

Overcoming the Sustainability Marketing Conundrum

Source: Organic Monitor

One of the most difficult decisions a company can make is how to market its products on sustainable values. Overemphasis on ethical & ecological credentials can lead to detailed corporate scrutiny and accusations of greenwashing. At the same time, not responding to consumer demand for sustainable products can lead to product withdrawal and business failure. Where should companies draw the line between legitimate marketing and greenwashing? The upcoming Sustainable Cosmetics Summit aims to share some insights into this new marketing conundrum.

Darrin C. Duber-Smith, green marketing guru and recipient of the 2009 Wall Street Journal Distinguished Professor Award, believes companies need to take a holistic approach to sustainability. He believes the days of choosing options from a 'green buffet' are over as consumers becoming increasingly knowledgeable about social and ecological issues. Furthermore, growing pressure from supply chain partners and competitors as well as legislative changes have raised the sustainability bar.

He states transparency and clear communications hold the key for a successful green marketing strategy. Being honest and diligent not only fosters customer loyalty, these qualities also breed a 'feel good' culture within organisations. Whereas, exaggerated product claims, misleading communications and half-hearted attempts at social responsibility & ecological stewardship turn off consumers and increase business exposure.

The subject of sustainability marketing is highly pertinent in the North American natural personal care industry. Accusations of misleading product labelling and false marketing have resulted in a number of high-profile law suits involving the USDA, certification agencies, consumer groups and brand owners. Research by Organic Monitor finds a major reason is the low adoption rate of private standards for natural & organic personal care products. Less than 5% of these products in North America are certified, compared to two-thirds in Europe. In countries such as France, over 75% of natural & organic personal care products are certified.

The absence of seals & logos on natural personal care products makes American consumers more dependent on product claims and marketing communications when selecting products. The problem is such claims and marketing messages are not always accurate, thus the series of lawsuits.

Duber-Smith states natural personal care companies should be more forthcoming with information on their product labels. By specifying the precise organic ingredients and percentage of total ingredients on product packaging, consumer trust can be strengthened.

Apart from greater transparency, sustainability audits are encouraged. A sustainability audit should not just look at raw materials (ingredients), but other aspects such as energy & water usage, waste disposal, biodiversity impact, social partnerships and distribution. Setting targets and continuous improvements are believed to be the way forward.

Duber-Smith will give a seminar on Green Marketing Challenges at the Sustainable Cosmetics Summit in which he will examine the major challenges companies face when marketing sustainability products. He will guide companies through the pitfalls of green marketing and give future prognostications. Case studies will be given of companies that are successfully meeting

the ecological and social challenges.

Organized by Organic Monitor, the aim of the Sustainable Cosmetics Summit is to encourage sustainability in the beauty industry by debating key issues concerning sustainability, natural, organic, fair trade and ecological products. The North American edition of the summit takes place at Grand Hyatt Hotel, New York on March 24-26th. More information is available from www.sustainablecosmeticssummit.com