

Sustainability https://www.adweek.com/category/sustainability/)

As Brands Lurch Towards Green Goals, a Booming Business of Climate Change Is Emerging

A growing sector of b-to-b companies is emerging to help brands and agencies meet emissions targets

By <u>Kathryn Lundstrom</u> | 2 hours ago



'Sustainability has become big business,' said Ken Pucker, senior lecturer on sustainable business dynamics at The Fletcher School at Tufts University.

Credit: Andriy Onufriyenko/Getty Images

As brands and agencies dig into the work of meeting <u>climate goals</u> <u>https://www.adweek.com/agencies/marketers-weigh-in-on-whether-to-criticize-coca-colas-controversial-</u> <u>sponsorship-of-cop27/</u>) and emission-reduction targets, many are turning to outside experts for help. As such, over a third of businesses are hiring consultants to aid in ESG reporting processes, according to a <u>2022 report by GreenBiz https://info.greenbiz.com/rs/211-NJY-</u> <u>165/images/State%200f%20the%20Profession%202022%20Report.pdf?</u> <u>mkt_tok=MjExLU5KWSoxNjUAAAGJJ4iNV6Kd9lKoTTW7wqDec8B_Nkv8wt-</u> <u>hyvq9Re7ywMWoh6RjOXgfRo1ZOyVr_TcJtCRGMjvhlhnfM6yktFI4LW8hNUU_vCW_EDTowODouDogCMc</u>).

In response, a new crop of businesses are springing up to meet that need—creating a sector that Ken Pucker, senior lecturer on sustainable business dynamics at The Fletcher School at Tufts University, has dubbed "Sustainability, Inc."

In the last year, companies like Gravity Climate and footsprint have emerged to support the transition to a less <u>emissions-intensive economy https://www.adweek.com/brand-marketing/2023-ad-industrys-relationship-fossil-fuels/</u>]. Firms like Carbon Better have transformed their overall missions to add carbon measurement and reduction consulting to their portfolios, and major consulting firms like <u>PwC https://www.reuters.com/business/sustainable-business/pwc-planning-hire-100000-over-five-years-major-esg-push-2021-06-15/</u>] and EY have announced they will further expand their sustainability consulting services over the next few years.

But as companies crowd their way into a fast-growing cottage industry, there's risk involved for agencies and brands looking for the expertise that they don't have in-house. Emissions measurement, reduction and offsetting is a complex science, and experts predict inconsistencies—some of which could result in greenwashing—until regulatory standards are established.



5 Reasons to Be Optimistic About the Future of Sustainability

"Sustainability has become big business," Pucker told Adweek. "From consultants to data providers to rating services to climate tracking services, there's an explosion of companies committed to mostly focusing on carbon measurement and remediation."

Powering carbon reductions

Gravity Climate, a b-to-b company that measures, optimizes, reduces and offsets greenhouse gas emissions for firms in the industrial sector, is one newcomer to this category.

Founded at the beginning of 2022 by Saleh ElHattab, the firm's platform simplifies carbon measurement for industrial companies, highlighting the cost-saving benefits that often coincide with some of the first steps toward emissions reductions: for example, improving efficiency and streamlining processes.

"Gravity was born as an intended flywheel to accelerate the deployment of [new] carbon reductive technologies," ElHattab explained. That means measuring and managing the footprint of clients, to start, and then implementing carbon reductions through technology and connecting them with offsets for the remaining footprint.

The green rush

While it's tricky to get accurate data on the number of companies emerging in this space, experts expect that operations like Gravity will continue to spring up—especially with policies like the Inflation Reduction Act (IRA) funding the transition.

"With the IRA, there's going to be a huge amount of money that's only just started to come," <u>Solitaire Townsend https://www.adweek.com/agencies/can-advertising-avoid-becoming-climate-enemy-no-2/</u>), co-founder and chief solutionist at sustainability-focused marketing agency Futerra told Adweek. "If you're a b-to-b, [there's an expectation] from your customers, from your new talent and policymakers; if you're b-to-c, from your consumers."

Townsend describes this momentum as the beginning of a "green rush." Resources, interest, technological advancement and the countdown to 2050—when the world needs to reach net zero greenhouse gas emissions in order to keep global warming below 1.5 degrees Celsius—is fueling this work. Companies like Gravity, footsprint and major consulting firms are sorting out the logistics.

Choosing partners wisely

Still, there is a risk of greenwashing in this space given the high volume of newcomers and current lack of universally accepted regulatory standards. Townsend pointed to a few telltale signs of a firm that brands and agencies should avoid.

"If a promise sounds too good, it almost always is," she advised. "If someone says that they can get your absolute carbon emissions down to zero ... it isn't true. Because it is never easy, straightforward, quick or simple."

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