

# **Sustainability Marketing Strategies in Advertising Campaigns—Boon or Bane?**

**Marc M. Kuhn**

**Baden-Württemberg Cooperative State University Stuttgart**

**Yvonne V. Zajontz**

**Baden-Württemberg Cooperative State University Stuttgart**

**Vanessa Kollmann**

**Baden-Württemberg Cooperative State University Stuttgart**

*As the generation of renewable energy gains importance, large energy suppliers have begun to change their marketing strategies into campaigns that include information about where their energy comes from. This paper presents the results of an eye tracking experiment that analyses the significance of renewable energy generation in advertising campaigns. The consumers' perception will be examined through campaigns from German energy suppliers, which include ecological elements displaying the green marketing strategy. It is hypothesised that eye movements can give a real impression of how user's attention is affected through the given ecological stimuli within the advertisements.*

## **INTRODUCTION**

Since the great oil spill in the Gulf of Mexico in April 2010, international debate on renewable energy has been heated. Renewable energy generation has been gaining importance as governments around the world subsidize projects that develop new ways for producing a green and clear energy. Thus business strategies for sustainability are developing fast and worldwide (Werbach, 2009, p.8 et seqq.). Accompanied with this fact major energy suppliers have begun to change their marketing strategies into campaigns that include information about the source of their energy supply. Currently the whole energy sector is undergoing a great change. However, there is also an opposing movement in some countries. For example, in Germany the current discussion about the phasing-out of existing nuclear power plants is controversial in both the policy and the German society. The anti-nuclear activists demonstrate fervently against an extension. The media is full of various debates about energy and the way it is produced. In contrast, the consumer interest on this issue appears to be low and the willingness of customers to change their current energy supplier is marginal. It is a fact that the large majority of main part of German population do not know their own energy household costs (Schickarski, 2005, p.25). The level of information about the different providers and their energy prices even in times of an economical crisis are stunningly low. This is a very interesting point given that the price is always identified by the energy customers to be the dominant factor in choosing an energy supplier (Schickarski, 2005, p.23).

## THEORETICAL BACKGROUND

The main focus in conventional marketing and consumer behaviour theory has always been strongly on the actual purchase of products and services (Belz & Peattie, 2010, p.74 et seqq.; Belz, 2001, p.58 et seqq.). Even if psychological and sociological effects like awareness or attitude are discussed as reaction parameters within the basic S-O-R paradigm (Kroeber-Riel/Weinberg, 2008, S.30 et seqq.), from a legal and economic perspective, the purchase is all important. Focusing on sustainability marketing, however, the impacts of a product are determined more on factors that precede the purchase decision (see Belz & Peattie, 2010, p.74 et seqq.; Bilharz, 2008, p.53 et seqq.). Psychological reaction parameters preceding the purchase like “company awareness”, “price perception” and “ecological attitude” are determined by a multitude of external and internal stimulus parameters. Of importance for marketing aspects is the fact that emotions and motives of the consumer significantly influence the human behavior (Meffert, Burmann & Kirchgeorg, 2008, p.703). However electric energy can be described as a low involvement product. The intention of this paper is to analyse the relevance of sustainability strategies within marketing communication from an electric energy supplier’s perspective of. The question that arises is to which extend an ecologically targeted advertising strategy is influential. Do customers recognize that companies promote “green energy” and how do they judge the effort of being “green”?

## HYPOTHESES

The crucial question that follows these theoretical considerations is which factors can be identified as relevant in energy suppliers’ print campaigns to stand out in a competitive environment. We identified three such factors that were present in the displayed advertisements (Schickarski, 2005, p.23; Lovelock & Wirtz, 2010, p.67).

1. *“logo” element*: The logo is a sign for a certain trademark and the first impression of a company. A well established brand provides confidence and suggests product quality.
2. *“price” element*: The price is proved by various empirical studies to be a very dominant factor. If a price offer is included in the advertisement the supplier displays it as a very cheap one.
3. *“ecological” element*: If an ecological element is shown in the advert the supplier follows a green strategy and promotes a renewable energy production. We assume that this generates a higher involvement for energy as a low involvement product.

This paper evaluates, exemplified by six different print advertisements (three with an ecological reference and three without such a reference) how customers react to different elements viewing those campaigns. Assuming that a positive rating is an important step to be willing to change the energy supplier we additionally pay attention to the evaluation of different advertisements.

