

Green Marketing: Fad or Trend?

By Ann Middleman



WITH CRUDE OIL TOPPING \$100 per barrel, and gasoline reaching \$4 per gallon, our thoughts turn to two things: alternative energy and additional drilling. One is definitely “green” and the other is not. This raises the question: Is the greening of America a trend or a fad? Is it something that is popular today, but will fade and disappear like pet rocks and disco? Or is it a paradigm shift? This is important to figure out if you want to incorporate eco-friendliness into your marketing and communications planning.

About seven years ago, I conducted in-depth interviews and focus groups among architects and interior designers who decried the disinterest in green buildings among corporate clients because it costs more. Additional insulation, e-glass windows, and sustainable fabric, just to name a few things, can add substantially to the cost of new construction. While these architects understood quite well the benefits of making the additional investment, their clients did not.

A year or so later, the equation changed, and when I conducted a follow-up study among the same kinds of professionals, it was astounding how much the findings changed.

- **Whereas the earlier study** showed such apathy toward eco-friendly buildings, respondents now reported they couldn’t find enough LEED-certified professionals to fill the requests for “green” buildings.

- **Businesspeople realized that** spending a little more upfront would save them on energy costs for years, paying back the additional investment many times over. Since then, such practices have become the norm.

For example, in Raleigh, N.C., there is a Whole Foods store that uses rain water (collected in a large cistern visible on the side of the store) for

all non-drinking water purposes (flushing toilets, keeping vegetables moist, etc.). Many new office buildings have solar panels and energy-efficient windows to save on energy. That’s a trend.

On the other hand, we do not seem to be able to translate that economic equation to our dependence on fossil fuels. Consumers, politicians, and businesspeople have yet to be convinced that an investment in alternative fuels and energy sources—in a significant way—is a worthwhile investment, with more than just a monetary benefit down the road.

This was demonstrated a few years ago in a study we conducted for an electric-generating company in the Southeast.

The EPA had issued a regulation that required energy generating plants to reveal the pollutants they were releasing into the air, ground, and water. Until that time, these plants had been exempted from the regulation, which applied to many other plants. The company wanted to find out consumer reactions to an offer of “green” electricity and communications elements designed to moderate reactions to what the company knew would be bad news.

We conducted focus groups among consumers in three cities served by the client. This was followed by a survey among consumers throughout the nine-state service area. The focus

groups revealed that people were quite open to “green” energy, even at an increase of 10 percent to 15 percent in cost. However, more pragmatic respondents said they would put up with the pollution if it meant keeping costs down and retaining jobs. The communications points tested did not persuade these consumers that the company was sincere about cleaning up “its act.” The survey confirmed that.

I have often contended that it is never the price, it is always the value, regardless of the product, service, or audience. So what is a marketer to do?

- **First, determine how customers** view your brand’s connection to eco-friendliness. Do they “get” the connection? If not, you will need to explain it.

- **Then determine the cost implications**—including transportation, product components, and manufacturing processes. Is it a deal-killer? Do people need more time to acclimate to the new reality?

- **Test the best ways to communicate** these values among your target audience.

- **Find out what has worked in** other categories—like hybrid cars and solar panels—and see how you can leverage those values for your brand.

Investigating the marketplace before embarking on a new product launch, communications campaign, or logo redesign can spell the difference between success and failure. Green marketing is not likely to go the way of the rotary telephone, partly because of technology, but mostly because it makes economic sense. The trick is to find the best way to convince your customers to engage now. ♦

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