Sustainability 24 2012
Sustainable Business: Tomorrow’s Global Consumer Transcript

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ASHLEY HOUSE: Hello and welcome back to Sustainability 24 2012, a global event putting business sustainability at the heart of the agenda. You join us for our third session of this unique global online discussion. So far this morning, we've been to Johannesburg, Singapore, Oslo, Zurich, Tokyo and the list simply goes on. Right now we are going to London for our next live session where it is 9:30 a.m. It's 4:30 in the afternoon in Beijing. We'll be hearing from there as well.

My name's Ashley House and I'm your host here in London for the whole of this unique 12-hour session. So do join us. Remember, all of Sustainability 24 is interactive. We want you to be involved. So there are three ways that I'm going to suggest you do that. Underneath this video if you're watching on the Accenture Sustainability 24 website, you'll see a box. That's for you to pose questions which we will do our best to answer or one of the panelists will during the session. You can also connect through Twitter using the hashtag #Sustainability24 or through the Facebook page Accenture Sustainability Services. And a very big welcome as well to those of you who are watching through the Guardian Sustainable Business website.

So do get involved with this throughout this session. Any minute now, I'm going to pass you over to Jo Confino, who's the editor of Guardian Sustainable Business and he's going to be joining us with his panel live from the high-tech offices of The Guardian in Central London. They're going to be talking to us about “Growth Sustainability and the Global Consumer.” Shifting consumer behavior and driving demand for sustainable products and services, something that will affect all of us right now. And he has guests as well and messages from around the world. Right now I can see some lovely London barges on the canal. I'm not sure whether Jo is going to jump out of one of those, but let's see. Let's go to Jo live in London now for the next session.

JO CONFINO: Good morning everyone and welcome to London on a very lovely sunny day. We're here this morning to talk about an incredibly important issue which is about sustainable consumption. So we've created as a global society a voracious appetite for goods and services and, yet, at the same time, we're moving well beyond our natural ecological limits. And so, clearly, there needs to be a fundamental change in the way consumers consume and in the way business provides products and services. So we're here to have a very lively debate.

One of the key issues we're going to be talking about is resource efficiency. The Olympics are here this summer and the Olympic flame is going around the country at the moment. The Olympic flame is taking two months to go around the UK, but we're managing to go around the world in 12 hours. So we're being much more efficient, which is great. I'm going to start off the session this morning with an introduction from Bruno who I'll introduce in a minute and then we're going to have a couple of videos and then we're going to dive straight into the panel discussion.

BRUNO BERTHON: Thank you. Fantastic. Well thank you very much, Jo, and welcome. This is a Second Edition of Sustainability 24 and one of the novelties that we're trying to combine the virtuality with a live event. So I'm saying welcome to the virtual crowd, as well as to the group of guests that we have here in this amazing city and I have to say, Jo, I'm very jealous. If we could sort of trade our offices with yours that would be something, fantastic view on the canal and it feels great because I thought I was in Singapore at the beginning of the day for the Urbanization topic. I was actually in Berlin talking about the sustainable consumption yesterday. And, so, it feels that this is really a topic on the agenda of most companies.

I would like to make the link with what's happening today. If I were a Frenchman, I would say this is our election that's triggered that. But everyone seems to be talking about growth right now. It's what we heard in Camp David, this was the topic of discussion in Berlin, in Brussels today. And, clearly, this is the main topic for the world: how to reignite growth and that concern, of course, is both for emerging markets and developed markets.

And when we're talking about emerging markets, one of the key initiatives of the B20 which takes place in Mexico in June, is about green growth, which we would call sort of sustainable growth. Because there is, of course, an understanding that growth in the business-as-usual model cannot work because of resource scarcity, because of many of the other challenges that we have seen in the past. So how to reinvent
a model for growth is going to be one of the topics of the day and the link between sustainable growth and the consumer is, of course, extremely important.

We don’t know if there is a sustainable consumer. We know that there will be sustainable Olympics. So, hopefully, there will be sustainable consumers for the Olympics. But more generally, that will be a question for the panel, how to address and engage differently with the consumer? One of the piece of work that we’ve been doing with the WWF, is typically around this concept of sustainable consumption and we’ve done a report which is a Fourth Edition of the WWF Report on that topic which is called, More With Less.

And, so, the point about More With Less, is that clearly this is a great intent, but for that there is a number of challenges which is I don’t find consumer that is sort of particularly willing to get engaged and finding a new set of products and services which is all around sort of innovation as a key topic and this is what we’re going to talk about.

So in two words and, of course, you will have access virtually to that report or even a paper version if you feel like it. There's sort of five key messages. One is that the global trends are clearly sort of conferring the need to change the way we’re addressing the value chain. It’s all about resources scarcity, it’s all about access. And these are the topics that we will hear this year, particularly in the context of RIO+20 and the program of Sustainable Energy for All.

An example being what has been published about the PPR Initiative around their environmental P&L and their efforts to understand better the risks and challenges on their value chain going forward.

The second message is about the opportunity. If companies are engaging in sustainable production and consumption, it’s because they believe there is an opportunity. We have evaluated with the WWF that opportunity at around $2 trillion. At a company level, an opportunity has to be in the billion range, well at the world level, it has to be in the trillion range to get every organization involved.

The third real theme is to understand the barriers to growth and the barrier to scaling. And, clearly, this is the No. 1 challenge. Hopefully, something that will pick up with Jo and our guests because, clearly, companies have many initiatives, have a number of pilots. We argue there are many solutions available, but the challenge to scale still remains extremely important. And it’s mostly related to the way to address the consumer. The consumer is clearly keen to become more sustainable, but doesn’t want to pay for it.

So how do we address that and that’s the fourth theme around solutions. What are the available solutions? What kind of products and services can be provided to the population to the consumers, to the citizens in general if we’re linking that with cities that will address their needs in a different way? It’s almost like we’re defining the Maslow Pyramid with a new sort of priority related to sustainability.

And, finally, the theme that we’ll cross probably the entire day is how to collaborate to deliver this new model? What we’ve heard already earlier this morning is the need for private/public partnership. Even in the domain of consumption, there is a need to collaborate from the standpoint of standards of regulation, of organizing the messaging to make sure that the consumer is actually incentivized to do the right thing and to consume the products and services that are going in the right direction.

So, very exciting topics: what is the consumer of tomorrow, how to address, how to engage. I think it should be a very rich and lively debate and so back to Jo to introduce our guests and the up and coming videos.

JO CONFINO: Thank you, Bruno. I think Bruno set the scene very well and what we're seeing is that these are really fundamental issues that how we adapt to the current system. Whether it's actually possible to adapt that system. So we'll get into that in a few minutes. But, first, we're going to have another couple of scene-setters—a couple of videos.

