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**Small Business and Sustainability:
How the Back Bone of America and the Buzz Word of the 2010s and 2020s can be a
Powerhouse for Change**

By

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**An Honors Thesis in partial fulfillment of the requirements for the degree Bachelors of
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Introduction

Over the years phrases like “going green” or “reduce, reuse, recycle” have been the war cries of environmentalist conservationists. Now, a new word has begun to heavily circulate among the environments communities and beyond: sustainability. However, the concept of sustainability has been around for centuries. According to the World Energy Foundation sustainability was “coined in German, the original term was *Nachhaltigkeit*, meaning ‘sustained yield.’ It first appeared in a handbook of forestry published in 1713, and was used to mean never harvesting more than the forest can regenerate.” (The World Energy Foundation, 2014). Since then, the word and concept has crept into science, legislation and policy, core company values, and now pop culture. Sustainability is a buzz word that has become woven into the daily conversation of people, business, and government.

The United States Environmental Protection Agency (EPA) defines the concept of sustainability as:

“everything that we need for our survival and well-being depends, either directly or indirectly, on our natural environment. To pursue sustainability is to create and maintain the conditions under which humans and nature can exist in productive harmony to support present and future generations.” (Environmental Protection Agency, 2021).

To ensure prosperity not just at an environmental level, but also at a social, economic, and humanitarian levels, we as the human race, must work towards creating a regenerative environment that utilizes resources well.

Another word and concept that is just as pervasive in American society is small business. The Small Business Association (SBA) released their 2020 Small Business Profile report which stated that small business make up 99.9% of the business in American and employee almost half of the United State work force. (US Small Business Administrative Office of Advocacy, 2020). The SBA define a small business as any company with less than 500 employees. Given the sheer volume of business that fall into the small business category, it is clear to see the power small business movements can hold and how they support American’s economy in essential ways.

In this paper I will review two overarching themes divided into subtheme. First, we will take a look at sustainability. The subthemes are: what is sustainability, what is our interaction with the environment, what is the actual state of the environment, business and culture shifts towards sustainability, cost and benefits of sustainability, and key mindsets to have when moving towards sustainability. Then, we will move into discussing small business. The sub themes of this topic include: small business at large, customers opinions of small business, the economic impact, small business application and technology, and the opportunities that small business faces.

After diving into those two themes through a literature review and an analysis of survey responses, I will apply the information to a small business case study. I have been working as a supply chain intern for a growing small business called UpSpring. I will suggest the best practices for UpSpring and reason out why those recommendation will provide both an sustainable and economic solution to a growing small business.

Sustainability

What is Sustainability?

Previously, I defined sustainability in broad environmental terms. But what does it mean from a more holistic view? UCLA Sustainability defines it as:

“the integration of environmental health, social equity, and economic vitality in order to create thriving, healthy, diverse and resilient communities for this generation and generations to come. The practice of sustainability recognizes how these issues are interconnected and requires a systems approach and an acknowledgement of complexity.” (University of California Los Angeles Sustainability, n.d.).

Sustainability is often broken down into three categories of focus: social, environmental, and economical; each of these must work in tandem to support the other. When one lags behind it will affect the others.

The three aspects of sustainability are often also referred to as people, place, and profit. Environmental sustainability, the place aspect, is most understood. According to the United Nations (UN) environmental sustainability is “acting in a way that ensures future generations have the natural resources available to live an equal, if not better, way of life as current generations.” (United Nations, 2021). Next, is social or people. Şebnem Yılmaz Balaman, a Post Doctoral Researcher at Chalmers University of technology, defines social sustainability as the aspect that:

“Social sustainability can be defined as specifying and managing both positive and negative impacts of systems, processes, organizations, and activities on people and social life. The topics that social sustainability concept integrates include but are not limited to; health and social equity, human rights, labor rights, practices and decent working conditions, social responsibility and justice, community development and well-being, product responsibility, community resilience, and cultural competence.” (Balaman, 2019, p. 86).

Social sustainability can be more simply categorized by quality of life, equality, diversity, social cohesion, democracy & governance. Finally, economic sustainability can be defined as:

“Strategies that promote the utilization of socio-economic resources to their best advantage. A sustainable economic model proposes an equitable distribution and efficient allocation of resources. The idea is to promote the use of those resources in an efficient and responsible way that provides long-term benefits and establishes profitability.” (Front Stream, 2013).

Moreover, during the course of research, I conducted a survey to gather what others would define sustainability as. Of the 57 responses that were gathered, 33 explicitly mentioned the environment in their response. Other responses pointed to the idea that sustainability, as one respondent said is “A process or system that can maintain its current operations for a long time, not just a short time.” (Question 2). As seen in the responses included in the appendix, the consensus among respondents is that sustainability is a process built to last over time and often is specifically focused on renewal and consciousness use of resources.

When combined, all three aspects of sustainability, environment, social, and economic, work in unison to insure prosperity across all elements and assuring that posterity will be given a home and resources to continue the human race with.

Why Sustainability- and To What Extent

Everyday functions of life, even the most basic ones such as breathing are drastically affected by the natural world. The quality of the food we consume is affected by the health of the soil. The ease at which we move around our communities is propelled by natural resources such as gas. The desks we sit at when we work are a byproducts of our forests or harvested crude oil. Whether we acknowledge it or not, humans relationship with the natural world is deeply symbiotic.

As time has evolved human interaction with nature has too. Society which once started as hunters and gathers now can have fully prepared meals delivered to their doorsteps in minutes. In a postmodern society most people do not spend their days with their hands in the dirt or even outside. Yet, our relationship with the natural world is still just as symbiotic. However, people are under the belief that our natural world is detreating. In a survey used as part of my research I asked participants what do they consider the condition of the natural environment of the world is today. I found that 12% of respondents said that the condition was very poor, 37% said it was poor, and 37% said it was fair. (Figure 1). The average conscious then is that we could do a better job at stewarding the resources on Earth.

There are areas of the world that are much more environmental affected than others. Sometimes, this is visible to the naked eyes. For example, the air quality in the last month (March 14th, 2021 to April 14th, 2021) in Delhi, India has averaged an air quality of 122. (Figure 2) This rate is considered poor and “can affect health issues such as difficulty in breathing.” (Air Quality India, 2021) Other places in world, people go about their days without seeing or feeling the consequences of a natural environment that is feeling the effects of 7 and a half billion people moving about.

It is important to state that though there are most assuredly places in the world that are experiencing unfavorable and declining natural environmental conditions, severe predictions of destruction should not go unchecked. In 1989 a bold prediction was made about the fate of the Earth. According to the Associated Press, “A senior U.N. environmental official says entire nations could be wiped off the face of the Earth by rising sea levels if the global warming trend is not reversed by the year 2000.” (1989). Since the 80’s predictions of the future have been filled drastic consequences that supposedly lay ahead if global warming, carbon emissions, pollution, etc. and not reversed. Yet, hardly any of the doomsday predictions have come to fruition. According to the Wall Street Journal, “models devised by the United Nations Intergovernmental Panel on Climate Change have, on average, predicted about twice as much warming as has been observed since global satellite temperature monitoring began 40 years ago.” (Michaels & Maue, 2018). Despite the fact that science has provided little substantial evidence that the decline of the natural environment has been substantial, people still believe it is. When asked “compared to ten or so years ago, do you think the natural environment in the world today is worse, about the same, or better?” 61.72% of the response chose worse. (Question 5).

Even though many scientific predictions have not come to fruition, the World Health organization released a statement saying, “climate change is the greatest threat to global health in the 21st century.” (World Health Organization, 2016)

Though it is clear that fear has been the main element woven into the environmental conversation over the last 40 years, the deep fear should not be the driving factor for sustainable actions. Yes, the protection and stewardship of the environment is drastically important, but undue alarms should not be raised when it is not necessary. That being said, we should still be working to innovate and create ways to better rejuvenate and protect the resources the natural world gives us. Dr. Bjorn Lomborg, president of the Copenhagen Consensus Center, visiting fellow at the Hoover Institution, Stanford University, and visiting professor at Copenhagen Business School, says that “Climate change is real, but it’s not the apocalyptic threat that we’ve been told it is.” (Lomborg, 2021) In his new book *False Alarm: How Climate Change Panic Costs Us Trillions, Hurts the Poor, and Fails to Fix the Planet* he dives into how the media is creating a fear based narrative around the environment:

“This is the message that the media is drilling into our heads: climate change is destroying our planet and threatens to kill us all. The language is of apocalypse. News outlets refer to the ‘planet’s imminent incineration’ and analysts suggest that global warming could make humanity extinct in a few decades. Recently, the media has informed us that humanity has just a decade left to rescue the planet, making the 2030 deadline to save civilization. And therefore we must radically transform every major economy to end fossil fuel use, reduce carbon emission to zero and establish a totally renewable basis for all economic activity.” (Lomborg, 2020, p. 3).

Lomborg went on to say:

“I’ve been part of the global discussion on climate change policy for two decades, since writing *The Skeptical Environmentalist*. Throughout all this time, I have argued that climate change is a real problem. Contrary to what you hear, the basic climate findings have remained remarkably consistent over the last twenty years. Scientist agree that global warming is mostly caused by humans, and there has been little change in the impacts they project for temperature and sea level rise. The political reacting to the reality of climate change has always been flawed- this, too, I have been pointing out for decades. There are, I have argued and continue to argue, smarter ways than our present day approach to tackle global warming. But the conversation around me has changed dramatically in recent years. The rhetoric on climate change has become more ever more extreme and less moored to the actual science.” (Lomborg, 2020, p. 5-6).

Dr. Lomborg statements ring increasingly true. The media continues to push a cloud of fear around a “climate crisis”. Lomborg is clear, that yes, climate change is real and people will see some effects but it is not the doomsday, end of the world scenario that is being spread. Ergo, the movement and reasoning behind sustainable initiatives should be proper science, goodwill, and a deep appreciation for the resources we have been given, not hasty, unrationalized and inefficient decisions made in fear.

The Societal and Business Cultures Attitude

Despite the modern buzz around sustainable initiatives, these goals have been silently integrated into the background of culture. In 1969 the National Environmental Policy Act was

passed and committed the United States to sustainability. It was declared a national policy that we must work “to create and maintain conditions under which humans and nature can exist in productive harmony, that permit fulfilling the social, economic and other requirements of present and future generations.” (EPA, 1969) However, the now common idea that sustainability is good for business was not hailed by all 25 years ago. In 1994 an article was published in the Harvard Business review that stated, “Responding to environmental challenges has always been a costly and complicated proposition for managers. In fact, environmental costs at most companies are skyrocketing, with little economic payback in sight.” (Walley & Whitehead, 1994). They went as far as to say environmental challenges are growing more and more complex, cost are growing, and win-win solutions are harder to achieve. Creating a business environment that was considerate of the environment not a priority because the main consensus was it would result in business failure.

The attitude surrounding sustainability, specifically as it relates to business, has drastically shifted since the 90’s. The Global Accountability Institute, a ESG and sustainability consulting firm, released a report in July of 2020 that stated, “90% of the S&P 500 published corporate sustainability reports, an all-time high.” (G&A Institute, 2020) This is up from the mere 20% of S&P 500 companies were publishing suitability reports in 2011. The corporate American mindset has switched from a turning a cold shoulder to green initiatives, to warmly embracing and flaunting them.

Business people have become celebrities in their own right part due to their focus on sustainable products. Elon Musk, the second richest person in America, is namely the most well-known. Musk is known for a variety of reasons his including interesting tweets and his ambitions to colonize Mars, but he is most well known for being the CEO of Tesla and Space X, both of which have sustainable roots and key goals. In a blog post that represents Musk’s master plan for his companies he said:

“The point of all this was, and remains, accelerating the advent of sustainable energy, so that we can imagine far into the future and life is still good. That's what 'sustainable' means. It's not some silly, hippy thing — it matters for everyone.” (Musk, 2016).

All of Musk’s companies, Tesla, SolarCity, and SpaceX are working to create sustainable energy or solutions to what is considered the climate crisis.

Customer attitudes are changing along with the business attitude towards sustainability. It is hard to tell whether the customers are driving the companies’ sustainable initiatives, or if the companies are helping bring awareness to the forefront of customers minds. Regardless, customers are buying more and more sustainable products. A report by Nelson stated:

“Among the 66% of global respondents willing to pay more, over 50% of them are influenced by key sustainability factors, such as a product being made from fresh, natural and/or organic ingredients (69%), a company being environmentally friendly (58%), and company being known for its commitment to social value (56%); sales and coupons didn’t even make the top five. For this group, personal values are more important than personal benefits, such as cost or convenience.” (NelsonIQ, 2015).

Additionally, in a personal survey conducted as part of this research, respondent were asked to rank how they feel about select statements. In in the proposed statement “You will choose the “green option of a product if it has a similar function and price” 50% of respondents said they

strongly agree and 38% agree. 0 participants responded strongly disagree or disagree. There is a strong desire among customers to support and seek out sustainable products and companies that support sustainable solutions to doing business.

The Cost and Benefits

Customers desire it. Companies are moving towards it. But has a more sustainable business plan actually reached the point that provides returns and does not end up losing the company money as it did previously? Cultivating Capital, an organization dedicated to helping businesses can operate in a more socially and environmentally responsible manner and a certified B corp, released a Small Business Guide to Sustainable Business Practices. In this guide it pointed out that yes, having a more sustainable agenda can indeed be done in a cost effective manner. Cultivating Capital stated,

“Cost savings – There’s a reason why Wal-Mart is the largest single commercial solar generator in the country. Saving resources saves money. This is why energy efficiency and waste reduction are two of the first areas that businesses will work on when they begin thinking about sustainability. One area where a business can also realize cost savings that might not be as readily apparent are when they reduce costs associated with turnover, since many people want to work for a business that aligns with their values and engaging employees is good for business.” (Cultivating Capital, 2021)

If Walmart, the everyday low cost store leader is investing in solar, it speaks volumes about the cost effectiveness of these actions.

Not only can money be saved with sustainable initiatives and products, but money can be made too. Frey A Williams, the North America CEO for Futerra, a global sustainability consultancy, published a book titled *Green Giants: How Smart Companies Turn Sustainability into Billion-Dollar Businesses*. In the book she reported:

“Green Giants {companies that make over \$1 B off just their sustainable products} also translate sustainability into stock performance, returning 11.7 percentage points more than a set of comparison companies over the past five years...Green Giant Stock prices have outperforming the S&P 500 by an average 6.8 percentage points per year (the comparison companies trailed it by 4.9 percentage points),” (Williams, 2015, p. 10).

Additionally, according to research by Deutsche Bank:

“89% of the studies we examined show that companies with higher rating for ESG factors exhibit market based outperformance, while 85% of the studies show these types of companies exhibit accounting based outperform. Here again, the market is showing correlation between financial performance of companies and what it perceives as advantageous ESG strategies, at least over the medium (3-5 years) to long term (5-10 years).” (Fulton, 2012).

The market is reflecting green on green; as a company incorporates more green initiatives they are adding financial value to their companies all while proving the investment in sustainability is worth it.

