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Exploring the Marketing Potential of Hemp-based Paper Products

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Abstract - Tree-based paper production is an outdated method for creating one of the most fundamental products of civilization, namely paper. Such paper pulp is estimated to be directly responsible for the deaths of 4 billion trees a year. Though actions are being taken to maintain this finite resource, the truth is that trees take decades to mature before they are harvested again. Besides the direct environmental impact, paper pulp requires a number of chemical treatments in order for it to have longevity as a product. The product with which to challenge this archaic monopoly is clear; Hemp. Hemp paper is a natural alternative to tree-based paper and is obvious upgrade from the latter. Hemp plants grow at 80 times the rate of the average paper tree while taking only a fraction of the space required producing the same quantities. Due to its natural compound, Hemp paper needs far less chemical treatment than its rival to maintain usability and often exceeds the lifetime of treated tree paper. Recently federal degradations has made this ecofriendly resource extremely attractive. A brief business plan with a Pittsburgh-based company are outline from a marketing perspective.

Keywords - cash crops, hemp paper, Hemphere Co., market plan, sustainable supply chain integration (SSCI), sustainability.

Relevance to Marketing Educators, Researchers and/or Practitioners - Hemp-based paper products and its successfully marketing have great sustainability and ecofriendly potential for the global marketplace.

Introduction and Literature Review

Versatility of Hemp

Traditionally for the past few decades, there has been a focus on corporate sustainability or ecofriendly product issues at the product/service level, especially in the promotion of a corporate image in green products and designs (Sehnm & Oliveira, 2016; Shekari & Rajabzadeh Ghatari, 2013; Smith, 2020). One of the questions that needs to be addressed is how companies can mix sustainability characteristics into product development, at the organizational level (Kayas, et al., 2008; Wan & Chen, 2008; Young, et al., 2010) and at consumer level (Jain, & Kaur, 2006; Kilbourne, 1995; Laroche, et al., 2001). Katsikeas, et al. (2016) completed an analyses how companies integrate environmental aspects into product development. This study develops a model that integrates effectiveness-enhancing outcomes and organizational inputs of ecofriendly product development strategies. The purpose of the present study is to extend that work into the growth

and use of hemp fiber for ecofriendly applications. Hemp paper, for example, may well be the next evolution of print material. Previously, hemp paper was not viable commercially due to federal regulations and public perception of the plant. However, in recent years, the skepticism and identity of hemp in the public sector has swung in the opposite fashion, with it being far more accepted as a form of legitimate agriculture. Along with the stereotype of the product fading, the public is greatly concerned with a key benefit of hemp paper; environmental sustainability. Due to these very recent and positive changes for hemp production, now is the time to seize the opportunity and take control of the hemp-paper market. These trends have accelerated as changes in the 2018 U.S. Farm Bill have prompted significant hemp production standards from an agricultural perspective. The U.S. government has removed hemp and its seeds from the classification of marijuana in the Controlled Substances Act. Hence, it is not a Schedule I controlled substance (Deregulation of Hemp Changes ..., 2020).

As environmental sustainability involves effectively allocating resources across industries in a way that preserves these resources and diminishes any negative impact industrial processes can have on the environment overall. For suppliers, the establishment of minimal environmental requirements guarantees that they act according to a set of environmental standards, the primary indication that a supply chain's operations consider environmental sustainability (Pimenta & Ball, 2015). Furthermore, certification systems ensure that focal companies work directly with supply networks. The primary environmental practices reported in the databases searched for focal companies were the implementation of procedures to assess suppliers' environmental impacts, requirements for suppliers to minimize those impacts, and the tracking of waste in operating systems. Aside from environmental impact alone, poor environmental standards within a company-supplier relationship can increase transaction costs and cause uncertainty regarding whether compliance with environmental agreements has taken place (Seuring, 2013; Seyed Haeri & Rezaei, 2019; Shaharudin, et al., 2019; Srivastava, 2007). In selecting green suppliers based on environmental sustainability, companies should analyze suppliers based on the availability and reliability of applicable information (Carvalho, et al., 2012; Kumar, et al., 2011). As noted by Wolf (2011), in trying to understand the factors that enable and inhibit sustainable supply chain integration (SSCI), the author developed propositions in order to assist a firm in furthering integration of sustainable practices into its supply chain. First, stakeholder integration capability is required for SSCI practices, policies, and procedures, followed by a sustainability strategy and appropriate performance measures are required for SSCI. This requires leadership support is required for SSCI well as strategic stretch between resources and aspirations supports sustainable SSCI-based initiatives. Next, an investment in additional human resources and the development of expert know – how are required for SSCI. Internal procedural integration supports such integration efforts. Such internal procedural integration is evidenced by sharing responsibility for sustainability across functions and an Internal procedural integration is evidenced by an alignment of incentive and reward systems. Lastly, close supplier relationships with all suppliers at all levels support sustainable supply chain management integration. This may be established by closer supplier relationship practices are evidenced by joint creation of sustainable product and process innovations and the integration of sustainability into all key interaction processes from strategy formulation to performance measurement. It is important to consider that sustainability risk management is a central element of SSCI-related processes.

