Course Syllabi and Assignments

- *Environmental issues in Marketing*
  Mark Cohen, Vanderbilt University

- *Environmental Marketing*
  Gail H. Kirby, Santa Clara University
GOALS OF THE COURSE:

Environmental issues affect firms in many ways. To the marketing professional, environmental issues may provide a new market niche or product category through 'green marketing' efforts. A firm's environmental reputation may also have a positive impact on the firm by enhancing the overall image of the company and its brands in the minds of customers or other stakeholders. On the other hand, environmental concerns can easily destroy a firm's reputation or brand name image.

Consumer surveys show a high degree of awareness and concern about environmental issues. Companies have responded in many different ways. In 1990, over 11% of all new packaged products reportedly made at least one environmental claim. Yet, there are more recent reports that firms have begun to abandon active green marketing campaigns. Part of this trend has been blamed on several high profile cases of alleged deceptive advertising claims and guidelines subsequently issued by the FTC on environmental marketing claims. Although there are literally hundreds of products still making environmental claims, some of the largest companies have held back introducing new products or reduced the emphasis they have placed on touting the environmental benefits of their products. Is 'green marketing' destined to be a small niche area, or will it become a mainstream marketing concept? This course will examine these issues from a systematic marketing research perspective. To accomplish this task, we will consider the traditional areas of marketing (e.g., the standard 4 or 5-P's of product, price, place, promotion and people), and how they relate to environmental issues. The course assumes a background in marketing, but not environmental issues. Thus, many of the lessons to be learned from the course can be applied to other marketing issues.

By the end of the module, students should be able to answer the following questions: What does it mean for a firm to have a "green product" or good "environmental reputation?" Who are green consumers? How much added value can environmental reputation add to a product? How can firms promote their green products? How important are environmental issues in the global marketplace?
COURSE REQUIREMENTS:

All readings are available on reserve at the Owen library. Several cases will be available for purchase at the bookstore. A significant part of the class grade is devoted to participation. Students are expected to come to each class having read the assigned material. Students may be called upon to discuss the readings and discussion questions assigned before each class. Although several individual and group assignments are to be written and handed in, students are also graded on their participation in class – especially those cases where no written assignment is given.

Students will be expected to prepare a group research paper on a firm or industry of their choice. Oral presentations of group papers will be delivered during the last two class periods, with each group devoting about 30 minutes each. Groups will also have two other assignments involving brief 15 minute presentations. (NOTE: Each group should feel free to put its best foot forward in group presentations. Not all group members need present at each group presentation. Each group must decide on its own who will represent the group, and this will not influence my grading of your individual effort either positively or negatively. Each group will have a chance to evaluate its own members, so you can collectively decide the appropriate mix of research, writing, and presentation for each member.)

Grades will be based on the following:

<table>
<thead>
<tr>
<th>Assignment Type</th>
<th>Percentage</th>
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<tbody>
<tr>
<td>Individual written assignments (4 assignments)</td>
<td>25%</td>
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<tr>
<td>Group assignments (4 assignments)</td>
<td>25%</td>
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<tr>
<td>Group project (written and oral presentation)</td>
<td>25%</td>
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<tr>
<td>Peer evaluation of group work</td>
<td>10%</td>
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<tr>
<td>Class attendance and participation (including case analyses)</td>
<td>15%</td>
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GROUP PROJECT

Choose one company or product that is currently engaged in some form of environmental marketing. Prepare an analysis of the current marketing approach and include recommendations for the future. Your recommendations can be in any format, including (for example), proposed advertising copy, target groups, product labels, etc. The final product should be a brief memo to the CEO, accompanied by any supporting tables, charts, ad copy, web page, etc. You will also be giving a presentation of the same material in class. The memo should be no more than 10 pages double-spaced text (plus any attachments). Although the project is relatively open ended, at a minimum, you should consider the following:

- Conduct some basic background research on the company’s environmental performance and reputation, as well as for its competitors.
- Analyze consumers demographics, purchase habits, etc. for this product.
- How does your recommendation fit into the company’s strategic focus for this product or its position in the marketplace?
- What (if any) are the risks associated with your proposed marketing strategy?
- Can the firm obtain a sustainable competitive advantage in this market?
READING LIST AND COURSE OUTLINE

1. (Tuesday, Aug. 27) Introduction to Environmental Management Issues

“Listening to America: Politics, People and Pollution,” film shown in class

2. (Thurs, Aug. 29) What Is a Green Product?

