1 BASIC INTRODUCTION TO RESPONSIBLE EXTERNAL COMMUNICATION

1.1 ENVIRONMENTAL AND SOCIO-CULTURAL ORIENTED EXTERNAL COMMUNICATION

The best green and socially responsible product, service or product service system is of no use if it is not successful on the market. Then it is also not sustainable, because Sustainability also includes success in the economic dimension.

A suitable external communication strategy helps creating market success because it increases awareness of potential customers and retailers about the offer, its qualities and benefits, its providers, and the benefits of the offer compared to its competitors.

Under the term “responsible communication” we summarise in this text mainly four fields:

> environmentally and socially responsible consumer research
> environmentally and socially responsible public relations (PR)
> environmentally and socially responsible advertisement.
> environmentally and socially responsible communication through the product itself.

Thus responsible communication stands at the beginning of a development process (market research) and at the end, when the offer is introduced into the market (advertisement/PR) and is a permanent activity when it comes to creating or keeping a brand or company identity (advertisement/PR). Products also communicate through their shape, colour and surfaces/materials, also known as product semantics which is also part of the external communication of a company. We will cover not only environmental aspects but also include socio-cultural aspects under the heading of responsible communication.

The field of internal communication and management is explained more in detail in Module E.

1.2 RESPONSIBLE COMMUNICATION AS PART OF THE MARKETING FUNCTIONS

The realisation and market introduction of a redesigned or new D4S product or service differ little from usual procedures. In this phase normally activities such as making prototypes, running tests, planning of manufacturing in large series and launch in a test market take place. In the test launch the reactions of the users to the environmental and social qualities of the new product/service can be assessed together with other criteria. With the gained information final amendments in product/service design can thus be completed before the final market introduction if necessary.

Prior to market introduction, the company will need
to plan a communications strategy (advertising), pricing strategy, distribution strategy – for take back systems the re-distribution strategy as well. In all those fields that normally are managed by marketing and logistic experts environmental aspects need to be considered such as selection of means of transport and packaging.

For the communication strategy the company should determine whether the target group is sufficiently environmentally conscious to appreciate the environmental benefits of the new offer. The company will need to decide whether to present and use the environmental and social benefits as a selling point in its advertising and other marketing communications, i.e. when addressing distributors, at fairs etc.

The general function of communication as part of a company’s marketing strategy is to show (environmental) advantages of its products and services. It should present the company’s image from inside out (external communication) as well as increase the internal competence for successful (environmental) marketing concepts and business development (internal communication).

Here we focus on external communication. Be aware that external communication is not only directed towards the potential customers of a company but also to other stakeholders and media, because they have a huge influence on opinion building of consumers/customers!

For external communication various communication means or platforms are available, in responsible communication one has to pay attention to effectiveness, environment-friendliness and “political correctness” of those means.

Examples of eco-oriented communication strategies are:

- Information about pollution-free products and processes
- Using/ showing environmental standards and labels
- Sales promotion focused on environmental aspects like energy efficiency, nature protection
- Information about environmental effects of the product/service
- Environment related public relation activities

Examples of socio-oriented communication strategies are:

- Information about fair trade activities
- Using/ showing social standards and labels
- Sales promotion focussing on social aspects like health, equity, fair labour conditions
- Information about social effects of the product/service
- Socio-cultural related public relation activities

Normally communication as part of the marketing functions is designed and realised without in depth considerations of the environmental and social aspects of the offer that is to be communicated. Generally it is possible to use the tools and methods of normal communication also in responsible communication activities – only the content, the measures and the questions to be asked/ subjects to be communicated might be different. Furthermore there are some additional communication channels available for responsible products, i.e. special eco-oriented magazines, internet sites, communities.

It is essential in responsible communication to understand the customer’s/ consumer’s needs and ideas about social and environmental aspects and to translate the positive social and environmental qualities of the offer into clear benefits for the customers/ consumers. Then the potential for market success will increase.

Helpbox 1: Some Definitions

**Responsible Marketing (Green Marketing, Social Marketing)**

Responsible Marketing defines the holistic adjustment of a company’s marketing (goals, strategies, concepts) toward environmental and socio-cultural aspects including their necessities and opportunities. It reflects the environmental and social responsibility of an enterprise and its business. All in all business activities shall avoid or at least minimize negative environmental and social impacts with adequate marketing concepts.

**Corporate Identity**

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Corporate Identity describes the unique appearance that a company uses to differentiate from its competitors and generate a unique identity and recognition in the market. It covers all communication means that belong to the company from business cards to letterheads, from advertisement to packaging. Even employee’s outfits, buildings and products can be part of it. The goal is to communicate the company’s image, values and competence to the external world but also to create identification and the right ‘spirit’ internally. Sub categories are Corporate Design (CD), which covers everything that is more or less visual, Corporate Communications (CC), which covers content and management and style of communication, and Corporate Behaviour (CB), which describes rules for the behaviour of employees and others representing the company, internally and externally (especially important for services).

**Customer contact/ Relationship management**

Satisfied customers are the best advertisement for a company and its offers, they recommend the offers and come again. Therefore customers should be treated in a way so that they feel taken serious with their demands and problems. Especially in situations with direct contacts between company and customers it is important to establish routines for good relationship management. Especially with the possibilities of information and communication technologies (ICT), computer and internet the relationship management was established. That ranges from a computer supported customer database to regular customer information through (electronic) letters and includes also tracking the customer behaviour and interest by following their way through websites (cookies) etc. All this should be done carefully and following the motive: less is more, because customers will not like to be over-loaded with advertising junk mails.

**Sales promotion**

How to support the direct sales of offers in the shops, shopping malls or internet etc. is the subject of sales promotion. For distribution over the “conventional” retail channels one distinguishes staff promotions, channel promotions and consumer promotions. Measures range from flyers and info brochures on the point of sale, over events and tasting offers to lotteries and games or visits at the production facilities etc.

**Market launch**

Market launch involves the delivery of the product or service to the market place. This stage includes presenting and communicating information on the product’s or service’s features and benefits to encourage customers to purchase or procure the product or service.