In order for Hempisphere, a leading manufacturer of hemp products, the company needs to gain ground in the paper industry, the company will focus on offering a great substitute to the environmentally conscious. Through a direct website and retail supply chains, Hempisphere offers quick and efficient access to the product. The marketing materials needed for starting this business are the website, amazon services, and social media platforms. The website will be the main point of sales, and that will be supplemented with amazon sales. The social media platforms will be a large portion of the advertising, and will help draw in the personal sales of the product.

The company's conversion strategy will be to focus on individual millennials by focusing on the environmental impact and sponsored reviews of hemp paper. This will allow Hempisphere to have the highest return on investment with these strategies. In order to further change public opinion, the company will also focus on the more skeptical people, with things like "try before you buy" samples at stores. This should turn these skeptics into customers. In terms of traditional paper, there have been serious environmental issues associated with paper printing. Croft and Durengo-cohen (2010), looked at how input-output (IO) analysis, environmental life cycle assessment (CLA), product design, production planning, and scheduling problems are interrelated and how they can be solved using linear programming (LP). The authors then discuss the benefits integrating environmental CLA and LP. This paper is classified as a case study with a hypothetical advertiser wishing to allocate a predetermined budget to place ads in either print or online versions of a local newspaper. The authors' research is aimed at designing products to be efficient and sustainable and the requirements of various types of energy sources. The problem that arises is comes from trying to figure out how to design the products in a way that reduces the amount of greenhouse gases emitted. The major strategic decision of operations management that this paper deals with is product design. What the authors try to do in this paper is to combine environmental LCA with production economics, as well as prescribe a framework for the design of products and processes for environmentally sustainable goods and services.

Environmental LCA began in the early '90s when sustainability was first beginning to pick up steam. Environmental LCA is a means to quantitatively evaluate the environmental impact of a variety of goods and services over their life cycle and over their supply chain. Numerous ways to conduct environmental LCAs have emerged over the years with Hertwich classifying them as either "classical product/process models" or "economic IO models."

The objective of process models is to establish a link between the various activities that occur throughout a products life cycle. Process models are data and analysis driven and are very resources intensive. This can cause the approach to be inefficient or impractical in some situations. In addition to the potential inefficiency of process models, the amount of data sources and methods that can be used by organizations to conduct the models can limit the comparability of products or services.

Overall, Hempisphere has ambitious but conceivable goals. With the wind of public opinion change of hemp filling its billowing sails, the company should easily be able to market its vastly superior and environmentally friendly product to climate change skeptics and activists alike.

Purpose

As sustainability is rapidly becoming major political and economic issues that are forming future investments and forming marketplaces of the future, hemp has a major place in that future. The purpose of this present research effort is to concentrate on developing a reasonable marketing plan

Hempisphere's future product lines, especially around its paper-based products. Many farmers are increasingly turning to hemp production as the marijuana contents are so low that the U.S. governmental regulations are being relaxed. It represents a major business opportunity, as a newer marketplace for green ecofriendly products are rapidly becoming available and more valued by customers (Amemba, et al., 2013; Muma, et al., 2014; Seman, et al., 2012; Shalishali, et al., 2009; Shang, et al., 2010).

Case Study

Company Description

Hempisphere is a Pittsburgh-based company that focuses on the production and distribution of hemp paper. Putting an emphasis on product longevity and environmental sustainability, Hempisphere aims to take on the outdated tree-based paper monopoly by providing an exceptional and sustainable substitute. The company has yet to acquire the physical and logistical assets necessary to begin production, but the required elements are easily accessible upon business initiation. The mission statement is to provide a superior quality paper that is good for the environment to every community, company, and country.

Target Market

The company's primary target could be environmentally friendly customers. These could be millennials who look to better the environment. According to a study, 73% of millennials say that they could spend extra money for sustainable products (Inc., 2019). This means the younger generation is more inclined to buy products that improve the environment. Due to the increased price of hemp paper in comparison to regular paper, hemp paper products can currently serve the demand of a niche market. This niche market consists of people that use and purchase paper and are environmentally friendly. The secondary target audience could be college students as well as universities and other forms of secondary education. By taking this approach, hemp paper can offer college book stores an incentive to outsource other forms of paper available to be purchased on campus. By creating familiarity for college students with Hempisphere products, it can encourage future organizations to invest in the product. Students that become employees or volunteers at existing organizations could encourage their workplace to purchase the products as well.

