

# Sustainability and beyond



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Trends arise from major shifts in global thinking. Otherwise they tend to be fads and blind alleys. And so to only look at trends is like trying to map the ocean by studying the waves. We need to dive deep, to the currents underneath, the reefs and the ocean floor.



It is a time of fundamental change and it is happening at bewildering speed.

Economic meltdown meets incipient environmental catastrophe; an aging Western population is confronted by the youthful vitality of the South, the sheer mass of the East.

City regions, rather than countries, are becoming the hubs of prosperity, innovation and hopelessness.

We are connected and disconnected - a child can travel the virtual world long before she can cross the street.

In this maelstrom, new trends are fashioned that spill over to the clothes we wear, the transport we choose, the holidays we take, the food we eat.

## Four major shifts

We see four major shifts:

- Sustainability and beyond
- · Demographics as destiny
- · Power of city regions

Connected and disconnected

For this article, I look at the first and some of the resulting trends we expect to see more of in 2012.

# Touch every part of our lives

During 2012, the financial case for sustainability will gather unstoppable momentum - it will touch every part of our lives.

#### 1. New energy

The stakes here make the arms deal the equivalent of tin soldiers in a lucky packet. Bidding will start on nuclear power stations that the *Mail & Guardian* estimates to be worth over a trillion rand. Companies from six countries are contenders and all will need heavy-duty lobbyists, plus PR and some worthy causes to back.

Meanwhile, the anti-nuke brigade will be out in force with funding to communicate the nuclear peril. Expect social media to be aflame.

Fuelled by municipalities setting bold targets for renewable energy, new solar product and service brands will enter our lexicon while, in the wings, own-labels - from Builders Warehouse to Woolworths - ready themselves to pounce.

It will becomes fashionable to flaunt your solar credentials on the roof of your home, while the Prius is joined by a flock of new hybrids, as car manufacturers seek to be more eco than thou.

Scientists and technologists will have money thrown at them to develop affordable carbon capture and storage - we have too much invested in the coal industry and too much coal is still underground to close up shop - clean coal is a South African and world game-changer. It may never be cheaper than dirty coal, but it could soon cost less than any other sustainable energy source.

# 2. Redefining capitalism

Capitalism 1.0 is in dire straits. A rising tide of anger and mistrust threatens to turn into a financial tsunami. The other 99% are not going away soon. Consumers are beginning to realise their power; investors are asking more searching questions; employees search for a sense of purpose.

More multinationals will follow the example of Nestlé and reflect on how to create shared value (CSV) across their whole value chain. CSV is the brainchild of <u>Michael Porter</u>, doyen of Capitalism 1.0, indicating the Road to Damascus begins at Harvard Business School.

Expect ads for pork sausages to feature local farmers who have happier, plumper pigs due to the brand's intervention. Expect a new kind of bank that only invests your money in environmentally and socially responsible projects - delivering better returns.

# 3. Revaluing green

The penny is finally dropping - the Green Economy is about jobs, jobs, jobs. Solar water heaters can employ 10 times as many people as coal-fired power-stations, to produce a similar amount of energy.

We are also seeing the value of biodiversity - nature's gift. UNEP declares for every dollar humans make, Nature delivers one for free (in South Africa, we are far more conservative - believing Nature only contributes 7% of our GDP - that's over R80 billion, each year.) But 65% of the world's ecosystems are degraded. When humans lend a hand, we reverse the degradation - and that's more jobs, from clearing aliens to biochemistry.

Expect more and more farmers' markets - the economics are simple; when you buy your supermarket carrot, the farmer will be lucky to receive 7c in the rand for his money, labour and risk. For consumers, buying fruit and vegetables straight from local farmers reminds us that peas come fresh from a pod, not frozen from a supermarket shelf.

We grow for people we know is a rallying cry that can be a real threat for established retailers. Expect initiatives such as Tesco's promotion of local milk, or an enterprising New York supermarket owner who grows the vegetables he sells in a giant greenhouse on his roof.

## 4. All is revealed

WalMart has been an unlikely eco-champion and is now undertaking a project that will pressurise producers to reveal the total environmental impact of their brands on their labels. As WalMart consolidates its presence in SA, consumers here will be made aware of more and less sustainable choices.

As attention and understanding grow, social media will be delighted to out any brands that are economical with the truth. The more-aware shoppers will have apps on their smartphones that scan a bar code to reveal the total social and environmental story.

Eco-endorsement labels such as Biodiversity & Wine Initiative (BWI), Fairtrade, Rainforest Alliance, Marine

Stewardship Council, Fair Trade in Tourism South Africa (FTTSA) [and Southern African Sustainable Seafood Initiative (SASSI) - managing ed] are just some of the brands behind the brand that will sway our choice of food, drink, clothing, furniture and accommodation.

Sustainability is a new communications high ground and brand winners will be those who combine seduction with a healthy dollop of soul.

# 5. And beyond...

Of course, as soon as an idea becomes mainstream, it will be pushed to new limits.

Is sustainability all we can hope for - to keep our current status quo? It is in our nature to want a better life for our children - and our children's children. We already hear murmurings that sustainability is a bridge to restore-ability. Restoring environmental health and variety, restoring jobs, creating a more just society.

The communications industry is adept at encouraging the world to want more, creating an ever-hungry consumer society. Will we be equally adept at convincing society to face the challenges we have and collectively overcome them? Will we first be able to convince ourselves? This is an undercurrent to watch in 2012.

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#### ABOUT MIKE FREEDMAN

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