

# Ecological Marketing, Green Marketing, Sustainable Marketing: Synonyms or an Evolution of Ideas?

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## Summary:

The present paper aims to analyze the inception, development and link between the terms eco-marketing, green marketing and sustainable marketing. The research encompasses scientific research papers treating marketing's influence on the environment, as well as theoretic publications on the topic. The research topic is the evolution of marketing thinking from the point of view of marketing influences on the ecological balance on the earth. This paper is an attempt to prove the assumption that the ecological evolution of marketing has gone through four stages: (1) embryonic stage (pre-1974); (2) ecological marketing (1975-1989); (3) "green" marketing (1990-2000); (4) sustainable marketing (post-2000).

**Key words:** marketing evolution, ecological marketing, green marketing, sustainable marketing

**JEL Classification:** M30, M31, Q01, Q50

## 1. Introduction

Nowadays a tendency is evident for changing marketing practices with regard to environmental protection. The tendency has developed largely as a result of a peculiar consumers' pressure (especially in countries with developed civil societies). In principle, corporate and especially marketing managers see consumer choice as a process in which customers make a decision for a purchase on the basis of functional (Marketing 1.0 – Kotler) and emotional (Marketing 2.0 – Kotler) criteria. However, it should be taken into account that some of modern-day customers (which are increasing in number) are already taking into account a third criterion which can be referred to as socio-ecological (Marketing 2.0 – Kotler).

Today's customers have new perceptions, concerns and doubts that inevitably impact their consumer choice. In the course of time consumers are becoming ever more concerned about questions such as finding and keeping a job, or the possible increase of traffic jams. Furthermore, they are increasingly

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worried about whether air and water pollution will continue, whether or not companies produce without polluting the environment, whether or not foods contain harmful ingredients (GMOs, preservatives, etc.), and other issues at stake.

Research in this field shows that "more and more consumers would rather buy goods and services from companies that are concerned for the environment, which is why company managers and owners have to add the ecological vector to the administration." (Kotler., P, 2011, p. 132–135). Over the past few decades several marketing concepts have emerged and gained popularity. They pertain to environmental protection, production of ecologically clean products, the preservation of the planet's natural resources, and other topical questions. Since the mid-1970s, both scientific literature and everyday journalism have used such terms as eco-marketing (ecological marketing), stable marketing, "green" marketing and others of the kind. Specialized scientific literature contains (especially in the last two decades) an abundance of papers dedicated to the relation between marketing and man's physical environment. Yet marketing has often been singled out as the major factor for the negative impact that the production of goods and services has on the environment. Nevertheless, a number of researchers see marketing as a tool to avert real and potential ecological disasters. "Green" marketing is the most popular concept used in scientific and other literature to define the marketing activities pertaining to the reduction

of the negative social and ecological effects of the present systems of production, distribution, marketing and communication. Along with "green" marketing, other similar concepts such as ecological marketing, environmental marketing, sustainable marketing, are also launched. The present study was originally an attempt to clarify the nature of the aforementioned concepts and to determine the extent to which they express different ideas or else, overlap in meaning. Ultimately, after studying the evolution of marketing thought in this context, it was established that these concepts not only express different ideas, but also refer to different periods in the development of marketing though on the question of sustainability.

**This piece of research** aims to study the inception, development and link between the terms eco-marketing, green marketing and sustainable marketing. **The research** encompasses scientific papers dedicated to issues of marketing's impact on the environment, as well as fundamentally theoretical publications on the issue. **The research topic** is the evolution of marketing thought from the perspective of how marketing influences the planet's ecological balance. **The assumption** is made, and an attempt to prove it, that the ecological evolution of marketing has gone through four stages: (1) embryo stage (pre-1974); (2) ecological marketing (1975-1989); (3) "green" marketing (1990-2000); (4) sustainable marketing (post-2000). The history research method and the **content analysis method** (an analysis of the contents of scientific

publications on the issue) have been applied.

