



GREEN MARKETING IN B2B AND B2C CONTEXT

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ABSTRACT

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Green Marketing in B2B and B2C context

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The aim of this study is to research what differences and similarities business-to-business and business-to-consumer green marketing has. Green marketing is part of sustainability marketing and focuses on the environmental aspect of sustainability marketing. More precisely, the goal is to focus on the challenges in green marketing, the motives to implement green marketing and to analyse the future of green marketing.

The research was carried out as a qualitative case study that focuses on understanding a particular industrial company's approach to green marketing in business-to-business context. A case company representative was interviewed through a semi-structured interview. These interview findings were compared with the previous literature concerning this topic.

The results of this study indicate that business-to-business and business-to-consumer green marketing have similarities, especially in motives and strategies to implement green marketing. The study found some differences in business-to-business and business-to-consumer context in the challenges in green marketing.

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Tämän tutkielman tarkoituksena on selvittää millaisia eroavaisuuksia ja yhtäläisyyksiä yritysten välisessä ja yritykseltä kuluttajille tapahtuvassa vihreässä markkinoinnissa on. Vihreällä markkinoinnilla tarkoitetaan vastuullisuusmarkkinoinnin ympäristöön keskittyvää osaluetta. Tarkemmin tutkielma keskittyy selvittämään vihreän markkinoinnin keskeisiä ongelmia, motiiveja sen taustalla sekä mahdollisia tulevaisuuden teemoja.

Tutkimus on toteutettu laadullisena case tutkimuksena, joka keskittyy ymmärtämään teollisuusyrityksen lähestymistapaa vihreyteen yritysmarkkinoinnissa. Case yrityksen edustajaa haastateltiin puolistrukturoidun haastattelun kautta ja haastattelutuloksia vertailtiin olemassa olevaan kirjallisuuteen.

Tutkielman tulokset osoittavat, että vihreässä markkinoinnissa yritysten välillä ja yritysten ja kuluttajan välillä on yhtäläisyyksiä. Yhtäläisyyksiä löydettiin erityisesti vihreän markkinoinnin motiivien ja strategioiden välillä. Eroavaisuuksia sen sijaan ilmeni vihreän markkinoinnin haasteissa.

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1. Introduction

Climate change and its negative impacts have been acknowledged more broadly in the 21st century and especially during the 2010's. Climate change as a concern has brought new various forms of risks to corporates' reputation, regulatory, competition and financial performance (Wong, 2016, pp.5), which has forced different operators including companies respond to it.

Companies have taken voluntary actions to reduce their greenhouse gas emissions (Kathy Dhanda, 2014). Many organizations have become more responsible by developing more environmentally friendly products since the pressure addressing climate change and need for greener products has increased. Due to increased concern on environmental issues, green marketing has emerged. For some companies, green marketing has become a way of capturing consumers attention on the market in order to create competitive advantage. (Liao, Wu and Pham, 2020; Mishra and Sharma, 2014)

Research has shown that the main driver behind climate change is CO₂ emissions' increase in the atmosphere (IPCC, 2013, pp.29). Many organisations have published emission reduction goals as a part of their environmental actions and green marketing. As a response to the increased concern on climate change, many operators have published as their target to become carbon neutral in the upcoming years and decades. The European Green Deal aims at climate neutrality for Europe by 2050, which in practice means decreasing emissions significantly. The EGD has proposed for Europe to become the world's first carbon-neutral continent by 2050. (Wolf et al., 2021)

The European climate strategy can only be successful if Europe changes the economy to a new development path that has social and political support from the beginning (Wolf et al., 2021). These changes require environmental and social responsibility from governments, companies as well as from individuals. If consumers' purchase behaviour does not take the

sustainability issues into consideration, efforts toward more sustainable world will not succeed. Sustainability and green marketing have been viewed as crucial in order to achieve consumer awareness and the increase of green products on the market. (Osburg and Ludorf, 2016)

These ambitious aims that the European Union and other operators have, will probably affect the business field in Europe significantly in the upcoming years. These changes may affect consumer behaviour globally and companies need to answer the consumers' changing needs by changing their own actions to be more environmentally friendly. Green marketing is also likely to develop while companies start to pay more attention to environmental issues and to the upcoming targets concerning emission reductions. Green marketing is expected to become a norm regardless of the industry.

This bachelor's thesis conducted in 2021 will focus on analysing green marketing from a critical perspective and how green marketing can be effective and reliable at the same time. The point of view is to analyse and compare the differences between green marketing in business-to-consumer and business-to-business context. The goal for this thesis is to analyse how green marketing is likely to develop in the future and analyse carbon neutrality as one theme in the future green marketing. Carbon neutrality is a current topic due to the increasing concern on achieving sustainability goals and emission reduction goals in the upcoming years.

This thesis analyses a European industrial corporation that has proposed as its aim to become carbon-neutral by 2030. The research studies a specific part of this corporation that operates in business-to-business context offering electric and hybrid powertrain systems. The case company's motives and marketing strategy for green marketing are researched and the future development of their green marketing is analysed.

1.1 Research problem and questions

This bachelor's thesis' aim is to analyse what are the differences between green marketing in B2C and B2B context. This thesis deepens to research what are the main challenges with green marketing and how a company can promote their greenness in an efficient and reliable way. The goal is also to research what are the motives and expected outcomes behind green marketing. Future of green marketing is analysed and a few possible future topics in green marketing are discussed. The bachelor's thesis has one main research question and three secondary research questions.

The main research question:

Q1: How green marketing in B2B context differs from green marketing in B2C context?

As addition to the main research question, the goal is to answer three secondary questions. The secondary research questions are:

Q2: What are the motives and expectations behind green marketing?

Q3: What are the main challenges with green marketing?

Q4: How green marketing is likely to develop in the future?

With these secondary questions, the goal is to understand the connection that the benefits of green marketing have with the company's motives to conduct it and to research what are the main challenges that companies might encounter with green marketing. The goal is also to analyse the future of green marketing.

1.2 Theoretical framework

This bachelor's thesis focuses on understanding the motives behind green marketing and how companies can benefit from green marketing in order to understand how companies can

implement green marketing efficiently. The theoretical framework of the research is illustrated in the figure 1. One important theory for this study is Pratima Bansal's and Kendall Roth's theory "*Why Companies Go Green: a Model of Ecological Responsiveness*". The theory presents three main drivers that companies have to become more sustainable. These three drivers are competitiveness, ecological responsibility and legitimation. (Bansal and Roth, 2000) These motives that drive the sustainability in companies overall, are usually also the motives of sustainability marketing. Another important theoretical framework for this research is Ginsberg's and Bloom's (2004) study that focuses on different green marketing strategies. This framework divides companies into four categories based on their green marketing motives.

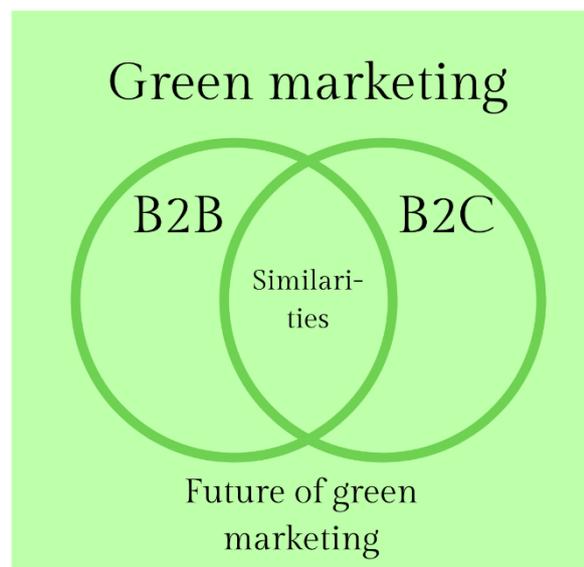


FIGURE 1: THEORETICAL FRAMEWORK

1.3 Research methodology

This bachelor's thesis is conducted as qualitative research. The empirical part of this research is based on a case study conducted on an industrial company. A case study researches a single unit and the goal is usually to implement in-depth examination on that particular case object (Saldaña, 2011). An interview to the case company has been conducted to answer the research questions from a company perspective. These interview findings are compared with

the previously introduced theory and the procedures of the case company are analysed in the empirical part.

