

The Power of Marketing



Mike Longhurst

Stop right there!

- If we want marketing to sell sustainability, we'd better agree what marketing is



Somewhere we lost the plot

- marketing

Pronunciation: 'mär-k&-ti[ng]

Function: *noun*

1 a : the act or process of selling or purchasing in a market

b : the process or technique of promoting, selling, and distributing a product or service

2 : an aggregate of functions involved in moving goods from producer to consumer

= flogging stuff

Wikipedia to the rescue

- **Marketing** is one of the terms in academia that does not have one commonly agreed upon definition.
In a nutshell it consists of the social and managerial processes by which products (goods or services) and value are exchanged in order to fulfil the needs and wants of individuals or groups.

Wikipedia to the rescue

- Marketing is one of the terms in academia that does not have one commonly agreed upon definition. In a nutshell it consists of the social and managerial processes by which products (goods or services) and value are exchanged in order to fulfil **the needs and wants of individuals or groups.**

“To fulfil the needs and wants of individuals or groups”

- The marketing revolution occurred when manufacturers came to realise that the starting point was “what they want”, not “what we want them to want”
- We learned 40 years ago that making stuff and then trying to persuade people to need or want it was inherently futile

We have reminded ourselves of it at frequent intervals since



1973 Dunlop Denovo

“Unfortunately, the Denovo, although effective, was both costly to manufacture and unduly complex and never gained widespread popularity.”

Launch price £400, within 6 months £140



McCANN ERICKSON



1998 - What they said



“Shell Pura will offer consumers the choice of a top-quality unleaded petrol which produces fewer exhaust emissions than standard unleaded.

Clearly, Shell remains committed to supplying the fuels and products which the consumer needs and wants.”

Shell PR statement

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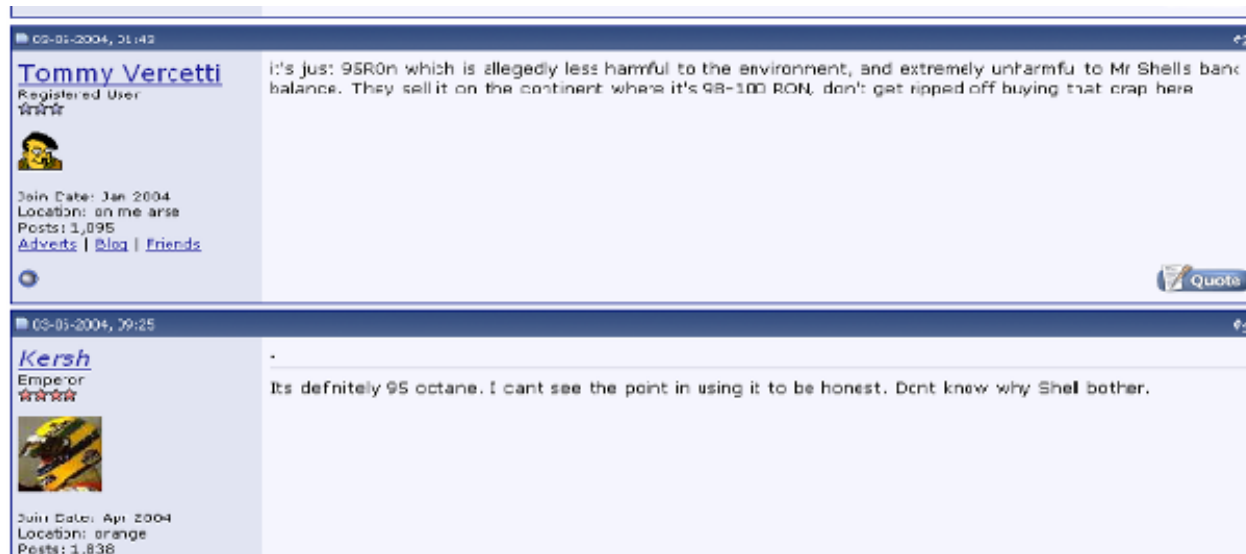


What THEY said

“It's...allegedly less harmful to the environment, and extremely unharmlful to Mr Shell's bank balance”

“I can't see the point in using it to be honest. Don't know why Shell bother”

“Don't get ripped off buying that crap here”



So they finally asked the consumer what they really wanted and built it in

A premium price was set for the petrol Pura as sold by Shell with the extra benefit that it produced less pollutants while being cleaner in use in the engine. Due to disappointing sales a change in product concept has been realised and now a petrol is sold at a premium that enables more power (V-Power). The reasoning behind this change hinges on the idea that being able to accelerate faster is experienced more as a benefit than the environmental benefits that were attributed to Shell Pura.

