ENVIRONMENTAL MARKETING: A Competitive Advantage in the Bowling Alley

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"Bowling alley" adalah suatu istilah di mana perusahaan telah membangun situs yang dominan dalam pasar untuk mempromosikan memberi produknya. Sejak 1990, setelah melihat peningkatan kebutuhan pasar dalam aspek kebersihan lingkungan, kompetisi telah meningkatkan strategi pemasaran lingkungan. Dampaknya adalah produk-produk hijau telah diterima, sebab salah satu keharusan oleh masyarakat Amerika. Berdasarkan survei pemasaran terhadap fokus strategi sebagai fokus keharusan oleh masyarakat negara, strategi untuk melalui program keberlanjutan, adalah strategi yang harus ditutup oleh seluruh organisasi terutama oleh top management; (2) persiapan; keterlibatan dalam kebijakan swadaya memberikan dukungan yang berarti kebijakan lingkungan; dan (3) pendidikan lingkungan bagi konsumen. Dengan menerapkan strategi tersebut, perusahaan akan mampu mencapai "ternadah", yaitu suatu kondisi di mana konsumen memberikan keharusan untuk menambah produk tersebut dan perusahaan tidak perlu ber-promosi lagi.

Keywords: bowling alley; environmental marketing; green; green product

Introduction

As consumers become increasingly committed to environmental action, green products will gain a competitive advantage. The growth of the environmental marketing movement is indeed enormous. Marketing Intelligence Service estimates that nearly 15 percent of all new products introduced in 1990 were identified by their manufacturers as green or otherwise environmentally friendly. This is more than double the number of green products introduced just one year earlier and an incredible 2000 percent increase over the number of green products introduced in 1985 (Davies, 1993). A Gallup Poll in 1993 conducted by Advertising Age found that a majority of Americans would consider a company’s environmental image in making

1 Broyles, there is no better definition for green products. “Consumers are no longer influenced by the traditional definitions of environmental sound, or green, products...” (Broyles, 1993). Ramirez (1993) defined green products as “products bought to consumers wholly or in part because they are perceived as environmentally superior.”

2 Environmental marketing comprises several initiatives that recognize the environment as “a business development opportunity and business growth opportunity” (Davies, 1993).
ing buying decisions and would be willing to pay more for environmentally friendly products (Blais, 1993). According to the marketing research firm FINDS/OP, in 1995, consumers spent $8.8 billion on environmentally friendly, or green, products, nearly 5 times more than the $1.8 billion spent in 1990 (Stemphill, 1995). The author asserts that this number will continue to increase in the coming years.

This article suggests that companies in the Bowling Alley® could benefit from these market opportunities and should use environmental marketing strategies (Menon, Ajay and Anil Menon, 1997) in order to differentiate their products. According to a depth research study reported in the January 1997 Journal of Marketing by professors Ajay and Anil Menon, Environmental Marketing Strategy (EMS) is emerging as a source of sustainable competitive advantage. They define EMS as a free-market approach that emphasizes innovation, entrepreneurialism, and sustainability orientation to incorporate environmentalism (Menon, 1997). Accordingly, after crossing the Chasm, a company should formulate comprehensive environmental marketing plans for the long term, and then implement the design to yield great profitability in the Tornado. Most innovators and early adopters of green products came into the market in 1980’s. They wanted break with past ungreen practices and develop new markets, but they ended up in the Chasm failing in their efforts in market green products. They were hampered by the fact that the new products could not immediately take advantage of a major market development and that customers had difficulty adopting them. In addition, consumers were not willing to pay a premium for enhanced environmental performance because, at the time, most consumers did not have the discretionary income that would have permitted them to pay a premium for green or any other products (Ottman, 1995).

Moreover, since the early 1990s green products have moved into the Bowling Alley position for three main reasons:

1. Green products have gained the acceptance of a niche of environmental consumers within the mainstream market, but have yet to be adopted on a widespread basis.
2. Many consumers are attracted to green products currently offered in the market place, but they do not yet perceive any compelling reason to purchase them.
3. Although companies offer green products as a whole product that can displace the old (ungreen) paradigm, they have yet to prove that the products are generalizable.

The Bowling Alley is a period of niche-based adoption to advantage of the general marketplace, driven by compelling consumer need and the willingness of vendors to craft niche-specific whole products. (Hey, customers) might see the attrition of the new paradigm (green products) as offering, but they have no compelling reason to move into it (Menon, 1995).

