

# Guidelines to a successful green marketing plan for an eco-industrial park



Dr. Konstantinou Kostas  
Makrakis-Karachalios Chrysostomos

Sarigiannis Iakovos  
Stamelou Afrodite

Athens 20-06-2014  
SYMBIOSIS 2014



# Development Agency of Eastern Thessaloniki's Local Authority

ΑΝΑΠΤΥΞΙΑΚΗ ΑΝΩΝΥΜΗ ΕΤΑΙΡΕΙΑ ΑΝΑΤΟΛΙΚΗΣ ΘΕΣΣΑΛΟΝΙΚΗΣ  
ΚΕΝΤΡΟ ΑΝΑΠΤΥΞΗΣ ΑΝΘΡΩΠΙΝΟΥ ΔΥΝΑΜΙΚΟΥ ΚΑΙ ΕΝΙΣΧΥΣΗΣ ΤΗΣ ΤΟΠΙΚΗΣ ΟΙΚΟΝΟΜΙΑΣ

υποστηρίζοντας  
τη βιώσιμη ανάπτυξη

ΑΝΑΤΟΛΙΚΗ  
Α.Ε.



DEVELOPMENT AGENCY OF EASTERN THESSALONIKI  
CENTER FOR THE DEVELOPMENT OF HUMAN RESOURCES AND THE SUPPORT OF LOCAL ECONOMY

***ANATOLIKI S.A. was established on 1995***

ANATOLIKI S.A. is active in the following sectors:

- Environment and infrastructures
- Energy Saving and RES
- Human Resources
- Local Authorities and Business Support
- Rural Development
- Promotion of innovation and New technologies
- Support in Networks Operation

Stakeholders

- Region of Central Macedonia
- Nine (9) Municipalities
- Chambers
- Local business Associations and Cooperatives

# MER - Marketing and govERning innovative industrial areas

- ✓ Co-funded MED project
- ✓ Duration: June 2013- November 2014



- ❖ Is based on the core value that green marketing and management of industrial areas can be a key factor for attracting investments in the EU.
- ❖ Its **overall objective** is to contribute to the improvement of competitiveness and attractiveness in the framework of sustainable growth according to **Europe 2020 guidance**.

# Eco-Industrial Park (EIP) and Green Marketing Plan (GMP)

- ✓ An **Eco-Industrial Park (EIP)** is defined according to a number of specific characteristics such as water recovery and recycling, energy efficiency, building sustainability, sustainable mobility management, waste management etc, including industrial symbiosis
- ✓ **Green Marketing** refers to the process of selling products and/or services based on their environmental benefits.
- ✓ A **Green Marketing Plan** is a marketing plan that incorporates a commitment to being a green business (green statement) into the marketing efforts.



# Eco-Industrial Park (EIP) and Green Marketing Plan (GMP) the actors

- ✓ The managing Authorities of the park
- ✓ The SMEs located in the Park
- ✓ The Local & Regional Authorities



# Methodology

one step before...GMP

The current situation analysis of IP & SMEs

- energy efficiency
- waste management
- the use of Renewable Energy Sources
- sustainable mobility management
- building sustainability
- protection of landscape
- effective management of resources
- assistance to business & social actions



**mer**  
Marketing and Governing Innovative Industrial Areas

[www.merproject.eu](http://www.merproject.eu)

# Methodology

- ✓ **Industrial Park's MA & Small-Medium Enterprises (SMEs)**, that are located in industrial areas, have to adopt their environmentally sustainable growth as one of their business values.
- ✓ The creation of a green marketing plan is important:
  - Key input to a successful business plan
  - Communication tool combining all the elements of the marketing mix in a coordinated and totally oriented "green" action plan.
- ✓ **Five steps** are required for the development of a successful Green Marketing Plan for EIPs and SMEs.