Eindhoven University of Technology, 2004

Getting out front of consumer demand is expensive and risky, but can have great corporate rewards

“But sometimes it's not enough to wait for consumer demand to dictate product development. Sometimes, we have to take the lead. And that's precisely what we've done with Liquefied Petroleum Gas.” **Shell**

Prius: has it made a cent yet?



www.toyota.co.jp/en

EXPO

What can we harmonize today?

"Environmentally friendly" meets "fun to drive" in the Toyota Prius, the world's best selling hybrid vehicle. The Prius is just one example of how Toyota brings "approach" into harmony for a sustainable future.

TODAY TOMORROW TOYOTA

McCANN ERICKSON



If not, it probably will soon

Just a year ago, the green agenda was still out on the fringes for the great majority of Britons: an issue of concern, perhaps, but 'not for me'. Today we see the **unquestioned expectation that everyone will embrace at least some shade of green behaviour in day-to-day life.**

The Power of Green Brands

Landor



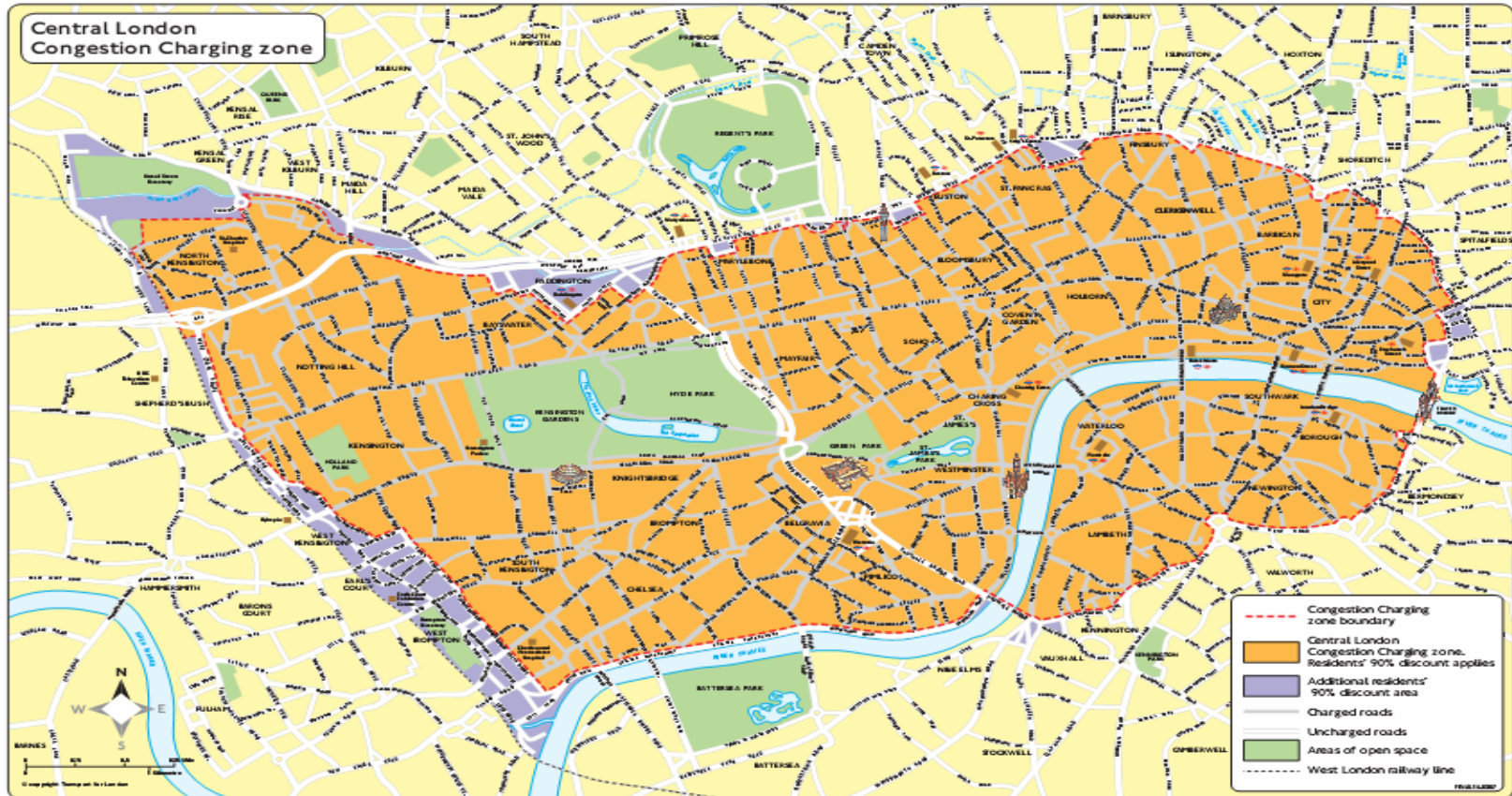
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As opinion shifts, so legislators get bolder



