UNIT 11
Green Marketing

How to Implement Sustainable Manufacturing in Footwear
- New Occupational Profile and Training Opportunities -
How to Implement Sustainable Manufacturing in Footwear - New Occupational Profile and Training Opportunities

Credits

Title
UNIT 11 - Green Marketing

Coordination
Gheorghe Asachi Technical University of Iasi

Layout and Editorial
Salto Alto CTCP criativo

Date
January 2016
# UNIT 11 - GREEN MARKETING

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1. Introduction

“It's not easy being green.”

Nowadays, as the environmental issues are globally noticed, green marketing has become common worldwide. The population growth and the reduction of natural resources and food led to an important phenomenon, namely the use on a large scale of artificial products or chemical substances that reduce the maturation periods of plants and animals. This phenomenon has generated reactions from consumers and companies, that have started to pay more attention to the consequences of their actions and the impact on the environment.

Green marketing represents the way that companies can advertise their products and inform their consumers that they are working in an environmentally friendly way. Green marketing has become a global trend, and many companies consider it a part of their strategy.

Important to define in case of a company:

Which role green marketing actually has in the company’s strategy?

Can green marketing bring added value to the company and be a profitable activity?

The question about the competitive consequences of green marketing remains unclear by determining green marketing’s strategic role; it is easier to understand its implications to the company.

The reference publications that brought an environmental-oriented view of sustainability into the mainstream are:

- “Ecological Marketing”- Authors: Henion and Kinnear, 1976
- “Green to Gold”- How Smart Companies Use Environmental Strategy to Innovate, Create Value, and Build Competitive Advantage, Authors: Esty and Winston, 2009
Strong involvement in the environmental sustainability by producing innovative goods with manufacturing processes that consume less non-renewable resources represent significant opportunities for companies.

The term of “slow fashion” is often used in case of greener footwear and leather goods. According to Yugang Chen, slow fashion is a state of mind, it is the pursuit of lifestyle in harmony with nature, a higher quality of life, focused on sustainable development and urban lifestyle. In the case of slow fashion, the people use items slowed elimination rate, which means slowing consumption, pollution people resources environment.

Increasing global temperatures and increasing population will force human society and companies frequently use terms like "Green marketing" and “Environmental marketing”. Policy makers globally focus their policies and carried out laws to regulate specific activities for “green marketing”. The companies have identified, and they can obtain values added through the strategic use of the concept, using their interest in the opportunities generated by new legislation or the preference orientation of stakeholders (customers, business partners, public institutions, etc.) for such products. Strong involvement in environmental sustainability through the development of innovative goods with manufacturing processes consuming less non-renewable resources may bring significant opportunities for companies.
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2. Green marketing paradigm, concepts and principles

2.1. Meaning and definition

A “Green” business activity can be defined as any business activity that is performed in a way so that it has either limited negative ecological impact or it directly benefits the natural environment in some way.

The main objective is to “meet the needs of the present without compromising the ability of future generations to meet their needs”.

The concept of green marketing has been used since the 1960s when it was tried to introduce an environmentally friendly lifestyle and especially the integration of this green term in products or raw materials purchases. Also, it was wanted to produce electricity or heat generation using clean wind power or heat output of the sun.

Green marketing is the marketing of products that are presumed to be environmentally safe; it involves development and promotion of products and services that satisfy customer’s desire and need for Quality, Performance, Affordable Pricing and Convenience, without having a detrimental input on the environment.

**BUSINESS DICTIONARY**

**AMERICAN MARKETING ASSOCIATION**

**J. POLONSKY**

**CHARTER (1992)**

promotional activities aimed at taking advantage of changing consumer attitude towards a brand.

These changes are increasingly being influenced by a firm’s policies and practices that affect the quality of the environment and reflect the level of its concern for the community.

consists of all activities designed to generate and facilitate any exchanges intended to satisfy human needs or wants, such that the satisfaction of these needs and wants occurs, with minimal detrimental impact on the natural environment

a holistic and responsible strategic management process that identifies, anticipates, satisfies and fulfil stakeholder needs, for a reasonable reward, that does not adversely affect human or natural environmental well-being.

The green marketing express the satisfaction of consumer’s needs for products and services at a certain price, high quality and durable protection of non-renewable resources and the elimination of harmful substances soil, water, and air.
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2.2. Evolution of green marketing

According to Peattie, the evolution of green marketing has three phases such as:

First phase “Ecological” green marketing, in which, all marketing activities were concerned to help environment problems and provide remedies for it.

Second phase “Environmental” green marketing, in which, the focus shifted on clean technology that involved designing of innovative new products, which take care of pollution and waste issues.

Third phase was “Sustainable” green marketing. It came into prominence in the late 1990s and early 2000.

According to Earth Day 2000, the principles of Green Marketing include green and sustainable elements such as:

- Integrate green concepts, viewpoints, and benefits into every marketing project.
- Inform and educate associates and clients on green options and incentives that encourage and enable resource efficiency.
- Implement resource-efficient and green practices in the office environment.
- Promote and form coalitions with suppliers, staff, and clients to foster resource-efficient activities.
- Develop, implement and maintain green concepts and the green paradigm in interactions with our clients and their customers.
- Recognize, validate, and respond to concerns and priorities of our communities and stakeholders.
- Embrace and consider the interrelationships of sustainable business practices, smart growth, conservation, New Urbanism, and recycling/reuse.

The advantages of using green marketing at strategic level within companies are:

- Identify how the green philosophy can be employed in business and marketing activities of all types.
- Recognize and respond to obstacles—regulatory, building codes, costs, perceptions, lack of knowledge.
- Inform customers and clients of the significance and value of LEED, Energy Star, and other green and sustainability rating systems relevant to their business and lifestyle.

High level of products promotion to clients

Marketing, including green marketing, aims to create an idea in the customer’s mind, derived from his desire to satisfy certain needs which in turn can be influenced by environmental factors where that person lives.
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The products are more attractive if they are green

By transforming the company into a green one, the certain advantage of being different compared to others could be identified\(^24\).

Clients’ education

Through their marketing policies, companies have an educational role regarding protecting the environment. Through commercials or messages written on the packaging, you can send messages regarding the product components which can be recycled. The companies can also initiate campaigns whereby consumers are motivated to choose products that contribute to the conservation of nature, or are good for health\(^25\).

Proud and responsible employees

Green marketing is a manifestation of a brand that cares about the good of the natural surroundings, not just pursue advantage of a brand by making green marketing campaign has created a product that can be used to preserve the environment\(^26\).

2.3. What are green companies?

Companies contribute to the conservation of the earth biodiversity by producing environment-friendly products and acting for the conservation of energy, water and natural resources, climate protection, maintenance of public infrastructure such as schools, roads, parks or providing assistance for the development of the other sectors\(^27\).

The main environmental concepts necessary to obtain profit in footwear industry are globalisation, sustainability, environmentally friendly and green\(^28\).
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Globalisation
Globalization has created a surprising distribution of added value in footwear industry. The raw material is obtained in areas that have access to natural resources and the ability to process them at low cost, without pollution or damages of the environment. The production is in another part of the world where the labour is cheap, and the distribution is carried out almost all over the world.  