**Communication program**

At market launch, the product’s relevant environmental aspects can form the basis for a marketing approach. Within the approach, environmental communications can use various instruments and media. A product related environmental communications program could be developed that is coherent with the positioning of product groups or brand families. To develop clear environmental information it can be helpful to follow international and national guidelines (e.g. ISO 14020 series, or the new ISO 14063).

**User guidelines**

A separate category of market communication assists the user in minimizing the products environmental impact during the use and disposal phases. Such communication can be at point of sale or in the instructions supplied with the product.

**Product review**

After market launch, the organization can conduct a review intended to find out whether the expectations of the organization, customers etc. have been met. Feedback and criticism from customers and other stakeholders are an important information source for the organization to improve its cur-
rent or future products, as well as the design and development process. Therefore, a review of the environmental aspects of the organization’s products and services on the market can be helpful.

1.3 BENEFITS OF RESPONSIBLE COMMUNICATION: DO THE RIGHT THINGS IN THE RIGHT WAY AND TALK ABOUT IT!

Generally the consumer awareness about environmental and social aspects is increasing. This is also connected to the media and the environmental and social scandals that are reported. Not only public interest but also the policy includes more and more environmental aspects into decision-making, regulation and legislation. Thus pro-active companies started to deal with these issues already a long time ago.

Some of them are communicating their environmentally and socially responsible actions openly and actively, others are doing a lot but only include these activities in their communication in a subtle way. That is directly related to the image a company likes to have and their target group’s expectations about social and environmental responsibility of the company’s offers.

If a company’s target groups are interested in environment, health, wellness and connected issues, it is advisable to include these aspects into market communication about the product and the company.

If a company’s customers are not interested in these aspects, it has to be decided carefully how much environmental and social aspects should be part of the external communication, respectively if there are arguments connected to the environmental and social benefits of the offer that are highly interesting for the customers, e.g. do they save money because of less energy and material consumption, do they have less risks because of less problematic substances used in the product etc.

 Normally environmental and social aspects are only additional benefits connected to an offer that is interesting for the customer and not the main argument to buy the product or service. That means that also the other product/service properties have to fit to the customer’s needs and values. Then the environmental and/or social benefits can become the main differentiation between the competing offers on the market and thus a convincing sales argument.

1.4 RESPONSIBLE MARKET RESEARCH: UNDERSTANDING YOUR TARGET GROUPS – AND THEIR VALUES AND NEEDS

CHANGE YOUR POINT OF VIEW: THINKING LIKE THE CUSTOMER

The “complete justification to the customers need” – this principle seems to be a tough challenge especially for companies with environmentally and socially friendly offers. It requires an alternation to a customer’s point of view. Not the companies own motives for launching a defined array of products are crucial for the marketing strategy, but the buying motive of an often anonymous target group. It could be necessary to undo certain ego positions in the communication strategy, which are or were part of the corporate identity of the company. But if a company wants to reach target groups outside its eco-niche to substitute products with negative environmental impacts by more sustainable consumption, then they have to accept and learn the mechanism of marketing with all their strategies. The whole business has to act customer oriented, so that the customer can notice the offer to decide on environmental and sustainable products.

EVALUATE MARKET ACCEPTANCE FOR ENVIRONMENTALLY FRIENDLY OFFERS

To win new target groups for eco-offers it is necessary to estimate the openness of the target groups to environmental issues related to the product or service. Therefore the sensitivity of the customer and consumer toward eco-oriented topics has to be evaluated. The characterisation below differentiates environmentalists, people with neutral opinions about environment and opponents.

A comparatively simple instrument to analyse the basic position of consumers toward responsible offers is to breakdown possible market reaction in a so called “market-environment-reaction matrix”:
This matrix shows, that proactive eco-oriented business can create a declining customer interest, e.g. if it is connected to a decrease in product qualities or an increase of price. Contrariwise the company can expect a positive reaction when using the right package of measures.

### 1.5 RESPONSIBLE PR

By public relations (PR) measures companies try to inform the public, stakeholders and the media about their philosophy, performance and offers. PR aims at establishing trust and a good relationship, respectively image of the company in the public. This is important because the buying decisions of the customers are very much influenced by the general opinion and stakeholders opinions about the company and its offers. Thus PR must be in line with the Corporate Identity of the company.

The more the product/offer is oriented towards lifestyle and prestige, the more important the image of a brand or a company gets.

Particularly in the field of sustainability, confidence in a product, brand or company plays a major role. Therefore possibilities to create confidence by direct, continuous and positive publicity should be used.

Examples for PR activities:
> Build up contacts to the press and media
> Provide photo material and user oriented text, which can be used for editorial reports
> Newsletter about news, changes, recent development regarding the company’s politics and offers
> Participate and present company and offers at workshops, conferences, public events
> Organise non commercial events for the press and public
> Organise workshops about relevant environmental/social topics
> Inform the media/public about membership in responsible associations, NGOs etc
> Sponsor environmentally/socially relevant activities, e.g. by NGOs
> Website containing business philosophy and also environmental/social topics/activities
> Participate in research projects related to environmental/social topics and innovation.

All these measures, which are addressed to the public, should communicate the corporate identity to be recognized by the reader, audience and visitor. Time after time a stable positive image can be developed. A company should be careful not to risk destroying this positive image, e.g. by acting not so responsible in foreign countries. Nike, Shell and others had to realise that NGOs and consumer organisations can play an important role in uncovering bad business practice in developing countries and thus generating public awareness and even boycotts against unsustainable business.

On the other hand quite often the social and environmental activities and innovations of companies are especially interesting for the media and are very welcomed by journals, TV and radio programmes as interesting stories for reports, and thus free advertisement.
1.6 RESPONSIBLE ADVERTISEMENT

The aim of advertisement is to inform existing customers about new offers of a company or win new customers. For successful advertisement strategies it is necessary to analyse and identify promising advertisement means and content for the specific offer and target group.

Thus advertising a company and its offers is nothing else but exchanging information between the company and its potential customers by using different advertisement means and content. This can be sound, e.g. radio advertisement, image and text, e.g. posters, advertisements in newspapers/journals, or moving images and sound, e.g. websites, TV and cinema advertisement etc., and three dimensional displays, figures, or give always etc.