Customers also place more value in companies taking charge of sustainable initiatives over the government. In the survey, respondents were asked how willing they would be to do the following: pay higher taxes so the government can support environment initiatives, pay more for

products that protect the environment, and only shop at retailers that support sustainable initiatives. Under the somewhat willing column 24 responded they would rather pay more for products that protect the environment while only 15 said pay higher taxes so the government. (Question 11) Comparing this to question 21 which stated “There are many potential ways for a company to integrate sustainable into its supply chain. Please select the level of important for each possible initiative” and transparency in supply chain was the highest response on very important I would not hasten to guess that customers are more comfortable knowing exactly what their dollar goes to support.

Sustainability is not limited to select industries or products. The idea of protecting the environment, serving people well, or making things economically sustainable spans all industries. Ray Anderson, CEO and founder of Interface Inc., a global leader carpet manufacture, said in his TedTalk that his company had created something called Mission Zero where they are working towards zero impact and footprint. Anderson said:

“From real life experience, costs are down, not up, reflecting some 400 million dollars of avoided costs in pursuit of zero waste -- the first face of Mount Sustainability. This has paid all the costs for the transformation of Interface. And this dispels a myth too, this false choice between the environment and the economy. Our products are the best they've ever been, inspired by design for sustainability, an unexpected wellspring of innovation. Our people are galvanized around this shared higher purpose. You cannot beat it for attracting the best people and bringing them together. And the goodwill of the marketplace is astonishing. No amount of advertising, no clever marketing campaign, at any price, could have produced or created this much goodwill.” (Anderson, 2009).

Furthermore, beyond a balance sheet look at sustainable benefits, as Anderson points out sustainably draws in good job candidates. Sustainable initiatives are attractive, especially to the younger workforce and can pull better talent into the company that will help grow the bottom line.

Mindsets for Sustainable Implementation

Larry Fink, Blackrock Capital CEO releases a letter each year to their investors. Joseph Holt, a Forbes contributor, summarized Fink's letter in an article. He said, “Sustainability represents a source of innovation. We simply cannot get from where we are to an environmentally, socially and economically sustainable future without an historically unprecedented amount of innovation.” (Holt, 2020). Innovation is the root of sustainability. There are some very clear and proven ways to weave sustainable practices thought an business, but many of the most effective ways to drive a cleaner agenda are yet to be discovered. To have a sustainable mindset companies must also have an innovative mindset.

In addition to an innovative mindset, companies wishing to implement sustainability aspects to their company must also be goal oriented. Sustainability is a broad topic with lots of areas it can be translated to. Companies might have good intentions, but unless they have good application sustainability, it will not go far. McKinsey & Company published a report in 2014 entitled: Profits with purpose: How Organizing for Sustainability can Benefit the Bottom Line. In this report they stated:

“To develop a clear set of priorities, it is important to start by analyzing what matters most along the entire value chain, through internal analysis and consultations with stakeholders, including customers, regulators, and nongovernmental organizations. This process should enable companies to identify the sustainability issues with the greatest long-term potential and thus to create a systematic agenda—not a laundry list of vague desirables.” (Bonini & Swartz, 2014).

Creating clearly identified spots where suitability can be implemented in a business will accelerate and assure the goals is meet. Moreover, when identifying areas of a company that be transition to more sustainable process people should look for areas where the return on investment will be greatest. In a podcast episode of *Hold These Truths with Dan Crenshaw* (Crenshaw is a United States Representative for Texas's 2nd congressional district) Dr. Lomborg said:

“You got to recognize that global warming, like any other problem, you have to fix it smartly. And that's about finding out where can you spend little money and do a lot of good before you start spending lots and lots of money and do almost no good.” (Lomborg, 2020)

Companies and investors who want to be purposeful with their sustainably initiatives. Not all area created equal and companies should be wise with their time and monetary investments. ROI is not just important financially, but also sustainably as well.

Small Business

Small Business at Large

If you google “Backbone of America” eight of the twelve results on the first page bring you to links talking about small business. There are links to videos of President Obama and President Biden talking about small business in regards to it being the backbone of America. Small business rightfully earns the title “Backbone of America” as according to the Small Business Association (SBA) 99.9% of the business in America are small business and employee almost half of the United States work force. (SBA, 2020).

Square, a common point of sale tool utilized by small business tells the history of small business in America well:

“Small business development dates as far back as the 1600s, when Americans would trade crops, supplies, and services. As the nation itself was developing, all businesses were small at that time. Machines were not yet available, and automation was unheard of. Transportation was extremely slow, and banks had not yet been established. America was still working out the groundwork for such things, including taxes. In the 1800s, after the nation become independent, small businesses really began to boom. The monetary system grew along with the burgeoning economy.” (Square, 2000).

People have long immigrated to America with visions of the land of opportunity and to build a name for themselves through their business.

In addition to the established history of small business in America and its vast economic reaches, the American people also look favorably on small businesses. According to research done by Gallup, “70% of Americans have "a great deal" or "quite a lot" of confidence in small

business, more than three times the 21% confidence rating for big business,” (Newport, 2017). Gallup also mentioned that the trend of positive favorability of small business has been consistent since 1997. When asked why respondents had confidence in small business the top 3 answers were as follows: 29% said it represented the American dream/backbone of America, 28% said it was because small business are personally invested; determined; accountable to customers, and 14% said it was because small business create jobs for local people and their community involvement. (Figure 3).

Customer Attitudes and Economic Reach

The favorability people often translated into monetary gain for small business. Sales Force, a large customer relationship management company, released their state of the connected customer report. This report showed that “Not only do people want to support local small businesses, they're willing to shell out a little more if they trust that SMB more than they do a major corporation.” (Grossfeld, 2020). In my own research the results were similar. When asked if a product is available locally but slightly more expensive will you choose to shop local 41% responded that they would shop local most of the time. 23% responded they would about half of the time. (Figure 4). Small businesses command respect in the American economy and also in the market. Customer loyalty to small business drives spending habits.

Furthermore, small business in America is not just the mom and pop store on the downtown square. It has tremendous economic impact. In a work published by the University of Minnesota Libraries published book that stated, “The nearly twenty-seven million small businesses in the United States generate about 50 percent of our GDP. They also contribute to growth and vitality in several important areas of economic and socioeconomic development”. (Exploring business, 2010). Whether it's the small local restaurant or the 400 person tech firm, each type of small business does its part in supporting the vast American economy.

Patronizing small business does not solely mean shopping in physical local stores. Online retail as a whole is growing, but specifically in small business. Etsy, an online platform that lets small business owners who are artisans, crafters, people who handmake items, sell their goods globally. Etsy released their Fourth Quarter and Full Year 2020 Financial Results report. In it Etsy stated, “total revenue was \$617.4 million, up 128.7% year-over-year, driven by growth in both Marketplace and Services revenue.” (Etsy, 2020). In 2020 the COVID-19 pandemic ignited small business online presence. While there were heavy impacts of the COVID-19 response on small business, there were also some advantages. According to a report from ROI Revolution, “Online consumer spend grew the most on Small Business Saturday and Sunday, which saw 30.2% and 23.7% growth respectively year-over-year. The pandemic has fueled consumers' support for small businesses, which have faced significant struggles this year.” (Davis & Toney, 2020). Fueled by loyalty and admiration of small business, even during a pandemic customers found a way to support small business.

Small Business and Technology

Given the advent of technology and social media, small business have had access to resources, marketing tools, and customer bases like never before. Social media has been one of

the largest catalyst for online presences of small business. When Instagram hit the landmark of hosting pages for over 25 million business accounts they said in a press release:

“As 800 million use Instagram each month to discover and follow their passions, more and more people are using it to connect with businesses they love. In fact, over 80% of accounts on Instagram follow a business, while 200 million Instagrammers actively visit the profile of a business every day. As a result, the Instagram community is helping spur small business growth in big ways. Two-thirds of profile visits to businesses come from people who aren't following that business.” (Instagram, 2017).

Since that announcement Instagram has only continued to grow and add features that directly help businesses grow. A blog post published on HootSuite titled, *44 Instagram Stats That Matter to Marketers in 2021* it was noted that;

“15. 81% of people use Instagram to help research products and services, and 2 in 3 people say the network helps foster interactions with brands. 130 million Instagram users tap on shopping posts every month. While the Instagram stat above shows people research purchases in the platform, this confirms that people are making purchases directly from Instagram.” (Newberry, 2021).

The sheer volume of people on just this platform alone shows why social media has given rise to small business that may have not had an audience before. Social media provide a new way for companies to gain exposure on their products and services.

Most all social media platforms including Instagram, Facebook, YouTube, Twitter, and TikTok have resources or tools specifically allocated to small business. TikTok, the newest platform on the market, created a feature especially for small business to aid their growth during COVID-19. TikTok's website states:

“Small businesses are uniquely at risk as local economies ceased activity in efforts to protect public health. SMBs around the world are weathering this crisis, and we are committed to supporting them as they get back on their feet and start rebuilding by providing \$100M in advertising credits.” (TikTok, 2020).

Some small business owners may not be as familiar with the social media or how to utilize online tools. Social media platforms are aware of this and have developed programs specifically for small business owners that teach them how to utilize the resources on such platforms.

Facebook has a collection of free webinars and training resources for small business owners that equip them with skills to use the social media platform for business growth. Small business owners of all kinds should be quick to use these tools that give them a bigger online presence.

In addition to social platforms, having a website puts a small business in reach of consumers from all over world more than ever before. Squarespace, a large website developing and hosting company boast that they, “power millions of websites and online stores across hundreds of industries.” (Squarespace, n.d). The reach that small businesses have online is not limited to the borders of the United states. An online presence helps small business reach international customers- and there is a market for this. According to a Forrester Research, cross-border B2C e-commerce is expected to more than double to reach \$629 billion by 2022. (O’Grady, 2017). The internet allows business to be more connected to customers, no matter where they are. This give small business the ability to compete with larger companies. Mitch Michael Fertik, a Forbes contributor for small business strategy said, “On the new digital battleground, they can topple companies many times their size by enlisting the voice of

customer. And by building advocacy through engagement, they can win over consumer mindshare from even the largest brands in their space.” (Fertik, 2018). No longer is the small business confined to their region or local community.

Though the internet has seemed to penetrated almost every part of life, small business have yet to take full advantage. According to Top Digital Agency, 36% of small business still do not have a website. Not having an online presence is a strong disadvantage to companies. It makes a company appear to lack credibility. Small business should be keen to take advantages of the resources that are scattered across the internet whether that is social media and their commerce tools, or just the basics of having a website.

Opportunity and Innovation

Small business can often be tied to the word failure. People can be hesitant about starting a business due to the less than encouraging statistics revolve around failure rates. Fundora reported that, “20% of small businesses fail in their first year, 30% of small business fail in their second year, and 50% of small businesses fail after five years in business. Finally, 70% of small business owners fail in their 10th year in business.” (McIntyre, 2020). While these statistics can be daunting, it is important to remember that 99.9% of the business in the United States are classified as small business. Opportunity outweighs failure in the realm of small business.

As mentioned in theme one, sustainable development rests in the hands of innovation. And now, small business has innovation in its hands. Inc. published an article titled *How Small Business Owners Are Leading the Country in Innovation* that summarized Goldman Sachs' 10,000 Small Businesses Progress report. They pointed out that these business:

“overwhelmingly demonstrates that companies receiving a business and management education are significantly more active in research and development and using innovation as a means of growing. More than one-third are engaged in research and development for a new product or service. Nearly half are in the process of launching a new product or service. About two-thirds are improving the quality of an existing product or service.” (Greene, 2016).

Small businesses sometimes get overlooked as power players. But, they can often be more powerful than big business. Their agility and lack of bureaucracy can lend itself to becoming faster movers and innovators. Richard Branson, billionaire and serial entrepreneur, said, “Small businesses are nimble and bold and can often teach much larger companies a thing or two about innovations that can change entire industries.” (Branson, 2014). An article in Entrepreneur breaks down the five ways small business can out innovate big corporations. First, the speed of execution allows them to have ideas and act on them faster. Second, small businesses have faster access to business resources. Smaller teams can pivot to support new projects better than in large corporations. Third, the smaller team environment can foster an innovative spirit. Fourth, it is easier to get companywide innovating support. For projects to be successful top down support drives that success. Finally, you can measure innovating easier. Smaller teams have more transparency and you can push employees to be more innovative and reward accordingly. (Sponseller, 2015). What are now major corporations in the United States once started as small teams, often in someone’s basement or garage. Their original innovation and disruption that boosted companies such as Apple, Facebook, Tesla, PayPal, or Uber all started as agile small companies taking advantage of opportunity.

Research Methodology

Survey

As part of the research for this paper I conducted a survey to gauge peoples' attitudes towards sustainability and small business. The survey was written using several existing surveys as base questions and I added on additional questions that I believed would give me further insight into customers attitudes.

The survey was finalized on Qualtrics, approved by Institutional Review Board (IRB) at the University of Arkansas. Next, the link was posted to my personal LinkedIn and my advisors LinkedIn. I personally sent it to people as well, Finally, I posted the link to the survey in a variety of GroupMe's that connect people of a variety of backgrounds and ages.

The responses were collected and reviewed. Out of those who responded 86% were born in America, 14% were born in India, 2% were born in Germany, and 2% in Sweden. 61% were students and the remaining 39% were full time employees.

Internship

The past few months I have been a supply chain intern at UpSpring Baby, a company that sells pre and post-natal care products for both the mother and child. UpSpring defines its mission as twofold:

“to empower you to parent with confidence, and to give you freedom to enjoy motherhood even more. How we do that? By finding innovative solutions to the everyday health and wellness challenges and frustrations that you face as the mother of a baby or young child.” (UpSpring, n.d).

The company was founded in 2005. In 2019 UpSpring was acquired by Reckitt (RB). Though the company was acquired, it still functions very independently as it has retained its CEO and RB has not yet fully integrated it into its brands. The company has around 45 employees.

Since UpSpring has retained independence and RB functions more of a supporter than in charge of the company; UpSpring still functions like a very small business. The company has aggressive growth goals. In the next few years UpSpring is striving to scale the company tenfold the company and make it into a globally recognized brand.

Case Study Application

Clearly small business is the engine that keeps America employed, funded, and moving forward. Sustainability is the future. Customers and investors have taken a keen interest in sustainable efforts and income statement are starting to reflect that there is a ROI on sustainable efforts. As humans, we are called to steward the planet and resources we have. While the fear that has surround the environmental “crisis” may be exaggerated and unnecessary as a whole, moving forward in the most sustainable way is the best way to ensure future generations get the chance to create their space in society. Therefore, I believe at the intersection of small business and sustainability we will find our cleaner future. Small business has the influence and

manpower, if done correctly, move in a truly socially, economically, and environmentally way of doing business.

Findings

Best Practices and Application

UpSpring's ambitious growth goals are not without subgoals. The company hopes to integrate sustainability into its processes as it scales. Through my recent work at the company and my research I have established 5 critical spots in the company where best practices can be implemented that have a twofold effect; they will help the company scale efficiently, all while creating processes that are more sustainable.

Data

In an article published in the Harvard Business Review the authors broke down ways to make a business more sustainable in steps. First you have to assess the problem and find objectives. A substep mentioned is to consider "How much waste is the organization creating?" (Spiliakos, 2018). Now, let's define waste as any inefficient process, not just physical waste. For companies to find areas where they are producing waste they need to be able to see into their company. Christian Ofori-Boateng, a Forbes Technology Council member, wrote in an article that:

"Rather, data and the insights it provides are powerful tools used to identify, assess and resolve business problems in real-time. In this way, data science can be applied to business problems to improve practices while reducing inefficiencies and redundancies – strengthening customer satisfaction." (Ofori-Boateng, 2020).