Sustainability
The companies’ role is to identify opportunities to achieve sustainable competitive advantage. One competitive advantage is sustainable if it cannot be copied, replaced or eroded, meaning that the company can initiate and apply limits or eliminate imitation and substitution. The advantage of implementing a green strategy in case of footwear companies is that the tactics or strategic objectives can be applied in two large directions:

Environmentally friendly
Environmentally friendly means to take decisions that will not affect the environment. It is also a marketing concept that refers to products, services, laws, public politics and orientation that do not cause any harm to ecosystems.

The main characteristics of a green company are:

- To use green raw materials in manufacturing processes in order to limit the purchases of products derived from slaughtered animals and by replacing it with chemical raw materials.

- To apply green strategies in distribution, sales and promotion processes and also after-sales processes (recycling footwear and leather goods).
2.4. Reasons to be green

The long-term advantages obtained by companies that adopt and implement green marketing strategies are:\(^{12}\):

- It ensures sustained long-term growth along with profitability.
- It saves money in the long run, even if initially the cost is higher.
- It helps companies to market their products and services keeping the environment aspects in mind. It allow for accessing the new markets and enjoying competitive advantage.
- Most of the employees feel proud and responsible to be working for an environmentally responsible company.

Most of the companies are venturing into green marketing because of the following reasons:\(^{12}\):

**OPPORTUNITY**

**GOVERNMENTAL-PRESSURE**

**COMPETITIVE-PRESSURE**

**COST-REDUCTION**

**Competitive Pressure:** Large companies adopt these green marketing strategies to differentiate themselves from their competitors or to attract customers who are beginning to understand the importance of environmental protection.

**Cost-Reduction:** Intense using of what nature provides will inevitably lead to cost savings.

Reusing a percent of products already completed and sold leads to another cost reduction through waste recovery. Turning waste includes operations or sequence of operations (such as dismantling, sorting, cutting, crushing, pressing, melting and casting) performed to transform the waste into a secondary raw material or energy source.

Waste recovery can be:\(^{12}\): material, biological or energetic.

**Material recovery**

- it involves substituting raw materials; the waste being used due to its material characteristics, with exception to its immediate use as a fuel to obtain energy

**Biological recovery (composting, fermentation)**

- a material recovery of organic waste, the treatment performed according to industry standards

**Energetic recovery**

- it involves using waste as a fuel substitute for obtaining energy

**Opportunity:** Being green is a strategic objective for many companies for two main reasons: the selling prices of the products are higher which means a higher added value for the company, the increase the number of customers.

**Governmental Pressure:** Protecting the planet and its resources are goals set by the governments of the member organizations of the world. The European Union through its political mechanisms makes the Member States to adopt national legislation on environmental protection and finances numerous programs for the environment.
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2.5. Benefits of green marketing

Companies that develop new and improved products and services having environment inputs in their mind, give themselves access to new markets, increase their profit sustainability and enjoy a competitive advantage over the companies which are not concerned with the environment.

Application of Green Marketing

Five reasons could motivate a company to go for the adoption of the green marketing:

• Improve profitability with cost savings;
• Capitalize on competitive advantage;
• Mitigate risks;
• Retain and attract top talent;
• Make the world a safer and healthier place.

2.6. Key of successful green marketing

According to Verma and Tanwar the golden rules for green marketing are:

- Know your Customer
- Educate your Customers
- Be Genuine & Transparent
- Reassure the Buyer
- Consider Your Pricing
- Give your customers an opportunity to participate
- Consumer expectations have changed and they don’t expect perfection
- Green is mainstream
- Green is cool
- Greener products work equally or better – and are often worth a premium price
2.7. Green products and their characteristics

The products manufactured through green technology and without environmental hazards are called green products. Promotion of green technology and green products is necessary for the conservation of natural resources and sustainable development.

Marketing campaigns are designed to raise awareness of consumers about the quality of these products in a different way comparing with the classic ones. The development stages of a green product include several steps that must be met by companies:

- detailed market analysis for identifying the needs and opportunities that a new product generates (green product);
- product design and development;
- testing the samples in order to get the customers feedback;
- releasing the product on the market;
- following the next stages of a product lifecycle (launch, growth, maturity and decline).

At the strategic level, in the first round of market analysis, experts can use different methods for designing the product strategies. To identifying external environmental factors that can affect company directions in case of launching a new product, the following methods are recommended:

- SWOT is an internal analysis which determines the strengths and the weaknesses followed by an analysis of the relationship among external factors which determine the opportunities and the threats.
- PEST. This analysis determines the political, economic, social and technological factors;
- STEER analyse the social&cultural, technological, economic, environmental and regulatory factors.

**Strengths** - capacities, resources, advantages and distinctive skills of staff.

**Weaknesses** - areas of vulnerability, poor resource and other "negative values" or negative conditioning.

**Opportunities** - positive external environmental factors, business opportunities offered by the environment, to establish a new strategy.

**Threats** - negative external environmental factors, events or situations which may adversely affect, to a significant extent, the firm’s ability to achieve its objectives.
The external environment can be analysed by the five forces of competition model developed by Michael Porter⁴³.

The threat of new entrants = the profits of the existing companies will be eroded by the emergence of new competitors; green products will replace other traditional products or not. The companies need to identify and design strategic moves to respond to market reactions.

The rivalry between existing companies = the fight for the best possible positioning in the market by price competition, confrontation advertising, introducing new products to market, improve after-sales services.

The threat of substitute products or services = those products that seem to be different, but can satisfy the same needs.

Bargaining power of clients = their ability to force low prices, excessive qualitative levels, additional services and more.

Bargaining power of suppliers = their ability to impose higher prices or lower quality levels for products supplied.

The internal environment of the organization can be analysed by comparing the main products of the company (strategic units). Boston Consulting Group matrix analyses product portfolio by two parameters: the competitive position and the relative growth rate of the market⁴⁵.

The following ideas apply to each quadrant of the matrix⁴⁶:

**Stars:** The business units or products that have the best market share and generate the most cash are considered stars. Monopolies and first-to-market products are frequently termed stars. However, because of their high growth rate, stars also consume large amounts of cash. Stars can eventually become cash cows if they sustain their success until a time when the market growth rate declines.

**Cash cows:** Cash cows are the leaders in the marketplace and generate more cash than they consume. These are business units or products that have a high market share, but low growth prospects. Companies are advised to invest in cash cows to maintain the current level of productivity, or to “milk” the gains passively.

**Dogs:** Also known as pets, dogs are units or products that have both a low market share and a low growth rate. They frequently break even, neither earning nor consuming a great deal of cash. These business units are prime candidates for divestiture.
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**Question marks:** These parts of the business have high growth prospects but a low market share. They are consuming a lot of cash but are bringing little in return. In the end, question marks, also known as problem children, lose money. Companies are advised to invest in question marks if the product has potential for growth, or to sell if it does not.

Developing a new product requires a series of steps that must be undertaken:

1. **Identifying sources of ideas**
2. **Evaluating business idea**
3. **Concept development and product testing**
4. **Marketing strategy development**
5. **Business analysis**
6. **Product development**

The first step is to **identify the sources of ideas** that can be:

- through internal research and development performed in the company or authorized centres and
- external customers - consumers, distributors, suppliers, public institutions

The second step is to **evaluate the business idea** through a set of criteria established by managers or consultants. Among these criteria, the cost will determine the development of a new product.

