

Is being green the untapped USP for the b2b sector?

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Nick Hague, director at B2B International, warns against greenwashing

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There is no doubting that differentiation, of either a product or service, is a source of competitive advantage. As the product becomes more different, categorization becomes more difficult and hence draws fewer comparisons with its competition. This therefore allows you to up-sell your product and not compete primarily on price (as is the usual trap for the average salesman).

The huge opportunity to create a special position in any market is through marketing. A distinctive position is highly desirable as it creates a customer value position at a high level that puts a supplier into the "consideration set" the shortlist of companies or brands that are considered as a possible supplier.

There can be few people who remain unconvinced of the need to reduce our harmful impact on the environment. Until a few years ago the environment was a small dot on the radar screen. Today that dot has grown in size and influence and is becoming an increasing necessity to prove when pitching for new clients, sourcing suppliers or selling to customers.

"Green" claims are not uncommon in today's consumer markets, but within business-to-business markets this is untapped territory with no immediate companies that spring to mind having sought this position.

Sustainability and the environmental friendliness of b2b companies is destined to grow much more in the years to come and indeed, in the last year we have carried out an array of positioning studies for a diverse range of our clients in the industrial gases sector, the construction sector, the chemical sector and the oil and gas industry.

Whoever can build a unique and strong position, taking the environmental high ground in a particular market will definitely differentiate themselves. However, all our research has shown that companies shouldn't fly the green flag just because it is fashionable. All initiatives and statements need to be substantiated and not just used as another marketing tool. In other words, greenwashing (misleading customers about a company's environmental practices) should be avoided.

Green policies and practice need to be treated with the seriousness the issue deserves.