By focusing on organizations that are established in the environmentally active community, it can allow the corporate reputation to grow much faster. If the company can affect just a few major organizations, they can market the product through their relationships with other organizations in the community. Individuals can also be encouraged to invest in the product by association with these organizations. By targeting a specific audience, management can better ensure that consumers will be more likely to recycle the paper and advertise exactly what makes the paper the best in the market.

The unique selling points for hemp paper is its environmental friendliness and its high quality. Businesses and people can move closer to environmentally friendly operations by using hemp paper. For example, the U.S. Constitution was first printed on hemp paper, before being transferred onto parchment paper. The Library of Congress found that most books printed between

1900 and 1937 on tree paper could not be able to last more than 50 years. Wood pulp paper can only be recycled 3 times while hemp paper can be recycled 7-8 times. Hemp paper has a longer lifetime than other types of paper and has major environmental impacts.

People and businesses can switch to hemp paper to help the environment. According to hempfrontiers.com, paper demand is expected to double in the upcoming years due to the economic development of third world countries. In order to meet this demand, society could have to deforest a majority of the world's forests. A better alternative could be to use hemp paper. Not only does hemp produce 4-10 times more paper per acre of trees, but it also takes a fraction of the time. It takes hemp 4 months to be harvested into paper, where trees take at least 20 years, sometimes up to 80 (Hemp Frontiers, 2019). With the space saved from hemp farms, more land can be dedicated to nature preserves or farmland.

Hemp is also a very durable paper compared to tree paper. Trees have only a fraction of the cellulose of hemp, requiring many acids and chemicals to remove everything else before paper can be made. These acids eat away at tree paper over time, causing them to yellow, crack, and eventually turn to dust (Hemp Frontiers, 2019). Hemp paper doesn't need these acids or chemicals because of its high concentration of cellulose, meaning it can last hundreds of years longer than tree paper. This is very appealing to businesses that like to keep non-digital copies of documents in case of emergencies.

Hemp paper has many other chemical benefits. Hemp paper uses fewer chemicals. Hemp-based paper does not need toxic bleaching chemicals. Hydrogen peroxide can whiten hemp paper, which is less harmful to the environment. The normal paper industry is the third largest industrial polluter. This results in 220 million pounds of toxic pollution into the air and water. 3 million tons of chlorine are dumped into waterways from paper companies. (Hemp Frontiers, 2019). The use of hemp paper reduces the risk of these harmful chemicals entering society and provides customers with an environmentally safe product.

Marketplace Analysis

Situational Analysis

For situational analysis, a SWOT analysis format was used. For strengths, a comparison between hemp paper to other types of paper. Hemp paper is more environmentally friendly than other types of paper. Hemp can produce more paper per acre compared to regular paper. One acre of hemp can produce the same amount of paper as 4-20 acres of trees in a 20-year period. Another strength of hemp paper is that it can be recycled 10 times over, while regular paper can only be recycled 3 times. Logically speaking another benefit of hemp paper is that hemp plants are easier to grow compared to wood from trees. It takes 20 weeks to produce hemp plants and 20 years to produce trees. Hemp paper is more durable and holds its color and texture much longer. (Benefits of Hemp Paper, 2017).

Corresponding to need to create a more sustainable product, Wolf (2011) created a conceptual theoretical model of sustainable supply chain management that enables future empirical testing based on qualitative information from four case studies from four different industrial

sectors of the German manufacturing industry. The author inspected the ethical decisions involved in developing and integrating sustainability into a company's supply chain. The concept of supply chain integration asserts that the objective of different functional areas and partners in a supply chain need to be arranged according to the same set of objective in order to deliver the highest value to the customer. Supply chain integration is the degree to which a manufacturer strategically collaborates with its supply chain partners and collaboratively manages intra- and inter-organizational processes. Wolf found empirical evidence that customers increasingly want to understand the conditions under which products have been produced and desire products that have been produced in an environmentally sustainable way (Fiksel & Fiksel, 1996; Gao, et al., 2020; Govindan, et al, 2014; Graedel, 2002; Gungor & Gupta, 1999; Gurel, et al, 2015). With this influence from the customer companies must react by managing their collaboration with its supply chain partners to meet and exceed the expectations of the customers. The elements that enable implementation of sustainability elements into the supply chain of a company and also elements that could inhibit implementation of sustainability by analyzing the following 5 areas (e.g., strategic internal integration, organizational internal integration, external stakeholder integration of downstream supply chain partners, external integration of upstream supply chain partners, and sustainability performance).

