

**Functional Versus Emotional Dimensions in Green Branding for IT Companies:
A Study of Corporate Websites**

Anthony Chan, Luleå University of Technology, antcha@ltu.se

Abstract

This paper attempts to uncover the reasons behind the discrepancies between perceived “greenness” of an IT brand and an objective evaluation of the company’s sustainability practices through the study of corporate websites as brand positioning tools. Different elements of a corporate branding strategy are examined. Key findings include: 1) Corporate websites of all studied companies are similar in terms of content and design, indicating websites are not a differentiating factor. 2) IT company websites appeal to the functional dimension of green brand positioning strategies and less on the emotional dimension. 3) IT companies are mindful of accusations of greenwashing and are careful about their environmental claims. Areas for further research are suggested.

Keywords: green branding, greenwashing, sustainability

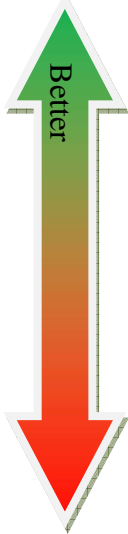
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Introduction

The deterioration of our environment and the effects of climate change are self evident. The environmental visibility of the IT industry might have caused many companies to actively adopt sustainable and responsible business practices (Bowen et al, 2000). A recent Greenfactor study, which surveyed more than 3,500 IT decision makers in 11 countries, indicates that the world's top computer manufacturers have the greenest brand images among IT decision makers. IT decision makers are asked to indicate their perceptions of greenness, which is defined as "having efficient power consumption, recyclable/reusable packaging, recycling offers for older equipment, use of non-toxic materials, or making investments in future 'green' concepts such as alternative materials," on a brand's products and its operations (Greenfactor, 2008). Some of these companies are well known due to their size and diversified product portfolios, their pervasiveness, and their charismatic leaders. They tower over smaller, lesser known brands in the perception of brand greenness.

But how green are they, really?

When it comes to matters of environmental responsibility, Greenpeace is the "green" standard. When Greenpeace published its rankings of the "greenest" IT vendors, the results are disconcerting: all of the major "green" brands in the Greenfactor study are among the least green in their business practices. The Greenpeace Guide to Greener Electronics was first published in 2006. It uses three criteria to produce the rankings: reduction of hazardous material from products, recycling obsolete products, and adoption of business practices that limit impact on climate change (Greenpeace, 2009). Interestingly, the top 2 brands in the Greenpeace study were among the bottom in perceived greenness. Image and reality are diametrically opposed, as shown in table 1.



Greenpeace rankings of 18 companies	IT Vendor	Greenfactor study of green brand perceptions of 27 companies (US)
7	Nokia	3%
5.7	Samsung	4%
5.5	Fujitsu Siemens	not ranked
5.3	Sony Ericsson	not ranked
5.3	Sony	8%
4.9	LG	not ranked
4.7	Toshiba	4%
4.7	Dell	30%
4.7	HP	26%
4.5	Acer	3%
4.5	Panasonic	not ranked
4.3	Philips	not ranked
4.1	Apple	21%
4.1	Lenovo	6%
3.7	Motorola	5%
3.1	Sharp	not ranked
2.2	Microsoft	21%
0.8	Nintendo	not ranked

Table 1: Greenpeace rankings compared to Greenfactor study rankings (3rd quarter of 2008)

While the methodologies, definitions, and instruments used are very different in these two studies and hence negate the validity of a direct comparison, their opposite findings raise some interesting questions: can these discrepancies be explained by corporate greenwashing? If so, how did successful companies do it? For the companies which score low in perception but high on substance, what have they done wrong to cause such a discrepancy? The answers to these questions will help environmentally conscious IT consumers make informed choices. In like manner, it may also help companies which have excellent environmental practices to communicate more effectively through green branding efforts.

Literature Review

Corporate green branding through the use of corporate websites involves several areas in the marketing literature: building strong corporate brands, green brand positioning strategies, greenwashing, and the use of visual and verbal components on websites.

