

WHAT'S YOUR MARKETING FOOTPRINT?

MAURIZIO CATULLI
CONSIDERS WHAT
MARKETERS CAN DO
TO REDUCE THEIR
IMPACT ON THE
ENVIRONMENT

●● MORE THAN 90% OF CONSUMERS
BELIEVE THAT BUSINESSES
MUST BEHAVE RESPONSIBLY
WITH REGARD TO THEIR IMPACT
ON THE ENVIRONMENT ●●

TODAY'S CONSUMER CARES about the environment. This is clear from the huge growth in organic, fair-trade products and the willingness to pay more for branded goods produced by companies perceived as doing the right thing. This changing attitude is already affecting marketing and the signs are that consumer expectations are only going to increase.

The annual Ipsos Mori survey of attitudes of business behaviour shows that 93% of consumers think businesses must be responsible about their impact on the environment. While 92% believe that businesses should ensure that that responsibility continues along their supply chain.

These concerns are beginning to affect buyer behaviour. Showing a concern for the environment has important benefits for business performance, and companies taking the lead on the issue are poised to gain competitive advantage.

Businesses need to carry out an environmental impact assessment (EIA) of their activities, analysing energy consumption, pollution, carbon emissions and recycling. Pollution prevention (P2) and

resource recovery (R2) are the mantras of sustainable marketing. Marketing professionals need to support P2 and R2 strategies.

The relevance of the environmental agenda to marketing goes beyond the promotional footprint. The problem is pervasive in all business activities, and its constant presence in the media means that buyers are increasingly aware of the issue. Sir Nicholas Stern's Report on the economics of climate change, released for the Treasury in October, set an urgent tone to the change necessary. The whole economy needs to shift to new models to address what Stern calls the "greatest and widest market failure ever seen". A transition is needed to low-carbon, non-polluting, energy-efficient systems.

Are marketers the bad guys?

People tend to have a negative perception of marketing. "Marketing is often viewed as a 'bad guy' in environmental terms because it is seen as revolving around consumption expansion, or guilty of excessive use of materials in terms of junk mail, over-elaborate packaging or freebie promotional

merchandise that people don't really want or need," says Professor Ken Peattie, director of the Centre for Business Relationships, Accountability, Sustainability and Society, UK (Brass) at Cardiff University and founder of the Sustainable Marketing Knowledge website. But this is not necessarily so. Marketers use a range of communication activities that have an impact on the environment; for example, much of the information disseminated by marketers is printed on packaging that is discarded by buyers after use. Packaging is a main focus in the environmental footprint because it is readily perceived as litter and wasteful.

Because it is seen as a threat to the environment, packaging is the object of a specific European Commission directive, 94/62/EC. This directive sets up targets for packaging recycling and disposal for member states and lays down guidelines for packaging composition. Where possible, packaging should be biodegradable, natural, recycled and recyclable and any text should be printed with biodegradable materials, such as lead-free ink. Toward the end of

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2005 Tesco and other supermarkets introduced biodegradable plastic bags, with a promise that other packaging will also be greened.

However, the role of packaging as 'the silent salesman' means that marketers often need to use appealing design and colours that are sometimes made of many layers of different materials in a single package. Because of that, recycling is not always possible.

Types of impact

Each type of marketing communication has a different impact on the environment. For instance, personal selling requires sales people to travel to meet their customers (or vice versa) and this uses transport. Even internet-based communications, such as blogs and websites, have environmental footprints through the energy used to run the computers that support the systems.

Direct mail is one of the most used communication media. Last October Royal Mail cancelled its self-imposed limit on junk mail, which decreed that only three pieces of unaddressed mail should be delivered per household, per week. This opens the door to increased volumes of direct mail at a time when 78,000 metric tons of junk mail ended up in landfill sites last year. Some people would say that this will have a negative impact on the environment, and there will be a consumer backlash against the Royal Mail and direct mailers.

However, this might not be the case. Drayton Bird, direct marketing guru, says, "Clients rarely, if ever, give the matter a second's thought." He adds that most direct mail shots are on recycled paper. Alex Walsh, a director of the Direct Marketing Association (DMA), confirms that the proportion of recycled or sustainable source paper used for direct mail is as much as 95%.

It does indeed seem that mailing is so effective that even the most environmentally conscious organisations use it. Lisa Weatherley from Greenpeace explains that to reduce their marketing footprint, their mail shots are printed with vegetable-based inks, on recycled paper which has not been bleached with chlorine, and are targeted at existing supporters. If wood is used to produce the paper it is sourced from Forest Stewardship Council (FSC) certified wood.

