

EcoMarketer

A marketing journal for the world's most environmentally-responsible companies.

Environmental Marketing Communications

By Scott McDougall

Since economy with words is a gift, let me summarize this issue of EcoMarketer with the words of men much more gifted than I!

*"Think like a wise man
but communicate in the language of the people."*
William Butler Yeats

*"It is the province of knowledge to speak,
it is the privilege of wisdom to listen."*
Oliver Wendell Holmes

There now. If you're really pressed for time you can put this down and still take away a little of the perspective we offer. If you've got just a little more time to spare, I hope you'll sink your teeth into this interesting issue of EcoMarketer!

Recently I've been devoting most of my time to our new market research and communication products. The EcoMarkets surveys have been particularly revealing. As you'll see in the article B2B Markets: Big and Getting Bigger, a happily large segment of B2B markets are adopting "green" and "green procurement" policies and practices. Even the most activist segments that are in the minority (such as the 34% of companies that have adopted green procurement policies) represent a very sizable market opportunity.

For those of us interested in reaching out to these markets, some of the most interesting insights of the EcoMarkets survey point to today's communications 'hotbuttons'. You'll find some of this summarized in the piece here entitled EcoLinguistics: Dialects in Environmental Communications.

It's environmental communications that Holmes and Yeats help us understand. The main message here is simple: Your communications will be most effective when you speak about your environmental value proposition (EVP) in terms of the values and priorities (this is the "dialect" of the article) that your audience already holds dearest. "Communicate in the language of the people".

A final thought from another famous thinker. You already know that TerraChoice is all about science-based marketing and credible claims. Scientific truth in marketing is everything to us. So, take this nugget with the spirit I intend it and please enjoy this issue of EcoMarketer!

*"Truth is our most valuable commodity.
Let us economize our use of it."*
Mark Twain

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Environmental Policy?



Results just in from EcoMarkets 2005 survey!
Read more about environmental trends page 3.

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EcoLinguistics: The importance of language in environmental communications

There has never been a better time to sell your environmental value proposition (EVP). More and more companies are adopting green procurement policies. Growth in expenditures on pollution prevention far outpaces growth in GDP. And the consumer interest in environmental value is steady and strong.

However, as environment has become more mainstream in corporate and consumer spending, its meanings and implications have become more varied and complex. In a world with many environmental challenges, and with hard lessons of greenwashing still fresh in the minds of buyers, clear, effective and sincere communication remains the key challenge of environmental marketers. The answer to this challenge is in adapting your language to your customers'; expressing your EVP in ways that appeal to their values and priorities.

Since the 1970's marketers have been studying consumer interest in environmental protection and - in particular - in environmental spending. The results are conclusive: something in the order of 20% of the population will back their green ethic with their greenbacks. Once upon a time we thought (we hoped) that this 20% 'green' segment would grow. Today we know better: It hasn't grown and it won't. This isn't bad news though, since the real market is much larger than this greenest segment.

Myth:

Green People and Brown People



The problem with these traditional market studies is that they take a narrow view "environment" -

an inherently wide and far-reaching concept. That narrow view leads to the narrow and misleading conclusion that there are "green" (pro-environment), less green, and anti-green (brown) consumers.

Environment is more than an value in and of itself. It is a surrogate for other values: health, family, faith, future generations, the natural environment, to name a few. When we explore underlying values with consumers (rather than their reactions about the narrow language of "environment"), we find much more common ground than any traditional analysis would reveal. The more meaningful distinction between consumers is why and how they are interested in "environment".

Reality:

Shades of green (but lots of different reasons)

Anthropocentric

In the B2B world we find a related phenomenon. In this case, our survey work reveals wide differences in what "environment" means to different organizations. In the most recent EcoMarkets survey of businesses, for example, we found that health-related environmental issues attract much more attention than wilderness issues. There is a clear pattern of the environmental themes and issues that have the greatest resonance with B2B buyers.

There are two lessons here. First, marketers need to think of "environment" as a language, and each individual environmental issue - wilderness, air quality, health, bio-diversity and so on - as its own dialect. If your key audience is part of the "green" minority (20% of consumers or 34% of companies), they already

speaking "environment". Your challenge is to find their dialect. Let's say that I'm concerned about environment specifically for its human health implications. I may think of myself as environmentally aware but not relate at all to messages about energy efficiency (or about wilderness, or global warming, for example). Your environmental value proposition may be uninteresting and unintelligible to me if you choose a dialect that I don't speak.

Volatile
Organic
Compounds?



The second lesson relates to the much larger main stream population of consumers and companies that are not "green" by nature. If I'm in this group, I have very little explicit interest in "environment". I may even think of myself as antienvironmental. For years, environmental marketers have thought these buyers are out of reach. They're not. They may not speak the language of environment, but they speak another language that better reflects their own culture, values and attitudes. To reach these people, environmental marketers must identify the more universal appeals in their EVP. Talk to me about environment and my eyes will glaze. However, talk to me about values that I share (and that are genuine and legitimate synonyms in your EVP) and you'll catch and keep my attention. Talk to me about the health of my kids, or the prosperity of my community, or about the loss of arable land (or whatever other language it is that I speak) and I'm all ears.

For further information contact us at **MarketResearch@terrachoice.com**.

B2B Markets: Big and Getting Bigger

As this issue of the EcoMarketer goes to (virtual) print, we're also putting the finishing touches on our 2005 research of markets for environmentally preferable products. (The EcoMarkets survey series is a three-part study of mainstream and "green" B2B and B2G markets in North America.) In addition we've just completed a project of secondary research into markets specifically for pollution prevention products. This combined work offers insight into green procurement opportunities that's never been available before.

Here are some of the highlights of this work.

