





PROMOTING THE VALUE OF Sustainably Minded

PURCHASE BEHAVIORS

Companies now well understand the value of green marketing and sustainability to their bottom lines, but consumers still need some convincing

BY EDWIN R. STAFFORD & CATHY L. HARTMAN

✉ ed.stafford@usu.edu

✉ cathy.hartman@usu.edu

Corporate environmental responsibility and sustainability have become mainstream. Coca-Cola has been working on alleviating global water scarcity, given that water is the primary ingredient of soft drinks and critical to Coca-Cola's future. Facebook has made public its "carbon footprint" emitted from its data centers for 2011 (equivalent to 285,000 metric tons of carbon dioxide), declaring that it aims to reduce it by 25% via clean energy by 2015. And Wal-Mart has erected its first commercial-scale wind turbine at its Red Bluff, Calif., distribution center to supply 15 to 20% of the facility's electricity needs at a substantial cost savings over the next 15 years.

These cases reflect a significant transformation in corporate values from when we first started researching green marketing almost 20 years ago. Back then, environmental responsibility and profits were thought to be diametrically opposed to one another, and we set out to investigate how companies were attempting to integrate the two needs.

Businesses "get it" because they see how sustainability can benefit them. Consumers, by contrast, remain stubbornly indifferent or antagonistic about going green.

We first studied the seemingly unorthodox McDonald's-Environmental Defense Fund (EDF) "Waste Reduction Task Force" partnership initiated to reduce the fast-food giant's excessive waste in 1990. Initially, the partners confronted a clash of corporate and environmental values. For example, EDF wanted McDonald's to adopt washable dishes, but this conflicted with fast food's primary consumer value: convenience. EDF analysts eventually worked behind restaurant counters to learn fast food from the inside out. Ultimately, the partners launched 42 waste reduction programs, resulting in significant cost savings. The partnership showed that environmental responsibility could be profitable.

Today, corporations readily recognize the value of becoming more sustainable: reduced costs and risks, preservation of needed resources, and goodwill among regulators, stockholders, customers and other stakeholders. Businesses "get it" because they see how sustainability can benefit them.

Consumers, by contrast, remain stubbornly indifferent or antagonistic about going green. Environmentally-conscious consumers' purchasing accounts for only 1 to 5% of the market, according to Dara O'Rourke, associate professor of environmental and labor policy at the University of California, Berkeley, and co-founder of GoodGuide.com, a source for consumer information on the health, environmental and social performance of products and companies.

Research finds that although consumers claim to care about the environment, they generally don't act on it. Often, consumers perceive green products as inferior or too costly, or not aligned with their values. Indeed, according to a recent OgilvyEarth study, consumers perceive green as "too hippie" or "too elitist" and among men, "too feminine" for their sensibilities.

Clearly, if more sustainable products and behaviors are to make a difference, the other 95 to 99% of consumers need to adopt them. Identifying strategies to reach these consumers has become the focus of our work in recent years.

Adopting a Greener Mindset

We first confronted the issue while researching how the activist group Greenpeace encouraged Chinese consumers in the 1990s to adopt refrigerators incorporating "GreenFreeze," an ozone- and climate-safe coolant, over refrigerators with Freon and other environmentally destructive chemicals common in Western markets. The challenge was that Chinese consumers were more interested in appliances' brand names, quality, energy efficiency and after-sales service. "Green labels" on GreenFreeze refrigerators in showrooms had virtually no appeal.

The simple solution to advance their adoption was to make sure that GreenFreeze models offered all of the features that Chinese consumers demanded in refrigerators. Greenpeace worked with the major European and Japanese appliance brands favored by Chinese consumers to use GreenFreeze, and the technology became mainstream in China despite consumers' environmental indifference.

We faced a similar situation when we volunteered to help with the Utah Energy Office's education outreach campaign to promote local wind power development in 2003. Wind power was perceived largely as an iffy, "experimental" technology that was unnecessary in a state with abundant, inexpensive coal. A bill requiring utilities to develop renewable energy had failed miserably in the Utah legislature and we asked ourselves, how can we encourage Utahns to demand wind energy?

After considering several themes and launching one ineffective campaign message, we eventually found our winning slogan: "Wind Power Can Fund Schools." The campaign highlighted how new property tax revenues from wind farms would go primarily to support local schools and children. Using car decals, billboards featuring kids running through a wind farm, and op-eds in local newspapers, the



campaign drew thousands of visits to our campaign's website and the legislature ultimately passed a tax incentive for renewable energy in 2004.

Why did the slogan work? While in Utah's Mormon culture, children and education are of high importance, Utah ranked dead last in the nation for per-capita funding for schools and raising taxes to address the issue was unpopular. Our campaign framed wind farms as a potential funding solution for cash-strapped schools connecting wind energy with deeply held community values. Four years later, Utah's first wind farm was built in Spanish Fork Canyon with the strong support of local school officials.

The lesson we learned in these two cases was that to broaden the appeal of green products and issues, marketers must tap into the target audience's values and align green attributes with sought-after consumer benefits. Focusing too much on greenness over consumer value is what we call "green marketing

myopia." In subsequent research with green marketing consultant Jacquelyn Ottman, we observed how a product suffering from green marketing myopia could be rescued.

In 1994, Philips' compact fluorescent bulbs were launched originally in the U.S. as "Earth Light." Consumers, unfortunately, didn't care for the quality of the CFL's light output and bulky shape. Despite improvements, sales of "Earth Light" languished.

