

VECCI's business sustainability products and services for small businesses

Compass

Carbon Compass, an exciting initiative from Carbon Down, is a web based community of businesses and organisations sharing their sustainability and carbon reducing knowledge, experience and practical solutions.

Visit www.carboncompass.com.au or call 03 8662 5490 to register your business.

Grow Me The Money

A 12-step program, Grow Me The Money will take your business through strategies to reduce your carbon footprint, save money and report credibly on your savings to customers, staff and the community. Grow Me The Money participants save on average \$7019, across all three utilities, and deliver over 60 tonnes of carbon abatement (from a sample of 288 business participants).

Join Grow Me The Money today at www.growmethemoney.com.au or by calling 03 8662 5333. Prices start from \$99 and are tax deductible.

Sustainability Consulting

Experienced VECCI Sustainability Consultants can show you how to achieve great outcomes for your business, your community and the environment, with expertise in:

- Sustainability strategy and policy development
- Environmental opportunity assessment
- Action planning and implementation
- Carbon footprint assessment.

VECCI consultants come to you, saving valuable time, and their assistance is tailored to your unique circumstances. Visit www.vecci.org.au/sustainability or call 03 8662 5480. Discounts apply for VECCI members.

Sustainability Training

Want to know more and learn from other businesses? In a new era of 'green choices', VECCI's dedicated training and briefings can help your business reduce its environmental footprint, save money, and give you a competitive advantage. Delivered throughout Victoria, prices start from just \$49.50.

The following programs are currently available:

Carbon Management 101: cutting through the carbon jargon. Who should attend? All small business representatives interested in climate change, carbon management practices as well as identifying opportunities for making environmental and financial savings.

Sustainability in Action workshop: hands on sustainability practices for SMEs. Who should attend? Small business representatives interested in tools and techniques that assist to track their resource use and realise financial savings.

Creative Thinking and Sustainability workshop: Your sustainable edge in changing times. This half-day workshop is packed with practical tips and hands on examples demonstrating the four cornerstones of creative thinking and uniting these with opportunities for sustainable business practice. Who should attend? All business representatives interested in smarter decision-making and sustainable business practices.

Green Office Briefing: simple steps to green your office. This two hour briefing is for SME's and larger businesses who wish to educate their staff regarding electricity consumption, paper use, waste disposal and purchasing practices in the office. This interactive briefing empowers staff to take immediate action in implementing green office practices.

To book, visit www.vecci.org.au/training or call VECCI on 03 8662 5333.



VICTORIAN EMPLOYERS' CHAMBER OF COMMERCE AND INDUSTRY

IR ADVICE

TRAINING

NETWORKING EVENTS

TOOLS & TEMPLATES

ADVOCACY & REPRESENTATION



Small business and climate change what affects you and what you can do

Changing climates for large and small consumer markets

Climate change and consumer preferences – what's in it for you?

- Concern about climate change and the environment is leading to changes in the way people make decisions about what they buy
- Depending on your product or service and customer base, changing consumer preferences could affect your business
- Opportunities will exist as well as challenges.

What you can do in your small business

- Understand your customers – is concern about climate change and the environment a factor in their decisions?
- Investigate 'no regrets' actions to reduce costs and improve efficiency of your operations
- Consider improving your environmental credentials by:
 - Identifying your carbon footprint
 - Purchasing offsets or Green Power
 - Verifying your actions to support bids for sustainable procurement.
- Where appropriate, adopt a 'green' marketing strategy, remembering to ensure your claims are credible.

Fact sheets in this series

General climate change information:

- Drivers of change affecting small business
- Weathering climate change impacts
- Changing climates for large and small consumer markets.

Sector-specific climate change information:

- Accommodation
- Business and professional services
- Cafés and restaurants
- Manufacturing
- Retail and wholesale trade
- Tourism
- Transport.



Consumer attitudes towards climate change

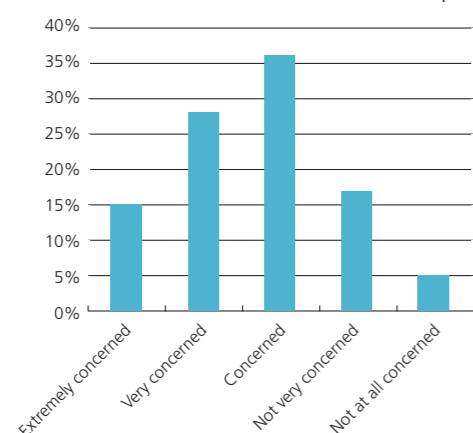
There has been increased and extensive national and international media coverage of climate change, its causes and the appropriate response.

Surveys of public opinion have found high levels of community concern about the environment. The *Thermometer Survey* found that the environment and the economy are the two major issues of public concern both in Victoria and Australia as a whole.¹

A 2009 Auspoll study found that 78 per cent of respondents were 'concerned' to 'extremely concerned' about climate change, with only five per cent of respondents being 'not at all concerned'.²

How concerned are you about climate change?

The Climate Institute commissioned Auspoll study



Increased public awareness and concern about climate change will impact small to medium enterprises (SMEs) through changes in the choices and actions of consumers. This could include:

- Increased demand from consumers for information on the environmental footprint of the products they purchase
- Consumers changing their purchasing decisions to minimise their environmental impact
- Consumer responses to increases in prices of emissions intensive goods and services.

Understanding your customer base

Understanding your customer base is central to understanding how climate change issues might cause changes in demand for your product or service. Key questions to address are:

- Who are your customers?
- If you are an intermediary or wholesaler, who are your customers' customers?
- Are environmental concerns a factor or likely to be a factor in your customers' decisions?
- Will there be opportunities or challenges (or both) for expanding or maintaining your customer base?

