

Sebastian Munden & TTU

Nik Gowing

Welcome to talking about, Thinking the Unthinkable. Our latest leadership conversation and podcast. I'm Nik Gowing, Founder and Director of the Thinking the Unthinkable project.

The challenge for so many leaders in this disruptive world, in other words, people like you, is how to transform yourselves and colleagues in your organization to act differently. Everyone needs to change what they do, and how they do it. And they've got to do it very fast.

So how to do it? That's a huge challenge where Remarkably, the advertising industry can lead. Why do I say that? Well, for this 18-minute podcast, I'm joined by Seb Munden. In his new book, sustainable advertising, here it is. Seb and colleague, Matt Bourn, have radical ideas for how the advertising business can drive a huge change in thinking and behavior by all of us on sustainability.

Seb worked at Unilever for 32 years from Brand Manager for the detergent Persil, he rose to be Executive Vice President and General Manager for the UK and Ireland. Seb is now Chair of both Ad Net Zero, and WRAP. That's the Waste and Resources Action Program, with its strong focus on creating sustainable packaging.

Seb welcome. Why do you say advertising needs a rallying cry for a vision? Advertising is not usually regarded as a base for broad action on climate change and sustainability?

Sebastian Munden

Well, I think, Nik, that can be two surprises for people working in the industry. I think advertising is facing, if you like, an existential threat, which is, you know, that people when we surveyed 70 to 90%, depending on how you ask the question, say they want to work on something meaningful and purposeful. And, you know, I think that puts a ticker on the kind of talent attractiveness of the industry if it doesn't change.

And I think the other thing is for people who are not familiar with the industry, but perhaps wringing their hands at the amount of citizen behavior change that needs to be accomplished. Actually, that this could be one of those rare situations that what got us here could get us there. In other words, the framing and social norming influence that advertising has undoubtedly had, could be put to very good use. So advertising could be the secret weapon of the people who are trying to create a drive for a more sustainable economy and a more sustainable way of living. And sustainability could be the shot in the arm that the advertising industry needs to secure its future and to secure a talent base who want to work in it.

Nik Gowing

If you'll be familiar with what the skeptics will say. And they're saying that advertising is about maximising revenue, not about saving the planet?

Sebastian Munden

Well, I think that it's hard advertising and marketing around it is about changing behavior and helping people make choices. And you can either put that to a commercial use exclusively, or you can put it to other purposes, too. I mean, we learned in the pandemic, Nik, you know, how well-crafted simple messages could actually save lives. And so the power of framing and shaping behavior, through advertising, I think can be put to whatever use you want. And the question here is, you know, let's put it to good use in service of accelerating a more sustainable economy.

Nik Gowing

What you say in your book, and what you say in your work is very clear from you and Matt. You say this is about creating a sense of urgency now to make what do you call a big intervention? What is a big intervention in your view?

Sebastian Munden

Well, a big intervention, I think, is that it's really about everybody involved in the advertising process, coming to the realization that there won't be an advertising industry if it's not part of making a better future. And therefore, that kind of use of the sort of sense of imminent, not necessarily implosion, but big changes. I think legislation will start to prevent, you know, the sectors that advertising can work in. And I think generally, there's a, you know, be a for context around advertising, if it doesn't change.

But actually, for advertising companies, as in many businesses, they can future-proof the business by working with a different portfolio of clients, different products and services. And that will attract talent again, and that will create a completely different sorts of advertising industry. That's the kind of change that we're talking about.

In some ways, people and companies that have been making products have had to address supply chain emissions much earlier and much more comprehensively than service businesses. Were essentially, if you think about it, you know, travel, heating, and light has been the carbon emissions generator for most service industries. But I think we're going beyond that and saying, don't just think about your own emissions. Of course, that has to be sorted out, too. And in the book, we talked about how to do that.

But think about the way in which a more sustainable economy can be powered by advertising. And that could be a massive change. And create

Nik Gowing

Do you really mean there's an existential threat, and a lot of the next generation of those who might have been attracted into advertising so far, will be turned away? Because they don't like the way it's going?