If companies are able to have organized, clear, and up to date data they can gain greater insight into their processes and highlight inefficiencies.

UpSpring does not have clear and organized data. Therefore, the first recommendation I have is in an area that I think is the most pervasive since it spans the entire company. UpSpring should work to improve their data. The company currently has NetSuite as an ERP system. However, not many people in the company are proficient with it and its full features are not utilized. Data, including product names or codes, are consistent or up to date. If all the data is not "clean" then the system cannot be optimized. Reports will not be telling managers as much information as they could be if the data is not aligned through the entire system; informed, smart, and the most efficient decisions cannot be made without transparency to how the company is actually operating.

One tangible spot that Upspring can use better data to make sustainable decisions in in their logistical practices. For example, if UpSpring starts looking about who and when they are shipping out product they may be able to find areas where they can decrease the amount of shipments and increase the weight per shipment.

I have seen the data first hand during my internship that shows Upspring does indeed have inefficient logistic practices and have shared the information with the general manger and sales VP. The teams are now working to consolidate shipments. Doing this will save the

company money and also add significantly less emissions to the atmosphere and putting less wear and tear on the roads.

Utilization of well-organized data can lend itself to aiding all three aspects of suitability: environmental, social, and economic. This is possible because data, yet again, enables transparency in the company. Smartsheets, a dashboard and process flow management company states that:

“A culture of transparency, in which a company makes its strategic plans, playbooks, short-term and long-term goals, financial earnings, and important metrics available to all employees, increases visibility into department performance, promotes a healthier exchange of information, and can improve morale and engagement. Transparent, thoughtful, and precise internal communications strategies provide employees with context for decision making at the executive level. This boosts internal enthusiasm, company pride, customer and product advocacy, and motivates internal teams to refine processes to make them more lean and scalable.” (Danos, 2021).

Assuming UpSpring is able to round up, clean up, and organize all its data choices can be made that foster better employee health. This hits the social sustainability metric. Employee resilience could go up while turnover could go down. An environmental examples has already been given for the effects of clean data. Finally, economic stability can be fostered through clean data. Dashboards can be created to show spend, invoices due, along with other financial indicators. Keeping the company in a good cash positions better established the company for longevity and therefor economic stability and growth.

Technology and Automation

UpSpring has continued to be innovating in its products as each year new lines are released. This innovation however is not reflected in the internal process in the company. In my internship I have mapped every process in the supply chain. Technology is severely underutilized.

Currently, printing papers is a top form of moving information through the company. For example, when a purchase order is created that file, along with at least 5 other papers, are all printed, taken to the warehouse, used for receiving, signed, taken back to the office, scanned, filed online, and filled in a supply cabinet. This specific process happens multiple times daily. There are countless other examples where files are printed and exchanged with others.

Celiveo, which is a printing and document management company reports that, “The core reason for reducing usage of paper is that whether it is polluting: production of 1 ton of copy paper produces 2,278 lb of solid waste and 5,690 lb. of greenhouse gases (the equivalent of 6 months of car exhaust, and not the greenest car)” (Celiveo, 2017). Given, UpSpring is not using 1 ton of paper (as far as I am aware), but it goes to prove that cutting back on the excessive amount of printing helps reach environment sustainability. Solid waste is reduced from paper, but also buying an excessive amount of ink is eliminated. Less ink cartages will go in the trash and ink chemicals will stay out of the ground and water stream.

Instead of printing so many papers for approval and information sharing, UpSpring could use Power Automate by Microsoft. The company currently uses Microsoft suite products so the transition would be at no extra cost. Microsoft states that, “Power Automate is a service that helps you create automated workflows between your favorite apps and services to synchronize files, get notifications, collect data, and more.” (Microsoft Docs, 2021). Documents needing approval could now be signed and filed online. The need for printing could be almost completely eliminated with the implementation of technology.

Furthermore, technology can lead to greater automation in the company. Doing so would free up employees time to focus on more on projects that scale the company faster and have a greater impact on sustainable goals. As Dr. Lomborg said, we should look for areas where the least amount of money and time can go the furthest for environmental aid.

Transparency

As previously mentioned transparency with internal company functions can lend itself to lots of benefits for UpSpring and their sustainable goals. However, I proposed that UpSpring creates some transparency on the public front. UpSpring prides itself on being science back and inspired by nature. On their values page they state, “So when it comes to anything that goes in your baby's or your body, we'll go with Mother Nature every time. That's why we use nature-inspired ingredients in our personal care products or supplements.” (UpSpring, n.d.). I personally know that yes, the ingredients that go into our products are natural and sourced well, but the public is not quite as aware. UpSpring could begin to show consumer what type of ingredients (while keeping trade secrets) go into products or have transparency in where we source from. This not only gives the brand more credibility, but if we publicly state where we source from it assures that we are above board. We would have to ensure that yes, our suppliers are socially sustainable and treat workers well. In addition we would have to ensure that factory meets regulation. Other prominent companies like Patagonia have begun to give customers insights into where their products come from. On the bottom of each product page Patagonia list the mills and factors the clothing material derives from. (Figure 5).

According to the research I conducted, when respondents were asked to answer the question that stated “There are many potential ways for a company to integrate sustainable into its supply chain. Please select the level of important for each possible initiative.” Under the extremely important category transparency in supply chain was the number one response followed closely by ethical sourcing. (Question 21).

Packaging

In 2020 UpSpring shipped over 12,000 DTC orders. In the coming year they hope to at least triple that number. Each of those orders were either shipped in vinyl mailers or cardboard boxes. Sometimes, sustainable initiatives do not have to be elaborate, expensive, or multi step; they can be a very easy exchange. In this instance, UpSpring could exchange the mailers they currently use for a more sustainable option. For example, the company Noissue, claims their mailers are, “the perfect alternative to plastic poly mailer bags is here, and it's completely

compostable. Our 100% Compostable Mailer is a great step towards sustainable packaging, and can be composted both at home and commercially.” (Noissue, n.d.). In addition, this particular company offer custom branded mailers when 25,000+ are ordered. By making a switch to more compostable product UpSpring can reduce their waste.

Pertaining to the growth side, this sustainable switch is also a viable option. Sending products in branded mailers enhances the customer experience and heightens brand loyalty. Based on the survey question that asked, “How concerned are you when companies produce or send produces with excess packaging or shipping materials?” 35% of respondents said they were very concerned with the amount and type of packaging they received products in. By using mailers that are compostable they show their customers they are conscious of the environment the children they are supporting thought their products will be growing up in. The natural side of the brand will become two fold.

Product Redistribution

Finally, this best practice recommendation is extremely heavy on social sustainability. Currently, when UpSpring receives returns from retailers or DTC customers the products are simply thrown away. They are not ever resold they just go in the dumpster no matter if they are damaged or not. I recommend that UpSpring donates the undamaged products to local pregnancy clinics. They are adding to the waste by just throwing the products away. As long they are viable the company could put the product in the hands of those who could use them.

Not only does this reduce the companies waste output, but it also gives people exposure to the brand who many not have known about it before. It contributes to social sustainability because they may be aiding people who would not have had access to quality product that benefit their health unless they received them at a clinic. Donating the products to pregnancy clinics would be no extra cost to UpSpring either; they could set time slots up for the clinics to pick returned product up from the warehouse.

Case Study Conclusion

The proposed recommendations leave UpSpring better positioned better for growth and to tackle sustainable goals. Currently, the company does not operate in a manors that supports its sustainable goals; UpSpring needs to make vital changes in order to put their sustainability goals at the forefront.

All suggestions for better data management that foster clearer and more sustainable decisions to reducing product waste put UpSpring on a more sustainable path. In addition they pull the company towards growth faster. If they are looking to 10x the business in a reasonably fast time the choices made now will be crucial for the companies development and new foundation. By riding the company of economic waste it allow them to allocate those once wasted resources on projects that support growth and sustainable initiatives within that growth.

Limitations

Overall, the research process was fairly easy. Information was readily available. What was not as readily available as I would have liked was people to fill out the survey. I posted on LinkedIn, personally texted it to a multitude of people, and posted it a variety of GroupMe's that have a decent amount of members. I was aiming for at 100 responses, but I was only able to get 64. The data that resulted from the survey was useful, it just would have been better justified if more people had filled it out.

Though I feel the thesis is of appropriate length, there are some controversial topics I wish I would have included. Sustainability is often associated with clean energy like wind or solar, perhaps electric cars are thrown into the mix. There are a lot of things that have good curb appeal but in actuality may not be as effective for environment change as they seem. For example, shutting down the Keystone pipeline was one of the first actions the Biden administration took. Gas prices have already gone up and now the United States is having to fulfill that oil demand from somewhere else. Thought the pipeline stopped, people using oil did not. So who are we going to get it from? People with less clean ways of harvesting it. Then there is the thought in regard to what about people who do not have the same economic power as the US. In episode of *Hold These Truths with Dan Crenshaw* Crenshaw said:

“But African countries don't care about that as much. They have different priorities, usually like food and clean water and just jobs and just surviving. Same with many other countries. So you know what I'm the argument I'm always making is somebody is going to provide that energy. It should be us. And if you if you seed dominance to Russia, Saudi Arabia, Venezuela, Iran, you actually stand to increase global emissions. I mean, just I don't see it any other way out of that.” (Crenshaw, 2020).

So, ideally I would have included points about things that are traditionally considered being green that do not at all yield the affect they need to at the price and time they take to implement. Then I would have further discussed the need to get the world on board. Yes, we in America should do our best, but the system that is created need to be transferable and especially transferable to those with much more limited resources.

Additionally, I wish I would have had the time or space to look into the Green New Deal. There is a lot of controversy sounding this proposed aid to climate crisis. In the same podcast episode of *Hold These Truths with Dan Crenshaw* Crenshaw said:

“I think when it comes to climate change policy, I mean, not that we shouldn't address it, not that it's not real. We're not having that debate. The debate we're having is what we should do about it and what makes sense and what doesn't. And as we all expected, as soon as Biden took over, a lot of a flurry of executive actions came about. And there's obviously it's pretty obvious that the way they believe in tackling climate change is along the framework of a green new deal, which is which, if I had to describe what that means, I would say it's almost religious adherence to solar and wind and renewables as the only way to battle climate change and a lot of things that feel good but don't necessarily do any good.” (Crenshaw, 2020)

The Green New Deal when actually broken down may not fulfill the intentions says it has. If there was more time I would have additionally commented on how specifically it falls short and the fallacies that it is riddled with.

Conclusion

From the German vernacular to a modern day business and cultural buzz word sustainability has gone a long way. By definition, sustainability seeks to elongate and use resources well while creating systems that will withstand the test of time. Likewise, small businesses by natures have stood the test of time in America. Due to the heightened awareness of environmental concerns and humans and business interactions with the environment we should seek to be more attentive with our actions and their effects on the world around us.

Small businesses in the United States holds tremendous power. They employee 99.9% of the US workforce, it's has favorable appeal from customers, they contribute majorly to the GDP, and are positioned well to be the driving force of invocation in the country. Sustainability has begun to prove itself profitable both on an ROI side and on a customer appeal side. Large companies are making billions of us sustainability minded business plans and investors are starting to put their money behind similar companies even more frequently. These reason and more are why if small business begin to implement more sustainably practices with furvert large strides can be made at stewarding the place we hope our children's children children will be able to utilize for their own move in humanities journey of progress.

Knowing these things I applied the knowledge to a case study at the company I am currently interning for- UpSpring. UpSpring is a small business with big plans for growth. Given the nature and the resources that UpSpring is backed by I made recommendations ranging from utilization of data, to transparency, to packaging solutions on how the company can incorporate sustainability better into its growth initiates.

Finally, when I asked survey respondents "Do you think that sustainability should be a big focus of companies?" out if the 32 responses 38 were clear and urgent yes's. One of the respondents who was not a extremely clear yes stated, "A company is beholden to its shareholders most of all, but they are also to beholden to their customers. It is important to keep the values of both in mind when charting a company's course." (Question 16). Thankful, companies have now moved into a business environment that allows them to support the environment while staying in the green. Now, let's go grow in the green while being green.

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Appendix

Figure 1:

What do you consider the condition of the natural environment of the world is today?

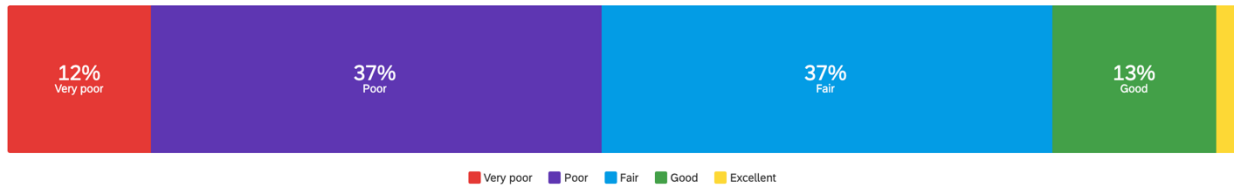


Figure 2:

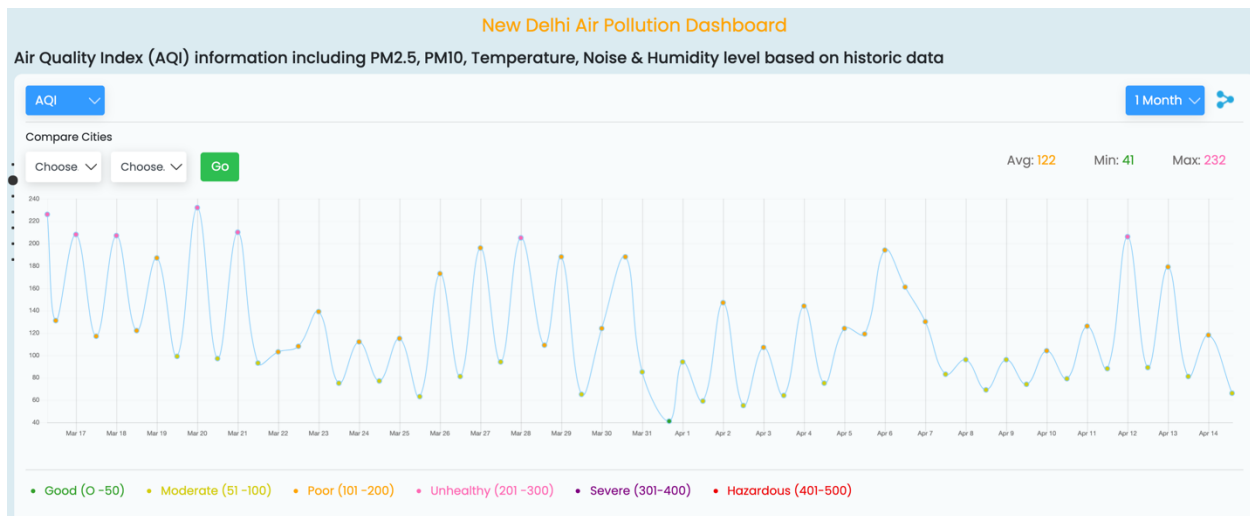


Figure 3:

Reasons for Confidence in Small Business	
Based on those who have a great deal/quite a lot of confidence in small business	
	Great deal/Quite a lot
	%
American dream; backbone of the economy	29
Personally invested; determined; accountable to customers	28
Create jobs for local people; community involvement	14
Respondent or family owns/owned small business	13
Had positive experience working for small business	7
Ingenuity; innovation	5
Trustworthy	2
Trump's involvement with	1
Positive experiences dealing with small businesses	1
Other	6
None	<1
No opinion	2
Percentages total more than 100% due to multiple responses	
GALLUP, JULY 5-9, 2017	

Figure 4:

Q19 - If a product is available locally but slightly more expensive will you choose to shop local?