In recent years, environmental visibility can be an explanation for the pressures put on firms and as a result a catalyst for green responses (Bowen, 2000). While there is not a coherent theory in corporate branding, the notion of consistency and difference is the logic behind strong corporate brands that shaped management branding practices (Kay, 2005). A corporate brand is also the product of a social co-production process which consumers participate in a dialogue-like relationship (Kay, 2005). Rivera-Camino suggests that a firm's "greening process" is not linear, but an "uneven process" which several green marketing strategies are used to target different stakeholders (Rivera-Camino, 2007).

Linking a corporate brand to a social cause, such as environmental sustainability, is a first step toward building a strong corporate brand that is connected to consumers values (Kay, 2005). Kay suggests while this approach is a defensive strategy against anti-branding, it also carries the risk of alienating consumers who see it as exploitation in hopes of power and profit (Kay, 2005). Therefore, any corporate branding effort requires a logic that is different and a message that can be repeated with some consistency (Kay, 2005).

For environmental advertising to be successful, a firm must first have an environmental strategy in place (Easterling et al, 1996). Advertising strategies have changed overtime from "image" orientation to "product" orientation in the 1990s (Easterling et al, 1996). "Process" and "factual" orientations are the least utilized orientations which the authors suggest is an opportunity (Easterling et al, 1996). Two dimensions of positioning strategies are found to have significant impact on brand attitudes: functional and emotional dimensions (Hartmann et al, 2005). Results of the same study indicate there is an overall positive influence of green brand positioning on brand attitude (Hartmann, et al, 2005). While the emotional dimension proves to be more effective for the product (a car) used in the study, it cannot be concluded decisively which dimensional is more effective (Hartmann et al, 2005). Both language and images can be used to craft such messages by promoting particular interests and ideologies (Hansen et al, 2008).

Research shows that three principals guide the development of successful green products: consumer value positioning, calibration of consumer knowledge, and credibility of product claims (Ottman et al, 2006). Greenwashing, the attempt to disseminate disinformation to present an environmentally responsible public image, is a serious concern (Laufer, 2003). Research into the environmental marketing claims made by firms that operate in the United States has found that they are less substantive and more posturing than elsewhere in the world (Polonsky, 1997). Firms that want to position themselves as green are forced to make substantial changes in their behavior to comply with FTC (Federal Trade Commission) rules (Polonsky, 1997). Posturing claims will not be effective in targeting informed consumers (Polonsky, 1997). Unfortunately, there is evidence to suggest that stated policies are not

always implemented (Ramus et al, 2005) and that external stakeholders should be skeptical of policy statements if there is no economic incentive for their implementation (Ramus et al, 2005).

At a time when all IT companies studied are honing their green branding strategies, there is evidence to show that environmental associations do not always enhance brand performance (Montoro-Rios et al, 2008). Consumers have been found to process attributes of environmental practices of a brand in a fashion similar to that of information processing to any other attribute; but environmental beliefs have less importance (Montoro-Rios et al, 2008).

Methodology

Corporate websites are an effective vehicle for IT vendors to use in positioning their brand as they are a comprehensive source of information used by consumers. A survey of the corporate websites of six IT vendors (HP, Dell, Apple, Microsoft, Nokia, and Samsung) is conducted to collect data in two dimensions: functional attributes of their green efforts and emotional benefits. For functional attributes, data on their product strategies, corporate social responsibility programs, and environmental responsibility efforts are collected. For emotional attributes, the existence of any emotional appeal in the corporate websites is documented and categorized. The data is then compared with the results from the Greenfactor study and the Greenpeace score card to identify similarities and differences among high perception, low substance green brands and low perception, high substance green brands.

Results

Table 2 summarizes the product strategies of the 4 “perception better than reality” IT vendors versus the 2 “reality better than perception” counterparts. These attributes belong to the functional dimension of a green branding strategy. In terms of product strategy for sustainability, there is no significant difference among these companies. They are developing energy efficient products while making an effort to recycle end-of-life equipment. Trade-in programs are also popular among hardware manufacturers.