## 2. Concerning the terms ecology and ecological marketing

When it comes to the inception of the science of ecology, some basic ideas are implicitly found in the works of Plato and Aristotle, more specifically in their reflections on the processes of population growth and development, and especially on the effect that population growth has on the environment's structure and endurance.

Ecology as a modern-day science, however, arises in the late XIX Century. During that time, processes occur in economically advanced countries from Western Europe and especially the United States that involve urbanization, industrialization and public development. An increase is observed in the level of education and concern for health care and well-being. Also during that period, Darwin's theory gains popularity, natural sciences undergo a tremendous development and interest in social sciences becomes increasingly tangible. It is considered that the concept "ecology" itself was created by the German zoologist Earnest Haeckel who holds the view that "human individuals are the result of the interaction between two forces – heredity and the environment". In 1873 he suggests that this new science be named "oekologie", which is derived from the Greek word "oik", meaning "home", "a place of inhabitation". It is interesting to note that the term

economics is also derived from "oik" – "oikonomiks", and can be translated as "management of the household/home". The ecological perspective is evident when defining the so-called "home/family economics". The definition of "home economics" given to it by the American Home Economics Association<sup>2</sup> in 1902 reads:

*"Home economics, in its most common meaning is a study of the laws, conditions, principles and ideas that involve the immediate physical environment of an individual on one hand, and his social nature on the other. In the end, "home economics" studies the interactions between these two factors."*

What is interesting about this is that the meaning of the link between the business and the environment is explicitly formed over 100 years ago. It seems that state representatives of power, business managers and a large portion of everyone else have neglected, misunderstood or forgotten the relationships between human activity and nature over the next 60 years, only to reach sobering ecological crises and a kind of reminder from Mother Nature on man's dependence on all his surroundings and all living organisms on the planet.

It is precisely in the 1960s that science thought matures when it comes to the necessity of employing the systematic approach when studying human activity, especially the links between this activity and nature. Interest in the effect that marketing has on its surroundings also dates back

<sup>2</sup> The present name of the association is American Association of Family and Consumer Sciences (AAFCS), see: <http://www.aafcs.org>. (Accessed November, 15<sup>th</sup>, 2015)

to this period. Since the 1960s and 1970s there has been growing interest and research in the field of ecological marketing. Amid this boom of scientific inquiries, books and articles on the topic are published, though in terms of concepts and notions the use of many similar terms has been observed – ecological marketing, or eco-marketing; green marketing; environmental marketing; sustainable marketing or sustainability marketing, and other terms. It is therefore logical that the question should arise as to whether there is a conflict of concepts or else, a typology and systematization of these concepts could be sought? To answer this question, we have traced the historical development of scientific thought with regard to the marketing-environment link. The following paragraphs present the result of this scientific search.

### **3. The Ecological Paradigm in Marketing – Inception and Stages of Development**

Ken Peattie studies the evolution of the concept of green marketing, which in his opinion goes through three stages: (1) ecological stage (which is characterized by closely defined problems such as air pollution, oil spills, harming the environment with pesticides/herbicides, etc.); (2) environmental marketing (which is characterized by more widely defined initiatives whose aim is to reduce environmental damage as well as to turn these green initiatives into competitive advantages; (3) sustainability stage, which involves more serious and radical changes in the way of marketing thinking and

marketing practices with the purpose of completely overcoming the negative environmental effects of production and consumption and building a sustainable policy. Peattie's research has undeniable merits, and he has evidently captured the tendency for thought development with regard to the ecological aspects of marketing. However, he dates the beginning of the ecological line of marketing back to the 1970s. Our analysis, however, has shown that marketing theory affected the ecological line long before the 1970s. In this regard, we offer an additional specification on the development stages of the ecological line in marketing theory. It is necessary to strongly suggest that we do not completely reject the periodization offered by Petty; we are adding new stages, and it develops further from the perspective of additional scientific theories and assumptions, publications and trends.