- N Sixty-three percent (63%) of Canadian businesses have an environment or sustainability policy of some kind.
- N Roughly one-third (34%) of large Canadian companies have a green procurement policy.¹ (Figure 1)
- N Ninety-four percent (94%) of companies told us that they consider the environment in at least some of their purchasing.
- N Almost 80% of companies with a green procurement policy always or often consider environmental factors.
- N In 2002, Canadian industrial capital expenditures on pollution prevention totaled \$1.4 billion. Corresponding operating expenditures in that same year total \$542 million.²
- N By 2002, growth in industrial spending on pollution prevention (measured over the preceding five years) had outpaced growth in GDP by almost five times. (Figure 2)
- N With one exception, procurement support for "green" products is generally uniform for all product categories. The exception is support consumables (such as paper clips) that appear to attract notably less environmental scrutiny. (Figure 2)

The bottom line? Markets for environmentally preferable products are large, larger than they've ever been, and continuing to grow. Even for categories that already enjoy higher levels of environmental consideration, effective communications (also studied in the EcoMarkets survey) can turn your green to gold.



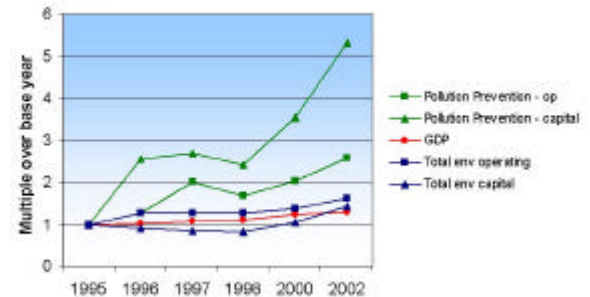
¹ EcoMarkets 2005: Volume 1 - B2B

² Statistics Canada, 2004

Figure 1



Figure 2



EcoMarketing Raves & Faves

The Campaign/Message: "Our insulation may not be at the top of your concerns, but your family is at the top of ours."

The Product: Johns-Manville formaldehyde-free fiber glass insulation

The Company: Johns-Manville

What we like: This campaign wonderfully converts the scientific environmental value proposition (formaldehyde-free) to a universal message. On the ad that we've seen, the copy is accompanied by a softened photo of a toddlers cute hind-end. An approach like this translates the EVP to a universal value (family, children), and Johns-Manville has maintained the credibility of its claim by reference to third-party certification (EcoLogo, in this case). A wonderful appeal to mainstream audiences.

What we'd suggest: We would just caution that the ardent "green" consumer is likely to react with caution to this kind of an ad. The very universality of the appeal makes them (rightly, given some past greenwashing) suspicious. The EcoLogo^M endorsement will assist in that respect, but the larger campaign strategy should recognize different communications needs for these different audiences.

Marketing Opportunities

Event	Location	Date	Our Recommendations
BOMEX	Calgary, AB	Sept 14-16	Mid-priority for B2B green building products.
Greening the Campus	Muncie, IN	Sept 15-17	Low priority for all B2B products & services.
Social Accountability International	New York, NY	Sept 19	Low priority for B2B products & services & investment seekers.
IIDEX/NeoCon Canada	Toronto, ON	Sept 22-23	High priority for B2B green building products & services.
ECOPALOOZA 2005 Green Living Expo	Ukiah, CA	Sept 24-25	Low priority for B2C green products & services.
Green Festival	Washington, DC	Sept 24-25	High priority for B2C green products & services.
2205 World Sustainable Building Conference	Tokyo, Japan	Sept 27-29	High priority for Asian B2B building product markets.
Intro to Renewables	Guemes Island, WA	Oct 8	Low priority for alternative energy (& related) vendors.
5th Annual Empire Energy and Envir. Expo	Sarasota Springs, NY	Oct 10-12	Mid-priority for energy-related vendors.
NZ Sustainable Business Conf. & Expo 2005	Auckland, NZ	Oct 12-13	High priority for Asian markets.
CANWEA	Toronto, ON	Oct 16-19	Mid-priority for B2B green vendors.
ISSA	Las Vegas, NV	Oct 19-21	High priority for green sanitation supplies & services.
Green Retrofit and Building Mgt. Strategies	Toronto, ON	Oct 19-21	Mid-priority for B2B green building products & services.
Residue to Revenue Residual Wood Conf.	Vancouver, BC	Oct 20-21	High priority for biomass energy vendors.
Independant Power Producers of BC	Vancouver, BC	Oct 24-25	High priority for green power vendors & green products & services.
10th National Green Power Conf. NA	Austin, TX	Oct 24-26	High priority for green power vendors looking at US markets.
Co-op America's Green Business Conference	San Francisco, CA	Nov 1-6	Mid-priority for B2C (Low for B2B) green products & services.
Green Festival	San Francisco, CA	Nov 5-6	High priority for B2C green products.
Massachusetts EPP Procurement	Worcester, MA	Nov 9	Mid-priority for B2B (B2G) green products & services.
GreenBuild Expo	Atlanta, GA	Nov 10-12	High priority for B2B green building products & services.
PM EXPO/Construct Canada/Design Trends	Toronto, ON	Nov 3-Dec2	Mid-priority for B2B green building products & services.

EcoMarketing Raves & Faves:

Send Us Your Best Work!

In every issue of EcoMarketer, we make note of campaigns that exemplify great environmental marketing. It could be great strategy, fantastic copywriting, beautiful creative, innovative PR or the whole darn shooting match.

We need your suggestions. Send us examples of great green marketing, whether it's of your own campaigns, or others that you admire. Just email us with your suggestions and this information:

- N** Campaign/message name or summary.
- N** The product
- N** The company
- N** What you like about it
- N** E- files with any graphics you think we might be able to use.

Email us at: ecomarketer@terrachoice.com

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