So the first video is from Connie Hedegaard, who is the EU commissioner for climate action. So we're going to go straight to that first.

(PLAYING VIDEO)

Well, Connie, thank you for that. I mean that is a very, very optimistic view which is that everything is in place for us to be able to live in a sustainable world within the ecological limits of the planet. So one of the things we're going to
do through this session is actually interrogate: Is that the reality or are we pulling the wool over our eyes? So that's going to be an interesting part of what we discuss. But before that, we're going to now go to Peter Lacy and Sarita Nayar in conversation with Martin Wright from Green Futures. Now, Peter Lacy is managing director of Accenture Sustainability Services in the Asia Pacific region and Sarita is managing director-head of consumer industries for the World Economic Forum. So let's hear what they've got to say.

(PLAYING VIDEO)

I think that gives us a really good starting point. And so now I'd like to introduce the panel. To my left is Ian Cheshire, who's the CEO of Kingfisher and is considered by many to be one of the leading lights in terms of challenging the status quo and naturally talking about the need for fundamental rather than iterative change.

On my right is Umair Haque, who is director of the Havas Media Labs. The last time I looked, which was a little while ago, to see how many Twitter followers he's got. [it's up to] something like 330,000, which is 330,000 more than me. So I'm feeling already intensely jealous. I'm going to ask him if he can share some of them with me.

And then Bruno on my right. And then we've also got Peggy Liu, Liu is from Shanghai, she's got this sort of monumental task of trying to stop the Chinese consumers from making the same mistake we in the West have done. So I think all credit for her to having me. That's a great question. I think that most of us in this room and most of those figures in the video and I think of the speakers so far would agree that it's probably not possible for us to continue growing in the same way. So the question for us really becomes what does growth mean?

Peter in the video talked about the need to ask the big questions and I think one of the problems we have when we try and solve problems is we often try and solve problems from the place we have them with the assumptions we have. And there's that phrase which is that sort of the thinking that got us into the problem cannot by definition get us out of it. I think that was Albert Einstein, so thank you, Albert.

So I want to start off with that really big question which is part of this debate about looking at where change is possible and what we can do, but I think it's really important to ask the big question of actually, can we change from the place we're standing? Can we continue to grow really? Can we actually reduce resources? Can we create so much resource efficiency that actually everyone can have whatever they want?

And there are a lot of people out there who are really challenging that perception saying, actually, we need to fundamentally change the system we're in, that the capital system of profit and maximization and expediential growth cannot continue and naturally we're kidding ourselves if we think it will.

So, Umair, I wanted to start with you by saying is it possible to continue growing and as Connie says, stop devouring the very planet on which our survival depends?

UMAIR HAQUE: OK, thanks for having me. That's a great question. I think that most of us in this room and most of those figures in the video and I think of the speakers so far would agree that it's probably not possible for us to continue growing in the same way. So the question for us really becomes what does growth mean?

Bruno talked a little bit about green growth. When we talk about growth, presumably we're referring to this kind of industrial age construction known as GDP. I would say that what we're talking about is so far from what I've heard of the discussion is hedonic growth.

The idea that human welfare is still dependent on this kind of hedonic treadmill of stuff is a very industrialized idea. Factories turn out stuff, we have it, our welfare depends on this stuff. I think we're beginning to take small steps toward a paradigm of what I would call eudaimonic growth, which is about gains in human welfare coming from many different kinds of capital, real wealth that matters to people. And to kind of bridge the gap between the discussions so far and what I'm proposing this little paradigm shift.

We've talked a little bit about more with less and I think we focus on the less part of that distinction. How do we do things more efficient? How do we utilize fewer resources in our request for human welfare? That's still a hedonic question because we're still assuming that human welfare comes from having more stuff, maybe more stuff made out of fewer resources. The question that it begs for me is what about the more part of more with less. What does more really mean?

For me, more is about better. And we can delve into that, but to maybe kick us off...
JO CONFINO: Yeah so, Ian, I'd like to come to you because you're in an interesting position because you clearly recognize the scale of the problem, but you're also working for a public company whose success and your position is based on you delivering profits and actually keeping shareholders happy who are by your own by what you say aren't valuing the fact that you're taking a longer term approach.

So given that you're representing a corporate here, what can you do to sort of mitigate between what these short-term demands on you and this quarterly reporting and how you need to keep on profits, keep moving and the fact that you recognize that things have to fundamentally shift. How do you traverse that gap?

IAN CHESHIRE: I think the big challenge is that we still have to do the day job. It's the weekly city retailers' daily sales, but most businesses have an ambition to have I think a life cycle which is more than just their weekly or yearly annual reporting cycle. And we have to essentially helicopter between the two realities. You can't pretend that we just go away for 40 years and develop this sort of future model. We have to actually do things in the day job.

I think most businesses understand that they actually do have to really address this reality because we are going to run into absolute limits and they will come initially through price messages for most businesses. And a lot of the business models that people have will become unsustainable. It's just a question of when and how.

So really I think intelligent companies are beginning to say how do I get ahead of the change in the business model and reinvent it. And I think we're going to need three things here. And no one business, frankly, is going to be able to do it. But the three things are consumer engagement, really around new ideas of what consumers want because at the moment, we've got a tape made disposed model for the consumer. It's Western advertising, trillions of dollars of marketing have gone into making people want more stuff. We've got to paint a picture of some other alternative which is a real challenge.

Secondly, we got to have new business models, things like Zipcar are great. Actually, I think it's more interesting when you look at something where you're using existing assets and actually utilizing them better. And we've said the same is true for parasols. You know parasols are used five minutes a year. That's clearly not a sustainable model.

But the final thing is I think you do need some form of frameworking which is probably back to the regular tree or broader questions the government has to set which is to allow people to move and bridge into new business models. There have to be better signals from the market and a lot of our issues, I think, are that we're not actually setting the right framework as well to allow companies to adapt. So I think we'll need all three sets of players and we have to engage at both levels of the debate.

JO CONFINO: And, Ian, just to stick with the consumer side, the consumer engagement, so you own the huge B&Q DIY chain and I happen to be in there on the weekend. When I walked around just as a painter, I didn't see any messaging or any sense as a consumer that you were engaging with me. And I was looking for some paint and I found this very small area where there was green paint that seemed to be much more expensive than the other paint. So this is the problem. We recognize what are limits or we recognize that things fundamentally change, but when you talk about that, and when I go in there, I don't see any evidence of that and I don't see any evidence of that reaching scale. At what point is all the paint going to be green and at the price I will be willing to pay for it?

