



GoodGuide
Triple Bottom Line:
Measure & Improve
Your Brand's
Social Impact

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GoodGuide: The Triple Bottom Line – Measure & Improve Your Brand’s Social Impact

People, planet, profit – how does your brand measure up across the board?

Introduction

As the founder of any retail business will tell you, success comes down to that all-important bottom line. But when you’re a social enterprise with aspirations that go beyond simply turning a profit, your goals are far more nuanced. Enter “the triple bottom line”.

What is the triple bottom line? Simply put, it’s your brand paying close attention to the impact it’s making at three crucial levels:

- People
- Planet
- Profit

Retailers in the ethical commerce space are aiming higher and achieving more. As a result, there’s more to measure. We must hold ourselves accountable to all three areas if our businesses are going to thrive and make a tangible impact, leaving the world a better place than we found it.

Why is it important to keep track of progress across this triple bottom line? The world needs more brands doing good, and people are waking up to this fact. There’s a huge rise in demand for impact-led brands, and as ecommerce booms, there’s a real need for more ethical, environmentally responsible online retailers.

It also makes good business sense. As a result of the pandemic, the ecommerce industry has [accelerated forward by an estimated five years](#). Customers’ expectations have also shifted – today there’s increasingly strong interest in supporting brands that align with personal values. A younger “Generation Impact” is rising up, with money to spend on the brands that align with its beliefs and interests.

[Cause-led marketing campaigns](#) are known to be highly effective. Putting your brand at the crest of this wave of ambitious altruism positions you at the heart of the zeitgeist. If you are reading this, chances are you want to do more than just ride that wave for profit – you care about impact too!

When setting any business goals, it’s important to ensure that we’re correctly measuring our impact, and the progression we see as a result. This GoodGuide will bring you a deep dive into each strand of the triple bottom line, the companies doing it well, and the tech can that help your brand.

Read on to gain a clear understanding of what your brand could be doing to achieve success across the triple bottom line, as well as how to measure and keep making progress.

1. Positive Impact on People

The way your brand affects people and communities should form the bedrock of any impact-led operation.

Without the solid foundation of truly ethical practices supporting the people your brand touches, any other attempt at implementing “for good” principles will fall flat.

People are the heart of your business and brand — and this section will help you stay accountable to this principle.

What Does Impact Here Look Like?

There are a few different ways that brands can address their human impact:

The People Involved in the Sourcing Process

Brands looking to make a real difference to the people they impact should start at the very beginning of the [supply chain](#). With less ethical brands, this is where the imbalance of power, coupled with a desire to cut costs and boost profits, can have a terrible human impact.

Doing the right thing for the people sourcing the materials that will go on to make up your products is crucial. From fair wages to safe working conditions and the reassurance that work will be steady and ongoing, there’s a lot you can do to ensure you’re building your brand on ethical foundations.

Even as a brand that doesn’t manufacture your own products, you can still hold high standards for the suppliers that you choose to work with, and make sure your supply chain is fully equitable.

The Direct Employees Involved in the Manufacturing and Retail Process

Progressive business practices in the next stages of manufacturing and retail are also important. How you treat the staff who create, package, ship and promote your products matters, and customers are taking an increasing interest in brands’ actions here.

Certain verticals, such as apparel, are finding (after many years of dubious practice) that they are now coming under more scrutiny in this area of their business. Again, fair pay, good working conditions and transparency will go a long way.

The People or Groups Who Benefit From the Brand's Profits

Finally, consider the people who could be benefiting from your businesses as the result of a well-thought-through corporate social responsibility policy. This could be the local community or more general nonprofits with which your brand has a particular affinity. Whether you commit a percentage of total profits or a portion of each sale, regular donation in line with your success is a great standard to set.

Some of the Brands Making Waves

With greater emphasis placed on brands' supply chains and employment practices, in recent years it has been gratifying to see many companies upping their game.

It's important to keep some perspective when incorporating this kind of commitment into your retail operation. Some brands have had a charitable approach from the start of their operation, creating a compelling origin story, and building their success upon it. But it's vital that brands don't "rest on their laurels" as a result. Donations should do more than pay lip service to charitable causes.