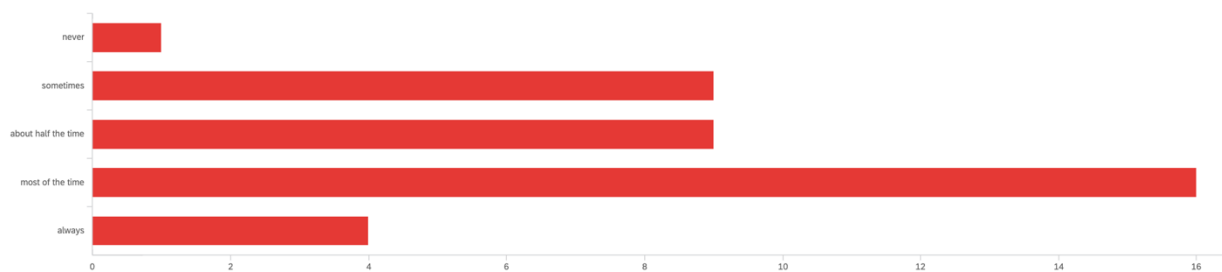


Figure 5:

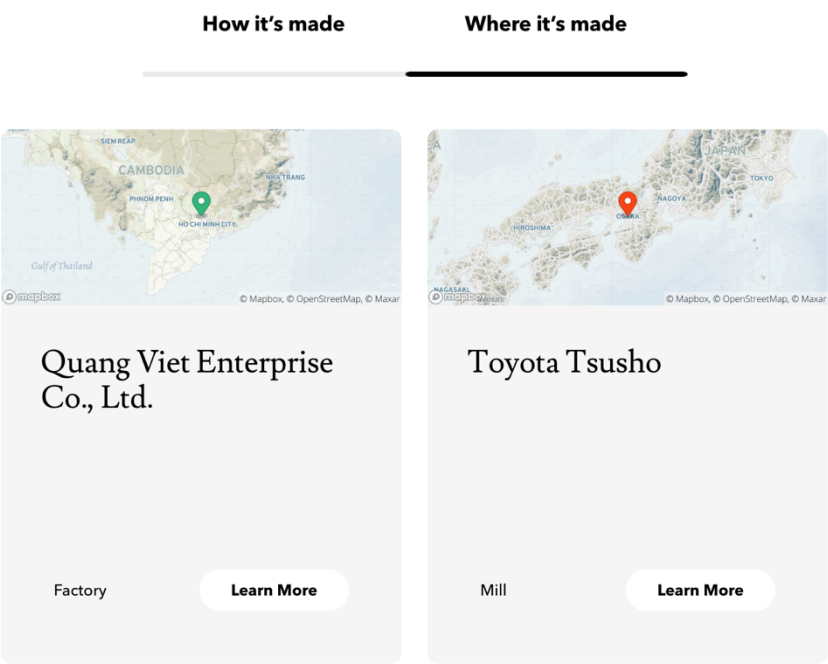
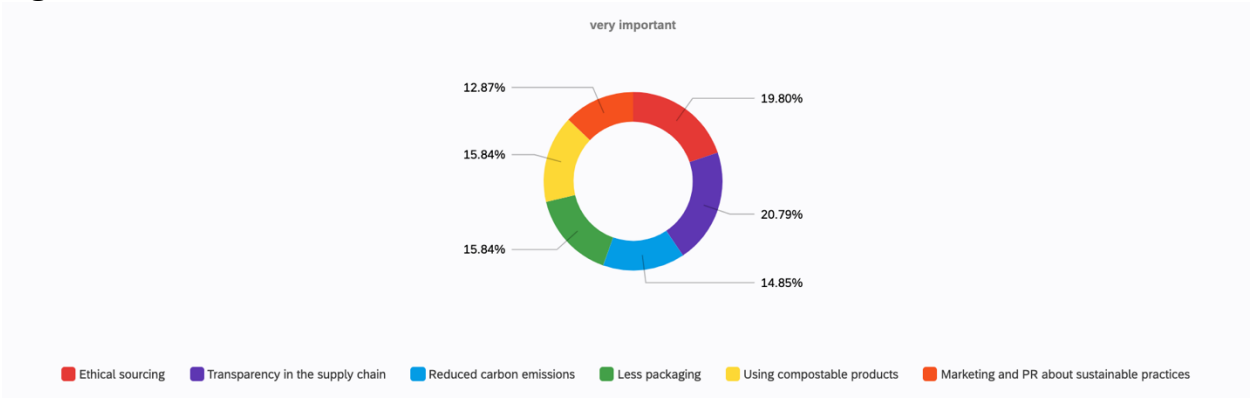


Figure 6:



Complete Survey Responses:

Q2 - Define sustainability in your own words. There are no right or wrong answers.

Define sustainability in your own words. There are no right or wrong answers.

Conservation of natural resources, reduction of waste, increased recycling opportunities, reasonable hiring and working conditions.

Sustainability is creating viable systems that are able to respond to change and maintain in place for years to come

Ability of a process or activity to be prolonged with no diminishing of resources or damage to the environment

Being environmentally conscious

Working with materials and operations in an environmentally friendly/conscious manner.

How useful something is for a specific person.

Acting in a frugal manner to maintain the current landscape of an environment

Sustainability is making the best use of resources/materials now so that future generations will still have resources/materials for them.

Caring for the environment

A method of consumption or conversion of resources that produces a reusable or inert waste product

Is the process of reducing one's footprint (impact to natural resources). You could define it also as giving back what you are taking from the natural resources of our Earth.

Something that can run on its own with little to no maintenance.

sustainability to me is using something that can be reused or have ecological based ideas to help the planet

Not wasting natural resources, and maintaining our earth for future generations

Good for business!

The ability to operate or function independently

To keep something at the same level it was

Helping the environment.

Conserving where you can conserve and doing your best to be efficient and productive with what you have.

Ability for companies to maintain carbon neutral operations and practices that do not harm the environment.

Participating in actions that help to preserve the earth

Eco friendly

Sustainability is only using consumables that are produced without causing long-term or permanent damage to the environment.

Being able to use a material again over time, or continuing to use the item/service

Taking care of the earth

Sustainability is the being able to reproduce something with out. Outside help.

Being conscious of how your actions affect the world.

The ability to be reused or recycled for multiple purposes and to have a healthy life cycle - could be in regards to things, products, processes, company culture, etc.

A plan to implement and create a system that is intended to grow over time.

Circular product life, not linear.

The conscious effort to ensure the ability to maintain resources for the environment. In order to meet these needs, there is no compromising of future needs. This can also be considered in the economic or social realm.

To me, sustainably means maximizing production values while minimizing deleterious resource effects ...

Ability to be maintained at a certain level or rate.

Sustainability is being environmentally conscious.

Sustainability is the constant adjustment of practices to better mitigate and/or avoid long-term damage to planet earth and all the life forms it hosts.

Practices that responsibly interact with the environment

Leaving the earth better than we found it

Sustainability is long term viability of a product without government intervention or subsidies. In order for a product to be sustainable it has to be naturally competitive in the market. Many factors play a role in a market being sustainable; cost, performance against alternatives, availability, and so on. Environmental footprint is a variable in fuel sustainability but it is too often looked at in isolation.

Lifestyle choices, products, and behaviors that do not negatively impact our environment.

A perspective that involves minimal impact on the environment as well as a lower consumption of resources from "birth through compost"

Maintenance, the ability to keep something in a similar or comparable condition

creating an environment that can sustain itself by reducing the amount of things we use, reusing things when we can, and repurposing or recycling things for the same or other uses

Less government regulations and unnecessary government taxation.

Something that can be repeated continuously without degrading the output or straining the operating environment.

Processes, solutions and innovations that benefit the well-being of our environment and stop further harm

Something that will last over time

making choices in purchase, consumption, and behaviors that result in the least impact on our environment

An activity that leaves the world better than you found it, not worse.

A conscious effort to take action in caring for the environment through reducing pollution, waste, plastic, and using ethically produced ingredients and products.

a practice that helps lessen human's negative impact on the surrounding world

For environmental sustainability, this means that we are practicing conservation of the environment—limiting carbon emissions for example.

Preserving the natural state of the world

-Creating an infrastructure, operations, and programming for the future that allows your initiative/org to still make the same if not more impact than when u began. Sustainability allows for an org or initiative to still be effective, giving, & evolving with the times. Being

able to fill needs. Not ending after one or two years. Woven into the tapestry of our society and able to make transformational change economically socially financially.

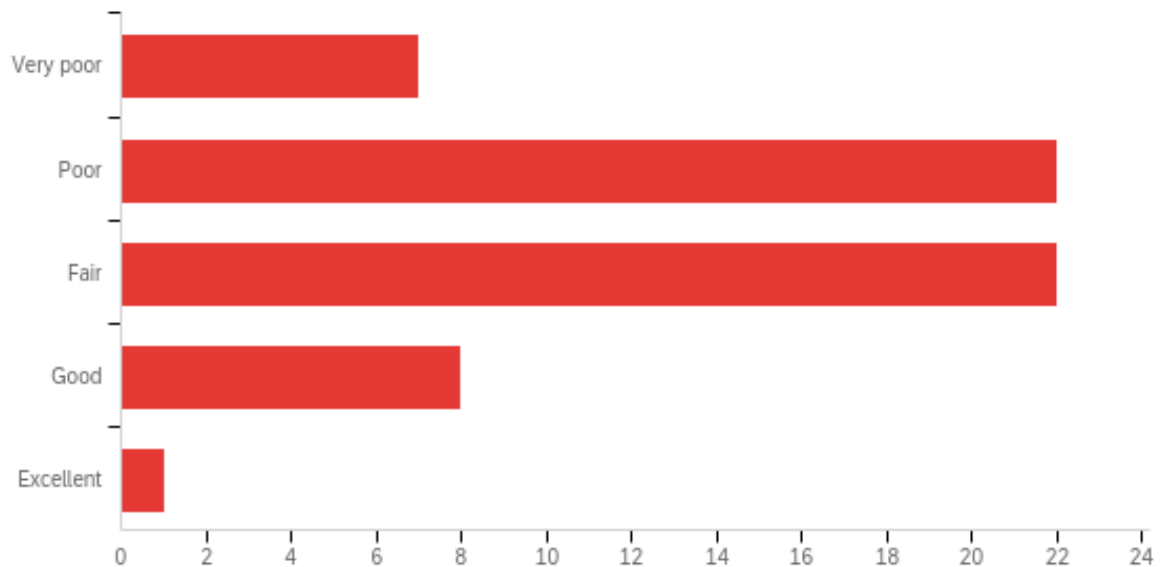
Able to make something last as long and efficiently as possible

A process or system that can maintain its current operations for a long time, not just a short time.

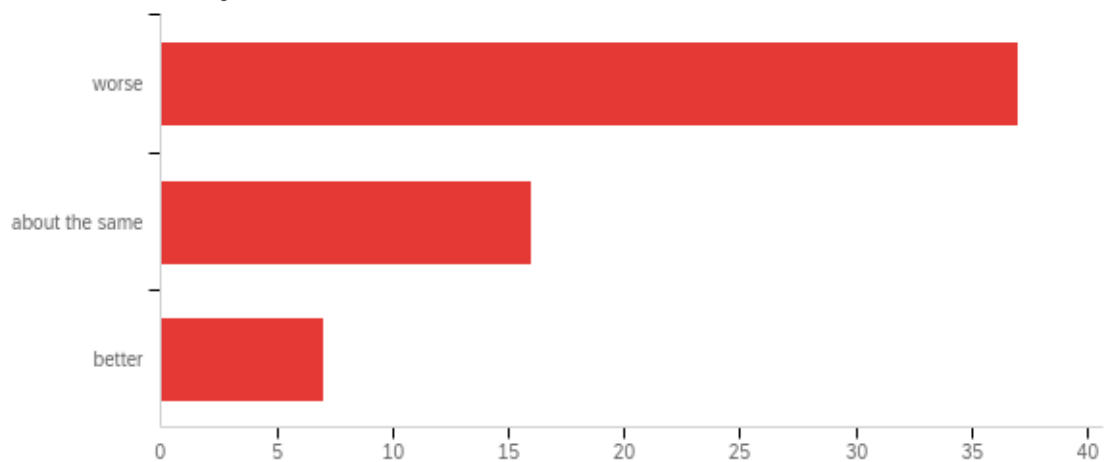
Sustainability is an act or process that is not harmful and thus can continue providing benefits indefinitely

test

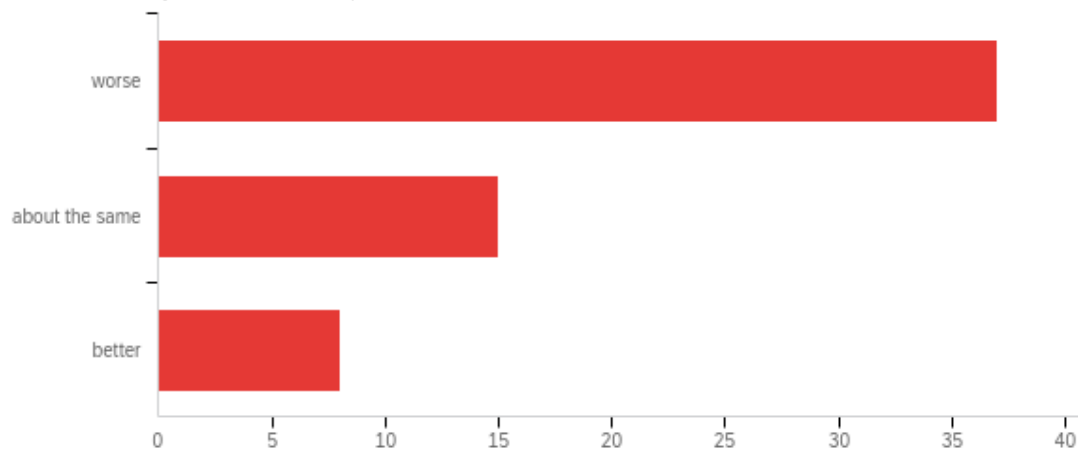
Q3 - The condition of the natural environment in the world today is:



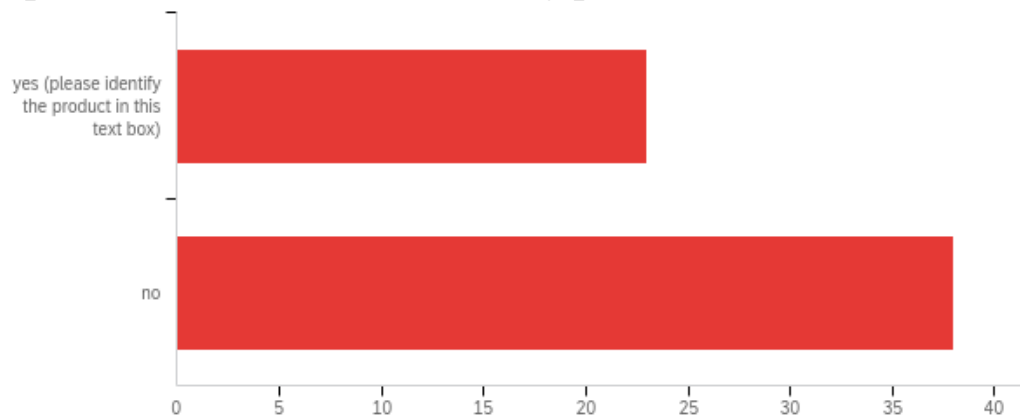
Q4 - Compared to ten or so years ago, do you think the natural environment in the world today is:



Q5 - Thinking ahead ten years from now, the natural environment will be:



Q6 - Is there a purchase you have made recently that you have been impressed with from a sustainability point of view? What is that product?



