

# GET ON THE GREEN BANDWAGON



WITH AN INCREASING NUMBER OF COMPANIES BEING ACCUSED OF 'GREENWASHING', **GEOFF BEATTIE** LOOKS AT THREE BLUE CHIPS THAT HAVE ENHANCED THEIR REPUTATION THROUGH THE RIGHT COMBINATION OF GENUINE SUBSTANCE AND CLEVER PR

**L**AST YEAR was the year of green marketing and PR. Companies and products of all kinds were falling over themselves to tout their environmental credentials. Car manufacturers produced adverts telling us – for the first time – how many grammes of CO<sub>2</sub> their new, fuel-efficient engines were producing (in case you were wondering, anything below 172.1g/km is better than average for the UK). Washing powder manufacturers told us repeatedly how their new ‘eco-friendly’ products were helping to save the planet because they could clean your clothes at 30°C or below. Large power and electricity companies were eager to tell us about their plans to cover the country with wind turbines. And now, thanks to one well-known Swedish drinks manufacturer, even Vodka is environmentally friendly. Sign up to their ‘Global Cooling’ campaign, and the Swedes will donate \$1 to an environmental charity of your choice, every time you buy one of their products.

This was the first big wave of green marketing and PR, and it had the feeling of a ‘dotcom boom’ about it. Companies became aware that, through saturation news coverage, the environment had moved to the top of the consumer agenda. Research revealed their customers expected them to take steps to become greener, and would reward them accordingly if they did. Combined with, in many cases, a very genuine desire on the behalf of corporate leaders and marketers to do something (and to be seen to do something) positive on the environment, this caused the tidal wave of green communication in 2007, which shows no sign of abating in 2008. Inevitably, there has been a backlash. There is a rapidly increasing number of websites devoted to exposing ‘greenwashing’ – companies which are accused of making environmental claims that don’t stand up to serious scrutiny. And those claims are no longer confined to green pressure groups and campaigners. In the UK, the Advertising Standards Authority (ASA) upheld several complaints last year for ‘unsubstantiated environmental claims’. The ASA also issued a press release in June that promised that it was going to ‘get tough’ with green claims that turned out to be ‘little more than hot air’. There is a similar movement in the US. As I write, the powerful Federal Trade Commission is holding a series of hearings on the issue of ‘green marketing’, with a view to tightening the US regulation in this area.

I don’t believe that marketing and communications professionals, or their clients, have anything to fear from this increased scrutiny. Although the arguments in specific cases are often complex, it seems to me that there is a very simple principal that the ASA, the FTC and others are seeking to put in place: that any claims which firms make have to be backed up by sound evidence, and should not be exaggerated in any way. Putting this principal at the centre of green marketing and PR strategies can only benefit those firms who have genuine achievements or breakthroughs to talk about.

With that in mind, it’s worth taking a look at three companies who have used ‘green’ communications to enhance their reputations – it may be a surprise to see that two of them are American. Working for a transAtlantic communications agency, my experience is that UK companies can learn a lot from the leading US-based blue chips in this field.

**1. Wal-Mart:** The world’s largest retailer has arguably the most comprehensive sustainability programme of any leading corpora-

tion. Led by the personal vision of CEO Lee Scott, Wal-Mart is transforming its business through major initiatives on everything from packaging and real estate to energy and raw materials. What’s striking about the company’s communication on sustainability is that it is, if anything, underplayed rather than overblown. The company’s website does not scream ‘we’re a green company!’ But there is a vast amount of information on Wal-Mart’s sustainability programme, presented in a serious and thoughtful tone, for those who want to know more. The CEO’s message is always consistent and clear: “Environmental leadership is critical to our future ability to grow and thrive as a company.” For a firm that has faced criticism in the past on various matters of corporate social responsibility, the sustainability story has been transformational for Wal-Mart.

**2. General Electric:** GE’s ‘Ecomagination’ is probably the most impressive communications campaign on environmental issues that we have yet seen. Yes, it’s highly creative, engaging and educational for consumers, but it’s also rooted in a set of serious commitments that GE is making to the environment. For example, the company is doubling its investments in ‘clean R&D’, and setting clear goals to reduce its own greenhouse gas emissions. Like Wal-

Mart, GE provides a lot of information for consumers or students who want to know more. Particularly impressive is the section where GE describes all of the products it makes which are helping to create a greener, cleaner world; everything from advanced membrane technology for enhanced water reuse and purification to energy-saving traffic and rail signals. Like his counterpart Lee Scott, GE CEO Jeffrey R Immelt has been at

the front and centre of the Ecomagination initiative.

**3. Nokia:** The Finnish mobile phone giant has been at the forefront in seeking to tackle one of the world’s biggest environmental problems: the recycling of electronic goods. At the Mobile World Congress in Barcelona a few weeks ago, Nokia’s stole the headlines by unveiling the world’s first ‘green phone’ using recycled steel and biomaterials. The reason that Nokia deserved all that great publicity is because the ‘green phone’ is a genuine breakthrough based on years of research and development. It is also just the latest product of a far-reaching sustainability programme which – like Wal-Mart – goes to the heart of the company’s strategy and operations. In typical understated, Finnish style, Nokia has not created a massive global advertising campaign to hype its environmental credentials. It doesn’t have to: everything the company says and does reinforces that message.

The big lesson from these case studies is that companies should not consider undertaking green marketing and PR programmes unless there is an environmental commitment which is at the centre of the company’s strategy, ideally underpinned by the very firm and public leadership of the CEO. This is too serious an issue to be considered as a fashionable addition to a company’s marketing strategy. It must have very solid facts/evidence behind it. Underplaying rather than hyping environmental credentials might actually be a better long-term strategy, engaging consumers and educating them with content of real substance rather than making big, bold, oversimplified statements.

*By Geoff Beattie, MD of Cohn & Wolfe Global Consultancy. If you’d like more information email [geoff\\_beattie@uk.cohnwolfe.com](mailto:geoff_beattie@uk.cohnwolfe.com)*

Working for a transAtlantic communications agency, my experience is that UK firms can learn a lot from the US-based blue chips