[TOMS](#), as an example, rapidly became synonymous with their "Give one / Get one" model. It's a very compelling and simple offer. Perhaps a little too simple. [Independent research](#) suggested that the impact of providing disadvantaged children with shoes had little bearing on the day-to-day difficulties they faced. They played outside more often, but school attendance wasn't affected.

As a result, TOMS have pulled up their socks. They've [updated and evolved the original model](#) and appear to have taken the realization that impact needs to be monitored to be truly beneficial: *"As we continue to innovate, we hope that people follow as well. And I hope, collectively, that purpose-driven companies are always questioning, are we having the greatest impact possible?"*

Other brands with a great "joined up" approach to the people that their enterprise affects include Dr Bronner's, who run their operation according to six guiding "[Cosmic Principles](#)" which include treating employees like family, doing right by customers and fairness to suppliers.

[Tony's Chocolonely](#) are a relatively young brand enjoying huge popularity and support thanks to their inspiring messaging and squeaky-clean supply chain. Applying a healthy dose of Dutch directness, they don't shy away from the problematic elements of the confectionery industry and [clearly outline their mission](#), with total transparency to back up their efforts.

Finally, [PureVida](#) are a great example of a large brand staying true to its origins, still engaging local artisans, but also [incorporating individual charities into unique product offerings](#). The header on their website shows a real-time donations counter, and they provide a dedicated page to ensure [total transparency of donations](#).

What's the Key to Success?

Radical transparency when it comes to your employment and charitable practice is crucial — as they say, “sunlight is the best disinfectant”. Hold yourself to high standards and you'll never have anything to hide.

Take steps to empower your people: give your employees a voice and free rein to use it. Leverage tools such as Voice Sifter or similar, to explore how to enable [anonymous feedback](#) from those involved at every level of your business.

Let your people tell you how you're doing in their own words — this is too important to second guess. Encourage them to tell their stories and lived experience of involvement with your business and incorporate this into the way your brand is presented.

Why is such radical transparency necessary? When brands present themselves as people-centric but are then perceived to be falling short, issues and accusations can quickly arise. [Everlane](#) is an example of a brand which has always positioned itself as very fair in its treatment of staff, but even they have faced accusations of [union-busting](#). Once a brand that presents itself as ethical comes under question, it's hard to put the [bad press](#) genie back in the bottle.

When it comes to leveraging tech for success here, ensure you're giving yourself plenty of room for maneuver. Look at apps like [Change Commerce](#) by ShoppingGives to give integrated donations with flexibility. Work with tech that enables you to offer the ability to give back in a variety of different ways (e.g. donate for discount, round up). Again, honesty and transparency are key so make sure all of your giving policies are clearly communicated at all times.

How can you measure the impact you're making here?

Wear your heart on your sleeve — or at the very least, your website! Investigate deploying some real-time trackers and dedicate clear sections of your ecommerce site to communicate the work you are doing. [Sales CountUp](#) is one example of an app that could give you this extended functionality.

Internally, set clear impact goals regarding the people your brand impacts. Do this annually, and keep yourself accountable to some tangible, measurable targets.

Regularly survey your staff and everyone involved within your supply chain. Again, for total honesty, you might like to keep this anonymous. SurveyMonkey is just one of the tools you can use to enable this — [find some tips here](#).

To make sure you're maintaining transparency and to keep a record of your progress over time, create and publish impact reports based on these surveys, the amount of donations processed and the success you've achieved in relation to the goals you set.

Impact reports should focus on the human (as well as the numerical) side of your impact. Include quotes from your people, and don't rely on headline statistics alone. This is a real opportunity to showcase the true heart of your brand and show the people who bring it to life that you are truly invested in their wellbeing.

[Sudara](#) are fighting against slavery and sex-trafficking by giving women the chance to gain job skills and a long-term career. Their [Impact Report](#) serves as a great example here, mixing employee opinion with hard statistics.

2. Positive Impact On Our Planet

The human impact of your brand is vitally important – but without a healthy planet, no businesses are going very far! As consumer spending patterns start to shift (thanks to the [pandemic's socio-economic impact](#)) people are looking to ensure that the money they do spend is going to products that have the least impact on our fragile planet. SurveyMonkey recently found that [a third of the consumers they questioned would buy a product that's better for the environment over another that's slightly cheaper](#).

As more retailers shout about sustainability, being positioned as an “eco” brand becomes less of a differentiating factor. Many of the biggest names in retail are getting behind the sentiment and it's increasingly more of a baseline expectation than a unique selling point.