**1st step:** Enterprises should collect information in order to be aware of the marketing environment

This information is relevant to:

- ✓ Sales Analysis
- ✓ Industry Analysis
  - Market factors
  - Industrial rates
  - Environmental factors
- ✓ Competitor Analysis
- ✓ Customer Analysis
- ✓ Resource Analysis



INFORMATION



**2nd step:** Enterprises by analyzing and identifying strengths, weaknesses, opportunities and threats could determine their priorities.

## SWOT Analysis



**3rd step:** Enterprises by analyzing market environment trends could choose the appropriate target group

## Market Segmentation



Analyzing key factors:

- ✓ **Culture** – possible “green” life style
- ✓ **Demographic Analysis** – demographic trends that influence “green” industry
- ✓ **Technology** – technological trends that influence green industry
- ✓ **Government/Legislation** – legal frame environmental friendly
- ✓ **Finance** – economical perspectives that can have positive “green” impact

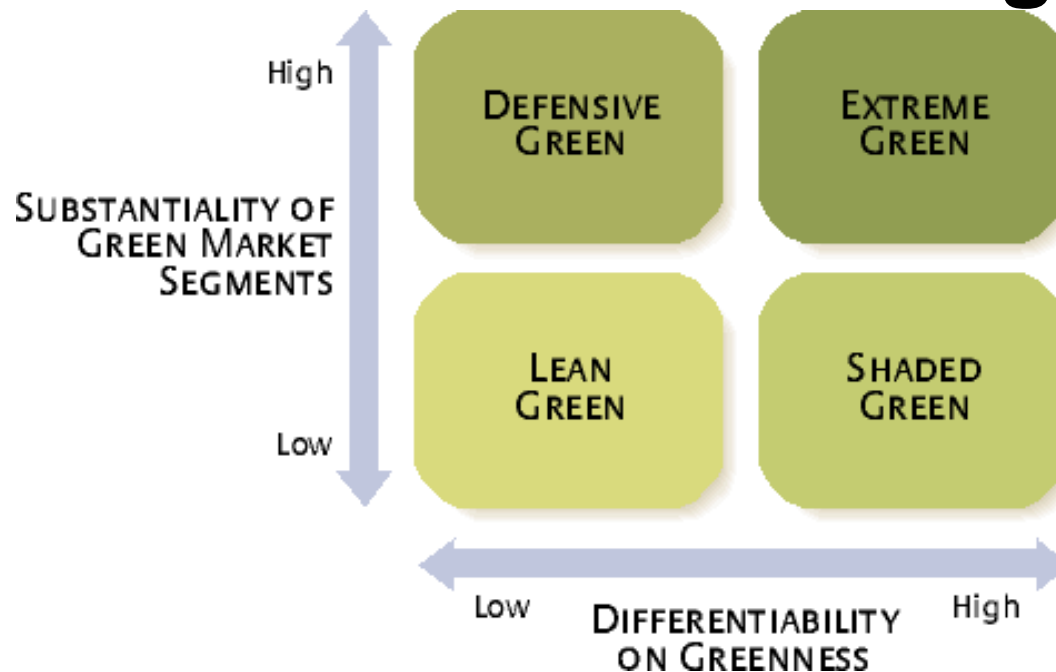
**4th step:** Enterprises through Green Marketing actions should identify what ought to be greened: the enterprise – the product or both.



- ✓ Actions for the **Development of Green Structures & Improvement of the Production Process**
- ✓ Actions for the **Development of the Image of Industrial Area's SMEs & the Integration of Ecological Standards**
- ✓ Actions for the **Development of Green Products & Procedures**
- ✓ Actions of **Investment to Key Success Factors**

**5th step:** Enterprises choose the strategy mix that fits to their profile and scope based on how “green” they would like to be.

## 4 Alternative Green Marketing Strategies



# Alternative Green Marketing Strategies

## Lean Strategy

Create a lower-cost competitive advantage

### ***The TOM Shoes Case***

*The company has developed a green product line (canvas shoes with natural straw-type materials)*

*Moreover, the company did not make investments in infrastructures and advertising, but it invested in ecologically sponsorship programs in collaboration with non-governmental organizations and communities.*

*The main idea was that by purchasing a pair of shoes, a child in Ethiopia would be able to obtain a similar pair of shoes. Within a month, 30.000 pairs of shoes were sold*



# Alternative Green Marketing Strategies

## Defensive Strategy

It is used as a precautionary measure, or as a response to a crisis or to competitors' actions.