IAN CHESHIRE: I think there's a reality of a store selling 50,000 products of varying different types. It is quite hard to get a single message across. So I wouldn't say that we haven't done as much in the way of communications, in some areas we might. But if I take two particular sort of sub-topics, one is on your paint, we have massively reduce the VOCs paint over the last 15 years and we've led that process by working through with the suppliers. We're now trying to find the next business model which probably is something to do with powder as a form of base of paint. But at the moment, it's an emerging idea that's sort of 1% of what it might be and until you get to some sort of scalable mass, you can't really engineering a shift in the mainstream products.
So we're very committed to look for sort of disruptive technology and breakthrough, but the first requirement was to cut out huge amount of harmful chemicals out of millions of liters of tape which I think we have done and it's probably not visible. The interesting thing—the second area I take is wood. We have spent now 15 years working on wood and it's really complicated because they got 16,000 products that feature now fully sustainable certifiable sources of wood. Until we got to that point, I can't really go out and really seriously communicate. So it's only actually in June this year we're starting to talk about a forest-friendly campaign which will start to talk about the providence of the wood and make the point of everything in that store actually is sustainable already. So there is a third of our product there which is completely genuinely sustainable.

Now, getting it across to customers I think is something that probably businesses haven't done enough of and they've traditionally done it on the basis of you have to pay more, but don't worry it's green. That's just not going to work anymore. We're going to have to find everyday solutions that are sustainable, that make it easier for a consumer. And that's really, I think, the contribution business has to make. But it is I think you have to fix it first and then communicate it. So we're probably at the beginning of some of those journeys.

JO CONFINO: And, Ian, just before I move on, there's all this research which I think one of the speakers said about consumers do care, they say they care, but they don't actually act that way. Do consumers really think about this? I mean because as human beings they recognize that we need to change, but in their behavior they don't connect – they don't sort of for whatever reason connect that up or they don't feel what they will do personally will make a difference.

So how do you—and how can business—start connecting up consumers to action? I was talking to you a while ago and you said there might be a point at which you have to encourage your consumers to take political action, that you need to start to really drive that change. How do you get that messaging across?

IAN CHESHERE: I think there's a reality of consumer behavior here which is that I think they really aren't going to pay extra and I think there's been sort of a slight myth in the past that if we just put great stuff in front of them, they'll accept a 15 percent premium and that's OK. We, as businesses, have to engineer it so there is no cost—and in fact, in some areas consumers are getting the right messages in things like efficiency. Energy bills are going up one way, the price mechanism is sending messages to say actually I can see why I do it.

It gets tougher when you get into some more general areas of sustainable consumption where people need the basics of saying: well look, tell me what it is and what are my options? I used to think that people knew a lot about FSE and a lot about sustainable wood but when we researched it, we keep finding the levels where it's incredibly low. There's latent interest, but actually we have to over-communicate this and then give the information to the consumers to make the choice.

But until you get them up to speed, I don't think we can expect them to sort of suddenly wake up in the middle of the night and say: "I must go and do this." So we're going to have to lead the way and have a really intense conversation with our customers and that's a multi-year process I'm afraid.

JO CONFINO: OK, Bruno.

BRUNO BERTHON: I just wanted to jump in. We happen to have Ian with us and it's always unfair for a retailer to be on stage because everyone has a bad experience the day before. So it must be terrible for Ian in any kind of circumstances that anyone in the room is going to come and say I couldn't find that product or why aren't you sort of doing that faster? Luckily, in consulting we don't get that. No one knows really what we're doing so that's a great advantage. But, on top of that, I wanted to add a piece of research that we're publishing today specifically on that topic of premium prices and margins.

We asked 300 executives around eight countries to talk about how they were addressing the topic of sustainability. And what came out is that most of them recognized that they were going for a premium pricing strategy today, even though the consumer says that he or she doesn't want to pay more. And they were also saying that they have a cost issue—a profitability issue—in their sort of sustainability products and services, basically that they had lower margins.

So I think this is confirming what Ian was talking about, which is that at the beginning everyone was looking for the niche players, the anchoring of interest, trying to address, let's say, the pioneering consumers like we have pioneering
companies. But this is a niche segment. When you address a segment, you might be able to get away with premium price and you’re going to do a shorter line or you’re going to dab the existence of product and services. And, so, that’s why we have this sort of upward contradiction, higher prices, lower margins and relatively low volume.

And the big challenge of scale is really how to move toward lines of products and services that will be affordable for the consumer, that will be as desirable because the consumer does less with products, but that he can afford without feeling sort of that he’s paying too much or more than he can afford. And that’s really this sort of challenge about the value chain, about the scaling and that’s typically something that we see being addressed progressively in consumer goods, in retail. But this is where we’re still a few years away from the tipping point.

JO CONFINO: Thank you. Peggy, I’d like to bring you in now because we had talked about the need to get to scale, but the problem in China is the scale. So I wanted to bring you in because I have a sense that among some people in a growing community let’s say in the UK, we’ve had more and more goods, but actually our happiness as a society and our wellbeing has completely flatlined. In other words, where we’re recognizing that the third TV and the second car and all these things haven’t actually impacted on our sense of how we feel about ourselves. So with China and with other emerging economies, you’re the start of that and we hear lots of stories that there are consumers that want to go beyond what we have because they do that at the start of that journey. So the question to you is, how can you stop consumers in developing countries who want to have things and want a better life to avoid the problems that we’ve fallen into?

PEGGY LIU: I think the interesting thing about China is that we’re starting from somewhat of a blank slate. So it’s only been in the last 20 years that we’ve been starting to follow the American dream through MTV and other advertising. I think that as China urbanizes over the next 20 years and we grow from 300 million middle class to 800 million middle class by 2025, we have this phenomenal opportunity to take this China dream, create a China dream that is a sustainable, prosperous, healthy lifestyle. It’s a different type of lifestyle than the conspicuous consumption that we’ve been fed from Western media.

I would step back and say I would disagree that there’s a lot of people who want a sustainable set of products. I don’t actually see that. In fact, my friend, Adam Werbach, in his great speech, “The Death of Environmentalism and the Birth of the Common Movement,” said the death of the environmental movement started when we stopped connecting aspirations or sustainability to the aspirations of regular people.

And I think that people ultimately they don’t really want green. They don’t want a forest-friendly product, they don’t want recycled bags, etc., they want something that isn’t just green, they want green gilded. They want something that really taps into their fundamental desires.

So I think that to make a really large social movement at the scale that we’re dealing with in China and around the world, we need to create a completely different lifestyle and we need to create a very large social movement that desires this lifestyle. So in China, the China dream project that JUCCCE, my nonprofit, is working on, is taking advantage of several different elements that are happening all at the same time.

One is the Chinese government is very much behind going green. So in the last several years, as I’ve been working to train mayors and central government officials across China, I’ve heard over and over again, we cannot blindly follow the American dream. That’s not good for China and it’s certainly not sustainable for the world.