Sebastian Munden

I think that's quite possible. Yes.

And in fact, we see it already. Interestingly, many agencies, new small startups, set up without the word advertising in their title. Very, they're the same in any way, but name.

And what they've done is been much more thoughtful about the types of clients and businesses they want to work on.

Nik Gowing

Now, let's look at an example.

For example, clothing, tree loved clothes, as opposed to secondhand clothes. What are you seeing in terms of the use of language? The way encouraging new framing is changing the perception?

What are you seeing, because you talk about how a couple of 100 companies have already come on board, realising that this is an existential threat?

Sebastian Munden

Yeah, so a good example, would be you know, the way in which ITV and Love Ireland had been become associated, in many ways, that fast fashion. And I think the people at ITV realised that this was something that needed to be changed.

And they formed a partnership with eBay. And what we saw during that was two very big changes really, which is the reframing of secondhand clothes to being more desirable in terms of expressing personality, uniqueness.

And at the same time, we saw a huge upsurge in the amount of secondhand clothes being bought and sold on eBay platform. eBay is competitive, by the way, Vinted have basically said, look, in the last couple of years by 2025, the secondhand resale market for clothes or pre loved clothes, that market in Europe will double to be worth about 34 billion euros. That's growing 11 times faster than the conventional retail fashion market.

Now, of course, it's still relatively small. So I think what we can see here is that the power of of reframing, and is it's more than just language, it's, you know, advertising can bring, you know, visual imagery and social norming in a way that can only accelerate the desirability of pre loved clothes.

And what we can see as we go down the generational cohorts, is that the percentage of spend going to pre loved clothes does indeed go up, the younger, the cohort. So that could be here, you know, with some concerted effort, a real tipping point, imminently where these things change.

Now, there are still, you know, some issues with the amount of destinations available for secondhand garments, the collection of that, so there's lots of supply chain issues that need to be solved as well. And we wouldn't say that advertising and marketing is the only solution. But it's a significant contribution to the transformation of an industry as challenging as fashion.

Nik Gowing

Now you got a lot of hard bitten people in the advertising business. They don't want to give up profit and surplus too easily.

But how what's been the reaction to this particularly this idea that the advertising industry could be confronting a new tipping point.

Sebastian Munden

I think the Vanguard companies are starting to think about their portfolio of customers or clients, and think about, you know, how to increase the amount of clients who definitely are creating a more sustainable future, and how to move out of business, which, as a less sustainable future.

I think you can see major owners thinking about that. You can see agencies thinking about that.

So I think it's quite it started already.

Nik Gowing

What about where this is going now, because I'm intrigued by one of the claims you make right at the beginning of your study, 'marketing and advertising can help people make good choices, to getting as close as possible to the imperatives of the Paris Agreement of 2015 from averting the most extreme predictions for climate and to sustainably regenerate the economy.'

That's a very, very dramatic and grand sort of claim of what is achievable?

Sebastian Munden

Well look, I think there are two components to that. The first is there's a very strong resemblance between if you like more sustainable business models, which is essentially doing creating more value with less staff, and productivity, which is creating more value with the same amount of people and resources.

So I do believe that there is a strong alignment between these two things. My experience at Unilever, by the way, was whenever we made a supply chain decisions, to do things differently, for the right reasons, we invariably also ended up saving money too, because when you do create more value with less stuff, effectively, it has that that impact.

So I think the first kind of act of leadership is to really understand that these things are not contrary to each other, but can go hand in hand. That then takes you to the second kind of assumption in that statement, which is that behavior change can be accelerated by advertising, what we normally see it's about swapping it very rarely do we see case studies where advertising creates a completely new desire, as it were, but very often helps make choices or support choices between different versions of the same thing.

And I think one of the conclusions that we came to when doing the research for the book was, it's not always the motivation that matters. If people buy a more sustainable product, it doesn't actually matter why. And advertising can provide a bunch of different reasons for more sustainable products to be preferred.

