



# Business of Sustainability Index

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*June 2022*



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**A letter from Pete Davis,  
Vice President, PDI Sustainability Solutions**



Climate change and sustainability are top of mind for many Americans and the government of late. The SEC has proposed a new rule that would require registrants to include climate-related disclosures in their registration statements and reports.

PDI Sustainability Solutions knows that doing good is also good for business. Because it's not just the government that is interested in corporations' climate risks, consumers are too. This report, our second annual Business of Sustainability Index, provides evidence that consumer desire to do business with sustainable companies is not just maintaining, it is growing. This study finds that over two-thirds of Americans' buying habits are guided by environmental friendliness, and despite inflation, we are willing to pay more for green products.

Consumers have natural skepticism, however, and that's where PDI can help. For the past eight years, we've been offering turnkey solutions for companies to track and offset carbon emissions, while being independently verified by a "Big Four" accounting firm.

Businesses can drive consumer preference through sustainability programming. We look forward to learning more about your organization and how we can help drive growth through sustainability.

*Pete Davis*

## THE GREEN GRIND

Americans want eco-friendly products, but aren't sure how to recognize them.

The demand for green products and services is real, and we're even willing to pay more for them, but most organizations fail to capitalize on this.

75%

Three-quarters of Americans are concerned about the environmental impact of the products they buy.

69%

Over two-thirds say a product's environmental friendliness is important to their purchasing decision.



78%

Over three-quarters agree they want to buy from environmentally friendly companies, but don't know how to identify them.

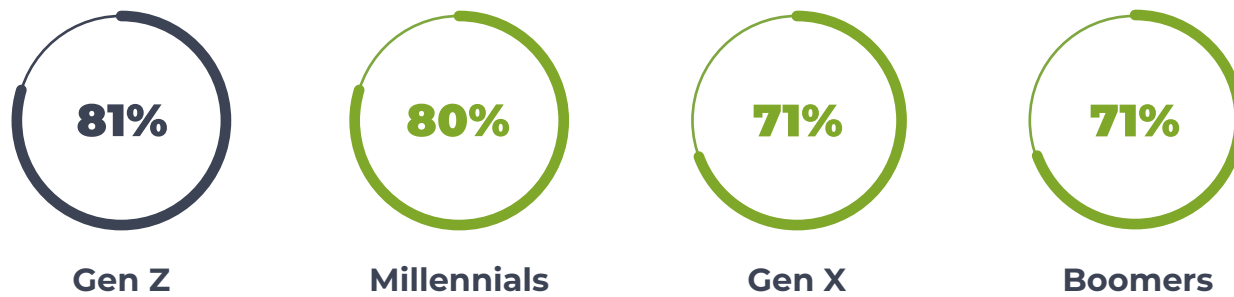
68%

Over two-thirds of those surveyed use labels or third-party certifications on product packaging to determine if a product is environmentally friendly, with that number jumping to 79% for Gen Z and Millennials.

66%

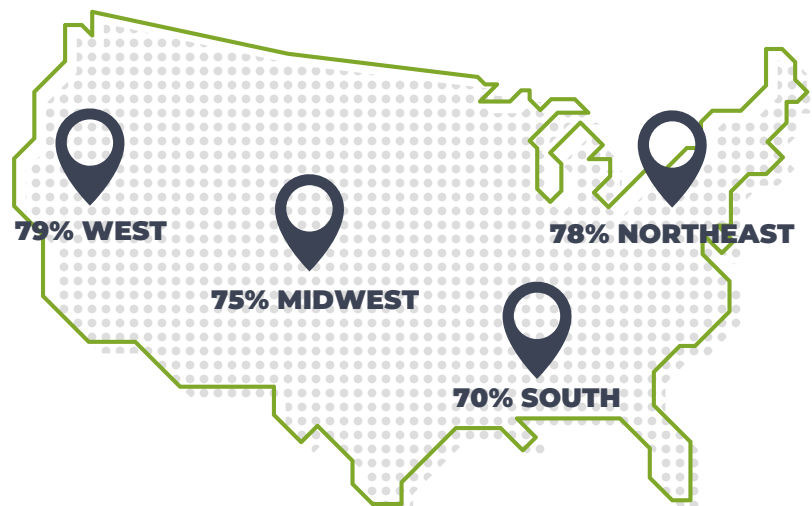
And two-thirds say they would be willing to pay more for a product that is environmentally friendly—up 2% from last year.

It may seem that environmental awareness and decision-making are strictly a younger generational concern. However, this study shows that this is not the case. All generations are concerned about the environmental impact of the products they buy.

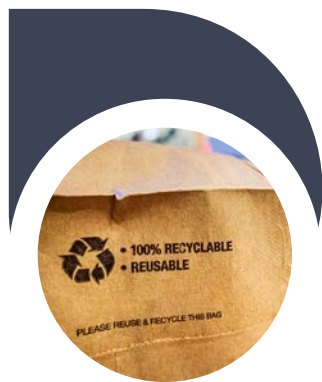


## Location Matters

All geographical demographics show concern as well, especially the Midwest, which showed an increase in concern of 2% year over year.



