GREEN MARKETING

Incorporating Green Marketing into a Wood Products Company’s Marketing Strategy
Green Marketing

- Green Marketing – what is it?
- Who Makes Up the Green Market?
- Characteristics of Green Products
- The Green Building Movement and What it Reveals About Green Market Thinking
- Understanding What is Considered to be Green
- Serving the Green Market/ Developing a Green Brand
What is Green Marketing?
Green Marketing involves the same steps as when marketing anything else.

Selling green must make business sense, and the same rules that apply to evaluation of markets and market potential apply here as well.
Who Makes Up the Green Market?
Who Makes Up the Green Market?

- Consumers
- Businesses
- Homebuyers/homeowners
- Architects
- Government agencies
- Builders
- Remodelers
Green Consumers:

- 2-6% “Extreme Green”
- 8-12% “Cultural Creatives” or Similar
- 15-25% Green aware (and growing)
- 25-50% Avoid risky materials
- Balance - Aren’t involved
With respect to interest in green products, a generational shift appears to be underway.
Three Key Generations of Consumers!

**Baby Boomers**
Born: 1945-1964

Major Events:
- Vietnam War
- Civil Rights Movement
- Television

*Children of the G.I. Generation*
Births increased from 2.6 M to 3.9 M per year

**Generation X**
Born: 1965-1976

Major Events:
- Watergate
- Oil Crisis
- Cable television

*Children of the Silent Generation*
Births decreased to 3.4 M per year

**Millennials**
Born: 1977-1996

Major Events:
- Clinton Impeached
- 9/11
- The Internet

*Children of the Baby Boomer Generation*
Births increase to 3.8 M per year

Source: NY Times - July 24, 2009
# Purchase Drivers by Generation

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Younger Generations Increasingly Concerned With Environment!

Slowly, but surely…

The environmental problems we face today demand immediate corrective action*

(8-10 on 10-pt. scale where 10 is "strongly agree" and 1 is "strongly disagree")

Source: Yankelovich Perspective Going Green 2, September 2008

*Source: Yankelovich/Futures Company - Sept 2008
Characteristics of Green Products
What is considered green by those making up the green market is in many ways reflected in provisions of current green building programs.
The Green Building Movement and What it Reveals About Green Market Thinking
There are currently at least **84** green building programs operating in the United States.
Green Building Programs in the United States

+ 3 national programs
Understanding What is Considered to be Green
Green Building Standards Focus On:

- **Materials efficiency**
  - Energy efficiency
  - Wood product certification
  - Product durability
  - Biodegradability
  - Renewable, natural products
  - Products made of rapidly renewable materials
  - Products with recycled content
  - Reusable, reused products
Green Building Standards Focus On:

- **Materials efficiency**
  - Low impact materials (to air and water quality, biodiversity, landscape impacts; carbon neutral)
  - Locally produced products
Green Building Standards Focus On:

- **Occupant safety and health**
  - Low emitting products (adhesives, sealants, paints, coatings, flooring materials, panels)
  - Products containing low or no added formaldehyde
Of the 84 green building programs operating in the United States:

- Over 95% reward use of certified wood.
- Virtually all reward use of recycled content, low or no VOC, and local products.
- Identification of product attributes based on life cycle assessment is increasing in importance.
Green Product Attributes Identified in Green Building Programs Include:

- “Natural”
- Sustainable
- Durable/long-lasting
- Biodegradable
- Energy efficient
- Safe/healthy
- Low impact (landscape, air and water quality, biodiversity, . . .)
- Local
- Verifiable
Green building is well established in export markets.
Green Markets Beyond Green Building
Consider certified product opportunities
Certified Lumber
Certified Furniture, Interior Trim
Certified Pallets
Certified Mulch
Certified Biomass for Energy
Certified Gin
(from juniper berries from a certified forest)
Developing a Green Brand/ Becoming a Green Company
Using Green to Increase Sales

- Develop green products

- Develop green image/
become a green company

- Do both
Becoming a Green Company
Becoming green is more than printing brochures. It means:

- Determining environmental and social burdens.
- Assessing green product/company attributes
- Brainstorming possibilities for doing more
- Identifying what you are willing to commit to as a company
- Creating a plan, identifying champions
Employ the Same Process as Used for Any Marketing Initiative
Developing a Green Brand
Determining a Green Focus

- **Extreme Green?** - Market as a green company; everything you do is green.

- **Cultural Creatives?/ Green Aware?** - Perhaps same as above or develop specific green product line and green image and gear targeted marketing to green.

- **Want to serve those who Avoid Risky Products?** - Focus on product safety, air and water quality regs.
Determining a Green Focus

- Serve green building market.
- Business as usual
Partnering With Like-Minded Businesses
Seek Companies with...

- Green Culture (e.g. Ben & Jerry’s)
- Social Responsibility & Sustainability Programs (e.g. Caribou Coffee)
- Collaborative Programs with environmental initiatives (e.g. UN Global Compact, Business Council for Sustainable Development, ISO)
They May Become Customers - or Product Suppliers or....
Serving the Green Market
What Green Customers Are Looking For

What any customer looks for:
- Benefits
- Value
- Assistance in solving problems
- Product knowledge
- Product quality and reliability
- Verification of claims
Serving the Green Market

- Get in touch with the green market
- Understand your products, your competitor’s products; know more than your customers.
- Develop a green reputation/ develop a green brand
Serving the Green Market – an Example in Certified Wood
Selling Certified Wood

- Understand the product
- Know differences between competing products
- Be able to articulate benefits
- Develop capacity to deliver significant volume
- Become COC certified
Green building and green certification are clear green market opportunities!

But there are also likely opportunities related to the inherent environmental characteristics of wood.
For instance:

Knowing a bit about what the Green Consumer is looking for, as well as the environmental attributes of wood, provides clues to green product development and marketing.
Wood is a renewable product produced using solar energy.
Wood also stores vast quantities of carbon.
Wood is one-half carbon by weight.
And, it takes little additional energy to convert wood into useful products.
Wood

- Renewable
- Produced using solar energy
- A carbon storehouse
- Low impact
- Recyclable
- Reusable
Wood

- Durable
- Strong
- Lightweight
- Flexible
- Versatile
- Beautiful
Summary
The green movement appears to be here to stay.

Green customers are looking for answers.

There are many options and approaches to addressing the green marketplace.

In order to serve the green market and profit from the growing green building movement it will be necessary to understand green requirements, green products.

Understanding yourself and your company is a great first step.
For More Information & Help:

http://www.dovetailinc.org/content/dovetail-reports-certification

Chain of Custody Certification: What is it, why do it, and how?

FSC Controlled Wood Standard: What It Is and What It’s For
For More Information & Help:

- Jeffrey Howe, 651-261-6391
  jeff@dovetailinc.org
- Jim Bowyer, 651-490-7688
  jimbowyer@comcast.net
- Steve Bratkovich, 651-638-9135
  sbratkovich@comcast.net