Weaknesses of hemp paper are fewer and far between compared to its strengths, but nonetheless, there are a few weaknesses. The first weakness is that the image of hemp paper is diluted because of its relation to marijuana. Hemp and marijuana plants are completely different but are grouped together because they come from similar families. Marijuana plant levels of THC are higher compared to hemp plants, which are less than .3% (Gleichmann, 2019). Another weakness is that hemp paper not been implemented on a wide-scale basis, so there are questions about the production. Some of the questions arise because of the fibers that come from hemp plants. The fibers are longer and stronger and can be tangled up during the beating stage and cause uneven sheet formation. The two production methods are organosolv pulping and biopulping and have not been used on mass production of paper so there are questions to whether production machines can adapt to the different fibers and strands to make paper (Using hemp to make paper, 2018).

The opportunities that accompany hemp paper and the product are numerous. The hemp market, in general, is supposed to grow from 4 billion dollars to 25 billion dollars by 2025 (Wood, 2019), so it is a growing market with a great opportunity to find a paper niche. There are not a lot of major players in the hemp paper production, so entering the market and making an impact is likely. There are opportunities outside of the company but could help the company grow, one of which is farmers producing the hemp plant. Now that it is newly legal across all 50 states for farmers to grow hemp, the mass production of hemp could encourage farmers to grow this relatively easy crop.

Threats are that since relatively new market there are threats of new entrants that could cause a highly competitive market for green products, especially across the supply chain (Ying & Li-jun, 2012; Younis, et al., 2016; Zhu & Sarkis, 2004). The most daunting threat is that production has not been tested on a large-scale basis so there is a threat of difficulty to produce. Although the two production methods, biopulping and organosolv pulping, prove to be environmentally sustainable they have not been implemented on a wide-scale basis. These sophisticated methods

are being developed and demand greater process control than which most mills are presently set up to do (Using Hemp for Paper).

Pricing and Positioning Strategy

Typically, hemp paper is relatively expensive is can be priced between \$2.50 for 10 sheets and \$57.85 for 500 sheets of paper (The Hemp Shop, 2019). While this is much more expensive than regular tree paper, which only costs \$3.97 for 500 sheets on Walmart, hemp paper is much better for the environment than tree paper and is worth the extra expense (Walmart, 2019). Initially, the cost of hemp-based paper will be highly priced, as management continues to capture market share from the market leaders, such as International Paper, it may drastically lower the price of the paper by increasing the manufacturing process. In addition, such hemp paper is extremely competitively priced for hemp paper, which can cost up to \$27.30 for just 10 sheets on bulkhempwarehouse.com (Hemp paper handmade, 2019). Companies may produce such hemp paper for such a low cost through the joint venture, (e.g., The Hemp Shop).

Despite the fact that hemp-based paper is much more expensive than regular tree paper, it is possible to position the Hemphere brand as a highly affordable option for individuals who believe in environmentally friendly products. Hemphere uses 50% less water and 50% fewer chemicals than tree paper and it does not require mass deforestation to produce making it much better for the environment (The Hemp Shop, 2019). Such paper is not only much safer for the environment, but it is also much better quality. In fact, hemp paper can last 100s of years longer than tree paper and it can be recycled 7-8 times (Hemp Paper, 2019). The high quality of 100% hemp paper is positioned as an affordable product that is a must have for anyone who cares about making the earth a cleaner and safer place to live.

Distribution Plan

The proposed distribution plan for hemp paper consists of mainly online sales. This could mean providing an online store for customers to access. Online store could offer different sizes of hemp paper in various quantities, and other products as well. The store could be strictly selling hemp paper products for offices, homes, schools, and any other customers that use the product. Since hemp paper is not currently being sold in high quantities, it is best to keep it an online exclusive product.

Hemp-related manufacturers like Hemphere could try to get a deal with Amazon to sell hemp paper. When it comes to online shopping, you first think of Amazon. Providing hemp paper on Amazon could be great for business because many people use this site daily for their shopping needs. Moreover, hemp paper could be considered a prime item. This means the customer could receive the product in two days. Most families have a prime account for Amazon allowing customers to get the product quickly and efficiently. Amazon could grow hemp paper and make it well known to customers.

The cost of hemp paper is expensive. If it put into stores right now, it will most likely not sell well because people will look for a cheaper alternative. As stated in a previous section, a ream of hemp paper costs about \$57.85. Most people will not want to spend that much on a single ream

of paper. Even though hemp paper is better for the environment and is better than normal paper, customers will turn away from the product because it is out of their price range.

Once hemp paper begins gaining more sales and popularity, then management may look into putting hemp paper into stores such as Walmart and Staples. The price will be able to drop once hemp paper is produced in mass quantities. As for the initial offering, hemp paper will probably remain an online-only product mainly because of the price. Amazon and the online hemp paper store will allow the product to gain traction, resulting in more production of hemp paper. Thus, lower prices for customers and consumers.