Content and design of advertisement must be adapted to the values and needs of the specific target groups, the qualities of the offer, and the core competences and marketing strategy of the company.

Responsible advertisement

> includes environmentally and socially relevant aspects in the content of the advertisement
> uses environmentally and socially responsible advertisement means, e.g. preferring material and energy efficient media, using recycled paper, environment-friendly printing ink and methods etc.
> is basically honest, and informative but can of course be seductive and emotional.

1.7 KEEPING PRODUCTS/ SERVICES UNDER REVIEW AFTER THEIR MARKET INTRODUCTION

Well-managed companies keep their products and services under review after they have been introduced to the market.

> in fulfillment of voluntary or statutory warranty obligations (guarantee, product liability etc.), and
> to secure customer loyalty and maintain the product.

Feedback and criticism from customers are also an important resource for companies. They show whether the planned environment-related product qualities prove to be valid in practice. In this way one can determine whether, e.g.
> the energy saving potential of the product is used to the extent envisaged,
> the product entails a loss of comfort, possibly resulting in its rejection by the user,
> there are difficulties in understanding how to use certain functions of a device, or

**FIGURE 1** EXAMPLES OF GREEN ADVERTISEMENTS
> unforeseen changes in user behaviour (possibly trig-
gerred by the product itself) are more or less run
counter to the original ecological intent of the product
designers (known as ‘rebound effects’).

A small, fuel saving city car, for example, sold at a low
price will probably fail to achieve the positive environ-
mental effects intended by its environmentally con-
scious planner if it is used by many of its buyers as an
additional second or third car to go shopping in the city
at the weekend.

Insights from practical experiences should be fed
back into the planning process for product revision and
the development of new products. This can lead to a
continuous improvement of the company’s product
range.

1.8 EXTERNAL COMMUNICA-
TION THROUGH THE PRODUCT
ITSELF

Every product communicates with its user/ buyer
through shape, colour, surface, symbols, icons etc. that is
also discussed as product semantics. In responsible
external communication this field has especially three
dimensions:

> Is the product designed in a way that its functions are
understandable to the users and does it encourage
using it in the “right” environmentally and socially
friendly way?
> Is the product designed in a democratic, barrier free
way whenever possible, i.e. does it not exclude or dis-
 criminate specific target groups from its use, e.g. hand-
capped people, illiterate people…?
> Is the product designed in a way that the aesthetic
appeals to the customers/ users and enables him/her
establishing a positive relation to it, putting a high (emo-
tional) value to it?

Be aware that the understanding especially of sym-
 bols, icons, the symbolic meaning of colour etc. is differ-
ent in different cultures and regions and the aesthetic
expectations of consumers can be very different in dif-
ferent target groups. Thus the product semantic has to

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After this introduction this chapter offers further
background knowledge for experts who are more
interested in context of external communication for
sustainable products and services G.2

Then we describe how to create a responsible
communication plan by combining three elements:
target group, offer/ company philosophy and
communication in three steps G.3

How to integrate responsible communication into
daily company practice described in the next chapter. G.4

Finally we introduce case studies and best practice
eXamples to show what strategies other companies
have chosen in practice. G.5

be specified to target groups and regions.

In the section 3 we describe principles and means
for creating responsible product semantics.

1.9 WHAT DOES THIS GUIDE
OFFER TO SUCCESSFULLY
IMPLEMENT RESPONSIBLE
COMMUNICATION?

We introduce a pragmatic approach in this handbook
and try to keep the methodology simple and straight-
forward. Nevertheless we refer to other sources for
more detailed information and tools whenever suitable.

So this guide can be your initial step into the world
of responsible communication and will encourage you
to test and elaborate the field further.

2 MORE BACKGROUND
INFORMATION

STATE OF THE ART OF ECO
AWARENESS IN DIFFERENT
COUNTRIES

EUROPE

In North-Western Europe the environmental move-
ment saw a rise after the beginning of the 1970ies, a
hype in the 1990 and a decline respectively stabilisation
after 2000.
That goes together with a professionalisation and normalisation of the environmental responsibility of companies and consumers. It is more normal for consumers to integrate specific activities for environmental protection into their daily choices and behaviour and they expect from the companies a minimum amount of environmental protection. That is also supported by a lot of national and/or European environmental legislation and standardisation.

The public is a little bit tired related to environmental problems, but with every new scandal the public awareness rises again.

Nevertheless the environmentalists had to acknowledge that companies are not “the enemy” but sometimes even very good partners for co-operation, and the hard core environmentally friendly companies had to realise that the environmental soundness is not the only and most important sales argument, but quality, price and aesthetics have to be designed in line with the needs of the target groups.

Following these movements also marketing has changed and included more and more environmental and social aspects. Marketing experts saw new chances by focussing more on environmentally beneficial offers and including emotionally relevant topics like health, nature, natural beauty, pureness etc. in advertisement concepts. That was the birth of eco-marketing or green marketing. It only seems that in the last years the environmental movement became less important. Actually surveys found out that environment just has changed from a highly spectacular topic to something which is more normal and integrated much more into the daily life of the consumers and producers alike.

Today, environmental aspects are an integrated element of the quality of products and services in North-Western Europe.

<table>
<thead>
<tr>
<th>Criteria</th>
<th>Alternative Eco-Marketing (the 80ies)</th>
<th>Modern Eco-Marketing (the 90ies)</th>
</tr>
</thead>
<tbody>
<tr>
<td>Target groups</td>
<td>Environmental Activists (Green Niche)</td>
<td>Environmentally interested people (beyond green niche)</td>
</tr>
<tr>
<td>Differentiation</td>
<td>Differentiation</td>
<td>Environment equal to price and quality in differentiation</td>
</tr>
<tr>
<td>Product</td>
<td>Follows highest environmental demands</td>
<td>Follows high environmental demands</td>
</tr>
<tr>
<td></td>
<td>(environmental maximum)</td>
<td>(environmental optimum)</td>
</tr>
<tr>
<td>Price</td>
<td>Much higher than conventional competitors</td>
<td>A bit higher than conventional competitors/adequate price-quality relation</td>
</tr>
<tr>
<td></td>
<td>(Premium pricing)</td>
<td></td>
</tr>
<tr>
<td>Communication</td>
<td>Objective-argumentative</td>
<td>Between information and animation</td>
</tr>
<tr>
<td></td>
<td></td>
<td>(Ecotainment)</td>
</tr>
<tr>
<td>Distribution</td>
<td>Selective in small (eco) shops and alternative distribution channels</td>
<td>More and more in conventional shops and distribution channels</td>
</tr>
</tbody>
</table>

*Media & marketing 12/2000*
3. HOW TO CREATE A RESPONSIBLE COMMUNICATION PLAN, APPROACHES, SKILLS AND TOOLS

COMBINING THREE ELEMENTS:

To develop a holistic communication strategy it is necessary to combine (at least) three elements: the target group(s), the company offers (products and services) and communication of offers and company image. Only if these three elements are related to each other the appearance of the company on the market will be authentic and credible. This is especially true for companies that would like to position themselves as responsible.