And legislation, in step with product development, reduces risk



Why should I buy BP Ultimate Unleaded?

To get the best out of your car, whatever the make or model, BP Ultimate Unleaded has been designed to clean your engine, to give you more performance and less pollution. This is BP Ultimate.



Media support in step with marketing makes NPD investment doubly attractive

750 million pounds of investment planned by British Gas in renewable power generation in the coming years

5 million tonnes of CO₂ produced a year in the UK washing machines, tumble dryers & dishwashers

1 amount in pounds potentially wasted in every £3 spent on energy in UK households

962 Amount (in millions of pounds) saved every year if every household in the UK were to install cavity wall insulation

ENERGY TIP

- Turn off mobile phone chargers when not in use. SAVE around 14 pence.
- Buying the little bit of extra for the economy class can mean you'll be on a 21 pence tariff.
- Instead of taking a long shower, take a 5-minute shower. SAVE up to £14 a year.
- Turn your oven off after you've finished cooking. It can save up to £100 a year.
- Use your electric kettle to boil just the amount of water you need. SAVE around £12 a year.
- Add the water to the kettle when you're ready to use it. SAVE up to £20 a year.
- Use a power strip to control multiple devices. SAVE around £10 a year.

ENERGY EFFICIENCY CHALLENGE

When it comes to saving the planet, south Londoners have stolen a march on their north London neighbours. Now British Gas is encouraging us all to take the first steps to being green.

Energy conscious Londoners by borough



South Londoners are leading the way in energy efficiency. The boroughs of Merton, Sutton, Wandsworth and Richmond upon Thames are the most energy-efficient, with scores of 20-23. The boroughs of Barnet, Brent, Bromley, Croydon, Ealing, Enfield, Hammersmith & Fulham, Harrow, Havering, Hillingdon, Islington, Kensington & Chelsea, Lambeth, Lewisham, Merton, Newham, North London, Redbridge, Richmond upon Thames, Sutton, Surrey, Waltham Forest, Wandsworth, Wenlock, Wimbledon, Woolwich, Wynford, Wynford, Wynford, and Wynford are the least energy-efficient, with scores of 1-19.

GREEN BACK

Get your green back from www.britishgas.com/greenback

DOOR VISORS

WINTER DOOR VISORS
As the effects of global warming...
"I try to really weather..."
"I wash up using..."
"I have started to change..."
"I have got my..."
"I have got my..."
"I have got my..."



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Make it greener where you are



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A man in Clapham celebrates by juggling hot potatoes after changing to energy efficient light bulbs.

Get started with British Gas at makeitgreenernow.co.uk with your 'Free Green Survival Pack'. And your chance to win VIP tickets to our 'Fest for the Future'.

Make it greener where you are.



British Gas 

A woman in Camden celebrates with a Vindaloo after turning her heating down by one degree.

Get started with British Gas at makeitgreenernow.co.uk with your 'Free Green Survival Pack'. And your chance to win VIP tickets to our 'Fest for the Future'.