Promotional Offers

Offers should be given to customers when they purchase any product or service. Perhaps offering customers hemp paper in bundles. This could mean that the more you buy, the cheaper the product could be for the customer. For example, a ream of hemp paper cost about \$57.85 as per the Pricing and Positioning Strategy. A person could then purchase two reams of paper for \$100 or 5 for \$200 as part of a bundle. Management could increase sales and give customers a great option to save money on their purchases. In addition, bundling hemp paper with ink cartridges from HP. This will be discussed in further detail in the Joint Ventures and Partnerships section.

Since hemp paper is starting out as an online store, first-time customers could receive free shipping on their first purchase. When a customer could create their account, a free shipping code could be sent to their email. They could apply that code at the checkout before completing their purchase. Free shipping could also be offered to existing customers if they spent over \$100. This could be an existing offer that could appear on the website.

Another idea is to offer discounts on social media. This could be as simple as posting coupons or an offer for a free gift. A retweet or like discount could influence customers. A customer could mention hemp paper in a post and if they were able to obtain 500 retweets or likes, they could receive a free gift or discount on a future purchase. This could be run as a contest where the person could have to receive 500 retweets or likes by a certain date and time. What is also great about this idea is that it can be done on any social media platform, including Twitter, Facebook, and Instagram. Plus, a social media presence where customers can earn discounts is free advertising and promotion for the company and hemp paper. Providing discounts and offers will attract customers to come make more purchases from the company.

Marketing Materials

Website

At the beginning of the business, it might be advisable to complete most of the sales online through an official website. The website will have a dynamic home page that should be viewable from desktops as well as mobile devices. It should clearly show their mission statement, company information, and purchasing options. This website could also bring in the cost of a web designer, server rental, website advertisements, and the cost of a domain name. On the hemp promotional website, the company could have links to educational articles about hemp. These articles could

help inform people on just how much hemp paper helps environmentally, ultimately convincing more people to buy from us. Once enough revenue generated, sponsoring more research into the topic area, to further dispel any myths about hemp products, could be advisable.

It could be beneficial to set up social media accounts to appeal to personal customers. Management could create accounts on Twitter, Instagram, Facebook, YouTube, and many others as they become more manageable. Twitter, Instagram, and Facebook can be used to not only advertise the hemp paper as well as set up contests to engage the ecofriendly audience and help advertise such hemp-based products. YouTube, for example, can be used to put out educational videos to help inform people on just how impactful hemp paper is to the environment, and other ways they can be more environmentally conscientious. This could require a social media manager, and a video editor and video equipment for the YouTube page.

Promotional Strategy

Hemp paper's promotional strategy may be largely based on social media promotions. Social media is inexpensive and can gain significant traction amongst the younger generation, which hemp paper could greatly appeal to this targeted segment. The goal could be to promote how environmentally friendly hemp paper is, which again could appeal to the younger generation because they are more environmentally aware. It is important to emphasize how hemp paper could save trees, can be recycled numerous times, and how fewer chemicals are required to produce hemp paper than tree paper. In addition, it should promote the growing of hemp plants to make hemp paper benefits the agriculture market, especially based on the durability of hemp paper. Another appropriate approach could be to contact companies that use high supplies of paper and try to sell such products to them by offering incentives with buying in bulk.

Creating social media accounts to promote awareness of hemp paper could be important first steps. Start a social media campaign on Twitter, Facebook, and Instagram. Create hashtags on these accounts to create a following, for example, #Hempwillsavetheworld. By posting emotionally stimulating content and pictures about how hemp paper can save the physical environment by ensuring that ecofriendly messages are reposted across the nation creating a massive form of free advertising. On these posts, it would be helpful to provide links to the website as a home base for consumers to go learn about the product. Another online strategy could be to buy ad space on other websites. Promote deals on social media accounts, on such websites and ad space on other websites. Some deals could include buy more for cheaper, buy in bulk! To appeal to customer's emotions that could include a story with a farming partner on how growing the hemp plants has helped save his/her agricultural business and also include how consumers are helping to save and preserve the environment.

Conversion Strategy

A conversion strategy is a plan to get people who are on the edge of purchasing, or are loyal to a certain brand, to switch over and turn them into customers. Since there is not much brand loyalty in the paper industry, management should be more concerned with turning skeptical people into customers. This may be accomplished by enforcing the environmental benefits, sponsoring social media influencers, and eventually try before you buy samples in stores.

Initially, it is important to enforce hemp paper mission statement of environmental friendliness. This could be something as little as a visual demonstration of how much land is used compared to trees on websites and/or through emails. It is important to instill a sense of responsibility in the customer and make them feel like their purchase has an actual impact. By including features, such as a system that shows how many trees it could take to fulfill that purchase in tree paper, it can show potential customers the environmental benefits of their purchases.