**Concept development and product testing** – the product is presented to a customers’ segment, to observe and analyse their reactions to the new. The marketing team analysis each reaction in consumer’s behaviour, by organizing interviews and applying questionnaires.

**Marketing strategy development** - includes specific objectives for the target market, product position relative to the market, competition and customers, and sale methods; first year profit, analysis of financial resources that will support marketing campaigns in the first year. In this context, the production costs of distribution should be the examined.

**Business analysis** - periodic evaluation of sales, costs and profit. It is an important step because now they can see the differences between what was planned and what was achieved.

**Product development** - the market and the consumers decide whether the product meets the needs for which it was designed. Product development depends on the life cycle stages in which it is found at a specific time:

- **Release**
- **Growth**
- **Maturity**
- **Decline**

The development process of Green Products must consider following different aspects compared to standard ones: Eco-product origin: the eco origin of raw materials is important in the development of green products in the footwear industry. Richard Wool, a professor of chemical and biomolecular engineering at the University of Delaware, has been working on an eco-leather alternative made from natural fibres and oils. Flax or cotton and plant oils are laminated together in layers to create a breathable, leather-like material. Companies like Puma, Adidas and Nike are working with samples and with Wool to begin using the product and offer more vegan options.

According to Flux magazine, Sydney Brown is a luxury footwear label that offers both dynamic design and ethical and sustainable production. The American-born designer founded her eponymous label on a strong conviction that luxury could be produced in an environmentally friendly way.
Taking a holistic approach to design, Brown’s designs are hand made. These shoes are not only vegan, but they are also eco-friendly too, as they use sustainable materials such as coconut insoles, recycled and sustainable uppers, and reclaimed wooden soles, all aiming to create every pair of shoes with a ‘cradle to cradle’ life cycle.

According to https://recycledreused.wordpress.com/tag/shoes/ the top 5 Recycled Shoe Companies are:

- Simple Shoes
- Groundhog Shoes
- El Naturalista
- Ocean Minded
- Brown’s Shoes

Products from recyclable, reusable and biodegradable components are those products which use untreated materials. Untreated leather hide is biodegradable but to make leather workable and durable for use in a range of products it must go through a tanning process. By using recycling leather, off cuts from manufacturing processes and redirecting them into other industries, the demand for virgin leather production and the need for chemical tanning processes can be reduced.

According to https://recycledreused.wordpress.com/tag/shoes/ the top 5 Recycled Shoe Companies are:

- Simple Shoes
- Groundhog Shoes
- El Naturalista
- Ocean Minded
- Brown’s Shoes
TOMS Shoes

These shoes are made with organic cotton and are often vegan (no animal products). The shoe company donates a pair of shoes to a child, around the world for every pair that is bought.

NIKE’S “CONSIDERED”

An article in BusinessWeek explains how Nike made the strategic decision to avoid customer-facing sustainability initiatives:

“The company launched its first line of environmentally friendly shoes, called „Considered“, in 2005. It had high hopes for a walking boot, made with brown hemp fibers, which looked obviously earthy.” The boots didn’t sell well, and within a year were taken off the shelves. The lesson for Nike was that its green innovations should continue, but its customers shouldn’t be able to tell.

NIKE - Eco-friendly football boots

Nike has created a limited-edition football boot made from recycled and renewable materials. According to Nike Football’s global design director Andy Caine, “When you can deliver a boot that combines high-end performance and a low environmental footprint, that’s a winning proposition for players and planet.”

Leather may contain two common and toxic chemicals: chromium and polyvinyl chloride. “These chemicals help give suitcases durability to withstand all of the flight-induced bumping and bruisings”.

Nike defines Environmentally Preferred Materials (EPMs) as materials that have a significantly lower impact on the environment in one or more categories of chemistry, energy, water or waste. To define Nike EPMs and to quantitatively evaluate and rank the material choices, the company developed a Material Analysis Tool (MAT) based on lifecycle thinking.

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<thead>
<tr>
<th>IMPACT ISSUE</th>
<th>IMPACT METRIC</th>
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<tr>
<td>Chemistry</td>
<td>Risk to human health</td>
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<td>Some toxicology endpoints are</td>
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<td>considered included:</td>
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<td></td>
<td>• Carcinogens</td>
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<td>• Acute hazards</td>
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<td>• Chronic hazards</td>
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<td></td>
<td>• Endocrine disruptors/teratogens</td>
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<td>Energy Intensity / CO₂</td>
<td>MJ/Kg of material</td>
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<td>Energy source</td>
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<td>Kg CO₂/kg of material</td>
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<td>Physical Waste</td>
<td>Recycled inputs</td>
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<td></td>
<td>Manufacturing waste</td>
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<td></td>
<td>Product end of life disposition</td>
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<tr>
<td>Water Intensity</td>
<td>&gt;, =, &lt; 100 liters/kg of material</td>
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</tbody>
</table>

Source: http://www.nikebiz.com/crreport

Source: Recycled Shoes from Nike Bring "Being Green" to a New Level

Source: http://www.fastcompany.com
3. Green consumer segments

3.1. Marketing segmentation

Segmentation can be defined using demographic, geographic, psychographic, and behavioural groups of consumers. Demographic segmentation divides the market based on age, gender, income levels, education and race. Geographic segmentation divides a market by location and includes variables as population density (urban, suburban, and rural areas) and climate. Psychographic segmentation classifies consumers based on individual lifestyles, attitudes, and beliefs. Behavioural segmentation divides consumers by variables as attitude toward the product, user status, or user rate68.

The market segmentation is defined as:

- the process of dividing the potential market into groups of people who have similar or relative needs69;
- the act of subdividing a market into distinct, meaningful, and identifiable but possibly overlapping subsets, with the aim of targeting by utilizing a distinct marketing mix.

Segmentation cannot be achieved without a clear analysis of the market, based on the relationship between consumer and product70. The market analysis is a complex process, and it involves research studies on the consumer reactions71. People behave differently, depending on their psychological needs.

Key factors for accurate market segmentation72:

Marketing segmentation relies on the following characteristics73:

- **Demographic (age, gender, income, occupation, education, nationality, race, religion, etc.)**
  - Age - young people are more responsible regarding environment protection because they are more informed about the importance of using green products;
  - Education - educated people are more receptive to the importance of environmental protection;
  - Income - high income earners are more receptive about environment protection and consumption of green products because they can easily bear differences or fluctuations in their price.

- **Geographic (region, area size, urban or rural, population density, climate, etc.)**
  - Consumers from regions heavily polluted by industry understand the role and importance of a clean environment for their health;
  - Rural/urban areas - consumers from rural areas can see more easily the effects of pollution on the environment.

- **Psychographic (social class, lifestyle, personality)**
  - Social classes - green marketing strategies are functional and can be applied to social classes above average;
  - Lifestyle - is determined by values, beliefs, opinions and interests of each person.

- **Behavioural (the way customers interact/or not with the company’s products)**
  - Opportunities - occur when consumers decide to purchase a green product or when use a green product;
  - Benefit - consumers purchase products depending on the benefit which they bring in different situations;
  - Possibilities of use - people want to use purchased products in different ways;
  - Consumer type - subgroups divided into the following categories: not a user, first time user, regular user, potential user or not a user anymore;
  - Attitude towards the product - enthusiastic, positive, indifferent, negative or hostile;
  - Volume of acquisition - is directly influenced by the price of the product and the purchasing power of customers.