Read:

“Packaging study” - briefly review
http://cygnus-group.com/packaging/study/Packstudy.html
(you do not have to read the entire study)

DUE: Individual Assignment #1: Read the material above. Answer the following questions: (1) How do you know whether or not a product is “green?” (2) Who should decide what a “green” product is? (3) Is greener always better? Your answer should be no more than two pages double-spaced, and may include a table or figure (in addition) if you want to include one.

3. (Tues, Sept 3) Who Are Green Consumers?

Read:

Discussion Questions (not to be handed in):
(1) What is the profile of the typical ‘green’ consumer?
(2) Do you think you can sell ‘green’ products to ‘basic browns’ or to ‘grousers’? Why or why not & what type of products?
(3) How do American, Canadian and Mexican consumers differ in terms of their environmental concerns?
(4) The last survey was done in 1992. How do you think things may have changed since then?
(5) What do you think Roper would find if they did similar surveys in Poland? Norway? Nigeria?
4. (Thurs, Sept. 5) Trends & Effectiveness of Green Marketing

Read:

Internet sites: Check out a few “greenmarket” internet sites, including:
http://www.greenmarket.com
http://www.envirolink.com/greenmarket

DUE in Class: Group Assignment #1:
Based on your understanding of who the “green consumer” is, where do you believe the most opportunities (product types, consumer types, geographic areas, etc.) exist for green marketing? What should the advertising message be? What format should the green marketing campaign take? (Max 3 pg doubled spaced.)

5. (Tues, Sept. 10) Regulation of Advertising Claims

Read:

Federal Trade Commission Advertising Guidelines
(also, browse through some of the public comments)
http://www.ftc.gov/opp/green.htm

DUE in Class: Individual Assignment #2
Read the above material, answer the following questions in writing (maximum 3 pages double-spaced) and be prepared to discuss in class:
(1) Who was likely to support the FTC’s general approach in writing advertising guidelines? What type of firms might benefit, what type firms might be harmed?
(2) What are the pros and cons of the FTC guides from a consumer standpoint? From the environment’s standpoint?
(3) Pick any advertisement or product label currently in the marketplace and analyze it from the perspective of the FTC guidelines. Do you think this passes their test? Where are the potential vulnerabilities? How would you suggest they do things differently if at all? You can easily find environmental claims anywhere you look - magazines, grocery or hardware stores, etc. You must include a copy (or original if you wish!) of the ad or label for me to see. (Note: you may choose an “image” ad instead of a “product” ad if you prefer.)
6. (Thurs, Sept. 12) Regulation of Advertising Claims (continued)

Read:
Mobil Chemical Corporation Case (MEB Case)

Group Assignment #2:
Browse through recent FTC orders against companies that have been accused of deceptive marketing of their environmental claims. (You can find them by going to the Law Library and looking at the past 3-4 year of “FTC Reports,” or you can search on NEXIS in the OGSM library. I found 60 cases, most of which are on point by going to the TRADE library, FTC file, and doing the following search: (ENVIRONMENT! W/4 GUIDELINE!) OR (ENVIRONMENT! W/4 CLAIM!) OR BIODEGRAD! OR LANDFILL!)

Choose one company to report on. You should prepare a brief presentation and memo to the CEO of the company with the following information: (1) description of the product and environmental claims, (2) restate the FTC concerns and the terms of their final order, (3) an analysis from your company’s perspective of why the FTC is right or wrong on the merits, and (4) your recommendations for future marketing campaigns for this or similar products. The written memo should not exceed four pages double-spaced and may include figures or tables in addition. You should prepare overheads to present in a 15 minute presentation to the class.

7. (Tues, Sept. 17) Certification Programs

Read:
OECD, “Environmental Labelling in OECD Countries,” 1991. (Read pages 11-40; you can browse through the rest as needed.)
Plantanera Rio Sixaola (MEB Case)

Discussion Questions (not to be handed in): Be prepared to answer the following questions in class.
(1) What is the current marketing mix of Plantanera Rio Sixaola?
(2) What industry structure and cost problems are contributing to the company’s inability to make a profit?
(3) What are the environmental problems of typical banana production? Has Plantanera Rio Sixaola effectively eliminated these problems? How?
(4) Do you believe the Eco-OK seal will give added value to Plantanera bananas? Why?
(5) If this company can differentiate its products it might be able to receive more revenue per box. Do you agree/disagree and why?
(6) [From OECD reading:] Compare and contrast the approaches taken in different countries towards Eco-Labels. What are the pros & cons of each?
8. (Thurs, Sept. 19) Corporate Environmental Reports

Read:


Group Assignment #3: Choose one company from those linked at the VCEMS website (http://www.vanderbilt.edu/VCEMS/NEWFILES/other.html) or those placed on reserve in the Library. If you go to the website, scroll down to “Environmental Reviews.” There are currently 15 companies listed. Feel free to find your own if you prefer. Read the report carefully and prepare a summary and critique. You should prepare a 15 minute presentation to be given in class with overhead (which should be handed in). You may (if you wish) submit additional material such as a brief written summary of your findings or other attachments. However, if self contained, the overheads and presentation should be adequate. You should not rely solely upon the report itself, but you may consult other external sources. For example, you should search for articles written about the environmental record of the company and its competitors. You may also want to have discussions with company officials or environmental groups. [You should also hand in a listing of any external sources you consulted in a typed bibliography.]