It would be wise to use social media influencers to test the product. This could have the benefit of advertisement, but primarily use this as reassurance that the product is not only as good, but better than the alternative. Demonstrations of the product, which could save money from paying someone else to do it, but people have a sense of trust in certain people that can be used to build trust in the product. With these other social media accounts, they have a reputation and customers trust that what they say is accurate.

Building on that trust, it may be important to provide samples for individuals who create accounts. Originally, it might be costly, but once profits grow, this will be a great investment for the conversion strategy. By giving skeptics free samples of 10 sheets of paper it would give them the opportunity to see for themselves how good hemp-based paper really is. There may be people who are still reluctant to switch after that, but the investment it could take to convert them to hemp paper could be too much for the financial return.

Overall, one of the best strategies could be to focus on young, individual customers. These could be people like millennials who care about the environment. As mentioned above, millennials are willing to pay extra for sustainability in their products (Inc, 2019). It would be difficult to initially focus on companies that order large volumes of paper products and treat them merely as commodities to be minimized. It is to the corporate's best interest to appeal to people who are easier to convert to bettering the environment while saving the skeptics until the income available to use such conversion strategies.

Joint Ventures and Partnerships

Hempisphere has decided to begin a joint venture with The Hemp Shop in hopes of dominating the paper industry in both the U.S. and U.K. The Hemp Shop is a company based in the U.K. that sells a variety of hemp products including hemp paper. While they are successful in the U.K., The Hemp Shop has been struggling to enter the U.S. markets, so Hempisphere can help them enter the U.K. market. In addition, a joint venture with The Hemp Shop could also benefit Hempisphere because they have agreed to manufacture hemp paper for us at a much lower cost than can be produced domestically; hence, giving management a competitive advantage. Hopefully, by pairing these companies, the combined goal of enhancing market share from the paper industry will be achieved. By slowly capturing market share from large-paper companies, such as International Paper and Georgia-Pacific Corp., hemp paper may be in every household, school, and business and simultaneously saving global resources slowing deforestation one tree at a time.

Hempisphere could start a joint venture with HP. In order to make their brand seem more eco-friendly HP has decided to allow us to sell their ink cartridges with hemp paper. This will not only benefit their brand but will also allow the company to increase transaction prices. By getting

the ink cartridges at an extremely low cost of \$10 and selling them with the paper, convincing more potential customers to buy hemp products by bundling the two products for a lower cost increases the total value of the package would be a reasonable short-term goal. With every purchase of hemp paper, there will now be an option to bundle the paper with one of HP's 2 pack cartridges of black and tricolor ink, which are valued at \$30, for only an extra \$15 (HP, 2019). Bundling hemp paper with HP's ink cartridges, it should drastically increase sales as customers will not only be saving money on ink, but they will also know that they are helping the environment with every purchase is safer on the physical environment than regular tree paper.

Referral Strategy

A referral strategy is a great way to attract new customers. One idea could be to have current customers refer a friend. This idea is similar to the ideas mentioned in consumer offers. If a current customer refers a friend, both the current customer and the friend will receive a discount on their next purchase. For example, if a current customer could refer a friend, each person could receive \$5 off their next purchase. Each could receive a store credit or gift card for their participation in the refer a friend program. Providing a discount or store credit in this referral idea will motivate existing customers to refer their friends. Plus, this gets new customers to try out hemp paper for themselves.

Positive word-of-mouth through a referral program via refer-a-friend contest have the potential to promote the company's product line. This could mean if a person could refer 10 friends to try hemp paper, they could be entered into a prize drawing. This prize could be anything like a gift card, free hemp paper, or even a TV or appliance. The prize could be something special that could influence customers. As mentioned before, providing a discount or store credit will motivate existing customers. However, if you offer an even bigger prize or incentive, it will motivate them even more.

A refer-a-friend contest could also mean providing a prize to the person who refers the most amount of people. There could be a first, second, and third-place winner. This prize could be a cash prize. For example, the 1st place winner could win \$1,000, the second-place winner could win \$500, and the third-place winner could win \$250. Most people will do anything to have a chance to win cash. This could be a great incentive for customers to refer as many people as they can. When it comes to contests, people will do anything to win and come out on top. A cash reward is a great motive to make this referral strategy a success.

Another referral strategy could be to use social media. Existing customers can invite friends to like or try hemp paper with a click of a button. Existing customers can also use social media to tell their friends why they like the product and why it is better than normal paper. Social media could be a great place to tell people about the environmental benefits of hemp paper. Social media is a great referral tool to use because one person can reach people all around the world. Referral strategies are very important to grow the hemp paper industry and spread the word of how hemp paper is great for the environment.