For an effective and efficient marketing plan, differences between consumers from different market segment should be minimal.
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3.2. Consumer behaviour and motivations

The target market/audience of the green consumers represent a well-defined group of consumers who are particularly interested in a product, have access to it and can purchase it. Green products consumer has knowledge of his/her rights and obligations and takes long-term consideration about his/her health. The role of companies is to understand consumer profiles and to adopt targeted strategies.

According to the Roper survey, green products consumers behave as following:

- 58% of consumers try to save electricity at home,
- 46% recycle newspapers, 45% return bottles or cans
- 23% buy products made from, or packaged in, recycled materials.

Also, The Roper survey divides green consumers into the following groups:

**True Blue Greens (9%)**
- True Blues have strong environmental values and take it upon themselves to try to effect positive change. They are over four times more likely to avoid products made by companies that are not environmentally conscious.

**Greenback Greens (6%)**
- Greenbacks differ from True Blues in that they do not take the time to be politically active. But they are more willing than the average consumer to purchase environmentally friendly products.

**Sprouts (31%)**
- Sprouts believe in environmental causes in theory but not in practice. Sprouts will rarely buy a green product if it means spending more, but they are capable of going either way and can be persuaded to buy green if appealed to appropriately.

**Grousers (19%)**
- Grousers tend to be uneducated about environmental issues and cynical about their ability to effect change. They believe that green products cost too much and do not perform as well as the competition.

**Basic Browns (33%)**
- Basic Browns are caught up with day-to-day concerns and do not care about environmental and social issues.
For example, Designer Shoe Warehouse (DWS), a speciality branded footwear retailer, headquartered in USA, breaks down its customers not by demographics criteria, but also by their behaviour in: multicategory, lovers of classical, fashion on a budget, classic deal seekers, man of the house, shopping bag filler, return trippers, shoe fanatic.

3.3. Green customers’ loyalty

To integrate sustainability and to increase the customers loyalty, the company has to adopt the following rules:

| THINK BROADLY ABOUT THE CONSUMERS | Avoiding the tendency to categorise and limit the sustainability audience as a niche eco or concerned consumer. Many consumers do not label themselves as green or eco even though they may be concerned about similar environmental issues. |
| INNOVATIVE APPROACH | Sustainability is no longer limited to the corporate function of the business. The companies should creatively think on ways to connect with customers at the product level and to solve sustainability issues by adopting innovative pathways. |
| INTEGRATE THE BRANDS | Sustainability can only be incorporated into the brand when it is at the core of the business activity. Any integration needs to apply both environmental and social factors to business operations. |
| PRICE IT RIGHT | Consumers are thinking in terms of “smart spending” - if they pay more for a product then it must deliver. The other pitfall is to assume that people will “purchase” sustainability. |
| COMMUNICATION | Any customer communication must be relevant and appropriate to the audience. Communication can be delivered in various ways - online, through partnerships or on packaging, for example. |
| CUSTOMER SATISFACTION | Green marketing campaigns are becoming increasingly substantial as companies realise the impact their business is having on the environment, and consumers become more conscious of their buying habits. |
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4. Strategies for green marketing and new business models

Ken Peattie\textsuperscript{61} defines environmental marketing, regarding customer satisfaction in a sustainable fashion, as \textit{“the holistic management process responsible for identifying, anticipating, and satisfying the requirements of the consumers and society, in a profitable and sustainable way”}. Green marketing focuses on promoting the consumption of green products. Therefore, the commitment toward creativity and development of environment-friendly products becomes the new responsibility of the companies\textsuperscript{62}.

4.1. Eco-efficiency and eco-effectiveness

As an important tool for the environment management, eco-efficiency has been widely applied. On the other hand, eco-effectiveness has only made significant progress in recent years by introducing the concepts of eco-design and eco-product life cycle. Both eco-efficiency and eco-effectiveness are identified as important indicators of the development of sustainable industrial systems\textsuperscript{63}.

Critical aspects of Eco-efficiency are the following\textsuperscript{64 65 66 67}:

- A reduction in the material intensity of goods or services;
- Cut in the energy intensity;
- Reduced dispersion of toxic materials;
- Improved recyclability;
- Maximum use of renewable resources;
- Greater durability of products;
- Increased service intensity of goods and services.

The objectives of integrating eco-efficiency and eco-effectiveness concepts into the companies strategies are: “zero carbon”, “zero waste” or “zero emissions”\textsuperscript{68}.

If in management, these two paradigms, efficiency and effectiveness, have a very clear meaning, adding the word “eco” has changed their significance. Ankrah, Manu et. al\textsuperscript{69} propose a different approach to eco-efficiency and eco-effectiveness:

<table>
<thead>
<tr>
<th>CRITICAL ASPECTS OF ECO-EFFICIENCY</th>
<th>ECO-EFFICIENCY PARADIGM</th>
<th>ECO-EFFECTIVENESS PARADIGM</th>
</tr>
</thead>
<tbody>
<tr>
<td><strong>Vision</strong></td>
<td>To achieve “zero waste” and “zero carbon” emissions</td>
<td>To achieve positive ecological footprints/ emissions</td>
</tr>
<tr>
<td><strong>Focus</strong></td>
<td>Reactionary approach that focuses on damage management and waste management</td>
<td>Proactive approach that focuses on damage avoidance and the creation of gains</td>
</tr>
<tr>
<td><strong>Strategies</strong></td>
<td>Energy efficiency, reduced consumption, extended product lifespan and design for durability</td>
<td>Cradle-to-cradle designs, Intelligent material pooling</td>
</tr>
<tr>
<td><strong>Approach to material usage</strong></td>
<td>Minimization of the use of materials</td>
<td>Celebrates creative and extravagant use of materials</td>
</tr>
<tr>
<td></td>
<td>Design for durability</td>
<td>Allows for shorter life span of products</td>
</tr>
<tr>
<td></td>
<td>Recycling which gradually ends up as downcycling</td>
<td>True recycling by designing to facilitate maintenance of material flows in a closed system</td>
</tr>
<tr>
<td><strong>Approach to toxicity</strong></td>
<td>Reduction in use of toxic substances</td>
<td>Replacement of known toxic substances or maintaining these in a closed continuous loop if replacements are unavailable</td>
</tr>
</tbody>
</table>

Talking about products, eco-efficiency is defined as product value per unit of environmental impact.\textsuperscript{70}
UNIT 11 - GREEN MARKETING

4.2. Business to Business (B2B) green marketing

The organizations constantly adapt themselves to the new demands of the market, trying each time to create the competitive advantages from the new trends.

Business-to-business (B2B) green marketing includes a wide range of activities related to product design, the manufacturing process, delivery service, packaging, recycling, etc.99.