The following table 3 describes how these three elements are related and can be combined in a marketing plan.

The following text describes the main steps important for external communication: Finding the right target groups, bringing offer and target group needs and values in line, finding the right external communication strategy for offer and target group.

<table>
<thead>
<tr>
<th>Marketing step</th>
<th>Description</th>
<th>Comment</th>
</tr>
</thead>
<tbody>
<tr>
<td>1. Target definition</td>
<td>Formulate company targets, targets for product lines and products.</td>
<td>If you have no targets you cannot reach them</td>
</tr>
<tr>
<td>2. Determine budget</td>
<td>Usually a certain percentage of the income is reserved for marketing and advertisement.</td>
<td>If you don’t know what you can spend, you cannot plan.</td>
</tr>
<tr>
<td>3. Observe market and competition</td>
<td>Analysis of the competition and critical observation of market-influencing factors.</td>
<td>If you concentrate only on yourself you will miss developments.</td>
</tr>
<tr>
<td>4. Formulate your core competence (USP)</td>
<td>Find and formulate your unique selling proposition in few words and arguments, what distinguishes you from your competitors?</td>
<td>Your core competence should be what specific target groups want from you.</td>
</tr>
<tr>
<td>5. Determine target group</td>
<td>Use sensible methods to familiarise yourself with the unknown consumer: demographic data, life-styles, value attitudes.</td>
<td>If you don’t know your target customers you cannot fulfill their demands.</td>
</tr>
<tr>
<td>6. Evaluate purchase reason</td>
<td>Find out why consumers buy or do not buy your offers Method: customer workshops, customer questionnaires etc.</td>
<td>Customers and opponents know the most about their reasons for buying decisions.</td>
</tr>
<tr>
<td>7. Concentrate on customer benefits</td>
<td>Even if the product promises many advantages, marketing should select one or a few for communication. The intake capacity of consumers is limited.</td>
<td>Less is more. Too many promises confuse the customers and are not trustworthy.</td>
</tr>
<tr>
<td>8. Formulate communication plan for the implementation of the marketing concept</td>
<td>even with small budgets planning is essential: Which communication instruments do you use when, why and how?</td>
<td>E.g., flyers, posters or advertisements in (green) magazines; the aim is to be recognised by the consumers/customers,</td>
</tr>
<tr>
<td>9. Integrate corporate design</td>
<td>Each message must carry the same handwriting. Company and offers must be recognizable.</td>
<td>Learn from the MILKA cow (the Marlboro Man) even if it is just a small advertisement.</td>
</tr>
<tr>
<td>10. Find innovative selling and marketing strategies</td>
<td>The real life experience, the touch, a scent are important and authentic. Days of open door, sales exhibitions, showrooms and factory outlets can complete virtual presentations.</td>
<td>Do not forget the experience factor, especially for sustainable product addressing the senses is promising.</td>
</tr>
</tbody>
</table>

Table 3 _Steps in a successful marketing plan_
STEP 1: Identifying the right Target Groups for the offer

Helpful Target group models
At the beginning of the target group models target groups were described according to demographic and economic data, e.g. age, sex, education, family status, income etc. but showed that with a more and more individualised society this is not sufficient to describe and predict consumer choices. Thus life style models were developed for target group analysis such as the Sinus Milieus.

Sinus Milieus: see www.sociovision.com
Since 1978 the Sinus Institute in Heidelberg, Germany is working on consumer research. The target group definition of Sinus is based on the values and entire system of references that make up a person’s world. Differences in life styles are often more important for the realities of daily life than are differences in respect to the socio-economic situation. Today, social groupings are based less on class distinctions and more on common life styles and the perception thereof. The Sinus model takes into account the dimensions of the social situation as well as value orientation, life-style, and aesthetic preferences. The Sinus Milieu models are available for Germany, Austria, Switzerland, other European countries, GUS, and the US. Based on the real life situation and life style of consumers, Sinus milieus supply a methodical approach for the understanding of target groups for marketing and communications planning. As compared to conventional planning approaches, the Sinus milieus make qualitative target group descriptions possible, thereby improving the accuracy of such descriptions considerably. There are seven Sinus Lifestyle Segments in Western Europe. They are arranged according to their social status in society (lower middle and higher class) and their basic values (from traditional to very modern). From experiences in Germany and other European countries we know, that especially the “leading” segments of the “Established” and “Intellectual” prefer eco-oriented offers. Also the upperend of the “Traditional” and part of the “Modern performing” and “Sensation Orientated” segments chose sometimes some eco-friendly offers. The Sinus Institute provides extensive information and data about the different segments including their lifestyle and the magazines they read, TV shows they watch etc (cf. www.sociovision.com).

How to define your target groups
Companies can either use existing target group models or develop their own for their specific product types and offers and specific regions. In any case the basic question is: Which target groups are open to the company’s specific sustainable products and/or services and how should a company communicate with these target groups?

The following tables give an overview about value orientations, the preferences in product style, sustainable design strategies, advertising approach that are related to the main target groups identified by Sinus that are more open to environmentally friendly offers. With the help of these tables a rough impression can be gained, what aspects are important when addressing the specific target group.

As mentioned earlier in different cultures and different parts of the world the target group typologies are completely different. Thus it is necessary to specify target groups also according to the region and culture where the products and services are offered. A first step should be to investigate what kind of consumer typologies are already available in the target region e.g. by Internet or literature research.