Q6_3_TEXT - yes (please identify the product in this text box)

Using shop pay (which offsets online shopping delivery emissions by planting trees)

Onyx coffee

I bought recyclable bottles.

A new pillow because I suffer from headaches.

No

men's traveling toiletry bag

no, but i am going to buy the new notebooks Target has that are made from recycled paper and the packaging is compostable and the pages are too!!!

Hydro flask

HEB milk Mootopia

Arbonne products

Misfits Market produce

Coffee cup and sleeve from a local coffee shop

With the ultimate recycling move I buy 15.5 gallons of beer at a time. Best part is the brewery feeds the grains to livestock and my capital flows throughout the economy

I bought reuseable grocery bags this week!

Girlfriend Collective clothing made from recycled water bottles

Reusable produce bag

Veestra - plant based food (better for environment) and packaging is all recyclable

Tide laundry detergent eco-box

love the company rareform - recycling billboards to create stylish bags, wallets, etc...they are SUPER durable.

laundry eco-box by Tide

Seed probiotics + cocokind

Patagonia jacket

Anything I buy from ebay

Q7 - In purchasing this product, what aspect of sustainability caught your attention? Check all that apply.

#	Answer	%	Count
1	Sustainable packaging	29.41%	10
2	Ethically sourced	17.65%	6
4	Companies publicized sustainable practices	17.65%	6
5	Product made with eco friendly materials	29.41%	10
8	Profits go towards a cause	5.88%	2
	Total	100%	34

Q8 - List three brands/products you view as sustainable.

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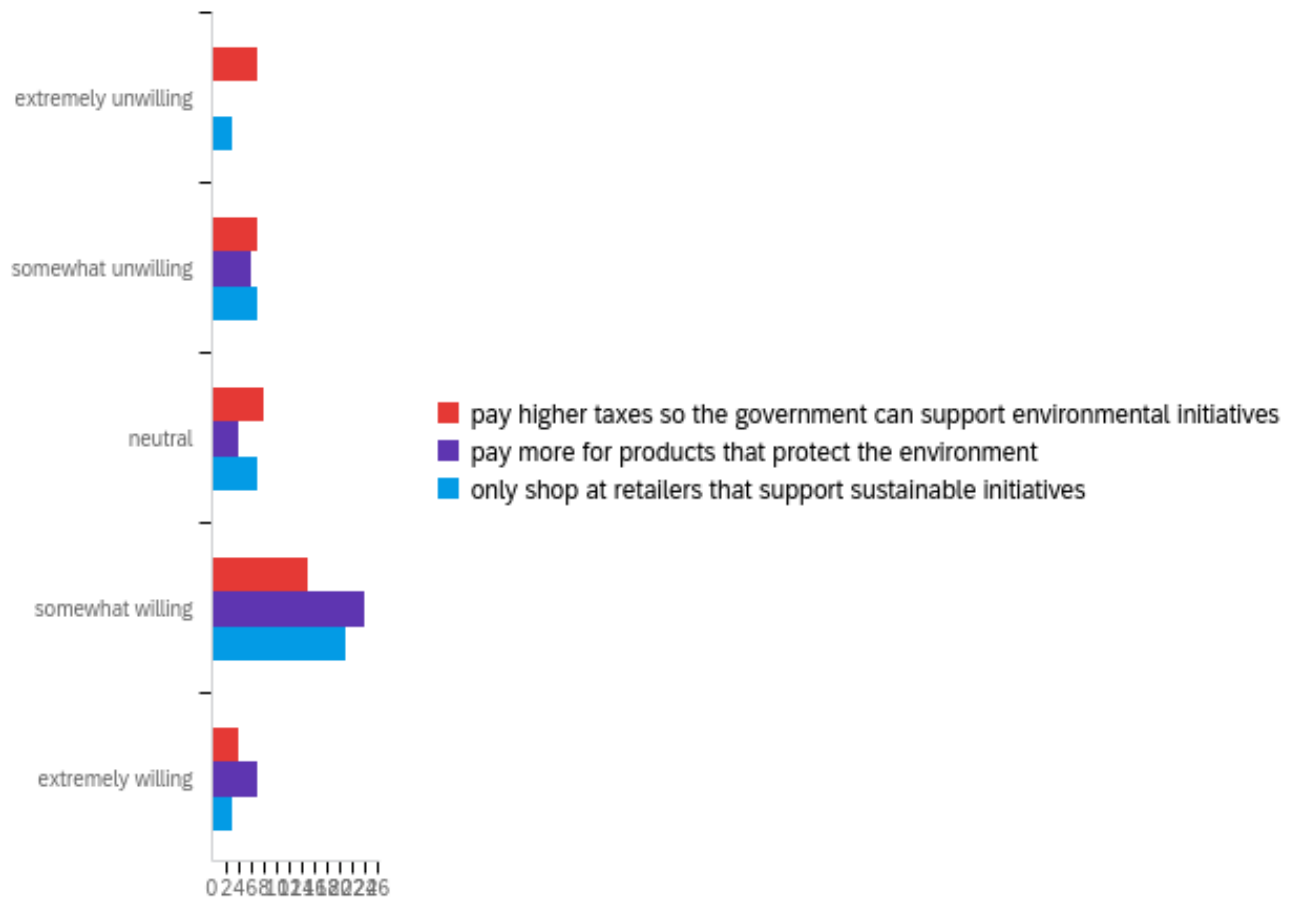
Q9 - I am going to describe four types of consumers. Select the description that BEST describes you.

#	Answer	%	Count
1	You think and act "green". You have negative attitudes towards products that pollute the environment and you incorporate "green" practices on a regular basis.	17.07%	7
2	You think "green", but don't always make "green" choices when shopping.	68.29%	28
3	You don't think or behave in an environmentally conscious way and you feel neutral about "green" issues	14.63%	6
4	The environment is NOT an important issue for you and you think the media pays too much attention to it.	0.00%	0
	Total	100%	41

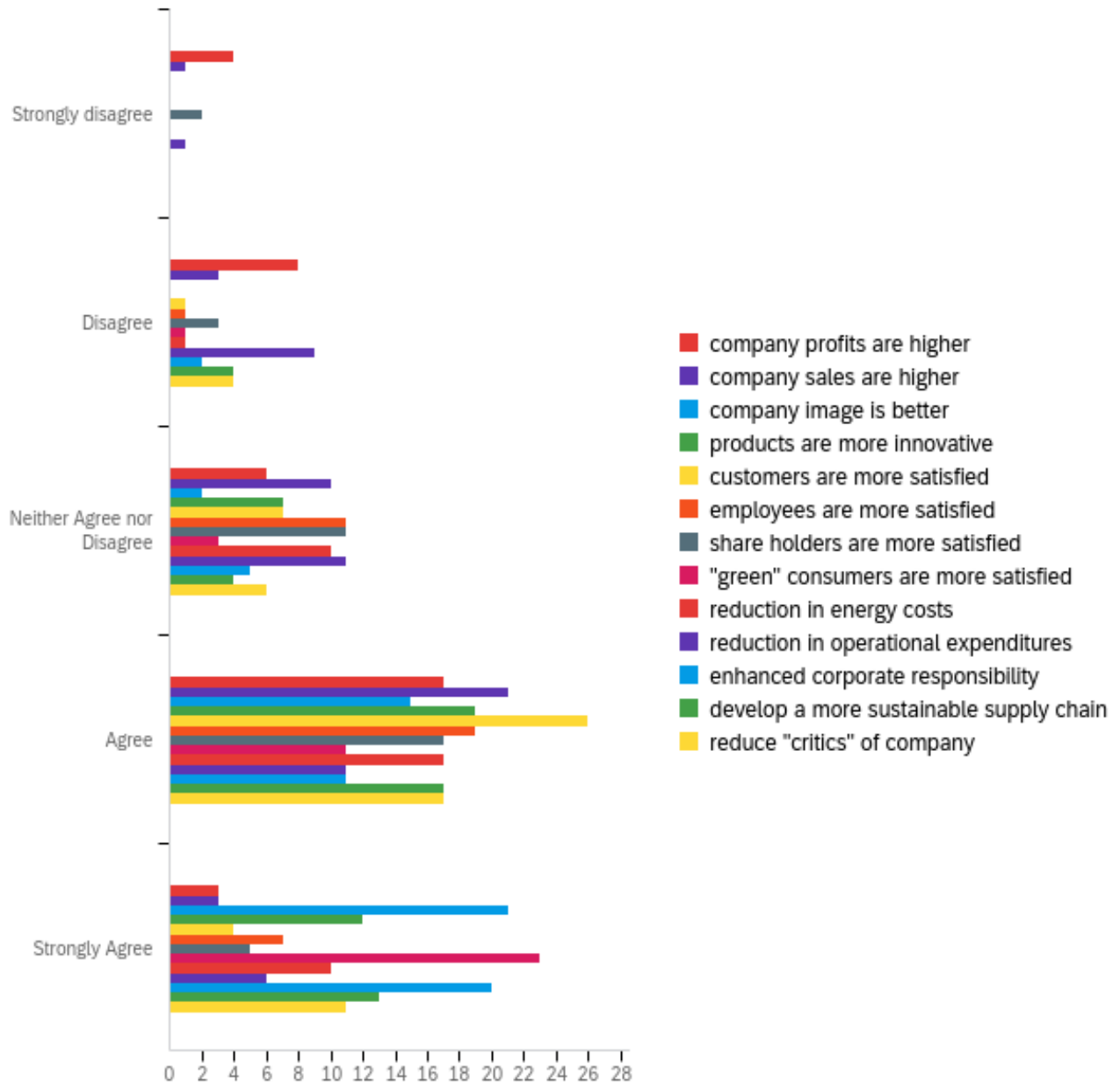
Q10 - We'd like to ask you a few questions about your shopping behaviors and general attitudes. For each statement, please indicate whether you agree or disagree.



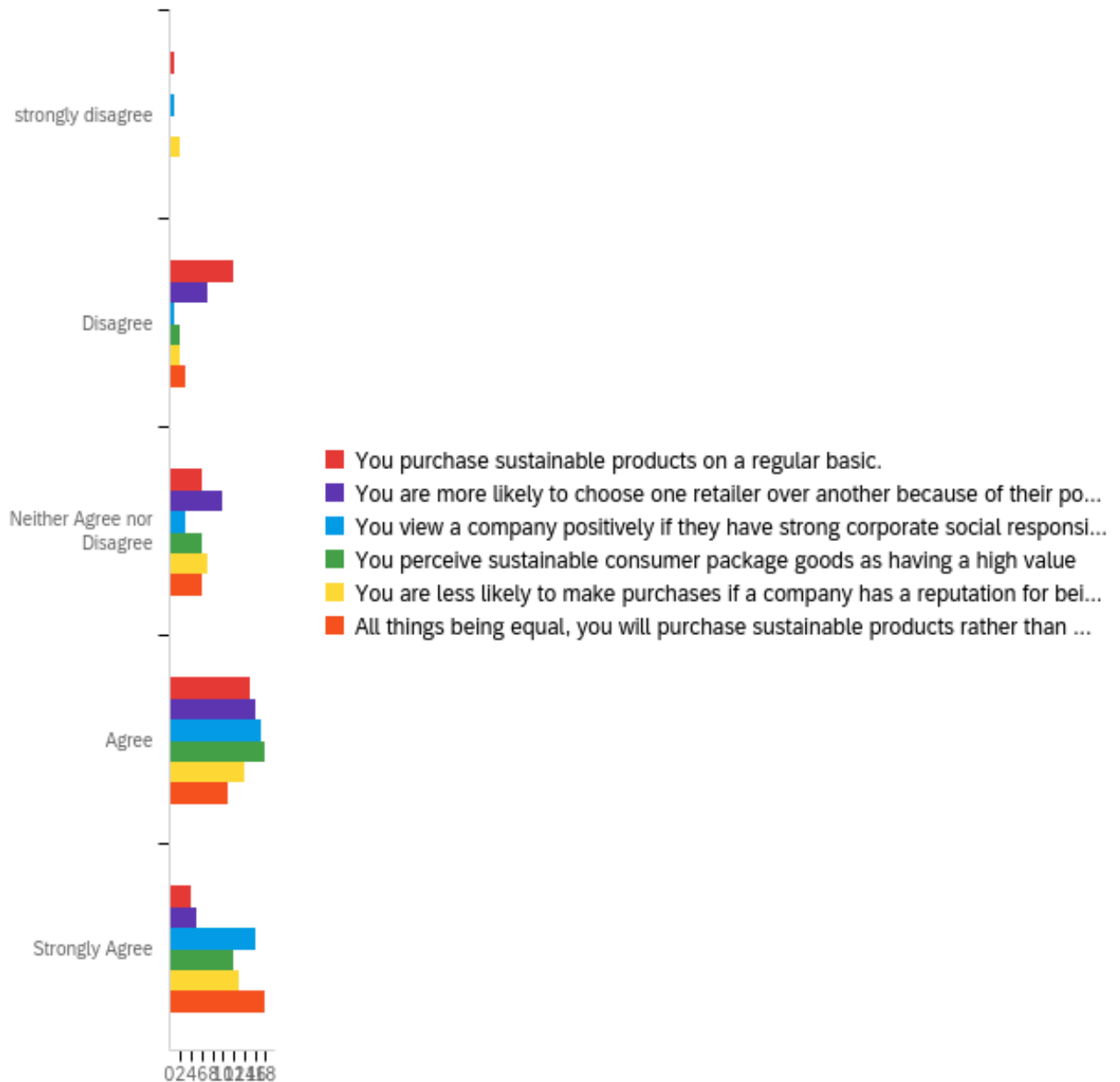
Q11 - How willing would you be to do each of the following?



Q12 - A lot of studies have been done which talk about WHY companies should think about sustainability. For each of the following, let me know if you agree that this is a likely outcome for companies that pursue sustainability.



Q13 - I'd like to ask you a few questions about sustainable products. For each statement, please indicate whether you agree or disagree.



Q14 - How much more are you willing to pay for a sustainable product as opposed to a similar product that is not environmentally friendly?

If the non-sustainable product is \$1 - what would you be willing to pay for a sustainable version of the same prod...

2	3
2	2
3	10
2	\$2
1.25	4
1.15	\$2
yes	1.10
\$4	2
3	+.05
2	2
2	5
1	5
1.5	1.05
1.25	\$2
1.50	1.5
1	\$1.20
1.50	4
	Yes

If the non-sustainable product is \$5 - what would you be willing to pay for a sustainable version of the same prod...

