

University of Colorado Denver
Business School
MKTG 6830 Marketing & Global Sustainability ONLINE
Syllabus
Spring 2016

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I. COURSE DESCRIPTION

MKTG 6830: Marketing & Global Sustainability is an online graduate elective focusing on how companies around the world implement sustainable business practices, with an emphasis on marketing areas of interest. The class addresses such questions as: How do companies create and deliver sustainable new products and services? How does sustainability affect brand equity and value? What is the meaning behind the myriad of “green” labels? What is greenwashing and why do companies do it? How do companies implement sustainability to gain competitive advantage? Are there socially-conscious consumer segments and, if so, what are their profiles? How do companies implement sustainable supply chains? What are sustainable retail practices? Learning materials include textbook readings, business and academic articles, videos, and business case studies; examples of prior case studies include for-profit and not-for-profit companies such as Frog’s Leap and Torres Wineries, Facebook, Greenpeace, Product (RED), REI, Nike, Burt’s Bees, Brita, Clorox, Lighthouse Foods, and others .

This course is recommended for MS Managing for Sustainability (M4S), MS Marketing, MS International Business, and MBA students.

II. RECOMMENDED PRE-REQUISITES

Recommended (but not required) Prerequisite: BUSN 6560 Marketing Management. If it has been a while since you took BUSN 6560 Marketing Management, or if you are coming in to the course without any marketing background, you may want to keep a *Marketing Management* textbook on-hand as a reference. Any old version will do.

You are also expected to be able to conduct research and download articles using the Auraria Library databases. (Instructions are posted on Canvas.)

III. COURSE MATERIALS

A. Text: Martin, Diane and John Schouten (2012), *Sustainable Marketing*, Prentice Hall.

B. Articles: Articles can be downloaded full-text free-of-charge from the Auraria Library online databases (most are available within Google Scholar or Business Source Premier).

C. Cases: Download from Harvard Business School Publishing website, as described below:

- The link to access the Harvard Business School Publishing Education site for our class is: **Coursepack link: <https://cb.hbsp.harvard.edu/cbmp/import/ptos/44961624>**
- If you have not registered with the Harvard Business Education site previously, it will prompt you to do so. Once you have completed the brief registration process, you will be able to log in. Once logged in you will be able to access the cases that I have assigned for the course at the student discount price of \$3.95/each. There are 11 cases in our coursepack plus one Multi-Media case (Burt's Bees) at a price of \$8.00.
- For technical assistance, please contact Harvard Business Publishing Customer Service at 1-800-545-7685 or at custserv@hbsp.harvard.edu.

IV. COURSE OBJECTIVES

The objectives of the Marketing & Sustainability course are:

1. Expose graduate students to the benefits of sustainable business practices.
2. Introduce well-known state-of-the-art sustainable business models.
3. Examine the role of marketing in creating and managing sustainable businesses.
4. Examine sustainable business practices at the individual, small business, national, and international levels.
5. Examine sustainability in for-profit and not-for-profit businesses, including the role of NGOs and cause marketing.
6. Understand sustainable consumer behavior and market segments such as green consumers, socially-conscious consumers, LOHAS and cultural creatives. Understand sustainability initiatives in emerging and bottom-of-the-pyramid (BOP) markets.
7. Investigate various models for sustainable new product development and marketing, such as life-cycle analysis (LCA), biomimicry, and cradle-to-cradle (C2C) business models.
8. Investigate sustainable brand issues such as the role of sustainability in brand equity, green company rankings, and environmental labeling.
9. Examine successful sustainable communications strategies and campaigns as well as unsuccessful approaches such as greenwashing.
10. Examine sustainability in the supply chain, especially in retail channels.
11. Teach students to analyze marketing & sustainability problems, identify alternative solutions,

and defend implementable recommendations.

V. PEDAGOGY

Course objectives 1-10 will be met by reading Martin & Schouten's (2012) textbook, articles from high-quality business and academic journals, viewing relevant instructional videos, and through directed online activities and other assignments. Weekly short quizzes and online discussions are designed to help students stay on-course and confirm that you understand the material.

Course objective 11, the development of analytical and writing skills will be met through preparation of Harvard Business School (HBSP) cases, posts to case discussions, and other short assignments.

VI. EVALUATION OF LEARNING

Cases

Case studies are vehicles for honing analytical skills, applying the concepts and frameworks that were introduced in the readings to understand business situations, and learning about how companies implement sustainable business and marketing practices.

Case Write-Up

The first part of the learning process is the case write-up. This includes:

- read the case
- analyze the information contained in the exhibits, tables, figures, and text
- apply the appropriate models and frameworks to answer to all **assigned case questions**

The deliverable is a *four-or-five-page single-spaced (11 or 12 font) case analysis* that answers all questions in detail. The case questions may also refer to the week's reading materials. To help ensure that you receive credit for answering all questions completely, please use a "Q&A" format.

Case Questions are posted in each Module where a case study is assigned.

For full credit, you must submit the Case Write-Up on Canvas *before* each deadline (11:59 p.m. on Sunday evenings.) You may submit the case any time before the deadline. Grades will be posted on Canvas typically within one week after the deadline. ½ credit will awarded for cases submitted after, but within 48 hours of, the deadline. 0 credit will be awarded after 48 hours.

There are 11 case studies in Spring 2016. The lowest case grade will be dropped, so only 10 of the 11 cases write-ups need be submitted

Discussion Posts

The second part of the case learning process is discussion. There is rarely a single “right” answer for a case, though there may be better vs. worse solutions, just as there is rarely a single “right” marketing decision in actual practice, though here again, there may be better or worse alternatives. Understanding how others analyze the case and develop their solutions is a valuable process for expanding your own ability to develop multiple viable alternative solutions to marketing problems.

Hence, for each case – and for most Modules even without an assigned case -- you will be asked to post one or more comments to an online discussion forum. I will post a specific question or topic to address. Posts must be 100 words or less; a 50-word limit is even better. Higher points will be awarded to students who engage in back-and-forth post-and-response discussions, stay on topic, and add something *new and interesting* to the discussion (not just “I agree with Amy”).

You will not be able to see the discussion until after your first post. The purpose of that is to get a sense of how individuals, independently, are reacting to the case. Thus, it might take a second post to wow the audience with your unique viewpoint, especially if you post toward the end of the week.

I understand that you will not have time to lead off the discussion every week – nor should you, give someone else a chance! Just try to kick off a discussion, or jump in early, in those weeks when you have the time.

I will jump in occasionally with a correction or new information, but in general expect the class to do the heavy lifting to keep the discussion courteous, respectful, ethical, professional -- and lively!

During weeks without a case study, you will have an opportunity to post to a class discussion on the week’s topics.

The lowest Discussion grades will be dropped. so you may choose to post to only 13 of the 14 discussions. You may choose whatever mix of case or class discussions you prefer– that ‘s up to you. You may post to the Discussion at any time before the deadline but you may not post to a Discussion once it is closed (11:59 p.m. on Sunday evenings.) Typically, grades will be posted within one week after the deadline.

Quizzes

Quizzes: Most weeks there will be a short question multiple-choice and/or true-false quiz – usually about 10 questions. With the exception of Quiz#1, I have set the time restrictions so that you do not have time to look up every answer. So while you can have your books, articles, notes, etc. available, you will not have time to double-check more than a few of your answers.

With the exception of Quiz #1, you may take quizzes only once. Quizzes will close after the due date/time (11:59 p.m. on Sunday evenings.) You may take the quiz early, but there is no leeway or make-ups for late or missed quizzes. The **two** lowest quiz grades will be dropped. Correct answers for the quiz are made visible as soon as the quiz closes and remain visible for one week. Grades are visible as soon as your quiz is submitted.

Quizzes are intended to make sure everyone is keeping up. They are not intended to provide undue pressure and concern. Please contact me asap if you find a grading error, typo, or other problem with a quiz question. I have built-in leeway to account for the fact that graduate students typically think in a far more sophisticated manner than multiple choice quizzes can accommodate. Here's the plan: You need only score 80% to earn the full 10 'quiz points' on any given quiz. (This is assessed quiz-by-quiz, not an overall average.) Hopefully, this degree of leeway will account for "I read the question this way" or "I interpreted it that way." I know you did. The same thing happens to me when I take quizzes in MOOCs or other online environments. So, no discussions please unless you're regularly scoring less than 80%.