Then it should be analysed either by using existing typologies or by conducting or commissioning new market research which of the identified target groups are interested in the offer of the company and are open for environmentally and socially relevant arguments. Alternatively the current customers of the company can be analysed to find out what kind of needs, demands and values they have related to environmental and social aspects, simply by asking them directly or the retailers via a questionnaire.

To do so consumer research checklists are helpful as shown in the example below:

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2 Research by concept in the framework of a German research project, based on the Sinus methodology.
### Social reference groups / the leading segments (Established/Intellectual/Modern Performing)

<table>
<thead>
<tr>
<th>Addressable groups</th>
<th>The established, intellectual and the modern performers, which can be addressed with environmental topics and products. They do have high income and can afford products with high quality.</th>
</tr>
</thead>
<tbody>
<tr>
<td><strong>Values</strong></td>
<td>Security, sovereignty, connoisseur, memorandum opposite the underdogs, strong need after self-manifestation, image maintenance, understatement as style.</td>
</tr>
<tr>
<td><strong>Access to ecology</strong></td>
<td>Ecology via quality, prestige, status, they delegate eco-responsibility to producer.</td>
</tr>
<tr>
<td><strong>Product design</strong></td>
<td>Subtle eco aesthetic to obviously eco.</td>
</tr>
<tr>
<td><strong>Style</strong></td>
<td>High-quality relating to crafts, simple and puristic, minimalistic, functional.</td>
</tr>
<tr>
<td><strong>Strategy</strong></td>
<td>Longevity, lightweight construction, eco-technology.</td>
</tr>
<tr>
<td><strong>Advertising</strong></td>
<td>Emotional and informative.</td>
</tr>
</tbody>
</table>

#### Traditional group

<table>
<thead>
<tr>
<th>Addressable groups</th>
<th>In this group predominantly the established “Conservative group” is accessible with environmental topics. They have high income and can afford products with high quality and longevity.</th>
</tr>
</thead>
<tbody>
<tr>
<td><strong>Values</strong></td>
<td>Harmony/balance: high claims of quality, style, security, connoisseur; the genuine. Tradition as reference, things with biographic references, antiques, save the world for grand children.</td>
</tr>
<tr>
<td><strong>Access to ecology</strong></td>
<td>Ecology via quality, longevity, health, wellness</td>
</tr>
<tr>
<td><strong>Product design</strong></td>
<td>Obviously eco (e.g., Manufactum)</td>
</tr>
<tr>
<td><strong>Style</strong></td>
<td>Primarily functionally, naturally, handicap</td>
</tr>
<tr>
<td><strong>Strategy</strong></td>
<td>Longevity, high quality, natural materials</td>
</tr>
<tr>
<td><strong>Advertising</strong></td>
<td>Primarily informatively, in addition emotional</td>
</tr>
</tbody>
</table>

#### Sensation orientated group

<table>
<thead>
<tr>
<th>Addressable groups</th>
<th>In this group predominantly the “Experimentalists” and the “Hedonists” are accessible with ecological topics. The experimentalists are open to non-standard and new products, the “Hedonists” judge health and wellness as important, which can be connected with eco-products. Because of the lower income, must be less expensive eco-products, or do it yourself.</th>
</tr>
</thead>
<tbody>
<tr>
<td><strong>Values</strong></td>
<td>To be different from the establishment, not conformal, style protest, spontaneous, experimental, original, genuine, self-expression</td>
</tr>
<tr>
<td><strong>Access to ecology</strong></td>
<td>Environment via health, wellness</td>
</tr>
<tr>
<td><strong>Product design</strong></td>
<td>Subtle</td>
</tr>
<tr>
<td><strong>Style</strong></td>
<td>Funny, playful, artistically, conceptionally, recycling</td>
</tr>
<tr>
<td><strong>Strategy</strong></td>
<td>Technically, recycling, modular, lightweight construction</td>
</tr>
<tr>
<td><strong>Advertising</strong></td>
<td>Emotional</td>
</tr>
</tbody>
</table>
Mainstream group

| Addressable groups | In this group predominantly the upper end of the mainstream (higher income). People with higher income like to imitate the “social guidance groups”, which are more open to eco-products. Thus they achieve a higher reputation in society. |
| Values | Security: safe job, house, insurance; rather conservative, however open to some new things |
| Access to ecology | Via quality, longevity, security health |
| Product design | Obviously eco to subtle |
| Style | Basic natural and functional, practical and clean |
| Strategy | Longevity, patina, appreciation |
| Advertising | Emotional, in addition informative |

Helpbox 2: Very helpful for identification of target groups...

...is to really imagine the customer groups in their daily life, how they live, what kind of car they drive, how their family looks like, what they do in their free time etc. Thus an “Ideal Image”! a cliché of the customer types can be pictured even using mood charts as shown below. These will rarely exist 100% in reality but are used to differentiate the main motives of the different target groups.

Checklist 1: Who are your actual customers?
If you have a lot of different customers for a specific offer, please fill in one table for each cluster of customers that you can identify.

Checklist 2: How much are the customers/ consumers interested in environmental and social issues?
Please specify whether and in what sense your customers or target groups are open for environmental and social issues. Fill in one table for each cluster of customers and target groups.

Checklist 3: Existing and potential target groups e.g. in the SINUS graph
Please try to identify your actual customers/ in the SINUS graph or other target group typologies that you like to use. For this you also have to use the descriptions of the target groups that are given together with the graphs. Then please check, which ones are most similar to your existing customers first.

In a next step please identify which target groups you would like to address with your offers, which could potentially be interesting for you.

Please mark as follows:

x these are our actual customers
! these target groups are interesting in addition
? these target groups are difficult to address for us
– these target groups are not interesting for us

With the help of these checklists you can identify your real and your potential customers and their interest in environmental issues. This kind of information enables you to adapt your offers and your communication better to the needs and values of your target groups. This information should be integrated in your customer database and adapted regularly. Thus you can follow up developments and changes in the structure of your customers, as well as in their environmental and social values. If you do not have a systematic and detailed customer database yet, we suggest you establish one. It should consist of all information that you can get about your customers including values and life styles and all the interactions that you had with them.