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British Gas 

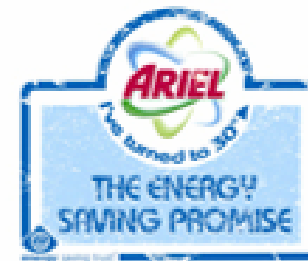
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1999 Ariel tablets launched, 2003 Quick Wash action introduced, 2006 finally claim energy saving benefit...successfully!

Energy saving washing
Wash at 30°C and make a difference

Ariel is asking you to "Turn to 30" when using your washing machine. Recent research has shown that when people "Turn to 30" they save, on average, an astounding 41% on their energy consumption!



[Take the Ariel "Turn to 30" Promise and make a difference](#)

And they're getting behind it, because the retailers are setting the pace

Introducing our new designer labels. Designed to help you wash at 30°C.

Next month, we're launching our 'Think Climate - Wash at 30°C' labels, which are here to help you reduce your carbon footprint. Around 75% of all our washable garments will carry this spot. By lowering the temperature to 30°C, you can save around 40% energy per wash. And if all of us started washing at this temperature, we'd save enough electricity to light every street lamp in the UK for 10 months. This is part of our five year plan to address climate change. So next time you come to do your washing, remember to check the label. www.marksandspencer.com/PlanA

YOUR M&S
Plan A. Because there is no Plan B.



We're switching our stores over to renewable electricity.

Over 25% of the electricity we use, buy comes from sources like wind, biomass and small-scale hydro. By 2010 we'll aim to use 100% renewable electricity, which is part of our five year plan to address climate change. In the next twelve months we'll reduce the carbon dioxide emissions from energy usage in our Scottish stores by over 20,000 tonnes. And in the same period our Simply Food stores carbon dioxide emissions in England and Wales will drop by over 35,000 tonnes. It's these intentions that push when it comes to renewable electricity, which is signed in www.marksandspencer.com/ThinkA

YOUR M&S
Plan A. Because there is no Plan B.



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So the snowball seems to be rolling...so in future people might still know what a snowball is



STIB Brussels and RATP Paris are getting out in front, gaining corporate brownies, but not exactly saying you should use PT for the environment's sake...but they will

Using Metro and bike together. That's thinking about the transport of tomorrow.



McCANN ERICKSON



The buses of STIB are setting an example.
They're stopping smoking.



LES BUS DE LA STIB DONNENT L'EXEMPLE. ILS ARRÊTENT DE FUMER.



McCANN ERICKSON



Washing our vehicles with rainwater saves the water of tomorrow



LAVER NOS VÉHICULES À L'EAU DE PLUIE,
C'EST PRÉSERVER L'EAU DE DEMAIN.

ON VA VOUS FACILITER L'AVENIR.



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While running, our metros create the energy that lights the Metro



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We recycle our building waste. It's only natural



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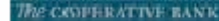
















We wash our busses and afterwards we wash the water that washed our busses



McCANN ERICKSON



The rewards are clear in green reputation

	Brand	Greenness	% More Green in Past 5 Years
1	The Body Shop 	58%	59%
2	smart 	35%	61%
3	Waitrose 	30%	65%
4	The COOPERATIVE BANK 	30%	50%
5	TESCO 	26%	72%
6	MARKS & SPENCER 	24%	64%
7	dyson 	23%	41%
8	Sainsbury's 	22%	70%
9	bp 	22%	61%
10	AVEDA 	21%	39%
11	ASDA 	20%	60%
12	TOYOTA 	19%	62%
13	virgin atlantic 	18%	46%
14	NIVEA 	18%	37%
15	Shell 	17%	54%
16	Indesit 	16%	50%
17	npower 	16%	49%
18	BOSCH 	16%	43%
19	Google 	16%	40%
20	Patrol 	16%	29%

The Power of Green Brands

Landor



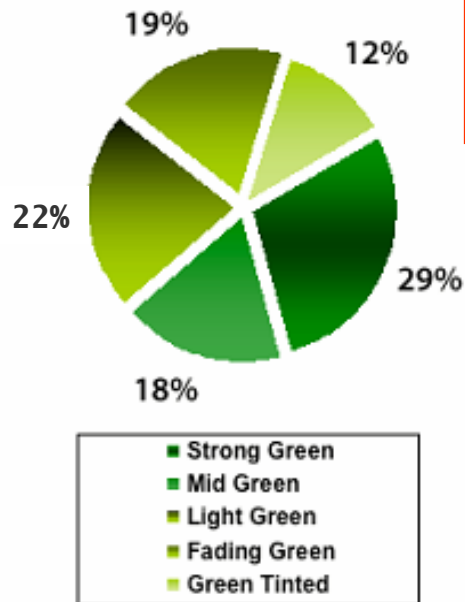
Penn, Schoen & Berland Associates

Cohn & Wolfe

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So who are we actually talking to?