VII. GRADING POLICY

Case Write-Ups (10 out of 11 assignments)	100pts each	1000 points
Case or Class Discussions (13 out of 14)	10 pts each	130 points total
Quizzes (12 out of 14)	10 pts each	120 points total
TOTAL POINTS POSSIBLE		1250 POINTS

UNIVERSITY OF COLORADO DENVER & BUSINESS SCHOOL POLICIES:

It is the responsibility of every CU Denver student to know and abide by CU Denver and Business School policies, including but not limited to, the following:

- Student Code of Conduct
<http://www.ucdenver.edu/life/services/standards/students/pages/default.aspx>
- Accommodations <http://www.ucdenver.edu/student-services/resources/disability-resources-services/accommodations/Pages/accommodations.aspx>
- Academic Freedom <http://www.ucdenver.edu/policy/pages/academic-Freedom.aspx>
- Family Educational Rights and Privacy Act (FERPA) • <http://www.ucdenver.edu/student-services/resources/registrar/students/policies/Pages/StudentPrivacy.aspx>
- Discrimination and Harassment Policy and Procedures
<http://www.ucdenver.edu/about/WhoWeAre/Chancellor/ViceChancellors/Provost/StudentAffairs/UniversityLife/sexualmisconduct/DenverPolices/Pages/DenverWelcome.aspx>
- Grade Appeal Policy <http://www.ucdenver.edu/policy/Documents/Process-for-Grade-Issues.pdf>

Workload: The Business School requires that courses demand a workload "in and out of class" that enforces quality education and is consistent with the amount of academic credit granted for a course. For a three semester-hour graduate course, it is expected that the volume of work outside of typical class time of 3 hours would require a student to commit, on average a minimum of 130 hours per term. *Expect to work a minimum of 10 hours per week, every week, on this class.*

College Grading Policy:

Business School faculty policies state the class average grade for a graduate business elective course is expected to be between 3.2 and 3.6 on a 4.0 point scale (A=4.0, A-=3.7, B+=3.3, B=3.0, and so on).

Statement regarding academic dishonesty:

Academic dishonesty is taken very seriously at CU Denver Business School. Any time you put your name on a piece of work for this course, you are asserting that it is your own work, except as otherwise indicated and permitted. If that is not the case, it is academic dishonesty, and under Business School rules, *I am required to submit the matter to the Business School Internal Affairs Committee* for a decision. Typical penalties may range from a zero on the assignment, to an F in the course, to academic suspension or expulsion, depending upon such factors as the severity and frequency of the offense. Regarding plagiarism, the source of any information you use must be reported using an appropriate citation format. Direct quotations must be indicated with quotation marks and page references. If you are not clear about what constitutes academic dishonesty, I recommend that you take this short course:

<http://www.ucdenver.edu/academics/CUOnline/FacultyResources/AcademicHonesty/Documents/student/introduction/index.htm>

Online Etiquette. By registering for this class, you agree to honor the age-old principles of courteous and ethical class participation. This means that you agree to be knowledgeable about the assigned material, respect copyrights, participate in discussions in a courteous and informed manner, stay on topic, respect the opinions of others, and generally contribute to a positive learning environment.

YouTube, TEDTalks, and other public sources. Having said the above, please note that I am not responsible for ad content, pop-ups, or other annoyances of the online world. We depend upon YouTube, TED Talks, and other publicly available media to expand our knowledge and enjoyment of the course. While I personally view all videos before the class goes online, things change. Please let me know asap if there are any problems when viewing a video and I will remove or replace it.

ABOUT DEADLINES

MKTG 6830 Marketing & Global Sustainability is designed to run for 16 weeks from Monday a.m. through Sunday p.m. All deadlines are set at 11:59 p.m. on Sunday evenings, meaning that all assignments, discussion posts, case write-ups, and quizzes must be *received by Canvas* before that time.

There is very little leeway on deadlines, with the exception of case write-ups, which may receive ½ credit if submitted after the deadline but before 48 hours have passed. Zero credit is given for late discussion posts, quizzes, or case write-ups submitted after the 48-hour “last chance” deadline. Canvas will “close access” after each deadline. To ensure a level playing field for all, please do not contact me asking for exceptions.

This is not meant to be a constraint but to keep everyone on track. Take time right now to think carefully about how you will plan your time this semester. You may do the work early: case write-ups, assignments, discussion posts, and quizzes can all be submitted anytime *before* the deadline. So, don’t focus on deadlines -- focus on the workweek. One helpful hint is to set yourself an earlier deadline – such as 5:00 p.m. on Saturdays – so that you build in “extra” time.

ABOUT COURSE SCHEDULE & MODULES

The course is designed so that you take the Modules sequentially. At the moment, there are no forced prerequisites before moving to a subsequent Module, but keep in mind that you will be locked out of all assignments (quizzes, discussions, etc) once the deadline has passed. Having said that, it is important to note that most Modules build on the previous Modules. This means that case questions and discussion questions will usually refer back to (and require information from) previous Modules. Quizzes typically focus only on the articles, web assignments, textbooks readings, videos, and other assigned materials within the Module.

CLASS SCHEDULE MKTG 6830 Spring 2016

Date: **Topics & Readings & Assignments:**

1/24 MODULE 1 PART ONE: INTRODUCTION TO THE CLASS & ASSIGNMENTS



The Blue Marble^a

OK, you're probably wondering: Does a class titled "Marketing & Global Sustainability" focus on the marketing practices of sustainable companies? Or does it examine how to market a concept like "global sustainability"? Well, as it turns out, we'll do a bit of both. Our main focus, however, will be to understand what marketing will look like in the **sustainable** companies of the future.

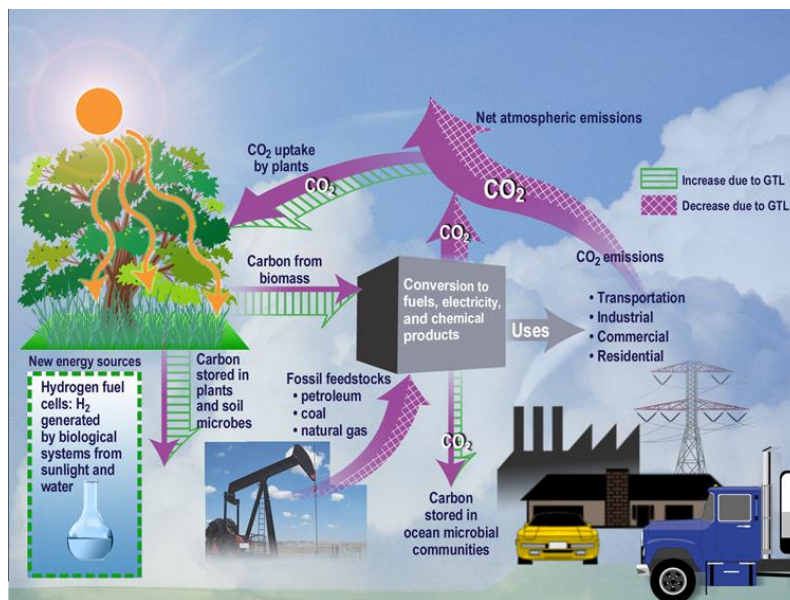
I imagine that you're all anxious to get started. Module 1 Part One will explain in detail how to get started in the course – in Canvas, just click the "Modules" tab over on the right, then

^aNOTE: All images in this syllabus were downloaded from Google Image filtered by "Labeled for reuse."

go to Module 1 Part One. (Notice that Module 1 also has a Part Two that you'll also need to complete this week!)

- Course Logistics
- How to Download Assigned Articles
- How to Access HBSP Cases
- Post to the “Introduce Someone” Discussion

MODULE 1 PART TWO: WHAT DO WE MEAN BY SUSTAINABILITY? A BRIEF TIMELINE & TODAY'S NEWS



What does “sustainability” mean? In [Module 1 Part Two](#), we'll kick off the course by reviewing some basic information about global sustainability -- what it means, how we got here, and what it means for business.

Read:

Text:

Martin & Schouten (2012), *Sustainable Marketing*, Chpt. 1: “An Introduction to Sustainable Marketing”

Articles--A Brief Sustainability Timeline:

- Climate 101: Read some basic facts about climate change and how we got here as presented on two websites, EU (European Community), New England Aquarium, and a few New York Times articles.
- President's Science Advisory Committee Report (1965), "Restoring the Quality of Our Environment." Yes, you saw the date right -- fifty years ago -- presented to LBJ. Just give this report a quick look ... the IPCC 2007 report (next) is easier to re ad and covers more recent ground.
- Intergovernmental Panel on Climate Change" (2007), "Summary for Policymakers." Yes, this is the group that was awarded the Nobel Prize in 2007 (along with Al Gore for "An Inconvenient Truth")
- 2015 Paris Climate Agreement: Read some basic facts about the agreement on the EU website and in a series of New York Times articles (Dec. 12, 2015), "Inside the Paris Climate Deal" and (Dec. 13, 2015) "Climate Deal is Signal to Industry: The Era of Carbon Reduction is Here."
- Lemonick, Michael (2009), "The Top 10 Myths of Sustainability," *Scientific American*; pp. 40-45. Clarifies what "sustainability" is *not*.

Articles—Sustainability & Business:

- Lowitt, Eric (2014), "How to Survive Climate Change and Still Run a Thriving Business," *Harvard Business Review* (April). [Remember that you'll have to download this from Auraria Library. Hint: Try Business Source Premier.]
- Packard, Kimberly O'Neill and Forest Reinhardt (2000), "What Every Executive Needs to Know About Global Warming," *Harvard Business Review*, Jul/Aug, Vol. 78 (4); pp. 129-135.
- Lash, Jonathon and Fred Wellington (2007), "Competitive Advantage on a Warming Planet," *Harvard Business Review*, Mar, Vol. 85 (3); pp. 94-102.