4.3. Business to Consumer (B2C) and e-commerce

Electronic commerce (e-commerce) refers to a wide range of online business activities for products and services.95 It also pertains to "any form of business transaction in which the parties interact virtually rather than by physical exchanges or direct physical contact." 96

E-commerce is usually associated with buying and selling over the Internet, or conducting any transaction involving the transfer of ownership or rights to use goods or services through a computer-mediated network. 97

Difference between e-commerce and e-business96:

<table>
<thead>
<tr>
<th>E-BUSINESS</th>
<th>E-COMMERCE</th>
</tr>
</thead>
<tbody>
<tr>
<td>firms – organizations</td>
<td>firms – organizations</td>
</tr>
<tr>
<td>information and communications technology</td>
<td>information and communications technology</td>
</tr>
<tr>
<td>firms – organizations</td>
<td>individuals</td>
</tr>
</tbody>
</table>

On an e-market, a consumer will conduct a transaction when he/she has a sense of controlling the risks involved, having acquired an appropriate degree of trust and confidence. The consumer involved in an e-commerce transaction interacts with another party (i.e. the e-commerce site) through two forms of data exchange99.
4.4. Incorporating sustainable marketing strategies in footwear companies

Many large companies have realized what is the market potential of green products, and they adopt proactive strategies to increase profits and to occupy leading market positions. Therefore, the main elements to be considered when the organization develops a marketing strategy are:

Market research strategies: the green market for footwear industry is totally different comparing with other industries. The market research is based on the following characteristics: relative advantages, new situations created by stakeholders, compatibility and complexity of the marketing elements used by the company or competition.

Production strategies: B2B companies have to adapt their systems to the production of green products. For this reason, the companies need technological innovations and partnerships with producers of organic raw materials.

Product strategies: developing green footwear products requires for creativity, and it may lead to competitive advantages. Marketing campaigns are designed to raise consumers awareness about the quality of these products compared to the non-green ones.

Companies which embark on green marketing should adopt the following principles in their path towards "greenness":

- Adopt new technology/process or modify existing ones to reduce environmental impact.
- Establish a management control system that will lead to adherence of stringent environmental safety norms.
- Explore possibilities of recycling used products, to offer similar or other benefits with less wastage.

Many firms are beginning to realize that they are members of the wider community and, therefore, must behave in an environmentally responsible way. The development of the green marketing strategy to a company is complex. Companies that do not implement innovative green marketing strategy will struggle to tough emerging global market, and moreover, they will be viewed as uncompetitive and unresponsive.

The key actions for an effective green marketing strategy are:

- Understand the market and the underlying values and beliefs of your consumers and other key stakeholders, and develop a marketing plan that aligns well with these values and beliefs.
- Make sure that the products and services balance the needs of meeting consumer’s desires for quality, convenience, and affordability with sustainability goals.
- Be genuine and radically transparent throughout the marketing mix. In marketing communication and promotion efforts, actively engage consumers with issues that are meaningful to them, and listen to them. Give them a voice.
- Create alliances. Look for sustainable business partners, such as those from whom you source ingredients or other materials; nongovernmental organizations (NGOs) that complement your business; and sustainable industry leaders and other like-minded businesses.
- Measure performance against key metrics and communicate progress. Radical transparency includes being able to share progress against sustainability goals with consumers and the community at large.

According to Hietala, Nike made its shoeboxes lighter in 2011. They updated their old box to be sturdier and lighter and made it using 30 percent less material. This innovation saved approximately 200,000 trees. Puma made a similar green move by altogether replacing its shoeboxes with reusable bags. The new “box” consists of one-piece cardboard and a reusable bag. This packaging method uses 65 percent less cardboard than the standard shoebox, and the bag is 100 percent recyclable material. Puma named the bag “the Clever Little Bag” and with this clever innovation, they save 60 percent annually, as the manufacturing of the bag uses significantly less water, energy, and diesel. The light weight of the new packaging makes it cheaper and more eco-friendly also to transport with 500,000 liters less of diesel fuel needed.

**Timberland Green Index Program as a marketing strategy**

Green Index measures and communicates critical aspects of environmental performance in a simple format that allows the company to inform both product design and consumer choices. It allows consumers to make informed decisions about their purchases. In a marketplace where brands compete on the issue of sustainable innovation, we can all be Earth Keepers by favouring responsible companies whose products have a lower environmental footprint.

The Green Index® rating system is providing consumers with information about the environmental impact of the product when they purchase it. Timberland shoe-specific label is visible as a sticker on all footwear models that have been scored. In this way, consumers know about measures on the climate impact, chemicals used, and renewable, recycled, organic resources associated with these shoes.

**4.5. Challenges of green marketing**

Green marketing faces challenges because of the lack of standards and public consensus about what the “Green” represents. Some of these challenges could be:

- Renewable and recyclable material, which is costly
- New technology, which means huge investment in R & D
- Water treatment technology, which is too costly
- People are not aware of green products and their uses
- Consumers do not always want to pay a premium price for green products

Stephen Wenc, the president of UL Environment, the new green arm of the well-established certifying body, Underwriters Laboratories, laid out four basic challenges to effective green marketing:

- Lack of credibility or trust from consumers and end-users
- Confusion regarding green or sustainable product claims
- Reputational risk from "misleading claims"
- Liability risk from "green washing"
UNIT 11 - GREEN MARKETING

4.6. Why green product brands do fail?

According to Peattie and Crane, green marketing could fail because of five problems:

1. **green spinning** occurs when a company, usually one who receives criticism for its environmental impact, implements a strong public relations (PR) campaign to demonstrate that they are environmentally friendly.

2. **“green selling”** is similar to green spinning. In both cases, no organizational changes are made. Instead, the company adjusts its promotional campaigns to include the environmental features of current products. However, no processes or standards are in place to authenticate the green claims of businesses.

3. **green harvesting** is the result of companies reducing the amount of packaging used in their products while cutting energy usage at the same time. These practices may provide benefits to the organization, but the consumer is not aware of them.

4. **“enviropreneurs”** are described as individuals, sections, or companies that seek to bring innovative green products to the market. These efforts were initially successful. But more often, even if the company produced products in a very environmentally safe way, these products often failed to meet the specifications required by their customer.

5. **compliance marketing** is the final approach that was frequently used in the 1990s. This occurred when companies operate at the level of environmental responsibility mandated by the government, but their business is promoted as green.

4.7. Key elements in green marketing

Green marketing can be seen as part of the concept of sustainability. Thus, green marketing acts as a marketing tool that aims at honest promotion to consumers and stakeholders regarding the company’s sustainable activities. Several key elements can be identified as effective for green marketing programs, namely:

- Top management commitment;
- Integration of the organic products business strategy;
- Understanding customer desires and objectives;
- Certifying the “green” product;
- Using eco-labels for the company’s products;
- Authenticity and credibility in green marketing efforts and complete transparency;
- Sustainable branding; the quality of a “green” product should not overshadow its original purpose.
5. Green marketing mix

Understanding the targeted consumer helps marketers to know if “greenness” is an appropriate selling attribute and how it should be incorporated into the marketing mix\(^\text{112}\). Mainly, companies use a set of 4 Ps for the green marketing mix\(^\text{113}\).

5.1. Green product

The marketing strategies for green products comprise any or a combination of the following attributes: recycling, reduction of packaging materials, reuse, and dematerializing, sustainable source of raw materials, products that are more durable, repairable and safe for disposal\(^\text{114}\).