1.4 Literature review

The concept of green marketing was first introduced in the late 1960s by William Lazer who studied social dimensions of marketing. Since the 1990s green marketing has gotten more and more attention and the amount of research concerning it has increased. (Kumar, 2016; Lazer, 1969) The majority of the oldest research on environmental marketing focused on studying the relations between environmental concern and consumers' behaviour. One study suggested that researchers' interest on studying green marketing declined at the beginning of the 21st century (Chamorro, Rubio and Miranda, 2009).

The existing sustainability marketing research focuses mainly on studying business-to-consumer marketing. Gelderman, Schijns, Lambrechts and Vijgen (2021, 2061) state "The majority of research on sustainability focusses on business-to-consumer (B2C) markets while largely ignoring business-to-business (B2B) markets." Academics have been more interested in studying green marketing and environmental marketing in B2C context which has led to lack of research on green marketing in B2B context. It has not been widely researched how industrial companies implement green marketing strategies, what affects it and what are the major consequences of integrating green procedures throughout the company (Fraj, Martínez and Matute, 2013). The case company x operates in B2B field and this research focuses on studying the green marketing differences and similarities in B2C and B2B context.

Previous literature on consumer's green purchase behaviour exists, but there have been contradictory results which has led to the conclusion that green purchase behaviour depends on a particular culture and generalization is not often possible in green purchase behaviour (Rahbar and Abdul Wahid, 2011). The research on consumer behaviour concerning carbon labelling on products focuses mainly on the food industry. There is little research focusing on green purchase behaviour in B2B context, which is why the concept is partly viewed from

a supply management perspective. Another topic that has not been significantly discovered is carbon neutrality in green marketing and the existing research on carbon neutrality marketing, carbon footprints and carbon labelling mainly focus on studying the food industry.

1.5 Definitions of key concepts

The central concepts of the bachelor's thesis are sustainability marketing, green marketing and environmental marketing. The terms used vary between environmental marketing and green marketing but in this thesis, these concepts are referred to as the same.

The first definition related to sustainability marketing is from the year 1976 and this explains the development of the used concepts as well as the definitions that have developed during the years (Dangelico and Vocalelli, 2017). Donald A. Fuller (1999) has defined sustainability marketing as the process of planning, implementing and controlling the development, pricing, promotion and distribution of products in a manner that satisfies the following three criteria: customer needs are met, organizational goals are attained, and the process is compatible with ecosystems. Later on, sustainability marketing has been defined by Bridges and Wilhelm (2008a) as an integrative approach that puts equal emphasis on environmental, social equity and economic concerns in the development of marketing strategies.

Green marketing or environmental marketing is one part of sustainability marketing. Green marketing is usually an issue-based approach that only considers sustainability from an environmental perspective (Bridges and Wilhelm, 2008b). Green marketing has been defined as developing and marketing products and services that are more environmentally sustainable. Green marketing also means having sustainability as one of the core foundations of the marketing and business process and it occurs when marketers use their knowledge to encourage consumers to become more sustainable as a part of the marketing process. (Gordon, Carrigan and Hastings, 2011) Prakash (2002, pp.294) proposed that green marketing includes greening companies as well as greening products and in order for green marketing to

succeed, managers need to consider whether to focus on systems, processes or products when implementing green procedures.

1.6 Structure of the research

This bachelor's thesis is conducted from theoretical and empirical parts which have been further divided into sections depending on the topic. The study begins with introduction, which focuses on presenting the background of the study. The introduction also contains defining the research problem, the introduction of the theoretical framework, literature review and definitions of the key concepts.

The theoretical part has been divided into two chapters. The first part of the theory studies green marketing in general. After an introduction on the topic, motives behind green marketing are studied and green marketing strategies are researched. In the end of the chapter the challenges of green marketing are introduced. The second part of the theory section focuses on the future of green marketing.

The fourth chapter focuses on introducing the research methodology and is followed by the empirical part where the case company is researched. The empirical part of the research focuses comparing the case company findings with the previously presented theory. The chapter is mainly based on the conducted interview to the case company and the previously introduced theory. After that, the research conclusions are made and discussed.

2. Green marketing

This chapter focuses on studying green marketing in business-to-consumer and business-to-business context. Green marketing is defined in the beginning, followed by discussion on the motives behind green marketing. The challenges of green marketing are introduced in the end.

2.1 Definition and objectives of green marketing

Increased global concern on environmental issues has had its effect on marketing. Due to growing consumer awareness and interest on environmentally friendly products, several companies are implementing green marketing practices (Mishra and Sharma, 2014). It has been stated that being environmentally friendly is no longer a trend, but rather a necessary element for companies' success (Lewandowska, Witczak and Kurczewski, 2017). Nowadays, green marketing is seen more as a necessary part of marketing and it is especially important for companies whose business depends on using physical environment (Mishra and Sharma, 2014).

Green marketing includes several activities such as changing products, production process, advertising and packaging that aim at reducing the environmental impact on the earth (Mishra and Sharma, 2014). Green marketing also includes construction and renovation of buildings as well as recycling (Vaccaro, 2009). Eco-labels, eco-brand and environmental advertisement are tools of green marketing and guide consumers and companies towards choosing environmentally friendly products (Rahbar and Abdul Wahid, 2011). In B2B context implementing green marketing strategy can mean modifying products and processes to satisfy the buyers' demands as well as communicating externally about the environmentally responsible procedures (Fraj, Martínez and Matute, 2013).

2.1 Green marketing motives

In order to understand how green values and green marketing are implemented throughout the entire company, understanding the corporate motivations and drivers behind becoming greener and more sustainable has been viewed necessary since the motives shape the implementation process (Polonsky, Michael Jay and Rosenberger, 2001).

Companies, individual consumers and organizations may have different reasons and motivations behind focusing on environmental friendliness. From a company perspective, the purpose of pro-environmental actions is often to reduce the environmental impact and the purpose of marketing these actions and achievements is usually to build a positive brand image and increase sales (Lewandowska, Witczak and Kurczewski, 2017). Increasing material energy costs, public pressure and consumers increasing awareness and demand on environmental products have also been seen as the reasons why companies are expected to implement sustainability strategies as well as green marketing strategies in the future (Cronin et al., 2010; Kleindorfer, Singhal and Van Wassenhove, 2005).

Research studying the motives behind companies' sustainability actions suggested three basic motivations for ecological responsiveness. These three motives were competitiveness, legislation and ecological responsibility. (Bansal and Roth, 2000) Another case study revealed similar findings on the companies motives to become greener. During the 21st century new regulations concerning environmental protection have been set, which has had its effect on companies' green procedures and creation of green innovations. (Dangelico and Pujari, 2010)

Several studies agree that environmental regulation in fact influences the development of environmental innovations. Environmental regulation is an important part of decision making and for some companies' regulation is the main driver behind environmental procedures. (Rubashkina, Galeotti and Verdolini, 2015; van Leeuwen and Mohnen, 2017) Some companies even view the environmental regulations as an opportunity for innovation, waste

reduction and customer satisfaction (Dangelico and Pujari, 2010), which means that the motive behind some companies' greening can be conquering a new market area or expanding their organisation. Research studying corporate responsibility in B2B markets suggested that B2B companies have different motivations for their responsibility procedures from regulation to altruism (Blenkhorn and MacKenzie, 2017).