Watch:

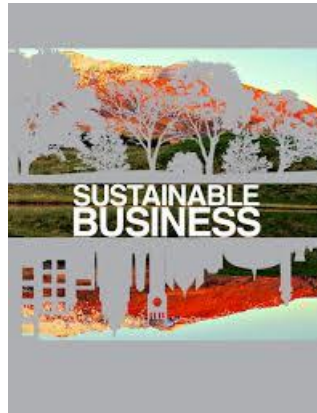
- "Chasing Ice" -- See what climate change actually means in this TED talk by James Balog which summarizes some of the key points in his amazing film. I recommend viewing the film in its entirety (it is *absolutely astounding* on the big screen) but, knowing that you are all pressed for time, I am assigning only the abbreviated TED Talk for this class.
- 350.org -- Discusses another climate change measure in an easy-to-remember format.
- Earth's CO2 Home Page – tells you carbon ppm right now

- B-Corps -- Highlights some companies who are leaders in sustainability.

Do:

- Take [Quiz 1 -- Course Intro](#)

1/31 MODULE 2: THE BUSINESS CASE FOR SUSTAINABILITY



Why should businesses care about sustainability? Or, for that matter, *do* businesses care about sustainability? **Module 2** makes the business case for sustainability and provides several well-known frameworks for understanding and managing sustainable business practices.

Read:

Text:

Martin & Schouten (2012), *Sustainable Marketing*, Chpt 2

Conference Board Publication:

This .pdf is available free online to the public, so I was able to upload it to Module 2 for you.

Sustainability Matters: Why and How Corporate Boards Should Become Involved (2012).

Read the Intro (pp. 4-6), Chapter 1 "Corporate Sustainability Today" (pp. 7-20); Chapter 2, "The Business Case for Sustainability" (pp.21-26); and Chapter 4 "Emerging Sustainability Practices" (pp.36-52). We'll read the remaining chapters in future modules.

Articles:

Remember, due to copyright laws, I'm not allowed to post these articles for you. Download them full-text, free, from the Auraria Library databases (try Google Scholar or Business Source

Premier); if you're off-campus, don't forget to sign to sign in.

- "Sustainability Nears a Tipping Point," MIT Sloan Management Review, Vol 53 (2) Winter; pp. 69-74. {Helpful Hint: You'll need to access this through Auraria Databases; I found Google Scholar to be helpful, just type in the title then double-click to get the .pdf.]
- Haanaes et al. (Spring 2011), "New Sustainability Study: The 'Embracers' Seize Advantage," *MIT Sloan Management Review*, Vol. 52 (3).
- Berns et al. (Fall 2009), "The Business of Sustainability: Results and Insights from the first annual MIT Sloan Management Review Global Sustainability Survey." *MIT Sloan Management Review*, Vol. 51 (1). Try Google Scholar for this one.
- Lovins, Amory B., L. Hunter Lovins, and Paul Hawken (1999), "A Road Map for Natural Capitalism," *Harvard Business Review*.

Multi-Media Case:

View and read Chapters 1-4 in the Burt's Bees Multi-Media case from your Harvard Business School Publishing coursepack (URL is in the syllabus). There is no write-up for the Burt's Bees case study but the material will be on the quiz and in this week's Discussion. The multi-media case shows how a small entrepreneurial company can not only be sustainable but make sustainability their competitive advantage. Moreover, we'll be revisiting the Burt's Bees case (Chapters 6-8) in a future Module focusing on Burt's Bees' acquisition by Clorox. Enjoy!

Websites:

Explore: www.naturalstep.org (Links to an external site.)

Watch:

1. Sections of a plenary session at the Rocky Mountain Institute with two of the authors of "Natural Capitalism," the late Ray Anderson, founder of Interface Carpet; and the author of *Biomimicry* (Janine Benyus). It's a rather long session so just focus on these three interviews:

- Paul Hawken 9:00-12:00
- Ray Anderson 12:00-16:00
- Janine Benyus 16:00-20:00

2. The Natural Step: OK – this one's up to you – it's a silly 2-minute video, but it does a good job of explaining the four basic Natural Step principles.

3. TED Talk by Chris McKnett of State Street Global Advisors, "The Investment Logic for Sustainability."

Do:

1. Take Quiz #2 -- The Business Case & Models for Sustainability

2. Post to the Burt's Bees Discussion.

2/7 **MODULE 3. SUSTAINABILITY AT INDIVIDUAL & SMALL BUSINESS LEVELS**



Sustainability often begins with the self – the health and safety of my body, my family, my community – long before we ever worry about the planet. **Module 3** brings the concepts of marketing & sustainability down to the individual and small (family) business levels. **Module 3** introduces ethics, corporate social responsibility, and explores how marketing strategies that are designed to promote the concept of sustainability influence individuals as well as business.

Our case studies take us to Europe and the USA to compare and contrast two family-owned sustainable wineries, Torres and Frog's Leap.

Read:

Text:

Martin & Schouten (2012), *Sustainable Marketing*, Chpt 3 & 4; you may also want to review

the Natural Step Framework from Chpt 2 for the case study.

Case Study:

Miguel Torres: Ensuring the Family Legacies

This is the first of 10 case write-ups. The assigned case questions can be found in this Module, as well as the link for uploading your case write-up and a link for joining the case discussion.

Case Questions for Torres wine company:

1. How is climate change affecting the Spanish wine industry and how is the Torres wine company preparing for that change?
2. What factors motivated Miguel Torres to take a leadership position on sustainability in general, and the issue of climate change in particular?
3. Explain how The Natural Step Framework is implemented within the Torres company.
4. Compare and contrast the Torres winery approach to sustainability to Frog's Leap winery's approach: how are they similar and how do they differ?

Watch:

- Watch a short BBC video on how climate change is affecting the wine industry in Spain and the rest of Europe. In addition, take a look at a family-owned wine company in Spain -- the Torres wine company -- and view their main website and sustainability site.
- Watch a 20-minute video about another family-owned winery, Frog's Leap Winery in California. Interviews with managers and owners discuss Frog's Leap marketing strategies -- including product, pricing, distribution, customers, competitive positioning in the market -- and Frog's Leap's sustainability efforts.

Do:

1. Submit Case Write-up – *Miguel Torres: Ensuring the Family Legacies*

2. Exercises:

Instead of assigned articles in Module 3, take the time to *complete the following exercises* for your own personal “reality check” in sustainability. (The content will be included in the quiz). The links can be found as you go through the Module. Note: If Canvas doesn't automatically open the video, just click on the title at the top of the screen.

- Watch the short inspirational video on The MBA Oath. Will you be a signer?
- Answer the personal action checklist for The Natural Step Framework on pp. 38-39 of the textbook. Where are your strengths? Where can you make improvements?
- Explore the Eco-Labels Virtual Kitchen – do you know what lurks in your kitchen?
- Take some of the health & beauty products (soap, shampoo, toothpaste, sunscreen, cosmetics, etc) out of your bathroom cabinet and look up their labels on Environmental

Working Group's (EWG) "Skin Deep" database. Do you really know what you are putting on your skin?

- Calculate your carbon footprint. Try a few different calculators. (The first calculator costs \$1, so it is optional. But it is a good one and, I think, worth \$1.) Do the results differ between calculators? Why? How many earths do you require? How can you reduce your carbon footprint?

3. Post to the "How Many Earths?" Discussion

If you are willing to share your "how many earths" results, post them to the "how many earths do you need" discussion. What accounts for your "extra earths"? How can you improve? (If you'd rather not share the specific results, just comment in generalities.)

4. Take Quiz 3 – Sustainable Marketing for Individuals & Small Business

2/14 MODULE 4. HOW MARKETING INFLUENCES SUSTAINABILITY: NGOS & THE CASE OF GREEN IT



In **Module 4**, we scale up from individuals & small companies to multi-national corporations (MNCs) and non-governmental organizations (NGOs). In the next two Modules, we'll look at the sometimes-competing, sometimes-collaborative, and sometimes-conflicting relationships between MNCs and NGOs.

Our case study this week will engage us in a conflict between two major players -- one corporate (Facebook) and one NGO (Greenpeace) -- around the issues of fossil fuels versus renewable energy and green IT. How green is the internet?

Read:

Text:

No textbook reading this week.

Conference Board Publication:

"Sustainability Matters 2014: How Sustainability Can Enhance Corporate Reputation." The .pdf includes only Chapter 4 "Communicating Sustainability to Enhance Corporate Reputation" (pp. 36-57); read Part I ("Real versus Perceived Sustainability Performance") and Part II ("View by Industry") with a focus on IT and telecom/internet.