(1) Summarize what is in the report, what is not in the report, and any unique features.

(2) Who appears to be the main audience?

(3) Do you think the report is a fair characterization of the company’s environmental record?

(4) What recommendations would you have for the company about future reports?
9. (Tues, Sept. 24) Partnerships with Environmental Organizations
Read:
McDonalds Case (A) and (B) (National Pollution Prevention Center Case)

Individual Assignment #3: Answer case questions in writing and be prepared to discuss in class. Your answers should be written, but brief (no more than 3 pages double-spaced; may be answered in dot point format if you prefer).
Case A:
(1) Why did EDF approach McDonald’s?
(2) Why did McDonald’s enter into the Joint Task Force with EDF? Was EDF the right choice for a partnership?
(3) How well does the structure of the Joint Task Force serve as a model for future partnerships? Has it worked?
Case B:
(1) Should McDonald’s continue its recycling efforts or drop the “Clamshell” sandwich container? Why?
(2) How much weight should be given to the LCA methodology in the decision? Why?
(3) Is there one best environmental solution to the Clamshell issue? Will it change over time?

10. (Thus, Sept. 26): Packaging and International Issues
Read: The Proctor & Gamble Company: Lenor Refill Package (HBS Case #9-592-016)

Discussion Questions, not handed in.
(1) Who are the stakeholders to this decision? What are their objectives?
(2) Evaluate P&G’s alternatives. What are the risks and rewards associated with each?
(3) Given your decision, what marketing mix do you recommend for the Lenor product line? What are the economics of your recommendation?
(4) If the Lenor refill package option is chosen, should its introduction be delayed to allow P&G to launch the new package on three or four brands at once?
(5) Describe the Lenor fabric softener user. How is the fabric softener market segmented? Would the refill package encourage switching by non-Lenor users and/or new trial by nonusers of fabric softener, or merely cannibalize Lenor’s existing consumer base?

11. (Tues, Oct. 1) Case: Public Relations & Intro of New Products
Read: StarKist Case (A) (HBS #9-794-128)

Individual Assignment #4: Answer case questions in writing & be prepared to discuss in class:
(1) Do you think the StarKist managers made the right decision? Why or why not? On what criteria are you basing your decision?
(2) What other actions would you like to see StarKist executives take? Why?
12. (Thurs, Oct. 3) Case on Environmental Entrepreneurship: Deja Shoe

Read: Deja Shoe Case

Group Assignment #4: Answer in writing and be prepared to discuss in class:

(1) How would you summarize Deja Shoe’s corporate strategy? Who is their target market and what are they trying to sell?

(2) What is your evaluation of Deja Shoe’s corporate strategy? Specifically,

   (a) what is their core competency?
   (b) what is their competitive advantage?
   (c) can they sustain it?

(3) Do you think the business plan for Deja Shoe was properly developed so that they would be successful? If not, what specific recommendations would you make to Deja Shoe’s management to do things differently?

13. (Tues, Oct. 8) Industry/Company Analysis: Group Presentation

14. (Thurs, Oct. 10) Industry/Company Analysis: Group Presentation
Additional Student Assignments

The syllabus for Environmental Issues in Marketing, prepared by Professor Mark Cohen, contains several environmental marketing-related assignments. A few additional assignments that have also survived the test of time for MBA-level courses and executive management seminars are detailed below. Contact Professor Cohen for further details.

(1) Read the FTC Advertising Guidelines and the public comments from one group or individual who commented on the Guides. Summarize and critique the public comment. If you were the FTC, how would you respond? Do you agree with the comment? Be as explicit as possible in your answer. (Written assignment, maximum 3 pages). Be prepared to discuss in class individually.

(2) Read the text and any related newspaper or magazine articles available on an existing FTC consent decree order against a company that was accused of deceptive environmental marketing practices. (These can be found in recent FTC Reports in the Law Library or on the FTC Web Site.) If you were working for the company, what arguments would you make to the FTC that your marketing practice was not deceptive or unfair to consumers? You should consider both firm-level concerns (profitability, competitiveness, etc.) and social concerns (market efficiency, etc.). Do you think these arguments would be persuasive? Explain.

