

# Exploring Marketing and Technical Challenges and Opportunities of Eco-Friendly Strategies

Amber A. Smith-Ditizio, [amberanaylmt@gmail.com](mailto:amberanaylmt@gmail.com)\*

Terry Damron, [DamronT@apsu.edu](mailto:DamronT@apsu.edu)

Anne Melton, [MeltonA@apsu.edu](mailto:MeltonA@apsu.edu)

## Abstract

Green, the color of money, the color of envy, and the color that seems to be increasingly representative of maintaining a sustainable business with minimal impact on current and tomorrow's societies in a global economy becoming more aware of eco-friendly strategic marketing initiatives. As the world's leaders are dealing with global warming, geopolitical and over population crises, the global economy have seen success in so many different business aspects, except for curbing pollution and waste. These business successes have come at the cost of our environment, however. With more technologies has come more pollution for air, water, and land. These changes in technology have not all been negative though. There are important lessons that can be learned from harnessing energy from the sun through solar panels and tubes, but it comes at very vulnerable times when natural gas and oil are at historic low prices. Solar energy and nuclear power may be the only truly green alternative to the current forms of energy use, and is already being implemented by companies locally and worldwide.

The purpose of this research effort is to illustrate that properly leveraged green marketing through sustainability strategic initiatives, a firm can become more profitably and promote quality environmental issues and enhanced corporate reputation simultaneously (Grove, Fisk, Pickett, & Kangun, 1996; Galbreath, 2009; Zsidisin & Siferd, 2001). Currently, there are considerable global pressures from various stakeholders, including society, the government, and investment community, to "go green." Many companies may not want to try to be sustainable as an essential core value for the risk that the change will make their products less valuable or they think the process to switch to becoming sustainable will take too much time and effort, as well as seeming valueless for its customers. A number of researchers (Banerjee & McKeage, 1994; Berkowitz & Lutterman, 1968; Brown & Wahlers, 1998; Butler, 2006; Cegarra-Navarro & Martínez-Martínez, 2009; Chen & Wongsurawat, 2011; Choi & Grey, 2008) have demonstrated, at least in theory, the first step in become sustainable can be accomplished by just changing the nature of their supply chains before fundamentally changing their corporate culture.

A number of researchers have found that increasing pressure for companies to become more ecofriendly will help more companies see that it is their social

responsibility to comply with societal needs rather than financial concerns of a few stakeholders (Bask & Kuula, 2011; Banerjee & McKeage, 1994; Carroll, 1991, 1999). For example, in the case with Coca-Cola, they are significant multinational company that has been around for years, it would be difficult for management to change what works for them? Based on the 2011/2012 Coca-Cola Sustainability Report (2012), existing research shows that identifying performance measurements can help bring knowledge on how to become more sustainable. When looking at how to do so, the report highlights the basic equation, Inputs = Waste+ Product. It was designed to illustrate that the life cycle starts with the supply chain, what it takes to manufacture and package the product (e.g., practices including, package design, suppliers and purchasing, manufacturing, transportation and shipping to consumption or disposal are all places on the supply chain that can be fixed to become sustainable).

Using the above parts of the supply chain can considerable investments in financial resources. Changing eco-friendly and social responsibilities in terms of traditional service provided to firms' customers can seem unnecessary and time consuming (Lam, 2009; Lindgreen, Swaen, & Johnston, 2009). Coca-Cola is one of the leaders in supply chain, and a large enough company to be able to see the impact. Since Coca-Cola is such a large company, it took 6 years to actually implement the changes throughout the supply chain. For the suppliers and purchasing they have decreased their waste by 21%, inventory is actually weakening due to supply and demand. The packaging is 98% recyclable, they have a hybrid truck for transportation, and they are leaders in reverse logistics. Overall the changes have benefit the company and the results are generally positive after the changes were made, but somewhat inconsistent, especially when dealing with supply chain integration and partnerships (Ageron, Gunasekaran, & Spalanzani, 2012; Ashby, Leat, & Hudson-Smith, 2012; Awaysheh & Klassen, 2010; Bai & Sarkis, 2010; Baksi & Bose, 2007; Banerjee & McKeage, 1994; Bask & Kuula, 2011). From the results that are shown after using the green activities throughout the supply chain, it has been found to be overall effective and will help the environment. As for the notion that buy becoming green, it may lead to more profitable on the long term (Smith & Minutolo, 2014; Wiel, Bossink, & Maurel, 2012; Young, Hwang, McDonald, & Oates, 2010; Zhu, Sarkis & Geng 2005; Zhu, Sarkis, & Lai, 2008). It takes considerable resources and strategic foresight to wait for consistent gains from becoming sustainable.