Case Study:

Greenpeace's Unfriend Coal Campaign and Facebook W12665

Case Questions :

1. Who was the target market for the "Unfriend Coal on Facebook" campaign? Were there multiple target markets or stakeholders?
2. For each target market or stakeholder that you identified above, what do you think were Greenpeace's underlying goals and objectives for the "Unfriend Coal on Facebook" campaign?
3. Take a look at Greenpeace's Clean Cloud Power Report card. How "green" is the internet? Are you surprised? Would you change your recommendation for your company in Module 2's discussion?
4. Consider the Conference Board's report on "Real versus Perceived Sustainability Performance" for the telecom/internet industry, which includes Facebook and others. What is the nature of the reality versus performance gap for Facebook and others in that industry?
5. What do you think Facebook should do, moving forward...and why?

Watch:

- The short video about Facebook & coal, made by Greenpeace, and mentioned in the “Unfriend Coal” case study.
- A series of additional short videos related to the “Unfriend Coal” case study: “Coen Brothers Shoot” and their “Clean Coal Clean” air freshener ad parodies.
- A couple of real Clean Coal ads.

Do:

- Submit Case Write-up – *Greenpeace “Unfriend Facebook” Campaign*
- Post to the “NGO Marketing Strategies” Discussion
- Take Quiz 4 – Challenges and Issues in Marketing Global Sustainability

2/21 MODULE 5. CAUSE MARKETING AND MARKETING CAUSES



In [Module 5](#), we'll continue to learn about NGOs in the global sustainability arena, but this time NGOs who take a cooperative, as opposed to confrontational, approach. And, we'll move away from environmental issues into the realm of social responsibility.

In [Module 5](#) we'll consider the double-sided meaning of "marketing & global sustainability:" Are we talking about how the marketing function supports the firm's efforts to be sustainable? Or are we talking about how to market the concept of sustainability? Most of this course addresses the first former; however, Modules 4 and 5 focus on the latter. Specifically, Module 4 will address "cause marketing" versus "marketing causes."

Our case study takes us to Africa, where we will see how one NGO – Product (RED) -- creates strategic alliances with a variety of corporate partners to provide funding for another NGO – the Global Fund – that works to stop the spread of AIDS, TB, and malaria in Africa.

Read:

Text:

No textbook reading this week.

Articles:

- Rothschild, Michael (1999), “Carrots, Sticks, and Promises: A Conceptual Framework for the Management of Public Health and Social Issue Behaviors,” *Journal of Marketing*, Vol. 63 (Oct); 24-37.
- Eikenberry, Angela (2009), “The Hidden Costs of Cause Marketing,” *Stanford Social Innovation Review*, (Summer); 51-55. Free .pdf available for download at: http://www.ssireview.org/articles/entry/the_hidden_costs_of_cause_marketing/

Case Study:

- *Product (Red) (A)* -- (HBS 9-509-013)

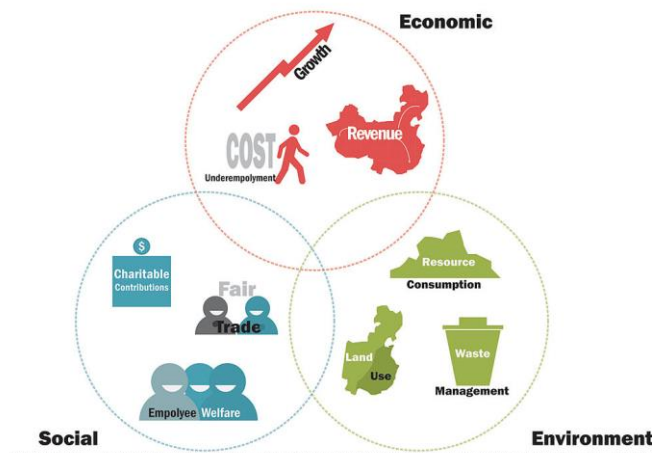
Discussion Questions for (Product) Red & Readings:

1. What is the RED business model? How does the RED model differ from a traditional charity model?
2. According to Eikenberry (and others), what are the “hidden costs” of this model? Are these criticisms valid?
3. What do you think about RED’s selection of its initial partners? Are they a good fit? Who are their current partners? Which are a good fit and which are not? Who might be future partners?
4. How successful has the campaign been? How would you define “success? Where should the campaign go from here?
5. From Rothschild (1999): What is the “tragedy of the commons”? How does it relate to the (Product) Red campaign? What are some examples of how the AIDS problem in Africa could be addressed by government (Law)? Education? Marketing?

Do:

- Submit Case Write-up – *Product (RED)*
- Post to the Product (RED) Discussion
- Take Quiz #5 – Cause Marketing & Marketing Causes

2/28 MODULE 6. MARKETING METRICS & THE TRIPLE BOTTOM LINE



During our first few Modules, we focused on "Planet," the environmental leg of the triple bottom line. In the last couple of Modules, we focused on "People," the socially responsible leg of the TBL. (Since this course is offered in the Business School, the "Profit" leg has been implicit.)

That all sounds great. But *you can't manage what you don't measure*. So, this week, in **Module 6**, we pull it all together and examine how companies *measure* the triple bottom line (TBL).

Our case study takes us to Mexico, Central and South America to study Amanco, Latin America's biggest producer of pipes and fittings to transport water and other fluids. The case will not only give us insights into South American markets, it will illuminate the globally important issue of water conservation and demonstrate Porter's strategic business concept of "shared value."

Read:

Text:

Martin & Schouten (2012), *Sustainable Marketing*, Chpt. 6 & 8 (pp. 105-110)

Conference Board Publication:

Sustainability Matters 2012: How and Why Board Members Should Become Involved.

Read Chapter 6, "Sustainability Performance Assessment (pp. 61-70). If you're not mathematically inclined, this chapter can seem like rather rough going, despite being written by marketing professors! However, if you skip over the equations -- and I recommend that you do -- you will be able to focus on the main conceptual take-aways from the chapter (which you need for the quiz.)

Articles:

- Porter, Michael and Mark Kramer (2011), "Creating Shared Value." *Harvard Business Review*.
- Kaplan, Robert S. and David P. Norton, (1993) "Putting the Balanced Scorecard to Work," *Harvard Business Review*, Sept-Oct.
- Norman, Wayne and Chris MacDonald (2004), "Getting to the Bottom of the Triple Bottom Line", *Business Ethics Quarterly*, Vol 14 (2); 243-262.

Case Study:

Amanco: Developing the Sustainability Scorecard

HBS 9-107-038

Case Questions:

1. In what ways does Amanco's value proposition contribute to sustainability in Mexico, Latin America, and South America?
2. In what ways does Amanco exemplify Porter & Kramer's (2011) concept of "shared value"?
3. We know that "you can't manage or improve what you don't measure." In 2001, Amanco made its first attempt at a "Triple Bottom Line" (3BL) scorecard. It looked very much like a traditional "Balanced Scorecard" with a "social and environmental" box added (see Exhibit 7). Which are the marketing-related metrics in this typical balanced scorecard? Where are the 3BL metrics?
4. What changes were made in the 3BL Scorecard in Exhibit 7 to arrive at the "Triple Bottom Line Sustainability Strategy Map" shown in Exhibit 8? What changes were made to marketing metrics, 3BL metrics, to the strategy map overall? What is your assessment of those changes?
5. Analyze the Amanco Sustainability Scorecard proposed for 2006, shown in Exhibit 11, using the AGREE model from the Conference Board 2012 publication "Sustainability Matters 2012...Chapter 6 Sustainable Performance Assessment."

Watch:

...Professor Michael Porter give a Ted Talk titled, "Why Business Can Be Good at Solving Social Problems". Focus on the short segment from 13:30-16:28, in which he briefly introduces the concept of "shared value."

Do:

- Submit Case Write-up -- *Amanco*
- Post to the "Amanco" Triple Bottom Line Discussion
- Take Quiz #6 – Metrics for Marketing & Global Sustainability

3/6 **MODULE 7. SEGMENT, TARGET, & PROFILE SUSTAINABLE CUSTOMERS**



This week you take a well-deserved break from case-writing. In Module 7 we explore two of my favorite marketing topics, customer segmentation and consumer behavior. [Module 7](#) starts by reviewing two well-known market segmentation schemas from the USA -- VALS and Nielsen's PRIZM MYBestSegments. Have some fun with the Zip Code Look-up! Which segments are you in?

Once we've jogged your memory about market segmentation, we'll introduce several "green" consumer segmentation schemas. Two of the oldest and most well-known are gfk Roper's Green Gauge Report and LOHAS (Lifestyles of Health and Sustainability). We'll then read new research on green segmentation schemas proposed by marketing/advertising/media/brand-consulting companies such as Boston Consulting Group (BCG), Ogilvy & Mather, and Boulder's own WaldenHyde. Despite the seeming differences at first, I think you'll begin to see some similarities across the segmentation schemas. Which green segments best define you?

Read:

Text:

Martin & Schouten (2012), *Sustainable Marketing*, Chpt. 7

Articles:

A number of advertising agencies (such as BBMG, Wieden & Kennedy, Ogilvy & Mather), brand consulting firms (e.g., gfk Roper and Boulder's own WaldenHyde), consumer goods companies (e.g., SC Johnson), and others publish well-researched reports, usually referred to as "white papers," about a wide variety of marketing topics, including green consumers.