Therefore, the enterprise uses defensive green strategy in order to enhance brand image

### **The Wall- Mart Case**

*«Wal-Mart stores» is an international company with 5,651 branches and approximately 780,000 associates.*

*In the past, the company was known for its indifference to social and environmental issues, as it had never been a standard of good corporate citizen*

*Later on, the company changed its strategy and opted to act with environmental awareness.*

*The company reduced its CO2 emissions in sales from 2005 to 2008 by about 10%. In order to achieve its new target, the company constructed superstores with energy savings systems and has started selling organic products in retail sales*



# Alternative Green Marketing Strategies

## Shaded Strategy

Focus on having long-term, system wide, environmentally friendly processes that require both significant financial and non-financial commitment.

### ***The Timberland Case***

*This company is one of the companies with respect to environmental protection and chooses to use recycled materials without chemical additions.*

*These materials are widely used in production processes and in energy saving systems. Timberland Company believes in profitable growth through community service and takes only environmentally friendly practices.*

*Furthermore, the company aims to raise awareness of communities around the world on environmental issues and it is well known for adopting initiatives for environmental protection.*



# Alternative Green Marketing Strategies

## Extreme Strategy

Focus on practices that include life-cycle pricing approaches, total-quality environmental management and the manufacturing for the environment.

## The DuPont Case

*The DuPont Company is a multinational company which operates in various sectors such as Chemicals, Food & Beverage, Manufacturing, Packaging & Graphic Arts, Action & Applications, Health & Medical, Plastics, Electronics, etc.*

*DuPont Company invented Nylon, Teflon and was the manufacturer of CFC for A/C units which are responsible for the ozone hole*

*However, the company has managed to reduce greenhouse gases by 10.5% between 2004 and 2010. The main objective of is to achieve a further reduction of 15% by 2015. Leading innovation of the company is the invention of products that can save the environment and not products that are just environmentally friendly.*

*In general terms, «DuPont» reduces environmental impacts and creates products that will prevent further damaging consequences to the planet*





# Effects of Green Marketing Strategies

Strategies / Factors	committed Financial resources	Staff Training	Green Technology Development	Green Structure Usage	Environmental Management Standards	CSR	Green Products Characteristics	Green Advertising Campaign
<b>Lean Green</b>	Not Always Required	Basic	Low	Elementary	X	X	1 product	X
<b>Defensive Green</b>	Low	Basic	Medium	Basic	√	X	2-3 products	√
<b>Shaded Green</b>	Medium	Medium	Average	Average	√	√	Green categorized production line	√
<b>Extreme Green</b>	High Levels of Investment	High, Involvement of all employees	High	High	√	√	Green every aspect of production	√



**mer**  
Marketing and Governing Innovative Industrial Areas

[www.merproject.eu](http://www.merproject.eu)

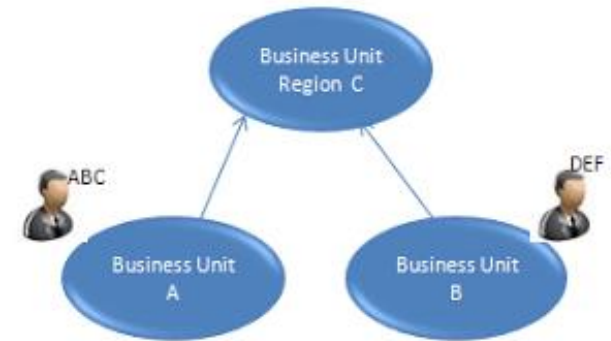
# Case study: A pilot marketing plan for a Small and Medium Business Park of Litohoro in Pieria



- ✓ The Park is situated in Northern Greece, Pieria.
- ✓ It is very well connected, at 1 km of the Litohoro port and 3km from the Railway Station, near the national Thessaloniki – Athens road.
- ✓ The Park was established in 2006 and is under development (construction)