- 1 **Strong Greens** (nearly a third of Britons) recognise the impact on the planet of their own lifestyles and are keen to take action to do something about it.
- 2 **Mid Greens** are slightly less thoroughgoing in their convictions: recognising their responsibilities but admitting room for improvement in their own actions
- 3 **Light Greens** feel more relaxed about society's ability to handle the environmental situation. They're making some efforts, but will not go out of their way to help
- 4 **Fading Greens** are disengaging from the problem. They feel pessimistic about the track we're all on, but are doing little in their daily lives to help improve the situation
- 5 The **Green Tinted** are so focused on their own lives that the extra effort needed to be green is a burden they don't want

The Power of Green Brands

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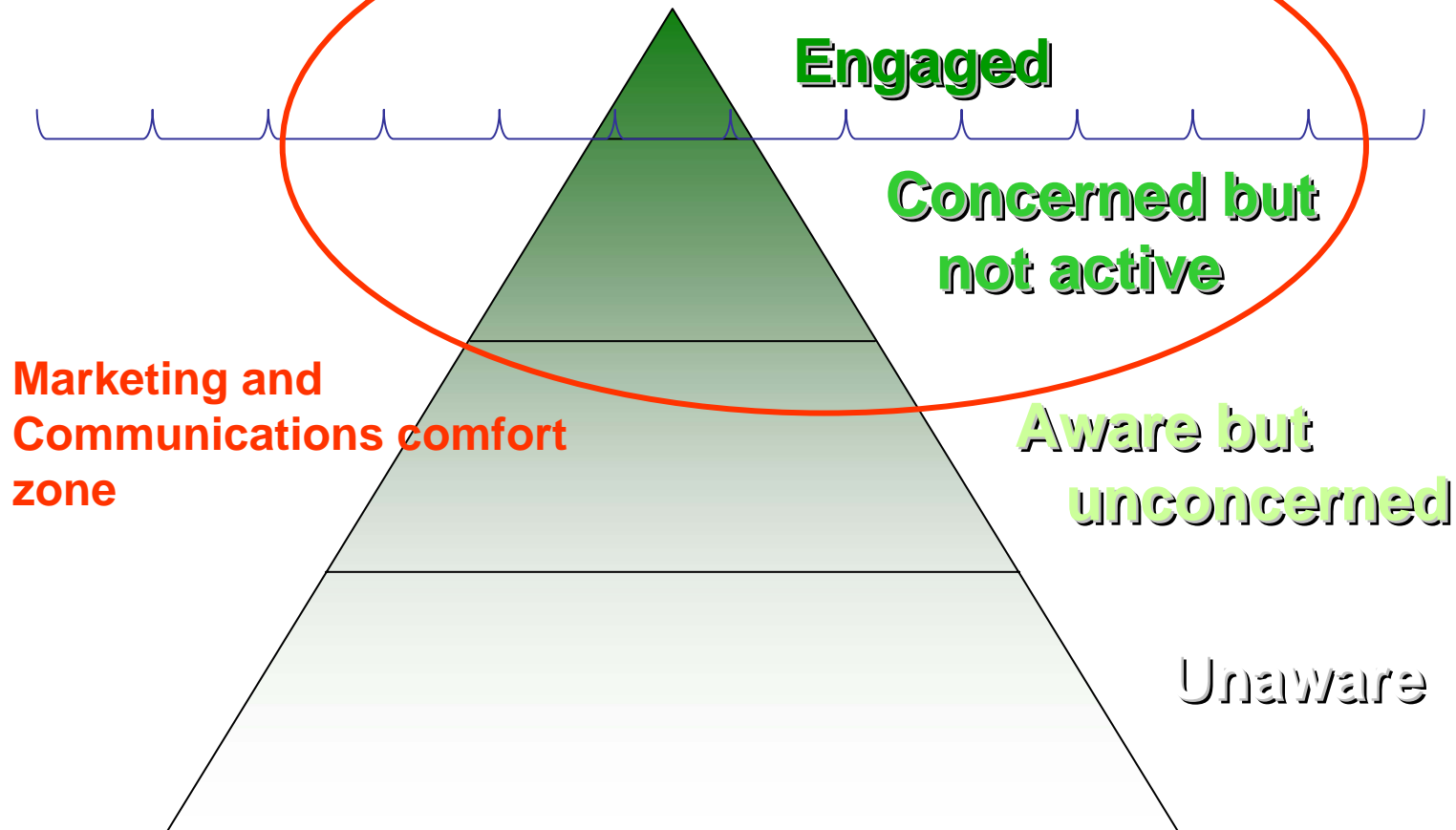
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6-10% is more likely...with 20% more listening and taking notes and another 40% sympathetic



