



Plastic World

How corporates and society can come together to tackle a six billion tonne problem

where
reputation
is no longer
a risk.



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Research Methodology

In order to conduct this research we used Polecat's proprietary platform Repvault to analyse social, online-english and online-international postings related to plastics waste over a 90 day period from 15 May to 14 August 2018. Analysis was further focused using our proprietary reputation and environmental, social and governance (ESG) taxonomies, which filter data for relevance to key topics that impact these business critical areas. The data also focused on target companies and industries, to provide deeper level insights into those most mentioned by the plastics conversation taking place online and across social media.

Throughout the report we mention 'Impact'. This is a measure of significance, based on a proprietary algorithm we have developed to quantify the volume or force of conversation which is based on document count, reach of particular data sources, and how closely related documents are to the company and reputation topic.



Foreword

Bronwyn Kunhardt, co-CEO, Polecat

As a disparate collection of cultures, peoples, religions and ideologies, we often get caught up on the things that divide us. But a small number of topics transcend those divisions and force us to take a more global perspective.

From climate change to plastic pollution, human activity has made a measurable impact on our planet. Of the 6.3 billion tonnes of plastic waste generated in the last century, 79% of it currently resides in landfill or in the natural environment, a stand-out feature of which is the Great Pacific Garbage Patch, an island of plastic three times the size of France. With an estimated ten million tonnes of new plastic entering the oceans every year, and the lifespan of a common plastic bottle exceeding four centuries, it seems these plastic archipelagos are here to stay.

In among all the demonisation in the press and on social media about the crisis and its greatest contributors, there have been some organisations who have taken up the call and begun to address their own use of plastic. For others not yet involved, there's an opportunity to not just positively impact the environment, but to stand out from the crowd as a trailblazer.

The role that global business plays in environmental stewardship has never attracted more scrutiny or provided a greater challenge – and opportunity – when it comes to corporate reputation. When companies leverage their resources and global market positions to tackle the defining challenges of our society, they gain dividends in the form of reputational capital that strengthens their market position and ensures their future survival and relevance. But these benefits cannot be realised through hollow gestures. Stakeholders in today's digitally transformed world can easily see through disingenuous attempts to address their concerns.

This report uses Polecat's advanced analytics platform to inform the corporate world and provide a detailed snapshot of where society and business currently intersect on the plastics issue. It will help answer the vital question of what the corporate response should, and should not, be.



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What are companies doing?

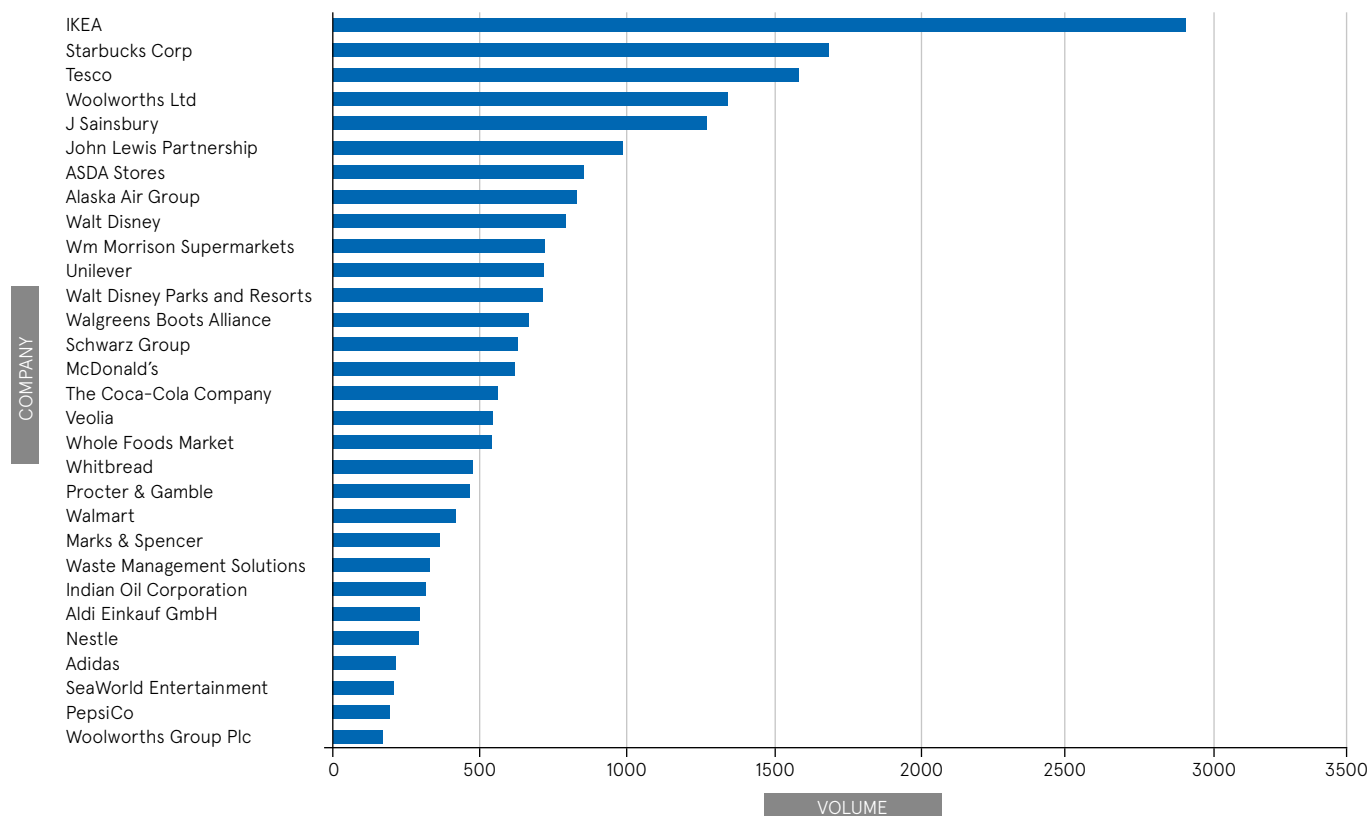
Some organisations are leading the charge against plastics.

Polecat showed evidence of select global companies driving actionable change. Our data highlights the corporates that are being talked about most regarding the plastics crisis.

