that you've got everything that you need at hand really to help necessitate and be confident of that journey to net zero from day one."





Chris Patmore says “abandoning the bandwagon” or not jumping on it to begin with is crucial in communicating ESG values.

“It boils down to what are you saying that’s different to everybody else. It’s like most things in PR and media in general. Whenever something is a hot topic, there’s lots of white noise and people contributing to that white noise.

That can actually harm their reputation because they just don’t stand out. They need to stand up for the right reasons.”

The content perspective

“We’ve seen a shift in the types and tone of content. Businesses are realising that it’s not enough to just say they are being sustainable or say what they’re doing. They have to demonstrate it.

We’ve seen a similar trend in the content we’re creating for clients; a year ago we weren’t really talking much about sustainability or general environmental topics.

But I think that’s definitely come out more and that’s because this past year has shown us the impact we’re making, or not making, by working from home.”

Hannah Buckley, Whiteoaks International

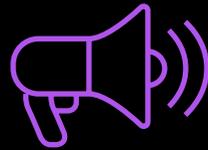
The creative perspective

“For brands to talk about ESG in a meaningful way, they’ve got to have a voice.

They have to speak about something that is really important and valuable to them, instead of just jumping on the bandwagon with everybody else.

Like with any campaign, they need to be clear on what are they trying to say and what are they trying to achieve.”

Mark Wilson, Whiteoaks International



A COMMITMENT TO COMMUNICATE

In much the same way as talk about ESG requires action, talking about it isn't as simple as drafting a blog every six months or having a page on the company website to appease the board.

It's about having a clear strategy in place to communicate their views, values and stance on ESG. It is a concerted effort to talk about what's important and at the same time demonstrate what they are doing to back up their claims.

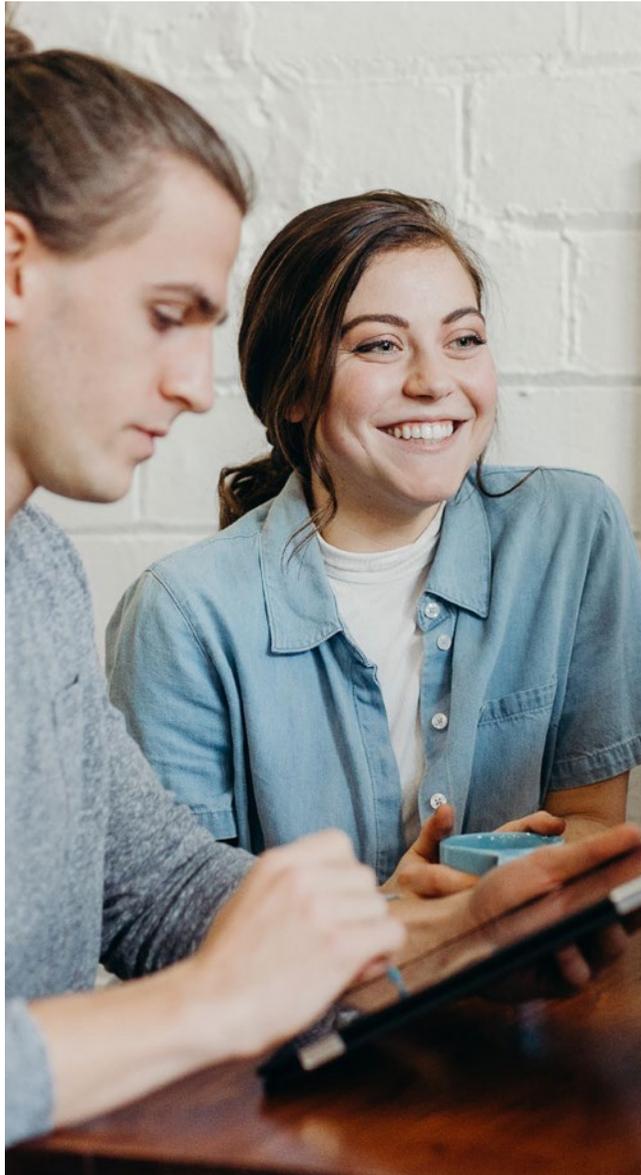
"I think businesses should proactively market their values, but only if they are actually living up to them. Values are important when you embed them into your entire organisation. A value that you simply state because everyone has told you in the world you need a value, save that.

When you think about how your values drive your strategy, how they are embedded in your product or your services, how they trickle into your operations, that's to me where values work." - Asha Palmer

The content perspective

"Communicating a brand's purpose and demonstrating that commitment to ESG is vital and you can't do that without content. You need to make it visitable. Shareable. Make it reach those larger audiences. If you're looking to do business with another business that's conscientious and responsible, you're not just going to stumble upon them. You're going to find them through content.

"As ESG becomes more of a focus for businesses and consumers alike, content in the form of blogs and articles and shorter form pieces like infographics, for example, can be really useful tools to help brands articulate their ESG initiatives and enter into meaningful dialogue." - Hannah Buckley



Chris Patmore echoes these sentiments.

"Everyone has an opinion about what ESG means, what we should do and what the challenges are, but so few people actually have some demonstrable opinions, practical advice or proof points around it.