What do mass of consumers want?

1. Governments to sort it
2. Companies to sort it (in supply chain)
3. To consume the same way, but still somehow get it sorted (“Hedonistic Idealists”)

So Threats and Opportunities abound



Care about the environment?
We do too

The Government sponsored Stern Review on Climate Change concluded that aviation accounted for 1.6% of global greenhouse gases. That sounds small, but we are not complacent. Not all airlines are the same.

- We fly more passengers per plane than a traditional airline, which helps us to achieve 27% lower emissions per passenger kilometre based on the same plane type*
- We always operate the latest generation aircraft. The average age of our fleet is 2.2 years.
- In Europe today, other airlines are flying over 680 older generation short-haul aircraft, burning up to 15% more fuel than new generation aircraft**

To read about our environmental promises visit easyJet.com

easyJet.com

* 27% lower emissions on a per passenger kilometre basis with the same aircraft type and plane load as a traditional airline.
** Older Generation = 1970s series and 870,000, 2000 to the current vintage. July 2008. 17% based on Boeing data on fuel burn comparisons.

The Threatened



OUR
PENDOLINO TRAINS EMIT
78% LESS CO₂
THAN DOMESTIC FLIGHTS.

HOP ON BOARD.

Go Greener. Go Cheaper.

Virgin Trains
Love every second

© Virgin Trains 2008

The Opportunistic

Signposting to solutions



RENAULT CLIO

**Low cost.
Low emissions.**

**Clio Freeway.
Only £7,485.**

- 3 door 1.2 16V 75hp
- CO₂ emissions 139g/km
- ABS with EBD* and Brake Assist
- 6 airbags (driver, front passenger, 2 front lateral, 2 anti-submarine)
- Remote central locking with deadlocking
- 30W CD hi-fi with fingerprint remote control
- Trip computer

0800 52 51 50 www.offers.renault.co.uk

The official fuel consumption figures in mpg (l/100km) for the Clio 1.2 16V are: Urban 37.2 (7.6), Extra Urban 57.6 (5.0), Combined 45.9 (5.9).

Renault offers a range of other models, with prices starting from £7,485. For more information, visit www.renault.co.uk or call 0800 52 51 50. Renault is a member of the Renault-Nissan Alliance.

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The “I want it both ways”...learning the hard way

management scheme. Sky Digital: MiCard works with box personalised chip and PIN loyalty Kevin

Tesco to offer recyclers ‘green’ ClubCard points

By James Quilter

Tesco is planning to put its ClubCard loyalty scheme at the forefront of its environmental strategy by rewarding customers with points when they recycle packaging including cans and bottles.

The retailer is currently testing automated recycling machines at its Cheshunt store, where customers can swipe their ClubCards to claim points.

The machines sort materials including cans, cartons, paper and bottles, which are crushed. Tesco said it would be looking to introduce the machines in the New Year.

In August, the retailer rolled out an initiative to award ‘green’ ClubCard points to shoppers who reuse carrier bags. Tesco said it aimed to reduce the number



of bags it gave away from 4bn to 1bn by 2008.

Tesco already awards points for bag re-use

The chain ran a substantial ad campaign to support the initiative featuring stars including Frankie Dettori and Ronnie Corbett.