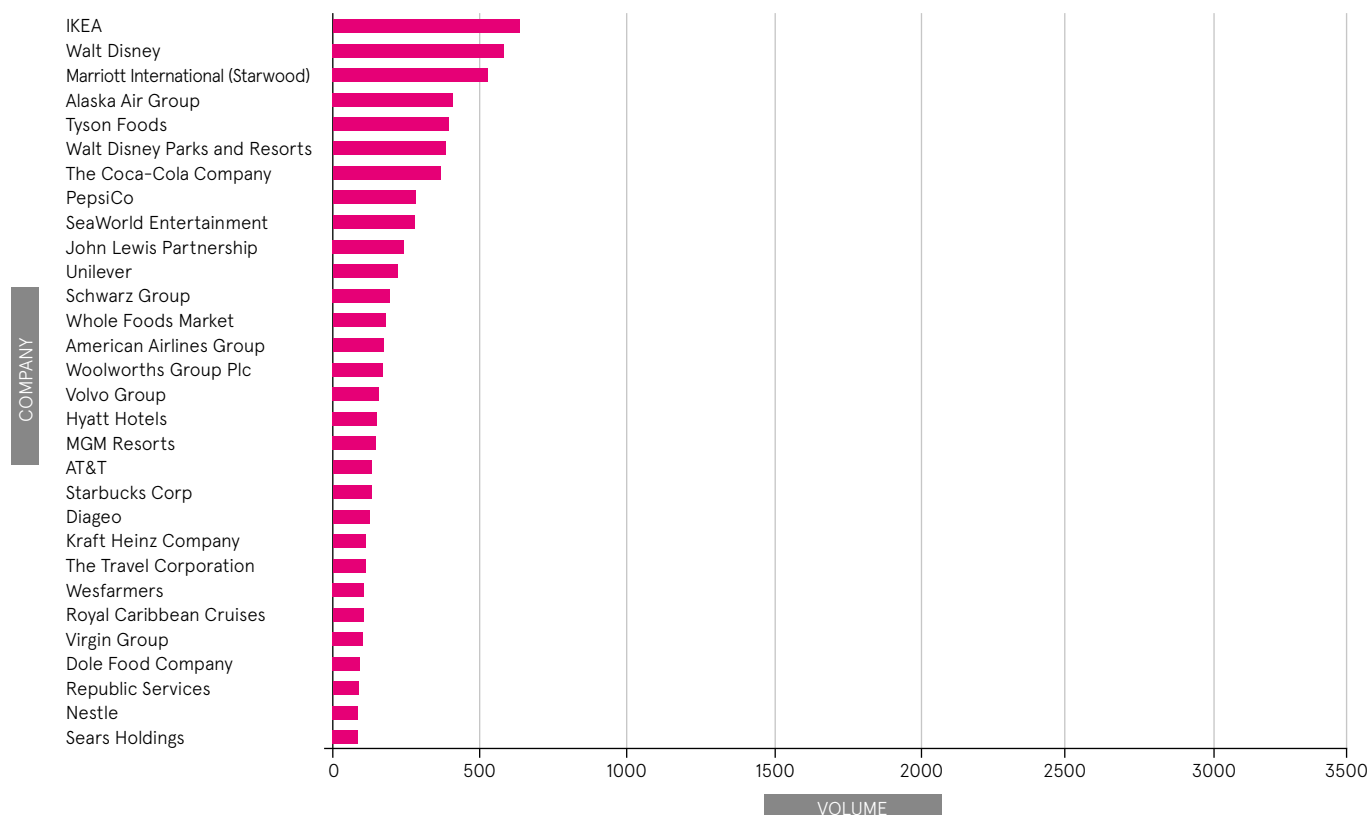
Some have made strategic moves that have improved reputation whilst others have misunderstood public concerns, making tokenistic gestures for the sake of PR, and ended up worse-off. In this section we explore the back stories behind some of these positive and negative outcomes.



Top 30 Global Companies Featured in Plastics Conversation - Social Media



Top 30 Global Companies Featured in Plastics Conversation - Online Media



A comparison of the top 30 global companies mentioned in relation to plastics waste in social vs. online media (Polecat, 2018). The force or volume of conversation shows the contrast between the corporate narratives currently reported in online media, whilst social media data captures the shifting dialogue towards consumer perspectives and societal needs. The rise of social media activism reflects the increasing demands and expectations on organisations to acknowledge the universally accepted problem at hand. Furthermore, placing pressure on companies to take action and serve a leading role in the development of solutions that will address the environmental reality of today's plastic crisis.

Ikea and Starbucks were the top mentioned companies in both social and online media for the 90-day period we analysed, although for different reasons.

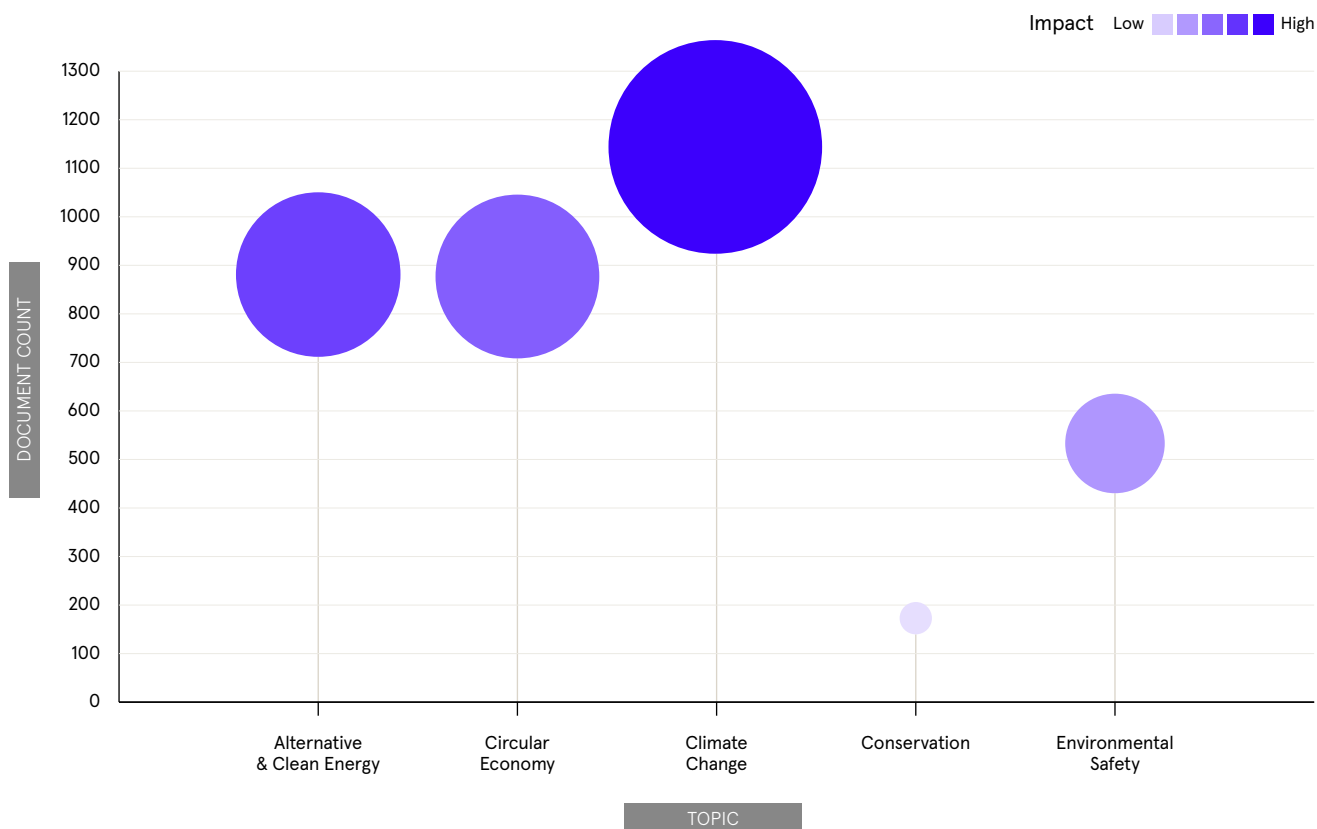
Ikea was driving conversation due to their ambitious commitment to ban all single-use oil-based plastic by 2020 across its stores globally. By then, they aim to only design products that can be recycled, repaired or restored.

Ikea is also developing a 'circular supply chain', which aims to eliminate waste by feeding it back into production processes and exploring innovative manufacturing techniques, as well as looking to prolong the life of products and materials.

By partnering with Neste, a Finnish company specialising in oil refining and renewable solutions, they are launching an initiative that is aimed at the development and production of renewable, bio-based materials. The partnership combines Ikea's commitment to eliminate their dependence on oil-based materials and Neste's proven expertise in renewable solutions.