While some companies have environmental values as the base of their business, other companies do not value greenness as much and rather make small gestures towards environmental friendliness in order to create a competitive advantage. Using resources more efficiently is better for the environment, but it can also cut costs significantly (Porter and Reinhardt, 2007). Research has shown that many companies have focused on increasing their competitiveness by making small savings and environmental actions with simple housekeeping measures (Bansal and Roth, 2000). In many cases these smaller steps are not enough, and companies need to set new policies and targets in order to create innovative green products (Dangelico and Pujari, 2010).

In some cases, the main driver of green innovation is the top management's personal commitment on environmental procedures (Dangelico and Pujari, 2010). Companies that have innovative values to create new processes, products and technologies usually allow companies to eliminate their environmental inefficiencies before those are even generated while other companies focus on minimizing their impact on the environment. While these innovative organizations might have to invest more in becoming greener, they usually have greater positive impact on the environment. (Fraj, Martínez and Matute, 2013)

Companies' motives behind going green usually also have connection with the companies' expectations on how the green procedures as well as green marketing is going to benefit their company. Bansal and Roth's research (2000) has shown that companies expected their ecological responsiveness to create sustained advantage and improve their profitability in the long run.

2.2 Green marketing strategy

Successful marketing usually requires effective strategy that is driven by careful strategic planning and entrepreneurial tendency or both (Peattie, 1995). Integrating ecological issues into company's strategic management is viewed as a competitive advantage that requires a holistic approach with co-ordinated responsibilities and procedures. Implementing green marketing strategy (GMS) does not only include selling and marketing environmentally friendly products but also focusing on environmental issues in production, logistics and administration departments. (Fraj, Martínez and Matute, 2011) External communication towards stakeholders is also an important part of green marketing (Fraj, Martínez and Matute, 2013).

When comparing green marketing strategies in business-to-consumer and business-to-business context, it is important to recognize that B2C and B2B have differences in marketing communication in general. While B2C marketing is more based on emotional aspects, B2B marketing requires more professionalism and focuses more on the product and its qualities. Sales in B2B sector usually are more complex than in B2C, they have higher order values and longer sales cycles. (Rėklaitis and Pilelienė, 2019) It can be noted that green marketing in B2B context requires more knowledge and professionalism on general aspects of a product as well as on the environmental qualities.

Peattie (1995) suggested a few key elements that companies need to consider when implementing a green marketing strategy. The elements were to develop a holistic environmental marketing strategy that comprehends the company thoroughly and is suitable for that particular firm and to make decisions that are ecologically and strategically efficient at the same time (Peattie, 1995). Jill and Bloom (2004) proposed two questions that companies need to consider and ask themselves when creating a green marketing strategy. They suggested that companies should analyse how important the green consumers' segment is for that particular company and could becoming greener create a competitive advantage for the company's brand (Jill and Bloom, 2004). Both of these approaches focus on analysing the targeted customer segment and also the market area.

Jill and Bloom (2004) introduced four different green marketing strategies based on the size of the green market on the company's industry. These four strategies were **lean green**, **defensive green**, **shaded green** and **extreme green** (figure 2). They stated that careful research is required to understand into which category a company belongs to. (Jill and Bloom, 2004)

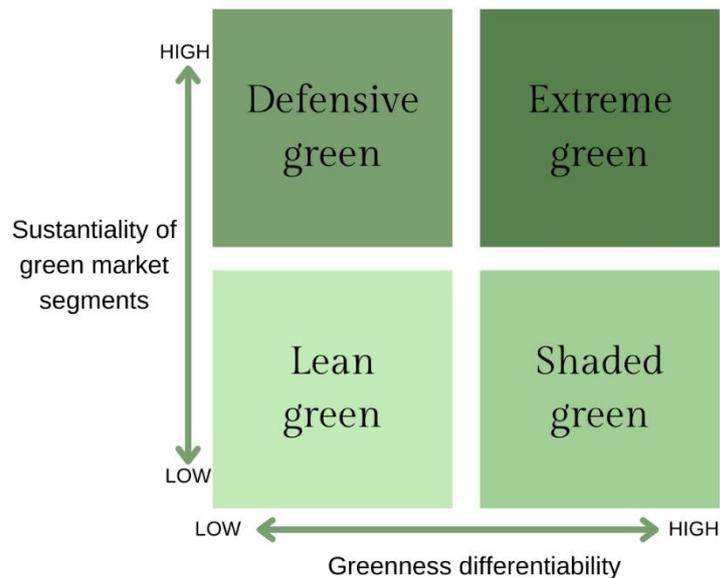


FIGURE 2: GREEN MARKETING STRATEGIES MATRIX (MODIFIED FROM JILL AND BLOOM, 2004)

The characteristics of a **lean green** company were that they might have environmental procedures and might be concerned of the company's environmental impact, but are not willing to market their green activities as broadly as they could. Their main goal is usually to reduce costs and improve efficiency through their environmental actions and to follow regulations and legislation. Consumers might not even be aware of their environmental actions or innovations due to their moderate green marketing. (Jill and Bloom, 2004)

Their unwillingness to promote their environmentalism is usually due to the fear of being characterized as a green company which might limit their consumer segment. Another reason could be that they do not believe that promoting their greenness would be profitable for them. A third reason could be the company's fear of being analysed and challenged for their environmental actions. (Jill and Bloom, 2004)

Defensive green companies usually use green marketing as a response to something, for example to a crisis or to a competitor's actions or as a precautionary measure. Their goal is to improve their brand image and minimize the harm they could do without taking those environmental actions. They usually recognize the importance of green market segments due to which they do not want to lose those segments. These companies usually promote their actions occasionally, not with a permanent strategy since investing in a permanent green marketing strategy is seen as a possibly wasteful and risky approach. (Jill and Bloom, 2004)

Defensive green companies might focus on making small efforts as a part of their green marketing strategy, for example sponsoring an environmentally friendly event. These companies are usually only willing to promote their greenness in a significant way if they are certain that it will create a competitive advantage for them or be profitable in another way. (Jill and Bloom, 2004)

Shaded green companies are more interested in investing into environmentally friendly processes and green marketing than lean green and defensive green companies. These processes usually require both financial and nonfinancial commitment. This commitment leads to the capability to truly differentiate themselves from their competitors with their environmental actions, but most of these shaded green companies choose not to do so. These companies usually focus on promoting the direct consumer benefits and environmental benefits are marketed as a secondary benefit. (Jill and Bloom, 2004)

Extreme green companies have adopted green values to their organization thoroughly and these values guide their decision making. In these companies, it is usual that environmental values have been integrated to their business model from the beginning of their establishment. These companies usually focus on providing products and services to niche markets and usually prefer other than mainstream distribution channels. Extreme green companies might have their environmental actions and social responsibility as a base of their brand and identity. (Jill and Bloom, 2004)

2.3 The challenges in green marketing

Over two decades ago, Mendleson and Polonsky (1995) proposed three main problems in green marketing which were poor credibility, consumer cynicism and consumer confusion. The article stated that overcoming these problems is essential for the environmental marketing to be effective (Mendleson and Polonsky, 1995). It has also been stated that the base of effective green marketing is credibility and meeting or exceeding customer expectations by environmental benefits (Ottman, Stafford and Hartman, 2006).

