

The Five Simple Rules of Green Marketing

by Jacquelyn A. Ottman



There is no substitute for a genuine commitment to sustainable design. It can be an opportunity to innovate and grow as well as to strengthen a brand. But as Jacquelyn Ottman makes clear, companies have to get the right message out. As her examples demonstrate, that means knowing what's important to customers, empowering them to feel they make a difference, being transparent, maintaining quality, and carefully evaluating price concerns.



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When it comes to shining a spotlight on specific sustainability issues, count on NGOs and consumer groups to target the most respected and trusted brands first. Overnight, issues will make front pages and leaders will be pressed to make changes. The list of recent targets reads like a Who's Who of branding: Home Depot (sustainably harvested wood), Nike (child labor practices), McDonalds (Styrofoam clamshells, and now obesity), and Coke (sugar, water, and packaging). What does all this mean for your business? Simply stated, if you don't manage your business with respect to environmental and social sustainability, your business will not be sustained!

But the converse is true, too. A strong commitment to environmental sustainability in product design and manufac-

turing can yield significant opportunities to grow your business, to innovate, and to build brand equity. All you have to do is get the word out... right?

As with any other major business endeavor, this is easier said than done. Even very responsible companies have run into trouble with sustainability-minded NGOs and consumer groups, thanks to a poorly planned and crafted marketing message. Protect your company from these common pitfalls and start taking advantage of new opportunities by heeding my five simple rules of green marketing:

Know your customer. If you want to sell a greener product to consumers, you first need to make sure that those consumers are aware of and concerned about the issues that

your product attempts to address. Whirlpool is just one company that learned this lesson the hard way. Even after winning a \$30 million Golden Carrot prize for being first to market with a chlorofluorocarbon (CFC)-free fridge, they discovered that consumers wouldn't pay the premium because they didn't know what CFCs were—and there were no other value-added benefits.

Empower consumers. Make sure that consumers feel, by themselves or in concert with all the other users of your product, that they can make a difference. This is called *empowerment*, and it's the main reason why consumers buy greener products. This powerful principle underlies so many campaigns laden with simple tips for lightening one's impact on the planet.

Be transparent. Consumers must believe in the legitimacy of your product and the specific claims you are making. Caution: There's a lot of skepticism out there that is fueled by the raft of spurious claims made in the go-go era of green marketing that occurred during the late '80s to early '90s. One brand of household cleaner, for instance, claimed to have been "environmentally friendly since 1884."

Reassure the buyer. Consumers need to believe that your product performs the job it's supposed to do. They won't forgo product quality in the name of the environment. (Besides, products that don't work well will likely wind up in the trash bin, and that's not very kind to the environment.)

Consider your pricing. If you're charging more for your product—and many environmentally preferable products cost more due to economies of scale and use of higher-quality ingredients—make sure that consumers can afford the premium and feel it's worth it. Many consumers, of course, cannot afford premiums for any type of product these days,

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much less greener ones, so keep this in mind as you develop your target audience and product specifications.

The "rules" in action

Let's take a look at marketing appeals for some eco-designs (improvements over existing products) and eco-innovations (new types of products) that do

a great job of winning over green consumers while grabbing market share.

Tom's of Maine

The husband and wife team of Tom and Kate Chappell created this full line of personal care products about 30 years ago. Ten or so years later, the brand broke out of the deep-green niche to achieve distribution in CVS, Duane Reade, and other mainstream drug outlets. The company is now owned by Colgate-Palmolive and represents just one of many deep-green brands that are increasingly being purchased by mainstream marketers. Other examples include Estee Lauder's purchase of Aveda, Danone's partial purchase of Stonyfield Farm, and Unilever's acquisition of Ben and Jerry's ice cream.

The messages on the sides of the Tom's of Maine toothpaste carton are just one reason for their success in winning over green consumers. On one panel, check out the letter from Tom and Kate stating their company's mission. Signing the letter lets customers know there really is a Tom, there really is a Kate—just like there really is a Ben and there really is a Jerry—that is, two real people minding the store and staking their personal reputations on the quality of their products. (The company website features a similar letter.)

Another panel lists all the ingredients in the toothpaste—all-natural spearmint oil, for instance, and next to each ingredient is the role each of the ingredients plays in the toothpaste. There's even a third column that lists the location from which each ingredient is sourced. (Again, the company website reinforces this, with an in-depth look at the ingredients in all Tom's of Maine products.)