Ikea's pledge to design and innovate sustainable production methods, materials and systems across the product lifecycle demonstrates a commitment to help solve the wider issue of global dependence on oil-based plastics. By leveraging its extensive resources to innovate towards a business model that is more sustainable—and as market leaders, competitors will likely follow suit or risk being left behind.

Environmental Reputation Driver Impact - Ikea



Environmental reputation drivers for Ikea show that 'circular economy' is a key reputation driver for the company. This demonstrates the reputational impact of their supply chain innovations to tackle plastics waste (Polecat, 2018).


Conversely, Starbucks was recently caught up in a Twitter backlash following the announcement in July that it would ban single-use plastic straws by 2020. In their place, the company planned to introduce strawless lids, that were also made of plastic, alongside paper straws that came wrapped in plastic.

In doing so, Starbucks missed the heart of the issue and came across as attempting only to deflect negative attention in the short term, and ultimately achieved the opposite.




Top Tweets By Impact - Starbucks

16 May to 14 August




@Starbucks ditches plastic straws, reducing single-use plastic waste. Our oceans and marine wildlife thank you!

Reply Retweet Like Send




RT @ConservationOrg: Big news: @Starbucks is taking a stand against single-use plastic waste.

Reply Retweet Like Send




Hey @Starbucks I commend you for starting to ban plastic #straws, but offering paper straws wrapped in single use plastic packaging is a special kind of dumb.

Reply Retweet Like Send




@Starbucks to stop using single-use plastic straws in all shops, globally, by 2020: Let's hope they use paper instead of "compostable". Paper doesn't require special conditions to break down & is less dangerous for wildlife. #environment #plasticpollution

Reply Retweet Like Send




Going strawless: @Starbucks is saying goodbye to its single-use plastic green straws via @nationalpost #plasticfree

Reply Retweet Like Send




This is what's needed - businesses like @Starbucks and @McDonalds taking action to reduce single use plastic and waste. 2020 a pretty lame goal though... Why take so long? #sustainability #plasticfree

Reply Retweet Like Send




@Starbucks @McDonalds you too can make a difference #plasticpollution The EU Is Planning a Ban on Single-Use Plastic Products - Gizmodo via @GoogleNews

Reply Retweet Like Send



Good move by @starbucks for #SFBay and our oceans, joining @AlaskaAir @Hyatt in phasing out straws and other single-use plastic waste. Our marine wildlife thanks you! @saveSFBay @TMMC @MontereyAq @oceana

Reply Retweet Like Send



@BBC @SkyNews @Greenpeace @Natures_Voice @10DowningStreet @realDonaldTrump time to start a war on paper bag waste and making sure it doesn't harm animals #plasticpollution #plasticwaste @Starbucks #starbucks

Reply Retweet Like Send

Top tweets mentioning @starbucks in relation to plastics waste. Tweets are sorted by 'impact' which accounts for the influence and reach of the publisher in addition to the number of shares. Positive tweets are highlighted in green and negative ones in red (Polecat, 2018).

Another example of a company addressing the issue is Procter & Gamble. In 2017, they ran a campaign in France to turn plastic litter from beaches into Head & Shoulders shampoo bottles. The campaign, which is now being extended internationally, supports a commitment that 90% of Procter & Gamble's shampoo bottles sold in Europe will contain 25% recycled plastic by the end of 2018.

This had some benefits for the Head & Shoulders brand as shoppers at the supermarket chain Carrefour, where the bottles launched, told researchers that they viewed the brand more positively. They also won a UN Climate Change award for the initiative.

The top UK supermarkets have also come under intense criticism for plastic packaging. In response, all the 'big four' UK supermarkets are now supporting "The New Plastics Economy", having signed up to the UK Plastics Pact, which aims to make all plastic packaging reusable, recyclable or compostable by 2025.

There are many companies globally that are featuring in the overall conversation about plastic waste on social media. However, whether that attention is positive or negative depends on the actions being taken and the impact they will have on the global plastics problem. Whilst some companies are taking a holistic approach, adapting their entire business models to position themselves for sustainable growth and longevity, others seem to act on a narrow understanding of the broader issue, which is falling flat with consumers.

the 'big four' UK supermarkets are now supporting "The New Plastics Economy"



Global stakeholders: The public, government, NGOs & investors

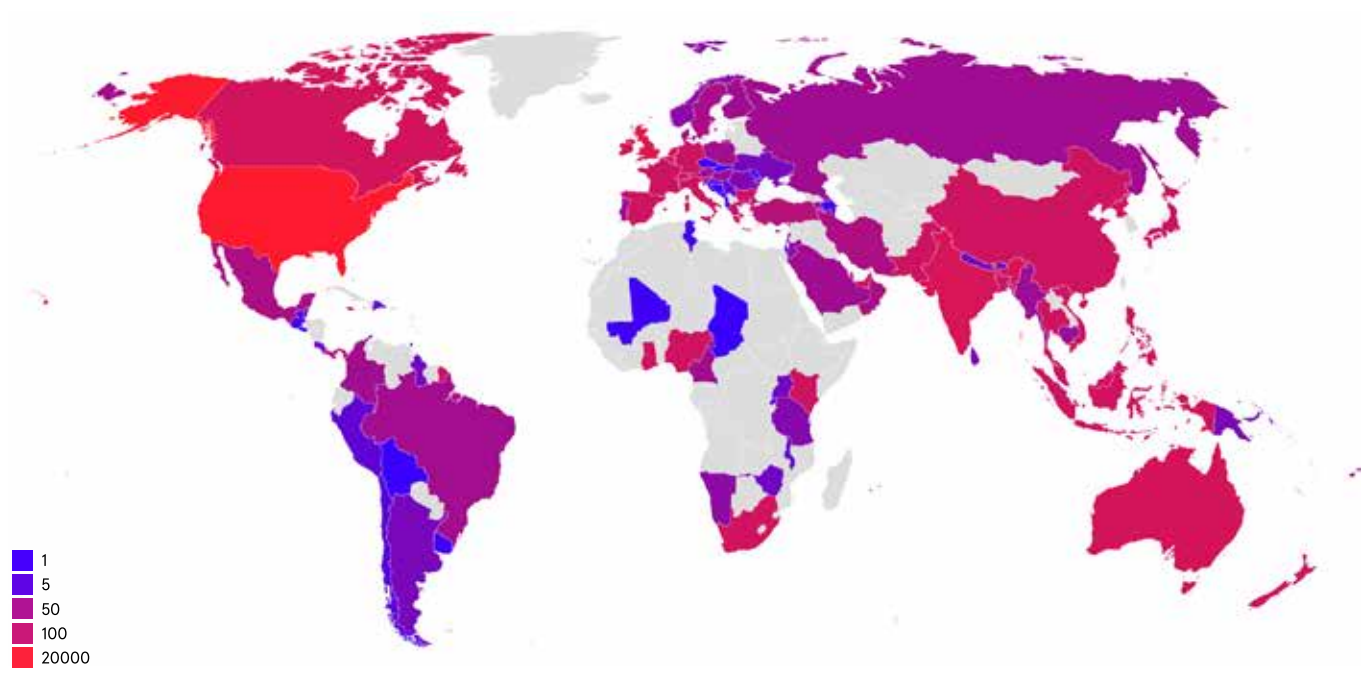
Besides a few stand-out corporations, most of the activity around plastics waste is happening through governments and NGOs.

The below heat map shows the volume of plastic waste-related online postings worldwide. While the most powerful economies all have the plastics crisis high on their public agenda, the issue is global, with countries on every continent and at every stage of development contributing to the conversation.

