



In Conversation: Jacquie Ottman

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Jacquelyn Ottman set up her own consulting business in 1989. She has become the doyenne of green marketing. Her resume is replete with contributions to the profession, including co-chairing the Sustainable Brands conference and, for seven years, chairing the jury of the American Marketing Association's Special Edison Awards for Environmental Achievement. Here she shares her opinions on some issues and discusses her latest book, "The New Rules of Green Marketing," with Crosslands Bulletin.

One of the key points that I make in the book is that greener products and communications need to underscore primary benefits in addition to credible, verified environmental benefits. You are familiar with all the brouhaha over Sun Chips and their [noisy] compostable bag. Frito-Lay spent millions of dollars on the chips' compostable bag. The press and many cynics are saying, "Ah hah! I told you so. Consumers won't sacrifice convenience and comfort for the environment." I don't think this is the real issue.

To their credit Frito-Lay makes it clear on their bags that backyard composting requires very hot conditions typical of industrial composters. But I think the real issue is that the compostable claim is virtually meaningless. Hardly any consumers these days have access to any kind of composting facility. You either live in a community that has access to composting, or you have a compost heap in your backyard and you are there with the pitchfork, or you have one of those rolling composters that will turn it for you. There are only a handful of people in this country who have a stake in composting. For the rest of us, a compostable bag is irrelevant. So when noise became noticeable to consumers — and interfered with their eating enjoyment, they dropped Sun Chips because composting means nothing to them.

I say over and over in my book, something I have believed all along, that consumers will really not buy green for green sake. Greener products need to stand on their own, they need to meet genuine consumer needs. So the Sun Chips bag was not superior from a functional standpoint. If [Frito-Lay] could have told their customers that the compostable bag somehow made the chips cheaper or healthier, then I believe consumers may have stuck with it.

I am disappointed when I see the media and cynics use these occasions as a way of pointing fingers. "Yup. See. Told you so. People don't like green. Let's go back to the other stuff." I take these things in stride, though. I come from a background of new products. That was my specialty in the ad agency business — introducing new products for Procter & Gamble and Ralston Purina. What is it, 90% of new products fail? A new product is like a new idea. You have to nurture it. This is just one little glitch that will be fixed. We will go back to compostable bags and compostable everything else in the future.

The story with labels as I say in the book — and the Federal Trade Commission came down very hard on this point — is the potential for single-attribute labels like Energy Star, USDA Organic, FSC, you name it, including our very own **USDA Biobased**, which is one of my clients now, to imply, whether intentionally or not, that the product is green overall. That is

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one thing I predicted in the book, and it came true in the new FTC guidelines. The example I use from my friends at Energy Star is a compact fluorescent light bulb that has a touch of mercury in it. Is that a green product?

I was surprised in the first three iterations of the guidelines that the FTC continued to allow manufacturers to use broad terms like environmentally friendly. I told my clients don't use it. One day it will be illegal. That is what the FTC has chosen to highlight at this point.

I am comfortable with a label only when a consumer knows what it means. Can the consumer or other stakeholders go to a Web site or wherever and see exactly what the certification means vis à vis standards? Is it going to be potentially misleading?

The other thing is, is it recognizable? Many ecolabels have less than 10% awareness among consumers. They are not even on the radar screen. Energy Star has the highest level of awareness and the highest level of purchasing influence. Why would you use any other energy efficiency logo besides that one?

We need third-party labels because consumers will not trust the manufacturers on this point. And also we don't have the discipline that we had in the advertising industry where we had to get network clearance for every claim we made.

There is another branding phenomenon going on. That is corporate certification.

To their credit, [General Electric Co.'s] ecomagination green marketing campaign is very business driven. They picked initially 10 products that really are part of the future of their company and that they can connect to sales results. They said these are our ecomagination products. However, they used a company which they paid to certify their products as ecomagination products. But it was not a third-party, independent certification company, so that was a bit unclear.

There's other issues, too. Clean coal technologies, is that a green product? But from a marketing standpoint and an image-building standpoint, it was brilliant. They linked ecomagination to "imagination at work" so it was an extension of their ongoing GE brand platform. They focused on business results. They came out with a campaign with CEO Jeff Immelt on the Web site talking to you — it came from the top, in other words, and that builds credibility.

They did not get the flack like Exxon did when they went to sponsor billboards at the Washington Nationals ballpark, talking about how great Exxon was and about how green the new ballpark was. GE was talking about tangible products, which show tangible results. Exxon is a little bit more wishes and intentions, and process oriented. Consumers and the press couldn't wrap their arms around it.

Exxon's initiatives are like most corporate green branding campaigns that talk about processes. They are telling you about how they are reducing their waste and reducing their carbon footprint in the factory. But these are things the consumers can't get their minds around. It all melds together. You don't remember what anybody really said. GE chose products not processes to talk about instead. Consumers identify with — and remember — products.

The way you distinguish your green marketing is by linking it to your brand. This helps one come across as authentic.

BP's problem was over-promising. They said "beyond petroleum." Less than 1% of their portfolio was in renewable energy and, as we later learned, the company had a terrible track record for refining, drilling, and

transportation, and so on. When you launch a new product, you don't go out with a commercial until you have 60% distribution in a supermarket.

I always quote from Skip Humphrey, [former] attorney general of Minnesota: "Under-promise and over-deliver." He wrote the foreword to my first book. I quote him all the time: "Green your company and the products will take care of themselves. Green your products and the marketing will take care of themselves." BP skipped right over the greening of the company and the products and went right to the marketing.

I say in my preface, when I started in 1989 I was thinking by 1995 — that seemed like a long way off — in so much of the world products would have changed. They still have not changed. We have made a lot of progress. I have wonderful examples. It was much easier in this edition to find green products and successful marketing campaigns that really were making a difference around the world than I did in the first couple of books — and now we have them made by big, mainstream marketers. That was my goal in this book: To show that green is now mainstream, and the big boys are playing the game. They are at the table now.

The paradox is that you can outfit an entire mansion with Energy Star appliances and leave the air conditioner and lights turned on all day while you are out at work. I believe that we really need to make what I call "responsible consumption" part of the brand. So it is not just having the luxury of having highly efficient technology that allows us to maintain our lifestyle but in a more efficient way. We need to engage consumers in the act of doing their part, from a usage and disposal standpoint, to participate in reducing the total life cycle impacts of the greener products they buy and use. I say so twice in the book, in the credibility section and in the innovation section, that we need to promote responsible consumption in this country and around the world. That's the next frontier of green marketing.

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