However, with this rise in popularity come accusations of greenwashing. To ensure you don't get slapped with this label, be sure to carefully measure and communicate your true impact.

What does impact here look like?

Ecommerce brands can address their environmental impact in a number of ways. To ensure you stand up to public scrutiny (again, avoiding greenwashing accusations!) pay attention to your impact across the board.

The Sustainability of Your Products

Without a truly sustainable product, your brand will always fall short of environmentally friendly expectations. Getting this piece of the equation into really robust, sustainable shape will mean your whole operation is built upon the very best foundations. When ensuring that your products live up to your eco aspirations, be sure to consider every element of their production.

From sourcing materials through to manufacture and transportation, by breaking your procurement process down into stages and optimizing each one for sustainability, you'll be sure to see the biggest, most balanced improvements.

The Carbon Footprint of Your Digital Operations

This is a commonly overlooked area in ecommerce — it takes a lot of power to maintain the data centers, transmission centers and devices that are all used to help make your sales!

While a website arguably consumes less energy than it would take to run a brick-and-mortar store, the cumulative effect of internet use is considerable. In a single year, the internet consumes more power than the whole of the United Kingdom.

Take a quick look at a carbon calculator ([such as this one](#)) to get a quick reality check on the emissions your store could be generating and take steps to actively reduce this. Reduction can be handled in two ways — offsetting and reducing the amount of power required through design and platform choices (Shopify, for example, [offer carbon-neutral hosting](#), having decommissioned its data centers in favor of Google Cloud). For the best results, aim to do both!

The Impact of Your Fulfillment Chain

Finally, turn your attention to how your products make the final stage of their journey, from your fulfillment center to the eager hands of your waiting customers. Due to economies of scale, this last step can often prove the most wasteful.

Take a look at the way you package your items, and wherever possible look to use [repurposed or recycled materials](#). At the very least, if using virgin packaging, make sure it's recyclable in its own right. This means no plastic tape or stickering as these can make it difficult for otherwise recyclable materials to be processed.

“Last mile” deliveries are often very problematic in terms of emissions, as they tend to necessitate lots of inner-city driving. Again, look for solutions to both minimize and offset. Shopify is helping make this ambition easier for merchants with the new [Shop app](#), which helps calculate the most efficient local drop off routes, and offsets the delivery emissions associated with all purchases made via the app.

Some of the Brands Making Waves

[Patagonia](#) is almost synonymous with sustainability by now. What's incredibly refreshing about their approach is the way that they're *honest* about their impact. They don't position themselves as perfect, but they're certainly always aiming to get better.

There's a very valuable lesson to be learned here — humility coupled with noble ambition is a killer combo. You only need look at their homepage to see the importance they place on their mission, with “Activism” given equal weighting to “Shop” in their main navigation bar. Their approach to sustainability is varied — in addition to membership of the [Sustainable Apparel Coalition](#), 100% organic cotton and the use of recycled materials in many of their garments, they offer “[Worn Wear](#)”, a service that helps extend the life of the clothing that they sell.

Additionally, they have a great attitude to fast fashion and overconsumption. Famously, their “[Don't Buy This Jacket](#)” campaign rejected modern trends in consumerism and encouraged a more mindful approach to commerce.

Also interesting when it comes to improvements in the sustainable ecommerce space are the innovations we're seeing in packaging. [The Box](#) is a great example of progress being made. Although not yet widely adopted, ethical retailers must keep abreast of these developments and support them where they see the potential to make a difference.

Finally, [Beyond Meat](#) offers a great example of a business willing to apply real science to the sustainability they profess to offer. This [peer-reviewed study](#) commissioned to evaluate the impact of their meat-free alternative, in comparison to beef burgers, was unequivocal. Wherever appropriate or possible, independent analysis of your sustainability will add real weight to your claims and positioning within this area.

What's the Key to Success?

When it comes to your “Planet bottom line” it's important to apply a really joined-up approach. Think through the whole cycle of your operations and pinpoint environmental impact at each stage. Even your office space could be optimized for minimal impact – switching to green energy options, operating a plant-based cafeteria etc.

By methodically working through the (many) areas of impact your business will have on our planet, you can mitigate and minimize at each and every step.

