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Marketing Communication in Eco-innovation Process

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Abstract

The need for environmental protection is an essential part of business processes. It concerns also innovation that is characterized by the attribute of novelty. In addition to this attribute, it is important to include also the need to move towards sustainable development through environmental protection into the concept of innovation. Eco-innovations seem to be the remedy for addressing adverse situation in all business areas, but they must be supported with appropriate communication strategy that directs the customer to the correct way to build environmental awareness in him and help him choose the right commodities, which are in line with sustainable development. On the other hand, there is a company that should not underestimate conscious customers and also focus on marketing communications, which satisfy the customer that its organic products are a welcome alternative to conventional products. The paper deals with marketing communication in a linear process of eco-innovation, and brings partial results of research conducted in the small and medium enterprises in the Slovak business environment. The research results point to the importance of marketing communication that it brings to innovators, as well as to customers.

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1. Introduction

Communication with the customer is an important factor in the success of green innovation. Through suitably chosen marketing communications the firm discloses to consumers that it offers its products that can satisfy their needs and meet required quality attribute, what also corresponds to the price (Miklenčíčová, Čapkovičová, 2014, p. 484). The way the message is received by the consumer is crucial, it is important to ensure that it will not cease to exist in the amount of information and that it will be interesting for the customer. It requires flexible thinking,

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creativity, and constant search for ideas (Kender, 2005, p. 78). Consumers today require products and services adjusted to their needs and wishes what means an individual approach (Sujová, Marcineková, 2015). In the case of green innovation that pays many times, as a green product is still looking for its segment of consumers, which may, depending on the product, vary greatly and therefore we should always sensitively select the appropriate tools, the use of which must also be timely. Marketing communication strategy in designing and implementing green innovations is very important and is related to the overall environmental orientation and communication of the company.

The success of the new product as a result of the innovation process is determined by the quality of implementation of all its parts, thus not only scientific research and technical activities, as well as marketing. This means that the innovative project of a new product requires comprehensive, complex elaboration of such strategies as product-technical and production-technological and not least the marketing strategy (Čimo, 2010, p. 122). Sustainable marketing strategy should be included in the eco-innovation process as an integral part of eco-innovation project of the enterprise being innovated. The main objective of the marketing strategy is to gain a competitive advantage in a competitive market. The achievements of realized marketing strategy can be measured by indicators such as sales, market share, profits, share prices etc. (Mendelová, 2014, p. 124). However, if managers in creating the marketing strategy paid attention only to short-term targets, increasing sales or profits, it can have a negative impact on society in terms of sustainability. Innovation is now considered as an important competitive advantage in building a sustainable marketing strategy. (Martin Schouten, 2014, p. 15) When implementing environmentally friendly products, companies use marketing tools that are well established and proven for other products. It is important to build the trust of customers that these products deliver measurable benefits to the environment and are equally well-suited and cost-effective as the previously used product that was not environmentally significant and beneficial (Križanová, Majerová, CZvariková, 2013, p. 47). The most important determinants of consumer purchase decisions are the price and performance/quality of the product. Business competitiveness is conditioned by the innovation ability not only of products but also of processes. Enterprises therefore have started to move attention from product quality to effectiveness of internal business processes (Sujová, 2013). Purchasing decision is also influenced by their faith in the brand. Companies can increase consumer confidence and encourage enthusiasm for products friendly to the environment through a comprehensive and clear communication about what this means for the company to be "green".

As already we indicated in the introduction chapter, marketing communication should be based on significant environmental and sustainable marketing, taking care to the enterprise business orientation, how it uses different tools to create its own communication mix. The aim of the paper is presentation of achieved results in carried out research dealing with abovementioned issue.

2. Material and Methods

Performed quantitative research was primarily focused on exploring marketing communication in eco-innovation process of small and medium-sized enterprises. It was a non-experimental research, changing the situation or change of conditions was not applied in the research and it has been planned in detail. It was based on the pre-research that showed us the preliminary results and based on these, we decided to implement quantitative research, which we focused on detecting implementation of green innovation in Slovakia and one of the reviewed regions, respectively sectors.

