Grow Your Green Marketing Plan

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Summary: How going green creates new opportunities for selling to both members and nonmembers.

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As associations develop environmentally friendly products, their marketing methods must also evolve to appeal to the demand for "green." But green marketing is more than just focusing on Mother Earth, says Jacquelyn Ottman, author of <u>The New Rules</u> of Green Marketing and owner of J. Ottman Consulting.

Ottman defines green marketing as "the development and communication of products and services that are environmentally preferable to conventional alternatives." It's more complex than traditional marketing, but organizations must develop this competency if they want new opportunities to sell to members and others, she says.

First, "start with a thorough approach to product greening," one that examines the environmental impacts and resource usage of each product and service throughout its lifecycle. Then, in marketing messages, associations should, ironically, avoid "putting the planet front and center" in their pitches. Instead, focus on "the most important benefit of the product, segment your audience, and communicate that benefit [along with the green benefits], perhaps even ... reinforcing your messages with environmental messages and trust marks" such as the respected EnergyStar or Fair Trade-certified symbols.

This approach will attract what a survey by Performics found to be 83 percent of consumers who buy eco-friendly products and services but have varying degrees of commitment to purchasing sustainable items, Ottman says.

She notes that effective green marketing requires associations to use more descriptive language and to be prepared to educate members about why certain green attributes should matter, so demand for such products will grow.

Consumers "are now looking beyond price, performance, and appearance ... into aspects of a product they never looked at before, [such as] how is it made, what kinds of materials are used, are the workers treated fairly, and are the coffee pickers' children getting an education?" says Ottman, who has worked with the National Pest Management Association and other professional and trade groups. "Green marketing is no longer about slapping on a label and talking about one aspect of your product like, 'It's recycled!"

For a marketer used to highlighting tangible benefits, green marketing can be a big adjustment. "The biggest challenge of green marketing is the intangibility of it all," Ottman says. "You can't see the eco-friendly floor cleaner protecting your family; you can't see the ozone layer not depleting."

Associations can combat that problem by providing transparent information, such as descriptive labels on packaging to make benefits more meaningful ("113 trees were saved by printing this book on 100 percent recycled versus virgin paper") or by dramatizing the environmental savings ("If every attendee did X at every association meeting this year, we would avoid carbon dioxide emissions equivalent to those of 57,000 cars.").

They also can do their homework. "With green being mainstream, you have to know which environmental issues [members] are into, what they care about, what they don't know, and which audience segment they fall into," says Ottman.

Green marketing remains an evolving and emerging competency, but ignoring it risks losing the increasing number of members who seek environmental responsibility in their consumer choices. Research continues to find that "green is definitely a competitive advantage," Ottman says.

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Learn More

<u>Read the first chapter</u> [PDF] of Ottman's *The New Rules of Green Marketing*, including a free checklist of questions to help shape your association's green marketing strategy.

Online Extra: Extended Q&A With Jacquelyn Ottman

With ever-climbing consumer demand for more environmentally friendly products and services, associations should more assertively move from traditional marketing to more complex "green" marketing strategies, which will open up new opportunities to sell to members and others, according to Jacquelyn Ottman, author of *The New Rules of Green Marketing* and owner of J. Ottman Consulting.

Ottman regularly speaks to and works with associations such as the National Pest Management Association and the Wallcoverings Association that are helping members develop sustainability strategies and green marketing plans needed for their success.

She defines *green marketing* as "the development and communication of products and services that are environmentally preferable to conventional alternatives," noting that it is no longer directed only at altruistically-driven or "deep-green" consumers who will

buy sustainable products regardless of price or ease of accessibility. "Green is now mainstream," Ottman says.

She makes this point repeatedly to business leaders in her book: "Knowing how best to cater to today's green consumers will bring significant opportunities to grow your top-line sales and revenue growth and increase your market share among the fast-growing numbers of green consumers, as well as to save money, enhance employee morale, and recruit and retain the brightest minds."

Here, Ottman talks with *Associations Now* about the "new rules" in this evolving field and how associations can better serve members by understanding their eco-conscious expectations and attitudes better.

Associations Now: Your book notes that green marketing has grown tremendously in the past decade. Why should associations get involved in this, and what attitudes are motivating members and consumers in this regard?

Ottman: There's definitely increased interest in green marketing. It's pretty hard to find an association right now that isn't dealing with sustainability. I've noticed a distinct shift in association activities over the 22 years I've been doing this. ...

Today's mainstream consumers are motivated to buy green products for many other reasons in addition to the feel-good reason of altruism. The Energy Star label, for example, is something recognized by 93 percent of consumers, and it has almost equal purchase influence, so a lot of people who buy Energy Star-labeled products, whether office products or appliances, are motivated to buy them because of long-term operating cost savings. And a lot of people are motivated to buy CFL [compact fluorescent lamp] lightbulbs because they save on long-term energy costs.

So when we say, "Green is mainstream," it's true that green products are growing fast, but a lot of people aren't necessarily motivated to save the planet, ... [although the] latest projection [for] the size of the market is about \$290 billion in the U.S. just for consumer goods. That doesn't include commercial products like office paper and building supplies or anything industrial like engines.