For example, Nike is the first shoe company that marketed itself as green. The brand promoted the Air Jordan shoes as environment-friendly. By designing this collection of shoes, Nike reduced wastes and used environment-friendly materials. Also, the company has significantly reduced the usage of harmful adhesives\(^\text{115}\).

5.2. Green price

Marketers need to minimize the price barrier between green products and conventional ones, either by reducing the price point or through marketing efforts to raise the perceived value\(^\text{116}\).

A green price is a price ready to be paid by consumers of the environmentally friendly products. The price of such products may be a little higher than conventional alternatives.

5.3. Green place

A balanced distribution logistics is very important. Looking for the “greener” places is about aiming to reduce the carbon footprint by reducing transportation emissions\(^\text{117}\). Manufacturing units relocated by big brands to reduce transportations among various segments of the product value chain, as well as developing new local brands are two different examples of the intervention of the green places into the marketing strategy.

5.4. Green promotion

Promotion represents the communication tools and tactics that a company uses to promote and market their product. Green promotion helps consumers to overcome the “greatest environmental hazard”, that is, the lack of environmental information\(^\text{118}\).

To minimize the gap between environmental information and promotion, Ottman\(^\text{119}\) has suggested several green promotion strategies:

- Educate consumers on the environmental problems that a green product solves.
- Empower consumers with solutions by demonstrating how green products and services can help protect their health and preserve the environment for future generations.
- Provide performance reassurance of green-based products, as many consumers perceive them to be inferior to conventional products.

If a product is fair in terms of price, place and promotion, by comparison with classic products, the sustainability can empower the product with a competitive dimension, particularly among consumers with some interest in protecting the environment\(^\text{120}\).
6. Communicating sustainability and promoting green products

Promotion refers to a set of tools and tactics used by a company to promote and to market their product or service. Public relations is the management function that establishes and maintains mutually beneficial relationships between an organization and the publics on whom its success or failure depends.

Marketing promotion tools:

When companies are considering which marketing promotion tool or set of tools to use for their product or service, they have to take into consideration the purpose of the promotion and the targeted audience.

6.1. Advertising

Advertising is the structured and composed non-personal communication of information, usually paid for and usually persuasive in nature, about products (goods, services, and ideas) by identified sponsors through various media.

The advertising landscape is evolving at an unprecedented rate, being largely influenced by two factors: media fragmentation and population shifts. Beyond reaching the right consumers, advertisers are tasked with finding creative ways to stand out in this complex media environment. For advertising, various instruments are used, television, radio, newspapers, flyers, internet, etc.

Example: Nike made a big splash with its marketing focused on creating a better world through sports. Their efforts included the first 100 percent recycled television advertising, reusing and remixing film from their previous campaigns over the years to create a new spot to introduce their Better World campaign.

6.2. Public relations

Public relations represent the way companies communicate with their customers. Public relations is a distinctive management function which helps to establish and to maintain mutual lines of communication, understanding, acceptance and cooperation between an organisation and its publics. The benefits of having good public relations are:

- It helps management to keep informed on and responsive to public opinion;
• It defines and emphasises the responsibility of management to serve the public interest;
• It helps management keep abreast of and effectively utilise change, serving as an early warning system to help anticipate trends;

6.3. **Personal selling**

**Personal selling** involves using people in the process of selling products, and it includes one-to-one selling, word of mouth, cold calls, sales meetings, product presentations, and demonstrations. According to the American Marketing Association, the personal selling is an “oral presentation in a conversation with one or more potential buyers. In this case, the staff cost is high.

6.4. **Consumer promotions**

**Consumer promotions** are programs that aim to reinforce the commitment to customers and to encourage repeated purchases. For a sustainable marketing, promotions are offered by manufacturers directly to consumers and may include an incentive, a gift or a discount. There are various factors which influence the consumer behaviour toward promotions, such as social and economic factors, but the culture is “fundamental determinant”.

The consumers have several choices to make among alternative products, and they exercise a high level of influence in the market on the product quality and its price. Therefore, it is important for producers to meet the needs and the expectations of the consumers.

6.5. **Groupon**

**Groupon** (Group + Coupon) could be used by an online shopping website that offers selected daily deals to a large number of customers. Offering a voucher through Groupon has two benefits for a company: price discrimination and advertising.

By using Groupon, the consumers gain a discounted price, whereas the seller who offers the deal benefits from advertising and has an increasing number of clients.

6.6. **Social media**

**Social media** represents a marketing opportunity that exceeds the traditional sells channels and provides direct connections between companies and customers. These tools are typically internet or mobile based, such as Twitter, Facebook, MySpace and YouTube.

When a company uses social networking, it increases the exposure of the business. Also, it can follow and be followed by a third part, can measure the web traffic, can manage issues by responding quickly to criticisms or negative perceptions.

6.7. **Event marketing**

**Event marketing** describes the process of organizing a themed exhibit, display, or presentation to promote a product, service, cause, or organization aiming for in-person engagement.

During recent years, there has been an increase in the use of the events as a marketing tool. Such events can be organized for different targeted groups. The most common purposes of the event are to increase or change the brand awareness, to increase sales, to create or strengthen the relationship between the customer and the products.

6.8. **Digital marketing**

**Digital marketing** promotes the products or brands via electronic media. Digital marketing has certain advantages comparing with traditional marketing. It involves the use of channels and methods that enable an organization to analyse in real time the marketing campaigns and to understand what is working and what isn’t. Through Digital Marketing, brands can now be direct sellers, content producers, bloggers, tweeters and even friends.
The use of the digital marketing is possible because of the great progress the computer-based technology has made over the past years: large band internet connections, new software applications, the new devices that allow people to connect both to the network and to each other whenever, wherever and however they want to. Technology is also helping marketers to address fragmentation by providing sophisticated tools to track multiple, integrated campaigns that span numerous channels and audiences\(^1\)\(^4\)\(^7\)\(^1\).\(^8\)

6.9. Mobile marketing

Mobile marketing is defined by Mobile Marketing Association as: “A set of practices that enables organizations to communicate and engage with their audience in an interactive and relevant manner through any mobile device or network”\(^1\)\(^4\)\(^9\).

Mobile commerce is an activity that occurs when consumers use their mobile devices to make purchases. Mobile devices provide two-way communications. On one hand they transmit account information at the point of sale during a transaction, and on the other hand these devices can also receive information or personalized advertising\(^1\)\(^5\)\(^0\). The reason why the mobile marketing is so effective is because it allows the company to reach their target throughout the day\(^1\)\(^5\)\(^1\).

6.10. Grassroots promotion and marketing

Grassroots promotion and marketing relies on unconventional marketing strategy. It is about taking the consumer by surprise, making an unforgettable impression and creating amounts of social buzz\(^1\)\(^5\)\(^2\).

Advertising strategy can also focus on low-cost marketing tactics. It involves unusual approaches such as intercept encounters in public places, street giveaways of products, public relation stunts\(^1\)\(^5\)\(^3\).
7. Structure of a Green Marketing Plan

A marketing plan is derived from the company’s vision and integrates organization’s overall goals and marketing objectives (what goals they want to achieve) and strategies (how they are going to achieve them) into a cohesive plan. The green marketing plan focuses on the ideal marketing mix to achieve maximum profit potential while adhering to sustainability principles. The key elements of the green marketing plan are given below.