1. Hypothesis: The section of the advert that gives advices to renewable energy is perceived faster than price offers or logos of the companies.
2. Hypothesis: An advert including the information of an ecologically worthwhile production of energy is considered more than the other parts.
3. Hypothesis: Advertisements that suggest an ecologically worthwhile energy production are better evaluated than those who focus only on price and brand image.
4. Hypothesis: An Advertisement giving the consumer an indication of an ecologically production is more often to be reminded by the test persons than an advertisement without such a reference.

## RESEARCH METHODOLOGY

The initial point of the research project was to create an experimental research design that enables an implicit method of measurement that prevents bias which usually arises from questioned surveys. The eye tracking methodology enables a measurement of the actually perceived information that comes from the human visual process (Kroeber-Riel & Weinberg, 2008, p.264). To get this valuable information the eye

tracker is used to verify via infrared where and how long test candidates look at different parts of the displayed frames. Thus the method provides objective and quantitative evidence of the user's visual process. The eye movements can give a real impression of the user's attention concerning given stimuli within the advertisements. Eye tracking can provide insight into at least one aspect of the internal consumer model: how the consumer is delivered as efficiently and directly as possible (Duchowski, 2007, p.263. All information we perceive is through visual processes we receive through fixations (Kroeber-Riel & Weinberg, 2008, p.265). A measurement of the relative intensity of different, self-defined parts of the advertisement becomes possible. We therefore divided the relevant advertisements in different "areas of interest" (the so called AOIs), such as the company logo, an ecological element and price information. The intention was to measure how long and how often the subjects gave attention to these different parts (AOIs) of the given stimuli. 127 participants joined the eye tracking experiment with a fixed eye tracker. Six different advertisements from German energy providers were shown. The pictures were randomized and the digitalized stimuli display time was limited to five seconds. Every test person received the same advertisement. Furthermore, we implemented an additional recall survey afterwards. The test volunteers were asked to rate each individual advertisement from five levels from "very bad" to "very good". In the meantime the advertisements were shown again.

## Results

Table 1 shows the results of the eye tracking experiment. We used the created areas of interest ("price", "logo" and "eco") and generated an overview (summed up) of the AOIs for all three advertisements. The reception of an ecologically conscious message was not the first that was noticed. By far the price was the key visual in the given stimulus. Interestingly the logo and the ecological reference were rated equally. If we look at the comparison group without the ecological reference (on the right side of the table) the price and the logo are closely tied together. Thus, our first hypothesis must be falsified. If we consider the duration of the visit on the different AOIs the visit duration on the ecological reference is significantly much shorter than the other factors. We can deduce that the importance of the ecological background is not as relevant as the price and the logo. Surprisingly, the percentage of generally recognized AOI's differs only marginally. Nearly every person noticed the three different sections. The advertisements which suggest an ecologically conscious energy production received a more positive rating (as portrayed in table 2) than the advertisements which only focus on price and brand image. Thus, the hypothesis can be verified. Perhaps this is based on a social adjustment. People recognise that renewable energy is better for the environment and therefore they rate these kinds of advertisements higher. Regarding the recall test, advertisements without an ecological reference performed much better than the comparison group. On average the three advertisements without the ecological reference were remembered by 26 % of probands while only 14 % remembered the name of the advertising companies that followed a green marketing strategy. This hypothesis has to be falsified. We can reason that for a marketing strategy that is targeted on simple publicity the ecological reference is not important. In contrast, for the development of a green brand image, the application of "green" elements seems to be crucial.

## CONCLUSION

We can assume that the ecological information is being emotionally processed. The ratings of the renewable based advertisements were significantly better. Nevertheless, it is still the price that plays the major role in the perception process. Due to the absence of willingness to change energy suppliers, the supplier itself and its brand play an essential role. Generally, it is very difficult to reach a high emotional excitement with a product that only has a low involvement. An extension of our research by evaluating more advertising campaigns would be crucial for validation. Nevertheless, we can assume that the awareness for an environmental friendly production is existent, but not anchored in our minds such as the price or the brand. Since it is a continuous process we can expect that this will change more and more in the future.

**TABLE 1  
RESULTS OF THE EYE TRACKING TEST**

	advertisements with an ecological reference			advertisements without such a reference	
	price	logo	ecological	price	logo
time to first fixation	4,4 sec	6,99 sec	6,96 sec	4,2 sec	3,73 sec
total visit duration	2,47 sec	2,35 sec	1,32 sec	3,83 sec	2,87 sec
percent of people	99%	97%	94%	99%	99%

**TABLE 2  
RESULTS OF THE RECALL SURVEY**

	advertisements with ecological reference	advertisement without an ecological reference
mean of evaluation	2,74	3,27
percentage of people who remembered the advertisements	14%	26%

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