In many countries, public pressure has translated into legislative action.

The first-ever European Strategy for Plastics in a Circular Economy, adopted in January 2018, aims to transform the way plastic products are designed, used, produced and recycled in the EU. It promises to deliver greater added value for a more competitive, resilient plastics industry.

Global Publications Related to Plastics Waste - Web Media



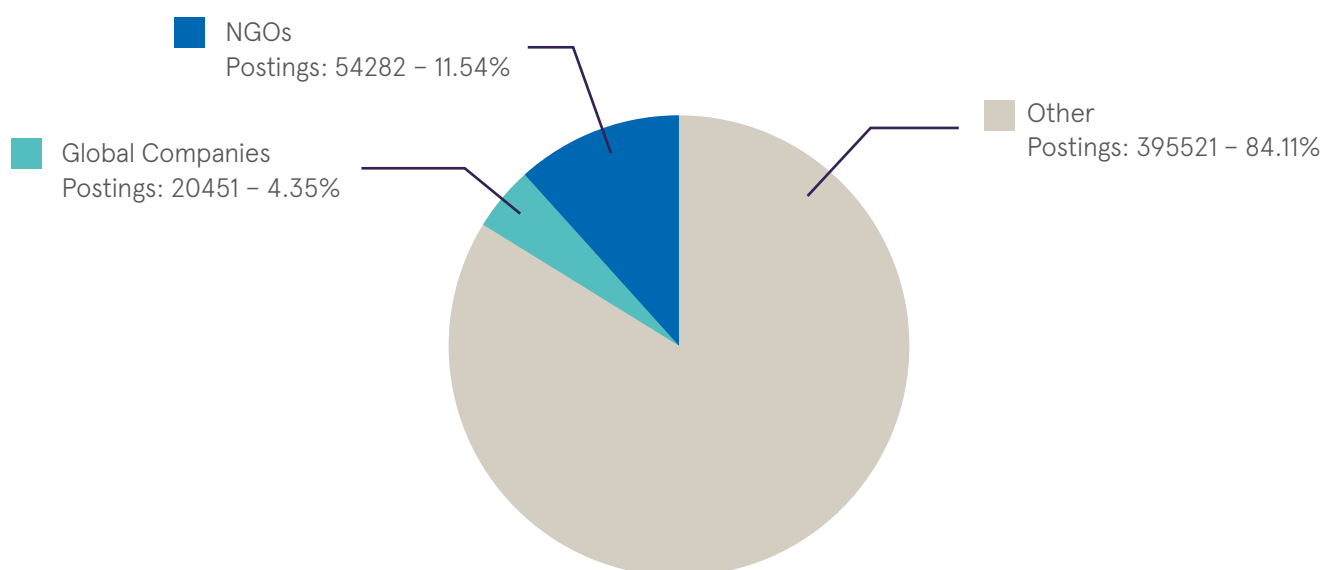
This chart shows the total volume of online publications globally by country, with deeper gradients indicating more postings originating from that country. This highlights the global breadth of the plastics conversation (Polecat, 2018).

Meanwhile, In the UK, several Government policies have been put forward in recent years to address problems with plastic waste. A four-point plan to reduce levels of plastic rubbish was set out in the Government's January 2018 publication; "A Green Future: Our 25 Year Plan to Improve the Environment." The UK and devolved Governments have each introduced plastic bag charges to reduce the number of carrier bags in circulation which resulted in an 86% fall in usage in three years.

Non-government organisations (NGOs) are also playing a big role in pushing action to address the plastics problem. According to our data, NGOs, including Green Peace, the UN and WEF, own more than twice the share of voice as global companies in the overall plastics waste conversation online. Additionally, a timeline of conversation over the 90-day period we analysed, shows that the top 5 NGOs leading the plastics conversation had a more sustained voice than the top 5 global companies.

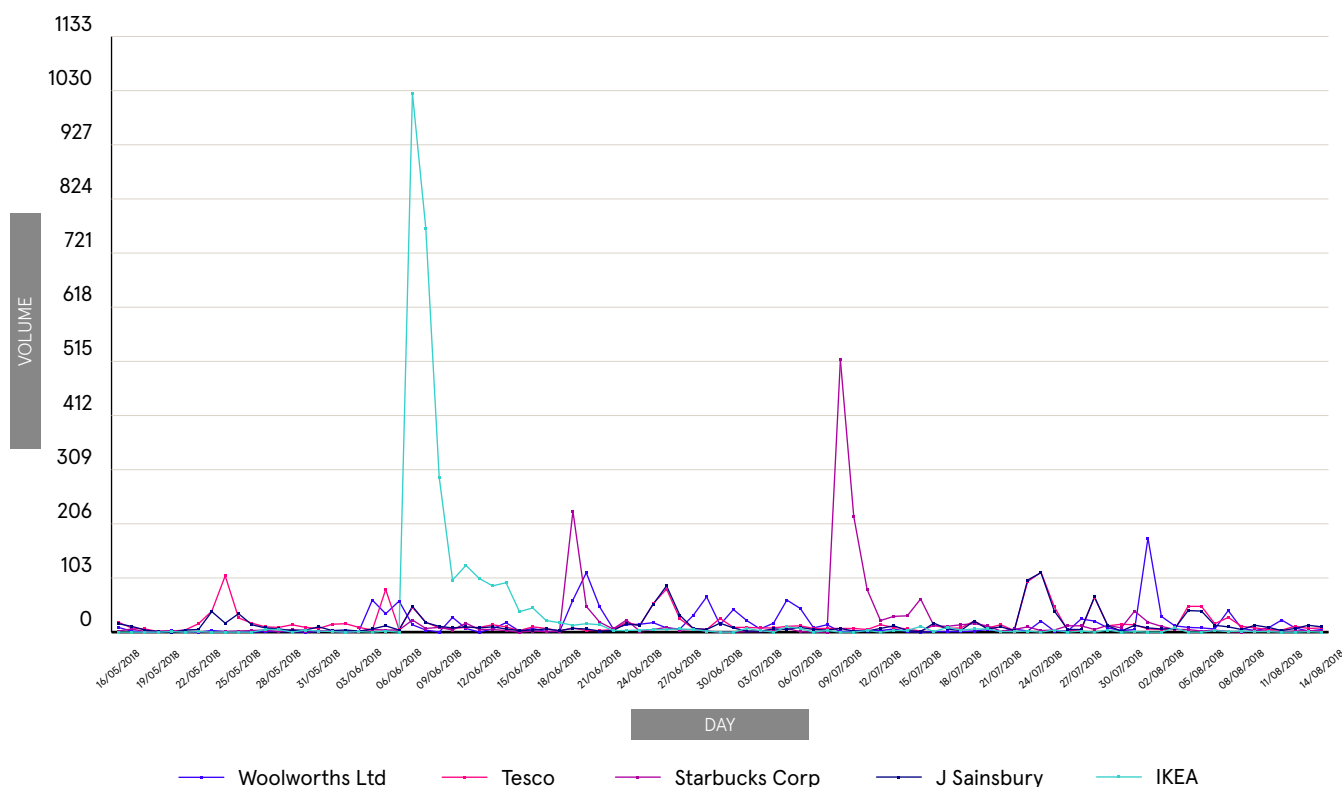
An opportunity exists for organisations to own a bigger share of this voice by getting engaged in the issue with proactive corporate campaigns.

