

Fact Sheet 05

Green Marketing

An introduction

This factsheet introduces some key concepts in green marketing.

Green is now mainstream!

Green is now mainstream because more people are concerned about sustainability issues than ever before. A 2010 survey concluded that "consumers say environmental consciousness is an important corporate priority, ranking in importance behind 'good value,' 'trustworthy' and 'caring about customers.'" On top of concerns about the health of the planet, people are now worrying about the impact these issues will have on their own lives and businesses. More people are taking daily actions and making consumer choices which reflect their concerns, and businesses are responding. No organisation can afford to ignore these issues, or the opportunities they present for connecting with the public, consumers, or business customers.



Opportunities

Green Marketing presents opportunities. Firstly to be seen as a responsible organisation which can be trusted, secondly to give a competitive edge in tenders to business and government customers, and finally to develop innovative new products and services that respond to customer concerns.

Building trust

Having an environmental policy is a great first step, but it is no longer enough. A policy that is translated into demonstrable results shows that the organisation can be trusted to deliver on its promises, and boosts reputation. Credibility is built on real achievements which are communicated in the right way. Over-claiming and green wash can undermine this. Having an externally accredited EMS (Environmental Management System) supports a greener image. Example: Greenhouse Graphics has achieved the EMAS standard. Read more at www.greenhousegraphics.co.uk

Avoiding Greenwash

Greenwash is an increasing concern among consumers. In 2006, the Advertising Standards Authority received 117 complaints about environmental claims in 83 advertisements, by 2007 this had risen to 561 complaints about 410 ads. Greenwash "misleads the public by stressing the environmental credentials of a person, company or product when these are unfounded or irrelevant."

Defra Green Claims Guidance on environmental claims promotes the use of clear, accurate, relevant and substantiated environmental claims and labels on products, services or in marketing and advertising.

Read more at www.defra.gov.uk/publications/2011/06/03/pb13453-green-claims-guidance



A competitive edge – move higher up

Many tender documents now ask whether the organisation has an environmental policy or accredited EMS. Points are awarded in assessing the tender responses and a poor response in this area can reduce the chance of winning the contract. Consumer-facing organisations such as retailers are looking to green their supply chains and will prefer suppliers with they can engage as green partners.

Example: *M&S Plan A* engages suppliers in reducing carbon footprint and waste.

Read more at plana.marksandspencer.com/about

Innovation

Differentiation of your product or service is a key competitive tool. Green innovation offers opportunities to create products and services that cater for the needs of green consumers. While the willingness of consumers to pay a premium for greener products may have been dented by economic circumstances there are many other consumer benefits that can be offered.

From The New Rules of Green Marketing www.greenmarketing.com/our-book

Example: GE's Ecomagination programme makes a commitment to products and services that are as economically advantageous as they are ecologically sound. Read more at www.ecomagination.com

Product Category	Consumer benefits
CFL lightbulbs	Save money, last longer
Hybrid cars	Quiet ride, fewer fill-ups, status
Natural cleaners	Safety, peace of mind
Organic produce	Safety, better taste
Recycled Paper	Save money
Car sharing	Convenience, save money
Solar powered cellphones	Extended use

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Where can I find further information?

Type of information	Link	What you'll find
DEFRA Green claims Guidance	defra.gov.uk/publications	Quick guide and full guidance
New rules of green marketing	greenmarketing.com	A key book on the subject

Disclaimer:

Every effort is made to ensure that the information given herein is accurate, but no responsibility is accepted for any errors, omissions or misleading statements.

Factsheets available on our website – log on to www.insw1.com/greenbusiness for more information.

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