Many publications agree that the main problem with green marketing nowadays is the lack of credibility and consumers' trust (Lewandowska, Witczak and Kurczewski, 2017). In 2013, only 52 % percent of EU citizens generally trusted producers' environmental claims (Eurobarometer, 2013). The lack of confidence on the advertisements concerning environmental claims makes consumers more unwilling to make green purchases which is harmful for both the companies implementing green procedures as well as to the environment (Testa et al., 2015). It is important that a company promoting greenness actively informs customers on how the claims are fulfilled, since well-informed customers are more likely to invest on environmental friendliness (Gleim et al., 2013; Gleim, Smith and Cronin, 2019).

Both green marketing issues, the lack of credibility and consumer cynicism are partly result of misleading and untruthful environmental marketing in the past. Many companies started to promote their products and services as environmentally friendly, without integrating environmental actions into their corporate culture and this created incredibility towards green marketing among consumers. (Mendleson and Polonsky, 1995) Polonsky, Grau and Garma (2010) stated that especially marketing that deals with carbon offset programs have potential to develop to be misleading and become one future problem in environmental marketing.

Based on classical economic and consumer behaviour theory, individuals base their consumption decisions maximizing their own benefit and welfare (Varey, 2010). Environmental impact of the product has been viewed to affect the consumer decisions in some consumer

segments (Polonsky, Michael Jay, 2011). Even though it is expected that the majority of consumers are likely to make more environmentally friendly purchases in the future (Lewandowska, Witczak and Kurczewski, 2017), the environmental impact of a product has been only the third important element to consumers after quality and price (Eurobarometer, 2013).

There have been similar findings in B2B context, since the price and quality in many cases have been prioritized over the environmental benefits of a product and companies are not willing to pay extra for environmental benefits if there are otherwise similar alternatives available. Meeting environmental goals are usually secondary priorities to companies and financial performance is often prioritized. (Mariadoss, Tansuhaj and Mouri, 2011; Polonsky, 2011) This disinterest among consumers and companies towards environmental product qualities is another challenge in green marketing and in the profitability it has.

While environmental concerns have been acknowledged by the scientific community and consumers agree that environmental issues exist, consumer behaviour has not changed significantly. Consumers often view these issues as part of the future rather than as concerns right now. (Polonsky, 2011) Another reason for consumers disinterest is insufficient information about their greenness. Consumers also often view green buying and sustainability decisions as if their individual actions do not impact the environment and their individual behaviour does not make a difference. (Polonsky, 2011; Prakash, 2002, pp.294)

3. Future of green marketing

This chapter focuses on studying what the future of green marketing currently looks like and deepens to study carbon neutrality marketing since it might be one future aspect of green marketing. It has been previously stated that marketing that deals with carbon offset programs might potentially become a problem in green marketing. The aim of this chapter is to understand how companies can utilize carbon neutrality and emission calculations in their marketing in an efficient and credible way. This chapter also analyses what are the main differences between B2B and B2C green purchase behaviour. B2B purchase behaviour is partly viewed from supply management point of view.

3.1 Future of green procedures

While the demand for more sustainable products and services is likely to increase in the future, some companies will find new opportunities to better their competitive position while addressing environmental problems (Porter and Reinhardt, 2007). If the regulation concerning environmental issues will tighten in the future, some companies might see the regulation as an opportunity for innovation (Dangelico and Pujari, 2010), which could increase the number of green procedures and green marketing in businesses.

If the amount of governmental regulation and standards increases in the future, transparency and credibility in green marketing could enhance. It has been stated that for green marketing to be successful and effective, companies should focus on credibility in their green marketing and implement green marketing only when the company's procedures truly are green. Environmental claims and green marketing should not over promise something that cannot be achieved and rather focus on being humble. (Ottman, Stafford and Hartman, 2006)

Due to the COVID-19 pandemic and the wide effects it has had on businesses and the uncertainty it has created (Carroll, 2021), the future of green procedures and green marketing

is a bit unclear. Since the pressure addressing climate change has increased and research has proposed the main driver behind climate change to be the increase of CO₂ emissions in the atmosphere (IPCC, 2013; Liao, Wu and Pham, 2020; Mishra and Sharma, 2014), companies might focus on carbon emission reductions in the future and also bring them more visible in their marketing. Life cycle assessments, environmental labels and carbon neutrality could be future themes in green marketing regardless of the industry.

3.2 Life cycle assessment in marketing

Companies have responded to the increasing concern with carbon emissions by reducing the carbon dioxide emissions created throughout a product's total life cycle (Groening, Inman and Ross Jr, 2014). Since many organisations have published their upcoming carbon neutrality goals, it can be expected that emission marketing and carbon neutrality in marketing is one topic of future green marketing. Companies are increasingly implementing life cycle thinking and life cycle marketing has become a way for companies to enhance product developments while managing environmental impact at the same time. Life cycle thinking means considering the total environmental impact of a product from its manufacturing through using to recycling or reusing. Companies are implementing life cycle thinking in marketing in various different ways from effective projects to incorrect claims. (Lockrey, 2015)

Life cycle assessment and promoting these assessments is one way of implementing life cycle thinking within a marketing strategy. Life cycle assessments represent environmental performance of a product or service and are based on calculations that follow international standards. Different operators have used life cycle assessments information during the 21st century. Research suggested that life cycle assessment information is used when comparing different products' environmental performance and they are considered more reliable than for example ecolabels and self-declarations in general. (Galindro et al., 2020) Life cycle frameworks provide basis for analysing a certain product's environmental performance in

order to identify the main environmental issues and these assessments can be used as the base for ecolabelling (Mungkung, Udo de Haes and Clift, 2006)

3.3 Carbon neutrality in marketing

Carbon neutrality is one approach to address climate change and environmental concerns. Carbon neutrality and aims concerning that have increased among organizations and consumers. In practice, carbon neutrality means that organizations or individual activities do not burden the earth with carbon emissions. Reducing emission by energy efficiency, green buildings, technology, conservation and re-engineering has been seen as the best practices to reduce greenhouse gas emissions. Buying carbon offsets to compensate emissions should be used only when further emission reductions are impossible. (Kathy Dhanda, 2014)

Individual consumers as well as organizations pursue carbon neutrality by decreasing their carbon footprint (Polonsky, Michael Jay, Garma and Landreth Grau, 2011). Carbon footprint labels are one effective way for companies to promote their level of sustainability, since carbon footprint represents the amount of carbon dioxide each product has increased in the atmosphere during its whole lifecycle from the manufacturing state to disposal. Carbon footprints help consumers to compare different products and brands on the market based on their emissions. First ecological footprints appeared in the 1970 and since then consumers and companies have become familiar with ecological footprints, such as carbon footprint. (Groening, Inman and Ross Jr, 2014; Liu, Wang and Su, 2016)

Companies can use carbon labels as a tool for marketing their products' carbon neutrality. Carbon labels are one type of environmental labels that help consumers to understand the global warming impact and amount of carbon emissions each product has (Liu, Wang and Su, 2016; Shewmake et al., 2015). Environmental labels are usually divided into mandatory and voluntary labels. Mandatory environmental labels are usually assigned by governmental operators, the EU energy label for washing machines is one example of these mandatory environmental labels. (Rex and Baumann, 2007; Rubik and Frankl, 2005, pp.124) Voluntary

environmental labelling has lesser regulation, which can confuse consumers and danger the ecolabels credibility. Recent social trends, legislation and product innovations have been drivers for increased carbon footprint labelling. (Groening, Inman and Ross Jr, 2014)