- The Boston Consulting Group (BCG) (2009), "Capturing the Green Advantage for Consumer Companies."
- WaldenHyde (2009), "Smart Living in the Big Green Middle."
- Ogilvy & Mather (2011), "Mainstream Green: Moving Sustainability from Niche to Normal," is one of the best I've seen:
- National Geographic (2014), "Greendex 2014: Consumer Choices and the Environment: A Worldwide Tracking Survey."
- Nielsen's, "The Global, Socially-Conscious Consumer."

Case Study:

No case study this Module – take a well-deserved break!

Websites:

These websites present two well-known traditional market segmentation schemas that emphasize values, beliefs, interests, and other psychographic variables, in addition to demographic variables. Which segment best describes you? (My apologies to the international folks – these two are U.S. segmentation schemas.)

- VALS (Values and Lifestyles):
- <http://www.strategicbusinessinsights.com/vals/ustypes.shtml> (Links to an external site.)
- Which segment best describes you?
- Nielsen's (Claritas) My Best Segments site. Have fun with the zip-code look-up tool:
- <https://segmentationsolutions.nielsen.com/mybestsegments/Default.jsp?> (Links to an external site.)

Watch:

An excellent series of youtube videos which capture the PPT presentation given by Steve French, Exec VP of the Natural Marketing Institute, at the 2009 LOHAS conference in Boulder. The presentation focuses on the LOHAS segmentation scheme and related research, going well beyond the information posted on the LOHAS website. Please be patient -- the quality can be a bit iffy.

PPT update LOHAS 2013: I'm delighted to say that I was given permission by LOHAS to post the PPT slides for Steve's outstanding 2013 presentation, in which updates the research in the 2009 videos. Unfortunately, his 2013 session was not taped but I was in the audience and really enjoyed it . The

updates are quite interesting, and add a lot of new material, so don't miss this presentation! It's posted just after the video series.

Do:

- **Take Quiz #7 – Sustainable Market Segments**

- **Post to the LOHAS Discussion:**

Which of the segmentation schemas discussed in the chapter & readings & videos best describes you? (As always, post only as much info as you are comfortable with.)

3/13 MODULE 8. DIFFUSION OF INNOVATION IN EMERGING & BOP MARKETS



Module 8 keeps the focus on the customer and examines diffusion of innovation theory in the context of sustainability. In **Part 1** of **Module 8**, you'll brush up on the buyer decision process, Rogers' diffusion of innovation theory and his consumer adoption model. You'll then apply those models to the specific situation where "sustainability" is the innovation.

Part 2 of **Module 8** focuses on two market segments that we haven't looked at yet -- "emerging markets" and "bottom-of-the-pyramid" or BOP markets.

Our case study takes us to India, where you will analyze the diffusion of a sustainable innovation -- a cleaner-burning stove -- in BOP markets. A Ted Talk from Professor Amy

Smith provides excellent background information on the indoor air pollution (IAP) problems with traditional charcoal-burning stoves among the poor.

Read:

Text:

Martin & Schouten (2012), *Sustainable Marketing*, Chpt. 8, pp. 110-119.

Review the Diffusion-of-Innovation Model:

Website:

- Read Wikipedia on Rogers' Diffusion of Innovation model – Though I'm usually reluctant to send you to Wiki, this is a pretty good summary of the theory, especially the section on Adopter Categories. For us, "Sustainability" is the "Innovation."
- Better yet, review your old *Marketing Management* textbook on the topic!

Apply the Diffusion-of-Innovation Model to the Case of Sustainability:

- Ramirez, Edward (2013), "The Consumer Adoption of Sustainability-Oriented Offerings: Toward a Middle-Range Theory," *Journal of Marketing Theory and Practice*, Vol 21 (4); pp. 415-428.

Revisit last week's "white papers" in search of motivators and barriers to diffusion of sustainable Innovations. Where do they fit in Ramirez's model?

- The Boston Consulting Group (BCG) (2009), *Capturing the Green Advantage for Consumer Companies*.
- WaldenHyde (2009), *Smart Living in the Big Green Middle*.
- Ogilvy & Mather (2011), *Mainstream Green: Moving Sustainability from Niche to Normal*.

Articles on Emerging & BOP Markets (from Auraria Databases):

On the one hand, two original classics on Emerging & BOP markets:

- Prahalad, C.K. & Lieberthal K. (1998), "The End of Corporate Imperialism," *Harvard Business Review*, 76 (4): 68-79.
- Prahalad, C.K. & Hammond, A. (2002), "Serving the World's Poor, Profitably," *Harvard Business Review*, September Vol 80 (9): 48-57.

On the other hand, their biggest critic:

- Karnani, Aneel (2006), "The Mirage at the Bottom of the Pyramid," The William Davidson Institute of University of Michigan Working Paper #835. (PDF is uploaded to this Module.)

An overall perspective: a review of the BOP literature to date -- skip to p. 350 to start:

- Kolk, Ans, Miguel Rivera-Santos and Carlos Rufin (2014), "Reviewing a Decade of Research on the "Base/Bottom of the Pyramid (BOP)" Concept, *Business & Society*, Vol. 53 (3); 338-377.

Case Study:

Envirofit International: Cracking the BofP Market examines the diffusion of a sustainable innovation - safer and more efficient charcoal-burning cook-stoves -- throughout BOP markets in India.

Case Study Questions:

Envirofit is a rich case that can be analyzed from many perspectives: Triple Bottom Line analysis, comparison of NGO vs. free-market approaches to BOP markets, social entrepreneurship, recommendations for operations and supply chain, financial analysis. Since this is a marketing class, we will analyze the case in terms of consumer adoption and diffusion of a sustainable innovation in BOP markets.

1. Review the information on diffusion-of-innovation, the consumer-adoption model, and Ramirez's (2013) model of "Barriers to and Enablers of Consumer Adoption of Sustainability-Oriented Offerings."

Now analyze the facts of the Envirofit case – the consumers, the competition, the overall market environment, the current marketing strategy (product, price, promotion, and distribution) using Ramirez's (2013) model as a basic framework but feeling free to move beyond it:

- What are the marketer-competency enablers to the adoption process?
- What are the consumer-benefits enablers to the adoption process?
- What are consumer-dispositional barriers and enablers?
- What features of the stove are enablers and what features are barriers?

2. Karnani (2006), "Mirage at the Bottom of the Pyramid," would take issue with a number of assertions, assumptions, findings, and conclusions regarding the BOP market in India, expressed in the Envirofit. But he'd agree with others. Where would he agree with Envirofit and where would he disagree?

3. Now, considering your answers above, analyze Envirofit's current marketing strategy: What are they doing well and where could they improve? Knowing what you do about the consumer adoption process and diffusion of innovations, what are they missing? (Hint: Has Envirofit taken the diffusion-

of-innovation and consumer-adoption models into consideration when developing their marketing plans?)

4. Based on your analyses above, recommend changes to improve Envirofit's future marketing strategy.

Watch:

Ted Talk: Amy Smith on "Simple Designs to Save A Life" about charcoal burning stoves.

Ted Talk 2013: Harish Manwari, CEO of Unilever on how big brands can do good in the world.

Do:

- Submit Case Write-up – EnviroFit International
- Take Quiz #8 – Diffusion of Innovation & BOP Markets
- Post to the BOP Discussion

3/20 MODULE 9. COMPETITIVE MARKETING STRATEGIES FOR SUSTAINABLE PRODUCT PORTFOLIOS



In the preceding Modules, we've been discussing the foundation of marketing strategy: 2Cs (Customer & Competition) --> STP (Segmenting, Targeting, Positioning) --> 4Ps (Product, Price, Promotion, Place) in the context of sustainability. You are now ready to put everything you've learned so far into action.

In [Module 9](#), you will analyze the marketing strategies of three different sustainable brands, all owned by Clorox as part of their strategy to compete in the sustainability arena, and make recommendations for future growth.

Specifically, you'll learn about the repositioning strategy for **Brita** water filter systems, designed to accentuate Brita's sustainable features. You'll return to the **Burt's Bees** multi-media case from Module 2, and watch Chapters 5 & 6, to gain insights about the Clorox acquisition. And you'll watch a short video, "Reverse Graffiti Project," which shows Clorox's

creative use of social media to address a key barrier to consumer adoption of the in-house **GreenWorks** brand: Do green products really clean?

For each of the three brands -- Brita, Burt's Bees, and GreenWorks -- you'll identify target markets; articulate the value proposition and positioning statement against competitors; and make recommendations about the 4Ps, based on your marketing strategy statement (the USP). This is your last opportunity to refine your marketing strategy skills before jumping off into the 4Ps after spring break – enjoy!

Read:

Text:

Martin & Schouten (2012), *Sustainable Marketing*, Chpt. 9

Articles:

- Unruh, Gregory and Richard Ettenson (2010), “Growing Green: Three Smart Paths to Developing Sustainable Products,” *Harvard Business Review*, June.
- Nidumolu, Ram, C.K. Prahalad, and M.R. Rangaswami (2009), “Why Sustainability is Now the Key Driver of Innovation,” *Harvard Business Review*, September; 1-9.