New business opportunities

The *Thermometer Survey* indicates that there are opportunities for businesses to engage with customers about environmental sustainability and offer new products and services:

- Customers have a desire to purchase more environmentally friendly goods and services, but there is a lack of information about these products.
- While people are concerned about environmental impacts, they are reluctant to make significant lifestyle changes.³

As an SME, you can respond to changing consumer preferences by:

- Improving your credentials as an environmentally sustainable business
- Developing or selling products or services that assist your customers to improve their resource efficiency and/or minimise their carbon footprint
- Marketing your business and providing information to consumers about sustainable products
- Implementing 'no-regrets' actions to reduce internal costs, and passing the savings on to your customers.

The large enterprise consumer – sustainable procurement is coming

Many large brands and businesses are taking action on their own and moving the green market to mass consumption.

- UK supermarket giant Tesco has asked its suppliers to reduce the carbon footprint of their products sold to Tesco by 30% by 2020 to support the company's own corporate targets to reduce its total carbon footprint by 30% by 2020 and achieve carbon neutral status in its store and operations by 2050. Tesco already 'footprints' and labels 114 of its products and has plans to expand this initiative across many more products⁴
- Walmart began asking its US suppliers 15 questions in 2009 to produce a sustainability score which is used alongside price and quality factors in evaluating suppliers⁵
- Nike has set a goal for zero waste, zero toxics and 100% recovered product by 2020. Working with suppliers, Nike had grown the use of organic cottons in its garments to 47% in 2004, and supported efforts to increase the organic share of global cotton supply from 0.05% to 10% in 2004.⁶

If you are part of the supply chain for these companies, you can gain a competitive advantage by ensuring your product or service meets emerging criteria.

Improving your environmental credentials

Improving the environmental credentials of your business can be an effective way to market your business and also help to reduce costs.

Actions to improve your environmental credentials include:

- Undertaking an audit to understand your resource use (energy, waste and water) and carbon footprint
- Adjusting your processes and inputs to minimise resource use
- Joining a small business network promoting sustainability actions and activities to leverage peer-learning and promote your business
- Undertaking a supply chain analysis to show the total environmental footprint of your products or services, and implementing a green procurement policy
- Obtaining a green accreditation for your business or your product or service

GreenPower

Accredited GreenPower is certifiably generated from renewable energy such as wind, hydro and solar power. Purchasing GreenPower is a simple, effective and credible way to minimise the electricity-related emissions associated with operating your business.

GreenPower products are available from electricity retailers, and mean you can make your business 10 to 100 per cent powered from renewable sources. Rates are competitive and you may even get a better rate with a GreenPower deal that helps your business, the environment and the renewable energy industry.

GreenPower purchases will be counted towards any future emissions trading scheme caps.

Carbon neutral

Carbon neutral means that through a transparent process of measuring carbon emissions, reducing those emissions and offsetting the remaining emissions, net calculated carbon emissions equal zero. A number of certification schemes operate in Australia. Government-endorsed schemes like the new National Carbon Offset Standard (which replaces Greenhouse Friendly) are the most trusted options, so make sure you research the options carefully.

Carbon offsets

A carbon offset reduces emissions through direct (project) activities and should be verified in accordance with a recognised standard such as the Gold Standard, Voluntary Carbon Standard, Clean Development Mechanism, or other standards recognised under the Australian National Carbon Offset Standard.

Carbon offset 'products' are usually a tradable carbon credit and tend to be used to cancel out emissions from a different individual or business from the creator of the offset. Offsets sources can include energy efficiency, renewable energy, fuel switching, tree-planting and avoided deforestation projects. Third party 'offset providers' can advise you on purchasing offsets.

- Purchasing GreenPower from your electricity retailer and advertising your choice with approved branding.

Marketing your environmental credentials

With an understanding of your customers' concerns and how you can adapt your product or service to better meet their needs, an environmental marketing strategy can be an effective way to improve your business or market share.

As many organisations actively promote their environmental or 'green' credentials, consumers can be sceptical about these claims.


In accordance with Australian law, it is important that any claims made regarding the environmental credentials of your business are credible and that you can back up the claims with evidence and additional information. If you aim to market your credentials, check that you can verify that:

- Your business (or product) has pursued behaviour change as well as purchasing carbon offsets as part of your strategy
- Carbon offsets purchased as part of your strategy are actually reducing emissions by the amount that you claim
- Carbon offsets purchased through tree-planting provide longevity.

The National Carbon Offset Standard provides guidance to business on:

- Claims that can be made about voluntary action and carbon neutrality
- Calculating and verifying the carbon footprint of products and services for the purpose of offsetting emissions
- Minimum standards for voluntary carbon offsets.

The Australian Competition and Consumer Commission (ACCC) also has guidelines on green marketing and carbon offsets to assist businesses in complying with the *Trade Practices Act 1974*.

 Remember – green marketing and carbon claims are monitored by the ACCC.

¹ *Thermometer Survey Update: Our Community's Response to Climate Change*, 13 March 2009. The most recent update to the survey was based on fieldwork undertaken in February 2009.

² Auspoll (2009), *Tracking climate change attitudes*, Survey commissioned by The Climate Institute conducted between 30 January and 4 February 2009.

³ *Thermometer Survey Update: Our Community's Response to Climate Change*, 13 March 2009.

⁴ The Green Supply Chain (2009), www.thegreensupplychain.com/NEWS/09-10-19-1.PHP

⁵ Walmart Sustainability Assessment Tool (2009), http://www.greenbiz.com/sites/default/files/Walmart_Sustainability_Assessment.pdf

⁶ Investor Environmental Health Network (2010), *Nike case study*, www.iehn.org/publications.case.nike.php