We also have this phenomena of Weibo which is the Chinese Twitter. We reached 100 million people on Weibo in a year and a half. So the ability for us to reach multiple communities and ignite this new lifestyle, this new China dream, that we want to push is finally here. So I think in China, it could be a proof point for how to create a sustainable consumers movement. We might not be able to follow this framework in different regions, but if we can do it in China, if we can change people’s aspirations, if we can re-imagine prosperity here, then I think that provides a little bit of hope around the world.

JO CONFINO: Peggy, that’s a fantastic objective and vision. But what’s the reality of it because the fact is that the reason the West and other nations got into this mess because it’s clearly so attractive to own things and it’s clear we wouldn’t of gotten into this mess if there wasn’t a huge attraction to it?
How do you start to change that in reality because you talk about creating a social movement, but then you have all these corporates that claim they have to change, actually advertising, actually promoting that very lifestyle and so that’s why I get this disconnect. How do you bring those two together?

PEGGY LIU: So the China dream is actually an action plan that involves soft power, as well as hard power. So on the policy side, we believe that inventing or experimenting at the local level with mayors on consumption shaping nudges [progress]. Like in 2008, we banned free plastic bags across the country in one day and that has eliminated in the first three years 24 billion plastic bags in use. What if we had the moon cake phenomena which where we give these really terrible fruit cakes every year, where we said you can only give gift certificates. Now there’s already a 30% breakage rate in gift certificates if you enforce this, you can’t give the package and waste the food, you can only give the gift certificate. You can imagine a much higher breakage rate.

So little tiny consumption-shaping policies. Another great one is if you bring your cup to Starbucks or Costa Coffee, you might get two R&B back. Where Starbucks is already experimenting with this, but what if we actually made it policy? So the fundamental assumption is that even if you’ve convinced consumers to want to buy sustainable products, when they’re in the store, they might not make that choice as you pointed out earlier. Surveys do show that.

So in China, the phenomenal thing about the governance structure is that we can actually recommend policies especially through JUCCE’s mayoral training channel and we can pick multiple cities to experiment with different types of nudges very quickly. China can move very quickly and if they hit, if they work, they can scale that across China literally in one day like the plastic bags policy.

On the soft power side, what we’re doing is we’re reimagining the visual lexicon for what prosperity is and we’re doing that by tapping into not only what’s cool. You know what’s hot is what Paris Hilton said, so it might be that really fit guy in a briefcase and a suit walking off the high speed rail, the Maglev. But it’s also showing what’s not cool, what’s not socially acceptable. So it’s also that sort of fat rotund guy coming out of a Hummer. So what we’re going to do is we’re working with Saatchi & Saatchi in London, having a creative session with a mix of creatives and native Chinese people on July 4, to start this process of creating this visual lexicon.

Then working with all the micro bloggers across Weibo, the portals for the micro show content, influencing the script writers in TV shows to integrate these visuals into advertising and into mass media and into the blog. So that’s sort of the basic plan. There’s more information on our website about how we’re approaching it.

JO CONFINO: Thank you, Peggy. And, Umair, I want to come to you now because we’re here talking about not just how does society change, but how does business health change process? So what I don’t get is that, for instance, the whole of technology companies, this idea that they’re still pushing out this idea that in six months you need a new phone and you almost get it in your mind that when Apple produces a new product, you almost get it—that they’ve already produced it, but they’re just delaying the production so you buy the next one. So given this idea that we need to change, we need to have a different idea of wellbeing, happiness, etc., but then business, most businesses, are still pointing out that constant need to change, to update status, where are the sort of status in the ego are based on what we own and how we show that. So how can business really start to change that if it’s still embedded in their culture?

UMAIR HAQUE: Absolutely. Listen, you know I spoke a little bit about a paradigm shift and I think that we are—we’re kind of facing an inherent tension in this room and in this conversation which is that the old paradigm is still really a hedonic paradigm. It’s still wired in and grounded in selling more stuff, often in kind of the guise of a spin cycle of self loathing. So let’s do a little thought experiment. Global GDP today is about between maybe $8,000 and $10,000 a person. The number at which we find people tend to become happy—to draw a crude caricature of happiness—is about $70,000 a person. So if we were to think of a happy planet for example, GDP would have to multiply by seven times. We know that’s probably not going to happen any time soon.

So if we’re going to approach this problem more constructively, that threshold that which people are able to obtain happiness has to come down from 70,000 to I don’t know, let’s say 20,000, 30,000. How do we do that? We have to
focus much more on the drivers of what actually make people feel content and happy and satisfied. And it's not this kind of spin cycle of self-loathing, latest consumer goods, gadget, glittering, shiny stuff. It's the social and human stuff that we know is intimately linked to people sense of wellbeing and happiness.

And I think that if we're going to talk about business entering a new paradigm that's kind of a fit for the future, it has to be very much focused on helping people obtain what I call eudemonic goods. The stuff of a meaningful good life, and I think that's kind of the great bridge we have to cross.

And make no mistake, I'm not suggesting that it's going to be easy. I'm not suggesting it's here. If you go out today or tomorrow, if we were all go out into the mall or the street and say, can we obtain these eudemonic goods—where's the threshold for happiness? Can we buy it in the mall off the shelf? We can't yet.

JO CONFINO: So, Ian, what do you think about what Umair says and do you agree with that? It's great to have vision, it's great to have ideas, but what we're now talking about has got to be embedded in it. It's got to be granular. It's got to be in the everyday and that's huge amounts of business cultural change and all sorts of change. So do you agree with Umair on that and if so, how can you do that?

IAN CHESIRE: Yeah, first of all, I completely agree and I think the longer-term model has to be based more on a sense of how do businesses contribute to wellbeing and then create value from that process because we are just got to run as I said before the limits of the traditional model. The problem is the transition between the models and I think that's the big challenge in the room. Now, I think it's got again three phases.

I think first of all, we have to have an idea what you're doing and I think the idea of wellbeing and the circular economy are the two keys to that businesses need to get their heads around in order to work out how their business models will be different. Secondly, you need to have some sense of testing and real world trial because we, again, can see some of the theory of this. You need to start making it work because some of it will work, some of it won't.

But a quick adaptation for then is working out your scaling issue, and let me give me one example of it. A shift in business model, going back to the dreaded power tools, we're now looking at an attempt to put together the package differently which is to say, we don't just make the power tool available on a lease basis, which will be the sort of the obvious sort of Zipcar version of power tools. What we're trying to do is put it together with a street club idea whereby you actually connect people back to their local economy. And here in the UK, if you talk to your neighbors in the street, you'll probably get arrested because it's a very unnatural thing to do.