As the innovation process consists of several parts, it was necessary to focus on each of them. We tried to reach respondents in an understandable way and see how the marketing communication was implemented, how were the instruments of marketing communication used throughout the eco-innovation process. As part of eco-innovation process, we assumed same structure usually has the innovation process. We got the idea that eco-innovation process is inherently different from the innovation process in the sequence of individual steps. It differs just by the added value of eco-innovation in the form of a positive contribution to the benefit of the environment, differs in communicating the message while enterprise undertaking innovation should communicate with customers in addition to the attribute of novelty and otherness "eco" attribute of implemented innovations. The different parts and stages of eco-innovative process also directed our questions that dealt roofing marketing activities related to the implementation of marketing communication.

Creation of invention is the first part of the innovation, respectively eco-innovation process, when the ideas /inventions/ are generated, usually more of them are formed, that are in other phases translated into the innovation. What is needed is a large dose of creativity and expertise, which the subject must possess. It is undisputed that already initial phase of the innovation process is important from the perspective of marketing communication. It is characterized by the need to communicate with customer in terms of gaining inspiration, and provide initial information on the possible positive change implemented. Equally important is the realization of surveys and studies and other business analyzes. The first part of the innovation process can be divided into three phases:

- Phase of generating ideas.
- Phase of survey.
- Phase of business analysis.

Creation of innovation is the second part of the innovation process, which consists of the phase of innovation program, research and development phase and production phase, too.

3. Results and Discussion

In this part of the paper, the results of quantitative research concerning the first and the second part of the innovation process are presented.

Findings in the first part of the eco-innovation process and its phases are as follows.

Phase of generating ideas. The main activities that respondents realized at this stage of the innovation process have been especially the participation at fairs and exhibitions - 25.4 %, as an inspiration for the implementation of innovations also served those well books and magazines - 18.5 %. At this stage the competition analysis is a very important part of the innovation project as the basis of the marketing planning process. Among other important activities the respondents reported participation in discussions on the Internet - 11.1 %, under the survey of interest in the implementation of eco-innovation. The subject, on the one hand needs to gain the inspiration for the creation of new innovation and on the other hand, it is also necessary to monitor the competition because of its direction knowledge, comparing own activities and identifying weaknesses and so on. Competitor analysis was realized by 16.6 % of respondents. 12.5 % of respondents did not engage at this stage any of the above activities. As it was a question that allowed stating even more options, some of the respondents realized more of the above activities (see Figure 1).

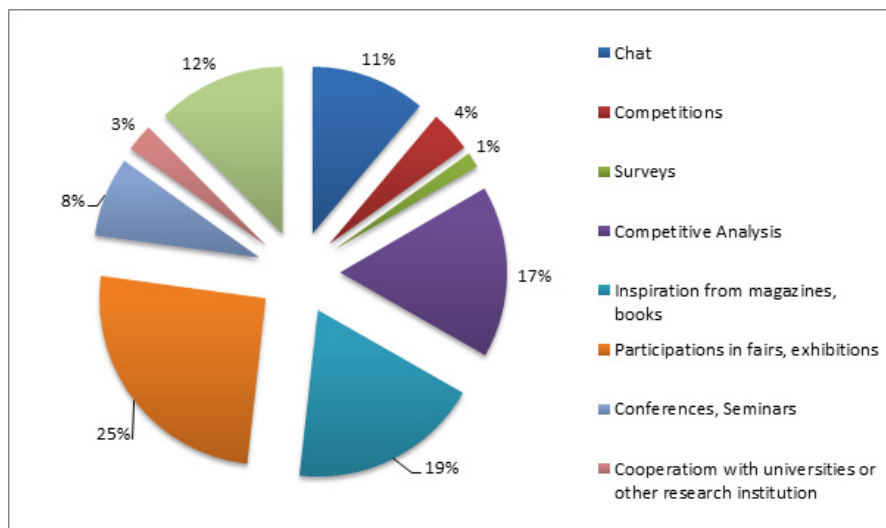


Fig. 1. Phase of generating ideas – activities realized in the SMEs.