## WHAT CAN I DO?



### Be Transparent

Clearly communicate environmental friendliness (including sustainable methodologies and practices) on packaging and on websites, social media, and collateral.



### Tailor Your Messaging

Use TikTok, Instagram, and Reels to communicate with younger audiences and save radio, Facebook, and YouTube for older generations.



### Make It Easy

Certified offsets can be used in conjunction with your sustainability practice to immediately neutralize your products' environmental footprint. Promoting carbon neutrality makes it easy for consumers to recognize your eco-friendly product.



## OUR CHANGING CLIMATE

**Wildfires, air pollution, severe drought, extreme heat, and floods top Americans' concerns.**

Climate change refers to long-term shifts in temperatures and weather patterns. These shifts may be natural, but for over 200 years, human activities have been the main driver of climate change, primarily due to the burning of fossil fuels including coal, oil, and gas.

# 70%

7 in 10 Americans say that climate events from the past year have made them more likely to purchase environmentally friendly products.

# 38%

of those who are more likely to purchase environmentally friendly products due to climate events over the past year said they were not buying green products before, but climate change events have caused them to change their purchasing habits.

**Scientists forecast a temperature rise of 1-3°C over the next century.**

**Carbon policies and corporate targets are increasingly focused on limiting rising temperatures to 1.5-2°C.\***

*\*Nature.com*



## THE TRUST GAP

Corporate America says it's going green, but do Americans buy it?

Vague icons imply sustainability, but consumers often find these confusing.



With skepticism surrounding potentially empty claims on the rise, who can we trust? Respondents say third-party verifications:



# 46%

46% say a third-party verification is important for validating a company's claims, with 30% saying it's the most important factor.



# 38%

Only 38% believe companies when they make claims on environmental friendliness. This is down 9 points from last year.



# 45%

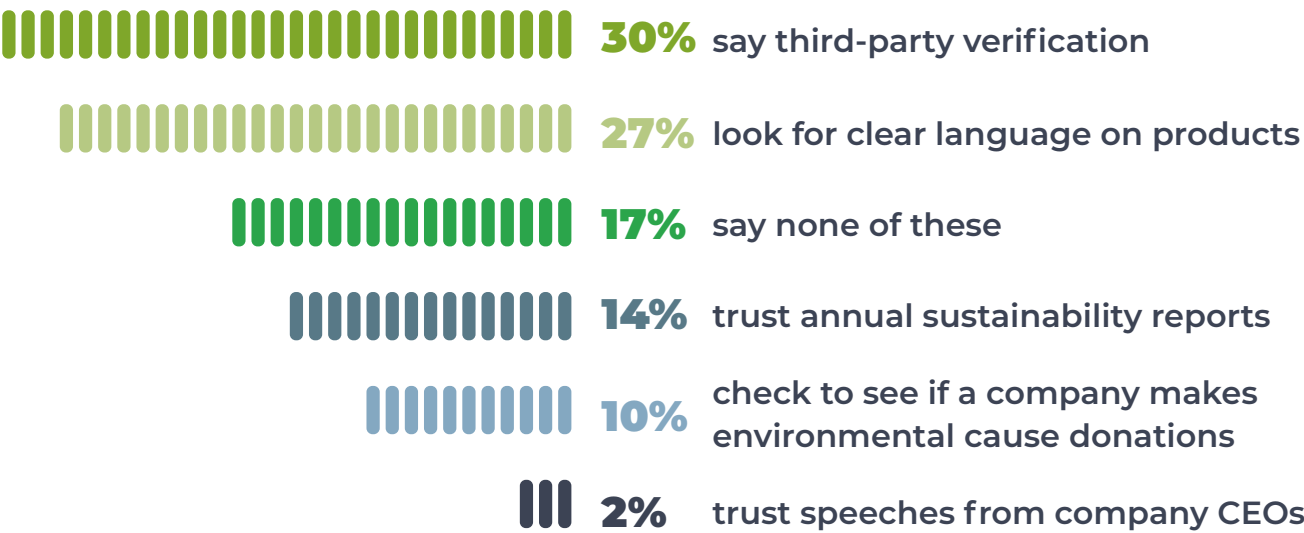
Nearly half say it's difficult to maintain environmentally sustainable purchasing habits.



# 69%

Two-thirds of those surveyed agree a company's report on environmental friendliness impacts their purchase decisions.

How do we trust what companies say?



Who is most trusting?



4 in 10 people say American corporations are doing a poor job when it comes to reducing their carbon footprint. Interestingly enough, 63% think the company they work for is doing a good job.








## PUBLIC PERCEPTION




So who do Americans think is winning the “Green Game?”