	Product Strategy For Sustainability		
Perception Better Than Reality	Develop Sustainable Technologies	Product Recycle Program (end user)	Trade in Program (end user)
Dell	Low power consumption servers, desktops, and notebook computers	Yes	Yes
HP	HP's Green Business Technology Initiative	Yes	Yes
Apple	Being an industry leader in removing harmful materials from products	Yes	Yes
Microsoft	Producing software that allows companies to consolidate servers and reduce power consumption	Yes	No
Reality better then perception			

Nokia	Develop energy efficient phone	Yes	Yes
Samsung	Power saving LCD and energy efficient phones, among others	Yes	Yes

Table 2: product strategy for sustainability of selected IT brands (functional attributes)

Table 3 summarizes the sustainable business practices for the selected IT brands. Again, there are no significant differences between them. However, Dell is among the first to explicitly ban the export of e-waste to developing countries. HP, on the other hand, is committed to the removal of harmful materials in its products but have yet to meet these commitments. There are some variations in each company's approach to corporate social responsibility programs, but the general objectives, as documented on their websites, are very similar.

	Sustainable Business Practices			Corporate Social Responsibility Programs	
	Renewable energy use	Removal of harmful materials	Bans export of e-waste	Donations to and support of green causes	Partnerships with NGOs
Perception better than reality					
Dell	Yes	Yes	Yes	No	No
HP	Yes	Committed to	No	Yes	Yes
Apple		Yes	No	No	No
Microsoft	Yes	Yes	No	Yes	Yes
Reality better than perception					
Nokia	Yes	Yes	No	No	Yes
Samsung	Yes	Yes	No	Yes	No

Table 3: sustainability business practices for selected IT brands (functional attributes)

Table 4 summarizes the use of branding messages that appeal to the emotional dimensions of being green. It is interesting to note that while all of these companies make extensive use of colour and imagery that associate with pristine nature, none of them uses words and slogans to that effect. Instead, the narratives on these websites tend to appeal to a consumer's cognitive faculties with independently verifiable facts. As such, these websites are strong on the functional dimension and weak on the emotional dimension.

	Website Communication		
	The use of words with that appeal to emotional benefits of being green	Use of colour and imagery that appeal to emotional benefits of being green	Dedicated Website to Green Initiatives
Perception better than reality			
Dell	No	Yes	Yes
HP	No	Yes	Yes

Apple	Some	Yes	Yes
Microsoft	No	Yes	Yes
Reality better than perception			
Nokia	No	Yes	Yes
Samsung	No	Yes	Yes

Table 4: corporate branding messages that appeal to emotional dimensions on websites

Conclusion

Given that the appearance of “greenwashing” is damaging to brand image, IT companies are careful in how they present information regarding their corporate social responsibility commitments and achievements. They tend to focus on factual information and general compliance intentions, and refrain from emotional strategies that appeal to consumer values. This caution is understandable but may undermine the overall effectiveness of their green branding efforts. As to the question of why a discrepancy exists between the results of the two studies in table 1, the study of corporate websites did not provide a clear answer. It is likely that websites may not capture the overall green branding strategies of a company.

Implications for Brand Managers

IT Vendors tend to tout factual information regarding the functional attributes of their green initiatives, while focusing less on appeals to emotional benefits of being green. One explanation could be that product attribute beliefs are the most important determinants of purchase decisions, and hence the focus is on communicating information that changes these beliefs (Mitchell, 1986). Images of nature and healthy, happy looking people are used in most of these websites. But almost none of these websites use any words to appeal directly to the emotional benefits of being green. There is an opportunity for these IT vendors to start thinking about appealing to emotional benefits in their brand positioning strategies.

The green branding strategies of the major IT firms are very similar, and building a distinctive, consistent, “strong brand” becomes a challenge. Some companies are breaking away by actively seeking new ways to position themselves as pioneers in being environmentally responsible. Dell’s ban on e-waste export is a step in this direction, while Apple’s communication usually stresses its leadership role in many sustainable practices.

Limitations and Areas for Further Research

The Greenfactor study and the Greenpeace score card used two different definitions of what constitutes “green” and thus the results may not be directly comparable. This limitation, however, highlights the lack of a commonly accepted definition of what “green” means when it comes to IT vendors. Furthermore, corporate websites require users to actively seek out information, while other brand positioning tools pushes the message to consumers in a more targeted fashion. Such brand positioning tools are not included in this study and further research is required. IT professionals also face significant cost pressures and the importance of “green” in a purchase decision is uncertain. Further study of how brand greenness affects purchase intentions are warranted.

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