They should talk about it in realistic terms. What's also come up quite a lot in conversations is, "Why do you want to talk about ESG?"

Do they want to talk about it for commercial gain, or do they want to talk about it because it's the right thing to talk about? I think these reasons are both valid but it's important to make the distinction between wanting to jump on the bandwagon to build a reputation for commercial gain, or because you want to be part of the greater good."



LISTEN, LISTEN, LISTEN

In the communications world understanding your customer is one of the most important aspects of your strategy. Knowing what they want, what they need, what challenges they are facing helps you build rapport, tailor content to engage them, and build trust. In much the same way, when communicating about values and ESG, you need to listen to and understand what target audiences are saying.



The pandemic has certainly highlighted many brands who got this right, but many more that got it wrong, with Boohoo trying to capitalise on the crisis by selling fashion face masks⁶ or Wetherspoons founder, Tim Martin's, outrageous treatment of staff⁷. The result — appearing tone deaf and damaging trust with the market and customers.

Gemma Kimber is EMEA Marketing Director at Convercent and agrees that listening is important.

"Waitrose is a great example. When you leave the shop you're given a little green token and on your way out you

use that token to select a charity for Waitrose to donate to. There's something to be said for understanding your audience, understanding what motivates them, and not forcibly trying to impose but introducing choice in the way that you might subtly do things that can equate to ESG type behaviours or steps.

That's how we've embedded it in marketing and PR. We've looked inward. It's from the solid foundation of our culture and who we are as people that it comes through in a more authentic way; through what we do and the decisions that we make with what we invest in."

Ross Walker, Head of Social and Digital Media at Whiteoaks International says social listening tools are invaluable in gauging the temperature of the market and your customers.

"It's not about creating PR digital programs that are just one way broadcasting platforms. It's about listening to the specific concerns of your audiences, using social media to listen, and then tailoring your message to that.

Going beyond that, it's also about making sure that you take it a step further, actioning what you said you will action, and not just talking about it. It's about walking the walk, not just talking the talk."

⁶ <https://blog.tomorrow-people.com/covid-19-marketing-campaigns-the-good-the-bad-and-the-unfortunate>

⁷ www.independent.co.uk/news/uk/home-news/coronavirus-wetherspoon-tim-martin-pub-closed-tesco-supermarket-uk-a9420906.html



CONNECTION

People buy from people. It's an old adage; a cliché.

But it's true. This is really shining through in the B2B environment where trust plays such an important role. B2B buyers aren't just purchasing products and solutions that require a significant investment, they are potentially adding to the success (or failure) of an organisation, and in some cases their own careers.

Marketing has long focused on relationship building but the past 18 months has accelerated the humanisation of brands as businesses have had to work from home and conduct meetings from their kitchens, sofas or bedrooms, complete with distractions such as kids, pets and deliveries.

Mark Wilson, Creative Director at Whiteoaks International believes there are a number of ways B2B brands can use creative assets to establish those connections with customers.

"It comes down to being human, being emotional. Creativity is like a route in through the back door. A lot of people put on fronts and say things like, "No we're only interested in this." When they see something creatively different such as a campaign in the street, like a flash mob which completely takes them by surprise, it can create maybe a little bit of laughter that they weren't expecting. That can unlock different ways of thinking.

Creativity is all about doing things differently but doing it in order to change people's behaviours for the good, or simplifying selling certain products. It's about shaking up the status quo, breaking everything they thought should happen, or questioning the way they thought things should be. In a nutshell, companies have to be more approachable and get audiences to think about things in a complete new way that maybe they've not considered before."



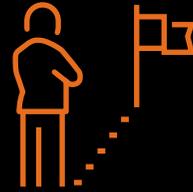
For Gabriele Dado, he believes the values of honesty, integrity, good faith and reliability are key to his customers, and emotion has a definite role to play in buying decisions.

"Beyond that I believe there should be an alignment of vision between us and our clients. It really also comes down to that management team, not only to how mature the business is, but also to the mindset of their management team, which is the ability of not looking at this immediate financial transaction but seeing long-term value and potential.

If you feel like you are doing business with someone who is reliable and is acting in good faith, you feel like some type of chemistry building up and you know that you've made the right decision, not just from the financial point of view because the bottom line, that is clearly what matters, but in the end, you feel from an emotional standpoint, you also made the right decision. It's an additional support for you as a manager that tells you in the back of your head, you did the right thing."

"I know, even in my personal life, that I will choose brands and companies that resonate with my own brand beliefs."

- Nick Beale



MOVING FORWARD

ESG will continue to dominate the business agenda — driven not just by regulation but a changing mindset. More and more customers want to know what a brand stands for; they want to know they share values; they want assurance that the brand can be trusted.

This is no longer just the attitude of consumers, but increasingly B2B buyers too who are using logic guided by emotion to make decisions on where to spend their budgets.

This has certainly been accelerated during the pandemic as brands have embraced “humanisation” and customers and sales teams are forging closer relationships based on candidness and the blurred lines between business and personal.

That said, as businesses move forward in addressing the need for ESG, it is important that they not only have the policies in place to support their efforts, but effectively communicate their purpose to stakeholders and demonstrate their actions rather than just their intent.

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