The Chasm is a kind of point of no return, when the early-market interest wanes but the mainstream market is not consummated. It is said that whereas truly innovative products (green products) are first launched in market, they will initially enjoy a warm welcome at an early stage but then will fall into the chasm, as the big which sales will fall and after-flattening (Moore, 1995).

The Tornado is a period of mass-market adoption, "when the general marketplace catches onto the new innovation and paradigm (green products). It represents a massive sales opportunity in and of itself. Don’t ignore the potential. Don’t focus on the conquest, in other words, focus on yourself. Because you, not they, are the getting firm in this market." (Moore, 1995).

* Old paradigm is the condition prior to crossing the Chasm in which no green products dominated the market.

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Statement of Issues

The article addresses the following issue:

Companies, having a high degree of environmental concern, and environmental marketing strategies.

Analysis

According to a Wall Street Journal NBC News survey conducted in July 1991, more than 80 percent of Americans consider protecting the environment more important than keeping prices down. Consequently, corporations have scrambled to bring to market products advertised as addressing the needs of the environmentally-conscious consumer (Davis, 1990).

Basically, America's can be divided into three groups according to their environmental attitudes and behavior: visionary green, maybe-greens, and hard-core brownies. At the top are the Visionary Greens. These are consumers whose environmental awareness extends far beyond shopping. Their buying behavior consistently reflects an ecologically oriented, holistic mindset. Surveys indicate that they comprise 5 to 10 percent of the population. At the other end of the continuum are the Hard-Core Browns, 15 to 30 percent of the population. This group is implausibly anti-environmentalist. They tend to have lower levels of income and education. Maybe-Greens are the large swing group in the middle of the attitude spectrum. They represent 55 to 88 percent of the population.

Isolating environmental concerns within the firm and its product is the first step in establishing the company's commitment to the environment. Environmental commitment is a significant factor in customer satisfaction and satisfaction results in future purchases. The company needs to provide products that are environmentally friendly and meet the needs and expectations of its customers.

In conclusion, the article highlights the importance of environmental marketing strategies in addressing the needs of environmentally-conscious consumers. The companies that can successfully reach this segment of the population will gain a competitive advantage and increase their market share.
products can be generalized, a company should change its strategy, and focus on attacking its competitors. In other words, a company does not necessarily need a duplicate consumers any more after it is in the Tornado, because customers are lining up for the hot green products. By applying these strategies, a company can focus on an environmentally innovative product and customers will have a compelling reason to buy. Before analyzing the strategies, this article begins with a brief evaluation of the regulations concerning environmental marketing in the United States.

Environmental Marketing Regulations

The vast majority of environmental claims are best described as confusing, misleading, or outright illegal (Davis, 1992). To review the regulatory history of environmental claims, we must define such claims. An environmental claim is a statement by a seller regarding the impact of one or more of its brand attributes on the natural environment (Scann, 1995). This is a general definition, and therefore individual regulatory bodies can define environmental claims more broadly or narrowly. For example, some bodies may consider energy-saving computer products to be an environmental claim, while others may view it as a money-saving claim. In its first move to develop a comprehensive policy on the use of green products in the federal government, the Environmental Protection Agency (EPA) has proposed guidance for executive agencies on the identification and purchase of environmentally preferable products. EPA says the guidelines are meant to be a framework applying to nearly all products purchased and used by the government.

In early 1991, the National Food Processors Association (NFPA), the Cosmetic, Toiletry, and Fragrance Association (CTFA), and the Nonprescription Drug Manufacturers Association (NDMA) petitioned the Federal Trade Commission (FTC) for industry guidelines on environmental claims (FTC, 1991). The FTC was further prodded in May 1991 by the publication of Green Report III, a set of revised recommendations regarding environmental marketing from the task force of the Attorney General. Presured from all sides, the FTC held public hearings in July 1991 to consider alternative means of providing guidance to firms wishing to make environmental claims. The hearings led to the issuance in July 1992 of the FTC Guides for the Use of Environmental Marketing Claims (FTC, 1992).