Global Companies & NGOs' Share of Voice in Plastics Conversation - Social Media

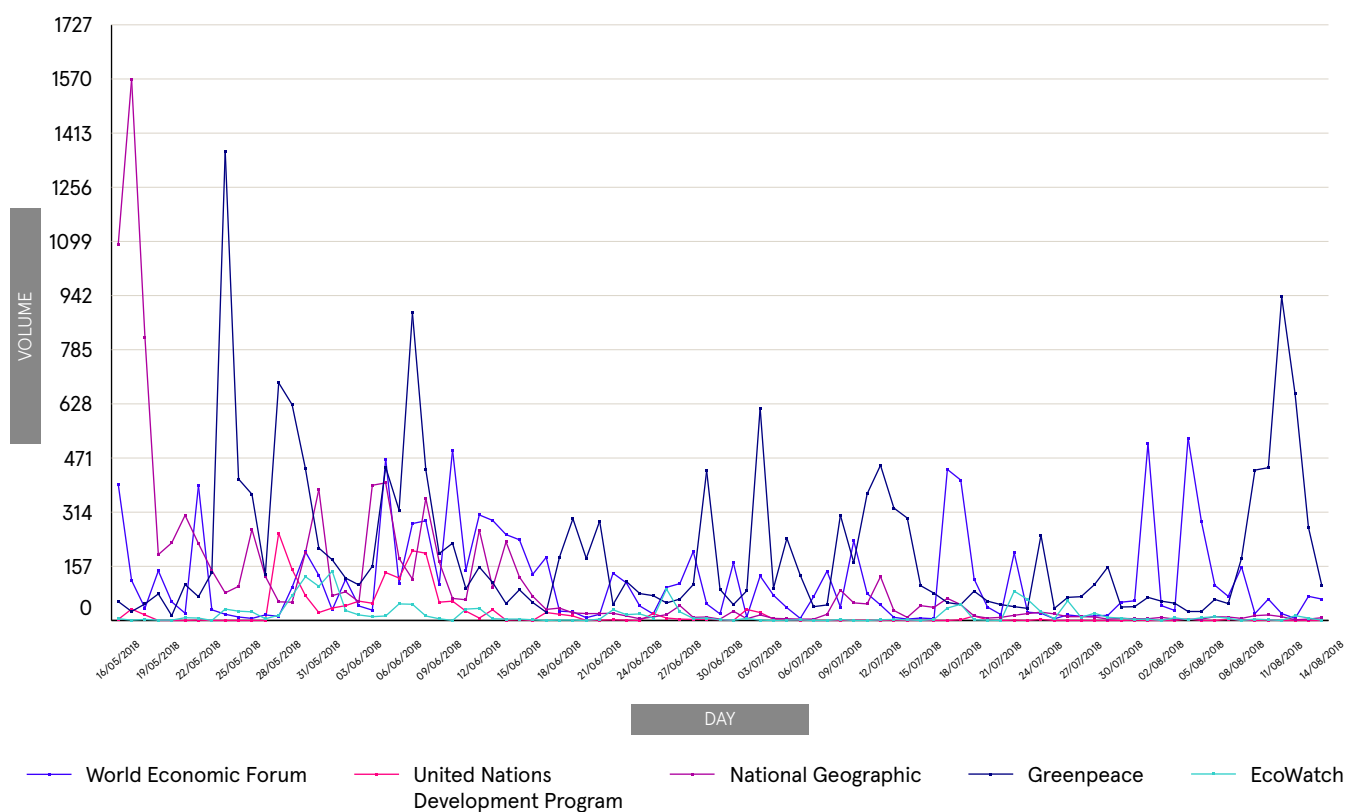


NGOs own more than twice the conversation globally around plastics waste compared to global companies (Polecat, 2018).

Top 5 Global Companies Featured in Plastics Conversation Over Time - Social Media



Top 5 NGOs Featured in Plastics Conversation Over Time - Social Media



The top 5 NGOs and international institutions mentioned have a more sustained voice in the plastics waste conversation on social media compared to the top 5 global companies (Polecat, 2018).

Another point that the data immediately makes clear is that it is not just the public and NGOs that are paying close attention. The chart below shows the top subjects mentioned online related to plastics and investor relations.

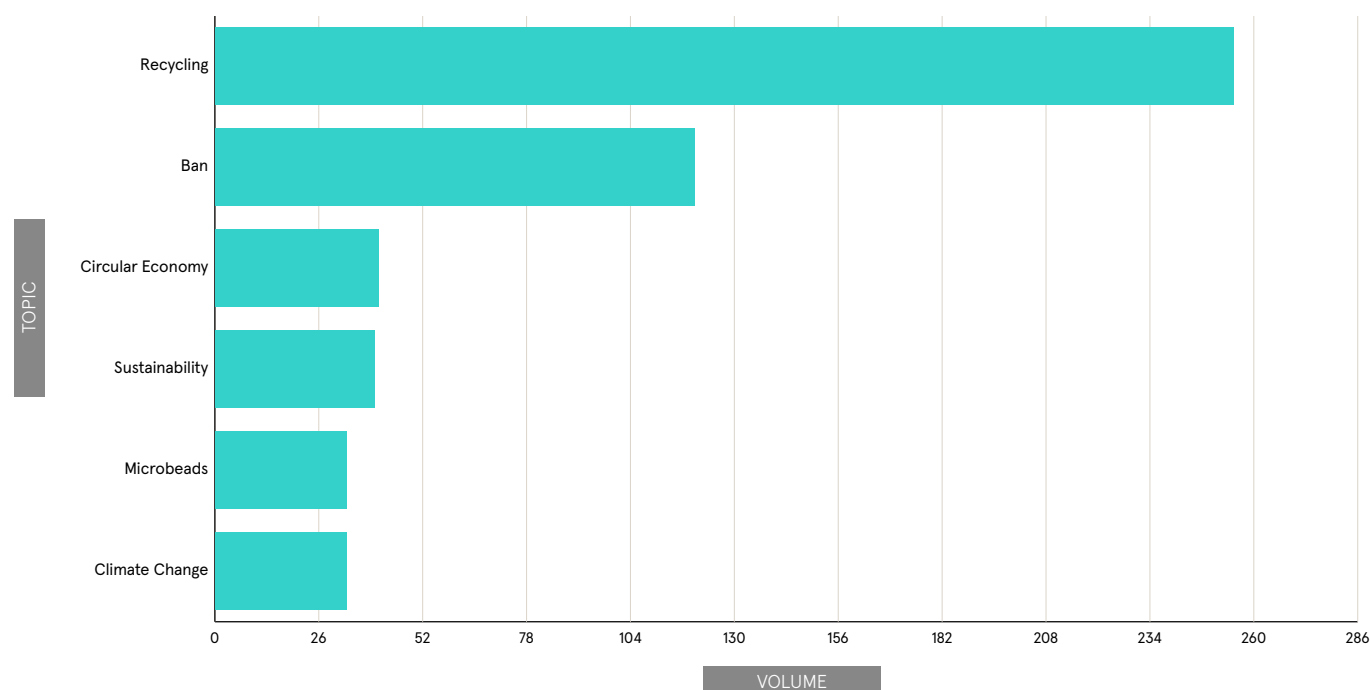
When it comes to plastics, company policies and strategies regarding recycling, bans (referring largely to plastic bans such as drinking straws) and sustainability, all score as some of the topics that investors are talking about when scrutinising investment decisions.

As such, major investors for Tesco, BlackRock, referred to the increasing importance of environmental, social and governance (ESG) indicators, as an overlay on the profitability and security of investment strategies. They concluded that businesses that were aware of and implemented change as a result of ESG issues, were more resilient to climate risk or legislative ethical lapses – and stood as better investment performers. In other words, ESG issues have emerged as a critical driver for financial bottom-line. Investors have seized upon the new opportunities presented by a changing global dynamic, led by new consumer preferences and demands – a new normative value chain that investors are attuned to.

