

Sustainability Brand and its Role

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Abstract

During the last decades the importance of sustainability has steadily increased and nowadays, sustainability is not only a governmental responsibility. Creating a sustainable practice is the need of the day. With the impacts of climate change becoming more drastic, a green brand is beneficial to both the environment and the brand. The United Nations are fully focused on achieving their Sustainable Development Goals by 2030, and the brand can be part of that. Besides the concept of sustainability, the field of brand management has gained more relevance in the last decades as well. Today, companies invest large amounts of money in the development of their brands.

This paper aims to highlight the leading role of sustainability in branding theory and practice and to point out strategies for successful implementation of green values into the brand management.

Key words: brand, sustainability, strategy, role, management

J.E.L. classification: F13, F16, Q01, Q02

1. Introduction

Sustainability is on everyone's lips, but often only vaguely understood. The concept of sustainable development is: a systematic extension of human rights by opening up equal development opportunities for all people on this planet and for future generations. (Schneidewind, 2018)

Sustainability means rethinking how products are created for their future life, beyond use. Companies involved in developing strategies based on the principles of sustainability use and reuse safe materials, protect ecosystems and provide decent work for people. Their vision is towards a small circular economy, in which nothing is lost in creating or eliminating the products and services offered.

Nowadays, brands in general are strong and powerful instruments of change, connected with consumers all over the world. Companies that own successful brands, with lot of loyal consumers, have the power to generate modifications in consumers' lifestyle and behavior. Consequently, environmentally friendly brands are to be considered elements of sustainable marketing strategy and their implementation requires changes in the management of the companies involved. Thus, the most difficult task for marketing and brand managers is to find interest for consumers in a sustainable way of life and to make it easy accessible and attractive for them. (Milovanov, et al., 2017)

It is clear that the mankind have no longer the luxury of ignoring sustainable practices and climate change solutions. Trends show that consumers no longer have the patience for brands that are not focused on ethical business practices, even governments around the world, are recognizing the importance of responsible business practices. The UK has recently declared an emergency over the effects of climate change, and is putting pressure on businesses to create models that are entirely sustainable with a low to zero carbon footprint. (Fransen, 2020)

It's time for brands to measure up by proving to consumers in an authentic and transparent way, their dedication to the planet, and in turn, the people they serve. Find out what they want, and make it happen.

2. Theoretical background

In 1987 the World Commission of Environment and Development (WCED) defined the concept of sustainability respectively sustainable development in the Brundtland-Report "Our Common Future" for the first time. (Gerlach, et al., 2012)

To deal with the topic of sustainability in the context of strategic management two perspectives have been developed: the normative perspective and the rational perspective. The normative perspective research claims that a global social responsibility is the reason for the integration of sustainability into the decision process. The rational perspective research focuses on an efficient use of resources through innovation and protection of resource pools and the balance between consumption and supply of resources. (Hülsmann, 2004) As the society becomes more concerned with sustainability, it becomes more important to integrate sustainability in a company's strategic management.

Today, a period of enormous upheaval was just beginning. The coronavirus pandemic has brought about the most severe economic downturn the world has seen in many years, but it can also be a turning point that propels us forward – including in the fight against climate change. Structural and systemic shifts such as climate change, resource scarcity, regulatory pressures and new perspectives on the value of human capital and diversity increasingly pose material business risks and opportunities for issuers and investors globally.

(https://www.bloomberg.com/impact/?utm_medium=Adwords&utm_source=pdsrch&utm_content=IMPACT-REPORT-2019&mpam=25137&bbgsum=DG-GP-06-12-)

Previous approaches and research demonstrate that sustainable brand performance includes the development of a brand/product or service under consideration of sustainability criteria. This means that through the whole product's life circle, standards of social and environmental compatibility must be respected. Sustainable Strategic Brand Management in the Context of Sustainable Brand Management is one of three processes, together with Sustainable Operative Brand Management and the process of Brand Controlling. In this respect, the strategic lines are implemented in real activities through a set of sustainable brand management instruments. These instruments are sustainable brand performance, sustainable brand pricing, sustainable brand communication and sustainable brand distribution. (Gerlach, et al., 2012).