7.50	7
8	+.25
7	2
8	10
5.25	10
5.75	5.25
if clothing	\$8
\$8	6
7	\$5.5
6	10
6	Yes
5	6
7	6
7	6
15	7
\$7	0

6	5.50
\$7	

If the non-sustainable product is \$50 - what would you be willing to pay for a sustainable version of the same prod...

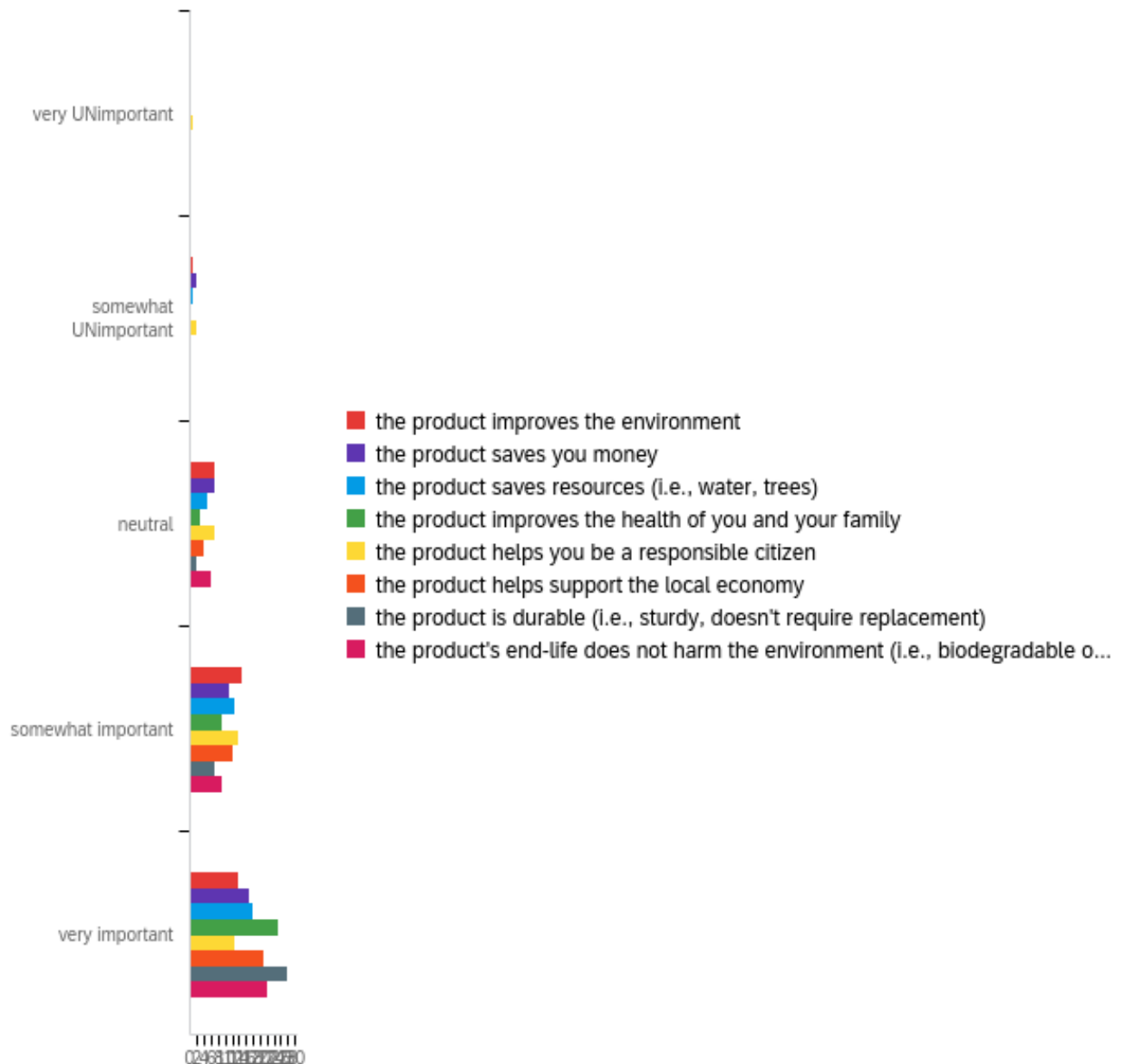
65	+2
75	5
51	75
65	75
52	\$55
68	\$60
no	60
\$60	\$52
57	75
60	Depends on the product
60	55
50	55
65	55
55	60
70	0
\$70	\$60
60	55
	60

If the non-sustainable product is \$100 - what would you be willing to pay for a sustainable version of the same prod...

120	\$115
125	110
101	120
120	+2
105	10
130	1500
no	135
\$120	\$105
115	\$110
120	120
120	\$102
100	200
130	Depends on the product
150	105
200	110

\$125	110
115	140
	0

Q15 - There are many dimensions to sustainability. Please think carefully about each of the following and indicate how important each dimension is to YOU.



**Q16 - Do you think that sustainability should be a big focus of companies?
Why or why not?**

I think it should. Being important stewards of the environment and paying it forward for future generations is incredibly important.

I think sustainability should be a focus of companies, in a big or small way. Companies are able to make a difference with the supplies and practices they employ. They should use this opportunity to make smart decisions.

yes because it's the future and it can attract a whole another target market

A company is beholden to its shareholders most of all, but they are also beholden to their customers. It is important to keep the values of both in mind when charting a company's course

They should if it fits within their business model. I would not put a company at risk of failing just to be green. I believe a bigger problem exist with individual responsibility in disposing of trash properly. Let's take the effort to no litter and police our trash before we start talking about manufacturing waste.

i think so because with companies being so large they can have a greater impact on the role and then if one does it others must follow to keep up demands

Yes, think about future generations

Yes, we need now to think green, we all want to live in a better world

Yes it helps everyone!0

Yes - it is better for longevity

How much a company should focus on sustainability is heavily dependent on the company, but ultimately I think it should be a focus of all CPGs.

Yes, long term production and effect

Definitely, social responsibility

Yes. The further

Yes, but only because sustainable companies tend to also be overall more ethical, particularly in regards to employees, which I see as the most important thing outside their product or service.

Yes - if not, the world we live in will not remain the same for those companies to survive

Ish. The thing that's not sustainable is the over consumption mentality of developed nations if all companies gave up the opportunity to make money in that situation and then another company would develop and take the opportunity so it's kind of a lose lose situation

Yes because one person really can make a difference so imagine if entire companies have this mindset

In light of the recent 'Green Washing' phenomenon as a marketing ploy to drive share prices higher, and being stuck somewhere between the Gen X and Millennial generations... I think sustainability should be holistic and not strictly profit driven. Sure, some of it is a marketing gimmick, but why not try and spend the little bit of extra money to produce G/S as a measure of goodwill to everything you share the planet with? I get that the object of companies in unrestricted capitalism is to make all the money, or extract all of the financial/economic wealth possible - but at what cost? For example ... microfiber towels and Teflon (PFOA) are great in the short term ... but now 99.9+ of people tested have residual particles of that crap in their

bodies ... was it really worth it to ruin the ecosystem/biodome for all living things so that 30% of the human population (developed countries) could not have to use a little bit of oil to make scrambled eggs, or take an extra 2 minutes to dry off or polish something? The worst part is when the smart folks who created the monster and realized what they've done can't stop the corporate profit making machine it's created ... and instead of lynch mobs exacting revenge on the people and firms who enabled these atrocities, the firms buy their way out of wrongdoing with the enormous profits they made, and in light of the sheer magnitude and complacent normalcy of similar occurrences, the average person is unaware, complacent, or numb ... and biosphere continually suffers

YES! It is the future of our planet and people. A lot of large corporations have economies and the power to influence change across the world.

Sustainability should be a big focus of companies. Individuals can recycle and ride bikes and not eat meat, but at the end of the day corporate polluters are responsible for nearly all ongoing emissions and environmental damage today. Because corporations are the polluters, it's their responsibility to clean up after themselves and stop their environmental mess from harming people, animals, and the planet.

Yes. It is in the best interest of the environment in the long run

Yes. Primarily, I believe that businesses have known for years their practices have historically not been sustainable, so they somewhat owe it to the world to rectify their missteps.

Yes, to create a positive impact in their local and global environment and to hold each other accountable

Yes - we have one world - we must care of it for it to nurture us

I believe there are many great causes that companies can support or integrate into their businesses; sustainability is one but I also believe there are many important things that I am just as happy for businesses to focus on

Yes - the future depends on it

Yes - I think companies are the ones who are capable of creating long-lasting cultural change to help the environment. While I think the government can help, it should not be their primary job because it is just another thing we would be taxed on, and our government is already inefficient in many things. Companies have the capability and innovation to be efficient and they are the ones actually producing goods and services that create environmental issues.

Yes because we need to protect the future of the planet

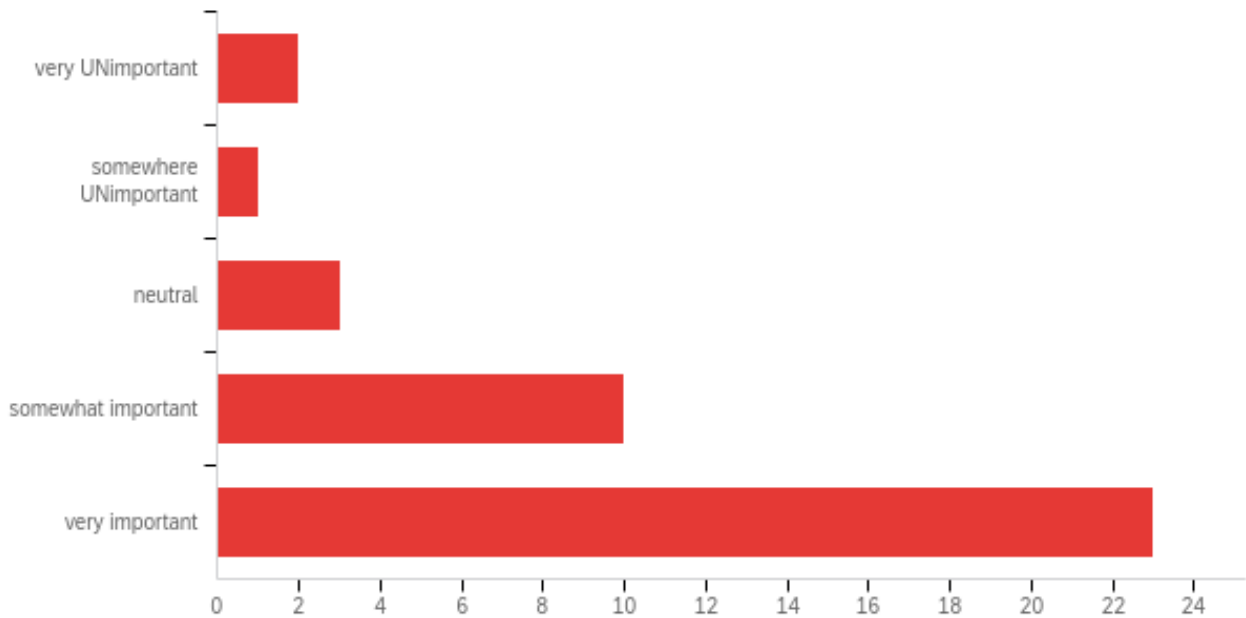
Yes, because it serves their interests, improves performance, the ability to achieve their mission and improve the communities in which they operate. Also improves their impact.

Yes, it is becoming more important

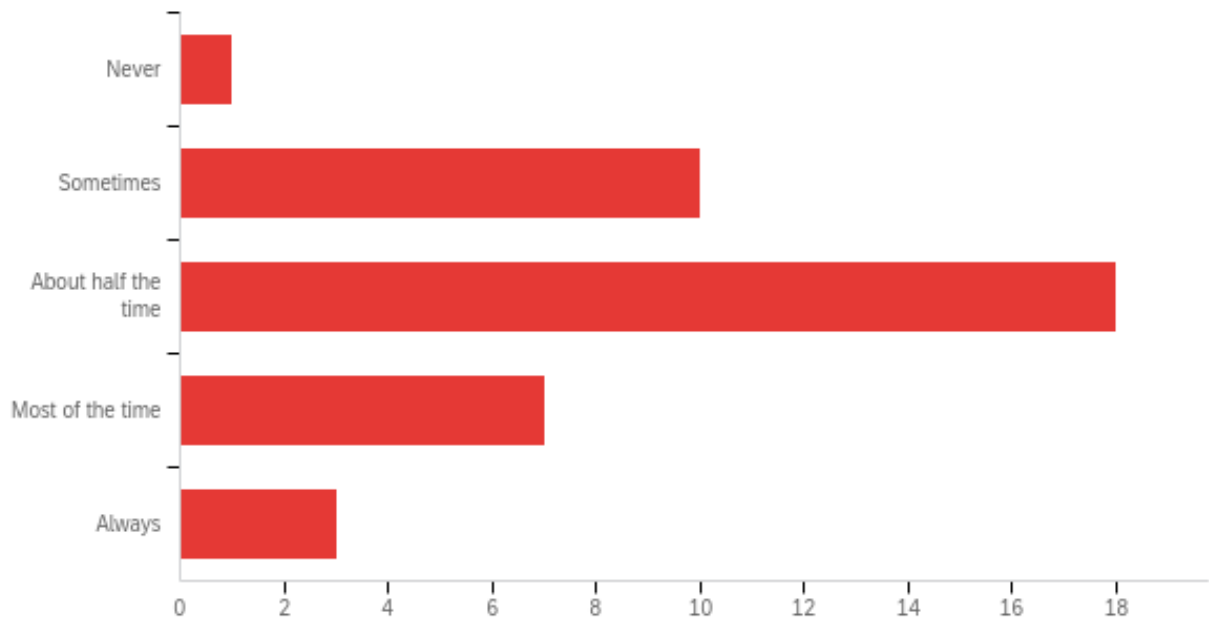
Yes because it incorporates long term thinking

Yes because it shows moral and ethical responsibility

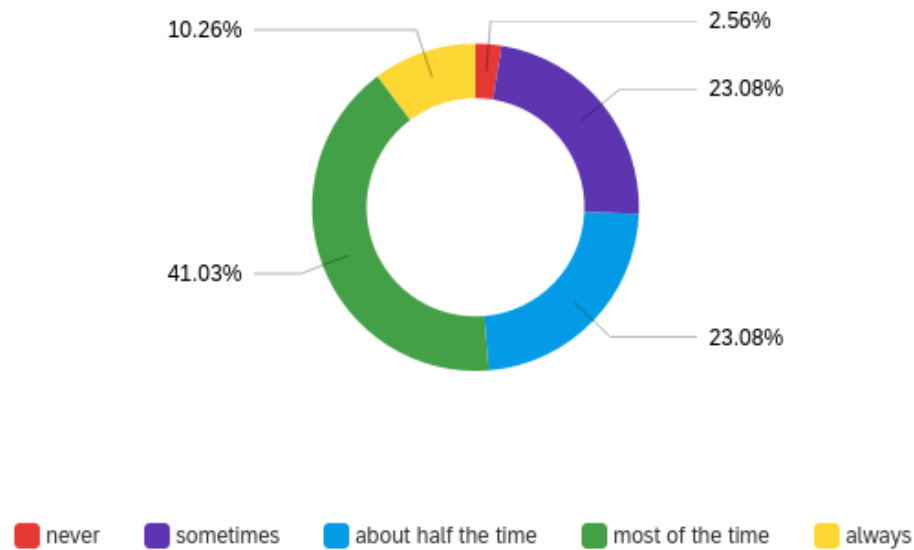
Q17 - How important is it to you that companies reduce their carbon emissions?