This is unprecedented in the history of consumer goods! Can you do this with your product's ingredients? How many of them contain warning labels? (Both Crest and Colgate do.) For Tom's, the ingredient list helps get consumers over any price barriers at the point of sale and underscores credibility and trust. Buyers feel they are choosing a brand with natural ingredients and accept the price premium.

The Toyota Prius

Toyota's Prius is likely the most successful green product in the world today (along with the ubiquitous compact fluorescent lamp). And for many good reasons. First, it provides consumers with all they seek in a sedan and more—attractive styling, fuel efficiency, and a hybrid engine that makes it possible to drive for an unlimited amount of miles stopping only for fill-ups (versus, for instance, having to stop for a 12-hour recharge if the engine were all electric). Also because of the hybrid engine, the car is beloved by car enthusiasts for its quiet ride. Examine the dashboard and note a most unusual feature—a screen that lets the driver know which of the two engines is in use and how much fuel efficiency is being enjoyed at any given moment. Anecdotes report that Prius owners try to beat their previous record each time they drive!

When the car was introduced, ads focused on superior performance evidenced in a quiet ride, while supplemental ads touted its environmental bona fides. With energy prices on the rise, the Prius pitch has shifted to superior fuel efficiency, while a crafty PR machine links the car to environmentally conscious celebrities and causes. Some owners, it is reported, even buy the car for what is being called *conspicuous conservation*—letting everyone know they are environmentally astute. In fact, as of the second quarter of last year, the number-one reason owners said they bought the car was “because it makes a statement about me.”

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Tide Coldwater

Tide Coldwater is a line extension of Tide that is helping it build brand equity and stay fresh—and green—in the marketplace. A lifecycle assessment commissioned by Procter & Gamble found that 80 to 85 percent of the energy used to wash clothes comes from heating the water. P&G calculated that US consumers could therefore save \$63 per year by washing in cold water rather than

warm. So, with the proviso that they could persuade consumers that cold-water washing was efficacious, they positioned the product as a way to save on energy bills.

Marketing efforts first reassured consumers of the product's efficacy. Then, P&G set up a website that encouraged visitors to calculate the amount of energy they could save, both personally and in conjunction with all the others who took the same Tide Coldwater Challenge. Advertising showed how long a major US landmark, such as the Empire State Building, could be lit with the energy that could be saved if all of the consumers in New York City switched to cold-water washing.

On their website, they also engaged consumers with helpful energy-saving tips and resources, starting with information about switching to Energy Star-certified compact fluorescent lighting. It included tips from the Alliance to Save Energy environmental group, and encouragements to “consider buying a different kind of car”—namely, the Prius.

Leveraging word of mouth via the Tide Coldwater Challenge and associating with notable third parties helped to overcome the barriers of skepticism, and the Tide brand found a fresh new message in step with the consumer need to control rising energy prices.

MilliCare

In 2003, carpet and chemical manufacturer Milliken & Co. was in search of a new branding strategy for MilliCare, its franchise carpet and

textile maintenance division. Recognizing the rapid growth of the green building industry and widespread concern over employee health, recruitment, and retention, The Moderns, a New York-based branding and design agency, drafted a positioning document that showed how MilliCare could own “clean” in all of its dimensions—something MilliCare’s competitors weren’t doing.

With the help of sustainability experts, MilliCare and The Moderns moved forward with a brand positioning that articulated the many benefits of sustainable maintenance and set up MilliCare to speak not just to facility managers, but also to architects and designers, developers, human resource professionals, and CEOs. In so doing MilliCare’s brand recognition was significantly enhanced nationwide. In addition to a significant increase in telephone inquiries, new business opportunities, and sales (up 30 percent), MilliCare has extended its national network through increased franchise partner recruitment. More partners have joined the franchise in the last two years than joined the six years prior.

The new positioning for MilliCare was captured with a new identity, tagline, stationery, training manual, presentation tools, modular marketing kit, product packaging, uniforms, vehicles, signage, franchise office design, and tradeshow design.

To counter the fact that maintenance service is done at night (in absentia) and as a result is essentially invisible, The Moderns developed various promotional initiatives, including sponsoring a book entitled *Green Clean, the Environmentally Sound Guide to Cleaning Your Home*. Local MilliCare franchisees sponsored a community cleanup program and an “on-the-ground” presence with branded vehicles that acted as a compelling billboard promotion and resulted in a significant increase in telephone inquiries and new business opportunities.