So what we're trying to find is ways of connecting local people and also giving people in the community a chance to give back 'cause that's the other clear opportunity in terms of what gives people happiness and wellbeing is actually being able to contribute, share, connect and learn.

So for us, instead of our traditional model of a power tool sits on shelf, put adverts on TV, the person drives to store, maybe there's a model now that starts with the DOY class in the store, which tells you how to use these things because you don't know how to do it, so you're learning something. You're then connected to your local street club who has now got a community being linked to your tool box who has these tools available to use and we make our money in micro usage payments rather than one time sale. You make a good margin, but we're also connecting the people back to their local community and the people in the community are able to contribute by helping out the guy or girl who doesn't know how to do it.

As a result, we have a very different relationship and a much more continuous relationship with our customer. And, frankly, from a business point of view, we end up with a different model, but probably a more valuable model and certainly less consumptive and material intensive model.

So we have to do those sorts of real-world tests and see how this actually works and then we're running this sort of in two places and [need to determine] how do I scale it nationally and answer very carefully because when a national brand starts making promises like this, you know, forget you're sort of screw you can't find. If I put something on TV and it's not there, I get millions of emails. So we've got to be practical about this, but it does start with having a real wellbeing perspective. If you think about the wellbeing idea, you think about circular economy, we can really redesign products and services and then we have to actually implement them. But this is a big transition challenge.
then I think you are talking about trying to get people ahead of it and see that the business model is shifting and if you’re on the right end of that shift, frankly, you’ll make the money; and if you’re on the wrong end, you won’t. So there will be a bit of a natural sort of dull winning competitiveness on this and I think we should probably embrace that.

JO CONFINO: OK and Bruno, bringing you in here. Obviously, you have the advantage, you can see all your clients and so you’re having these conversations. Where are you seeing breakthroughs and where are you seeing fear? Because what we’re dealing with a lot is there are opportunities, but those are often long term and tentative and there’s a lot of fear saying: I’m still making money, I’m still doing well or I’m still doing OK and I’ve got to just do better at what I’m currently doing.

How do you deal with those two, which are two basic psychological sort of references people have, which is hope and innovation with fear instead of “Oh my God.” So how do you cope with that and what are the messages you’re hearing?

BRUNO BERTHON: That’s a very interesting question and we were talking before the reception yesterday about CEOs being rational. And, so, no matter where they’re heading for the long term, in the short term, they have to stay in business and the responsibility they have is the wider definition of sustainability, including employment. So that’s the No. 1 element. So on this sort of paradox, when sometimes fear can actually create breakthrough and it’s one of my favorite examples.

I think from a strategic standpoint, the one industry in the world that is probably going to stay in history as the king of blindness—or whatever the other title should be—is the automotive industry. And until 2008, I think no one in that industry (except maybe someone in Japan) had imagined this sort of situation that they were going into. You had, in particular in the US, a number of leaders and CEOs explaining that the consumer was not interested in cars other than the ones that were proposed to them at that moment in time. Until about two-thirds of those companies were almost bankrupt or actually bankrupt for the largest of them, which completely changed the entire picture. And one of the CEOs who sort of ignoring that trend until 2008 is now the No. 1 advocate for the electric vehicle.

So this is typically an entire sector which has completely shifted. And from a consumer standpoint, one cannot say that we have reached the tipping point. I do have an electric vehicle, but that makes me part of a very small sort of exception in the French population today. But what it is true is that the Bluecar, which is now the equivalent of the Zip model in Paris, is the ultimate of electric vehicles.

With all the innovation in electric hybrid in that particular industry, it’s probably going to take three to five years to get to the point where the entire definition of mobility will have been completely reinvented. And that’s where we’re going to see some of the magic impact and, hopefully, it’s going to happen early enough for China.
Because if they don’t change very quickly, they will stop producing since for anyone who’s been in Beijing recently, I think you spend more time in traffic jam than you actually spend time working.

So that’s one example of a sector that is completely shifting. You were mentioning Unilever and with Kingfisher we have two examples of what’s happening in consumer goods. To be honest, I don’t think there’s any one of the largest multinationals in consumer goods that would not say that sustainability is the No. 1 trend they have to address. I think that entire industry is shifting. What is important is to come back to the need they’re trying to address and that’s the point of about frugality versus essential goods.

The reason what Mark says about washing powder, the reason why the washing powder was created, was actually to save time for women because of the time that it was spent sort of washing was just eating most of their available time and it was extremely painful, etc., etc. So the need that they were addressing was extremely important and we have lost a lot of that in some of the other range of consumer goods that have been produced lately.

So going back to the sense of what capitalism is all about, which is to address fundamental needs of society, recognizing in the long term that fundamental needs of society will be based around learning about health than they will be about sort of frivolous consumption that is also part of some long-term trends.

But let’s remember that business has to figure out a way to do that while still maintaining and forming, i.e., profit—and that’s the complex situation the CEO is in today.

JO CONFINO: Peggy, I just want to bring you back in here. I’m really interested in what you sense is happening on the ground, because as you say, you’re in this emergent area where you’re saying “we want to stop something from happening.” But, what do you see? In other words, we’ve got to encourage people to change their perception of what they need and what brings them happiness, etc.. But how are you finding people responding? –How is that tension—that balance between big companies who are advertising constantly saying you should buy more and, as you trying to suggest, another way—expressing itself in China for you?

PEGGY LIU: I think along the lines of what Ian and the panel have been saying in terms of how businesses are leading this shift towards the sustainability. I’d like to give a few examples. One is that David Brooks, the president of Coke China, talked about an experiment in Hong Kong where they’re allowing users to put old cans into a vending machine. So if you can imagine this at scale if the user is a partner, not just a consumer and they put this old can into the vending machine and they get credits, like an arcade, an old-fashioned arcade, to have a coupon for the next new Coke that they buy. That’s sort of an interesting partnership. It’s a little bit like the Starbucks or coffee cup example where the user is not just a consumer, but they’re a partner in this circular economy where they’re expected to bring in their coffee mug.

Another example: I’m an executive advisor to Marks & Spencer on Plan A and as most of you probably know, Schwopping, which they just launched. The idea there is that people can bring in their old clothes and they would go to Oxfam to be sold as sort of vintage style. But imagine if they’re doing a New Year’s sale and you bring in your old clothes and you get a coupon for the new set of clothes that you want to buy. I think those types of ideas where the consumer isn’t just a consumer, but a partner are where you really get true circular economy.

Hayworth Furniture, at the Shanghai World Expo in 2010, started not selling furniture, but leasing furniture and then refurbishing it for the next event that the customers needed to use. So I think that those are really interesting examples on the ground that I’m seeing.

JO CONFINO: Peggy, one of the issues is that we all give a few examples, but they’re all very niche and so one of the clear issues is about scale. So it’s great that there are all these experiments—we’ve had 10, 20 years of experiments, but nothing...