Case Studies:

- *The Clorox Company: Leveraging Green for Growth* (HBS 9-512-009)
- Revisit Burt's Bees Multi-Media case from Module 2 and watch Chapters 5 and 6 (about the Clorox acquisition)

Case Questions:

The three sets of questions here are essentially the same. They are the building blocks of marketing strategy: Customer & competition; S-T-P; 4Ps. Hence, the case question can be summarized succinctly as follows: For each of the three sustainable brands – Brita, Burt's Bees, and GreenWorks – analyze the marketing strategy and make recommendation for the future. If this is enough direction for you, stop here and go for it! If you need more direction, the questions below will walk you through the process.

1. *Brita:*

A. Why did Clorox implement an “accentuate” strategy to reposition Brita as a sustainable product? Was the repositioning strategy successful?

B. Summarize Brita's current marketing strategy:

- Who is the target market?
- What is the value proposition and positioning?
- Who are the main competitors?
- Describe the current marketing mix: product, price, promotion, distribution (place)

C. What will Clorox need to do to double Brita's business from \$250 million to \$500 million in the next few years? Make some suggestions for Brita's future marketing strategy (some ideas follow):

- Should Brita implement a market penetration strategy to get current customers to buy more? Or a market development strategy? Which new market segments should be targeted?
- Product: Should Brita develop new products? More partnerships?
- Place (Distribution): Should Brita change its retail strategy?
- Price: Should Brita change its pricing strategy?
- Promotion: Should Brita change its value proposition and message?

2. *Burt's Bees*:

A. Why did Clorox implement an "acquisition" strategy with Burt's Bees? Was the acquisition strategy successful?

B. Summarize Burt's Bees current marketing strategy:

- Who is the target market?
- What is the value proposition and positioning?
- Who are the main competitors?
- Describe the current marketing mix: product, price, promotion, distribution (place)

C. What will Clorox need to do to reinvigorate Burt's Bees' growth? Make some suggestions for Burt's Bees future marketing strategy (here are a few ideas to get you started):

- Should Burt's Bees implement a market penetration strategy to get current customers to buy more? Or a market development strategy? Which new market segments should be targeted?
- Product: Should Burt's Bees go organic? Should they develop new products and enter new categories?
- Place: Should Burt's Bees change its retail strategy? Is Wal-Mart a good match?
- Price: Should Burt's Bees change its pricing strategy from premium to a lower price?
- Promotion: Should Burt's Bees change its value proposition and message?

3. *Green Works*:

A. Why did Clorox implement an “architect” strategy with Green Works? Was the architect (new product development or NPD) strategy successful?

B. Summarize Green Works’ current marketing strategy:

- Who is the target market?
- What is the value proposition?
- Who are the main competitors?
- Describe the current marketing mix: 4Ps

C. What will Clorox need to do to reinvigorate Green Works’ growth? Make some suggestions for Green Works’ future marketing strategy:

- Should Green Works implement a market penetration strategy to get current customers to buy more? Or a market development strategy? Which new market segments should be targeted?
- Product: Should Green Works develop new products and enter new categories?
- Place (Distribution): Should Green Works change its retail strategy? Is Costco a good match? Should it change its placement on the retail shelf from traditional to natural cleaners?
- Price: Should Green Works change its pricing strategy from frequently discounted to an everyday low price?
- Promotion: Should Green Works change its value proposition and message? It’s brand image – packaging, logo, etc.? Should it keep the Clorox name on the label? How do you prove to people that it really works?

Watch:

Great short video on the Reverse Graffiti Project:

<http://www.youtube.com/watch?v=5lX-2sP0JFw> (Links to an external site.)



- A video from the 2013 LOHAS Conference in Boulder CO featuring the founders of Ecover and Method talking about breakthrough innovation – as opposed to incremental innovation like Clorox – in the sustainable cleaning products marketplace. Title:

“Think Outside the Bottle”

http://www.youtube.com/watch?v=c6ULLr_Y2F0 (Links to an external site.)



Do:

- Submit Case Write-up – The Clorox Company: Leveraging Green for Growth
- Post to Clorox Discussion
- Take Quiz 9 Marketing Strategies for Sustainable Product Portfolios

3/27 ENJOY A SUSTAINABLE & WELL-DESERVED SPRING BREAK!



4/3 Module 10. Sustainable Branding, Labeling, & Packaging



Welcome Back!

I hope you had a restful and restorative (and sustainable!) spring break!

Now, where were we? The first 2/3 of the class – up until spring break -- focused on marketing strategy in the context of global sustainability. We studied sustainable Customers, Competition, Segmenting, Targeting, Positioning, Value Propositions, Unique Selling Propositions ... small, medium, and multinational companies ... for-profits and NGOs ... all the while traveling to No. America, Europe, Latin American, and Africa.

What's next? In our final 1/3 of the class, we'll drill down into sustainable 4Ps: sustainable products at sustainable prices, supported by sustainable promotions in sustainable retailers.

Here in [Module 10](#), we'll focus on "sustainable" branding, labeling, and packaging -- the good, the bad, and the ugly.

Our case study examines the Litehouse salad dressing brand as they struggle with a new packaging decision, which has implications for sustainability and for the brand's image. We'll be looking at this case again in the Sustainable Supply Chain Module. So, I recommend that you read the case questions before you read the case. That way, you'll know what to focus on for this Module (brand image and packaging) and what you can come back to next time around (supply chain).

Read:

Text:

Martin & Schouten (2012), *Sustainable Marketing*, Chpt. 10

United Nations Report:

United Nations Guide to Procurement: UNOPS (2009), "A Guide to Environmental Labels," Free download at:
http://www.greeningtheblue.org/sites/default/files/EnvLabels_executive%20summary_0.pdf

Conference Board Report:

Gidwani, Bahar (2013), *The Link Between Brand Value and Sustainability*.

Case Study:

Litehouse Foods: The Glass Dilemma (2014)

Case Questions:

1. Why is Litehouse considering switching its 13 oz. jars of salad dressing to plastic at this time? What's driving the change? What's *not* driving the change?
2. Who is the target market for Litehouse salad dressings? (Sometimes it helps to think who the target market is not.) What is Litehouse's value proposition for that market?
3. What is Litehouse's brand image in the mind of its consumers? What role does sustainability play in Litehouse's brand image?
4. Who are Litehouse's major competitors? How is Litehouse positioned in the market relative to its competitors?
 - What are the points-of-parity – i.e., on what attributes are they the same?
 - What are the points-of-differentiation – i.e. on what attributes are they different?
 - What is Litehouse's positioning statement?
5. How would the change to plastic jars affect Litehouse's brand image, value proposition, and positioning statement? Based on these factors alone (we'll consider other factors later), should Litehouse make the change?

Web Assignments -- Explore these websites:

What does that label mean?

You can look up a third-party label in the following resources to learn who the labeling agency is, what they do, what criteria must be met to receive the label, and how credible the label is (or is not).

- Consumer Reports' Greener Choices Eco-Labels Site (you saw their "Virtual Kitchen" in Module 3): <http://www.greenerchoices.org/eco-labels/eco-home.cfm?redirect=1> (Links to an external site.)

- Eco-Label Index Database of 431 different ecolabels from 246 countries: <http://www.ecolabelindex.com/ecolabels/> (Links to an external site.)

Can you "just say anything"?

Not in the U.S. or Canada or Europe or China...or most countries. The following global regulatory agencies and non-profits work toward credible labeling and claims:

- United States Federal Trade Commission Guidelines on Environmental Marketing "Green Guide": <http://www.business.ftc.gov/documents/environmental-claims-summary-green-guides> (Links to an external site.)
- Non-profit Global EcoLabelling Network (GEN) is a global consortium of third-party environmental performance recognition, certification, and labeling organizations devoted to promoting credible third-party ecolabels: <http://globalecolabelling.net/> (Links to an external site.)

Watch:

About Sustainable Brands:

Seth Goldman, Founder and "TeaEO" of HonestTea talks about scaling HonestTea from a small, sustainable innovative start-up to a major brand purchased by Coca Cola. This is Seth's presentation at the 2013 LOHAS Conference in Boulder CO.

http://www.youtube.com/watch?v=8auVDW_X4p8 (Links to an external site.)



You may be surprised to learn that most successful small and innovative sustainable brands have been gobbled up by major CPGs (consumer packaged good companies) over the past decade, as in Clorox's acquisition of Burt's Bees. This fun animation by Professor Philip Howard of Michigan State University tracks major acquisitions in the packaged food industry from 1995-2007:

<https://www.msu.edu/~howardp/organicanimation.html> (Links to an external site.)