3. The role of sustainability brand

A sustainable brand takes time and specific steps to be built gradually. The meaning of building a sustainable brand must be based on marketing studies, not only on themed campaigns. Very important is to understand that being a sustainable brand is highly important because a sustainable brand produces more realistic marketing results that create customers and keep them coming back over and over again. That means that sustainable brands are highly reputable brands in their niche markets and once a brand has reached the level of sustainability, even if the company stop the marketing activity for a few months or even for an entire year, consumers will still come back. Today, there are plenty of sustainable brands created by their pioneering marketers and founders over the decades. (Tan, 2015)

Environmentally friendly brands are inevitable element of sustainable marketing strategy and sustainability concept, given that its implementation requires changes that will trigger mass rather than individuals. However, regardless of positive opinion about socially responsible practice on the market, attitude - behavior gap is widely present among consumers, making segment of green consumers just a market niche. Thus, the most challenging task for marketing and brand managers is to find interest for consumers in a sustainable way of life and to make it easy accessible and attractive for them. (Milovanov, et al., 2017)

The need for a sustainable brand identity could be argued with several reasons: growing market, growing economies, environment protection expected by consumers.

4. Building the sustainable brand

Building a sustainable brand requires a different approach than regular businesses. Planning is the only way to ensure a smooth transition, the planning process is vitally important to have effective measures in place. A great place to start with sustainability efforts is to pick an issue that people feel strongly about. Then, in order to show the market that the company is in it for the long haul, having a sustainability strategy is a case of when, not if. The number-one rule here is not to just throw out a few posts about sustainability and expect them to get the engagement they should. Create a new marketing plan and find ways to tie more of your posts back to sustainability. (Roberts, 2018) Using social media and the power of Instagram and live-streaming is an option.

Sustainable marketing is a great way to promote eco-friendly aspects of a company, it's natural for a business to use all of its genetic makeup to promote itself and stand out in its market. For example, SMEs frequently use grassroots beginnings or a local focus to give them a unique tone of voice, while larger companies pride themselves on winning industry awards. Another tactic that companies can adopt is sustainable marketing, which works as both a product and a brand marketing strategy. 'Responsibility' is becoming a common brand value and several companies have announced environmental and social initiatives that put the onus back onto the customer, challenging them to choose between the cheaper option and the (morally) 'better' option. However, it is essential to plan and execute sustainable marketing carefully. (Story, 2019)

Specialists recommend 8 Rules for Brand Sustainability: target the right prospects consistently; make it relevant; be good at what you're good at; show quality in product and services; keep your customers; expand your market further; be updated and willing to change!; think long term. That is why it is important for marketers to understand the current realistic situation of their brands in the market, the current competitive landscape, and what are the ways they can do to reach brand sustainability. (Tan, 2015)

By uncovering exactly what motivates consumers from a sustainability perspective, they can gather the insights needed to develop the right kinds of processes, products and messaging to meet their rising expectations.

Here are the sustainable brands that are delivering on this evolving consumer trend, and reaping the rewards:

- Amazon- So as one of the most powerful brands in the world, Amazon is taking its responsibility seriously. Amazon doesn't just talk about pumping time and resource into sustainability – it gives its consumers real-world proof of how they're doing it – with brands we're all familiar with.
- Danone- has a very clear motive behind its green initiatives. It seeks to promote health through its food and says the health of the planet, therefore, is a priority. What makes Danone's response to environmental changes so remarkable, is the positive results that have been reported by third-party assessors.
- Nestlé- Nestlé have focused their environmental strategy on packaging. Having received criticism in 2018, Nestlé has redeemed itself, becoming one of the front-runners in the carbon reduction race. As well as its renewable packaging goals, it's also aiding in the development of new approaches to eliminating plastic waste by partnering with Danimer Scientific, to develop a marine biodegradable and recyclable bottle.
- Unilever- As a conglomerate with brands operating within a number of different sectors, one of the ways it's reached its sustainability targets is through buying up small, sustainable brands, and growing them.
- L'Oréal- For the largest and most profitable company in the cosmetics industry, L'Oréal, sustainability isn't just something integrated into the business by outside pressure, it's something the brand is taking full ownership of, and leveraging to elevate its profile. To raise awareness of their sustainability focus, L'Oréal created a dedicated hub which encourages users to browse through its latest initiatives, campaigns and objectives.

5. Conclusions

Creating a sustainable practice is the need of the day. With the impacts of climate change becoming more drastic, a green brand is beneficial to both the environment and the brand. There are many companies that offer sustainable products and services. Going green can be easy and rewarding if the right steps are taken at the right time to reduce the impacts of environmental change. Consumers are calling for brands to take greater responsibility for the environment, and not listening is not an option. It's no longer an option for brands to ignore sustainability issues. As it becomes more ingrained in the brand-consumer relationship and purchasing, there's clear opportunity there to win favor with the right approach. These brands prove it's possible to spread an authentic message that consumers believe in. The key lies in first understanding what they want, and what they expect, using deep consumer insight. It's time for brands to measure up by proving to consumers in an authentic and transparent way, their dedication to the planet, and in turn, the people they serve.

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