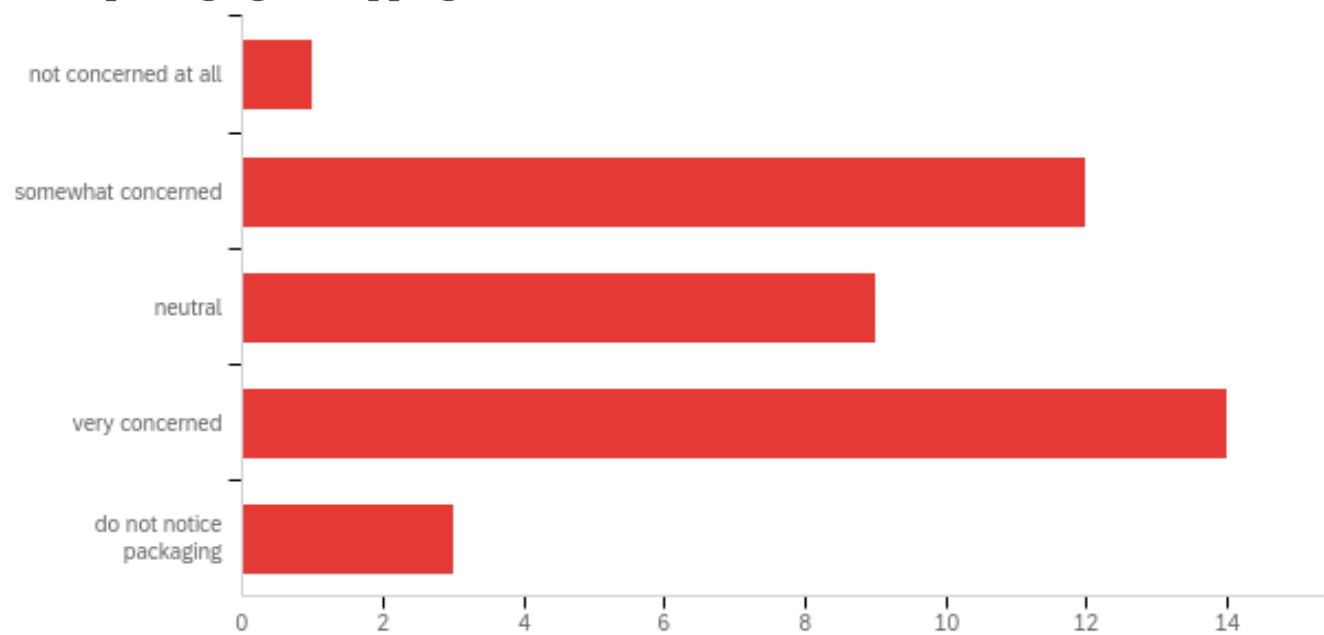
Q18 - How often do you shop small or local?



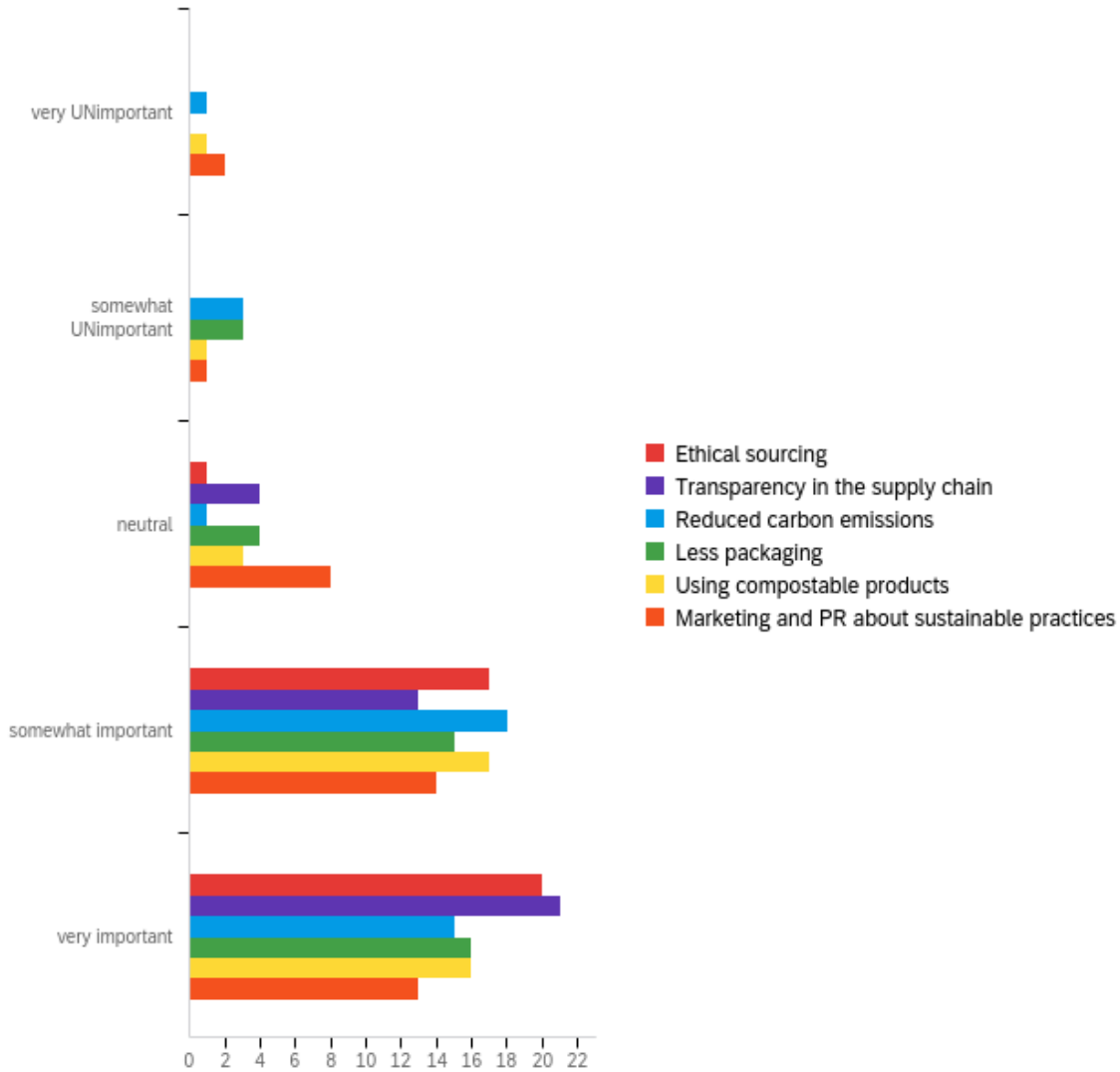
Q19 - If a product is available locally but slightly more expensive will you choose to shop local?



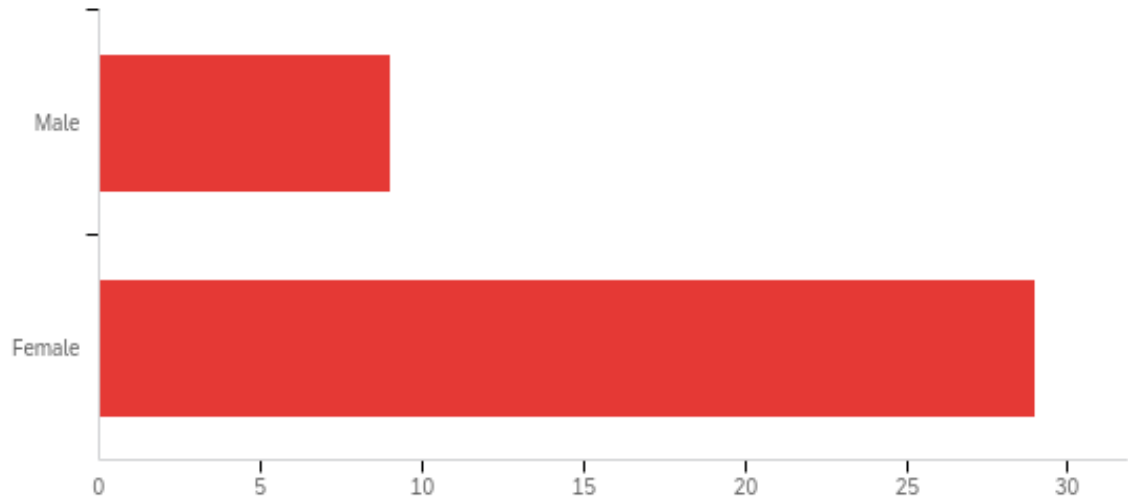
Q20 - How concerned are you when companies produce or send produces with excess packaging or shipping materials?



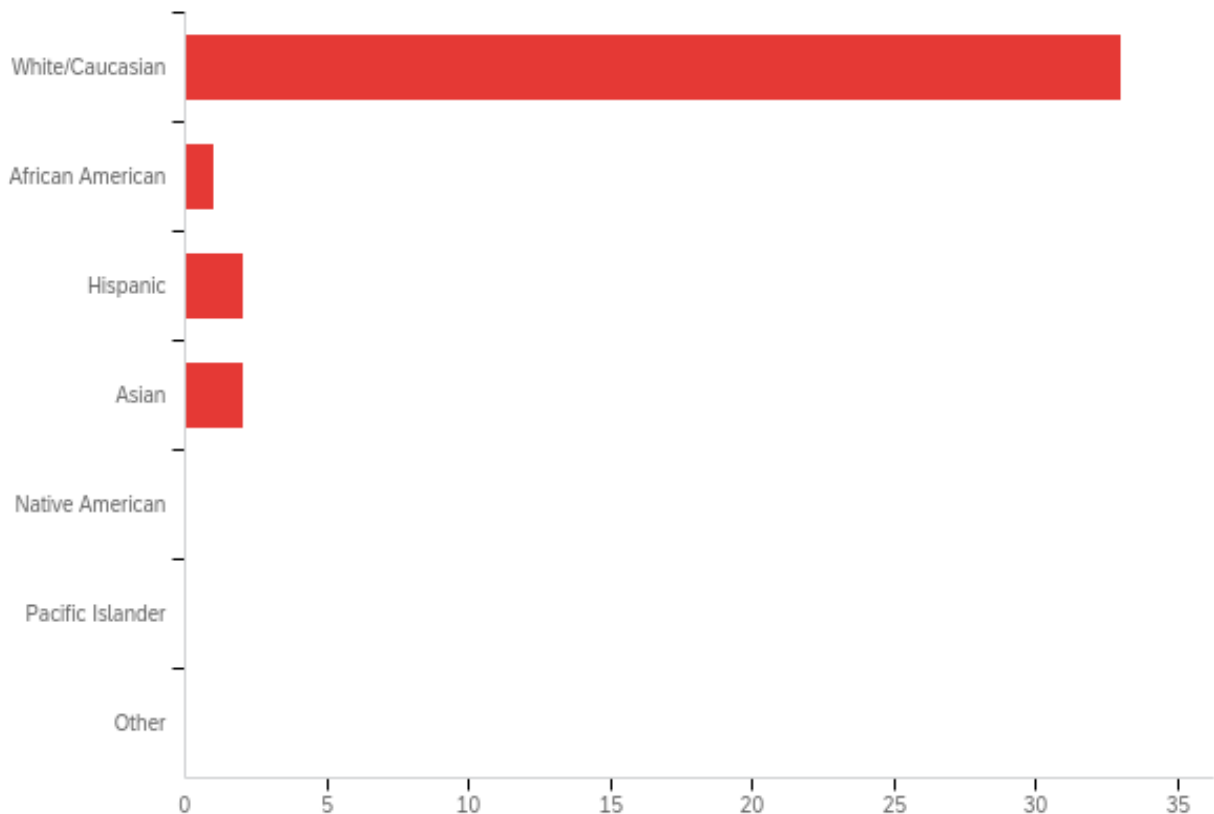
Q21 - There are many potential ways for a company to integrate sustainable into its supply chain. Please select the level of important for each possible initiative



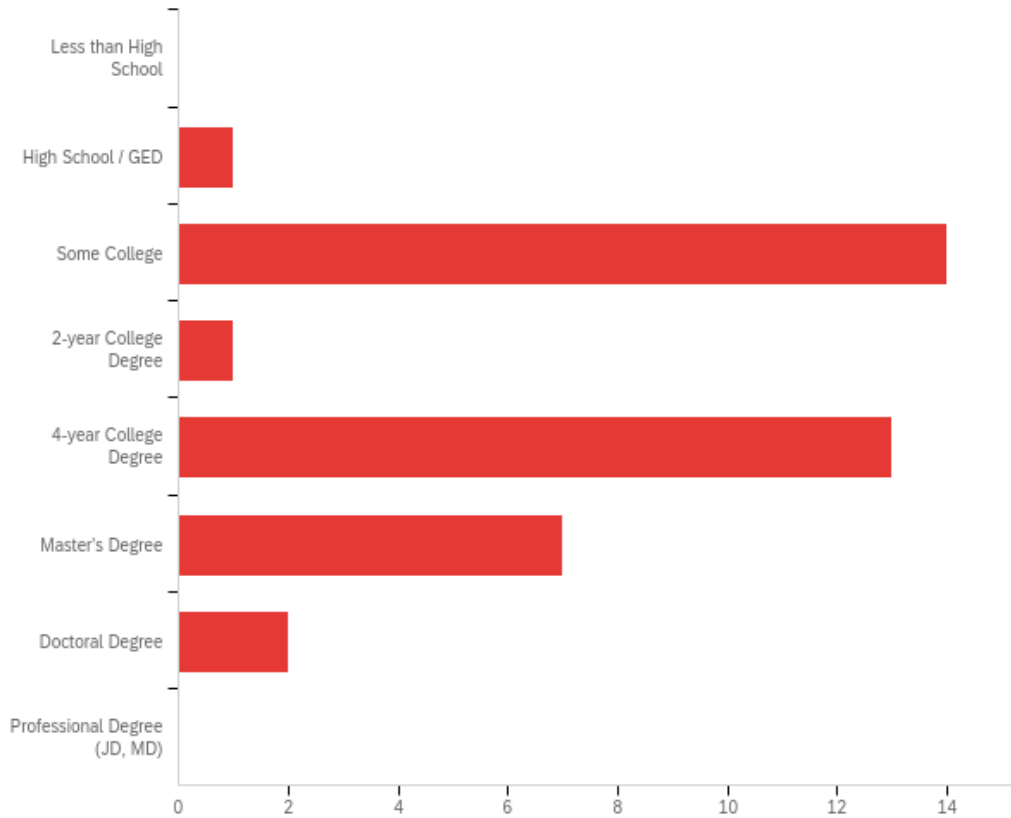
Q22 - These last questions cover basic demographics. Your personal information will NOT be shared with anyone. We will simply be using this information to make comparisons across subgroups. If there are questions that you are not comfortable with - simply skip them - we are happy with any information you are willing to provide. To begin... What is your gender?