PEGGY LIU: Right, right, I understand. I think in China the interesting thing is, you know, again, if you have this one experiment in one or two cities that works, they can literally scale it across the country the next day, like the banning of the free plastic bags. You can still buy the plastic bags at a grocery store, but most people are too cheap and they bring their own plastic bag. So if one of these experiments works, I think that the government
will step in and say well it’s not just Coke, there’s also Pepsi and everybody who has these cans that have to create these vending machines that people use, etc.

JO CONFINO: Okay so, Ian, I want to bring you in because it’s great on one level to have a centrally controlled government that if it says something will happen, it will happen. Also, there are many countries that prefer a sort of more democratic way that might be slower and more consensual. But time is so short to create the change we need; we’re already facing unprecedented challenges, we’re already going too slowly. So what’s the role of government in terms of what can they can do because at the moment in the West in Europe and especially in the US, we’re seeing almost a negligent attitude.

IAN CHESHIRE: Firstly, I think it’s important to say, yes, there are lots of small examples. Actually, there are some quite big numbers as well. I mean our business now is 13 percent of our sales. It’s over a billion pounds for environmental products, which are certified One Planet home products and people are spending a lot of money on things like insulation, long-life light bulbs, that there is actually real serious spend in this area.

So there’s a danger when we discuss this. We’re either completely desperate and distressed and think that nothing’s happening or, frankly, we’re too complacent to think how this will all work. And I’m afraid the messy reality is things are moving, there is scale in these areas, but we need to go a lot faster.

And so to answer that question, I think the government issues are two-fold—one is we’re not, in a lot of cases, correctly pricing the environment or the externalities and that is a very basic problem which is I think distorting quite a lot of what companies and consumers might want to do. And I think there is a real challenge here in saying a price for carbon, for example, or a correct price for water are real democratic challenges because very few people are going to vote for the true implications. And we have to have some form of selective leadership. And it can happen.

Take light bulbs: to ban incandescent light bulbs. 10 years ago would have been inconceivable. It has actually happened. There are bits of progress we can make, but I think we're got to be more demanding on the regulators and the governments to put up more aggressive frameworks.

I think, to get behind this whole area of information and let people know [is crucial because] there is a huge new opportunity for businesses which has never existed before with the arrival of social media at scale and particularly social media which is now mobile.

This is totally different and this is mass and this is already affecting our businesses. And what it creates is a level of transparency, an opportunity for information which wasn’t there before. Now I think governments have got a bit of filling in the space here they are going to have to tell people about [initiatives] You can’t just sort of assume business is going to do everything. Equally, get behind some of these initiatives on scarce resources and really start to play more of an advocacy role because then companies will get involved and consumers will get involved. But I think the social media opportunity opens up a network between business, government and consumer which hasn’t existed before and is scale and we’ve got to use it.

JO CONFINO: And is business making a mistake by constantly talking about the consumer? Because where the levers of power are, consumers clearly—through social media—do have more power, there’s a more of a level playing field. But when it comes to business going back to its financial community or going to government, everything is very quiet, very behind the scenes. So everyone talked about that we need to work with consumers, why is business so afraid to really go out there as a coalition and publicly talk about what governments need to do and also go back to the financial community that’s driving that short term and really challenging them?

IAN CHESHIRE: I think we have been doing that. I’ve been a member of Corporate Leaders Group on Climate Change—we've specifically gone into both government and to the financial community. I think there are two bits of reality. Firstly, I think there is a massive disconnect with the financial world in terms of investment which is not valuing sustainability truly through the share prices and logically a business that’s going to be around for 100 years has a higher value and a lower discount rate applied to it than a business that’s going
to be out of business in 10 years because the resource base is going to disappear. But at the moment, the markets don’t really factor that and I think that’s one of the biggest market failures we’ve got right now.

And the second bit on the government is I think there is a desire—and there was certainly a reaction from government when CLG went in—which said thank you, we’ve got someone trying to help. There is a reality at the moment in which, I think, the politicians are more scared than the businessmen.

BRUNO BERTHON: The example I would take [about lobbying] is that the government doesn’t take a position independently of business and if the government’s position is against the pioneers in business, it’s because other players are lobbying against that position. And there’s no unanimity in some of the orientation that we’re talking about here. And that creates conflicts that you see at the country level. So if we get at the sort of global level of negotiation, clearly, it’s been obvious that the position of the US has been very, very distant in the last three to five years, and perhaps distant is the wrong word. I mean passive or negative and most of that comes from a specific lobbying that is happening in that environment which relates the United States to the countries that are resources rich, and in that sense have a very different positioning in sort of global politics when it comes to sustainability.

When Europe—and I think Connie made this great introduction—Europe is trying to be at the forefront and we know that within Europe there’s a number of voices complaining about the legislation Europe is putting forward saying this is we’re shooting ourselves in the foot, we’re creating a competitive environment which is a disadvantage for European companies. And, so, in that sense, I think we cannot just talk about business as a whole, but we need to figure out how to better leverage some of the pioneering circles that have been pushing that agenda forward.

JO CONFINO: OK, we’re going to go to questions in a minute but, Umair, I just want to bring you in on the whole issue of whether consumers are going to change and then what? I interviewed Paul Polman, the COO of Unilever, a little while ago and all of that sustainable business power which is into year one, the biggest issue, the biggest problem they face is actually engaging with consumers. So how can business do that more effectively?

UMAIR HAQUE: You know, I don’t think there’s a panacea. I think that some of the stuff that we have discussed here all ties together. And for me the biggest point is that institution’s shape and size. We have a global institution breakdown. If we want to change incentives for businesses and consumers for the various constituencies in society, we need to update our institutions.

So some of the breakdowns and market failures that we’ve been talking about on the panel, you know, result in very serious kind of distortions that warp people’s levels of saving consumption and investment. So if we want to change those incentives, we have to change our institutions. If we want to change our institutions, maybe what we need is a much more aggressive stance from business, not just in engaging with people and saying trust us, we’re going to look out for you in the future. But in saying we want to actively build a better society and not just in a very naive way, but in terms of kind of tuning the building blocks of society to really begin addressing some of these great market failures.

JO CONFINO: But that seems so out of the comfort zone.

UMAIR HAQUE: It is, absolutely it is.

JO CONFINO: So how do you culturally shift? As I say, there’s one thing which is about how does business encourage other people to change but, obviously, it can’t truly encourage other people. Unless it truly embodies it, how would you create that culture within?