Solar energy is one of the different types of alternative energies that are available for us to use. Throughout the world we have seen a depletion of our natural resources and pollution of our waters, earth, and air. By depleting these resources future generations will lack the resources necessary to go about their daily lives. Using solar energy, or other forms of alternative energy, decreases our use of those resources allowing future generation's access to them. Taking care of our Earth by reducing greenhouse gas emissions also insures that we are taking the right steps in providing a healthier life for our future generations. Not only are we reducing our use of natural resources, but we are reducing the carbon footprint we leave through the use of normal energy. This means that we are polluting the air, land, and water less. Cleaner air, land and water allows future generations to thrive and not pay the price

for our greed. Using the sunlight to assist in daily activities is nothing new to mankind either.

Solar energy has been around for millennia. The first solar panels were developed in 1876 by William Grylls Adams and Richard Evans Day. Though these selenium cells ultimately failed they were the first step in the direction of solar energy as we know it today. From then on the expansion of solar energy use has expanded significantly. From the use by NASA in space, to the development of solar farms in 1982 by the U.S. Dept. of Energy, and the ability for solar energy now to be used by both private citizens and corporations alike, the use of solar energy as an alternative to our current usage has been proven to be a viable idea (Devlin, 2012; Diamandis, 2014; Doig, 2014). This increased viability can be helpful to corporations who are looking to change their impact on the environment.

As the global economy consumes increasingly more resources, we are seeing an increase in greenhouse gasses being released from corporations worldwide. This increased consumption of energy has caused issues such as global warming to affect our planet as a whole. To help cut down on the pollution being put out into the environment, corporations worldwide can take part in a greener initiative and decide to use alternative energy resources such as solar energy (“Solar industry environment ...,” 2015). The more that corporations take the charge in this endeavor the more worldwide citizens will take note and follow their lead. This social commitment may inspire other corporations to follow suit in becoming a green global community. It is time for companies to think beyond just the here and now with the bottom line, and think about how what they are doing affects so many now and later including their financial and triple bottom line.

There is a current trend or movement from people worldwide to live in a more sustainable fashion. The green movement has taken hold, and consumers are requesting companies to go green also from an ethical viewpoint (Hussain, 1999). Many companies though fear that getting into green business practices will be costly and hard to implement (Kim, Youn, & Roh, 2011; Kleindorfer, Singhal, & Van Wassenhove, 2005; Lockwood, 2006; Jamali & Mirshak, 2007; Jenkins, 2005). Unlike the nuclear power option, the implementation of solar energy is a relatively easy starting point in the green initiative. Many companies can start by adding more windows and sun lights to their facilities to increase the use of natural lighting in the building. Not only does that save money from reducing the cost of the electrical bill, but it also helps reduce the impact on scarce natural resources. By reducing the need for electrical lighting usage you are decreasing the amount of greenhouse gasses being emitted into the air. The next step includes implementing actual solar panels to help power the facility as another option. These can be done on the roof like many companies have done or through panels on the ground as the U.S. Department of Energy has done (“Solar industry environment ...,” 2015). Using these solar panels, one can generate electricity for your business and reduce the greenhouse gasses

emitted through the use of normal energy sources. This reduces the impact that your business has on the local environment. In general, it is hoped that by reducing the impact people have on the environment, there can be more of a general consensus on working toward CSR-embodied policies, especially concerning supply chain activities (Ageron, et al., 2012; Ashby, et al., 2012; Awaysheh & Klassen, 2010; Bai & Sarkis, 2010).

CSR is not only about the money and environment; it is also about the people. Having more natural lighting also increases serotonin levels that are produced. The higher levels of serotonin create a happier employee. In essence, a happier employee is also a more productive employee. Increased productivity is a significant benefit to using natural lighting from the sun to help light up a building (Bergland, 2013). By increasing one's productivity, it can be expected that corporates can potentially increase profits.

**KEY WORDS:** *CSR, green marketing, eco-friendly strategies, sustainability.*

**Relevance to Marketing Practitioners:** This case study is relevant to marketers and researchers in dealing with sustainability and CSR strategic efforts and issues for global service organizations.

**TRACK:** Green Marketing/Sustainability