While reducing emissions is one way to pursue carbon neutrality, another way to do this is by purchasing carbon offsets (Polonsky, Garma and Landreth Grau, 2011). In practice, carbon offsets mean compensating or offsetting emissions that have been made somewhere else. The main goal for using carbon offsets is to reduce carbon dioxide or greenhouse gases emissions. Carbon offsets can be compulsory when they are certified emission reductions or they can be voluntary. Especially, the amount of voluntary carbon offsets is increasing rapidly. (Kathy Dhanda, 2014; Wen-Hsien Tsai, 2020)

There are different ways to use carbon offsets in marketing. Companies can for example purchase carbon offsets to compensate their emissions and then promote themselves as carbon-neutral. In practice, the firm might not reduce its own emissions at all and this is why using carbon offsets in marketing can be misleading for consumers since they might believe that the company is polluting less. (Polonsky, Grau and Garma, 2010)

Using carbon offsets in marketing can be beneficial since it provides supplementary information to consumers. The downside of using carbon offsets is that usually there are complicated arrangements behind carbon offsets and using carbon offsets only confuses consumers since they do not understand how the emissions are reduced. To create effective marketing by using carbon offsets, companies need to focus on the consumers' actual understanding and to provide them with enough and also credible information behind the carbon offsets process. (Polonsky, Grau and Garma, 2010)

Another issue in using carbon offsets in marketing is the lack of regulation and standards concerning carbon offsets and carbon claims (Polonsky, Grau and Garma, 2010). Carbon offset standards would likely increase the consumer's and businesses' confidence on carbon offset marketing (Trexler and Kosloff, 2006). One challenge concerning carbon offset

marketing is that even though firms might believe that the emissions are compensated elsewhere, the real efforts toward reducing emissions might be marginal. Tracking the carbon offsets is also a critical issue since without careful monitoring the offsets could be double counted. (Polonsky, Grau and Garma, 2010)

3.4 Green marketing and buying behaviour

Green marketing is most efficient when both the company and the consumer are committed to environmental actions. While environmental thinking in consuming has increased green consumers still considered as the lead users. (Lewandowska, Witczak and Kurczewski, 2017; von Hippel, 1986) Green consumers have been defined as *those who tend to avoid products and services with significant negative externalities* (Marques and Almeida, 2013). Green consumers are the most demanding consumers concerning environmental issues since they are the most familiar with the concept (Lewandowska, Witczak and Kurczewski, 2017; von Hippel, 1986).

It can be noted that since the success of green marketing might be dependent on the target segment's environmental knowledge and interest on environmental issues, companies should be aware of the targeted segment's interests and opinions in order to implement successful and profitable green marketing. This aspect should be considered when implementing green marketing regardless of whether the company operates in B2B or B2C field.

Research conducted in 2013 studying the European consumers' attitudes towards environmental products investigated the importance of each element of the product on the purchase decision. The research showed the respondents considered quality as the most important element, 97 % of the respondents viewed quality as very or fairly important. The second most important element was the price and the third was the environmental impact of the product. (Eurobarometer, 2013) Green marketing is mainly applied in the B2C organisations even though it can also be beneficial for B2B companies since the possible end-users might have environmental values that affect their purchase behaviour. One reason why green marketing

in B2B context is not as visible and common might be that B2B companies have difficulties in convincing their business customers to adopt green procedures that might be more expensive. (Mariadoss, Tansuhaj and Mouri, 2011) For many companies, the financial performance is still the main focus and environmental values are secondary (Polonsky, 2011) which might affect the purchase behaviour in B2B context.

In comparison to the B2B price and quality centred purchase behaviour, research concerning the European citizens attitudes towards environmental products suggested that more than three-quarters of the respondents were willing to pay a higher price for a more environmentally friendly products if they were certain that the products truly were more environmentally friendly (Eurobarometer, 2013). Another research conducted on European consumers suggested contrary results to this. It proposed that while European consumers are aware of the green concept, they are not willing to pay more for these green products since the value of greenness is unclear to them (Couto et al., 2016). It has been previously stated that when consumers encounter a purchase situation where they have to choose between better product features or helping the environment, they choose the product features almost every time (Jill and Bloom, 2004). These contradictory results create uncertainty whether greenness affects the consumer buying behaviour in an encouraging way or not.

It is assumed that green consumers are likely to become one with the mainstream of consumers since the mainstream consumer behaviour is likely to change to be more environmentally friendly. This might make investing in becoming greener worthwhile from a company perspective. (Lewandowska, Witczak and Kurczewski, 2017) Since B2C buying behaviour is becoming more environmentally friendly and green values are becoming more popular among consumers, also the B2B field is likely to change as a response to the end-users changing preferences. While green marketing is more visible in business-to-consumer context, the marketers in B2B organisations have the more power to influence buying behaviour in a larger scale affecting the total value chain (Blenkhorn and MacKenzie, 2017).

To understand the purchase behaviour in B2B context, viewing the topic from green supply management perspective might be essential. Since the end-customers' environmental

awareness has increased, companies have started to seriously consider their ecological values and these new values have started to appear in supply management (Lintukangas, Hallikas and Kähkönen, 2015). Research studying what influences environmental sustainability in supply behaviour suggested that the buyer's personal attitudes are critical which creates a conflict between the personal attitudes and organisational objectives. The research also revealed that most of the examined suppliers were supportive of environmental concerns, but their concerns were superficial. The lack of sustainability awareness could create a situation in decision making where cost reduction and quality override sustainability attitudes even when these are acknowledged within the company. (Anthony Swaim et al., 2016) In conclusion, it seems that it remains unclear how green values and green marketing affect purchase behaviour in both B2B and B2C context.

The future of green marketing and the possible increase of carbon neutrality and carbon labels in green marketing could affect consumer behaviour and buying behaviour in B2B organisations. There is limited research on consumer's understanding on carbon emissions and whether their state of understanding influences their behaviour or not (Polonsky, Garma and Landreth Grau, 2011). Research suggested that attitudes are related to the consumer's knowledge on environment generally as well as to carbon offset knowledge and that these attitudes affect the consumer behaviour (Polonsky, Michael Jay et al., 2012). Consumer's state of understanding on environmental issues and actions may vary also depending on the issue and also geographically (Polonsky, Garma and Landreth Grau, 2011), which is something that companies need to consider especially when implementing green marketing in a global context.

Research proposed that emerging environmental issues affect consumer attitudes even when consumers might not have much knowledge on these issues which means that consumers might respond to global warming concerns with their consumer behaviour without fully understanding the concern itself (Polonsky et al., 2012). Other researches have pointed out that the effectiveness of environmental labels depends on the consumers knowledge since they are useless if consumers do not understand these labels (Guenther, Saunders and Tait, 2012; Liu, Wang and Su, 2016). These contradictory results make it unclear whether the

effectiveness of environmental labels depends on the consumer's knowledge on environmental issues. The amount of research studying these contexts in B2B field is marginal which in practise means that the effect of carbon labels on B2B purchase behaviour is also unclear.

4. Research methodology

This research is conducted as qualitative research. The target of qualitative research is to understand a phenomenon and generalization of the results is rarely the aim of the study nor even possible (Kananen, 2017, pp.35). Qualitative research approach was chosen since the goal of this study was to analyse the green marketing phenomenon within the case company and compare these findings with the existing literature.

