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Largest global study of consumer response to climate change puts the onus on brands

- **Call on brands to lead the charge in finding solutions for climate change**
- **Although climate change is a major global issue, significant divisions emerge in popular attitudes at local levels**
- **79% of consumers would rather buy from companies doing their best to reduce their impact on the environment – this is most marked in China and Brazil, but least in the UK and US**
- **89% of people are likely to buy more green goods in the next 12 months**
- **35% are willing to pay a premium for green goods**
- **74% of consumers feel they can actively contribute to solving Climate Change – this figure is higher in developing countries, but lower in developed countries**
- **Only 11% of respondents strongly feel their respective government is doing enough to tackle Climate Change**

Consumers are calling on brands to take responsibility for reducing the impact of climate change as governments fail to make progress on the critical issue, according to a major global study launched today by Havas Media.

In two-thirds of the markets researched (UK, US, Mexico, Brazil, Germany and France) people felt more strongly that companies and their brands should be finding solutions compared to the government.

The research paints a picture of a world that has given up on its elected leaders' abilities to combat the problem, with only 11% of all respondents agreeing strongly that their governments are doing enough to arrest climate change.

This leadership vacuum presents a clear opportunity for companies and their brands to step in and take a wider role in addressing climate change. All markets express a clear desire to see more ecologically responsible brands and believe multinationals can, and should, make a positive impact on the issue. Consumers, however, are still very confused about the issue of climate change and look to brands for clearer communication on the issue.

Consumers are becoming increasingly aware of who is credibly making changes and who is not, despite green stereotypes associated with different sectors. The result: green marketing strategies and good environmental practices are no longer a "nice to have" for brands, but increasingly a "must have" in terms of not only maintaining brand image but also in maintaining market share.

The study kicks off a group-wide forum for Havas Media to help its clients and employees develop a deeper understanding of the inevitable impact of the climate change movement on consumer purchasing habits. Based on interviews with more than 11,000 respondents in Brazil, China, France, Germany, India, Mexico, Spain, UK and US, the study unearthed both local and global characteristics that develop the current theories on a number of widely-debated issues.

Whilst 80% of consumers were found to be actively engaged with the issue, many showed significant inconsistencies in terms of concern and their corresponding commitment to modifying their behaviour. The report identifies not only levels of concern but also potential drivers for consumer behaviour. For example, 24% are very active at a personal level, but are motivated primarily for selfish reasons – these "green badge" wearers are what the report classifies as 'Active Self Seekers'.

Some of the report's other findings include:

Consumers will pay a premium

The survey stated that 79% of consumers said they would rather buy from companies doing their best to reduce their impact on the environment. Further, 89% are likely to buy more green goods in the next 12 months and 35% are willing to pay a premium for those goods. When it comes to actually buying green, 80% of our respondents said they would buy more if more were on offer. The report concludes that companies should not make the mistake of confusing loyalty with a lack of consumer choice.

Branding strategies and sectors – definitions become more complex

The survey suggests consumer awareness of the damage done by particular companies and sectors is growing increasingly sophisticated, and that companies which fail to act responsibly can no longer expect to hide behind generally positive perceptions of the sector in which they operate.

For example, some brands within banking - which, as a sector, is ranked more environmentally correct than the oil and fuel industries - were considered less environmentally friendly than some of the more proactive oil and fuel brands.

And yet there are also clear incentives for companies in less environmentally-respected industries to improve their performance. The strongest-performing brands in the energy sector were considered more environmentally virtuous than those in relatively neutral sectors, which are perceived to have done little ecological damage, such as media and finance.

The report defines this phenomenon as “sector stretch” - as consumers become more educated in green matters, they are beginning to distinguish between companies without resorting to sector stereotypes. This is great news for brands that communicate legitimate abatement strategies and less good for those who have not yet made a start on mending their ways, as their ability to borrow credibility from more proactive peers slips away.

Contrasts between developing and developed markets

In spite of the fact that the developed world is globally perceived to be the largest contributor to global warming, the report highlights a dramatic gulf between the attitudes of the richest countries and those in the developing world.

Brazil, China and India are among those who claim to be most alarmed by climate change, while respondents in the US, UK and Germany demonstrate far lower levels of concern. Likewise, consumers in China, Brazil, Mexico and India would be significantly more willing than their North American, British and German counterparts to spend extra on environmentally-friendly products.

This represents an opportunity for brands within developing markets to benefit from consumers more aware of climate change. In the developed markets, where we see a strong resistance to giving up an established standard of living, brands that can lead the market by finding solutions to this perceived trade-off can enjoy sustained premium pricing, increased loyalty and market share.

Alfonso Rodes, CEO of Havas Media comments:

“This research was undertaken to fit within our strategy of developing our understanding of the impact of major shifts in consumer perception on our clients’ brands. It is clear to us that climate change and the corresponding shift in consumers’ relationships with brands represents one of the major challenges for all brands during the next decade. This research is only the start of a continuing dialogue that we will be developing alongside our teams and our clients to deepen our ability to debate, understand and advise.”

The report was conducted by IPSOS over nine countries (US, UK, Germany, France, Spain, Mexico, Brazil, India and China) using over 11,000 online interviews and 18 focus groups.

The full results and also a summary booklet are available on request by visiting www.havasmedia.com or emailing climate.changemedia@havasmedia.com. If you would like to view or interact with a spokesperson about this report, Havas Media is launching an interactive webcast at 3pm BST on Monday 12th May. You can take part or view by registering on our website or log on to our climate change blog found on www.green-think.org.

The webcast is also available for download from 13th May. Please join us in debating the issues and results.

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If you would like to see further media information, including downloadable charts and further analysis, this will be available from Monday 12th May at:

<http://www.havasmedia.com/#/en/MediaAndPressRoom/ClimateChangePressRoom/>

About Havas Media

Havas Media is the global media network of Havas.

Havas Media represents one of the world's fastest growing media networks, its agencies have grown from 10 markets in 1999 to 101 markets in 2007.

Havas Media services its clients through a portfolio of specialist global networks and agencies. This group is organised to maximise local market dynamics whilst leveraging the extensive global insight and strategic support within Havas Media. The range of companies within Havas Media include: MPG (Havas Media's global media network), Arena (Havas Media's network for tailor-made communication services), Havas Digital (Havas Media's global interactive network), Havas Sports (Havas Media's global sports communication network) and Havas Entertainment (Havas Media's branded entertainment network).

Recent new business wins from across the Havas Media teams include: Sears (USA), BBC and Nationwide (UK), Danone (Canada, US, Colombia), Credit Suisse (Global), ING (Italy), Coca-Cola (Latam), Christian Dior (Portugal), Reckitt Benckiser (Belgium, Thailand, Switzerland), Turespaña (Spain), Olympic Art Festival (China), DCNS (France), French Hiking Federation (France), Nature Valley (UK), Tourism Malaysia (UK), F&C Investments (UK), Bwin (Argentina), Fox Channel (Argentina), Audi (Mexico), Grupo Damm (Spain), Goodyear (Spain), Emirates Airlines (India), Nokia (Chile), Schering Plough (Mexico), Lacoste (UK), Honda, BP Gas and Geox (Portugal).

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