

Green Marketing

According to Ward, S., (2019)

Green marketing refers to the process of selling products and/or services based on their environmental benefits. Such a product or service may be environmentally friendly in itself or produced in an environmentally friendly way, such as:

- Being manufactured in a sustainable fashion.
- Not containing toxic materials or ozone-depleting substances.
- Able to be recycled and/or is produced from recycled materials.
- Being made from renewable materials (such as bamboo).
- Not making use of excessive packaging.
- Being designed to be repairable and not "throwaway".

Green Marketing and Sustainable Development

Green marketing is typically practiced by companies that are committed to sustainable development and corporate social responsibility. More organizations are making an effort to implement sustainable business practices as they recognize that in doing so they can make their products more attractive to consumers and also reduce expenses, including packaging, transportation, energy/water usage, etc. Businesses are increasingly discovering that demonstrating a high level of social responsibility

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can increase brand loyalty among socially conscious consumers; green marketing can help them do that.

The key barrier to sustainable business practices such as green procurement is short versus long term cost; the cost of "greenness" often doesn't fit into short-term budgets that don't internalize long-term total costs.

Public Works and Government Services Canada has information on green procurement principles and resources for businesses. Ethical sourcing has become important to companies and consumers alike.

Are Consumers Willing to Pay More for Green Products?

The obvious assumption of green marketing is that potential consumers will view a product or service's "greenness" as a benefit and base their buying decision accordingly. The not-so-obvious assumption is that consumers will be willing to pay more for green products than they would for a less-green comparable alternative product. Is this true?

Apparently, yes. The 2014 Nielsen Global Survey on Corporate Social Responsibility polled 30,000 consumers from 60 countries to determine statistics on consumer preferences for sustainable purchasing, and found that:

- 55% of consumers were willing to pay extra for products and services from companies committed to positive social and environmental impact (up from 45% in 2011).

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- 52% made at least one purchase in the past six months from at least one socially responsible company.
- 52% check product packaging to ensure sustainable impact.

Interestingly, consumers in the Asia-Pacific region, Latin America and the Middle East/Africa showed a higher preference (64%, 63%, 63%) to pay extra, whereas the preference in North America and Europe was lower (42% and 40%).

The Nielsen survey also looked at retail purchase statistics, and according to sales data, brands that advertised sustainability on packaging had 2% year-over-year increases in sales from 2011 to 2014, as compared with 1% for those that did not.

Misrepresenting Products or Service as Green Can Backfire

While green marketing is growing greatly as increasing numbers of consumers are willing to back their environmental consciences with their dollars, it can be dangerous. The public tends to be skeptical of green claims to begin with and companies can seriously damage their brands and their sales if a green claim is discovered to be false or contradicted by a company's other products or practices. Presenting a product or service as green when it's not is called **greenwashing**.

For example, in 2012 a CBC Marketplace study found that Dawn Antibacterial dish soap, which featured a label showing baby seals and ducklings and claiming that "Dawn helps save wildlife" was found to contain Triclosan which

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has been officially declared as being toxic to aquatic life - environmental groups have called for it to be banned. Understandably, Proctor & Gamble, maker of Dawn products, refused an interview request by Marketplace.

Seaworld Orlando's introduction of its "Cup That Cares" in 2013 was another dismal example of green marketing gone wrong. The cup was marketed as environmentally friendly; each time a person refilled the cup at a vending machine in the park, an embedded chip would display how much CO2 he or she had saved. Unfortunately, the cup was plastic - as were the 40 accessories that could be purchased separately to deck out the cup that doubled as a penguin toy.

BDC Business Consultant, Chris O'Shea, sums it up well; "Green marketing is about your whole company. You really have to be authentic. If you're not, people will accuse you of greenwashing and your reputation will suffer."

For green marketing to be successful, it has to fit with your brand. Having a single green product when the rest of your products are not, for instance, can make customers wonder if you're serious about your environmental commitment, says O'Shea.

REFERENCE:

Ward, S. (2019). *Green Marketing Definition. Stick to the Definition and Green Marketing Can Be Very Powerful*. Recovered from <https://www.thebalancesmb.com/green-marketing-2948347>