#### ***3.1. Embryonic stage of ecological marketing development***

The debate about the ecological aspect of marketing activity was launched in the late 1950s, and in the early 1960s by Wroe Alderson. Using the systematic approach, Alderson analyzes the interaction between the marketing system, society and the environment. This is one of the first serious attempts at defining the concept of marketing in terms of the impact marketing activities have on the environment.

Surveys of this type pick up pace and by the end of the 1960s, and especially in the early 1970s the issue of the ecological debate in the

context of marketing was raised more frequently (Cracco, Rostenne, 1974 p. 27-34; Cravens, 1974, pp. 79–85; Fisk, 1973, pp.24-31; Kangun, 1974; Kotler, Levy, 1971, pp. 74-80). By the mid-70s it is already clear that ecological orientation is a significant paradigm in marketing and it starts playing a more important role in marketing thinking.

### 3.2. Ecological marketing

In 1975 Karl Henion and Thomas Kinneer publish the signature book *Ecological Marketing* (Henion, K., Kinneer, T., Ecological Marketing, American Marketing Association) which is the first to offer a definition of the term "ecological marketing". According to this definition, "ecological marketing encompasses all marketing activities that are (a) aimed at removing the consequences of already existing ecological problems?" This work can be viewed as a result of the increased attention and concern (which gained momentum in the 1960s) of part of the academic world about environmental problems. According to Peattie, Henion and Kinneer's book raises the issue of ecological balance from the viewpoint of marketing and it is one of the first works (Fisk, G., 1974) in this field that mark the birth of at least a whole new direction of marketing development. However, the fact of the matter is that this work is not the first to be dedicated to the link between marketing and environmental problems. One year prior to Henion and Kinneer's book (1975), George Fisk's "Marketing and the Ecological Crisis" was published in 1974. In spite of all these details, it can be said that in the mid-1970s the second period of the ecological

marketing paradigm development is jump-started, which can also be called **the ecological marketing period**. The works from this period are dedicated to the link between marketing and different ecological problems and on the whole, the term "**ecological marketing**" is recognized; it becomes widely accepted approximately by the mid-1980s. One characteristic of the ecological marketing paradigm development during the studied time period is a relatively *narrow focus* on environmental issues such as oil spills, air pollution, oil field depletion, damaging the ecosystem through the use of pesticides and herbicides, etc. Another characteristic of this period is a tendency for *identifying certain products and companies that either cause ecological problems or can help solve them*. It can also be said that at this stage the ecological conception in marketing is shared by a very *narrow circle of companies and consumers*.

The consequences of the emergence of ecological orientation for marketing at that time can be sought primarily in changes to the legal regulation. For the decision-makers in the field of marketing in this period, meeting the so-called ecological requirements is done with the help of company lawyers and engineers. They are the ones who are relied on to introduce company products and activities in accordance with legal regulations. Companies' adaptation to new ecological requirements is realized mainly through improvements in the production processes, whose purpose is to decrease (or at least not to increase) pollution. Obviously

it is about subsequent (meaning inconclusive and at the very end of the production process) engineer decisions, not primary ones. It can be said that even the most ecologically avant-garde companies from this period view ecological regulations primarily as additional limitations that increase costs. A typical example for a technical decision of the consequent type is the addition of catalysts to automobiles, which does not improve the engines themselves (fuel cost and harmful emissions quantity), but instead an effort is made to decrease emissions by adding a catalyst at the very end of the production process. The decisions concerning environmental protection and improvement in this period are enforced by the legal requirements and on the whole they lead to an increase in prices. However, a handful of firms can be found that fully embrace the ecological orientation, which becomes central for them. Among them are: 3M, Body Shop, and others, which become a standard for ecologically responsible companies (Peattie, 2001, pp. 129-146).