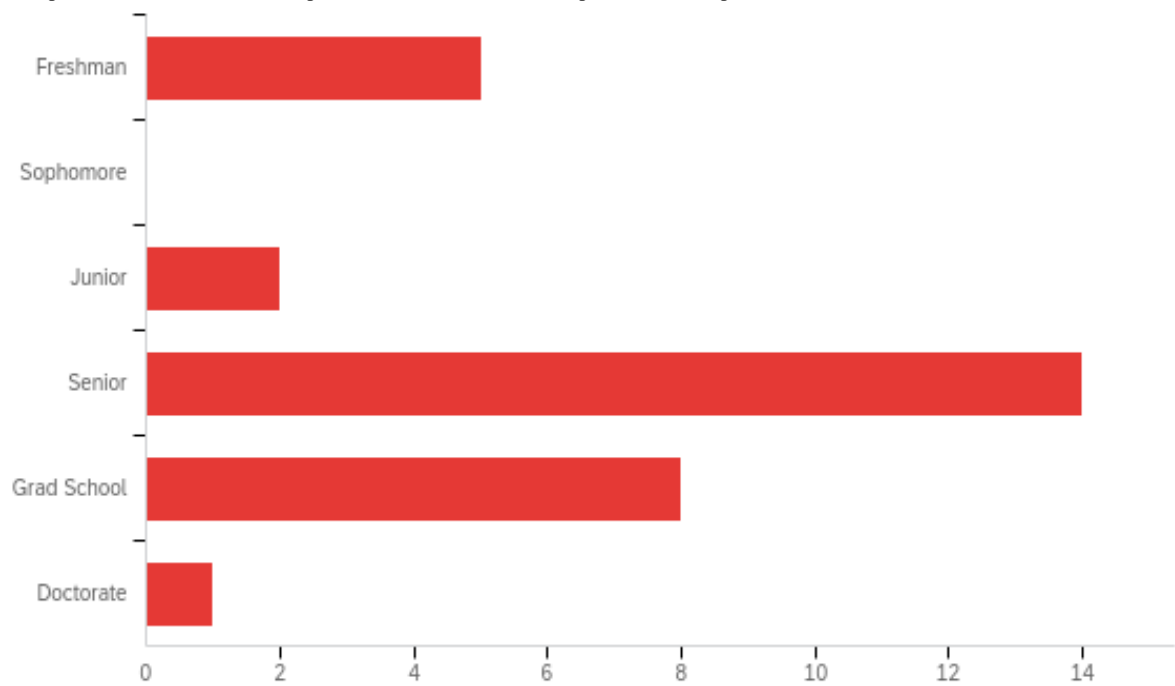
Q23 - What is your race?



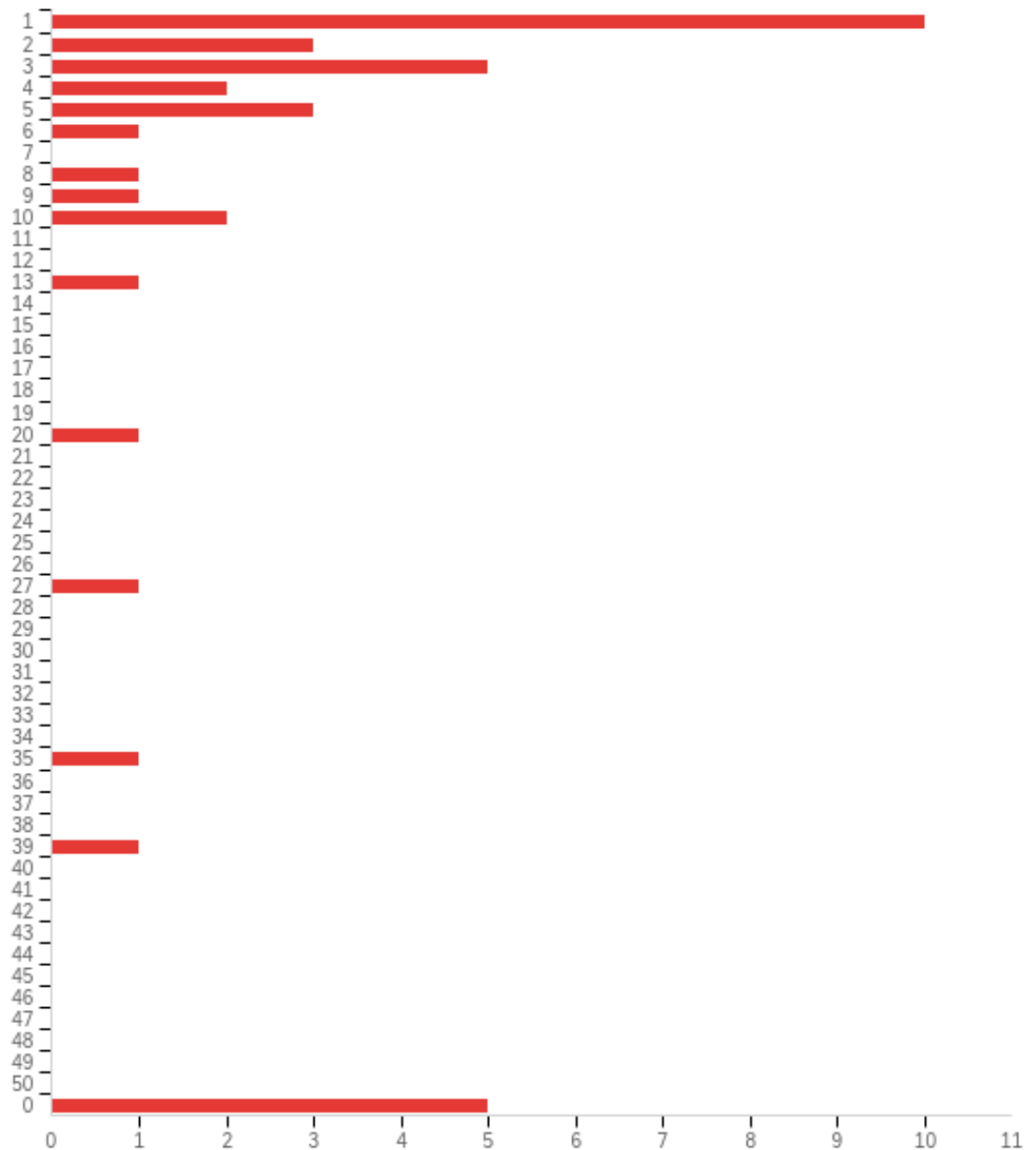
Q24 - What is the highest level of education you have completed?



Q25 - If you are currently a student what year are you?



Q26 - How many years of work experience do you have?



Q27 - In what year were you born?

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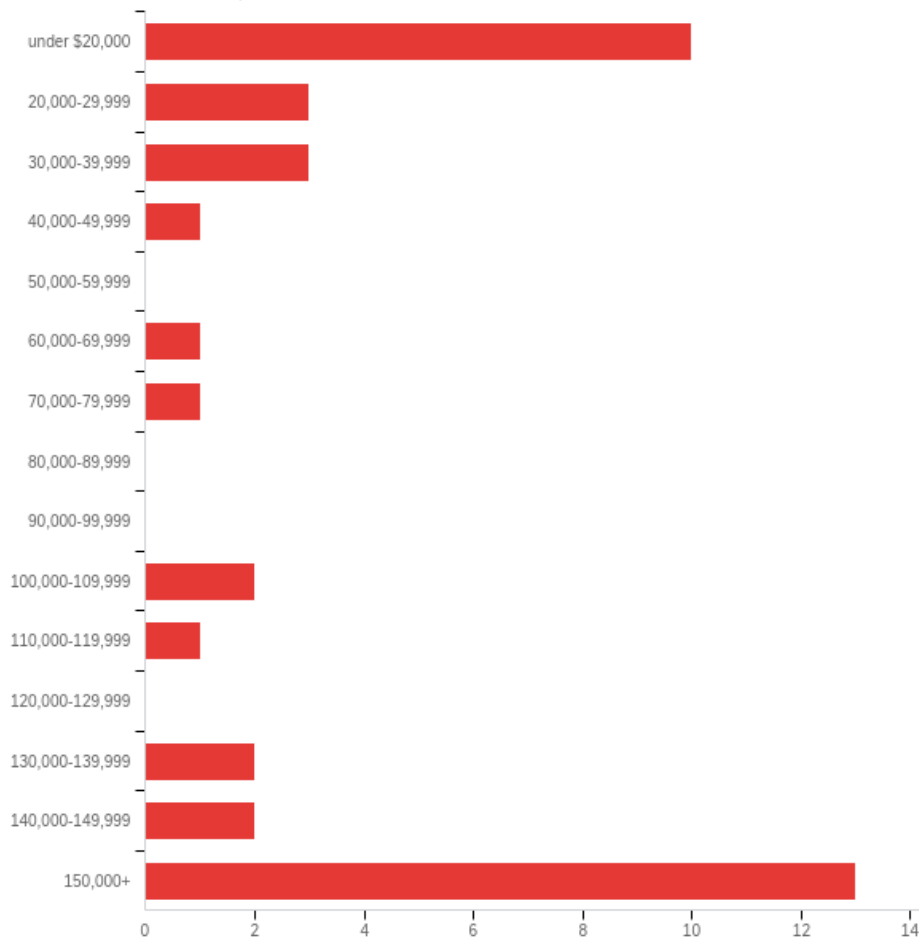
Q28 - What country were you born in?

United States	United states
4/24/1999	Germany -lol does that give away who I am
India	United States
US	'Merica ...
US	India
Usa	Sweden
US of A baby	United States
United States	USA
México	USA
Usa	United States
America	United States
USA	USA
USA	US
Usa	US
USA	USA
USA	USA
USA	United States
Usa	United States
USA	

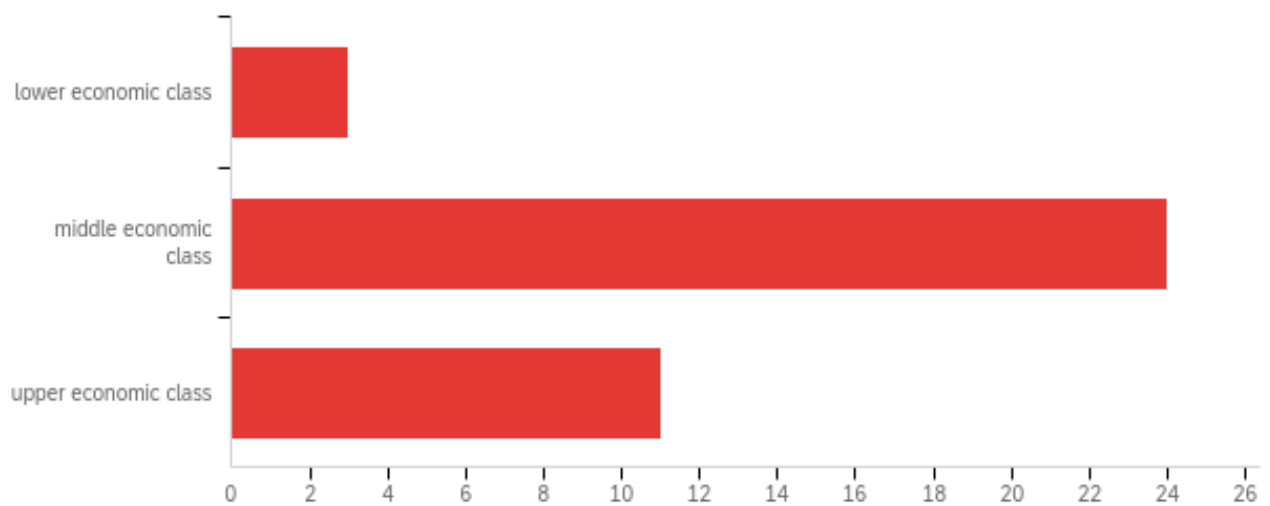
Q29 - What country do you currently LIVE in?

United States	India
United States	United States
USA	United States
US	USA
US	USA
Usa	United States
US	United States
United States	USA
EEUU	US
Usa	US
America	USA
USA	USA
USA	United States
Usa	United States
USA	USA
USA	Usa
United States	USA
U.s.	Usa
United States	
I'm not sure anymore ... they've exploited everything to the point where it doesn't resemble what it was a short 20 years ago ... It used to be called the United States of America, and though it keeps the same moniker - it might as well be called the Disjointed/Polarized Provinces of Global Wealth Extraction	

Q30 - 6. What is your combined annual household income?



Q31 - Think about your household and indicate which best characterizes your economic class.



Q32 - What title best characterizes your current job status?

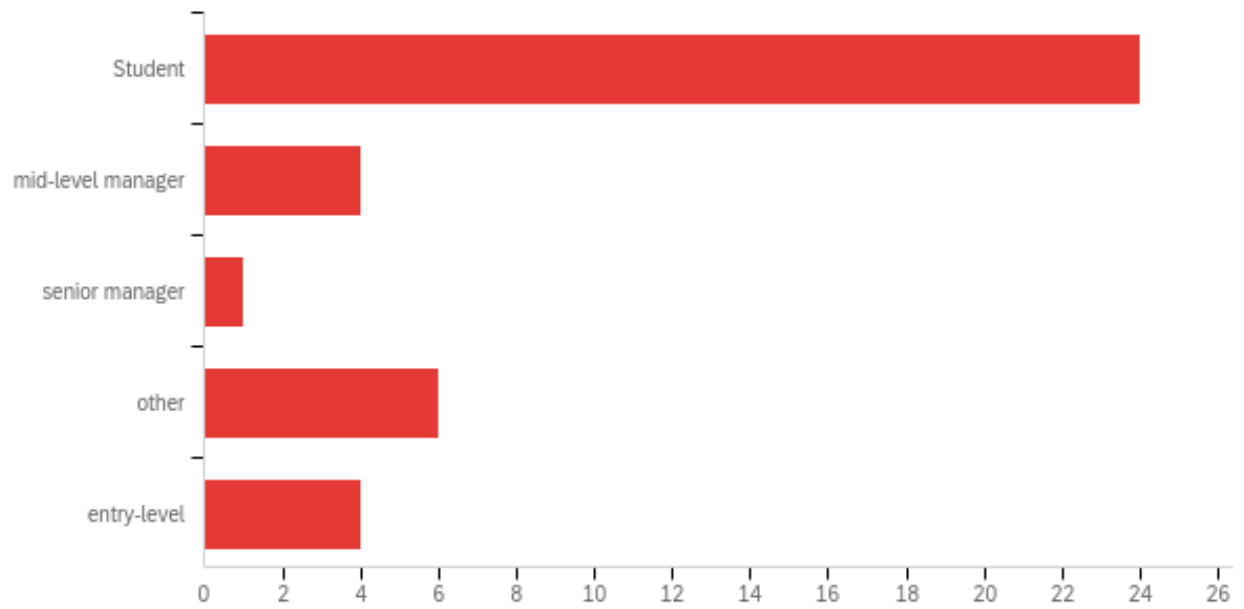


Exhibit 2 Companies are pursuing sustainability in a way that creates value.



Source: Sheila Bonini and Stephan Görner, "The business of sustainability: McKinsey Global Survey results," Oct 2011, mckinsey.com