# Business Units currently established in the Park

- ✓ Aluminum thermal isolation / sound-proof systems
- ✓ Photovoltaic systems development
- ✓ Timber processing
- ✓ Furniture production
- ✓ Concrete and asphalt (road paving) production
- ✓ Tent and sun protection systems manufacture and trade
- ✓ Auto repair and service workshop



# Main Goal and Steps for the Litothoro Industrial Park

✓The main goal of the Park is:

**Regional development based on the generation of employment**

Steps for the Litothoro Industrial Park

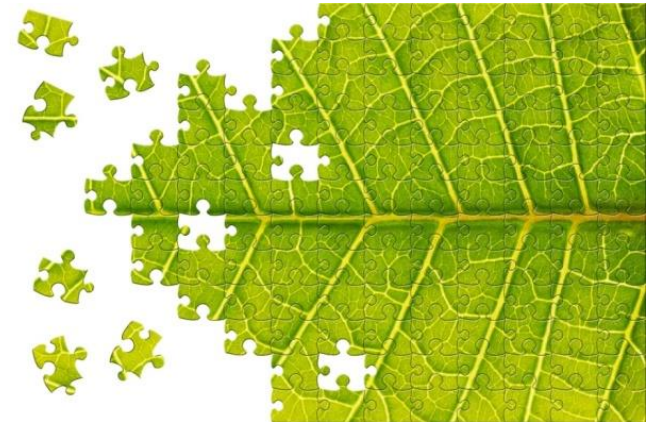
- 1.Current situation analysis
- 2.Learn about the company and its customers
- 3.Develop the marketing strategy **and after all**
- 4.Control and evaluate the work

# Current situation analysis

## On-the-spot visit and preparation of the experimentation

The data collected and used for the Green Marketing Plan include:

- Operational regulation of the Park
- Acquisition of land deeds of the SMEs established in the Park
- Annual expenditure of the year 2012
- Budget of the year 2013 of the Park
- Land lots list of the Park and land value
- Annual financial flows forecast until 2016
- Balance sheet for the years 2011, 2012



# Learn about the company and its customers

## SWOT Analysis Matrix of the Litoro Industrial Park

<b>STRENGTHS</b> <ul style="list-style-type: none"><li>✓Energy Saving</li><li>✓Quality image</li><li>✓Green Marketing (Business) Plan on a 10-year horizon</li><li>✓Involvement of all staff to the Green Marketing Project</li></ul>	<b>WEAKNESSES</b> <ul style="list-style-type: none"><li>✓“Green” strategies are high cost investments and may be no liquidity for adopting them</li><li>✓Certain green strategies have a long-term projection to the enterprises profit</li><li>✓Problematic institutional framework/ bureaucracy</li><li>✓No promotion activity due to lack of funds</li></ul>
<b>OPPORTUNITIES</b> <ul style="list-style-type: none"><li>✓Better enterprise Image</li><li>✓Increase of green sales</li><li>✓Gain new consumers and increase market share</li><li>✓Possibility of green funding</li></ul>	<b>THREATS</b> <ul style="list-style-type: none"><li>✓Crisis leads to green products sales reduction</li><li>✓Local markets must follow the green international trends otherwise will be isolated and lose share of the consumers</li><li>✓The implementation of green marketing strategies must be accurate otherwise through media a possible mistake can be widely spread</li></ul>