### 3.3. Green Marketing

The next phase in the development of ecological marketing begins in the late 1980s. Both the environment's and man's vulnerability are brought to the world community's attention after a series of ecological disasters, among which are: the tragedy in the Indian town Bhopal (1984), the emergence of the ozone layer (1985), the Chernobyl Disaster (1986), the Exxon Valdez oil spill (1989), etc. The media coverage of these events opens

many people's eyes to environmental problems, which become the top subject of discussion. In Europe (mostly Western) and the U.S. a "green" consumers' wave emerges with demands for ecologically clean products, pollution-free production technologies, preferences for "green" political parties (which are concerned with protecting the environment and people's health). The companies and the political parties quickly find their footing and ride this green wave. Important concepts (Peattie, 2001) about the link between economic activity and the environment are formed.

**First** is the concept of **sustainable development**. The term appears for the first time in 1987 in a Report by the World Commission on Environment and Development titled "Our Common Future", also known as the Brundtland Report. This report defines the term "sustainable development" as "that type of development, where the needs of the present generation are satisfied, but not at the expense of satisfying the needs of future generations." Sustainable development includes the idea of a careful and well thought out use of renewable natural resources where the rate of their consumption coincides with the rate of their recovery. The rate of non-renewable natural resources consumption has to coincide with humanity's ability to restore them. When it comes to waste that comes from the production and consumption of goods and services, the concept of sustainable development includes the idea that environmental pollution must not be greater than nature's ability to absorb and cleanse

waste materials. The concept of sustainable development has a great significance because it practically puts *the systematic approach in regard to environmental, societal and economic problems* on the agenda. This is actually a realization of the interrelations between these three systems. Up until this moment, the real (apart from academic-theoretical discussions) attitude towards them has been linked to the understanding that the development of one of these systems is at the expense of another (for example, environmental protection has an adverse effect on economic development). The concept of sustainable development raises the issue of the balanced functioning of all three aforementioned systems. Aside from that, the idea is brought to the forefront that the governments, companies and associations (civil organizations, NGOs, etc.) for environmental protection could find a common understanding for the development of economy and human society in a preserved natural environment. An important consequence of putting the necessity for sustainable development on the agenda is facing the truth that environmental problems are due to *unsustainable production and consumption systems*. The concept of sustainable development echoes wide across the world and at least "on paper" it is accepted as *an important strategic goal* by most governments and large companies.

**Second, the concept of waste-free technologies** should be mentioned. During this stage of ecological/green marketing development a

transition is observed from partial measures, which are expressed in attempts for correction after the end of the production process (automobile catalysts, for example), to the incorporation of new production systems and innovative products (designing engines with a drastically reduced fuel exhaust instead of relying solely on catalysts; a transition to ecologically clean energy sources, etc.).

**Third**, it is necessary to point out the emergence of a new type of consumers, whose behavior is different. These are the so-called **"green consumers"** who demonstrate consumer behavior that is uncharacteristic of the period before the mid-to-late 1980s. By 1988 a few types of green consumers were already identified based on avoiding the purchase of products that: pose a potential health hazard; significantly endanger the environment; consume a large portion of natural resources that do not coincide with their benefits; lead to big waste accumulation because of wrappers, additional characteristics or a short use cycle (often one-time); require raw materials and materials from endangered species and regions; involve animal cruelty; have a negative influence on other countries and societies across the globe.

**Fourth**, the emergence of **the concept of eco-performance** should be noted, according to which competing products and companies are differentiated on the basis of the ecological dimension. In other words, competing products and companies have different levels of eco-performance. In this context, a

substantial difference is observed from the previous development phase of ecological marketing, which is a typical drive for reducing the production and consumption of certain products (for example, toxic pesticides) and/or imposing new eco-products (for example, recycled paper). The concept of eco-performance brings to the forefront the total impact that the entire company has on society and the environment, including all its products and production systems.