In the *phase of survey*, we assumed that survey of market and competition can have a major importance for the construction companies, but we also wondered if the companies of this size carry out marketing analysis of a company. Whether it is an analysis of the business environment, micro and macro-environment business, or further analysis and research, we summarize them in the concept of marketing analysis. Given the low percentage of positive responses above we can conclude that companies did not carried out such analyzes. The cause appears to be a personal understaffing and accelerated and inconsistent implementation of eco-innovation process.

In the phase of survey up to 30.5 % of respondents, which is approximately one third of building companies, did not conduct any of these activities. Likewise, this fact can be related to the size of the company, since 64 % of respondents consisted of micro / 0-9 employees /, which may be related to the fact that such a micro-enterprise has not such personal, time or financial capabilities to implement these activities. About a third of respondents / 30.3 % / conducted market research, and also research of the competition / 32.6 % /. Formation and evaluation of marketing analysis was devoted by 6.6 % of respondents. Results are shown in Figure 2.

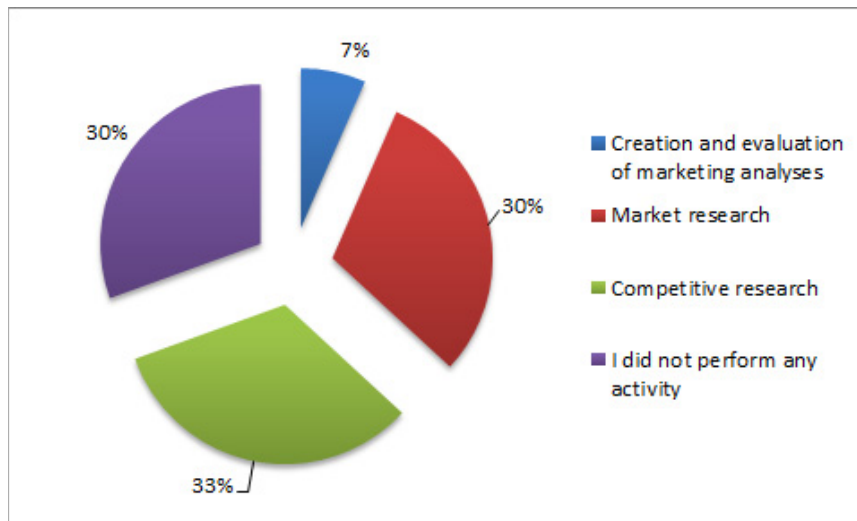


Fig. 2. Market analysis carried out in the first part of the eco-innovation process

Business analysis phase is important in terms of selecting the most suitable alternative of the proposed concept of eco-innovation. It is necessary to look at the planned eco-innovation in terms of economic efficiency, which will be brought by the proposed change. 26.3 % of respondents were not engaged in any of the surveyed activities. About a third of respondents dealt with by developing cost-benefit analysis of implemented eco-innovation, resource needs assessment was addressed in 23.7 % of respondents, and customer communication strategy proposed at this stage of eco-innovation process was proposed by 17.4 % of surveyed enterprises (see Figure 3).