Nik Gowing

Now Seb, we've got about three minutes left. What's blocking or getting in the way of achieving mass change, led by advertising? What is it in the mindset, there's really got to change here.

Sebastian Munden

Well, in the end, for the advertising companies, it's about leadership, it's about saying, you know, we're going to grow our business in a future-proof way. And we will succeed and get a competitive advantage through advising clients and making advertising for clients that drives that.

So that I think is one big thing. People who make stuff already they're the media owners are already there, because of the amount of digital media, you know, really focuses the mind on the carbon footprint of digital. But now we really need the advertising agencies in the middle to see that this is actually future-proofing their business, it will potentially at least the beginning bring competitive advantage.

And we'll help attract the best talent to come and join them in that effort in the way that advertising has done in the past, attracted the brightest and the best.

Nik Gowing

What about the strapline? Is this just about changing the strap line on a product the kind of product you used to sell at Unilever? Is it about just changing the strapline? Or is it about making sure the product is much greener, and therefore you've got a green product to promote?

Sebastian Munden

It's absolutely the latter, name. And that's why I think everybody in marketing and advertising needs to become climate literate, need to understand green claims, greenwashing, the challenges, the must do's, the must not do's. And this is probably the other big imperative, which is that kind of degree of literacy now needs to be widespread in advertising and other service industries.

Nik Gowing

What about this idea that you've got, as well, as I'm quoting here, 'a sustainable advertising manifesto?' Sounds a bit heavyweight here. But what do you call it? 'Closing the think-do gap to tackle inertia and complacency.' You're always there.

Sebastian Munden

I think a lot of people kind of want to do the right thing. And particularly in advertising, they want to come to work and make the world a better place, do a better job. But don't always have the tools to do it. What we've tried to put in the book is a manifesto, some of the things that you need to bear in mind that you can take to your day job, and put into practice every day, making it extremely practical. And that's really what the book is all about, that sort of practical next step, the step that you can take right now.

Nik Gowing

Because you say, at one point, citizens from every walk of life, can now do their bit, and advertising should play a part in this.

Sebastian Munden

That's right. And, you know, I think people have lots of ideas about, you know, it may be difficult to sell sustainable products or more sustainable products to certain groups in society. In fact, our research shows that that may not be the case. There are ways to explain ways to present and all the research is there to show how to do that. And so actually, it's quite possible, many more sustainable products can be marketed and advertised and, and they're not a niche in the slightest.

Nik Gowing

Finally Seb, what would you say to maybe skeptics who are watching this, other leaders and so on, who are saying, "What are they really on about? We can survive? We're doing well, thank you very much, indeed, don't rock the boat in this way." In other words, you know, this is going to fail, particularly when you talk about an existential threat to the advertising?

Sebastian Munden

Well, I don't think so. Because, you know, in the end, you know, starting with public companies, the disclosures that are increasingly required by investment communities, and by governments will ratchet up the pressure on companies that aren't contributing to a more sustainable future. So we definitely make the case that you may or may not choose to do this on moral grounds, you absolutely want to be part of it for business reasons.

Nik Gowing

You say you've got the support of a couple of 100 of what you call courageous companies and trade bodies. Does it need courage to do what you're proposing?

Sebastian Munden

I think it always takes courage to change your strategy to change the way a company expresses its values. That always takes courage. But actually, once you've decided to align those values and take that step, it becomes a lot easier and actually doing the right thing makes huge business logic.

Nik Gowing

Well Seb, I hope you've spurred anyone watching this to think differently, think radically, and think, you know, actually, if we don't do this, then it'll be an existential threat. It's common across a lot of sectors at the moment. But, Seb Munden, thanks so much.

And you can reference every detail Seb gave us; a transcript is posted in parallel on our website along with contact details for us, and also Seb's work as well.

Do please join us when we next have a conversation about Thinking the Unthinkable. From me, Nik Gowing, until next time, keep thinking unthinkables. More than ever.

It's both possible, and as Seb has just said, it's necessary. Bye, bye.