Strategy for Increasing Transaction Prices

An initial strategy for increasing the transaction prices is bundling hemp paper with HP's 2 packs of ink cartridges. By bundling the two products, for an extra \$15, customers can save \$15 on the ink cartridges and help the environment at the same time by buying environmentally safe hemp paper. While customers will be saving \$15, the joint venture deal with HP allows us to purchase ink cartridges for the low cost of \$10, suggesting that it would increase unit profit by \$5 on every transaction.

While Hemisphere is increasing its transaction price by bundling its product with HP's ink cartridges, the main goal is to lower the sales cost while increasing the profit by increasing sales. As one of the corporate goals, profit would be secondary to providing hemp-based paper to be affordable for everyone, so decreasing manufacturing costs through such joint ventures with The Hemp Shop would allow movement in that strategic direction. As sales continue to increase, reinvest profits into increasing the manufacturing of the hemp paper so that it can continue to decrease manufacturing costs. Continuing to decrease manufacturing cost will allow further decrease the sale price, which will make hemp paper much more affordable and put the cost closer to the cost of regular tree paper. Despite the fact that Hemisphere will be decreasing the cost of hemp paper on the long run, increasing profits as reaching new customer markets and increasing overall sales are equally long-term goals.

Retention Strategy

When developing a strategy for ecofriendly customer retention, there are a methods to incorporate satisfied customers are satisfied and encouraged to continue to purchasing such green products. It is important to engage with and give back to environmental organizations. By donating to organizations and, or specific projects that can be engaged within the environmentally active community and encourage a strong and personable relationship with customers. By engaging in projects like Envirothon, can make students, environmental organizations, teachers and schools familiar with the product first hand. It is possible to donate hemp-based paper to be used for specific projects. This strategy is direct marketing because not only does the company make a notable donation of supplies, but also providing a sample of the product in a positive atmosphere.

Another method that may be employed to ensure a strong customer retention strategy could be focusing specifically on customer satisfaction and show the customer their opinion matters. There are a few ways that should, in fact, achieve this. It is important to develop and promote high levels of customer service. Being that the majority of sales are online, there needs to be a strong online response system. By developing products around customer needs and feedback, or even making minor alterations to accommodate, strong relationship is created where the customer is heard and satisfied.

Ensuring customer retention could be to encourage short-term and long-term customer loyalty with a well-established reward program. Smaller rewards could include a point system for sails or free products. For example, "if you purchase \$50 of product at one time you may receive 25 pages with your next order." What this does is create the illusion to a buyer that they are receiving something free and adding great value to their order. In reality, this could be adding value but only if you return and purchase more of the product. This can create great short team

success with customer retention and develop familiarity with the product so the customer finds it more satisfying and appropriate to purchase consistently.

Conclusions

Growth of Green and Financial Projections

Research discussed through the present study points to the process of greening can help businesses increase knowledge of new practices and technologies. Many organizations are considering environmental-related performance when operating supply chain activities due to the increasing awareness of environmental effects associated with global warming, and air/water pollution. Hence, these companies no longer limit their concept of successful supply chain to the maximum benefit of business, but also consider the friendliness to both the society and the environment. Hempisphere Co. is a classic example of going green as an important step toward environmental sustainability and simultaneously take advantage of opportunity that serves those goals as well as profitability. As such firms should not be isolated from their partners, there needs to be significant levels of supplier involvement that enhances the efficiency and improvement of environment-relevant performance indicators. Buyer-supplier relationship affects the implementation of green-related practices by reducing negative environmental impact. For example, suppliers can jointly develop green-related materials, processes, or solutions with buyer organizations to eliminate or reduce the materials used in manufacturing. Collaborating with suppliers contributes to production performance and results in positive outcomes for environment-relevant indicators (Seuring, 2013; Shaharudin, et al., 2019; Smith, 2020; Srivastava, 2007). Such collaboration within the hemp market should firms such as Hempisphere to discover ways of maximizing efficiencies and exploring new market opportunities. Knowledge from involvement in ecofriendly operations flows from one department to another which then enables an advanced culture, and possibly new product introductions. Green practices are vital for enhancing product development activities. The manufacturing and marketing of hemp paper certainly illustrates that profit possibility.

Making accurate financial projections of any new business can be extremely difficult but the current estimates display that marketing expenses should be rather low. The majority of the promotional strategy is reliant on a free social media campaign, which requires individuals to either repost or like original posts to spread across social media. Due to the fact that this is not paid advertising, the only cost for social media campaigns will be paying the writers an hourly rate of around US\$30 to write impactful messages for each post. In addition to the promotional strategy, the online marketing strategy includes paid advertising, which can be expensive but can also have massive returns. While each form of paid advertising on social media will have a different cost, to estimate the cost for advertising based estimates on Facebook. For paid advertising, on average, the cost per click will cost around \$.90, so if the conversion rate was around 3%; it could incur a \$30 cost per conversion (Schroeder, 2018). This means for every \$3,000 spent on Facebook advertising, it is expected around 100 new customers, which could turn into \$250 to \$5785 in revenue if every customer bought between 10 and 500 sheets of paper.