In terms of technology that can assist you in your quest towards a reduction of environmental impact, apps can really help at the front line. Carbon offsetting integrations are becoming a popular choice for brands that have reduced impact to an extent but are looking to do more. Similarly, apps that offer tree planting associated with purchases can provide a tangible and compelling element to your customer experience. You can learn more about a few great choices in both categories here in our [recent guide](#).

One of the added benefits of working with apps like these is that most will give you a nice data set to dig into, with real-time stats that you can choose to make public with prominent displays across your store and beyond into your marketing.

How Can You Measure the Impact You're Making Here?

Again, target-setting and reviews should be an integral part of your brand's yearly cadence. Wherever possible, try to bring in independent evaluation. Give people something concrete, independent, and trustworthy to show your impact (as with the earlier example of Beyond Meat).

Internally, set clear impact goals. Do this annually and give yourself a clear target to strive towards. Keep checking in periodically – if you're not moving closer to achieving the

sustainability goals you've set yourself, don't wait until a year has passed to acknowledge the fact that something needs to change. Aim to be fine-tuning as you go.

And remember, as with Patagonia, you are looking for incremental improvements rather than perfection. To be sure you're making progress, you need some [KPIs](#) to hold yourself accountable. Carbon neutrality is a great goal, but set a longer road map out too – can you do better? Can you be actively moving towards [carbon negative status?](#)

Clearly outline the parameters around sustainability you'll track within each area of your brand's operation. Here are some ideas:

- Product sourcing: CO₂ cost of production per item.
- Product packaging: Percentage of packing materials coming from recycled and recyclable sources.
- Office space: Daily CO₂ emissions from heating and cooling.

By getting down the finer detail, you'll see many more opportunities for making the kinds of small changes that add up to a significant impact.

To go more in-depth on potential measures, explore how [B Corps are evaluated](#) when they seek certified status, or how [brands become fair trade certified](#).

3. Positive Impact on Your Own Profits

Impact-led brands want to make a real difference. But they also need to be sustainable in a business-related sense!

As we've already addressed, values-driven brands are measuring a triple bottom line. You may be deeply invested in people and the planet, but without profit, the impact you can make is going to be limited.

This section will look at the ways in which – happily – all three bottom lines interplay to support each other, and how you can see the benefit of your efforts to be a truly ethical business reflected in your monetary bottom line.

What Does Impact Here Look Like?

With the totally unprecedented impact of a global pandemic propelling ecommerce growth and rapid evolution, we're looking at a case of "the future, today" when it comes to online retail.

As customers were already starting to show more mindfulness in their purchasing choices and patterns, this too has been accelerated, catapulting consumer demand for brands that do good. To put it simply, there's never been a better time to make sure you're shouting about your efforts to help people and the planet.

Conscious consumers are more than ready to reward the brands they see true value alignment with. This is especially relevant for those brands courting “generation impact” i.e. Millennials and Gen Z, who [show these tendencies more strongly](#) than any other demographic.

Some of the Brands Making Waves

Apparel has probably had the biggest wake-up call when it comes to the shifting of consumer trends. [A move away from fast fashion](#) has dominated headlines for several years now – “pile it high, sell it cheap” clothing retailers are increasingly coming under fire for their sourcing practices. The repercussions for real transgressors, such as [Boohoo in the UK](#), have been severe.

Retail giants like H&M are starting to go through the motions, signaling a willingness to change and move away from entirely traditional models of selling. Their [sustainability report](#) highlighted the fact that they perceived a need to lead the charge when it came to better efforts from major fashion retailers. As more consumers shun fast fashion, there’s a real need to be seen as an innovator in this area, to enjoy the continued support of younger generations.

As a result of this, sustainability is an [integral part of H&M’s marketing strategy](#), most clearly expressed in the Conscious Collection. How authentic and effective are their efforts? That’s debatable – but the fact that big brands see the value in promoting these credentials gives you all the proof you need. This stance sells.

What’s the Key to Success?

Ultimately, your social impact needs to be costed. It’s important to make sure that you know the thresholds your company can give back at, and the way that value flows back to your brand as a result of doing so.

Get savvy with your data, both in terms of how you store and leverage it. The way that customers interact with the elements of your brand that represent your ambition for social impact (for example, through integrated donations) can give you some amazing insights into what’s motivating your target audience. Don’t miss the opportunity to squeeze some informed improvements from this hidden goldmine – don’t leave your data languishing in silos!

