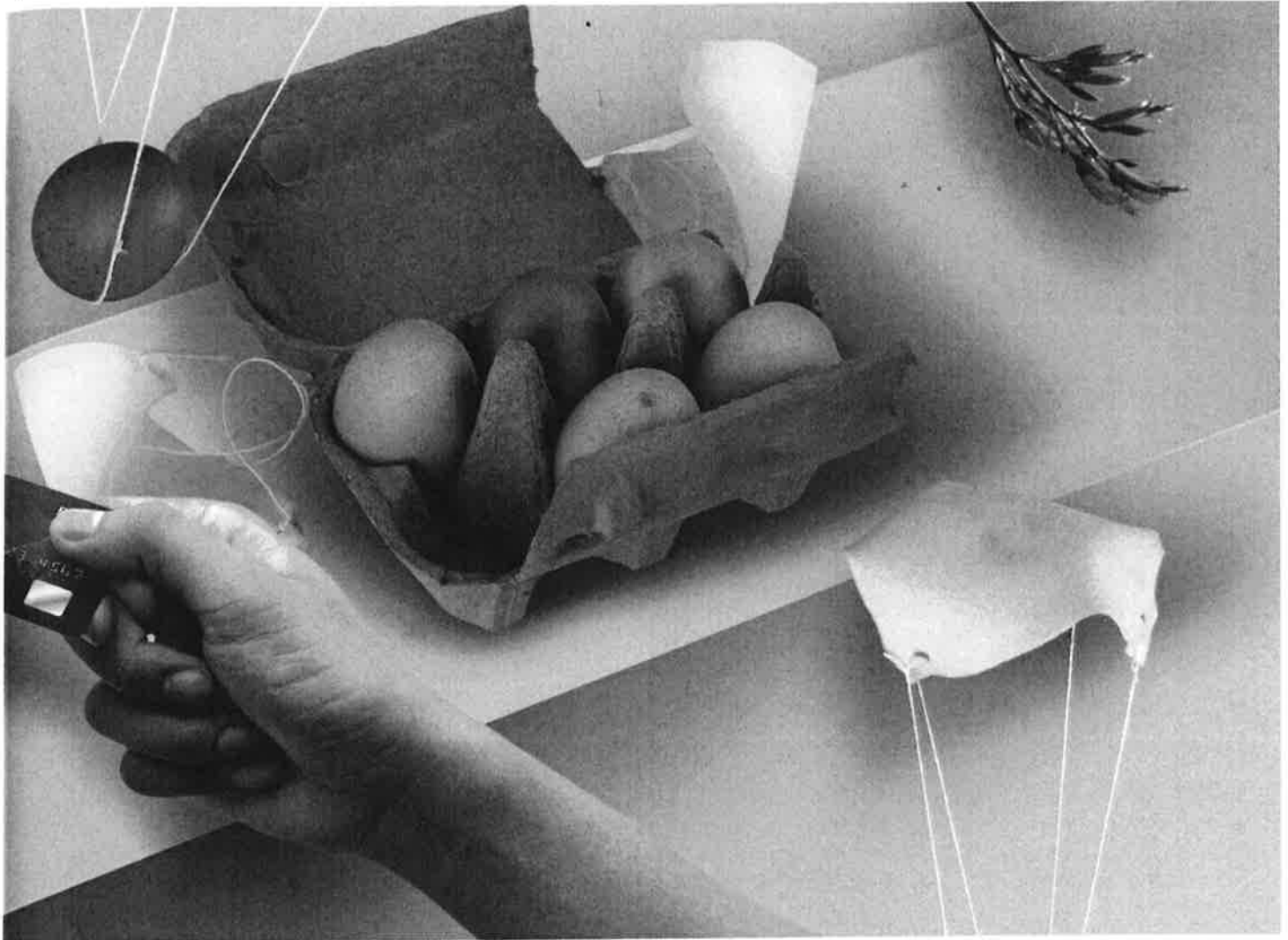


Licence to buy

Conscious Consumers delivers on consumers' demands for ethical business practices and businesses' desire to be seen as socially responsible.



Conscious Consumers announced in November 2017 that it had raised \$2 million to support its launch into the UK. At that time, this was one of the largest capital raisings for a social enterprise in New Zealand history, says Jamie Newth from impact investment specialists Soul Capital.

Internationally, ethical spending is on the rise, and home-grown companies like Conscious Consumers are well placed to promote their product to a global audience, Newth says.