Encouragingly for businesses, the data shows that large organisations are already being recognised for their proactive efforts. However, there is an opportunity for them to drive more of the conversation on a global level, influencing change and enhancing their own reputations at the same time. Furthermore, incorporating ESG into corporate strategy is now seen as a signal to investors of long-term viability, resilience and profitability.

As a sub-set of ESG, the plastic-dominated conversation driven by social and online media has gathered pace, and the pressure placed on companies to act now has reached critical proportions. Companies that adapt and innovate faster will yield greater returns, whilst those that lag on response, introduce risk and ultimately fail to meet the needs of their shareholders.

Top Investment Topics Related to Plastics - Social Media



The top investment topics mentioned on social media in relation to plastics signals growing interest among investors in recycling and circular economy initiatives (Polecat, 2018).

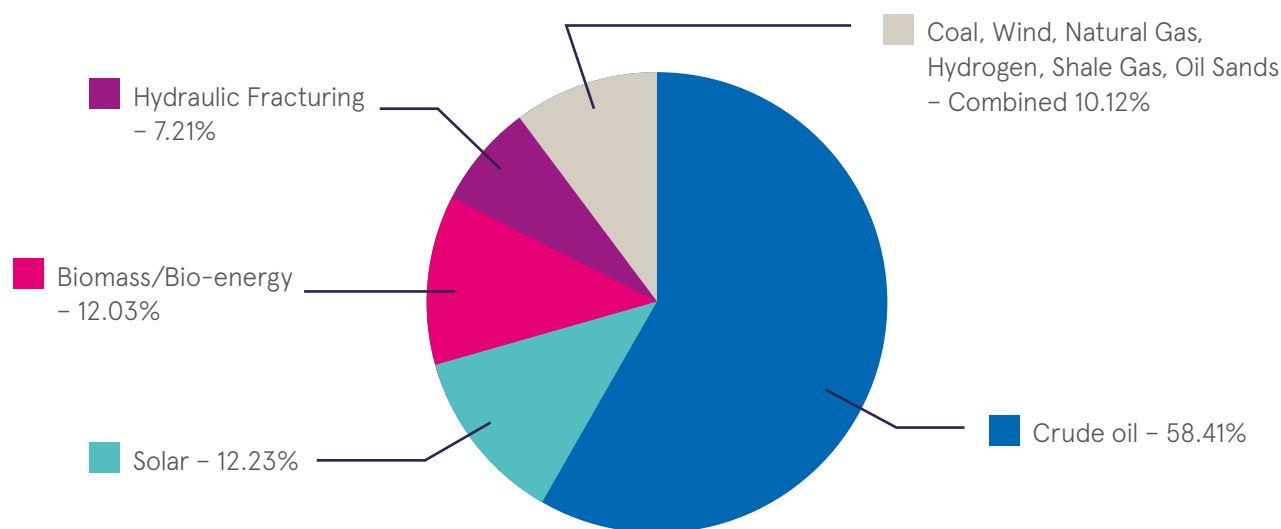
Fossil fuels: A catalyst to the reputation crisis

It is also important to understand that the issue surrounding plastics is not distinct, but is underpinned by the wider ranging environmental issue surrounding fossil fuels.

Providing both the energy and raw material for plastic production, consumption of fossil fuels is a hugely important concern across the breadth of society. It also serves to amplify the plastics crisis and perpetuate the damage inflicted on companies that find their reputations on the wrong side of discussion.

We pinpointed the top energy types mentioned in relation to plastics and found that oil attracts the majority of attention, highlighting its role in plastics production.

Top energy types featured in the plastics conversation - Social media



Oil is by far the top energy type mentioned on social media in relation to plastics with over three thousand postings, highlighting its role in production (Polecat, 2018).

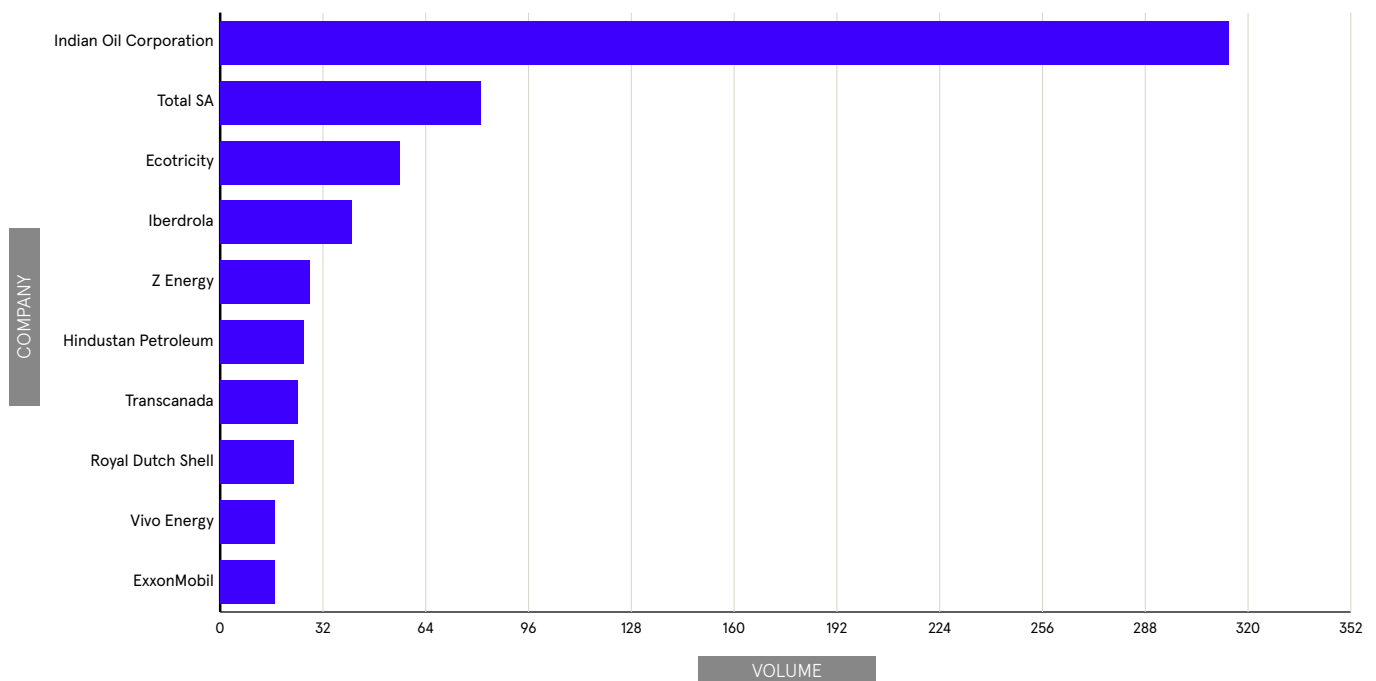


Environmental concerns have always surrounded oil companies. Any extractive company depends on licence to operate from local communities. While only 4% of global oil production is used for plastics, the link between plastics and oil in the public psyche means that they too need to be conscious of their role in the plastics lifecycle.

But this shouldn't be viewed only as a risk. It is possible to turn this into an advantage and improve reputation, a principle driver of license to operate, by making genuine strategic changes to meet the public concern around the plastics crisis. And as may oil companies globally transition their business models toward renewables, taking a stand on plastics will demonstrate their commitment to a sustainable future.