In May, Tesco launched a ‘community plan’, in which it promised to use wind turbines, stock biodegradable

bags and redesign Tesco press store fascias to fit suit their surroundings.

Tesco’s environmental credentials have been criticised by Friends of the Earth, who said the retailer’s biodegradable bags were made while its energy needs, it said would fall by 201 still rising due to expansion

RETAILER SLAMMED OVER FRUIT

Tesco loses green cherry

KATHARINE HIBBERT
@thelondonpaper.com

SUPERMARKETS are to stock the world’s dearest and possibly least green fruit.

Branches of Tesco will sell fresh cherries grown in centrally-heated polytunnels in Spain for nearly £20 for a 300g punnet.

Cherries cannot be grown naturally anywhere in the world between mid-February and mid-April but a Spanish farmer uses artificial heating to grow the fruit, which are also sold in Dubai, Moscow and Hong Kong.

Environmentalists have attacked the

supermarket’s decision to stock the cherries, especially in the light of recent efforts by Tesco to appear green.

Green Party member of the London Assembly Jenny Jones said: “I think this is a fairly stupid and short-sighted decision by Tesco.

“If London is going to bring down its total carbon emissions, big companies have to understand what they are doing and take action.”

A Tesco spokesman said: “It’s normal practice to grow fruit out of season – this is not an isolated incident.

“Some people might not think it’s a

“This is a fairly stupid and short-sighted decision”

JENNY JONES,
LONDON ASSEMBLY

sensible thing to do, other people think it’s worth it to have these cherries.”

The Spanish cherries will be stocked by 19 UK Tesco stores, of which 14 are in the capital. The fruit was also sold in Harrods.

Last spring at a price of £100 per kilo.

Tesco fruit buyer Charles Clowes said: “Traditionally at this time of year you can’t buy fresh cherries.

“There is a two-month hiatus where no cherries are harvested because of indigenous growing climates.

“However, a few years ago one Spanish farmer decided to produce a small number of cherries during this period using artificial heating, and he naturally charges a lot for all the effort that he puts into growing them.”



BAD PICK | Cherries do not grow naturally in March

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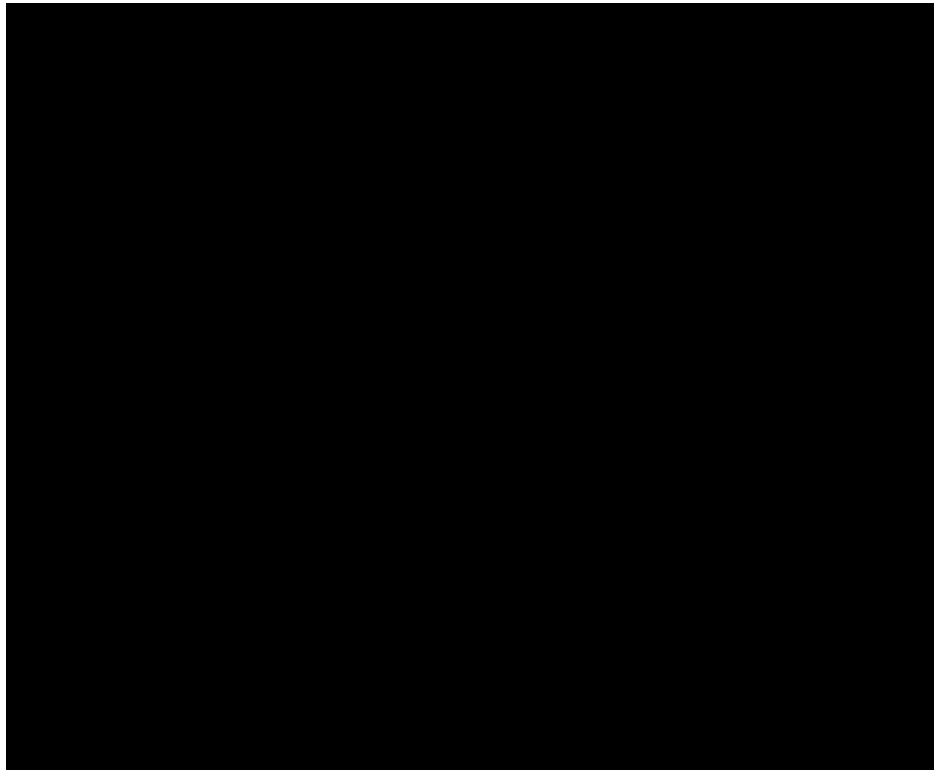


Engaging with consumers towards more sustainable consumption is always going to require understanding of their needs as well as the planet's

Some best practice....