The product he is talking about is multifaceted. Conscious Consumers verifies socially responsible practices by its signed-up businesses – on behalf of consumers who want to spend their cash responsibly. The businesses, in turn, get to promote their ethical approach to a ready market. Businesses can purchase data on the spending habits of this pool of conscious consumers.

The social enterprise has already achieved considerable domestic success. From its beginnings with one Wellington café – Fidel’s – it has grown to serve corporate clients such as Meridian Energy, Icebreaker, and Kathmandu, and it has more than 20,000 consumers using its app.

SHOW, NOT TELL

It is in the marketing space that Conscious Consumers offers immediate value back to its business partners. Not only do they get to share their sustainability stories with a receptive market, they can also purchase data on the spending patterns of consumers who have registered eftpos or credit cards. For example, for a monthly fee, a retailer can track what this portion of its customer base is buying, when they are buying and where.

“Data for good” is how Conscious Consumers Chief Executive Ben Gleisner puts it.

“What that does is allow consumers to send a message when they buy about what matters to them. Animal welfare, for example – you could ask at a café if they serve free-range eggs and satisfy your consumer values that way,” says Gleisner.

“But that person is the waitress, and who knows if it gets back to the decision maker.”

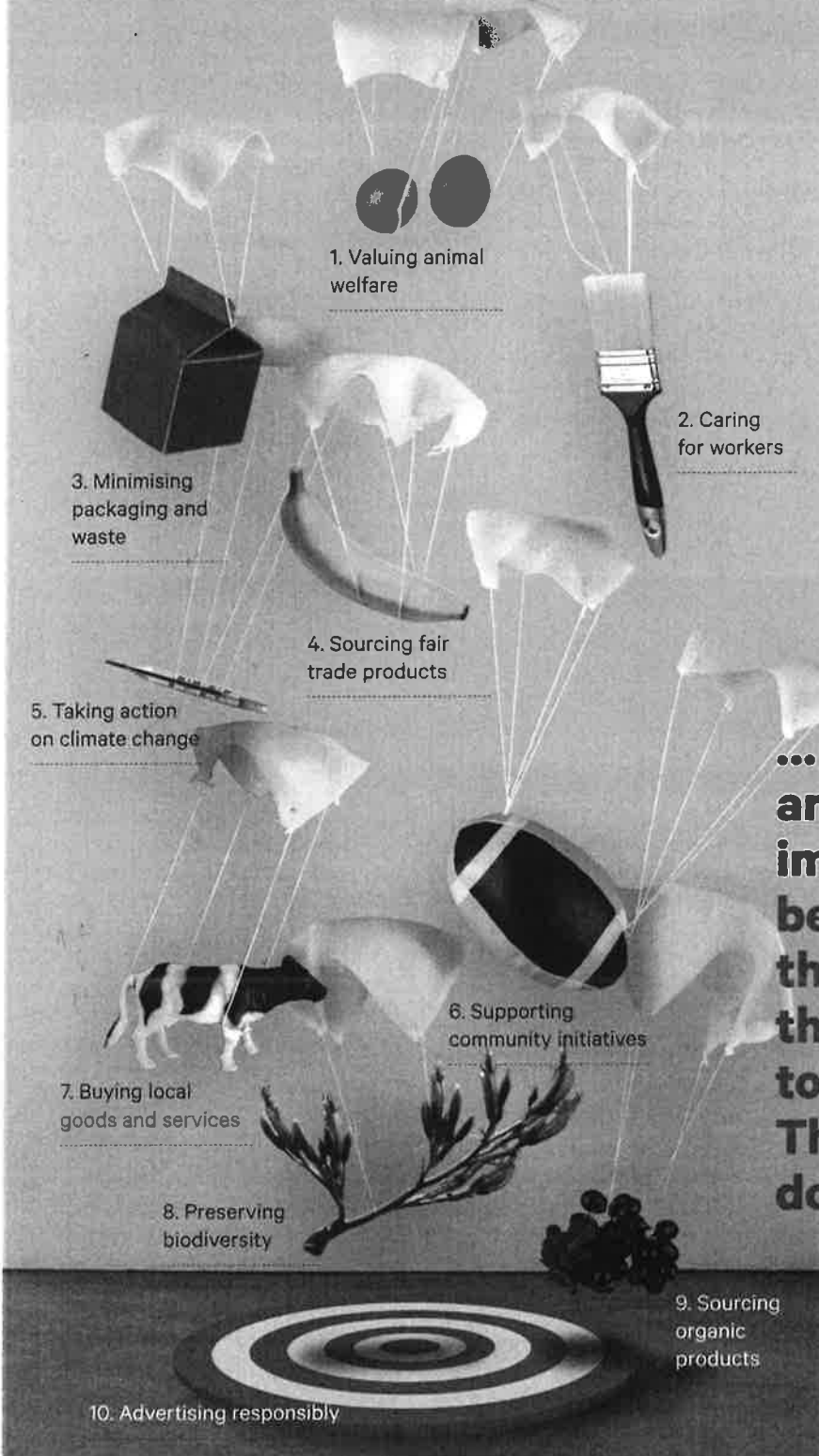
Conscious Consumers sends that message back to the company.