A very helpful measure to get to know more about your customers is to run workshops with well-known or potentially new customers to discuss the offers of the company or develop new product/service innovations. Well prepared and organised customer and stake-
<table>
<thead>
<tr>
<th>Question</th>
<th>Answer</th>
</tr>
</thead>
<tbody>
<tr>
<td>Age</td>
<td></td>
</tr>
<tr>
<td>Sex</td>
<td></td>
</tr>
<tr>
<td>Life-phase* (single, family, kids, no. of kids, age of kids, couple without kids, empty-nest-phase...)</td>
<td></td>
</tr>
<tr>
<td>Typical profession / profession of partner</td>
<td></td>
</tr>
<tr>
<td>Interested in what kind of product/ quality level</td>
<td>(premium, medium, lower segment),</td>
</tr>
<tr>
<td>Typical interest/ hobbies</td>
<td>Free time activities</td>
</tr>
<tr>
<td>What is important in life for him/ her? (e.g. Definition of happiness, values in education, unfulfilled dreams...)</td>
<td></td>
</tr>
<tr>
<td>What is completely unimportant?</td>
<td>Not relevant in life</td>
</tr>
<tr>
<td>Typical car and age of the car</td>
<td></td>
</tr>
<tr>
<td>Fashion style? (e.g. Fashionable, sporty, exclusive, elegant, modest-functional, unconventional-experimental)</td>
<td></td>
</tr>
<tr>
<td>Living style: Please try to describe the living style/ furniture style that fits most to your typical customers. Describe with a keyword, e.g. Alternative, anti-conventional, extravagant, patchwork, traditional, modern, avantgarde...</td>
<td></td>
</tr>
<tr>
<td>What exactly do they want from us?</td>
<td>What is the specific demand and need that you fulfill for your customers, why do they prefer your products/services before the competitors? Please try to describe the living style/ furniture style that fits most to your typical customers. Describe with a keyword, e.g. Alternative, anti-conventional, extravagant, patchwork, traditional, modern, avantgarde...</td>
</tr>
</tbody>
</table>

holder workshops are an excellent source of information for companies.
Next all communication direct and indirect has to be designed to fit to your identified target groups. How to do that is described in the next paragraphs.

Helpbox 3: How to win new customers
What are interesting opportunities to extend the current offer and win new customers?
Using the price policy: offer a product range that is more cost efficient for low price oriented customers (often not recommendable for sustainable products), or high quality! high price offers to go upmarket with your offer – a strategy that is often applied with sustainable products and services.
Using the design/ aesthetics: Especially with lifestyle and design oriented products an opportunity to offer different design styles for different target groups. Varying the quality of the offer (connected with price): when the quality demands of the different target groups vary, some quality aspects can be changed to suit better to a specific target group. Environmental and social aspects are part of the quality aspects. Extending the product with a new service (or the other way round): especially for products connected
target group / customer group is especially interested

- That everything must be environmentally and socially correct.
  (consequent Eco-Functionalism)
- That responsible products have to be designed in an attractive way.
  (Design-oriented Eco-Style)
- That the technology is eco and innovative.
  (Eco-High-Tech)
- That environmental and social aspects are just one part of the overall product quality.
  (Multi-Optionality)
- That environmental and social aspects are exclusive and related to specialist knowledge.
  (Eco-Exclusivity)
- That environmental aspects are healthy for body and soul and increasing the wellbeing.
  (Body&Soul)
- That environmental features are reducing cost.
  (Efficiency)
- That environmental aspects are enjoyable, funny and exciting.
  (Fun-Orientation)
- That responsible products are looking alternative and natural.
  (Alternativity, the "original Eco")
- Other orientations (in your own words)

Is true X

with a high risk or with fast technological changes or if convenience is important additional services can increase the attractiveness of an offer (cf. chapter 7 PSS). Environmentally sensible can be e.g. sharing systems (car sharing), repair, maintenance, recycling and re-use services etc.

Via new distribution channels: alternative and new ways of distribution, e.g. internet shops, subscription and delivery systems etc.

By covering different life phases of the customers: from parents as customers to their children, from young families to the empty nest phase (when kids left their parents house). In different phases of your customer’s life also needs and values change. Sometimes companies have to grow up with their customers, e.g. IKEA.

Result
Now you identified which target group is interesting for your company and its offer and investigated their interest in environmental and social aspects. You analysed what kind of needs the target group has and what they want from your offer, and you gained a feeling for their aesthetical and other preferences. Now you have to check if your offer is designed to suit the chosen target group, refine it or design a new offer that fits better to the target group’s needs.

STEP 2: Finding the right offer for the target group

For the real design and development process of sustainable products and services please refer to the chapters 6 and 7. Here in the following paragraph especially product semantics and aesthetics are discussed, which are the means to communicate with the buyer/ user.
through the design of the product.

We distinguish between obviously environmentally friendly product semantics or style and subtle environmental-friendly semantics or style. This is because green products used to have a very obvious green design style but that was only interesting for a small green niche. Nowadays successful eco- or sustainable design has to translate the inherent environmental and social qualities of an offer into a design or style that is attractive to the targeted group of customers. Otherwise the offer will have difficulties to sell. That means that sometimes these qualities are very obvious in the product and sometimes they are more hidden. The target of responsible design should be to differentiate from the (conventional) competitors on the market by a design that is attractive for the target groups and at the same time expresses more or less obviously the special qualities of the offer.