The empirical research is mainly based on a semi-structured interview conducted on the case company. Semi-structured interview proceeds through themes and questions prepared beforehand (Tuomi and Sarajärvi, 2002). Semi-structured interview was chosen since it allows room for reciprocity and discussion since rephrasing questions and making changes is allowed (Galletta and Cross, 2013). Another good quality with semi-structured interview is that the questions and the discussion can be deepened based on the respondent's answers (Tuomi and Sarajärvi, 2002). The used interview structure is presented in the appendix 1, but due to the discussive nature of the interview, the questions were modified during the interview based on the interviewee's answers.

The interview was held in Finnish and the interviews were recorded in order to analyse the data afterwards. The gathered data was formed into written format and translated from Finnish to English. The personal name of the case company representative is anonymous. The interviewed representative works as a marketing director in one division within the corporation. Both internal and external communication are part of the interviewee's working field.

The gathered data is analysed through thematic analysis or theming. Theming means locating the relevant themes for the research problem. Successful thematic analysis requires interaction between theory and empirical data, where these data interlock with each other. (Eskola and Suoranta, 1998; Kallinen and Kinnunen, 1998) This chapter is divided based on those themes, which were company background, motives and expectations, current strategy, challenges and future of green marketing.

5. Green marketing in the case company

This chapter will focus on studying the green marketing in the case company. This empirical section studies the case company and analyses the how the case company implements green marketing. This section focuses on the interviews given by a representative from the case company and compares these findings with the previously introduced theory. The goal of this chapter is to understand what motives does the case company have for their green marketing and what challenges it has encountered. This chapter also focuses on analysing the future of green marketing within the case company.

5.1 Introduction of the case company

The case company is part of a European based industrial manufacturer corporation that has published as its aim to become carbon neutral by 2030. The corporation holds a market-leader position on its industry and has wide global customer base. The corporation has focused on reducing its CO₂ emissions and improving their resource use efficiency. (Case company, 2021) This case study researches the corporation's one subsidiary that manufactures electric powertrain systems for vehicles and machines that work on land and sea. The company also produces hybrid powertrain systems in co-operation with other companies in the industry. The company focuses on developing new technologies and selling these innovations and innovative thinking is the foundation of the company and its brand. During the past few years, the company has bought few smaller organisations within the industry.

5.2 The motives and expected benefits of green marketing

The case company's motives behind their green procedures as well as implementing these values in their marketing were examined by asking direct questions from the interviewee concerning the motives. On top of this, the whole interview was analysed from a critical point of view. During the interview, the interviewee repeatedly emphasized that environmental and innovative values are the core of the whole corporation and this subsidiary the

interviewee is part of. The interviewee stated that the founders of this company were enthusiastic to create an alternative for using non-renewable resources in engines. When comparing these interview results with the previously introduced green marketing motives, there are a lot of similarities. Bansal and Roth's (2000) previously presented theory suggested three basic motivations that companies have for their ecological responsiveness and based on the interviewee's answers, it can be noted that ecological responsibility seems to be the main motive for the case company to implement green procedures as well as green marketing.

Dangelico and Pujari (2010) stated that in some companies the main driver for green innovation is the top management's personal commitment. It can be noted this aspect applies to the case company, since the interviewee said that their total business bases on creating cleaner and greener alternatives for products that are more harmful to the environment. Based on the interview, it also seems that the case company saw greener procedures as an opportunity.

The interviewee stated that when they few years ago thought whether they should actively bring environmental values as a part of their core values and promote it, they wanted to come through with these green values regardless of the outcome. The interviewee said that they were a bit worried if their green marketing would have a negative impact since green products could have been viewed as more expensive alternative. As comparison to the previously introduced theory, both theories Peattie (1995) and Jill and Bloom (2004) viewed analysing the target segment's interest on environmental issues necessary for green marketing's success. Based on the interviewee's answers, it can be concluded that while the company had expectations on the customer's preferences, they decided to go through with their environmental values and there were no negative outcomes. It can be noted that the case company did not have significant expectations on how their green marketing would benefit their business and this might be because they were not entirely certain on the customer's thoughts.

The interviewee was asked if their company has been afraid that they will be categorized based on their environmental procedures. They answered that five years ago when the interviewee entered the company and the company was still an individual organisation from the

corporation, they had not used greenness in their marketing exactly for that reason. They were afraid bringing greenness as a part of their marketing would impact their business negatively. The founders of the company were afraid that if they would use environmental values as a part of their marketing, they would be labelled as a more expensive and riskier alternative than their competitors.

Since then, the case company has changed their strategy and raised the green values as a part of their top priorities. They as a company stated that their mission and vision was to help the environment with electricity and have used these widely in their marketing and communication. The interviewee said that even though it might have been a risky move, it did not affect them negatively. That strategy change gave them more visibility and they were a forerunner in their industry with that strategy.

The interviewee was asked if their company's competitors have increased their green marketing and whether that has increased the pressure for them to implement green marketing. The interviewee answered that green marketing has clearly increased in the industry during the past few years. Many of their competitors have merged via company acquisitions and when they have bought new greener technologies, some of these companies have established new subdivisions that have an environmentally brand and focus on greenness. The interviewee also stated that these companies promote their greenness quite actively and might give their total visibility to their greenness in business fairs. As comparison to the theory, it could be that some of the competitors might have adapted green marketing procedures as a response to something and the goal of their green marketing could be improving their brand image rather than their personal interest on environmental issues.

5.3 The current green marketing strategy

At the beginning of the interview, the interviewee was asked how their company is implementing green marketing currently and what kind of strategy do they have for green marketing. "In a way, we do not view that we are implementing green marketing, we are simply

producing green products”, the interviewee stated which revealed that the case company does not have a specific green marketing strategy. The interviewee later explained that they rather focus on creating green products and marketing their products’ good qualities. They added that their products allow their customers to reduce their emissions when switching from combustion engines to electric engines.

The interviewee stated that their main focus in their marketing communication is to adduce the concrete examples and accomplishments that they have previously acquired. These examples include previous successful transformations stories and emission reductions made by their customers. “In our external communication, we focus on the change we are forwarding in the industry”, the interviewee emphasized. Based on the interview, it seems that the case company’s green marketing is in line with the statement that green marketing should not over promise something that it cannot achieve (Ottman, Stafford and Hartman, 2006), since the company focuses on marketing the emission reductions that have been already achieved.

The interviewee said that they have not taken their greenness into the centre of their marketing communication, but rather that they think that it is their responsibility to follow green procedures within their company. The interviewee stated that their goal is to bring their green values into the decision making in every step of the way. They said that the green values are considered when making decisions within the company and the total corporation. The interviewee continued saying that the corporation has ambitious goals that the subsidiaries are also following.

When comparing the interviewee’s answers according their green marketing strategy with the previously introduced framework from Jill and Bloom (2004), it seems as the case company x is located within the matrix to somewhere between the **shaded green** and **extreme green** (figure 3). This conclusion was made based on the interview the case company x’s green marketing has characteristics that fit both of these profiles. Based on the interview and the company’s websites the direct benefits of the products are primary promoted and the environmental benefits or details of the product are secondary which places the company to **shaded green**.

On the other hand, it seems that the environmental values are adopted to the organisation thoroughly and these values guide the company's decision making. Based on the interview, the company as well as the whole corporation has included green values and environmental and innovative from the beginning of the establishment. These details identify the company as an **extreme green** company.