UMAIR HAQUE: I think sometimes when we have these discussions, we make kind of a fallacy of composition, which is we think that today’s businesses will lead the charge into tomorrow, but that may not be the case. It may be that we need a whole new generation
of businesses to lead that charge and to kind of institutionally transform global economy. And if we look back at the history of capitalism, that’s kind of the way it’s been. And if we look into the recent history, the average lifetime of a company is the falling off a cliff, right, it’s strong for I don’t know, three decades to eight years or something. And so, maybe this discussion we have to have is how do we convince business to take a more proactive role?

Maybe there is a generation of insurgents out there who are willing to do what business incumbents are not willing to do and they may be the guys that, in this great dynamic tradition of capitalists, create the future.

JO CONFINO: Ian, you’re a big company and you’re talking about having to go down to community structures, so is your belief that you didn’t do that, you would be swept away by community structure? They would just go and buy that tool kit from B&Q and then share that and you would lose out?

IAN CHESIRE: Yeah, I think the point on change is really critical here. There is going to be a need for some disruptive change, and traditionally big companies don’t do that very well. Incumbents are naturally not great at it. I think the opportunity that the change creates is as exciting as the defensive move and I think the people that understand that change is always the thing that creates the next profit stream because then what tends to happen is when it doesn’t change, you just compete away the margin and actually there’s no value left.

So, most of the business challenges are not about can you embrace this agenda, it’s understanding cheerfully as a human being, as a citizen, that yes, I get it and I want to do it. The question to the business is how do I move it into a business model that actually works.

And I think that’s where business needs to get sort of head down and trying to do stuff because I think most people in big businesses are thoroughly decent normal human beings who get these issues. Their challenge is how do I make it practical and useful for my customers and the teams in the business and actually make it into some form of new business model. That’s head scratching stuff.

JO CONFINO: We’ve monopolized a lot of the time, so I’d like to go back and bring in Ashley. Any particular relevant questions that have come that you want to share with us?

ASHLEY HOUSE: Jo, thank you very much, indeed. Thanks for a fascinating discussion so far. Just before I tell you the questions that have come in, I should say to you that we are trending on Twitter thanks to your discussion. That’s the first time I’ve ever been involved in an event that does that, I’m sure it’s not the first time for you though. We are trending on Twitter, unfortunately that means that we’ve got lots of irrelevant sort of spammers and some rather dodgy things that have used the hashtag. So the hashtag has now changed to #Sust24, S-U-S-T-24, 2-4.

JO CONFINO: Ashley, I think Paris Hilton would say we’re hot. So, anyway, thank you for telling us. Any particular question that you would like to as from around the world?

ASHLEY HOUSE: Yes, indeed, we are getting lots of questions, as I said, both on the Web pages and on the Facebook page as well. We are looking through all the Facebook ones, questions, and we should say we will go through those in the next few days too. But let’s start with this one.

There seems to be a large focus on more with less in the role of technology for engaging the consumer. This will not be scalable in markets that don’t have a large connected consumer base. So what approaches can be used there?

JO CONFINO: I think that’s a good question for you, Peggy?

PEGGY LIU: I would say China’s one of the most connected consumer bases.

JO CONFINO: OK, I’ll ask someone else then.

PEGGY LIU: In terms of the mobile market, but if I could just make one statement about changing the consumer, it seems to me—being born and bred or raised in the US and now living in China for the last eight years—that making a cultural shift of the type that we need in the West is really, really difficult. It’s disruptive as Ian used that word. But in China and India and other emerging countries, they’re used to change. I mean, in China, the culture is really changing every five years, it’s practically a different country.
My nanny just got plumbing two years ago and now she has a micro blog on Weibo for her travels. So they already expect change every day, so I think for multinational companies like Kingfisher and Marks & Spencer, etc., that are in emerging countries, it's actually easier for them to create lobbies and make significant change where people are already looking for a better life and help to guide them as to what that better life is. So I encourage all of you to work with us in China.

JO CONFINO: That's a really helpful perspective, thank you. Ashley, another question and then we'll have to take a couple questions from here.

ASHLEY HOUSE: Yeah, no problem. We've got a question here from Arvin in Bradford. He asks how effectively can we utilize social media for spreading the sustainability agenda of an organization and other collaborative initiatives?

JO CONFINO: Well since Umair has gotten the largest Twitter following by a factor of 3 million, Umair, what is the role of social media because everyone talks about social media, but have we got any really good examples that this going to create change?

UMAIR HAQUE: No, not really. I think that social media is a tool that they're not using very well. I think that we have this kind of weird balance sheet of social media. And in the developing world maybe we can argue it's been used to help power things like the Arab Spring. Here I'm not so sure that its effects are as beneficial. And so, how should companies use it to advance an agenda? I don't think they should use it to advance an agenda.

I think they should use it [on] the stuff that I've been talking about, real social and human wealth, real eudemonic experiences. They should use it to be building some of that stuff, not just saying, hey guys, here's what we want to do. Isn't it wonderful you like us on Twitter and Facebook? Shouldn't we be reaching out to you using the tool of social media to actively transform your life in some way that brings down that threshold of happiness that I talked about so the world can maybe have a chance at prosperity? Does that makes sense?

JO CONFINO: I don't know. Companies can easily make a mistake, can't they, that they just see [social media as] another platform to sell things on. So what's happening in terms of how companies do that? What is the conversation they should be having that will create change?

UMAIR HAQUE: I think they should be having tow or three conversations very quickly. One is about their shortcomings. Two is about how do we transcend the spin cycle of self-loathing in a way that actually makes sense in your life? And three is how do we not just sell you stuff anymore, but services and experiences that actively benefit you and your community and your planet and the people that you love without having those visions.

And then going beyond having the conversation to actually connecting with you and providing you that kind of real value. You know, it goes back to the dynamics of conversation. I think the days of today's incumbents are numbered.

JO CONFINO: And, Bruno, I'm not going to let you come in because I want to take a couple of questions from the audience here because we have about five minutes left. So is there anyone who would like to... Yes, Solitaire and then Andrew. You can just say who you are and where you're from quickly.

SOLITAIRE: Hi, Solitaire, of Twitter Green Solitaire. I'm from a sustainability communications agency called Futerra. No. 1, stockholders, consumers, that are sitting here in this room, you've got some of the highest consumers in the world in terms of that stuff and we all find behavior change hard. I find it hard to diet, let alone live a more sustainable lifestyle. So job No. 1 for businesses is if we have this big expressed need that we all say and all the surveys do show from China to the US, the UK, that this is motherhood and apple pie. Yes, we want to live in a cleaner, greener, safer world. Then help me. It's really, really difficult to be green. And then secondly, tell me why it's better? Am I going to get more sleep or more sex? Am I going to be thinner, fitter and am I going to spend more time with my family? Is it going to be more fun, more exciting? Am I going to be more relaxed? Is it going to be more desirable? What is this sustainable lifestyle that you're trying to sell me? How much better is it than now? What is that sustainable vision for business as well? So we understand the pressures in terms of supply chain.
We know the why they would need to do it, why the hell would they want to do it? We know that there needs to be desirable vision for us as consumers for sustainability, what’s the desirable vision for a Kingfisher in a sustainable world?