The voluntary guides, despite providing marketers with clear advice and direction, did not signal the end of the FTC case-by-case enforcement. In 1996, FTC reexamination of its guidelines for the use of Environmental Marketing Claims did not result in significant alterations to the Guides (Greenberg, 1996). Green marketers who wish to promote environmental attributes or benefits face a confusing array of federal and state regulations for environmental marketing and advertising (Davis, 1994).
Individual state regulations are difficult to interpret and often conflict with each other. In addition, the Federal Trade Commission has issued its own guidelines which, unfortunately, have failed to provide the clarifying direction green marketers need.

This is because the FTC guidelines do not have the force of law, and as a result, do not pre-empt state regulations. As a consequence, green marketers who wish to promote the environmental benefits of their products nationally or even across several states must still comply with each state regulation to avoid litigation at the state level.

With all of the current regulatory environment in mind, a company which decides to promote its product green™ has two options. First, it can differentially manufacture, label and advertise the product in a way that satisfies the specific requirements of each state in which the product is distributed. Second, it can develop and market its product in a way that satisfies the requirements of the most stringent state or combination of state regulations in the product distribution area.

Environmental Commitment

In the Bowling Alley, a company should adopt a new paradigm in advance of the rest of the market. In this situation, it is important to establish an environmental commitment and to effectively use this commitment as the basis to communicate with customers. Environmental commitment can anticipate consumers' growing concern about the environment. Therefore, having an advance reputation as an environmentally responsible company can make a big difference.

Basilics of green products and environmental marketing relate to issues of environmental management, that is, to issues of overall corporate environmental commitment and responsibility. Therefore, a company should make a real commitment to environmental improvement before an environmental marketing program is introduced. Otherwise, the marketing program will be neither credible nor sustainable.

Establishment of environmental commitment requires strong commitment from the top levels of an organization. Possibly the most important factor that will influence a company environmental success is the commitment of the CEO and board of directors. Without support from the top, corporate environmentalism can and will lose its momentum (Coddington, 1993b).

Even though the commitment should come from the top levels, employees are often the impetus or motivating factors for the success of an environmental program. Employee concerns are often what fuels top management concern, especially with regards to corporate environmental position. But, unless those who control the company are convinced that a true environmental commitment is necessary for the health of the company, environmental action is likely to have little or no real impact (Flotase, 1994).

A company’s environmental marketing is usually driven by a goodwill change in corporate culture and in the way the company does business, shifting from compliance-oriented environmental management to proactive environmental manage-
A company can choose to give these team members any number of responsibilities, including the ones mentioned above. By having green team members integrated throughout the organization, the company will be armed with an effective internal environmental communication network.

**Strategic Alliances**

Broadly defined, strategic alliances are relationships where partners bring a particular skill or resource, usually one that is complementary, and by joining forces both are expected to profit from the others experience (Jemett, 1992). Strategic alliances have been used in a variety of situations when two or more organizations join forces to achieve a mutual objective. Either definition results in synergies: the partners can achieve more jointly than they could independently. In a more general sense, these strategic alliances are a form of collaboration, which allow members to forward their own ends as well as to serve as links between other stakeholders (Macleod, 1995). Thus these strategic alliances are sometimes designed to achieve wider goals and objectives than those simply of the alliance partners.

In the Bowling Alley, the alliance strategy focuses market development efforts on the end-use community. Therefore, to make its environmental marketing activities more effective, a company should form a strategic alliance with an environmental group. Strategic alliances with environmental groups can provide three benefits to marketers of green products. First, they boost consumer reliability in green products and their claims. Second, they provide firms with access to environmental information. Third, they provide

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*Appropriate candidates for environmental strategic alliance include government agencies, retailers, media, trade associations, academic institutions, and other companies (Cuddington, 1993b).*
positive publicity and reduce public criticism.°

**Increased Reliability**

Forming strategic alliances with environmental groups can increase the credibility of a firm's products and the associated claims. Consumer research has indicated that consumers find claims made by environmental groups to be four times as credible as those of manufacturers and twice as credible as governmental claims (Kersting, 1995). Therefore, it can be assumed that if an environmental group supports a firm, product or service, consumers are more likely to believe the product's environmental claims. In other words, consumers are more likely to believe that products are effective and environmentally responsible if supported by an environmental group.

**Access to Information**

Environmental groups have access to extensive environmental information networks and are involved in disseminating environmental information. A company facing environmental problems may turn to its strategic partners for advice and information. For example, McDonald's relied on the scientific expertise of the Environmental Defense League when it wanted to replace its clamshell packaging.1

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1 According to Camp, 1998, strategic alliances also offer a host of additional benefits: (1) access to expertise; (2) access to intelligence; (3) access; and (4) influence.