In eco product semantics the following design means can be used:

*Influencing the user behaviour by design*

For the responsible design of product semantics it is not

<table>
<thead>
<tr>
<th>Means of design</th>
<th>Character</th>
</tr>
</thead>
<tbody>
<tr>
<td>Material</td>
<td>Organic Materials: Plant materials: regional wood, rattan, bamboo, banana leaves, straw, cotton, linen, hemp, sisal, paper (unbleached) etc.</td>
</tr>
<tr>
<td>Colour</td>
<td>matte colours natural/ earthen colours Blue (Symbol: Water); Green (Symbol: Nature, Ecology)</td>
</tr>
<tr>
<td>Shape</td>
<td>round, organic, soft, massive</td>
</tr>
<tr>
<td>Surface</td>
<td>matte, untreated, transparent, irregular finish, visible recycling</td>
</tr>
<tr>
<td>Symbols/ Icons</td>
<td>Plant ornaments (tree, leaf, flower) Animal ornaments (endangered species: frog, Panda, stork, dolphins etc.)</td>
</tr>
<tr>
<td>Technical principles and processes</td>
<td>Technical principles or energy generation (e.g. solar) or other eco-technology visible in products</td>
</tr>
<tr>
<td>Recycling</td>
<td>Recycling of materials or parts in the same or other context</td>
</tr>
<tr>
<td>Aesthetic orientation</td>
<td>Character</td>
</tr>
<tr>
<td>-----------------------</td>
<td>------------------------------------------------</td>
</tr>
<tr>
<td>Natural/Biological</td>
<td>Natural, organic impression; Domination of natural and untreated materials</td>
</tr>
<tr>
<td>Recycling</td>
<td>Evidence of the recyclable material as aesthetically-dominating component</td>
</tr>
<tr>
<td>Functionalistic</td>
<td>Functionalistic design-philosophy; aesthetic by means of function and ecology</td>
</tr>
<tr>
<td>Technological</td>
<td>Shapes, materials, construction principles with clinical-masculine, technical design</td>
</tr>
<tr>
<td>Minimalistic</td>
<td>Reduced shapes, spare use of material and colour; minimalisms</td>
</tr>
<tr>
<td>Emotional</td>
<td>Emotional motivated; combination of ecology and fun/spirit</td>
</tr>
</tbody>
</table>

**FIGURE 3** Aesthetic orientation of sustainable designs, more or less obviously eco

only the goal to make the product and its (environmental) functions visible and understandable and appealing to the specific target groups but also to influence their behaviour in a sustainable way.

E.g. by using shape, icons and symbols designers can encourage consumers to use the products more or less environmentally friendly.

The following examples show some positive solutions:

**Result**

By using the suitable product semantics for the chosen target groups that is also able to communicate the environmental and social product qualities in such a way that it is understood and valued by the target groups designers have created the best conditions for the market success of the product. Now it is necessary to develop a suitable communication/advertisement strategy for target group and offer.

**STEP 3: Finding the right arguments and communication means for target groups and offer**

**Advertisement**

There are many possibilities and strategies to design advertisement. A whole profession – communication design – is engaged with this field. Responsible advertisement has basically two sides:

(a) to communicate the environmental and social qualities of the offers and the consequences of its use,
Electric cattle „Axis“ (Kambrook, Australia):
On the top of the device a display shows water volume and temperature inside the kettle. So the user knows if he/she can use the hot water left in the kettle again or has to re-heat it.

Two level toilet flush, e.g. Geberit, Germany:
The different sizes of the buttons show that they allow different water volumes flushing down the toilet. The user has the choice of 6 litres or 3 litres of water.

FIGURE 4. EXAMPLES FOR PRODUCT SEMANTICS THAT ENCOURAGES ECO-FRIENDLY USER BEHAVIOUR

(b) to be responsible in the choice of advertisement means and content.

The current environmental advertisement can be categorised according to its position between the poles objective-informative and emotional.

The objective-informative style mainly uses objective argumentation (text) and only little colours and images – unfortunately still a lot of eco-oriented small companies use this kind of advertisement. The objective-emotional style combines objective argumentation with emotional images. The emotional style mainly communicates with colours and images to create (positive) emotions that can be connected with the advertised subject.

The latter is the principle a lot of large companies and multinational brands use. The next figure shows three eco-advocations from German companies on the axis between objective-informative and emotional.

According to the target group the responsible advertisement should translate sustainable benefits of the company’s offer into group-specific values and use an adequate design of the advertisement.

The above mentioned advertisement strategies are not suitable for all products and target groups.

Objective-informative advertisement will only be successful, if a product is well known and more information is required. This strategy will not necessarily motivate a new clientele. If your aim is to reach new target groups outside of the eco-niche, the moralistic-rational style, that consciously aims at a rational and ethical decision but offers no pleasure promise or personal benefit, is not recommendable.

If it is the goal to win new customers it is necessary to achieve a positive emotional reaction of the consumer. One example for objective-emotional advertisement is the using of testimonials (advertising with VIPs) by combining personal statements and emotion with information. Requirements for this “technique” are well known persons and an authentic fit of product and VIP, e.g. in Germany a well known TV weather forecast actor was asked to advertise for eco-insulation materials for houses.

Further examples for more emotional communication is the use of pictures, which show e.g. relaxing atmosphere, beautiful landscape or love of life. In the past, advertisement for sustainable products was often boring and colourless. One motivation was to avoid colour prints because of environmental reasons. But when colour is set aside, it will be difficult to evoke emotions, or it requires excellent advertisement design skills and the use of very emotional photographs etc. By using emotional advertisement for sustainable products, the common expectation that environmental behaviour is colourless, without humour, related to abandonment, and very serious is disproved.

In the last years more and more sustainable advertisement is humorous and emotional (Katz 1998). In this case it is also important to address the target group with their specific sense of humour.

How to design a suitable advertisement for sustainable offers

Strategic steps for designing sustainable communication are:

> Analysis of the environmental and social benefit of the new product/ offer.
> Translation of product benefits into customer benefits, e.g. cost saving, health, wellness, tradition (supporting local companies), image, innovation, fun, individual/customized solutions.
> Choosing the right and sustainable channels to reach
the consumers (magazines, TV/Radio shows, shops, internet)

> Designing the suitable advertisement in line with the target group values and the qualities of the offer.

**Helpbox 4: Sustainability in advertisement**

> **Efficiency:** Advertisement should be efficient, and that is not just related to the use of paper or colour. Advertisement should be designed so that the specific target groups are reached efficiently and effectively.

> **Aesthetics:** Environmental pollution can also be caused by advertisement. Too much, too loud, too flashy advertisement should be avoided. Otherwise, our senses are overloaded by too much information and impressions. Search for interesting, adequate and unconventional but highly aesthetic ways to address your target groups.

