

Sustainable Marketing – Now or Never.

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"The future isn't ahead of us. It has already happened" says [Philips Kolter](#). The same is true with business trends. The future trends in marketing and entrepreneurship have already happened, in some cases a decade back. Paradoxically, for many reasons, some old trends are still relevant in 2022 and beyond. Sustainable marketing is one such trend.

"One of the most authoritative definitions of sustainability is as development that meets the needs of present generations without compromising the needs of future generations." For accuracy, read it as the needs of 'present customers' and 'future customers.'

Why is Sustainable Marketing, a trend that emerged some time back, still relevant? A simple answer is that sustainability efforts have mostly failed! Specifically, the celebrated sustainability initiatives of marketers, policymakers, governments, and even countries have achieved little by way of creditable improvements in reducing resource consumption and green gas emissions.

The promise made during the Paris Agreement of the Conference of the Parties (COP21) in 2015 by 196 countries was "to [limit global](#) warming to well below 2 degrees Celsius, preferably to 1.5 degrees Celsius, compared to pre-industrial levels." Achieving these goals by the end of the century would mean disciplined control over production, consumption, extractions, logistics, etc. A critical component in achieving these targets is reducing green gas emissions to a net-zero level by 2030 (promised by a few countries) or [by 2050](#) (promised by most countries).

However, the latest assessment paints a dire picture. While a 45% reduction of emissions is necessary to achieve the target by 2030, the data projected the opposite: increased emissions of 11% by [2030](#). [Countries](#) like China, the US, European Union, India, Russia, and Japan are the usual suspects. However, the situation is too precarious to blame a few countries. All countries, companies and consumers are responsible if progress is to be achieved as planned. Hence the ever-increasing need for sustainable marketing for now and the future.

The pertinent question at this point is how differently we will do sustainable marketing to make it work better than in the past. Some ideas are presented below as the 5Cs of Sustainable Marketing (Figure 1).

Figure 1. The Five Cs of Sustainable Marketing



Creation (Products and services) as a destination

The most fundamental task of an organisation is creating value in the form of products, services, experiences, destinations, etc. Therefore, the creation, communication, and delivery of these values are the areas to focus on in an organisation's sustainability commitments. The whole process, from the procurement of raw materials to inbound logistics, production process, outbound logistics, packaging, and storage, in creating and communicating value, should be transformed to be green and sustainable. As against the current practices, the idea is not about meeting one or two green metrics. Rather a complete [life cycle approach](#) to the value creation process is warranted. Creation is, therefore, a destination rather than a journey – a green and sustainable destination.

A recent [Harvard Business Review article](#) proposed a circular business model that encompasses the ways to build a completely sustainable company. The article discusses the example of Interface, a US-based company, and their bid to become “the first sustainable corporation in the world.” (a destination) It is not an impossible feat but by no means easy, and it would call for innovative ways to create value. The company succeeded in this direction after ten years of hard work. The article recommended that a definite route to sustainability is to “choose a pathway that aligns with a company's capabilities and resources—and one that addresses the constraints on its operations.” In other words, a company's core value creation process.

Customer as a partner

[Co-creation of value](#) is not a new idea in marketing. Many modern marketing organisations are wedded to service-dominant (S-D) logic to co-create value with their customers. Not just the consumers but several players in the marketing system participate in the value co-creation process. In sustainable marketing, value co-creation is not an option but, ideally, the backbone of the process. Sustainability is a common concern of society that calls for concerted, integrated and collaborated efforts of companies, customers, and other entities for improvements. The companies' sustainability efforts in the past were unsuccessful due to the complete absence of these collaborative value-creation processes. Co-creation, therefore, would increase efficiency, reduce waste and emissions, increase satisfaction, propagate mindful consumption, and, most importantly, promise a sustainable future.

[IKEA](#) is a case in point. The company relentlessly works with their consumers and design labs worldwide to create new designs, products, services, ideas and experiences for mutual benefit. Companies could try a similar pattern of collaboration to achieve their sustainable goals.

Climate as a stakeholder

Academic and popular literature helps define the stakeholders of the climate and sustainability issue. [Agenda 21](#) of the United Nations identified nine major stakeholder groups. They are business and industry, children and youth, farmers, indigenous peoples and their communities, local authorities, non-governmental organisations, the scientific and technological community, women, and workers and trade unions. These are critical groups that an organisation should work with to achieve its sustainability goals. However, this paper proposes the consideration of climate as the organisation's stakeholder, personified by the combined personas of the above nine groups. The climate should be considered the most important stakeholder of the business, and no decision be taken that adversely affects this critical shareholder's interests.

The idea of considering non-human entities as stakeholders was discussed in a seminal article published in the [Journal of Business ethics](#) (JBE), titled “Should trees have managerial standing? Toward stakeholder status for non-human nature.” The JBE article emphasises the importance of non-human entities like the natural environment being considered critical stakeholders of the business as this “integration would provide a more holistic, value-oriented, focused and strategic approach to stakeholder management, potentially benefitting both nature and organizations.” Therefore, climate as a stakeholder proposition is presented in this paper.

Competitor as a collaborator

As indicated in the article's introduction, achieving the net-zero emission by 2050 would take unique business approaches. Standing alone, a company could marginally reduce green gas emissions, resource consumption, and plastic use. But a concerted effort to change the supply chain would make profound inroads in this direction. Such changes are possible with competitors collaborating to achieve these seemingly impossible sustainability targets.

One of the good examples is the unprecedented efforts of the [British Retail consortium](#). The consortium set a net-zero emission target for its 170 member organisations, including some prominent companies, such as Marks & Spencer and Sainsbury's. [The Sustainable Apparel Coalition](#) of Walmart, Patagonia and ten other apparel companies decided to adopt a single standardised index for achieving efficiency and innovations in the industry supply chain is another good example. For achieving common sustainability goals, the competitor should be treated as a company's collaborator rather than an adversary.

The company as a launch vehicle

The final point presented in this paper is about the anchoring role played by the company in spearheading all the above initiatives. The company is the instrument in achieving the sustainability goals, hence treated as the launch vehicle. Imagine if each organisation acted as the launch vehicle in carrying the weight of the creation, collaboration, co-creation, and stakeholder management, which would significantly contribute to the sustainability future. Every organisation ideally should take this sustainable marketing leadership role to make a change in this course.

Take a close look at the [50 most sustainable companies](#) in the world list of 2021; you will spot a few sustainable champion organisations. Among them, twelve companies are from Japan, seven are from the USA, and none from Australia! Is it a threat or opportunity, or trend? You be the judge.

Conclusion

The paper proposes some strategic sustainable marketing initiatives. The success of the strategic initiatives will depend on the development and implementation of the tactical elements of sustainable marketing, more specifically, the sustainable marketing mix elements. The tactical aspects of communication, pricing, distribution, processes, and people will help consolidate a company's sustainable marketing commitments. However, considering the urgency of the sustainable goals of humanity, the strategic goals and plans will have to be developed and implemented first as the foundational practice.



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