

## 16.3: Traditional Marketing versus Sustainable Marketing

### Learning Objectives

By the end of this section, you will be able to

- Explain how the parties in traditional and sustainable marketing are different.
- Define the different objectives in traditional and sustainable marketing.

### Differences between Traditional and Sustainable Marketing

Traditional marketing takes a customer approach and focuses on product, price, place, and promotion for a target audience. Sustainable marketing takes a “stakeholder approach” and considers customers, shareholders, employees, vendors, interest groups, media, and the general public. These groups are interested in the brand’s sustainability agenda, which becomes the focus of the marketing effort.

Costco is an example of a company that uses this approach to its sustainability marketing. Costco describes its sustainability agenda this way: “Sustainability to us is remaining a profitable business while doing the right thing.” Costco honors three sustainability principles: “For Costco to thrive, the world needs to thrive. We are committed to doing our part to help. We focus on issues related to our business and where we can contribute to real, results-driven positive impact. We do not have all of the answers, are learning as we go and seek continuous improvement” (Costco, 2021). These principles demonstrate a commitment to all of Costco’s interested parties. For example, Costco pays its employees above market rates to honor its commitment to support its employees and communities.

### Link to Learning: Costco Sustainability Commitment

Costco publishes its commitment to sustainability on its website as a way to be fully transparent about its sustainability strategy. The company shares its code of ethics, mission statement, sustainability principles and responsibilities, and development goals. You can read more about its commitment [here](#).

Traditional business strategy indicates that shareholder return is the primary obligation of companies. However, a sustainable business strategy suggests that companies have a corporate social responsibility (CSR) to use their platforms to improve the world and not cause harm. Furthermore, an environmental, social, and governance (ESG) strategy holds companies accountable for their sustainability work. An ESG strategy uses an organization’s influence to make positive changes and develop metrics to show how purpose is measured.

Businesses have always been required to comply with environmental laws, but sustainable companies put the environment in the center, designing for the environment. New Belgium Brewery in Fort Collins, Colorado, is a foremost example of a company designed around the environment. The brand is committed to clean energy to combat climate change. New Belgium Brewery has three principles woven into its business model to keep management accountable for its sustainability goal of becoming carbon neutral by 2030. Those principles are to:

- reduce emissions by creating electricity from wastewater, collecting heat while brewing to reuse, and earning Leadership in Energy and Environmental Design (LEED) certification on its properties
- work with interest groups to advocate for improved climate policies
- improve recycling in the United States through its co-founded glass recycling coalition (New Belgium Brewing, 2021).

### Link to Learning: New Belgium Brewery Commitment to Climate

Learn more about New Belgium Brewery sustainability strategies by reading about its [commitment to climate](#).

### Knowledge Check

It’s time to check your knowledge on the concepts presented in this section. Refer to the Answer Key at the end of the book for feedback.

1.

Traditional marketing takes a customer approach, while sustainable marketing takes a(n) \_\_\_\_\_ approach.

- a. shareholder
- b. value
- c. economic
- d. cost-savings

2.

In sustainable marketing, companies innovate now and do which of the following for the future?

- a. Earn money
- b. Ensure viability
- c. Save money
- d. Earn profits

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