



The Business Case

Best for RI business practices are good for workers, community, and environment. But they are also good for business! Here, we present a few points of interest from recent studies exploring the business benefits of socially-minded business practices. This body of literature is growing rapidly so stay tuned to Best for RI social media for more. For now, we encourage you to consider the following ways in which taking the Best for RI Challenge can help your business.

1. Attract and retain talent. Studies increasingly show that millennials have a strong desire to work for companies that demonstrate social and environmental responsibility.

- Employees who work for companies whose missions align with their personal values experience a 20% longer tenure, 50% greater likelihood to hold a leadership position, and 47% greater likelihood to serve as company advocates (Workforce Purpose Index 2016).
- 49% of millennials prefer to work for a company committed to positive social and environmental impact (compared to 13% of baby boomers) (Nielsen 2017).



56% of US Millennials would work for a socially responsible company, even if the salary would be less than at other companies



73% consider a company's social & environmental commitments before deciding where to work

(Cone Communications 2015)

2. Draw customers and increase customer loyalty. Corporate sustainability is of growing importance for millennial shoppers. More and more consumers are making purchasing decisions based on a brand's commitment to social and environmental causes.

- 66% of US millennials are belief-driven buyers who expect companies to track and devote resources to enhancing their social and environmental impact. Internationally, 60% of millennials are belief-driven buyers (Edelman 2017).
- 66% of consumers say they are willing to pay more for sustainable brands—up from 55% in 2014 and 50% in 2013 (Nielsen 2015).



85% of millennials are likely to switch brands to one that is associated with a good cause



74% would buy a product from an unknown brand if it had strong social or environmental commitments

(Cone Communications 2015)

3. Attract Investments. Sustainable brands are becoming synonymous with good investments. Investors are increasingly paying attention to companies' social and environmental impact to help guide their investment decisions.

- Sustainable, responsible, and impact investing grew at a rate of over 33% (from \$6.57 trillion to \$8.72 trillion) between 2014 and 2016 (Morgan Stanley Institute for Sustainable Investing).
- A 2017 survey of 1,000 investors found that 75% of total investors (and 86% of millennial investors) expressed interest in sustainable investing, AND:



believe that companies with strong social, environmental and governance practices can potentially lead to higher profitability and may be better long-term investments.



(Morgan Stanley Institute for Sustainable Investing 2017)

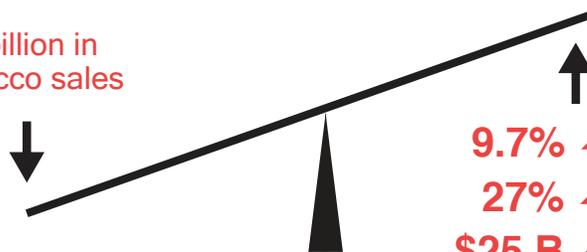
- 60% of US Millennials would consider a company's social and environmental commitments before deciding which stocks or mutual funds to invest in (Cone Communications 2015).

4. Increase sales and profitability. Sustainable and ethical practices help brands stand out in a crowded market. Studies show that many companies' commitment to affecting positive social and environmental change has inspired gains in reputation, revenue, and overall financial performance.

- Publicly traded ethical companies are shown to consistently outperform the markets, with ethical firms outperforming the S&P 500 by 3.3% in 2016 (Ethisphere Institute).
- In 2014, Campbell invested over \$17 million in environmental compliance and sustainability. These initiatives yielded savings of more than \$77 million between 2009 and 2015 (Project ROI).
- In 2014, CVS stopped selling cigarettes to improve their social impact. Despite forfeiting \$2 billion in annual tobacco sales, the company's reputational gains drove sales and share price increases that resulted in an overall revenue increase of 9.7%, a share price increase of 27%, and a \$25 billion addition to its market capitalization (Project ROI).



\$ 2 billion in tobacco sales



(Project ROI)



For more information

For additional information on Best for RI and how to get involved, please e-mail info@bestforri.com or call us at 401-272-2558 and ask to speak with the Best for RI program director. [Explore our sources at BestForRI.com/FAQ](https://www.bestforri.com/FAQ)