

# THE CASE FOR GREEN CERTIFICATION

A practical perspective for small business owners.





## **THE CASE FOR GREEN CERTIFICATION**

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This report serves as an executive briefing for small business owners and managers weighing the benefits of green business certification, while also providing insight into leading best-practice considerations for doing so.

The report highlights five primary factors to consider when implementing sustainable business practices and certification, including the powerful role of customer demand and engagement, along with the profit potential of greening, the need for executive leadership, and the importance of an effective framework in delivering exceptional results.

## 1: CUSTOMERS DEMAND GREEN

**Customer demand is driving the greener business revolution, and smart companies are heeding the call.** Regardless of whether your business serves consumers or other businesses, your customers overwhelmingly care about your environmental and socially responsible efforts. In fact, the 2015 Cone Communications Global CSR Study reports that 84% of global consumers now seek positive sustainability commitment in the companies they do business with.

## 2: GREEN DRIVES PROFITS

**Leading companies are implementing environmentally sustainable business practices as methods for driving innovation and profitability.** For their part, leading global corporations have already discovered the tremendous upside of greening. 89% of US executives believe demand for sustainable products and services will continue to increase for the foreseeable future. Corporate executives not only see significant cost savings and waste reduction from their sustainability efforts, but are increasingly turning to green as drivers of innovation and profitability for their companies. Furthermore, despite the commonly held belief that green is solely a long term strategy, 61% of corporations that have made a business model change to increase sustainability report clear near-term profitability as a result of the change.

## DON'T FORGET YOUR EMPLOYEES

Your employees play a pivotal role implementing your greening efforts and ensuring customer engagement, but have you considered the role your company's greening efforts play in attracting, engaging and retaining good employees? Not only do 79% of potential employees look for companies with positive environmental credentials, but according to one recent study 45% of employees say they'd be willing to accept 15% less pay to work for an environmentally friendly company. Moreover, companies with active sustainability programs report significantly higher levels of employee engagement. In the case of AMD, a large technology company, 96% of employees reported that the company's sustainability programs improved their relationship with the company.

### 3:ENGAGEMENT FEEDS EVERYTHING

**Innovative leaders know that companies with strong greening efforts benefit from truly unique levels of customer engagement and loyalty.** The underlying dynamic driving both innovation and profits for greening companies is the simple fact that greening provides a tremendous opportunity for businesses and their customers to engage over a genuine and important area of concern. Your efforts to improve your environmental performance create common ground between your company and its customers that fundamentally changes the way customers perceive and interact with your business. 61% of global consumers report that they have already used social media to engage with companies around environmental and sustainability issues. Whether your business is large or small, consumer focused or B2B, having customers that both feel positively toward your company and actively share those feelings online, in store and in person is a tremendous win.

#### HOW OFTEN DO AMERICANS CONSIDER A COMPANY'S SOCIAL AND ENVIRONMENTAL COMMITMENTS BEFORE MAKING DECISIONS?

84%

Deciding which companies to support in their community.

80%

Choosing what to buy or where to shop

78%

Making product and services recommendations to people

### 4:LEADERSHIP AND GUIDANCE

**Successful greening efforts require executive leadership and expert guidance.** Across the board, successfully greening companies cite two key factors in driving their success: Executive leadership and utilizing a sound business case framework. According to a recent MIT Innovation Report, companies with c-level executives driving their sustainability efforts are far more likely to profitably implement their efforts, and companies utilizing a clear implementation framework that starts with a business case are three times more likely to report success than those that don't.

# THE MILLENNIALS ARE HERE!

Millennials seek, choose, engage and reward greener companies at rates and with conviction that far outstrips any other age group. To be sure, this massive group of young adults are not only changing the economic landscape as a whole, but will radically change the way environmentally sustainable business is done. Most compellingly, millennial women report that they're more likely to buy from, trust and remain loyal to companies with sustainable business practices at rates that exceed 90% across the board, and when filtered for affluence and motherhood, those numbers trend toward 100% - with 95% of millennial mothers preferring to do business with greener companies.

## 5:REINFORCE THROUGH CERTIFICATION

**Certification from respected third party both reinforce and amplify a company's sustainability efforts.** Despite the significant bump in engagement greening efforts can provide any business, consumers are rightfully wary of environmental claims made by companies on their own behalf. And despite the fact that people commonly rely on a mix of social media and customer ratings and reviews, along with traditional media and government information to understand environmental performance, third-party environmental seals and certifications are clearly viewed as the most trustworthy source of green credibility for business. In fact, consumers are 50% more likely to seek well regarded seals and certifications than government sources to validate a company's green credibility.



## THE GREEN BUSINESS BUREAU

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The Green Business Bureau (GBB) is the leading green business certification program for small- and medium-sized businesses. GBB's unique online platform offers comprehensive, but easy-to-use tools that guide businesses to make great-green business choices, while also gaining valuable recognition for the efforts they've made.

GBB understands the daily constraints of running a business, and has built the self-directed toolset based on high-impact, manageably sized initiatives that not only make sound environmental sense, but also drive cost-savings and revenue generating opportunities for companies of all kinds, across a wide range of business sectors. The system's initiative-based framework for making and implementing greener business choices, ensures every company finds its own pace, while the GBB respected certification system validates, tracks and markets each member's greening efforts.

Please visit [gbb.org](http://gbb.org) to learn more about GBB, or to register your business today.