2 McDonald's strategic alliance with the Environmental Defense Fund (EDF) was the result of years of strategic development. This stems in 1976 with McDonald's changing from wax-paper to clamshells on the advice of the Stanford Research Institute. In the 1990s, McDonald's claimed its suppliers of clamshells and paper corrugators and reduce materials used to produce packaging and plastics. In the 1990s, they launched a national recycling program involving both packaged and cutlery materials. It was this recycling campaign that laid the foundation for the McDonald’s/EDF alliance. EDF consented McDonald's ongoing possible strategies to reduce waste in their case study. In the 1990s, the alliance of these two groups was established as the focus of a task force to solve the clamshell problem. Interestingly, this alliance agreement stipulated that McDonald’s could not advertise the arrangement, but EDF could publicize the arrangement. (House, 1994).
which focuses on issues which are important to the first consumers. Therefore, in finding the right partner, a company should establish alliance objectives, determine the characteristics of alliance partner, and find the appropriate environmental group.

* Establish alliance objectives

Without a clear understanding of what objectives will be achieved it will be difficult to target the appropriate environmental group. There are a number of objectives that a company may wish to achieve is order to differentiate its whole product, such as the desire to develop a new green products, to create public awareness for the company environmental actions, or to design environmental marketing strategies which comply with environmentally acceptable practices.

* Determine appropriate alliance partner characteristics

Specific strategies will require that the alliance partner has different characteristics and abilities. Thus a company must determine what capabilities and characteristics an alliance partner must bring to the alliance. For example, if the company wants to develop new products, the alliance partner must have the environmental knowledge necessary to assist in the designing of the product. To obtain publicity, an alliance partner must have a credible reputation and a working relationship with the media. If the company wants to develop a market, the alliance partner must have an appropriate membership base or be perceived as credible by the target market.

* Find the appropriate environmental group

Since the alliance objective is to win over niche green product customer, a company must identify the appropriate environmental groups with which it may form strategic alliances. The company must ensure that the environmental group is able to assist the organization in achieving its objectives. There may be a number of potential alliance partners, yet some environmental groups may be perceived to be undesirable partners. Hence, several issues must be examined, for instance whether the environmental group is recognized in this area of expertise, the environmental group is recognized by the target Maybe-Bees consumers, or the image of the environmental group is appropriate to the company target market and its products.

Simply forming an alliance with any environmental group is not enough. The firm must feel comfortable working with a given group. This is extremely important, because the image of one partner may affect the other. For example, if targeted consumers do not believe that the environmental group has expertise in a specific area, the group's recommendation may even alienate the product.

After identifying the most appropriate environmental group, the next question will be what type of associations that should be formed. Two key criteria must be met: the segment must have a compelling reason to buy and must not currently be well served by any
competitive (Moore, 1995). Thus, there could be two types of associations, or symbiotic marketing relationships: product endorsements and cooperative sponsorships.

Product endorsements
Product endorsements occur when the environmental group endorses a product after it has ensured that the product meets some set of established criteria. These endorsements involve a formal contract and the payment of a fee. The agreement allows either party to end the alliance should the other breach the agreement conditions. One example of a product endorsement is the alliance between Pollution Probe and the retailer Loblaw (Duff, 1992). Pollution Probe assisted Loblaw promotion of its green, disposable, and non-chlorine-bleached diapers. The green group participated in the retailer television advertisements, where it identified that reusable diapers were preferable. Therefore, if consumers were going to use disposable diapers then they have compelling reason to purchase. Loblaw green diapers were environmentally preferable.

Corporate sponsorships
Corporate sponsorships operate differently from product endorsements. Many environmental groups are willing to form a variety of different types of strategic alliances with businesses. Yet, in the Bowling Alley, a company should concentrate on niche markets which are not currently well served by any competitor. Thus, in all situations the company is trying to obtain environmental recognition for specific activities. The types of activities that the company seeks recognition for include direct involvement in specific envi-

14 Symbiotic marketing relationships have been defined as: an alliance of consumers or groups to achieve a common goal or whose independent organizations designed to include the marketing potential of each (Vasudevan, 1988).