About Sustainable Labels:

Dr Urvashi Rangan's TED Talk "From Fables to Labels". Dr Rangan directed the launch of

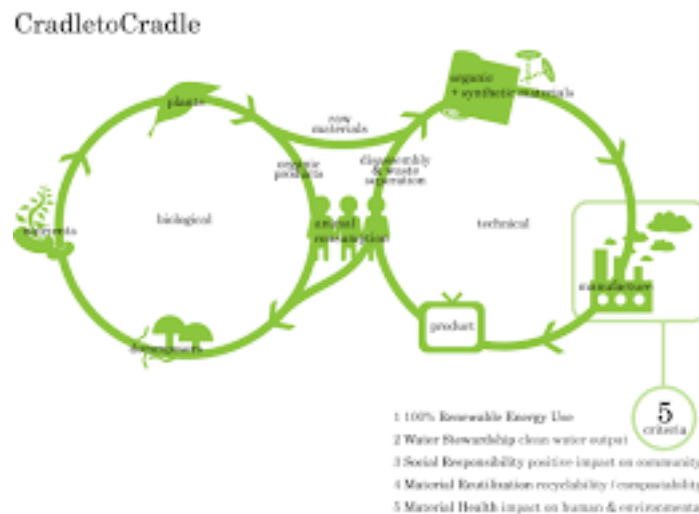
GreenerChoices.org (the Virtual Kitchen site) and is Director of the Consumer Safety and Sustainability Group of Consumer Reports.

<http://tedxtalks.ted.com/video/TEDxManhattan-Urvashi-Rangan-Fr> (Links to an external site.)

Do:

- Submit Case Write-Up – Litehouse Foods
- Take Quiz #10 – Sustainable Branding, Packaging, & Labeling
- Post to the Branding & Labels Discussion

4/10 Module 11. Sustainable Product Design & Innovation



In [Module 11](#), we'll continue our examination of sustainable products and services with a special focus on sustainable innovation and new product development (NPD). Our "guest speakers" this week are four well-known leaders in the world of sustainable NPD: (the late, great) Ray Anderson (Interface carpet), Janine Beynus (Biomimicry Institute), Hannah Jones (Nike), and William McDonough (Cradle-to-Cradle). Their ground-breaking ideas about sustainable design are fascinating and they are quite likable speakers to boot.

We'll read a section of Chapter 11 introducing closed-loop value chains and a current article that brings new thinking to the post-consumer stage of the loop. We'll read two articles (one new, one revisited from an earlier module) that discuss internal strategies for creating sustainable innovations.

Our case study, Herman Miller, presents a very down-to-earth applied case of how a company makes major NPD decisions concerning sustainability and how those decisions ripple not only throughout the company but also throughout the value chain.

Read:

Text:

Martin & Schouten (2012), Chpt. 11, pp. 153-163.

Articles:

- Unruh, Gregory (2008), "The Biosphere Rules," *Harvard Business Review*, February; 1-8.
- Biomimicry in Motor Trend magazine March 2014 – the power of opals. The article doesn't mention biomimicry – but you cognoscenti know that's what it is! http://blogs.motortrend.com/1403_technologue_harnessing_the_beautiful_physics_of_opals.html (Links to an external site.)
- Revisit the following article from Module 9. In Module 11, we'll focus on the last two steps described in the article: innovative new business models and platforms.
- Nidumolu, Ram, C.K. Prahalad, and M.R. Rangaswami (2009), "Why Sustainability is Now the Key Driver of Innovation," *Harvard Business Review*, September; 1-9.

Read about 4 strategies for green innovation:

- Lampikoski, Tommi, Mika Westerlund, Risto Rajala, and Kristian Moller (2014), "Green Innovation Games: Value-Creation Strategies for Corporate Sustainability," *California Management Review*, Vol. 57, No 1 (Fall); pp. 26-42.

Read about the post-consumer stage of the closed-loop value chain:

- Abbey, James D., Margaret G. Meloy, Joseph Blackburn, and V. Daniel R. Guide Jr (2015) "Consumer Markets for Remanufactured and Refurbished Products," *California Management Review*, Vol. 57, No 4 (Summer); pp. 26-42.

Case Study:

Cradle-to-Cradle Design at Herman Miller: Moving Toward Environmental Sustainability

Case Questions:

1. Apply The Natural Step framework to Herman Miller's operation. Is Herman Miller's operation consistent with the principles of the Natural Step?

2. What are the elements of the cradle-to-cradle (C2C) protocol? What organizational changes were required at Herman Miller make to implement C2C? What costs and resources were required?
3. What was marketing's role in the transformation to C2C? Could Herman Miller utilize their marketing talent more effectively?
4. Analyze the PVC versus TPU decision for the Mirra chair arm pad. Address the pros and cons carefully. Conduct a cost analysis – and be very careful here! HBSP cases can be tricky...
5. What should Herman Miller do?

Watch:

Ray Anderson, (late) CEO and founder of Interface Carpet, on Sustainable Business:

Ray Anderson's classic 2009 TED Talk "The Business Logic of Sustainability"

<http://www.youtube.com/watch?v=iP9QF1BOyA> (Links to an external site.)



Ray Anderson on The Natural Step Framework:

<http://www.youtube.com/watch?v=BZ7TV5i78Cc> (Links to an external site.)



Janine Beynus On Biomimicry:

Janine Beynus, author of *Biomimicry: Innovation Inspired by Nature*, TED Talk:

<http://www.youtube.com/watch?v=kGFq12w5WU> (Links to an external site.)



On Cradle-to-Cradle (C2C) Design:

William McDonough TED Talk on Cradle-to-cradle. This is “TED in Half” edited down to 10 versus 20 minutes. I post this because I know you’re all really busy, but I recommend the full length video if you can spare the time:

<http://www.youtube.com/watch?v=VO-o07uULcc> (Links to an external site.)



The Nike Sustainability Story:

Hannah Jones, VP of Sustainable Business & Innovation at Nike, interviewed by Joel Makower of Greenbiz.com:

<http://www.youtube.com/watch?v=16sZvN0EkuM> (Links to an external site.)



Nike’s “The Making of Making” video:

<http://www.youtube.com/watch?v=tmmPIISETJg> (Links to an external site.)



Nike’s “Making Matters” video:

<http://www.youtube.com/watch?v=LXPuuwAhtQo> (Links to an external site.)



Nike's "Making" App:

<http://www.youtube.com/watch?v=LhTjaSuBp7E> (Links to an external site.)



Some cool & sustainable innovations:

I posted a brief PPT presentation featuring just a few creative innovations inspired by sustainability.

Links to the various websites are embedded in the PPT slides; most websites have 1-2 minute videos that show what the product does.

Know of other sustainable innovations? Please post sustainable innovations that we should add to the "insanely great sustainable innovations" PPT presentation to this week's discussion.

Do:

1. Submit Case Write-up – Cradle-to-Cradle Design at Herman Miller

2. Post to the Sustainable Innovations Discussion:

- What are your favorite "insanely great" (as Steve Jobs would have said) sustainable innovations?

3. Take Quiz #11 – Sustainable New Product Design & Innovation

4/17 Module 12. Sustainable – and Unsustainable -- Marketing Communications



This week in **Module 12** we examine sustainability in the context of the second “P” of the marketing mix – Promotion. In this unit we take a look at some of marketing's more underhanded practices, like greenwashing and astroturfing -- things we all need to recognize but NOT practice!

As we learned in the "labels" unit, a pretty logo with singing birds, green leaves, and trees does not a sustainable product make. Greenwashing is an insidious practice that harms a brand more than it helps. So why does it continue? The excellent article by Delmas and Burbano (2011) describes internal and external pressures that drive "brown" companies to engage in greenwashing or inhibit them from doing so.

There are many forms of greenwashing and the issue is more complicated than it seems at first glance. To help you develop your greenwashing-identification skills, we'll rely on the well-known www.sinsofgreenwashing.org (Links to an external site.) website. There you can test your skills by playing “Name That Sin.”

Then, in your discussion, you'll be asked to 1) nominate a few companies or brands for the "Greenwashing Hall of Shame" and 2) nominate a few companies or brands for a "Transparency in Sustainability Award." Do tell us why they're your top candidates.

Our case study takes us to the South Pacific (Fiji) to examine *FIJI Water CSR -- Green Makeover or Greenwashing?* The case provides a good example of the many complex and tangled issues related to greenwashing. Additional background information is provided in a series of related articles and videos.

Read:

Textbook:

Martin & Schouten (2012), Chpts. 13,14 & 15.

Articles:

- Delmas, Magali and Vanessa C. Burbano (2011), "The Drivers of Greenwashing," *California Management Review*, Vol. 54 (1): pp. 64-87.
- Peloz, John, Moritz Loock, James Cerruit, and Michael Muyot (2012), "How Stakeholder Perceptions Differ From Reality," *California Management Review* Vol. 55 (1): 74-97.

Websites:

- Sins of Greenwashing site – play "Name That Sin!"
<http://sinsofgreenwashing.org/> (Links to an external site.)

Case Study & Related Materials:

FIJI Water and Corporate Responsibility – Green Makeover or "Greenwashing"?