Define the problem before the solution

- as UITP did to promote Public Transport



Invite them to take part

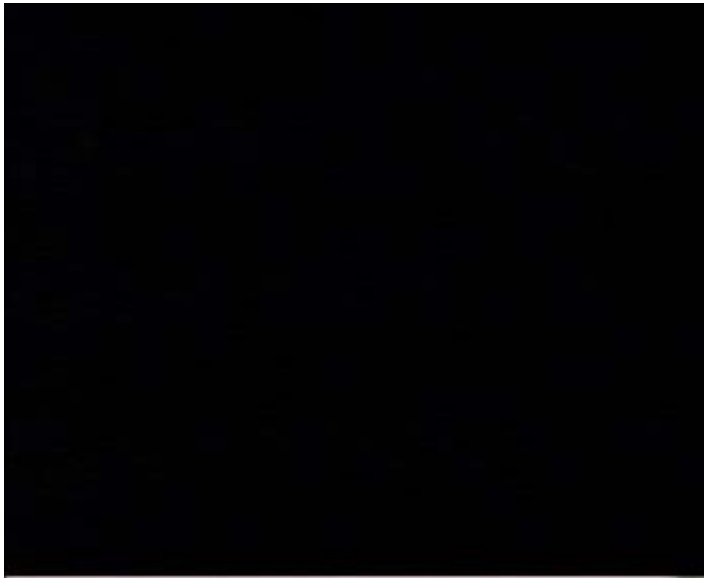
Knowing your
carbon footprint
is a step in the
right direction.

A carbon footprint is the amount of carbon dioxide emitted each year due to the energy we use. The average UK household footprint is 10 tonnes each year. That's like 100,000 people all putting the kettle on at the same time. We all need to do something to reduce today's emissions and avoid serious environmental damage in the future. Here at BP, we're trying to reduce our footprint. Since 2001, our energy efficiency projects have reduced emissions by over 4 million tonnes. Visit **bp.com/carbonfootprint** to calculate your household's carbon footprint and to see how it can be reduced.

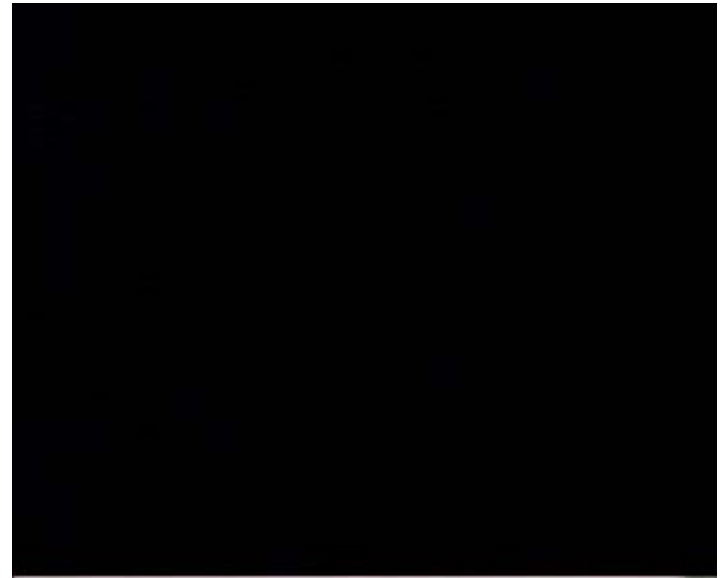
Try to mix altruism with personal advantage

UN Project Recap in China: Energy saving fridges

The responsible message



The personal gain message



But this conducive marketing environment is very fragile...

- If the bad news subsides
- If the media get bored and go elsewhere for copy
- If legislators get worried about their popularity ratings
- If the economy turns down
- If there are more fiascos like food miles



“FOOD FLOWN FROM FAR AWAY IS MILES BETTER FOR THE PLANET”
The Sunday Telegraph

.....don't expect too much of marketing!

Thank you

McCANN ERICKSON