Publicity efforts on behalf of MilliCare were

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multidimensional and had high impact. The company launched its new brand at World Workplace 2004, the premier trade show for the company’s primary audience of facility management professionals. Subsequent efforts have included strategic placement of

bylined articles in trade magazines to support the company’s thought-leader positioning, pitching feature stories in vertical market publications to introduce the concept of sustainable carpet and textile maintenance in such industries as education and long-term care, and local and regional business coverage to promote the brand and its individual franchisees.

Clearly, gaining the acceptance and buy-in of MilliCare’s 80-plus franchisees was an important step in the rebranding process. A comprehensive rollout campaign included an interactive game to create intrigue, a series of launch events to provide education, and a monthly e-newsletter to reinforce brand messages. As a result, the external launch saw a nearly flawless implementation of brand standards—from incorporating new materials to revitalizing the entire sales process.

The Method line of household cleaning, laundry and personal care products

The environmental movement is about doing things differently. Method is a brand that is trying to express this differentness in nearly every way possible, starting with how the product looks and smells. The bottle for the dishwashing liquid, for example, looks like an upside-down teardrop. It was specifically designed by fashion designer Karim Rashid so that consumers would feel comfortable leaving it right at the kitchen sink, helping the user project a sort of status to visitors. Packaging is minimal and recyclable, and the contents inside are biodegradable.

The Method product label sports an understated lower-case *m* in a circle, with *method* also in lowercase just beneath. No splashy lettering. No flashy starbursts like the ones that are designed to capture consumers’ attention at mainstream store shelves. What attracts con-

sumers to this product is the distinctiveness of the package shape and the unique coloring of the product inside. This product may look expensive, but it actually sells at competitive prices at Target, Office Depot, and Safeway.

Method doesn't advertise. The brand attracts consumers via strong price value and through word of mouth that is generated in a number of highly effective ways, starting with the uniqueness of the product itself. Visit the Method website and read how the company tells visitors what it stands for. Each element of the Method mantra—efficacy, safety, environment, design (how many brands would list *design?*), and fragrance—gets a page. (In-home interviews I conducted for a client recently attested to the importance of this brand's light scent to consumer purchasing decisions.) Do your brands have mantras—or simply a list of benefits, or at least a marketing and creative strategy?

Another thing you'll find at the Method website is a campaign called I Fight Dirty. (Note the "anti" tone.) This campaign empowers users to fight not only against dirt itself, but also against dirty industry practices, such as making products in bottles that can wash up on pristine beaches. Thus, it captures the brand's essence from an emotional, as well as a functional, standpoint (another breakthrough).

Refer to the Method website to see a sample of a newsletter sent to consumers who sign up. Recent issues have proffered tips on how to compost Christmas trees and locate brands of reusable diapers. The website talks about the places where Method has been spotted—like the Green Festival hosted by Coop America each year. And it even gives visitors the opportunity to buy Method t-shirts and other merchandise! How many of your users would wear clothing with your brand's name on it? How many of you would even think to offer it?

Putting the rules to work for your business

To start capitalizing on the many market opportunities represented by sustainability, consider the following:

1. Think and act holistically. It is no longer enough to focus on functional benefits alone. *Ask:* What are we making? Product or service? Green or not? How are we making it? Who are we working with?
2. Take advantage of the opportunities that green marketing represents to engage consumers on an emotional level and thus build brand equity. *Ask:* How can we make our passion and vision relevant and engaging, our consumers into advocates? How can we empower consumers to make a difference by providing them with education, infrastructure, events, and experiences?
3. The way you communicate will be critical to success (and will help you avoid greenwashing). *Ask:* How can we ensure that our approach is viewed as authentic? As transparent? Are all stakeholders aware of our intentions and progress? Is our vision embedded into the fabric of our company?
4. Eco-innovation represents new ways to grow top-line sales. *Ask:* How can we inspire consumers? What technology and partners do we need to gain access to?
5. Strive for an ideal goal of zero environmental impact. Strive to eco-innovate rather than simply eco-design. *Ask:* What would it take to achieve zero environmental impact and still meet our consumers' needs? Can we make consumers more responsible? It's one thing to design better products and technologies. But at some point, industry's efforts will only go so far. Achieving zero environmental impact will only come about if changes in consumer behavior can be made—thus the genius of Toyota's dashboard and websites that engage consumers in more responsible forms of behavior. ■

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