There’s also a need for ethical brands to get comfortable with the idea of wanting to make bigger profits! For many social entrepreneurs, this concept can feel a little jarring – surely we should all just be focused on the altruistic good our brand is doing for humanity and the planet? No. If you want to make a real difference, you need to be hungry and ambitious – the bigger your brand, the greater the impact you can make.

It also makes sense to link up with other mission-driven businesses that can help you amplify your message and reach. [GoodCarts enables this effortlessly](#), by connecting like-minded

brands for cross-promotion to other perfectly-targeted audiences. Don't miss this chance to grow sales, traffic, loyalty & social impact with our [entirely free Shopify app](#).

How Can You Measure the Impact You're Making Here?

Look carefully at [tracking the impact of your cause marketing](#). Google Analytics can help give you [insight into the effectiveness of your marketing efforts](#) at each and every stage of the funnel, helping you see where your social impact is really helping your brand gain traction. Similarly, an option like [ClickMeter](#) can help you see the bigger picture with more clarity when it comes to your values-led promotional campaigns.

It's vital that you understand which messages resonate with your audience, so you can increase efforts in these areas. Look at the funnels you're creating – how does your cause and mission factor into these?

Ethical business practices are a real driver for improved ecommerce metrics. We repeatedly see a positive impact upon Average Order Value, loyalty and conversion rate as a result of brands leveraging a more altruistic approach to ecommerce. If you're looking for a differentiating factor within a crowded vertical, your corporate social responsibility could be exactly that point – [81% of Millennials say they would be more likely to support a brand](#) that acted as a good corporate citizen (with 62% of Millennials reporting they'd take a pay cut in order to work for a company that was socially responsible!).

Putting it All Together: 5 Steps to Success for Your Brand

1. Adopt a Holistic Approach

- Deploy joined-up thinking when it comes to success on the triple bottom line.
- Take time to go through every touchpoint of your brand. Where are you making an impact and how you ensure it's a positive one, for people, the planet *and* profit?
- Aim for small improvements across the board – a humble but determined attitude.
- See the bigger picture, look at the long term.

2. Clear Target Setting – Measurable Goals

- Set measurable desired outcomes for every aspect of your triple bottom line.
- Clear parameters are important. Work with agreed stats (and methods of data collection e.g. through staff surveys, anonymous feedback) to be able to measure which way the needle is moving in response to your efforts.
- Hold yourself accountable to these figures. Make them bulletproof (even independently verified) so that they can be shared and stand up to public scrutiny.

3. Build a Supportive Tech Stack

- Tech can help at every stage of your journey to a healthy triple bottom line.
- Encourage a culture of sharing experiences, use tech to empower your people and give them a voice.
- Use donation apps to give full transparency to the amount that is flowing back to communities and causes as the result of your brand.
- Lean on new tech to help you reduce your impact, through offsetting apps or AI-powered effective local delivery routes etc.

4. Clarity of Communication

- Your efforts helping people and the planet will be rewarded but you're going to need to let people know!
- Communicate your results in a clear and trustworthy way.
- Leave no margin for error and be honest in everything you share. The internet is an incredible platform for sharing a positive message, but things can rapidly turn sour if you're perceived as (or worse, proven to be!) phony. Annual reports that give the full picture of your efforts are essential.

5. Staying Accountable to the Triple Bottom Line

- Finally, implement this strategy into your long-term business strategy. Focus on any one of these things in isolation and you'll miss the chance for balanced growth.
- The most successful impact-led brands will honor each element of the triple bottom line, keeping their commitment to people and the planet in alignment with the need for a healthy bottom line to keep driving forward and making a positive change in the world.

Ready for Your Brand to Thrive Right Across the Triple Bottom Line?

There's never been a better time to clarify your goals and commitment to a healthy triple bottom line. With shifting consumer demand turning its attention to the brands offering more than the cheapest deals, now is the time to commit to real action.

If, as part of this drive, you are looking for the boost that perfectly targeted cross-promotion can bring, GoodCarts can help. Our platform supports brands seeking real social impact by bringing them together in a like-minded community, amplifying their efforts and getting their message out to an aligned and receptive audience.

[Install our free app to find out how it can help you gain highly qualified traffic and boosted sales](#)