*Fifth*, the concept of **ecological quality** has to be mentioned. During the green marketing period, the requirements towards the companies with regard to environmental preservation grow significantly. It is no longer sufficient for one company to implement partial measures for environmental protection – for example, part of its production being ecological, while another not being such; or for one unit of the firm to introduce ecologically clean products, while other units pollute the environment. Ecological thinking during this period rises to a higher level and more and more business managers start viewing the enterprises under their management as physical and social systems, and tracing and analyzing the interrelations between the enterprise, the environment and society. A typical characteristic of managers' thinking from the period is searching for ways to combine existing quality management systems with the ecological imperatives at the time. The term "Total Quality Environmental Management" has even been coined, which is a sign of the realization of

the role that these two elements have (quality management on one hand and environmental protection on the other) and the adoption of systematic thinking with respect to the production and marketing activities of the company. Eventually, in 1996 new international standards (ISO 1400) were developed in regard to the organizations' environmental management system.

**Marketing thinking during the green marketing stage** changes significantly. If the previous stage (ecological marketing) focused on the branches that directly influenced the environment's ecological status (petroleum industry, coal mining, chemical industry, etc.), the green marketing stage expands the perimeter of branches and fields in which decisions regarding the environment become important. The consequences of raising the issue of sustainable development with respect to marketing thinking lead to widening the range of environmental discussions. The following issues are included within this range: the extinction of plant and animal species; the destruction of specific ecosystems; poverty in developing countries, etc. The green wave in marketing thinking widens its range with respect to all household products such as cleaning supplies, white technology, furniture, etc., as well as financial services and tourism. Along with widening the product range of the ecological concept, its scientific development was also observed. During the green marketing period, this development flows in the direction of a more serious acceptance of the systematic approach in marketing,



which is expressed through the fact that the enterprise is increasingly viewed as a system, which, along the line of mutual determination connections, is linked with other systems (nature, society, etc.). This is precisely what constitutes one of the most significant differences between ecological marketing and green marketing – the concept of ecological marketing is focused on the physical consequences of the enterprise's functioning, while the concept of green marketing highlights the systematic nature of the enterprise. In other words, business is no longer viewed as just a "chain of delivery" that transforms inputs into outputs but as a system that also generates additional outflows (of pollution and waste).

The green marketing period from the late 1980s to the late 1990s is characterized in terms of the following special features: (1) adopting a more global perspective on marketing management that takes into account fundamental factors such as global warming, climate changes, ozone layer reduction, etc.; (2) increased consumer (and investor) interest in products and services which are in harmony with the environment, which results in the emergence of new entrepreneurial initiatives like ecotourism, green investment funds, etc.; (3) revealing new dimensions of marketing communication, whose messages shift the focus towards the environment – more frequently ads start placing emphasis on product characteristics such as "biodegradable contents", "sulfate-free", "nitrate-free", "no preservatives", and many

others; (4) increased consumer interest in the way goods are produced (eggs from free chickens; cosmetic products that have not been tested on animals; biovegetables and biofruits; etc.), which becomes an important base for product differentiation; (5) designing a new type of wrapper from recycled material, which is environmentally friendly on one hand, and reduces production costs on the other; (6) increased significance and frequency of carrying out marketing research dedicated to ecological marketing issues (How do consumers perceive the firm from the viewpoint of its responsibility to protect the environment?; Where are raw materials delivered from and has their yield harmed the environment?; What is the profile of green consumers and what is their share in company sales?; What happens to the product after its life cycle has expired?; How much more are consumers of an ecologically clean product willing to pay?, etc.)

The idea of green marketing, or in other words, the dream of creating a new type of products (that is environmentally friendly, competitive from in terms of expenses and a level of quality that is not lower than existing non-ecological analogues) is a difficult task to achieve due to a number of reasons:

(1) **The difficulty of proving the eco-performance** of a product. Competition on the basis of ecological orientation usually proves difficult because the level of a product's ecological compatibility is difficult to illustrate. It is much easier to prove to consumers which

car is faster or more stable when turning than to prove which one is the most environmentally friendly. A typical example is single-use baby diapers, which have been declared to be extremely non-ecological compared to multiple-use diapers. There is a counter-thesis to that accusation, however. It is based on the analysis of the used energy, water, laundry detergents and transport, which ultimately decrease the eco-performance of multiple-use diapers.