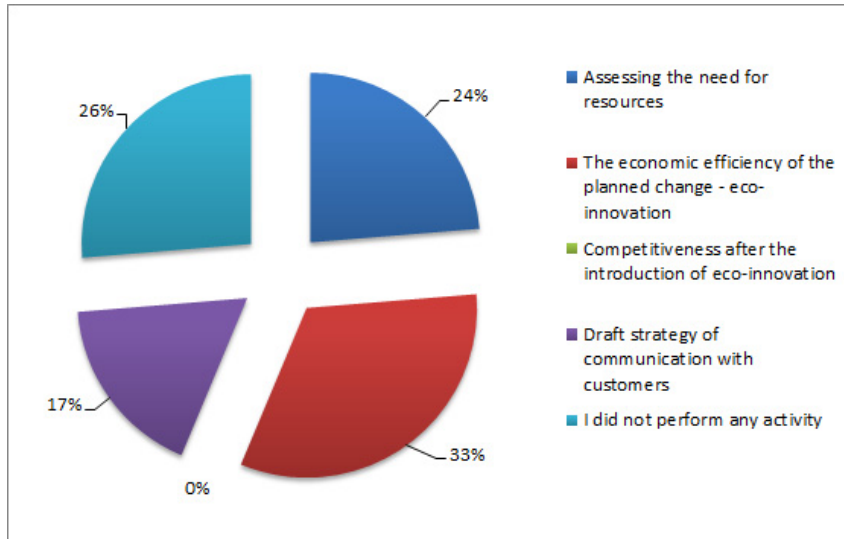


Fig. 3. Analyzes related to the economic activities of enterprises, realized in the first part of the eco-innovation process

In the second part of innovation process – **creation of innovation**, we focused on the area of implementation the necessary documentation, whether essential construction of testing products etc. Answers to this question could be affected by the type of business of the enterprises, possibly by the implemented eco-innovation. Area of innovation in the construction industry is wide, in principle, does not always go about construction of building, but only about part construction, possibly realization of services that are eco-innovative. The question was Have you realized tests or quality material tests during the preparation of the necessary documentation, design documentation or prototype needed for eco-innovation? Positive and negative responses were at the same rate approximately – Yes 49.2 %, No 50.8 % of respondents.

An important component of the innovation, respectively, eco-innovation process is processing the overall project of implementation. Just in the phases of the 2nd part of innovation process it is the right time for its realization, as well as create design/plan to using marketing communication in the 3rd part of innovation process, which should be an integral part of its. We have divided our investigation into areas under planning for using the various marketing communication tools. Researched enterprises approached to realization of the plans of various marketing communication tools thus:

Table 1. Plan for realization of marketing communications tools

Plan for realization of:	Percentage
Advertising	17.2 %
Public relations	9.8 %
Sales promotion	17.9 %
Personal selling	15.9 %
Direct marketing	5.1 %
Online communication	11.8 %
No plans realized	22.3 %

Regarding the using of various marketing communication tools, then advertising and sales promotion in conjunct with personal selling appear to be most common planned activities at this phase of eco-innovation process. Of course, there is follow reality and suitability of using the planned activities. It is normal that enterprises, compared to plan, vary their activities often, according to the financial circumstances or depending on changed conditions of the business, whether suddenly resulting needs within the enterprise. We can say that the owner of a small-sized construction enterprise can decide on issues plans very intuitive, possibly according to certain conveniences. In the chart, we present overview of the using of various traditional marketing communication tools during the diffusion.

3. Conclusion

The realized research has provided to us enough information and data about using of various tools within the individual parts, and even phases of eco-innovative processes in small and medium-sized enterprises, in the construction industry. In the 1st part of eco-innovation process, which is an introduction to the implementation of eco-innovation, creativity is the first. The enterprise should approach to the creation of invention with a considerable amount of creativity, which is due to the oversaturated market and demanding customer urgently needed. In addition to creativity, during generating inventions is needed a certain extent of entrepreneurial intuition, accompanied and supported by the results of analyzes, surveys or research. However, as we found out, realization of necessary surveys and marketing analyzes absents at this stage, what we give in relation to the size of enterprises or absence of marketing department. In addition to challenging of construction activities, in small and some medium-sized enterprises, there is no space for realization a similar activities. We expect only intuitive decision-making within certain enterprises, and we can suppose also skip or omission of certain parts or phases of eco-innovation process. This fact – omission of phases or parts of eco-innovation process, particularly the 1st and 2nd – can negatively affect the 3rd part of eco-innovation process, thus the diffusion phase of eco-innovation.

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