<table>
<thead>
<tr>
<th>Corporate goals</th>
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<tbody>
<tr>
<td>• Should be in line with the company’s vision and long-term strategic plan.</td>
</tr>
</tbody>
</table>

<table>
<thead>
<tr>
<th>Objectives</th>
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</thead>
<tbody>
<tr>
<td>• Objectives should be stated clearly and should stem from the overall company’s vision and goals.</td>
</tr>
</tbody>
</table>

<table>
<thead>
<tr>
<th>Strategies</th>
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</thead>
<tbody>
<tr>
<td>• After objectives are determined, strategies (which are how you are going to achieve the objectives) should be developed.</td>
</tr>
</tbody>
</table>

<table>
<thead>
<tr>
<th>Tactics</th>
</tr>
</thead>
<tbody>
<tr>
<td>• Tactics are the specific means or programs to achieve the strategies and this includes the four Ps.</td>
</tr>
</tbody>
</table>

<table>
<thead>
<tr>
<th>Market</th>
</tr>
</thead>
<tbody>
<tr>
<td>• Determine what market you are participating in and at what stage your product or service is in its life cycle. For green products especially, there may be opportunity to add a new dimension to a mature category with a new product benefit.</td>
</tr>
</tbody>
</table>

<table>
<thead>
<tr>
<th>Consumer target audience</th>
</tr>
</thead>
<tbody>
<tr>
<td>• Identify potential customers.</td>
</tr>
</tbody>
</table>
UNIT 11 - GREEN MARKETING

8. Test of knowledge

Choose the correct option:

Q1. The trend of using on a large scale of artificial products or chemical substances occurs because of:
   ○ the advertising campaigns of the companies
   ○ needs for profit increase
   ○ the growth of population and the reduction of natural resources and food

Q2. Slow fashion is:
   ○ used when a product (clothing, footwear, etc.) lasts longer in time and it is often made from locally sourced, or fair-trade materials
   ○ the slow and the long process of product development
   ○ the manufacturing processes of innovative goods that consume non-renewable resources

Q3. A business activity can be defined as a green business if it:
   ○ meets the needs of the present without compromising the future generations regarding environment issues
   ○ satisfies the consumer's needs for quality
   ○ satisfies the consumer's needs for products and services at a certain price

Q4. The three evolution phases of the green marketing are:
   ○ Ecological, Competitive, Sustainable
   ○ Ecological, Environmental, Sustainable
   ○ Environmental, Efficient, Innovative

Q5. The green companies are:
   ○ companies that contribute to the preservation of the environment biodiversity by producing environment-friendly products, and acting for conservation of energy, water and natural resources, climate protection,
   ○ companies that advertise their products as being green
   ○ companies that focus on traditional development

Q6. Environmentally friendly means:
   ○ laws for the environment
   ○ products, services, and actions that will not affect the environment
   ○ public politics of ecosystems
UNIT 11 - GREEN MARKETING

Q7. Waste recovery can be:
○ Material recovery, Costs recovery, Fuel recovery
○ Biological recovery, Energetic recovery, Material recovery
○ Biological recovery, Fuel recovery, Organic recovery

Q8. Products life cycle stages are:
○ analysis, development, release, decline
○ development, testing, release, decline
○ release, growth, maturity, decline

Q9. Environmentally Preferred Materials (EPMs) are:
○ materials with recycled contents
○ materials that have a significantly lower impact on the environment
○ nontoxic chemical materials

Q10. B2B companies:
○ make a commercial transaction with other companies
○ sell consumer goods and/or services to customers
○ make transactions involving the transfer of ownership or rights to use goods

Q11. The objectives of implementing eco-efficiency and eco-effectiveness concepts in companies strategies are:
○ zero waste, zero emissions and zero toxins
○ zero carbon, zero waste and zero consumption
○ zero carbon, zero waste and zero emissions

Q12. A successful green marketing strategy must include:
○ a sustainable development
○ an organic product
○ an honest promotion

Q13. Green spinning is used by companies that:
○ make commercial transactions with multiple environmentally friendly companies
○ implement a strong public relations campaign to demonstrate that they are environmentally friendly
○ are using green technologies
### UNIT 11 - GREEN MARKETING

#### Q14. Green selling is used by a company that:
- Adjusts its promotional campaigns to include the environmental features of current products
- Makes commercial transactions through multiple channels of distribution
- Operates in an environmentally safe way

#### Q15. The enviropreneurs are:
- Individuals, sections, or companies that make decisions that will not affect the environment
- Individuals, sections, or companies that implement campaigns to demonstrate that they are environmentally friendly
- Individuals, sections, or companies that seek to bring innovative green products to the market

#### Q16. Segmentation can be defined using following segments:
- Demographic and psychographic
- Geographic, psychographic, and behavioral
- Demographic, geographic, psychographic, and behavioral

#### Q17. Market segmentation can be defined as:
- The process of dividing an existing market into groups of products that have similar characteristics
- The process of dividing the market into groups of people who have different needs
- The process of dividing the potential market into groups of people who have similar or appropriate needs

#### Q18. Demographic segmentation refers to:
- Age, religion, personality and hobbies
- Age, gender, income, occupation, nationality, race and religion
- Gender, age, social class, lifestyle and personality

#### Q19. Absolute Non-consumers are defined as:
- Individuals who are banned from consumption related to health, religion, and legal reasons
- Individuals who are not banned from consumption related to health, religion, and legal reasons
- Individuals who are not convinced of the product value for various reasons
Q20. **Green consumer:**
- has knowledge of his/her rights and obligations but does not take into consideration his/her health or the environment
- has knowledge of his/her rights and obligations and takes long-term consideration about his/her health
- is uneducated about environmental issues and cynical about their ability to effect change

Q21. **Green marketing:**
- is about promoting the consumption of green products
- is about promoting the disadvantages of green products
- is about convincing green consumers to buy general products

Q22. **E-commerce is defined as:**
- a range of face to face business activities
- a range of online business activities for products and services
- a range of business activities regarding the environment

Q23. **Main elements to be considered when an organization develops a green marketing strategy are:**
- market, production, and product
- technology and environment
- location and raw materials

Q24. **Green place is about:**
- conducting businesses in green areas
- promoting products in an online environment
- aiming for reducing the carbon footprint of materials/products by lowering the transportation emissions

Q25. **Eco-product origin refers to:**
- the place where the raw materials of an environmentally friendly product were produced
- product origin from any manufacturing facility
- transporting products to reduce carbon footprint.
### UNIT 11 - GREEN MARKETING

#### Q26. Public relations are about:
- one-to-one selling, sales meetings, product presentations, and demonstrations
- influencing, informing and persuading the consumer
- the use of sites, such as Facebook, Twitter, Foursquare, LinkedIn, and YouTube

#### Q27. Cradle to Cradle (C2C) is:
- A business model for production which is not just efficient but it is essentially waste free.
- designing and developing cradle products
- promoting products and services through social media channels

#### Q28. Eco-efficiency refers to:
- product value per unit of environmental impact
- energy efficiency
- price of the product paid by the consumer

#### Q29. E-commerce is usually associated with:
- buying and selling products and services over the Internet
- promoting the products and services over the Internet
- designing the products and services in an online environment

