Actual Questions of Green Marketing

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Abstract: Fortunately nowadays green topics are in the focus of interest in all areas of life. Companies have also recognized profitable opportunities in serving green customers' needs. But doing the right thing is not so easy, because there are lots of different challenges in performing green marketing. In this article four problems have been mentioned: we need to identify green customers, but social desirability biases may mislead us; being green is a fashion – is this possible?; can getting certification can help us to gain more customers? and finally, how should green communication look like?

Keywords: green marketing, social desirability bias, green advertising, green certification

1 Introduction

As the whole society turns more attention to environmental topics and as green consumer segment has been recognized, companies try to make more effort to organize their activity in a greener way. However, it is not as easy as it seems: lots of problems mean challenge for them. Here, without being exhaustive, I would like to look into some of these problems, which should be handled by marketing managers.

1.1 Social Desirability Bias in Market Research

The first problem we have to mention is the questionable result of conventional market research aiming to find the green segment. In the 70'-s, when environment protection was a relatively new topic on the agenda, demographic and sociographic variables were able to identify the potential green segment (e.g. Tognacci at al, 1972). The general hypotheses were that women, those who have children, younger people and those who are higher educated and have higher income perform greener attitude and/or behavior.

However later, as media have given more publicity to environmental problems – especially to global warming – and as environmental topics have became the - more or less - relevant part of education, positive attitude toward environmental topics are getting more and more common. Therefore respondents may feel social

expectations when they try to fill in the questionnaires and it leads to typical bias. On one hand it really makes market research more difficult as direct questions will not work anymore. But on the other hand it shows a definitely positive change: the transformation of the value system of the society. It means that being environmentally conscious is socially desirable. It is a very important change because the pressure of social norms plays relevant role in forming attitude and behavior – at least those which are visible for the others.

Not surprisingly a recent study conducted by Shelton Group¹ shows that stigma grows for being environmentally unfriendly. The poll, which surveyed 1105 Americans, found that 59% of respondents it would be very embarrassed if someone they admire found out they throw trash out of their car window. For 18% it would be also embarrassing getting caught not recycling plastic bottles, and another 18 percent mentioned keeping thermometer set to 73 degrees year-round as well. Water-wasting habits (let the water run while brushing their teeth) was also mentioned as socially unacceptable by 17% of the respondents. ²

These data show that being green is not necessarily the sport of minority, but it has become the part of the mainstream.

If we know that these social desirability biases may happen, we have to choose the appropriate way of research method. It means we should not ask about green attitude, or green behavior directly, because it will overestimate reality. For example, marketing managers of green products would like to know how important this product feature for their potential customers, because it can give them a hint what to emphasize in marketing communication. Therefore, instead of typical direct questions such as

"Please indicate on a 5 point scale how important are the following product attributes when you buy(product category): price, color, environmental friendliness etc."

or

"Please put these product attributes in order of importance when you decide on buying a ...(product category). First place means the most important attribute."

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"Please divide 100 point among the following product attributes based on their relative importance in your buying decision of (product category)"

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 $http://www.sheltongrp.com/assets/files/PressRelease_SheltonGroup_GreenLivingPuls~e2012.pdf$

we should use indirect techniques. Buying decisions and importance of product attributes should be examined by conjoint analysis, which detects relative importance of product attributes indirectly from choice-list data of the respondents. Especially choice-based conjoint and adaptive conjoint analysis help to gain precise and reliable information on how important the green attribute for consumers.

My other suggestion is that environmental friendliness of a product category can be defined precisely in these studies, such as: lower CO₂ emission, paraben-free, consisting no artificial color, A++ energy class and so on. It is clearer for the respondents and prevents misleading information and results.

Questionnaires or interviews have to ask about perceived social expectations as well. Typically that means statements in third person and we have to study the level of agreement with them, such as:

"At what extent do you agree with the following statements? (1 means totally disagree, 5 means totally agree)

- Majority of people prefers...(environmentally friendly behaviors such as collect waste selectively/bringing their own bags for shopping etc.)...
- Radical greens are ridiculous.
- People in my surrounding usually do their best for a greener world....."

Finally, we have to mention that nowadays it is not possible to find environmentally friendly customers by using (only) socio-demographic variables. Lots of studies (Kinnear at al, 1974; Diamantopoulos at al, 2003; Dunlap et al, 2000) found that demographic variables not but some psychographic variables are more successful for this reason, such as value-system, environmental attitude, perceived consumer effectiveness.

1.2 Being Green Is Fashionable – Is That Possible?

Mentioning fashion and green behavior altogether would seem to be an oxymoron as fashion in general is blamed for its resource-wasting consequence as it convinces people to change their material goods (e.g. clothes, cars, accessories, gadgets) to newer ones- even if the older one is still able to function, but they will be outdated by the new seasonal fashion design. "The fashion industry is based on a model of continual economic growth fuelled by ever-increasing consumption of resources. The unsustainability of this model is widely acknowledged." 3

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http://www.sustainable-fashion.com/challenging-what-we-do/tactics-for-change/(15.04.2012)