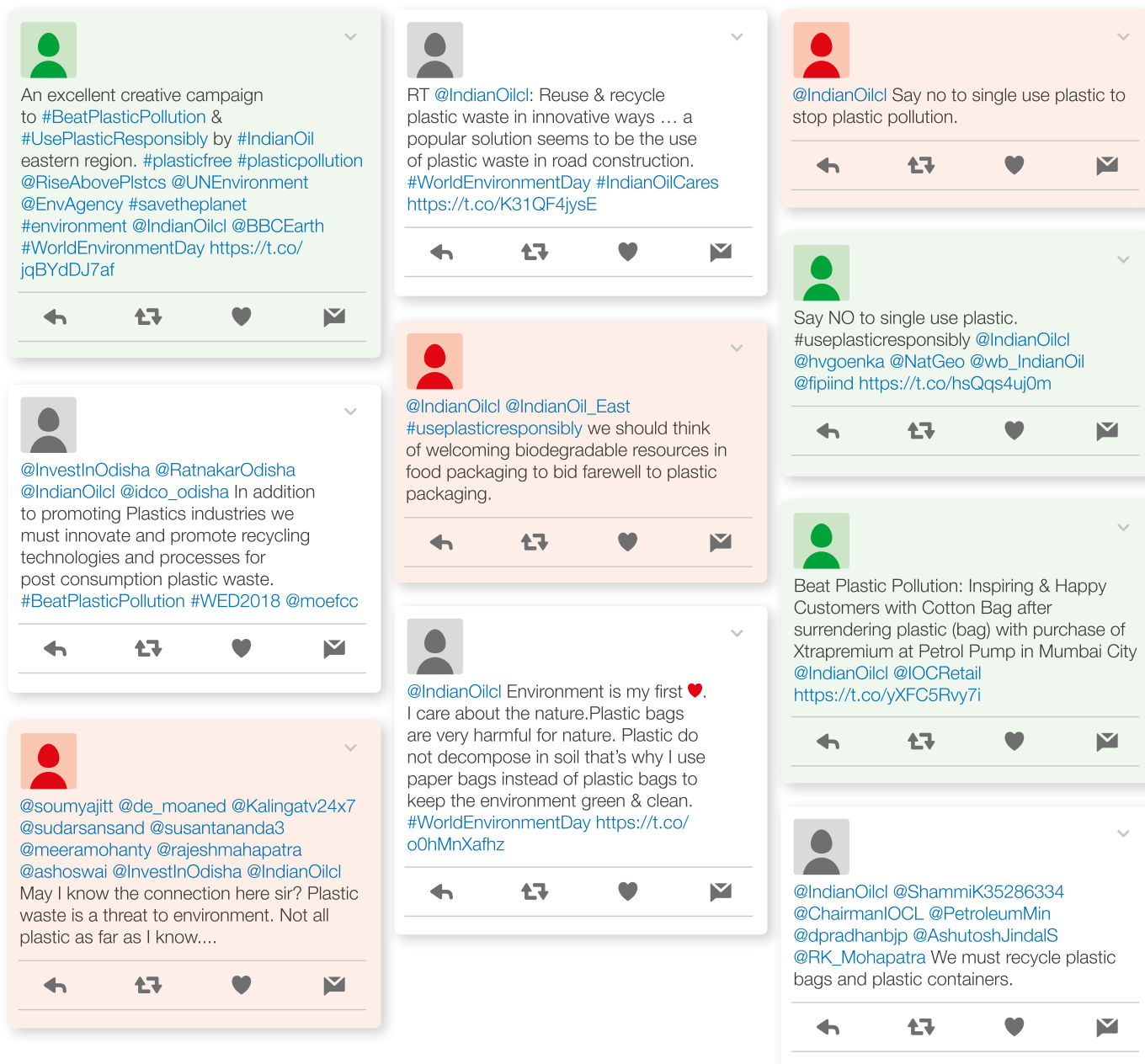
The Indian Oil Corporation is doing this via a trade-in campaign where customers can exchange a plastic bag for a cloth one at their gas stations after filling up. While a small gesture, this has led to it becoming the most mentioned energy company online in relation to plastic waste, in a country that is one of the biggest plastic polluters.

Top 10 Energy Companies Featured in Plastics Conversation - Social Media



Six of the top 10 energy companies mentioned on social media in relation to plastics waste are oil companies, highlighting the role of oil in plastic production (Polecat, 2018).

Top Tweets By Impact - Indian Oil Company



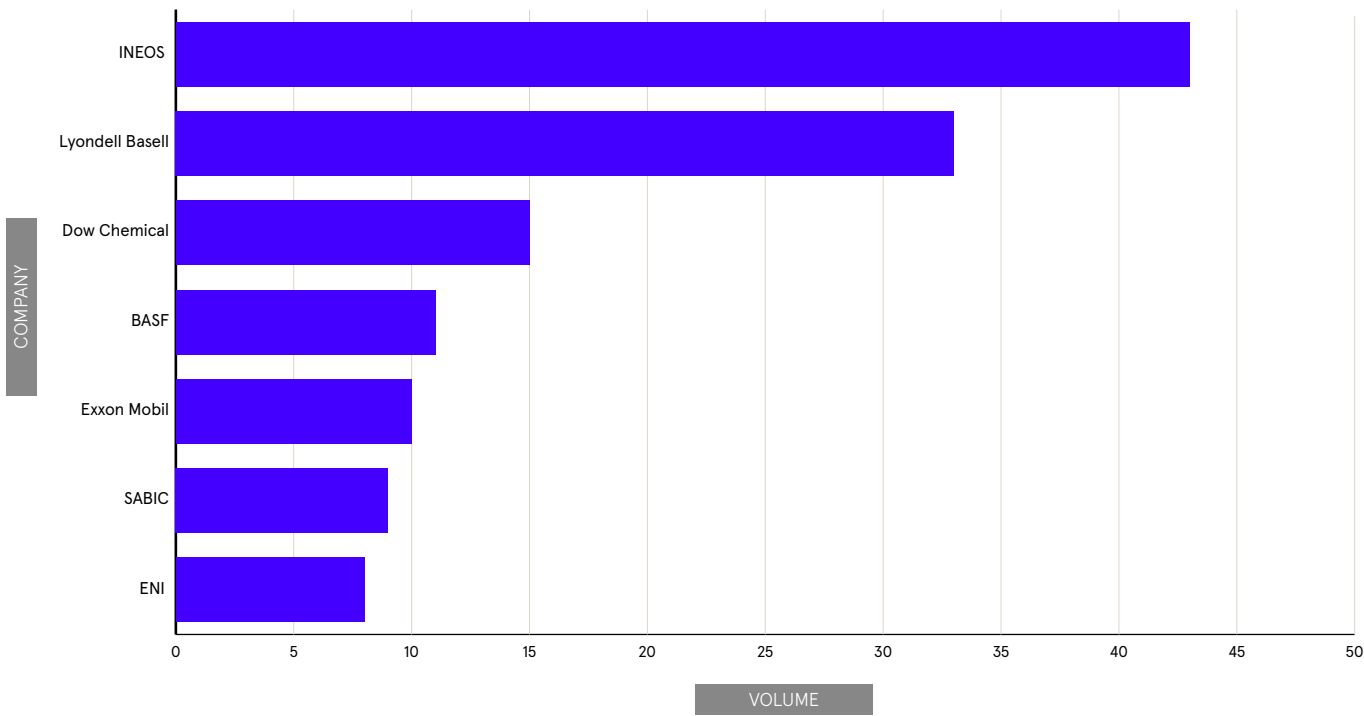
Top social media postings related to plastics waste mentioning Indian Oil Company ranked by impact. The company has received praise online for implementing a plastic carrier bag trade in scheme at their fill up stations (Polecat, 2018).