The case company x certainly is not a **defensive green** company since they were a head of their competitors in green marketing and did not include green values into their marketing strategy as a response to something. It can be noted based on the interviewee's previous answers, that the case company x's position in the matrix has changed after their marketing strategy shift few years ago. Before the decision, they had characteristics of a **lean green** company since they had environmental procedures but were not willing to promote these in a visible way. Their previous fear of being categorized supports this conclusion.

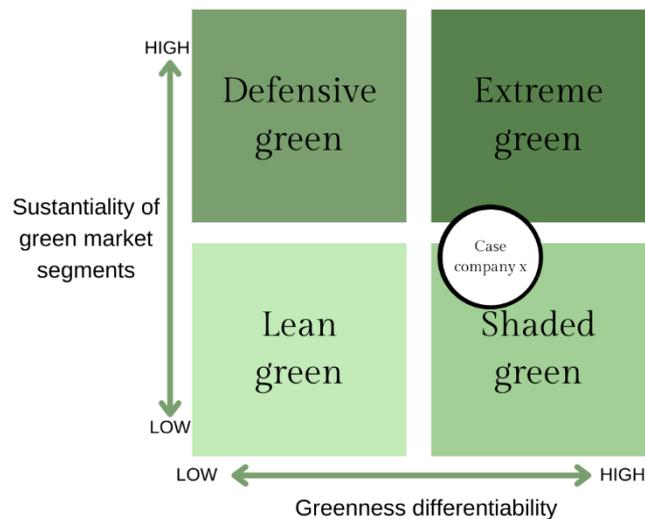


FIGURE 3: CASE COMPANY'S POSITION IN GREEN MARKETING STRATEGIES MATRIX (MODIFIED FROM JILL AND BLOOM, 2004)

5.4 The challenges with green marketing in the case company

Concerning the green marketing challenges, it was asked if the case company has encountered any challenges or negative preconceptions from the customers' side. The interviewee answered: "We have not encountered concerns towards our greenness from our customers and we have not been challenged for our green marketing." As comparison to the previously introduced theory that suggested that the main problem with green marketing is the lack of credibility and consumer's trust (Lewandowska, Witczak and Kurczewski, 2017), the case company has not encountered such challenges with its customers according to the interviewee. The interviewee continued to explain that one of the reasons why there maybe has not been such doubting from the customers side, is that the company's greenness and green values are clear to the customers. In conclusion, it seems that the company has built a brand whose green marketing the customers trust.

The interviewee continued to inform that they have on the other hand encountered preconceptions concerning the risks that their innovations and developments have compared to the other alternatives on the market. One of the main problems that Mendleson and Polonsky (1995) proposed for green marketing was consumer cynicism, which based on the interview also applies to the case company. The interviewee said that these preconceptions are based on the newness of their technology since there are other alternatives in the market that are more traditional and that have been around for a longer period. "It is of course a big risk to switch to a new technology and it requires extensive commitment from the total company", the interviewee pointed out. The interviewee said that since the industry is changing there are some organisations that are willing to take risks and try new developments while other organisations might stay with the procedures that have previously served well.

When asked about how their customers have responded to their green marketing, the interviewee answered that while their green values do build their brand, these green values are not a decisive detail to their customers. As the theory noted previously, while many suppliers are supportive of environmental concerns, these concerns might be superficial (Anthony Swaim et al., 2016). The interviewee stated that the green values do not sell unless the

customer has a regulation that forces them to choose green. These accusations are much in line with the previously researched motives behind companies' green procedures. Regulations and legislation are one of the main motives for companies to go green (Bansal and Roth, 2000; Blenkhorn and MacKenzie, 2017; Rubashkina, Galeotti and Verdolini, 2015; van Leeuwen and Mohnen, 2017). The interviewee continued by saying that since the regulations concerning emissions are tightening, also the customers' interest in environmental friendliness could increase and become a bigger priority in the future.

The interviewee stated that the product only sells to their customer when it is somehow better than the other alternative, for example more effective, productive or takes up smaller space. The interviewee said that the greenness itself has not yet at least been a priority for their customers. The previous research supports this phenomenon since it has been studied that the financial performance is the main focus in many companies and environmental values are considered as secondary. In B2B field companies have had difficulties in convincing their customers to adopt green procedures that might have higher costs. (Mariadoss, Tansuhaj and Mouri, 2011; Polonsky, 2011).

The interviewee stated that since using innovative developments instead of the ones that are already familiar requires changing many procedures within the firm on top of investing into the purchase, companies are worried if they will manage with all the new changes that are required. The interviewee stated that there have been some concerns on how environmentally friendly their products are after their lifecycle is over even though they do not produce those components themselves. These concerns were usually result of the media attention and overall concern of how the electric products are recycled or repurposed after their lifecycle. According to the interviewee, these concerns are no longer as present as before due to the grown awareness and research on how these products can be utilised or recycled later.

When asked if there has been challenges within the company in adapting green thinking, the interviewee answered that since their employees are highly educated and aware of environmental issues there has not been any challenges concerning that. The interviewee also pointed out that some of their employees have chosen that company because of wanting to

be a part of something innovative and building a better world. It was also pointed out that like the founders of the whole corporation, also many employees within the company have personal values to create greener alternatives to the traditional ones.

5.5 Future of green marketing in the case company

According to the interviewee, a few years ago the idea of carbon neutrality emerged in the corporation since the subsidiaries questioned if it would be possible for their corporation to become carbon neutral. The interviewee pointed out that some other organisations within the industry had published their carbon neutrality goals before them. The interviewee said that after the idea of becoming carbon neutral was considered in the corporation's top management, the phenomenon has been forwarded quickly throughout intensive research on what carbon neutrality would mean in practice in the corporation and how the goals could be reached. The corporation has taken the goal seriously and actively works to reach the goal according to the interviewee.

The company's plans for how carbon neutrality is going to be visible in their marketing in the future were discussed. The interviewee said that the carbon neutrality goals and other environmental regulations within the corporation are set in the corporation's top management and the subsidiaries follow these instructions when the time is right for each subsidiary. At some point the interviewee's subsidiary is going to go through these instructions and create a plan on how they will reach carbon neutrality. The interviewee pointed out that the corporation's journey towards carbon neutrality is in the beginning and there are teams that focus on these issues in order to achieve the goal of carbon neutrality by 2030.

It was also pointed out that they probably already have reached some goals within their subsidiary since environmental friendliness has been their value throughout the company. According to the interviewee, they continually focus on acquiring more challenging standards and certificates.

The interviewee told that currently they aim to calculate their emissions and communicate these calculations to the customers in every case and compare these calculations with the other alternative's emissions in the industry. Based on previously introduced theory, these calculations might be a good solution in order to enhance credibility and customer's trust on the environmental claims since they provide practical information on how the claims are fulfilled and research has shown that individuals are more likely to invest into environmental friendliness if they have been provided with enough information (Gleim et al., 2013; Gleim, Smith and Cronin, 2019) and this aspect could also apply to B2B buyers.

The interviewee was asked if they have or will use carbon offsets in order to reach their carbon neutrality goals. The interviewee answered that as a corporation they have not done emission compensation and rather focus on reducing their own emissions through innovations. This is a positive choice since using carbon offsets in marketing could be misleading and even endanger the company's brand and credibility (Polonsky, Grau and Garma, 2010).

6. Discussion and conclusions

This last chapter makes conclusions of the whole thesis and answers the research questions briefly. The aim of this study was to analyse the differences and similarities between green marketing in B2C and B2B context. The goal was to answer the main research question and the three secondary research questions. At the end of this chapter, the possible future research topics are discussed.

6.1 Research results

In this part the research questions are answered which concludes the whole Bachelor's thesis. The main research question is first answered briefly and then in more detail through the three secondary questions. The main research question was:

How green marketing in B2B context differs from green marketing in B2C context?