(3) The following assignment has been used in conjunction with a case written about a hypothetical company, 21st Century, Inc. The case includes several different role playing exercises and assignments (including a process flow diagram of a production process, risk assessment, risk-based decision making, citizen lawsuit/negotiation exercise, and environmental marketing project. The marketing assignment could easily be tailored to a different company or reading assignment. It could also be applied to a real product. As written, this homework assignment deals with the Century Bags Division of 21st Century Inc. Permission is given by Professor Cohen to use this assignment without the case. Contact him directly if you are interested in obtaining the full case.

Green Marketing Plan: Century Brand Lawn & Leaf Bags

The Scenario

The Century Bags Division has had good profit growth in the last two years, but sales have not been expanding as fast as headquarters might like. The VP Marketing wants to run a green marketing campaign for Century Brand lawn and leaf bags using the company’s environmental initiatives and the product’s improving environmental performance to promote bag sales.

The team, in the role of the Marketing Staff at 21st Century, Inc., is preparing a new marketing plan. The goal is to develop a plan to boost sales of Century Brand lawn and leaf bags. The completed plan will be presented by the team’s boss, the VP Marketing, to the Senior Management council in a few day’s time.

At the last staff meeting when the VP Marketing directed the team to investigate a
green marketing strategy for Century Brand and leaf bags, he waved around a report from the Century Chemical R&D group that had the following facts in it:

1. **Lawn and leaf bags now have 55 less plastic per bag, but are 7% stronger.**

2. **Technical changes in the bag-making process resulted in a gradual 255 reduction in the Veracruz, Mexico plant’s air emissions over the last two years.**

Also, a proposal from the supplier that makes and prints boxes for Century lawn and leaf bags was circulated around the Department. The box supplier has offered to make Century boxes out of 100% post-consumer recycled paperboard. Further, the supplier has offered to use soy-based, all natural inks in the printing process. The recycled paperboard would raise the overall cost of a typical box of lawn and leaf bags by less than 1%; the soy-based ink raises cost by an additional 2%.

Given these facts and the team’s insights into strategies for green marketing, prepare a presentation that shows how Century Brand lawn and leaf bags might boost sales through green marketing while avoiding the pitfalls. Specifically, address at least the following:

1. **GOAL of the plan:** By how much does green marketing have the potential to increase/decrease sales? What is the basis for the estimate.

2. **MESSAGE of the plan:** What claims does the plan make about Century Brand lawn and leaf bags? Should green marketing also include claims about the environmental performance of the company and the plant (as opposed to the bags themselves)?

3. **PROCESS of the plan:** Where does the company make these claims? On TV? In the newspapers or magazines? On the package? What about the potentially skeptical public? How does the company back up its green claims?

NOTE: You can either prepare a visual presentation, or a brief memo. In either case, your report should not exceed 3-4 pages.
ENVIRONMENTAL MARKETING
MKTG 182

I. COURSE OBJECTIVES

A. To introduce students to the role of environmental marketing within society and within the economic system.

B. To facilitate the student's understanding of the breadth of activities that fall within the domain of environmental marketing.

C. To expose students to basic environmental problems and decisions that frequently confront the marketing manager, and appropriate strategies used by marketing managers to address these environmental problems and decisions.

D. To develop students' ability to think critically, write clearly, and speak persuasively.

II. COURSE OVERVIEW

This course is designed for students interested in marketing and society and the environmental problems which affect marketing managers and corporate strategy.

Over the past twenty years, spending on the environmental amenities has increased. Economic growth, a series of well-publicized disasters, and evolving scientific understanding of environmental phenomena have all contributed to increased demand for environmental regulation. At the same time, concern for the environment has created entire new industries, and appears to present significant opportunities for individual firms.

Environmental issues now affect the strategy, governance, and operations of firms in all sorts of industries. In this course, students will evaluate the relationships between the environment and the business world, and explore the political and economic concepts that underlie environmental thinking.
III. COURSE ORGANIZATION

Class time will be divided between lectures, discussions, cases, and a variety of other activities designed to stimulate your learning. The purpose of the lectures is to highlight key ideas discussed in the assigned readings, review difficult points and introduce supplementary material. Class discussions will help relate the material to your own experiences and provide an opportunity for you to apply what you have learned.

