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## The 5 Simple Rules of Green Marketing



When it comes to shining a spotlight on specific sustainability issues, NGOs and consumer groups will target the most respected and trusted brands in the world. It's the reason why Home Depot was targeted for sustainable harvested wood, Nike for child labor practices, McDonalds for Styrofoam clamshells and now obesity, and why Coke is similarly a target for sugar and packaging. What does this all 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 manufacture 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, easier said than done. Many a responsible company has run into trouble with these very same 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 Rules of Green Marketing:

1. **Know your customer.** If you want to sell a greener product to consumers, you first need to make sure that the consumer is aware of and concerned about the issues that your product attempts to address. (Whirlpool learned the hard way that consumers wouldn't pay a premium for a CFC-free refrigerator because consumers didn't know what CFCs were!).
2. **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.
3. **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-early90s — one brand of household cleaner claimed to have been "environmentally friendly since 1884"!
4. **Reassure the buyer.** Consumers need to believe that your product performs the job it's supposed to do — they won't forego product quality in the name of the environment. (Besides, products that don't work will likely wind up in the trash bin, and that's not very kind to the environment.)
5. **Consider your pricing.** If you're charging a premium 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, 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 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 25 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, (representing just one of many "deep green" brands that are increasingly being purchased by mainstream marketers. Others 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 are just a few other examples.)



The messages on the sides of the Tom's of Maine toothpaste carton may be one reason why. 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, i.e., two real live people "minding the store" and staking their personal reputations on the quality of their products. (Refer to their website to see [a similar letter](#) from Tom and Kate.)

On another panel is a list of 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 from where each ingredient is sourced. (Refer to their website for [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 may contain warning labels? (Crest and Colgate each do.) For Tom's, listing the ingredients, e.g., natural spearmint oil, helps get consumers over any price barriers at the point of sale. They are choosing a brand with natural ingredients and recognize that it must come with a price.

## Toyota Prius

I know you've been hearing a lot these days about [Toyota's Prius](#). For lots of good reasons, it's likely the most successful "green" product in the U.S. First, it provides consumers with all they seek in a sedan and more — attractive styling, fuel efficiency, the ability to drive for an unlimited amount of miles only stopping for fill-ups (versus, for instance, having to stop for a 12-hour recharge if the engine were only electric), and because of the hybrid engine, a quiet ride considering that the car doesn't idle at stoplights. The car's dashboard comes with an unusual feature: a screen that lets the driver know which of the two engines is in use and how much fuel efficiency is being had 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, and supplemental ads touted its environmental bonafides. With energy prices on the rise, the Prius is now being marketed for its superior fuel efficiency, and a PR machine fuels efforts to link 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 all know that they are environmentally astute.

## Tide Coldwater

Tide Coldwater is a line extension of Tide that is helping it build brand equity and staying fresh in the marketplace. A "Life Cycle Assessment" commissioned by Procter and Gamble found that 80%-85% of the energy used to wash clothes comes from heating the water. P&G calculated that U.S. 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.



First, marketing efforts reassured consumers of the product's efficacy. On a special website, consumers could calculate the amount of energy they could save yearly personally and in conjunction with all the others who took the "Tide Coldwater Challenge". Advertising showed how long major U.S. landmarks

such as the Empire State Building could be lit with the energy that could be saved if all of the consumers in those cities switched to cold-water washing.

Finally, the website provided various energy saving tips and resources, starting with information about switching to Energy Star certified energy-saving compact fluorescent lighting, tips from the Alliance to Save Energy, a respected environmental group, and encouragements to "Consider buying a Different Kind of Car" namely, the Prius.

This type of marketing no doubt reassured consumers of the product's performance. They were empowered by the ability to calculate their own savings and to aggregate that savings with those of others. By using the internet versus traditional advertising-led messages, they were engaged in the message. By leveraging word of mouth via the Tide Coldwater Challenge and associating with notable third parties, any barriers of skepticism were overcome. And Tide Brand found a fresh new message in step with consumers needs to control rising energy prices.

## 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 dish soap looks like an upside down teardrop. It was specifically designed by a well known fashion designer Karim Rashid so consumers would feel comfortable leaving it right at kitchen sink, helping the user project a sort of status to visitors. The product label sports a very understated lower case "m" in a circle, with "method" also in lowercase just beneath. No splashy lettering. No flashy starbursts like those that were designed to capture consumers attention at mainstream store shelves. What attracts consumers 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. They attract consumers via strong price value and word of mouth that is generated in a number of highly effective ways, starting with the uniqueness of the product itself. Visit their website and read how they tell visitors what they stand for: A page each is devoted to the elements of the Method "mantra": Efficacy, Safety, Environment, Design (do your brands consider design?), and Fragrance. (In-home interviews I conducted for a client recently attested to the importance of light scent to this brand's purchasing decision.) Do your brands have mantras — or simply a list of benefits or possibly just a marketing and creative strategy?

Another thing you'll find at their website is a campaign called "I Fight Dirty." (Note the "anti" tone.) This campaign empowers users to not only fight against dirt itself, but also dirty practices by industry. Thus, it captures the essence of what the brand is about from both the functional as well as emotional standpoints. (Another breakthrough.)

Refer to their [website](#) to see a sample of a newsletter that is sent to consumers who sign up. Recent issues have proffered tips on how to compost Christmas trees, locate brands of reusable diapers, save pristine beaches by fighting dumping in oceans of plastic laundry bottles.

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 merchandise like tee shirts emblazoned with the method name! 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 to ensure that our approach is viewed as authentic? 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 engaging websites that engage consumers in more responsible forms of behavior.

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