Conversion Strategies

There are several operations management decision techniques covered in the present paper based on hemp paper to help design products and processes that are more environmentally sustainable could be very useful in real-world applications. The economic models discussed have proved a path to be successful when used in a combination as well as on their own. The proposed integration of optimization and analysis models with economic IO models could be useful tool. It was shown to solve to the problem of figuring out how to design a product that could cut back on greenhouse gas emissions while staying within a budget and reaching the targeted amount of customers. Furthermore as discussed in the conversion strategy, management could use social media influencers to increase awareness of the product and build trust with the brand. This can be extremely costly because the major celebrities and influencers can charge over \$3000 per post (Marketing with celebrities, 2018). While this can be extremely expensive, they have millions of followers who will see those posts and if 3% of their followers that see the post become customers then that can be tens to hundreds of thousands of dollars in profits depending on how many followers the celebrity or influencer has. In the future, giving out free samples of 10 sheets for individuals who create a new account. This will be a loss of around \$2.50 plus shipping per new customer, but will drastically increase the chances of these new customers actually buying products. If just 25% of new account holders buy a ream of hemp paper, the return on investment could be \$57.85 for every \$10 spent on free samples.

Finally, that last marketing strategy that will require some capital outlet is a referral strategy. While losing, \$5 per person for every customer a person refers this is a small discount and if each individual buys a ream, the company would still receive \$105.70 in revenue for every \$10 in referral discounts. While the prizes in these contests are an extra expense, the contests will result in thousands of new potential customers.

Future Research Directives

Evaluating cost-effectiveness and environmental-effectiveness of suppliers is of utmost significance in attaining sustainable development. Measurements such as eco-efficiency and carbon footprint can give a company a great deal of information regarding the effectiveness of environmental sustainability procedures for a supplier – by assessing the performance of a supplier, a company can adjust its requirements to maximize both environmental sustainability and profitability. Selecting, monitoring, and assessing suppliers based on their environmental practices ensures that a company can decide its impact on the environment – this allows a company to fulfill legal environmental obligations as well as any other environmental standards demanded by the public. Ultimately, the way in which companies currently address environmental concerns is effective insofar as it fulfills legal and contractual obligations of a given company. A company can satisfy any given environmental standard through the selection, monitoring, and assessment of suppliers. In choosing and regulating a supplier, a company controls the environmental sustainability of its development and manufacturing processes. However, profitability is superior to environmental sustainability in any company's priorities. Thus, the effectiveness of a supply chain's environmental sustainability is limited to that which maximizes profit for a company that utilizes that supply chain. Overall, the procedures in place are effective so long as a company both values the fulfillment of environmental standards and maintains communications with its suppliers. Such future initiatives the ecofriendly hemp industry has many opportunities as farmers

are looking for drought- resistant crops that can still profitable in an ever emerging climate-change plagued world.

Although the related hemp data and marketing plan presented in this study are exploratory in nature, it help give a clearer understanding of the management of buyer/supplier relationships for firms in going green from a marketing perspective. A number of conclusions can be drawn from this study. As indicated by the findings, the power of the buyers relative to the suppliers and the greening approach are indeed essential factors in managing hemp suppliers. U.S. domestic product will undoubtedly expand, but global competition has the upper hand. These relationships certainly warrant further study. Although the literature suggest that power in the dyadic relationship can be examined from multiple perspectives, the findings reveal that business turnover appears to be an important factor. Firms that have high turnover own more resources in the market, thus obtaining more power over other partners (Lo, 2015). Many companies, their greening approach is considered to be value seeking because the future development of regulations and the acceptance of end consumers are still uncertain at the current stage (Amemba, et al., 2013; Dekker, et al., 2012; Lis, et al., 2020; Lo, et al., 2018).

The collaboration between both partners benefits both parties in achieving business goals. This collaboration between parties is not an exception when going green. The firm in the leading position of the dyadic relationship seems to control the major operations. If the dominant firms are proactive in green-related activities, then they search for partners who can support their goal. If the buyer organizations are non-dominant in the relationship, then they need to accept different strategies. For those firms that are proactive, they select partners with comparable goals. A proactive attitude will lead a captive buyer to commit minimal resources and to conform to the minimum requirements legislation. Hence, this primarily study simply lays the theoretical and practical foundation for future studies concerning the management of hemp in particular and ecofriendly products in general for supplier relationships when going green.

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