- BBC website mentioned in the FIJI Water case. This site used to include the BBC documentary video but no longer does. I've included a different BBC documentary by the same title, "Bottled Water: Who Needs It?" and made at the same time (2008) in the Module. It is not the original video but still relevant. Go figure?
<http://news.bbc.co.uk/2/hi/programmes/panorama/7247130.stm> (Links to an external site.)
- FIJI Water's current website:
<http://www.fijiwater.co> (Links to an external site.)
- Fastcompany article: "Message in a Bottle"

- Mother Jones article: "Spin-the-Bottle" The reporter tells a pretty amazing tale of menace and threats as she investigated the Fiji water story.

Case Questions:

1. What factors contributed to the marketing success of FIJI Water at the time of the case study?
2. What is FIJI Water's marketing strategy today? How has it changed from the time that the case study was written?
3. At the time of the case study, what did it mean for FIJI Water to go carbon negative? How did the carbon footprint of FIJI Water compare to other products?
4. At the time of the case study, do you think FIJI Water was engaged in greenwashing? If so, which sin (or sins) of greenwashing is it committing?
5. What is your assessment of FIJI Water's sustainability – including CSR – today? Which sins of greenwashing, if any, does the company commit today?

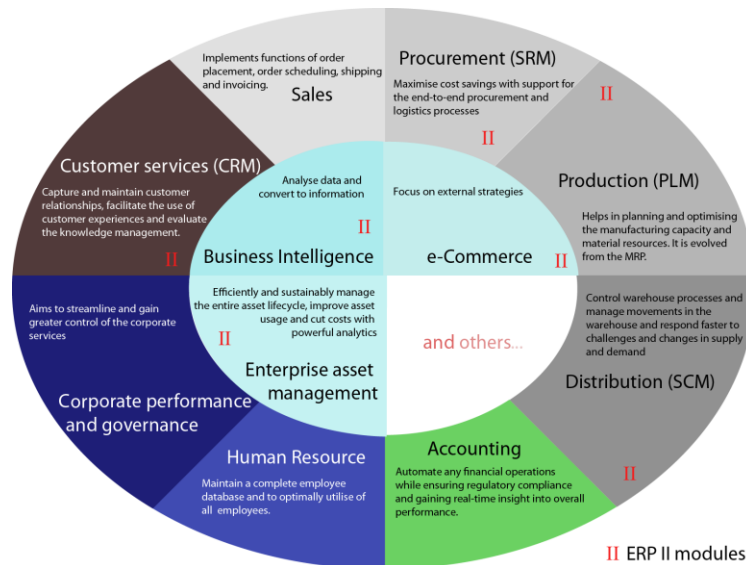
Watch:

- "The Story of Stuff: Bottled Water" There's a whole series of "Story of Stuff" animated videos, available on YouTube, starting with the original "The Story of Stuff". Suffice it to say that the producer and narrator is not too happy with marketers. In this particular instance, I agree with her.

Do:

- **Submit Case Write-up – *Fiji Water ... Green Makeover or Greenwashing?***
- **Take Quiz #12 – Sustainable Marketing Communications**
- **Post to the Sustainable Marketing Communications Discussion**

4/24 Module 13. Sustainable Supply Chain



In **Module 13**, we move into the third P of the marketing mix -- Place -- specifically, supply chain and channels of distribution. We'll revisit the concept of *closed-loop value circles* and move beyond into *sustainable supply chain management (SSCM)*.

You'll read a few pages in Chapter 11 about SSCM and an article by Lee (2010) with tips on holistic sustainable supply chains; an article by Liu, Kasturiratne, and Moizer (2012) on how to integrate sustainable marketing into SSCM; watch one Ted Talk video by IKEA's Chief Sustainability Officer; and view Patagonia's Footprint Chronicles website.

A busy week - but hopefully a rewarding one!

The case questions encompass two companies: REI and Litehouse Foods. The first three questions address REI's sustainability strategy and apply the model from the Liu et al. (2012) article -- "Using the 6 Ps to Integrate Green Marketing into SSCM" -- to the REI situation.

The second three case questions revisit the Litehouse Foods case, this time examining their supply chain. (You do remember that I told you we'd come back to this case, yes?) Is the Litehouse supply chain sustainable? What are the implications for operations, cost, and sustainability of a change from glass to plastic packaging? Should Litehouse make the change?

The discussion then asks you to apply what you've learned about SSCM, from all four companies -- REI, Litehouse, IKEA, and Patagonia -- to make suggestions for your company.

Read:

Text:

Martin & Schouten (2012), Chpt. 11, pp.160-166.

Articles:

- Lee, Hau (2010), "Don't Tweak Your Supply Chain: Rethink it End to End," *Harvard Business Review*, October.
- *Greening the Supply Chain: Best Practices and Future Trends*, IGEL/ Knowledge Wharton Report; June 2012.
- Lowitt, Eric (2014), "How to Survive Climate Change and Still Run a Thriving Business," *Harvard Business Review*, April. *Note: We read this back in Module 1; I recommend that you read it again here because most of the checklist items have to do with supply chain issues.*
- Shaofeng Liu, Dulekha Kasturiratne, and Jonathan Moizer (2012), "A hub-and-spoke model for multi-dimensional integration of green marketing and sustainable supply chain management," *Industrial Marketing Management* Vol. 41; 581-588.

Note: This is an academic article, so it will review the relevant literature to set the stage before reporting the results of empirical research. By this point in the course, you will probably find that the literature review -- Section 2 -- is old news for you. If so, head straight for Section 3 (the 6 Ps model) and especially Section 4 -- the "good stuff" -- the empirical results.

Case Studies:

- *REI: Sustainability Strategy and Innovation in the Outdoor Gear and Apparel Industry* (UV5324).
- *Revisit: Litehouse Foods: The Glass Dilemma.*

Websites:

<http://www.patagonia.com/us/footprint/> (Links to an external site.)

- Choose any specific Patagonia product and scroll down to see where the garment is made and learn about the factory. For example:

<http://www.patagonia.com/us/product/womens-upslope-hoody?p=25830-0> (Links to an external site.)

- Visit Patagonia's latest environmental campaign, "The Responsible Economy"

<http://www.patagonia.com/us/patagonia.go?assetid=1865> (Links to an external site.)

Watch:

Steve Howard, Chief Sustainability Officer of IKEA, discusses what IKEA is doing for sustainability:

http://www.youtube.com/watch?v=buH_vs7LFzw (Links to an external site.)



Do:

- Submit Case Write-up – REI Sustainability Strategy and Innovation & Litehouse Foods: The Glass Dilemma
- Take Quiz #13 – Sustainable Supply Chain
- Post to the Sustainable Supply Chain Discussion:

How might you apply lessons learned from REI, Litehouse, IKEA, or Patagonia to improve sustainable supply chain management (SSCM) in your company?

5/1 Module 14. Sustainable Retailing & Pricing



In [Module 14](#), we will conclude our study of the third P of marketing mix -- marketing channels or "place" -- with a focus on sustainable retailing. Our case study takes us to China, where we will study how a French multinational company, Carrefour, implemented sustainable business practices in its relatively-new (relatively)-green Beijing store.

Have you heard of Carrefour or been in one of their stores? I wouldn't be surprised if the USA students haven't. Why do I say that? Despite being the world's 4th largest retailer, after Wal-mart, Tesco (UK), and Costco, Carrefour operates just about everywhere in the world *except* the USA. So, in addition to studying Carrefour's sustainability efforts, I believe that it's good business for U.S. marketing students to learn about the world's largest "hypermarket" chain.

Lastly, we introduce the fourth and final P of the marketing mix -- price. Until recently, there hasn't been much to say about the price issue except that "people will buy sustainable products if they don't cost more." We'll revisit some of the more current readings on green consumer segmentation with a focus price.

Read:

Textbook:

- Martin & Schouten (2011), Chpt. 11

Articles:

- Lai, Kee-hung, TCE Cheng, and Ailie KY Tang (2010), "Green Retailing: Factors for Success" *California Management Review*, Vol. 52 (Winter): 5-31.
- *From Social Entrepreneurship to Sustainability in Retail*, Knowledge Wharton Report, April 5, 2012.
- Wilson, Marianne (2013) "Buildings Go Green," *Chain Store Age*, November. (The .pdf for this article is posted in the Module.)
- "Walmart is Serious About Going Green," *MMR*, December 9, 2013. (The .pdf for this article is posted in the Module.)

Web Assignment:

Take a virtual tour of Carrefour stores:

<http://www.carrefour.com/cdc/group/our-business/our-stores>

Case Study:

Carrefour China: Building a Greener Store

HBS 908M48

Case Questions:

1. Why is Carrefour so committed to the greener store effort in China?
2. Who are the various stakeholders in the Carrefour-China situation and what do each of them want?
3. Apply Lai, Cheng, and Tang's (2010) framework to analyze Monaco's problem: Create a 2x10 matrix applying Lai, Cheng, and Tang's (2010) three major dimensions for green retailing success --- internal-improvement-gated GR, external-improvement-based GR, and supportive-development-based GR -- and their 10 sub-dimensions -- to Carrefour's efforts in China. (In short, recreate Table 4 in the article). What is your evaluation of Carrefour's situation in China?
4. What is your advice to Monaco?

Well, that's about it.

Thank you all for a wonderful semester – I wish you a long, fruitful and sustainable life!