Walsh explains that in spite of the negative public perception of the direct mail industry footprint, the industry is moving fast to clean up its act. Although there is no legislation concerning the issue, the industry is adopting a voluntary regulation. The DMA, for example, entered an agreement with the Department for Environment, Food and Rural Affairs (DEFRA) in 2003 and committed itself to ambitious targets to increase the proportion of direct mail that is recycled versus that which ends in landfill.

The organisation supports the direct marketing industry by

providing members with advice on type of paper used, recycled or from sustainable sources, the types of inks used and the adhesive used in the envelopes. The DMA is also liaising with the International Organization for Standardization (ISO) to produce a standard for paper-based business communications. Walsh adds that an additional element is what the industry calls the 3Rs – relevance, respect and reward, where the accuracy of the mailing lists used is pivotal. From this point of view, the client's brief is vital – it is their brand that they are putting on the line.

Environmental mailings

If a mailing is essential for your campaign follow these tips to ensure minimum impact:

1. Use paper that has not been bleached with chlorine
2. Use recycled paper or paper made using Forest Stewardship Council certified wood
3. Use vegetable based inks
4. Investigate envelope adhesives
5. Target mail to receptive people
6. Consider reducing mailing size
7. Allow easy opt-out to reduce waste

An obvious alternative to mailing is the internet. Most companies aim to use the web for marketing purposes, and make all marketing and promotional publications available electronically, which reduces the use of paper and transport. But Peattie suggests that it is difficult to guess how many emails or other communications in electronic

EVALUATING THE IMPACT OF INTERNET MARKETING IS IMPOSSIBLE UNTIL FURTHER RESEARCH IS UNDERTAKEN

format are eventually printed by the recipient. Walsh estimates that 70% of email communication is eventually printed. Evaluating the real environmental impact of internet marketing is impossible until further research is undertaken.

All types of corporate communications should be migrated to an eco-friendly, low-footprint system; for example, company stationery and brochures should be printed on recycled paper or paper from Forest Stewardship Council certified wood. Company cars should be replaced by eco-friendly models, such as hybrid cars or alternative fuelled (eg biodiesel) cars. Telemarketing could be perhaps implemented instead of bulk

mailings when possible. Exhibition stands should be made reusable.

All these communication strategies need to have P2 and R2 strategies built in to prevent pollution and waste and maximize resource recovery, and recycle the material used. Distribution channels also need to be designed with this in mind, so that commercial partners are managed to assist these strategies and reverse logistics processes are set in place to recover resources such as used-up products, energy and packaging materials.

Green spin

But this is not the whole story. According to Pettie and Crane some companies have been unscrupulous in their environmental claims – one of the practices used is defined by the authors as green spinning. Some companies have heavily promoted the environmental virtues of their products, in order to influence purchasing decisions, but in some cases these claims have been only cosmetic and not matched by a change in their core processes. This prompts Peattie and Crane to wonder whether green marketing has failed in its mission.

Best practice standards may help. ISO14000 certifies companies that manage environmental issues effectively and set up their own Environmental Management Systems (EMS). ISO14000 covers the improvement of environmental performance of products and services and the communications that marketers send out about the environmental performance of those products and services.

Companies face increased risks of non-compliance with environmental regulations and standards, as a result of fines and lawsuits, and arguably of 'de-selecting' themselves from suppliers' approved lists because they lack environmental standards certifications.

The footprint of an organisation's communication activities is certainly an issue relevant to marketing professionals, and yet there seems to be no research available on it. Internet marketing and iPod advertising, and communication techniques such as viral marketing and blogs may perhaps be more environmentally friendly than print-based communications, in spite of the requirement for energy.

Professional marketers will have to take the new double-edged responsibility of monitoring the environmental footprint of their marketing communications and packaging, and being aware of the effects and truthfulness of their environmental claims, and this needs to be driven by both ethical considerations and by legislation.

Marketers should also be aware of guidelines and best practice on eco-labeling. "Genuine marketing is about the delivery of benefits rather than 'stuff' to customers," says Peattie. "With a little thought and innovation, benefits can often be delivered in ways that use fewer or more sustainable resources.

"Those companies who have been willing to innovate have usually been able to identify solutions which benefit the customer, the company and the planet."

And, of course, one of the important tasks for marketers is designing internal marketing programmes to change behaviour within their company towards the environmental imperative. Failing to address this responsibility may put marketing professionals under the scrutiny of legislators, and create a consumer backlash. However, taking the initiative and a leading role could generate great benefits in terms of competitive advantage. **tm**

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