Based on the conducted research on the case company and the comparison between green marketing in B2B context and B2C context, it can be concluded that these two have similarities as well as differences. There are similarities especially in green marketing strategies and motives to conduct green marketing. Based on the case company's experience compared with the previous research on green marketing challenges in the B2C field, it can be noted that there are some differences in these.

What are the motives and expectations behind green marketing?

Previous research has shown that companies have different motives behind focusing on environmental friendliness (Lewandowska, Witczak and Kurczewski, 2017). Competitiveness, legislation and ecological responsibility has been viewed as the three main motives for companies to implement environmental procedures and these usually have connection with the motives behind green marketing also (Bansal and Roth, 2000). While the majority of the previous research focuses on B2C companies, it has been suggested that B2B companies also have different motivations for their environmental responsibility from

regulation to altruistic behaviour (Blenkhorn and MacKenzie, 2017). Based on the conducted interview, the case company represents a company to whom green values are at the core of their business. The case company does not have particular motives for their green marketing, they focus on marketing the good qualities of their products and one of these qualities is greenness.

It has been discovered that for some companies the main driver of green innovation is the top management's personal commitment on environmental procedures (Dangelico and Pujari, 2010) and based on the conducted case study it seems that the case company's top management's commitment is one main reason behind their environmental policies. Based on these findings, it can be concluded that B2B and B2C companies can have similar motives for their green marketing.

The research showed that companies have different expectations for their green marketing such as sustained advantage and financial benefits (Bansal and Roth, 2000). While some companies might expect that their green marketing is going to improve their profitability and be financially beneficial, there is not a clear answer if green procedures and marketing affects customer behaviour in a positive way (Couto et al., 2016; Eurobarometer, 2013; Jill and Bloom, 2004; Mariadoss, Tansuhaj and Mouri, 2011; Polonsky, 2011). The research showed that the case company x does not have specific expectations for their green marketing.

What are the main challenges with green marketing?

The main challenge in B2C green marketing seems to be credibility which makes consumers more unwilling to make green purchases (Lewandowska, Witczak and Kurczewski, 2017; Mendleson and Polonsky, 1995; Testa et al., 2015). On the contrary the research on the case company did not discover such challenges. In this particular case, the B2B green marketing differs from B2C green marketing. Due to the lack of green marketing research in B2B field (Fraj, Martínez and Matute, 2013), it remains uncertain if this applies to other companies as well.

The profitability of green marketing is not certain since there is no unambiguous answer whether green qualities and green marketing affect purchase behaviour. The research revealed that the purchase behaviour of the case company's customers does not prioritize environmental benefits but consider these aspects as secondary after the other qualities. The research suggested that from the case company's customers' perspective, the main decisive detail is product quality. The previous literature on B2B purchases behaviour has found similar results and it has suggested that companies are not willing to invest on environmental benefits if there are otherwise similar alternatives available that have lower costs (Mariadoss, Tansuhaj and Mouri, 2011).

Consumer purchase behaviour research has suggested that consumers do not either prioritise environmental benefits over price and quality since the value of greenness is unclear to them (Couto et al., 2016). These findings are partly similar, since in many cases environmental qualities are not prioritised over the price and quality regardless whether the buyer is a consumer or a business. On the other hand, it is expected that this is likely to change in the future if green buying behaviour becomes more common among consumers and in businesses, which could increase the profitability of green marketing.

How green marketing is likely to develop in the future?

Green buying behaviour among consumers is assumed to become more common in the upcoming years friendliness (Lewandowska, Witczak and Kurczewski, 2017), which could increase the importance of green qualities in B2B buying also. If environmental product features become more important in B2B and B2C buying decision making, companies would likely be more interested to use green qualities more in marketing.

If regulation concerning environmental issues tightens in the future and companies are forced to respond to it with greener procedures, it is likely that also green marketing would increase. It has been stated that regulation and standards could enhance the transparency and credibility of green marketing (Ottman, Stafford and Hartman, 2006) and this could encourage consumers to invest more on environmental friendliness. On the other hand, it has been

noted that especially the use of voluntary carbon offsets is increasing rapidly, which could endanger the credibility of green marketing (Kathy Dhanda, 2014; Polonsky, Grau and Garma, 2010; Wen-Hsien Tsai, 2020).

Life cycle thinking and using carbon neutrality, carbon offsets and carbon footprints in marketing could increase if emission reductions are taken more seriously day by day. The conducted case study indicated that the case company will focus on the real emission reduction in their marketing and not use carbon offsets. Since the company is continually pursuing more challenging standards and certificates using these in marketing could be a beneficial choice in the future too. Over all it seems that the case company's green procedures and green marketing is currently on a good path and they have the customers' trust.

6.2 Future research

There is previous research on green marketing, but this mainly focuses on business-to-consumer context and this research among previous researches noted that research on green marketing in business-to-business context is lacking. If global warming concerns become more common, green marketing is likely to increase which could increase the amount of academic interest on the topic. Since there is lack of green marketing research focusing on business-to-business context, it could be one future research topic. One possible research topic could be to study how important greenness and environmental qualities are as a decisive detail when comparing two similar suppliers in a purchase decision situation. Another possible research topic could be how companies view green marketing in the perspective of buyer or supplier. Especially the credibility of green marketing in B2B context would be an interesting topic to study since it seems to be the main challenge in B2C green marketing. Since the amount of research concerning green marketing in B2B context is marginal, there are endless number of topics to discover in the future.

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Appendix 1: Interview frame / Haastattelukysymykset

1. What is your company? / Mikä on yrityksenne?
2. What is your company producing? / Mitä yrityksenne tekee?
3. What is your position within the company? / Missä roolissa toimit yrityksessä?

Green marketing

4. How do you implement green marketing currently? / Miten toteutate vihreää markkinointia tällä hetkellä?
5. What kind of green marketing strategy do you have? / Millaisella strategialla toteutate vihreää markkinointia?
6. What is the main focus of your green marketing currently? / Mitkä ovat pääpainopisteet vihreässä markkinoinnissanne?
7. What motives do you have for green marketing? / Mitä motiiveja teillä on vihreälle markkinoinnille?
8. What aims and expectations do you have for green marketing? / Mitä tavoitteita ja odotuksia teillä on vihreälle markkinoinnille?
9. Do you have had challenges with your green marketing? / Oletteko kohdanneet haasteita vihreässä markkinoinnissanne?

Carbon neutrality marketing

10. How is carbon neutrality visible in your marketing currently? / Miten markkinointte hiilineutraalisuutta tällä hetkellä?
11. What aims and expectations do you have for carbon neutrality marketing? / Mitä tavoitteita ja odotuksia teillä on hiilineutraalisuuden markkinoinnille?
12. What motives do you have for carbon neutrality marketing? / Mitä motiiveja teillä on hiilineutraalisuuden markkinoinnille?
13. How do you expect to benefit from carbon neutrality marketing in the future? / Miten odotatte hyötyväne hiilineutraalisuuden markkinoinnista tulevaisuudessa?

External pressure

14. What do your customers think about your green marketing? / Miten asiakkaanne suhtautuvat vihreään markkinointiin?
15. Has the pressure to implement green procedures and marketing increased from the customers side? – Onko paine toteuttaa vihreitä arvoja ja markkinointia kasvanut asiakkaiden puolelta?
16. Has carbon neutrality marketing increased in the industry? - Onko hiilineutraalisuuden markkinointi alalla lisääntynyt yleisesti?