# Learn about the company and its customers

## SWOT Analysis Matrix of an SME in comparison with Bigger Enterprises

STRENGTHS	WEAKNESSES
<ul style="list-style-type: none"><li>✓ Can be more flexible on decision making</li><li>✓ Flexible working practices</li><li>✓ Produces its products domestically and can control its quality most essentially</li><li>✓ Can be more flexible on pricing policy</li></ul>	<ul style="list-style-type: none"><li>✓ Competitors with higher turnover and/or profitability, market share and/or know-how, have greater ability of adopting "green" strategies</li><li>✓ Competitors have better distribution networks</li><li>✓ Bigger enterprise can spend more on communication, advertising and promotion strategies</li></ul>
OPPORTUNITIES	THREATS
<ul style="list-style-type: none"><li>✓ With respective investment on Green strategies an SME could gain a competitive advantage</li><li>✓ An SME could exploit easier and better the dynamic of innovative ideas</li><li>✓ An SME can focus on niche markets (carefully pinpointed market segments to maximize profit)</li></ul>	<ul style="list-style-type: none"><li>✓ Crisis</li><li>✓ Declining trend on market size</li></ul>

# Develop the marketing strategy

The Plan was split into two sections

**Section 1 - Material infrastructure**

**Section 2 - Marketing strategy**



**mer**  
Marketing and Governing Innovative Industrial Areas

[www.merproject.eu](http://www.merproject.eu)



# Section 1 - Material infrastructure

The planned projects for the Park are listed below:

- ✓ *Construction of the internal road network*
- ✓ *Construction of the sewage system*
- ✓ *Construction of rainwater drainage*
- ✓ Construction of waste processing plant
- ✓ Construction and equipment of the administration building
- ✓ *Construction of a water tank and water supply system*
- ✓ Connection to utility networks
- ✓ Underground electricity networks
- ✓ Telecommunication Networks
- ✓ Integrated recycling system
- ✓ Construction of a Solar park

## Section 2 - Marketing strategy

The proper promotion of the Park, especially of its green character is important to the success of the whole project

The promotion of the Park includes:

- ✓ Advertising (press and magazines, Radio, TV, Internet, Brochures)
- ✓ Participation in exhibitions
- ✓ Public Relations



# Control and evaluate the work

- ✓ The above-mentioned steps were proposed taking into account the capabilities, preferences and the objectives of Park as they were described by the Managing Authority of the Park
- ✓ The promotion strategy is based on the financial capabilities of the operator.
- ✓ The measures are characterized by a positive value-effectiveness and they can bear directly results in a relatively low cost.



# Conclusions

This study is intended to answer the question

**“What are the basic guidelines to create a successful Green Marketing Plan”.**

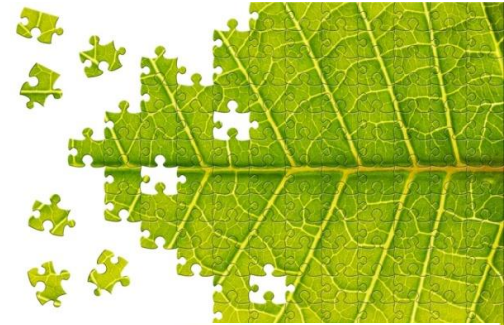
The IP or the enterprises should always focus on the following key aspects:

- ✓ An IP or an enterprise getting into a green marketing portfolio must be completely aware of what is being expected by its customers as well as the society.
- ✓ Green Marketing Strategy should commit everyone in the “enterprise” management.
- ✓ The principles of a Green Marketing Strategy should be strictly defined, controlled periodically and must be communicated to all stakeholders and to the public.
- ✓ Green enterprise should always have in mind that when starting green policies, there is always a next step to follow.



# Conclusions

- *A Green Marketing Plan can become the driving mechanism **for green local development** by transforming an area or a region into a “green zone”*
- *is it possible in this current economical situation?*





**Communication:**  
**Iakovos Sarigiannis**  
**iasar@anatoliki.gr**  
**Tel: +30 2310 463 930**



**[www.anatoliki.gr](http://www.anatoliki.gr)**

**THANK YOU!**



**ΑΝΑΤΟΛΙΚΗ Α.Ε. ΑΝΑΠΤΥΞΙΑΚΗ**  
**ΑΝΩΝΥΜΗ ΕΤΑΙΡΕΙΑ ΟΤΑ ΑΝΑΤΟΛΙΚΗΣ**  
**ΘΕΣΣΑΛΟΝΙΚΗΣ**



**@anatoliki95**