Consumer Education
The research indicates that consumers integrate their concern for the environment into their purchasing behavior in a variety of ways (Coddington, 1994a). Other studies suggest that consumers are choosing products or avoiding others based on the natural environment. They do not only desire to purchase products that are less environmentally harmful but are willing to pay more to do so (Davis, 1993). Hence, the task of consumer education strategies is to translate these expressions of concern to actual purchasing behavior.

The purpose of the Bowling Pin model is not only to make money now but more importantly how to become a market leader in the future Tornado. Consequently, a company with a long-term commitment to the environment is building consumer demand for green products by speaking to educate consumers. Unlike the Tornado, where the product category itself becomes the reference point, the niche markets of...
the Bowling Alley are really the customers markets. A company requires niche market customers as spokesmen and protectors (McGree, 1995).

In the past, some organizations appeared to be simply exploiting, consumers increase environmental awareness by changing their marketing claims without modifying their products or production processes. When these gaps in corporate behavior and marketing claims came to light, extensive negative publicity was generated, resulting in consumer boycotts of the offending companies. Given the negative publicity environmental marketing has received, it may be difficult for even the responsible green products company to use environmental marketing activities effectively. One reason consumers shy away from green products is because of confusing language that surrounds such products. Consequently, marketers must play an important role as providers of environmental information through their marketing activities (Ottman, 1992b).

Green products are about more than green products. It is not enough, for example, to make environmental claims about the products, even if those claims are truthful, if the company has a weak or suspect environmental record. In such cases, environmental messages will inevitably be viewed as attempts to deliver a false message about the company overall environmental commitment.

If a company wants to continue to use environmental marketing as a strategic tool, it should find methods of making these claims more credible in the eyes of consumers. Therefore, the most important part of an consumer education is carefully matching words and deeds. Green marketers must become more skilled at understanding how their consumers choose between products at present, and how they might react to more environmentally friendly products in the future. By doing so, not only do they educate consumers, but also they help sell more products in preparation for Tornado.

Basically, consumer education is a temporary strategy applied in the Bowling Alley to boost the business, to increase profits, and further to develop the whole product. When in the Tornado, the company leaves its focus on maintaining customer loyalty and instead focuses on attacking competitors. Hence, the purpose of consumer education is to establish an environmental image for the company products. The task of advertising, public relations, and sales promotion will therefore be to convince people that the environmentally sound products can help them make a difference.

A company can educate consumers about some of the problems arising from products which are not environmentally friendly. In contrast, the company can introduce its green products and what contributions the company has made to improving the environment. Thereby, the company should keep on creating environmental awareness for specific issues concerning its product. For example, several tuna producers highlighted the plight of the dolphins caused by drift net fishing. These firms went on to promote themselves as being environmentally responsible because they did not use drift nets (Ottman, 1995). In another case, Kellogg Company educated consumers and pointed to its environmental concern by placing environmental information on the packaging of its cereals relating to various regional environmental problems (Morrison, 1995). By attacking itself to environmental causes, a company not only educates consumers, but may improve its recognition.
environmental image which is required as a basis for entry into Tornado.

A company can also sponsor environmental education in schools. Even though consumer education is only a short-term strategy to make the whole product differentiable, it is the real backbone of environmental marketing. Put another way, even though some initiatives tend to be somewhat connected to green product offerings, this strategy may be very effective in building the bridge to keep the company on Tornado for a long time.

Finally, the alliance with environmental groups also makes a significant impact on consumers. Environmental groups are valuable sources of environmental education information and materials. They educate consumers and the general public about environmental problems and also inform them about potential solutions. The two types of associations mentioned above are extremely desirable as they assist in the building of a responsible corporate image. In many cases, the public views these groups as credible sources of information, without a vested interest. Accordingly, a company should use its alliance with an environmental group in order to make its consumer education more effective and efficient.

Conclusion

Since 1990s, after creating the Charm, green products have entered into an early majority position on the bowling Alley. As a consequence, companies confront difficult situations since green products have not been generalized and have yet to be adapted extensively. In addition, customers do not have any compelling reasons to purchase green products. Therefore, companies in the Bowling Alley might gain a competitive advantage through reliance on their environmental marketing strategies: environmental commitment, strategic alliances, and consumer education. By consistently implementing these strategies, a company can not only win over a bowling niche market, but can easily tumble the other bowling pin markets as well; it finally opens the gates to the Tornado.

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