- (2) **Corporate barriers for the green wave.** These barriers mostly involve companies' resistance to implementing the green marketing concept. Practice shows that the initial push for implementing that concept is strong and it encompasses some cost-reduction initiatives. The further implementation of the green concept faces such difficulties as "the corporate barrier".

### 3.4. Sustainable marketing

Green marketing undoubtedly affects marketing practices in the late 80s-late 90s period. And despite the acceptance (at least formally) of this idea by firms and companies, its practical implementation remains nevertheless difficult. In spite of the difficulties that the practical realization of the green concept faces in its entirety, marketing thinking still moves to a new level in the post-1990s period. This level (or this stage) involves accepting principles that move marketing even stronger in the direction of sustainable development.

The term sustainable marketing is created and the number of scientific publications on the subject grows. In 2000, Fuller gives the first definition of the term sustainable marketing, which defines it as "a process of planning, implementing and controlling the development, price-formation and distribution of a product in a way that guarantees adherence to the following three criteria: (1) satisfying consumer needs; (2) guaranteeing the achievement of the organization's goals; (3) the whole process being in harmony with the ecosystem" (Fuller, 2000). After 2000, the principles of sustainable marketing began to be formed and adopted, which include (Peattie, 2001, pp. 129-146): (1) Orientation toward the future – the sustainable marketing concept brings to the fore a comparison between the needs of the current generation and the needs of future generations; (2) Justice – today's social-economic order could hardly be called fair because the price and benefits of industrialization are not equally spread among the people; (3) Emphasis on needs, not necessities (wants). The marketing theory teaches that marketing satisfies both needs and wants, but the majority of marketing activities is aimed at satisfying the necessities, not the needs. About 4/5 of the population have an income that allows it to stock up on first-need goods (food, water, etc.), which means that these people's expenses are entirely aimed at satisfying their basic needs. For this reason, sustainable marketing is mostly aimed at satisfying consumers' needs.

### Conclusion

The article studies the origin and development of the ecological marketing concept. Based on the study of publications on the subject, four stages of development have stood out: (1) embryo stage (pre-1974); (2) ecological marketing (1975-1989); (3) green marketing (1990-2000); (4) sustainable marketing (post-2000). *The first stage*, or the so-called embryo stage, is the result of the systematic thinking of some marketing scientists in the late 50s-early70s period. *The second stage*, which is called the ecological marketing stage, is mostly characterized by combating the consequences of environmentally harmful production and marketing activities. Decisions are sought in the field of legal company defense and in technology, but mostly as technological additions and innovations to an already manufactured (in the old way) product. Scientific articles, books and study programs from this period contain the term "ecological marketing". *The third stage* of the development of marketing thinking involves the so-called "green marketing", which stands out from the previous one by focusing on the branches that directly affect the environment's ecological status (petroleum industry, coal mining, chemical industry, etc.) The range of branches and fields in which the decisions regarding the environment become important is widened. Issues that involve the extinction of plant and animal species, the destruction of specific ecosystems, poverty in developing countries, etc. become topical for marketing. The green

wave in marketing thinking widens its range when it comes to all household products such as cleaning agents, white technology, furniture, etc.; the same goes for services. Along with widening the production range of the green concept, its scientific growth is also noticed. During the green marketing period this development aims for adopting the systematic approach in marketing, which is expressed in the viewpoint of the enterprise, which is increasingly perceived as a system that, along the lines of mutual determination, is linked to other systems (nature, society, etc.). *The fourth stage* of the "green wave" development in marketing involves the evolution of marketing thought in the direction of the so-called sustainable marketing, whose primary characteristics include: a strong orientation toward the future, justice and emphasis on the needs of the planet's population.

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