> **Information:** Generally the question should be asked, how much information about environmental and social aspects a customer wants to have. Maybe he prefers to delegate the environmental and social responsibilities to the company and does not like to be bothered at all. Maybe he is very much interested in environmental technology, maybe in health aspects, etc. If environmental and social aspects are integrated in external communication, it should be done honestly, it should pick the customers up “where they are” and offer new interesting knowledge, and it should definitely not be moralistic and threatening.

> **Credibility/Authenticity:** Advertisement must fit to the company’s philosophy and offers. “To be” is more important than “to look like”. Responsible advertisement printed on shiny very environmentally unfriendly paper does not work. Nice green advertisement campaigns, when the production is done by children in Indonesia will fail. Nike, Shell and other companies had to make that painful experience. If the image is damaged once it costs a lot of activities and money to repair it.

**Check 4: Responsible Advertisement**

Please work through the following questions to design responsible advertisement strategies.

**FURTHER MEASURES FOR EXTERNAL COMMUNICATION**

Beside of advertisement there are more possibilities for external communication.

Possible other measures that are especially interesting for responsible communication are:

**MODEL A**

**Assumption:**

- supply right now
- customer known, regular clientele present

**Goal:**

- expand clientele
- secure success

---

**Check: regular customers kept?**

new customers won?

---

Success on the market

---

Adapt the offer and marketing/communication to the existing/new customers

**FIGURE 5.**
MODEL B

Assumption:
- a new offer will be developed
- target groups unknown

Goal:
- win new customers
- gain new/ additional success

Building database of customers;
Expanding clientele,
Check and secure success (s. Modell A),
or

Market success

Justify offer and develop marketing/ communication according to identified target group

FIGURE 6

> use suitable and innovative ways for market communication, e.g. Internet
> develop also strategies for customer relationship management, e.g. the green customer club
> publish eco-product declaration or corporate social responsibility declarations
> use eco-labels, e.g. the German Blue Angel, the European Eco Label etc.

4. HOW TO INTEGRATE RESPONSIBLE COMMUNICATION INTO DAILY COMPANY PRACTICE

SYSTEMATIC STRATEGY TO COMBINE TARGET GROUP, OFFER AND MARKETING/COMMUNICATION

Here we describe the successful linking of target group analysis, development of the supply range, generating concepts of distribution and communication / advertisement. Two starting points are possible:

> Model A: the company is already putting its offer to the market and has regular clients. It wants to expand its target group to enlarge or assure success on the market.
> Model B: the company wants to introduce a new product or service to the market but is not sure about the target group.

Both strategies are demonstrated in the following.

If you follow these schemes you will organise a kind of plan-do-check-act cycle with which companies are able to organise a continuous improvement process.

Integrating responsible communication regularly in a company requires to include all the steps describe in module F. However, below we summarize the most important activities that have to be carried out on a day-by-day basis.

The most important permanent activities for successful responsible communication

> Be careful to ask the right questions in market research that also include information about environmental and social interest of the potential target groups.
> Take care that internal communication between the marketing, product/ service development and communication departments/ experts works well (see also module F on D4S management). So that the information
about the needs of the target groups are integrated into the specifications for product/service development and design.

> Furthermore the input from design and development about specific eco and social benefits of the offer has to be fed back to marketing or communication (the people who plan the external communication).
> Essential in communication is to translate the positive environmental and social qualities of the offer into positive and valuable arguments for customers (the people who plan the external communication)
> Design suitable communication means and content
> Control success of external communication

**D. BEST PRACTICES/CASES AND EXAMPLES**

**Responsible external communication activities by producers and retailers**

**RICOH**

See
www.ricoh.com/environment/global/advertisement/page_01.html

**Slogan:**
Ricoh handles every colour of the rainbow. But we’re especially partial to green.

**Hess Natur**

**Environmental communication and marketing at the German company Hess Naturtextilien GmbH**

This medium-sized company sells natural clothing bearing the label ‘hess natur’ via a mail-order catalogue. In its catalogue the company points out the health-related and ecological advantages of its products. Each article of clothing in the catalogue describes the origin and processing method, and the use of chemicals, etc. In addition, the catalogue provides background information on the company’s ecological innovation projects and tips for environmentally benign textile care.

**Manufactum**

This sustainable catalogue retailer advertises mainly in its catalogue and on the internet site. The catalogue tells

a story about all its products, the origin and the way of (often handicraft) production. That makes the goods very authentic and valuable for the customers.
Slogan:
“The still exist, the good old products”

External communication activities by NGOs

ADBUSTERS
See http://adbusters.org/home/
This internet site offers a platform for people, who are annoyed by advertisement and multi-national companies that try to rule the world, and like to act against it.

The imug company test:
See www.unternehmenstest.de/en/
The imug-Institut für Markt-Umwelt-Gesellschaft e.V., Hanover, has worked since 1992 on the content and implementation of socio-environmental company tests. The results of the investigations into the socio-environmental behaviour of companies can be used in the consumer information field (purchasing behaviour) as well as a basis for ethical financial investment (investor behaviour).

The company test analyses the problematic area of socially and environmentally orientated corporate performance and reporting. It is an instrument with which companies can be independently analysed and evaluated on the basis of specific criteria in an unsolicited manner to determine the extent to which they behave in a socially and environmentally responsible way in certain selected areas (socio-environmental company test). The collected information is published in summary form and is therefore available to interested parties as a decision-making aid.

ANNEX

SOURCES: LITERATURE AND
ISO 14063 Environmental Communication (publication expected end of 2004, source www.globalreporting.org/about/iso/iso14063.asp)
Niedergesäß, U.; Winkler, S.: Marketing für ökologisches Bauen und Wohnen, in Elektrizitätswirtschaft, 100. Jg (2001), Heft Nr. 6, p. 48-54, 2001
Sinus - TodW Intermedia, BAC Burda Advertising Center GmbH [publi]. Die Sinus Milieu in Deutschland, Strategische Marketing- und Mediplanung mit der Typologie der Wünsche intermedia, Offenburg, 2002

Marketing and Advertisement (Websites):

WEBITES

Hutterer, P.; Lindemann, U.: Auf die Praxis abgestimmt - Mit geringem Aufwand können kleine und mittlere Unternehmen direkten Nutzen
www.bau-marketing.de/neu/trend
www.wedco.de

Target Groups (Website)
www.sinus-milieu.de
www.sociovision.com