#### Q30. Green Marketing Mix is about:
- price, place, product, promotion
- environment, market, transportation, resources
- designing, production, selling, promotion
### Answer Key:

| Q1. | the growth of population and the reduction of natural resources and food |
| Q2. | used when a product (clothing, footwear, etc.) lasts longer in time and it is often made from locally sourced, or fair-trade materials |
| Q3. | meets the needs of the present without compromising the future generations regarding environment issues |
| Q4. | Ecological, Environmental, Sustainable |
| Q5. | companies that contribute to the preservation of the environment biodiversity by producing environment-friendly products, and acting for conservation of energy, water and natural resources, climate protection, products, services, and actions that will not affect the environment |
| Q6. | Biological recovery, Energetic recovery, Material recovery |
| Q7. | release, growth, maturity, decline |
| Q8. | materials that have a significantly lower impact on the environment |
| Q9. | make a commercial transaction with other companies |
| Q10. | zero carbon, zero waste and zero emissions |
| Q11. | a sustainable development |
| Q12. | implement a strong public relations campaign to demonstrate that they are environmentally friendly |
| Q13. | adjusts its promotional campaigns to include the environmental features of current products |
| Q14. | individuals, sections, or companies that seek to bring innovative green products to the market |
| Q15. | demographic, geographic, psychographic, and behavioral |
| Q16. | the process of dividing the potential market into groups of people who have similar or appropriate needs |
| Q17. | age, gender, income, occupation, nationality, race and religion |
| Q18. | Individuals who are banned from consumption related to health, religion, and legal reasons |
| Q19. | has knowledge of his/her rights and obligations and takes long-term consideration about his/her health |
| Q20. | is about promoting the consumption of green products |
| Q21. | a range of online business activities for products and services |
| Q22. | market, production, and product |
| Q23. | aiming for reducing the carbon footprint of materials/products by lowering the transportation emissions |
| Q24. | the place where the raw materials of an environmentally friendly product were produced |
| Q25. | influencing, informing and persuading the consumer |
| Q26. | A business model for production which is not just efficient but it is essentially waste free. |
| Q27. | product value per unit of environmental impact |
| Q28. | buying and selling products and services over the Internet |
| Q29. | price, place, product, promotion |
9. Glossary

- **Absolute Non-Consumers**: Individuals who are banned from consumption related to health, religion, legal, etc.\(^{155}\)
- **Advertising**: encompasses communications designed to increase awareness and to encourage the purchase of a particular product or service.\(^{156}\)
- **Basic Browns**: customers that are caught up with day-to-day concerns and do not care about environmental and social issues.
- **Blue Greens**: customers that have strong environmental values and take it upon themselves to try to effect positive change.\(^ {157,158}\)
- **Business analysis**: periodic evaluation of sales, costs and profit.\(^ {159}\)
- **Business-to-business (B2B)**: refers to a situation where one business makes a commercial transaction with another.\(^ {160}\)
- **Business-to-consumer (B2C)**: the process of selling consumer goods and/or services to customers through multiple channels of distribution to earn a profit.\(^ {161}\)
- **Compliance marketing**: the company acts at the level of environmental responsibility and promotes the business as green.
- **Consumer promotions**: are programs that directly help to influence the consumer to purchase the product and typically include some price incentive.\(^ {162}\)
- **Cradle to Cradle (C2C)**: the business framework and models that seek to create production techniques that are not just efficient but are essentially waste free.
- **Eco-effectiveness**: to achieve positive ecological footprints/emissions.\(^ {163}\)
- **Eco-efficiency**: product value per unit of environmental impact.\(^ {164}\)
- **E-commerce**: usually associated with buying and selling over the Internet, or conducting any transaction involving the transfer of ownership or rights to use goods or services through a computer-mediated network.\(^ {165}\)
- **Eco-product origin**: the place where the raw materials of an environmentally friendly product were produced.\(^ {166}\)
- **Environmental marketing**: the holistic process responsible for identifying, anticipating, and satisfying the requirements of the consumers and society, in a profitable and sustainable way.\(^ {167}\)
- **Environmentally friendly**: products, technologies or services that will not affect the environment.\(^ {168}\)
- **Enviropreneurs**: individuals, sections, or companies that seek to bring innovative green products to the market.\(^ {169}\)
- **Globalization**: the raw material is produced in areas that have access to natural resources and the ability to process at low cost without pollution, loss of natural environments; the production is in another part of the world where the labour is cheap, and the distribution is carried out almost all over the world.\(^ {170}\)
- **Green companies**: companies that contribute to the conservation of the environment biodiversity, producing environmentally friendly products, and acting for the climate protection conservation of energy, water and natural resources.\(^ {171}\)
- **Green harvesting**: the result of companies reducing the amount of packaging used in their products while cutting energy usage at the same time.
- **Green marketing**: Sum of the marketing strategies, methods and tools applied to consumers of eco-friendly products
- **Green place**: is about aiming for reducing the carbon footprint by cutting transportation emissions.\(^ {172}\)
- **Green price**: the price paid by consumers of the environmentally friendly products. The price of such products may be a little higher than conventional alternatives.
- **Green products**: the products that are manufactured through green technology and that caused no environmental hazards.\(^ {173}\)
- **Green promotion**: represents the communication tools and tactics that a company uses to promote and market their product.\(^ {174}\)
- **Green selling**: the company adjusts/ adapt/ change its promotional campaigns to include the environmental features of the current products.
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• **Green spinning**: occurs when a company, usually one who receives criticism for its environmental impact, implements a strong public relations (PR) campaign to demonstrate that they are environmentally friendly.

• **Greenback Greens**: customers that are more willing than the average consumer to purchase environmentally friendly products.175,176

• **Grousers**: customers that tend to be uneducated about environmental issues and cynical about their ability to effectively change the given situation177,178

• **Market analysis**: a complex process for studying the consumer reactions through marketing research179

• **Marketing strategy**: includes specific objectives for the targeted market and the actions for realizing these objectives, including product position into the market, competition and customers, sale methods, marketing campaigns and promotion channels.

• **Personal selling**: includes one-to-one selling, sales meetings, product presentations, and demonstrations180

• **Product Life Cycle**: the stages in which a product/service could be found at a specific time: release, growth, maturity, decline181.

• **Public relations**: is about influencing, informing, and persuading the consumer and it is often not a medium that is directly paid for, such as paying to take out ads in the newspaper, on the radio, or on television182

• **Relative Non-Consumers**: Individuals who are not convinced of the product value for various reasons: financial, social, biological, informational, etc.183

• **Segmentation**: the process of dividing potential market into groups of people who have similar or appropriate needs.184

• **Slow fashion**: a state of mind, the pursuit of lifestyle in harmony with nature, with a higher quality of life, focused on sustainable development and lifestyle185.

• **Social media**: involves the use of sites, such as Facebook, Twitter, Foursquare, LinkedIn, and YouTube, among others, to help generate awareness and get consumers engaged in a relationship with a brand and talking to each other about the brand186

• **Sprouts**: customers that believe in environmental causes in theory but not in practice. They could be persuaded to buy green products if they are appropriately appealed187,188

• **SWOT**: analysing tool based on Strengths and Weaknesses, Opportunities and Threats189.
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