Trendwatching.com⁴ which tries to identify the most relevant trends each year, put on its list of the eleven, most relevant trends of 2011 the "wellthy" and "ecosuperior" trends as well – among urbanization, online status symbols and pricing pandemonium. Wellthy trend means that "products such as mobile health monitoring devices, as well as online health apps and health-dedicated social networks, will serve the multichannel wellness needs of consumers". Eco-superior trend means that customers want more from a green product: "brands should think of a combination of eco-friendly yet superior functionality, superior design, and/or superior savings." ⁵

Actually, the health trend of the XXIth century arm-in-arm with environmental friendliness can be very strong and can help to change attitude of younger generation more easily. As clothing is the most affected area by fashion, it is not surprising that environmental friendly changes have already taken place in this industry

Although popular "eco-fashion shows" exaggerate the topic, when they show models in recycled paper-gowns or in dresses made of PET-bottles – these shows are mainly for turning the attention of the audience to global environmental problems. But there are real developments, such as usage of more natural fibers such as organic cotton. And first, "work towards making the entire supply chain visible and thus promote information about resource use, labour conditions, pollution, and waste. This involves working with suppliers and developing a culture of trust and knowledge sharing. Transparency is a precursor for accountability."

As people nowadays are more and more aware of seriousness of environmental problems, what marketing communication has to do is to show the right way how to fulfill the aim of living in a greener world. In this process role of reference persons can be efficient. Especially when they are attractive for the aim group, therefore they try to copy the behavior and life-style of the reference group. Famous actors and actresses, singers and media personalities give their names and faces to green products and events – which in turn can improve their image as well.

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http://www.marketingcharts.com/direct/consumer-trends-to-watch-for-2011-15193/ (15.04.2012)

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1.3 Green Certification – Is It Worth To Have It?

Certifications of independent agencies on one hand can help to prevent deception of customers and also decreasing skeptical feelings in connection with environmental claims. On the other hand, they make it easier for the consumer to identify the environmentally friendly product because in our world products are so complicated that we haven't got enough knowledge to decide on their level of greenness. Not only product ingredients/product features can be important in this decision but the production procedure, technologies used by the company as well and customers can get information on these things rarely, or searching for this data would mean too much energy from their side. Therefore certification is a very brief summary of all green features of the product and it is easy to be understood.

Although getting certification sometimes does not mean high cost, only a few companies used this chance – in Hungary until now 349 products of 51 producers have been certified.⁷ At least half of them are DW2 biodegradable plastic bags⁸. It is not surprising as legislation forced hyper- and supermarkets to use certified biodegradable bags (as they can avoid environmental taxes by these products).

So what is the reason behind this low number of certified products? The sad fact is that consumers don't know the certification; therefore it cannot mean a competitive advantage for firms. Governmental support for making it well-known is missing. Another reason is that there are so many self-made certification-like labeling, that in this "ocean of different logos" they cannot trust in these signs anymore.

Official certifications could ensure credibility and could be easily understood by customer – but only if they know them! Therefore social campaigns introducing certifications are inevitable and government has to pay attention to it.

Question of credibility is especially important because the more cases about false green claims will turn out the more skepticism will arise toward really green product as well and it can have a very harmful, negative effect on the future of the whole green market segment.

http://www.kornyezetbarat-termek.hu/pages.php?aid=149&pID=2 (15.04.2012)

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Figure 1
Certifications for environmentally friendly products (on the left: the Hungarian Cedar, on the right:
The EU flower)

Source: http://www.kornyezetbarat-termek.hu/

1.4 Green Advertising – Is This Possible?

Conventional marketing is typically criticized for the big amount of wasted money and resources wasted during advertising. Most important reasons for that are: negative attitude of target group toward the message/content of advertising (not credible, misleading); high waste coverage; ad avoidance; low effectiveness of communication because of high noise from competitors.

It is a widely shared view among experts that online campaigns are not so damaging for the environment, as they can aim their target group more precisely and they don't have to use natural resources to such a big extent. Search marketing has a special role among online facilities, because it can reach the customer at a very high level of involvement.

But using net also has environmental footprint –although it is not directly visible. Now there are efforts to find out how big is the ecological footprint of a Google search for instance. According to Harvard University physicist, a typical search on a desktop computer generates about 7 grams of carbon dioxide. If we take into account that Google handles about 200 million searches daily tis not a negligible amount.

http://news.cnet.com/8301-11128 3-10140142-54.html (10.04.2012)

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Another typical solution is to use recycled paper for flyers, mails and for other printed materials. Of course it is a good chance for making our green image is more credible for our partners – but in this case it is useful not only doing it but communicating it as well: we should inform our partners that we used recycled paper so it should be definitely written on these flyers and mails.

A little bit more efficient solution is when we try to avoid using paper at all. One example for it is the e-mail from Samsung I got few weeks earlier. At the very end of the mail you can find the sentence: "Please consider the environment and only print this email if really necessary." This one sentence can improve the green image of the company, although it has practically no cost.



Figure 2
End of an e-mail from Samsung

Source: my own e-mail-box

As credibility is the basis for a long-term environment-friendly commitment, supporting social campaigns connected to environmental protection plays an important role in completing green mission.

Conclusions

The above mentioned challenges of green marketing make it clear that having a green product does not result necessarily in a market success. Finding the right target group with efficient market research methods, taking advantage of existing trends, letting consumers know official certification for green products and using greener and therefore credible communication will help to build a real green business.

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