The majority of the public concern within the plastics dialogue revolves around its environmental impact. This problem is compounded by its negative links to oil. And while plastics manufacturers may not have the same brand visibility as companies like Ikea and Starbucks, they are not immune to public passions.

Our data shows that scrutiny exists across the entire plastics lifecycle, from raw materials to manufacturing to consumers and to disposal. All organisations that touch the plastics supply chain should therefore expect to face increasing pressures to innovate, to meet the demands of society.

We pinpointed conversations related to the top plastics producers around environmental impact and found a significant volume of postings. British chemicals firm Ineos has been accused of ramping up production of oil-based plastics despite the crisis. Meanwhile, Dutch chemicals company Lyondell Basell has partnered with the Karlsruhe Institute of Technology to develop a chemical catalyst to aid in the breakdown of post-consumer plastic.

Top Plastics Producers by Environmental Impact - Social Media



The top plastic producers mentioned on social media in relation to plastics. This chart specifically shows conversation related to environmental impact. Producers are facing both criticism for increased production and praise for innovating ways to improve recycling.

Blazing a trail or following the herd: Where corporates need to stand to see a return on reputation

The culmination of our data paints a picture where a broad range of stakeholders, from the public to governments to NGOs and investors, are all involved in the plastics conversation to varying degrees.

What is also clear is that, while some companies are taking the lead in their sector, overall, corporates are sitting on the sidelines while environmental charities and governments make changes.

As a material, plastics are business critical. A whole range of products and services rely on plastics to be viable. As public pressure mounts for legislative action, companies that fail to plan for the day when all oil-based plastics are banned will struggle to adapt and may ultimately fail.

But regulation is often slow to be implemented, which presents a challenge and an opportunity for corporates. The traditional order of play for environmental issues is that consumers voice concerns, that voice becomes a chorus, and governments respond. Businesses responding to regulation are already on the back foot, not because of the regulation, but because of the tide of popular opinion that precedes it.

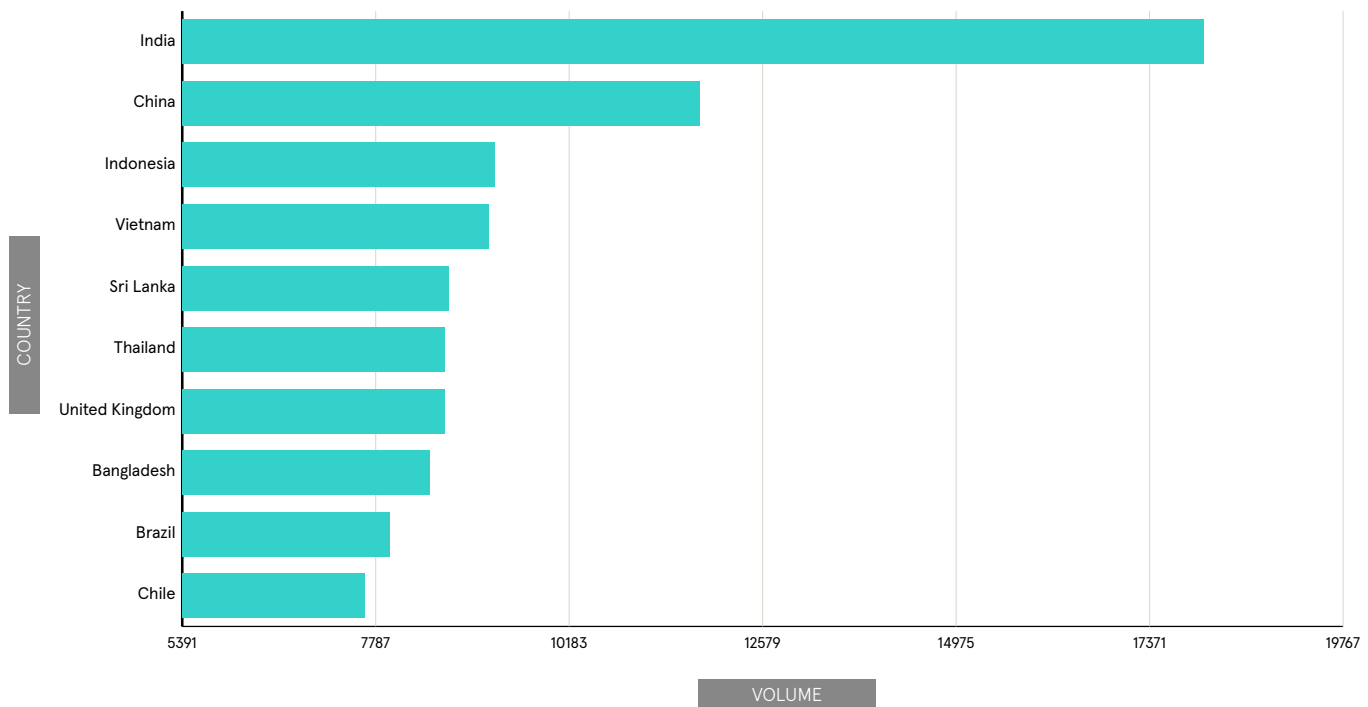
There are global initiatives to address the plastic crisis and because it is such a high-profile issue, legislation has become both numerous and regular. As a minimum standard, organisations need to track these, both from an operational point of view, but also to remain abreast of new legislation and requirements.

When we look at a small snapshot of global government promises there are numerous examples of positive actions taking place. However, there are also many governments that are lagging behind, especially within developing economies, which also produce the most plastic waste.

Our data shows that these countries are likewise facing intense criticism online for not doing enough to implement policy change. As foreign pressure mounts, it may not be long before these governments capitulate to global expectations to act.



Top Countries Featured in Plastics Conversation - Social Media



The top 10 countries mentioned on social media in relation to plastics shows intense pressure on the top polluters, all of which are in the developing world (Polecat, 2018).

The broad legislative landscape presents opportunities for corporates to introduce initiatives well before they pass through the legislative process. This would allow companies to not only get ahead of regulation, responding directly to the demands and opinions of their customers proactively, but help solve the current crises more quickly than can be accomplished solely through the civil process.

It is the difference between making goodwill gestures and becoming a true corporate citizen— by leveraging business resources to replace current systems that are wasteful and damaging. In doing so, the private sector will not only be better positioned for future growth and longevity, but will also stand in a more reputable position with their stakeholders.



Conclusion

The three-way relationship between plastic, business and society is immensely complicated, which makes taking meaningful action a challenge.

But one thing that's clear is that inaction is not an option. Understanding the dynamic between what society demands and what the environment requires is essential.

Concern about the plastics problem will continue to spread through the conduit of online and social media. Businesses have an unparalleled opportunity to tap into online data and intelligence to take positive action over societal concerns.

Corporates that proactively engage in societal dialogue will boost reputational capital, insure against a changing legislative landscape, and show their genuine commitment to lead industry change at the forefront of a new plastics economy. Organisations that do not will miss out a unique opportunity to make a difference and to reap the benefits that come from being a highly trusted and respected global business.



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where
reputation
is no longer
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Polecat is a technology company that provides reputation intelligence solutions to the world's leading organisations. We enable senior decision-makers with the ability to deliver effective management and monitoring of the key issues, stakeholders, geographies and markets that shape their corporate reputations.

Established in 2007, Polecat has offices in London, Bristol, Washington DC, New York and California.

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