In terms of demonstrating an actionable commitment to becoming more sustainable, Americans find that the food sector, technology, financial services, hotels, and CPG are doing well, while airlines, fleet, and gas and energy are falling behind:

### TOP DOGS

-  **FOOD SECTOR - 68%**
-  **TECHNOLOGY - 67%**
-  **FINANCIAL SERVICES - 64%**
-  **HOTELS & TRAVEL - 61%**
-  **CONSUMER PACKAGED GOODS - 60%**

### UNDERDOGS

-  **AIRLINES - 43%**
-  **FLEET - 44%**
-  **GAS & ENERGY - 51%**

## WHAT CAN I DO?



### Build Trust

Partnerships with credible third-party sustainability vendors, agencies, and non-profits create accountability. Be sure to check references, credentials, and client lists.



### Avoid Mishaps

Brands can leverage the Federal Trade Commission's Green Guides to help avoid making environmental claims that can be misleading to consumers.



### Cite Your Sources

The sustainability landscape is mostly voluntary, making it cluttered and disparate. When making sustainability claims, highlight your sources with links and progress metrics.

# AT THE PUMP

Despite rising inflation and gas prices, more than half of those surveyed said they would pay more for gas if their carbon footprints were reduced.



64% of Americans would pay more at the pump if their carbon emissions were offset through sustainability efforts.

30% 1-5¢ per gallon      15% 6-10¢ per gallon      14% \$1 flat rate

73% said they would sign up for a loyalty or rewards app that reduced their purchase’s carbon footprint

79% of those surveyed who said they would sign up for a loyalty or rewards app are Gen Z

84% of those surveyed who said they would sign up for a loyalty or rewards app are Millennials

64% say they would like to own a credit card that automatically offset a percentage of the environmental impact of their purchases



The majority of respondents would be more willing to use these services if their carbon emissions were offset:



**60%** for delivery services  
(Postmates, DoorDash, etc.)

**56%** for rental cars

**55%** for rideshares



**72%** of those more willing are Gen Z and Millennials

## WHAT CAN I DO?



### Loyalty or Rewards App

Create a loyalty program or rewards app for consumers to opt into that will automatically offset a percentage of fuel purchased at the pump, reducing their overall carbon footprint.



### On-Site Messaging

Display custom-branded, clear, and transparent collateral to promote and support your sustainability program at fuel locations. Effectively promoting sustainability efforts can accurately and authentically build brand loyalty.



### Fuel Efficiency Guide

Small changes in driving habits can add up to big savings for your customers' wallets and significant reductions in their carbon footprint. Read how in our **Fuel Efficiency Guide**.

## THE SHRINKING DIVIDE

The political divide is shrinking when it comes to sustainability amongst younger generations.



**75% of Gen Z and 75% of Millennials** who identify as **Republican** say they are concerned about the environmental impacts of the products they buy. These statistics are aligned with those who identify as **Democrat: 83% of Gen Z and 87% of Millennials.**

When compared, these statistics surpass **older generations** as roughly

**48% of Republicans and 81% of Democrats**

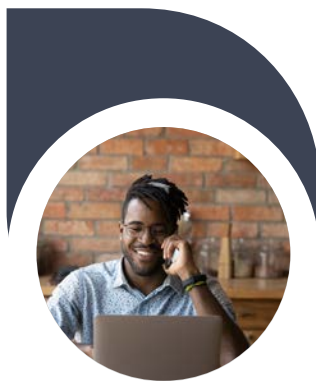
say environmental friendliness impacts their decision-making.

## WHAT CAN I DO?



### Connect with Consumers

Customers put different levels of importance on product attributes based on their values. If brands can create a shared value around sustainability, they can increase brand loyalty.



### Journey vs. Destination

It's important not to overstate where a brand stands when it comes to its sustainability journey because there will always be more that can be done. Brands can continue to build trust through honest, transparent, and thoughtful communication.



### Avoid False Assumptions

An increasing number of consumers are concerned about environmental impacts, regardless of political affiliation. The political divide amongst younger and older generations is fundamentally shrinking.

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## METHODOLOGY

The Business of Sustainability Index was conducted in collaboration with Directions Research. The data from this index was collected from an online Xcelerant survey fielded from March 7 to March 8, 2022, among a demographically balanced nationally representative sample of 1,062 U.S. adults 18 years of age and older. To ensure a consistent and accurate representation of the U.S. general population 18 years of age and older, data was weighted by the following variables: sex, age, geographic region, race/ethnicity, and education.

## About PDI Sustainability Solutions

PDI Technologies helps businesses and brands increase sales, operate more efficiently and securely, and improve critical decision-making. Since 1983, PDI has proudly served the convenience retail and petroleum wholesale industries. Over 1,500 companies, representing more than 200,000 locations worldwide, count on PDI's solutions and expertise to deliver convenience and energy to the world. PDI Sustainability Solutions offers patent-protected programs that deliver environmental impact and bottom-line results. Our turnkey offerings make it easy for businesses to do well by doing good.

For more information, visit us at [www.pditechnologies.com/sustainability](http://www.pditechnologies.com/sustainability).