



## Travel Companions

**Is green marketing a sign of a progressive brand—or a desperate one?**

by *Kelly Hlavinka, Director, COLLOQUY*

Because I'm a devout tree hugger, having started my career as a bright-eyed optimist at the National Wildlife Federation, the recent media coverage of green marketing should have me doing back-flips. Yet, the hype over green marketing, which at times resembles a paparazzi feeding frenzy over the latest Britney-Spears-at-Starbucks sighting, feels like a hollow victory—it's too much of a great thing. So, excuse me, my tree-hugging friends, when I venture out on a very thin limb to proclaim: Enough already with green marketing.

In the loyalty space, we've seen a similar explosion of green coverage. Since April 2007, when Wells Fargo made renewable energy certificates available for redemption in their *Enhanced Rewards* program, green rewards options have proliferated. No fewer than 20 loyalty programs have added environmental rewards and benefits to the mix in 2007.

The press, meanwhile, has killed many trees and emitted much carbon covering the topic.

I knew I'd had enough when Starbucks invited me via email to join a virtual chat titled "Solutions to Climate Change—Be a Part of the Conversation." I went through my mental checklist. Talk about American consumers' impact on the environment? You bet. Connect with like-minded individuals to discuss small, everyday changes that make an impact? That's a start. Do it with other consumers with whom my only connection is a loosely defined passion for premium coffee beverages? Not so much. Can I fight global warming by switching to frappuccinos?

All of this activity indicates that we're quickly approaching the green marketing tipping point. While adding environmentally friendly rewards to our marketing initiatives is admirable, our collective rush to jump on the green-painted bandwagon has a high potential for consumer backlash.

As responsible loyalty marketers, we must consider both the strategic and behavioral roles that environmental and other philanthropic offers and messages can play in our customer strategy. COLLOQUY therefore offers these three best practices to help you build loyalty with your green-minded constituents without appearing desperate or opportunistic.

**Get real.** How much are you counting on driving redemptions and program engagement as a result of building a PR halo by adding ecologically-themed benefits to your loyalty strategy? COLLOQUY's recent Loyalty Demographics Survey suggests that these initiatives play a limited role in consumer engagement. Loyalty program members will always donate points and miles to victims of major catastrophes such as Hurricane Katrina. But despite a plethora of green reward choices, our research and direct experience shows that members overwhelmingly choose rewards that fulfill personal economic and emotional desires. The Me's still far outnumber the We's.

**Think fast.** When disaster strikes, American consumers reach deep, volunteering both time and money. If you allow loyalty program members to direct their accumulated points and miles to those in need, and follow through by matching their contributions, they'll remember you. Build a war chest to respond rapidly to your members' desire to help out in the event of an emergency.

**Act naturally.** Not all brands should jump on the green bandwagon. If you're known for supporting children's charities, for example, then simply expand the belt a notch. Instead of overreaching by adding redemptions that help halt deforestation, add redemptions that encourage children to plant trees. And employ your marketing dollars more effectively by targeting those customer segments who express an interest in green causes. You may find that it's a small segment, but you'll capture their loyalty quickly.

Yes, the tree-hugger in me feels a certain triumph that "green" has finally made the marketing A-list. But we mustn't forget that the ultimate purpose of loyalty marketing is to generate not green PR, but green cash. Keep your Earth-friendly loyalty initiatives down to earth by incorporating green rewards and offers as part of a sound customer loyalty strategy. Green may be the color of environmental awareness—but use it too often and it becomes the color of nausea.

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