Cases will be used to emphasize the applied nature of the topic. You will be required to bring to class on the days that cases are assigned a one (or two) page typed, single-spaced memo summarizing your case analysis or a one (or two) typed paper answering the assigned questions. Your grade for the case portion of the course will be determined through a consideration of these assignments and constructive participation in each case discussion.

IV. COURSE REQUIREMENTS

A. GRADEING

Students will be evaluated on the basis of team projects, course assignments, and exams. Your grade in the course will be determined by the following criteria:

Class Participation

(quality, analysis, frequency, and leadership) 15%

Written Case Studies 15%

Quiz 20%

Group Project I 20%

Group Project II 30%

The exam will be based on the assigned reading's, the lectures, and the cases discussed in class.

B. TEAM PROJECT

The class projects will be prepared in teams of 4 people. You will evaluate the other members of your team. If you are rated negatively by your teammates, this will have a negative impact on your grade.

See separate document for details of the projects.

C. HOMEWORK

Each week you will be assigned one or two cases to complete. See the last section of this syllabus for due dates. All the cases for the term, taken together, represent 15 percent of your grade.
IV. LATE WORK AND MAKE-UPS

Case reports will be collected at the end of class on the day indicated in the syllabus. If for some reason you will not be in class, please make arrangements to submit the assignment/report on time.

V. GETTING IN TOUCH WITH ME

I am available to assist you with questions regarding preparations of homework assignments, cases and other course-related matters at any time during the quarter. Please make an appointment with me if you need my assistance.

I look forward to working with you in this course.
ENVIRONMENTAL MARKETING  
Mktg 182  
Spring 1996

<table>
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<tr>
<th>CLASS</th>
<th>LEARNING THEMES/ ASSIGNMENT</th>
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| April 1     | 1  Course Overview  
Assignments/ Class Organization  
Why Today's Marketers Must Go Green |
| April 3     | 2  Total Quality Environmental Management                        |
|             | Bennett, S. "Total Quality Environmental Management." Chapter 3 |
|             | Greenbucks: The Challenge of Sustainable Development (Video)     |
| April 5     | 3  Holiday (no class)                                            |
| April 8     | 4  Strategic Opportunities of Environmental Marketing            |
|             | Kleiner, Art. "What Does It Mean to be Green?" Harvard Business  |
|             | Review.                                                          |
|             | Porter, Michael, and Van Der Linde. "Green and Competitive      |
|             | Ending the Stalemate." Harvard Business Review.                 |
| April 10    | 5  McDaniels, Stephen W., and Rylander, David H. "Strategic Green |
|             | Marketing." Journal of Consumer Marketing.                      |
| April 12    | 6  Guest Speaker: Odwalla                                       |
| April 15    | 7  Strategic Alliances and Environmental Advocacy Groups         |
|             | "Environmentalist on the Run" Fortune.                          |
| April 17    | 8  McDonalds Corporation, 1992 HBS Case                          |
| April 19    | 9  Stakeholder Negotiations  
Chlorine and the Paper Industry |
April 22  5  Earth Day

Greening Business (Video)

April 24  ▶  Earth Day Group Presentations

April 26  ▶  Earth Day Group Presentations (continued)

April 29  6  Consumer Behavior: The Environmental Consumer


Case Study:  Chevron Case:  HBS Case

May 1  7  Communication Strategies: Certification Systems

"Henry Miller: How Green Is My Factory"

Case Study:  Smith & Hawken: MEB

May 3  ▶  Guest Speaker (Chet Chaffe, Scientific Certification Systems)

May 6  8  Communication Strategies: Advertising

Coddington, W. "Environmental Communication Strategies." Chapter 11


Case Study: "Advertising Council Earth Share Campaign"  HBS

May 8  9  Communication Strategies: Public Relations Opportunities

Wally, Noah, and Whithead, Bradley. "It's Not Easy Being Green" Harvard Business Review


May 10  

Business and The Environment: Lean, Clean and Green with Tom Peters (Video)

May 13  


May 15  

Product Issues: Packaging


"The Big Muddle in Green Marketing" Fortune

May 17  

Case Study: Procter & Gamble Lenor Refill Package: HBS

May 20  

Products: Design Issues

Coddington, W. "Green-Product Development" Chapter 8.

Ottman, J. "How to Develop Greener Products That Consumers Will Like and Buy." Chapter 5.

May 22  

Case Study: "Xerox- Design for the Environment" HBS

May 24  

Place: Distribution Issues


Case Study: "Loblaw Companies: President's Choice GREEN" HBS Case

May 27  

Holiday (no class)

May 29  

Summary- Strategic Opportunities


May 31  

Quiz

June 3  

Group Presentations
June 5  
Group Presentations

June 7  
Group Presentations