It also offers insights into consumer opinion. For example, Gleisner knows minimising waste, climate change and workers’ rights are the top three issues among his signed-up consumers.

Meridian Energy Head of Marketing Melanie Lynn has said it was a “no-brainer” to partner with him. >>



What values and business actions do conscious consumers rank most highly?



Source: Conscious Consumers

"As a 100% renewable energy generator, it's really important for us to show we are genuine about our sustainability goals. We're also keen to offer something that gives real value to our customers," Lynn says.

BUSINESS + SOCIETY

The underlying trend powering Conscious Consumers is concern that businesses should operate as part of society and in socially responsible ways.

Consumer choice is one economic lever for encouraging businesses to adopt this approach.

As this view has grown among consumers, businesses that do operate this way have searched for ways to demonstrate their social responsibility credentials. Endorsement from Conscious Consumers is one straightforward way they can do that.

Conscious Consumers has around 500 businesses signed up, ranging from cafés and hairdressers to taxi companies and large corporate clients. It offers an independent accreditation of their socially responsible business practices so consumers can be confident it is not just spin.

... this issue of social and environmental impact is going to be a defining one for the next 10 years – if the business wants to stay in business. That's what it comes down to.

TOTAL RESPONSIBLE INVESTING IN NEW ZEALAND FOR 2017

\$131.3 billion

up from \$78.7 billion the year prior

GLOBAL CONTEXT

In September 2017, Peter Holbrook, CEO of Social Enterprise UK and former chair of the Social Enterprise World Forum, visited Auckland to award it Social Enterprise City status from Social Enterprise UK.

Holbrook put this award into a global context, noting the changing atmosphere in which business operates.

"There is an appetite in Europe and across the world for greater social justice. Local communities are taking back control to harness the energy of businesses, community groups, charities and co-operatives to tackle the inequalities and divisions afflicting communities. Social enterprises are at the vanguard of delivering this change, innovation and hope," says Holbrook.

The Social Enterprise World Forum in Christchurch that same month demonstrated the breadth of social enterprise activity, drawing speakers from India, Australia, the UK, the US, Canada, Scotland, Singapore, Indonesia and New Zealand.

Back home, the Responsible Investment Benchmark Report 2017 published by the Responsible Investment Association Australasia (RIAA) valued "total responsible investing" in New Zealand at \$131.3 billion, up from \$78.7 billion a year earlier.

STRATEGIC IMPLICATIONS

Gleisner has a message that boards should consider: "We don't want to live in a world where the ocean has more plastic than fish."


"As a director on a board, I guess what we are really saying is this issue of social and environmental impact is going to be a defining one for the next 10 years – if the business wants to stay in business. That's what it comes down to," says Gleisner.

There is also a staff retention impact among workers who want to feel they are making a difference in their jobs, he says.

"That culture of business having a purpose – that affects customers and staff."

As a societal trend, Gleisner says the drive to more socially responsible business practice has the potential to impact across all sectors, and his message is addressed to "any board member of any business".

"If they haven't got this dimension of 'what's our purpose?' and thinking about our social and environmental impact, then they will lose both on the consumer front and have a hard time finding people. That's the trend."

"If [boards] are not doing it and thinking about it, then, strategically, they will suffer." 

Ben Gleisner will be speaking at Leading Edge, the IoD leadership conference, at Auckland's Sky City Casino 10-11 April 2018. See iod.org.nz

Leading edge

Planning for the future?

It's already changed.

The world is moving and adapting at an ever-increasing rate – artificial intelligence, globalisation, and new ways of thinking. If you're going to stay ahead of the pack and stand out, you need to be on the leading edge.

The 2018 IoD Leadership Conference will take you on a journey of the newest and most exciting governance developments. By putting yourself at the leading edge, this event will revolutionise the way you govern.

The future is now. Let's embrace it.

Register now at www.iod.org.nz/conference – Earlybird closes 28 February


Institute of
Directors

**IoD Leadership
Conference 2018**

10-11 April 2018,
SKYCITY, Auckland