Other examples [of growing green markets] are organic food, natural organic personal care products, natural pet foods and pet care products, and nontoxic cleaning products. Again, a lot of people are buying these products not so much because they care exclusively about the planet and altruism but because of health reasons ... they perceive them to be safer. ...

A key factor motivating green today is fear. [In the business world, it may be] fear of rising prices or fear of lost reputation that's driving green purchasing, but in the consumer sector, health concern is the number-one reason why people are worried about the state of the environment. The second fear is of running out of precious natural resources; that's why people are talking about saving trees, water, and energy.

What you need to do as a marketer is engage the head and the heart, the pocketbook and the heart. You have to let people know they can feel empowered by buying your product or service, that this is something that will help them address that fear, and that's something they can do with confidence.

My advice to marketers ... is, if you are selling a green product today, don't put the planet front and center. Put the primary benefits that the product can deliver—like better taste, safety, and money savings—and then you will appeal to a broader segment of consumers, not just the 17 percent of the LOHAS (lifestyles of health and sustainability) consumer.

You write that green marketing is more complex. How?

In the old days, green marketing meant you should green up your existing product and then slap on a label that says "New recycled toothpaste tube carton!" And if you really wanted to turn up the dial on green marketing, you might consider a cause-related marketing effort in which five cents of every purchase of that toothpaste went to Save the Forests or something.

Now it's much more complex. In Chapter 2 of my book, there's a chart of green-purchasing buzzwords that shows a box with each phase of a product's lifecycle, starting with raw materials, manufacturing, then packaging, distribution, marketing, end use, after-use (recycling, resaleability), and disposal.

Inside the boxes are the buzzwords that consumers are using to describe the greener products they're looking for. They want products that are sustainably harvested, Fair Trade like for coffee or chocolate, unbleached, recycled, and energy efficient. Consumers are telling us that they are now looking beyond price, performance, and [design] into aspects of the product they never looked at before. Now they're saying, "How is it made? What kinds of materials are used? Are the workers treated fairly? Are the coffee pickers' children getting an education?"

So green marketing is no longer about slapping on a label and talking about one aspect of your product like, "It's recycled!" It's got to be two or three things, and the box should be recycled, and the manufacturer, the retailer, or a third party should give you

an option of recycling it somewhere. Consumers today are looking into every phase of the product's lifecycle. ... Not all consumers are looking at all of these things, but collectively they're looking at all of these things.

So when you talk about the marketing being more complex, you're saying you have to be a lot more descriptive in your language?

That's the second step. The first step is that you need to have a legitimately green product that starts with a lifecycle perspective. Your product has to be all or most of those things, not just one or two.

Also what's complex is that a lot of products don't have third-party trust marks: Energy Star, Fair Trade, USDA (U.S. Department of Agriculture)-organic. They don't have language that says "environmentally friendly" or "energy efficient." But consumers are looking for these things, and when they pick up the package at the store, if they don't see the label, they look for the manufacturer's name and ask themselves, "Is this a manufacturer I can trust?"

So, number one, you have to start with a thorough approach to product greening, and number two, in your messaging, you have to focus on the primary benefits ... then communicate that benefit, and [consider whether] you need to reinforce your messages with environmental messages and trust marks.

Sometimes you have to educate consumers, too, so you [can] create demand for your products by communicating what Fair Trade is in addition to letting them know that the Fair Trade coffee or chocolate tastes better or has additional special ingredients that make your product unique.

You state in the book that empowerment is at the heart of green marketing.

Why are people buying nontoxic cleaning products? They're doing it because they fear the chemicals in the floor products or whatever, and they're doing it because they want to feel they're doing something positive to protect their families.

[A real challenge] about green marketing is that many green benefits are intangible, so when you put the natural cleaning product on the floor, you can't see, feel, or smell the difference ... and your family being protected, so you need to trust the manufacturer that the ingredients in that are nontoxic, and there isn't anything else in there that can harm their families. There's an intangibility wrapped up in the emotional part of this. That's why you need to trust the manufacturer that the product is better for your family and that it has what it says it does or doesn't have in it.

Most associations will primarily be looking at green marketing to promote meetings, publications, and education.

My book has been called a must-read for all marketers, not just green marketers. I say that because I want to emphasize a point: If 83 percent of consumers are some shade of green [having varying levels of commitment toward purchasing sustainable products and services and practicing green habits], that means green is mainstream throughout consumers and also employees, recruits, and business-to-business customers.

Green is a competitive advantage. If associations are charged with keeping their respective industries on the leading edge of trends and their members competitive, it will often fall to the associations to help educate and certify their members and keep them on top of the green trend. ... A number of them, like the National Pest Management Association and American Nursery and Lawn Association, are on top of this trend because of the chemicals used [by their industry].

Associations also need to keep their members on top of green trends [through] their publications, maybe starting a green column in their magazine and on their website, and also through green education—webinars, courses, and certification if necessary in that industry and if consumers are looking to discriminate among vendors and suppliers based on certifications, or if you find nonmembers who are pretending to be greener than your members.