JO CONFINO: So, Ian, will I have more sex if I come and buy a power tool from you?

IAN CHESHIRE: I’m afraid it’s a very individually dependent outcome. If you’re more connected, your chances must go up.

JO CONFINO: OK, I’ll phone my wife directly after this meeting. We only have a couple of minutes so, Andrew, very quickly and then we’ll need to close.

ANDREW: Andrew Rainguard, as executive director from the (inaudible) Group. I want to pick up the theme on product transparency because sustainability is a very confusing area. There are lots of dubious certification schemes and awards and so forth and how do you really cut through that? One really good example is from the car industry that focuses on the biggest impact, which is engine efficiency. That was driven in the EU by top-down regulation. It’s transferred into incentives and to tax structures and to congestion charging. Is that the model? Is that the way forward?

JO CONFINO: Bruno?

BRUNO BERTHON: Yes, I cannot talk about what I want to talk about. The clear point about the car industry is that it’s easy to find a single indicator which is representative of let’s say the more sustainable car, at least what people will consider to be the case. The problem with consumer goods in general is that it’s not an easy duplicable. There’s a lot of effort to try to identify the carbon footprint question, but if you look at it product by product, it’s usually sort of negligible. But what is raising is that it’s a question of standards.

So, clearly, that’s where government can intervene effectively by raising industry standards in a way that is going toward more sustainable products in a definition.

I’m not sure that we’ll ever get—well, hopefully, it’s going to happen—but this sort of unique indicator that is combining every lever is probably more of an utopia today than a reality. But defining that industry by industry, through government or combined effort by the corporations to really raise standards is having huge impact. This is what’s happening in the US for appliances, for example, if you would look at that entire industry, the energy efficiency of a refrigerator in the last 10 years has increased in a way that is absolutely incredible. Or the word that’s happening for the ICT industry, the so called Green Touch Consortium across an industry to multiple by 1,000, the energy efficiency of the Internet and the ICT networks. Is that translating to every consumer good with one label that is responding to your demand? I’m sort of skeptical. I love the work, but I’m skeptical on the ability to actually deliver on that.

JO CONFINO: I’ve got two minutes to wrap up so I’m going to give up on my two minutes because I want to go back to the panel with one last question. What do you really expect in five years time, what’s going to be the change from where we are today? Bruno, very quickly each one of you.

BRUNO BERTHON: I’m asking every business [in Europe]—as part of the program—to commit to one of the objectives around in that case, it’s energy access, renewable.

JO CONFINO: I don’t want your hope, Bruno. I said where are we going to be in five years’ time?

BRUNO BERTHON: Exactly, delivering on the commitment that you will all have delivered in RIO this summer in terms of 20 percent improvement in one of the areas that each business will have selected.

JO CONFINO: Umair, are we going to be still stuck in this rush or are we going to have a fundamental change within five years?

UMAIR HAQUE: In five years, we will be facing the prospect of really understanding that we’re in a global lost decade. We’re going to be really understanding what the institutional breakdown is and we’re going to be taking the first steps of rebuilding the global financial system and the global maybe political economy.

JO CONFINO: OK, Ian, when I come into B&Q in the year 2017 looking for the screws I need, what is my experience going to be, apart from having them in stock?

IAN CHESHIRE: I think the reality is you can’t fundamentally change the entire capital system in five years. It just doesn’t work that way. What you can expect to see, I think, is a much greater degree of shift in the business model than will be apparent today.

And I think that will be two things. It’ll be more communication around these issues. The second, I think you’ll have examples—and they may be in only certain areas—
of differential business models. So in a B&Q, I think what you'll see is community hub doing DIY classes, engaging with the community around the other motivators of wellbeing in a way of trying to move the business model forward. So I think it'll be strong signals. I don't think you'll see a complete transformation.

JO CONFINO: And, Peggy, you’re going to have the final word. So where are we going to see China in five years’ time?

PEGGY LIU: I think in five years we’ll have redefined what looks like a more healthier lifestyle, as better relationships with your family and your community. We’ll reimagine prosperity and then China will be very close to capping its energy use.

JO CONFINO: Fantastic. Short and brief. So I think we’re going to stop there. Ashley, you’ve been very helpful and sitting there very quietly with not much to do. So it’s back to you and just to say before I pass to Ashley, I really appreciate everyone on the panel being fascinating today. So we are going to close in London and go get a nice strong cup of coffee and move onto other parts of the world. So, Ashley, take it back please.

ASHLEY HOUSE: Jo, thank you very much, indeed. You are, indeed, hot. I can tell you that. Don't forget we have been trending on Twitter Sustainability 24, so the hashtag has changed to #Sust24 to get rid of the spammers. Thanks very much, indeed, to everybody in London, to Jo and to your guests, of course, as well and to Peggy in Shanghai with some really encouraging words right at the end there as well which I think can send us all off together to have a hot cup of coffee, with a spring in our step and a positive attitude towards sustainability in five years’ time. Thank you very much all of you for that.

I noticed a few of you mentioned RIO+20, of course, it's only a month or so away. Just to alert you to the fact that it's 1600 GMT, 4 p.m. this afternoon, that's 5 o'clock in London. We're going to be having a talk which specifically addresses RIO+20. So do stick around for that and thank you for joining us if you've been watching us online as well, whether it's through the Accenture Sustainability Services 24 website or through Guardian Sustainable Business. Do stay with us for the rest of the day.

Next up, we're going to be going to Stockholm and we're going to be talking about Creating Sustainable Value Chains and things of that nature, closed loops and that sort of stuff. We're going to be going there in about seven minutes. So do stay around for that.

Don't forget, if you asked a question during this session and we haven't had time to answer it because there are thousands and thousands of people online watching, then don't worry. On the Facebook page Accenture Sustainability Services, we will be addressing all of those questions in the coming days. As I say, do keep in touch with today's events, using the hashtag #Sust24 or on the Facebook page or on the website or on the Guardian Sustainable Business website as well. For now I thank you very much, indeed, for joining us. We will be back in six minutes' time and we hope you'll join us then too. See you soon.
About Accenture

Accenture is a global management consulting, technology services and outsourcing company, with 257,000 people serving clients in more than 120 countries. Combining unparalleled experience, comprehensive capabilities across all industries and business functions, and extensive research on the world’s most successful companies, Accenture collaborates with clients to help them become high-performance businesses and governments. The company generated net revenues of US$27.9 billion for the fiscal year ended Aug. 31, 2012.