Consumer research indicated that the name Earth Light wasn't reaching the hearts and minds of the product's target market. Although environmental concerns were important for consumers, they weren't primary considerations for buying light bulbs. Rather, consumers wanted a long-lasting light bulb—an overlooked benefit of CFL bulbs. Hence, a name change in 2000 to "Marathon" emphasized the CFL's seven-year life over incandescent lighting and sales eventually took off.

continues on page 32



Framing green benefits to align with consumers' values and needs can make all the difference, and we encourage marketers to seize opportunities to broaden the appeal of their green products by leveraging mainstream advantages often inherent in green products:

- **Cost and energy savings** (e.g., savings of Energy Star appliances)
- **Health and safety** (e.g., pesticide-free organic foods)
- **Better performance** (e.g., better cleaning capabilities of front-load washing machines over top-load models)
- **Status and prestige** (e.g., sense of being envied for driving Tesla's sleek electric vehicle)
- **Convenience** (e.g., solar-powered gadgets; CFL bulbs' long life)
- **Bundling or adding consumer value** (e.g., how appliance makers incorporated GreenFreeze technology into refrigerators with all of the bells and whistles demanded by Chinese consumers)

Saving—and Preserving—Green

In another savvy re-framing example that we studied, Procter & Gamble's launch of Tide Coldwater in 2005 hardly mentioned environmental benefits in its green marketing. P&G's campaign

focused on energy and cost savings through a partnership with the Alliance to Save Energy. The environmental group urged consumers to wash clothes in cold water with the new specially formulated Tide detergent to save, on average, \$63 a year by using less hot water.

P&G engaged consumers in what was then a pioneering social media strategy. On Tide's website, consumers could register to receive free samples, calculate their potential savings based on their region's energy costs, and then send an e-mail about it to their friends to try the product. Their friends could, in turn, invite their friends. We encouraged our students to participate in the campaign and, through an interactive map of the United States featured on Tide's website, we watched how their networks spread across the country each day.

At the height of the campaign, Hitwise's monitoring of Web traffic indicated that Tide's website was one of the most visited in October 2005 for the "Lifestyle: House and Garden" category. Today, Tide Coldwater is recognized as an effective, energy-saving laundry detergent.

Another example: Many people may not realize that one of the best-known catch phrases, "Don't mess with Texas," started out as an anti-littering public service message for the Texas State Department of Highways and Public Transportation in 1985. Research revealed that males ages 16 to 24 were responsible for trash strewn along Texas roadways and environmentalism was not one of their core values.

In a flash of inspiration, Tim McClure of the Austin-based ad agency GSD&M came up with the “Don’t mess with Texas” slogan as an acerbic command to appeal to the macho hearts and minds of these young men. The slogan appeared first on bumper stickers, but then, in the televised 1986 Cotton Bowl football game, blues music legend Stevie Ray Vaughan turned to his audience after a stirring rendition of “The Eyes of Texas” to drawl, “Don’t mess with Texas.” Fans went wild. Soon after, “Don’t mess with Texas” bumper stickers were appearing on pickup trucks across the state.

Other famous Texans—musicians, athletes and comedians—lent their talents to “Don’t mess with Texas” commercials, telling the story that trashing Texas was simply unbecoming of “real” Texans. According to the Institute for Applied Research, within its first year, the “Don’t mess with Texas” campaign reduced roadside trash by 29%. By 1990, litter was reduced by more than 72%.

Why was the campaign so effective? “Don’t mess with Texas” framed a green behavior—anti-littering—with a value that was near and dear to the hearts of young macho Texans: Texas pride. The state’s tough history and self-reliant culture are exceptionally potent among young males, and the slogan goaded young men to man up and protect the honor of Texas. The campaign endures today, exhibiting extremely high awareness and public understanding of the slogan’s meaning.

Reframing Green as Mainstream

Our work points to two important lessons for consumer green marketing. First, position green to appeal to core consumer values and self-interests. Many green products and issues have inherent consumer-sought benefits (e.g., saving money or increasing convenience) or can be aligned with core personal values (e.g., benefiting schools or protecting a state’s honor) that can be leveraged to highlight the “What’s in it for me?” perspective for consumers.

Second, when consumer value isn’t readily identifiable, such as with the GreenFreeze technology in refrigerators, combine green product attributes with the bells and whistles that consumers want. In Texas, Austin Energy leveraged this strategy by selling wind power to “GreenChoice” subscribers at a slight premium over the standard fossil fuel rate but locked in for 10 years. Because wind power doesn’t rely on price-volatile fossil fuels, Austin Energy passed wind energy’s inherent price stability to consumers, positioning GreenChoice as a hedge against inflation. In 2006, Austin Energy couldn’t procure wind power fast enough to meet increasing demand and resorted to a lottery to admit new subscribers. Instead of selling just wind power, Austin Energy bundled price stability with it to sell peace of mind.

Corporations increasingly recognize the business value of greening their practices and incorporating sustainability. Effective green marketing to inform consumers of what’s in it for them will help bring them into the fold, as well. **m**



Edwin R. Stafford & Cathy L. Hartman are marketing professors and co-directors of the Center for the Market Diffusion of Renewable Energy and Clean Technology at the Jon M. Huntsman School of Business at Utah State University.

.com

For more on green marketing, visit MarketingPower.com/marketingnews.