In terms of meetings, if you are now going to educate your members, be a trusted source of information on environmental trends and strategies, and offer a certification program, then to earn that trust—and remember that many members will have already started to green their own businesses—you need to show them through the meetings logistics, preparations, food, and goodie bags and materials you hand out that you're doing it in an environmentally sensitive way. Otherwise, you look like hypocrites. You need to be able to model and demonstrate that [sustainability commitment] for them.

What is the biggest challenge for associations in terms of green marketing?

The biggest challenge of green marketing is the intangibility of it all. You can't see the floor cleaner protecting your family. ... You can't see the ozone layer not depleting. You can't see the water pollution you create when used water goes out of your home, into the sewer, down into the next town, and dumped into a river or wastewater treatment plant and into the river.

How do they overcome that?

One strategy is by providing transparent information. Timberline is one ... company that is doing everything right. It has a label on its shoe boxes called a "green index," and it tells you what the carbon emissions and the eco-conscious materials are of the product. ... You even can see the number of trees they planted written right on the box through 2009: 1,118,538 trees. That kind of information makes the benefits more tangible.

Another strategy is to dramatize the environmental savings. You know that TV commercial running about the tube-free toilet paper that Scotts Natural has out right now? One core of a toilet paper roll doesn't look like a lot, so what they say is that if everyone in the U.S. used this product, we would fill the Empire State Buildings two times. So now my core and your core start to add up, and the number of cores we use over the year starts to become meaningful, while one or two lack impact. Now, people understand.

You describe seven green marketing strategies overall, and you've talked about two. Could you also talk about the strategy related to knowing your members' environmental values and social beliefs?

There are two aspects to that. One is knowing what the issues are that affect your members. In chapter one of my book, there's a chart [that lists research findings of the top environmental concerns of Americans]: water quality, hazardous waste and pollution, deforestation, global warming, overpopulation, et cetera. [Association marketers] need to remember that not everyone is worried about all of those issues; you need to know what the issues are that your members are most concerned about.

Let's assume that anyone who uses Scott Naturals is concerned about cutting down trees for use in their toilet paper. ... They're not talking about water quality ... but [they] may be thinking, "I better not use a lot of regular toilet paper, because then we've got to keep cutting down these trees, and it makes me feel guilty." That's part of the emotion [behind a purchase choice], by the way.

Why that's important is that, one, you want to address those lifecycle stages as well as the issues that are most important to your consumers, and, two, you don't want to address issues that your consumers know nothing about. Whirlpool won a \$30-million Golden Carrot Award for coming out to the market with the first CFC-free [chlorofluorocarbon] refrigerator, and guess what? Not only did it charge a premium, but consumers didn't know what a CFC was, so it bombed. Whirlpool was asking consumers to pay more for something consumers thought was providing less, because

without knowledge to the contrary, they thought the refrigerators were somehow deficient in a key chemical that made the fridges cool.

The other thing about knowing your [members' environmental values and key issues] is knowing which segment of the market your members fall into, so there's a <u>segmentation chart</u> I provide from the Natural Marketing Institute that shows five segments of green-related consumerism. Then I have my own segmentations as well: the resource conservers like me who hate waste and use recycled paper, turn off the lights, and shut off the energy; the health fanatics who are buying organic foods; the animal lovers who are saving the dogs at the rescue home; and outdoor enthusiasts, the people who are buying Patagonia and the like. With green being mainstream, you have to know which issues they're into, what they care about, what they don't know, and which segment they fall into.

That's going to be tricky for associations to learn.

What associations can do is educate their members that these are new ways for them to be segmenting their own customers, but also you may find that certain association members have particular needs. For example, [eco-concerns] may differ geographically. It may sound like an oversimplification, but cloth diapers might actually be greener in the Northeast where we have plenty of water and not enough landfill, and they may be terrible in the Southwest where they don't have plentiful water resources. ... Or some people might be concerned about energy efficiency because in the Northeast we have the highest energy costs, while people in the Southwest might be dealing with water shortage issues.

I want to be sure to get to Strategy Six, which is focusing on community building, a core competency of associations. What green marketing strategies help strengthen community?

The economy is a subset of our ecology. An economy can't exist without the raw materials that have to come from the larger ecosystem around them. A business is part of the ecosystem around them; it relies on the ecosystem and its suppliers for materials, and it relies on the local communities for workers and customers. Businesses can only be as strong as the community.

A lot of "deep-green" businesses build community where they're located by trying to educate the next generation of kids, because that's whom they're going to be recruiting. They want to be good citizens in their community, because they want to be able to recruit the best. How many people really want to work for Exxon or BP these days?

You have to be kind and build community, because that's who you have to draw from in order to sustain a business over the long term.

In many respects, Sustainability with a capital S is really the same thing as the primary definition of *sustainability* in the dictionary. You won't be sustainable unless your business can be sustained, and the way you sustain your business is by doing sustainable development-type activities.