

Strategic sustainability focus delivers competitive advantages

February 8 2018, by Liz Lent

Once the domain of a company's production/operations department, environmental awareness has steadily expanded to include functions across the entire organization. Over the last three decades, Earth-friendly actions have evolved from recycling and sourcing materials that use recycled content to incorporating sustainability considerations into products and services.

An analysis by Dr. Ravi Parameswaran, Ph.D., professor of marketing at the Oakland University School of Business Administration, shows how marketing can help organizations strategically transition from environmentally aware to genuinely sustainable by leveraging marketing's unique dual role within organizations: function and business orientation.

"By being the eyes and ears of an organization, marketing can help businesses understand consumer need and behavior as well as educate consumers about the environmental advances of a product or organization," he says. "Marketing also can be a driving force in internalizing sustainability into company culture."

When a company embraces a sustainable business model, marketing can leverage that commitment as a competitive advantage to enhance product development and stimulate demand, Dr. Parameswaran explains.

In a recent book chapter, Dr. Parameswaran and co-authors present Haworth, Inc., a global leader in the design and manufacture of office



furniture and organic workspaces, as a case study.

In the last decade, Haworth has made significant strides in creating a business structure that values sustainability, incorporating product development that includes, but goes beyond, using materials with recycled content, providing product take-back services and using non-toxic materials.

In the chapter, Dr. Parameswaran notes that Haworth's use of "cleaner products with a smaller ecological footprint" warranted special attention in marketing materials, magazine articles and third-party certifications, helping make Haworth truly distinctive in its <u>market</u>.

"In the approaching decade, all businesses will be focused on sustainability," says Dr. Parameswaran. The topic already has industry buzzing. "Delegates at a major sustainability conference in May 2017 in Detroit discussed the different ways marketing can help chart an environmentally-friendly course for their companies," he says.

The evolution of marketing sustainability will help business leaders and consumers examine and understand the root use (activity- or character-based marketing) of products instead of simple side-by-side comparisons.

Echoing Bekefi and Epstein's view that <u>business</u> success in the 21st century will be driven by <u>sustainability</u>-focused breakthrough innovations, Dr. Parameswaran asserts, "Organizations that strike the right balance between economic growth, ecological balance and social progress will enjoy a competitive advantage...The planet has to survive. That's the ultimate bottom line."

More information: Marketing's role in the future of corporate sustainability efforts. *Sustainability and Management, An International*



Perspective.

Provided by Oakland University

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