

Marketing mix

[Business](#), [Marketing](#)



I will review the different approaches used towards sustainable consumption and then explore and critique the paradoxes, contradictions and complexities involved. Even economists have begun to recognize that the current levels of consumption are indeed unsustainable. (Scorch, 2005)

Sustainability is subject to multiple interpretations and meanings. It can be defined rather narrowly, 'In terms of environmental stasis and system maintenance, as in ensuring that our actions do not impact on the earth or the biosphere in such a way that its long-term viability is threatened. Or defined in terms of 'balancing economic ecological and social goals and consequences.' (Schaefer and Crane 2008)

In 1987 the Brundtland Report was issued defining sustainability as "Meeting the needs of the present generation without compromising the ability of future generations to meet their needs" (Brundtland-1987) Following from this was the set up of the IPCC in 1988 (Intergovernmental Panel on Climate Change) that took control of all aspects of climate change and realistic response strategies.

In 1992 the first earth summit was held in Rio de Janeiro which resulted in the application of Agenda 21, a programme of 7 principles for all nations to prepare for sustainable development. Two further summits were held in Johannesburg (2002) and Copenhagen (2009). This brief history of sustainable development suggests the steps that have been taken towards the widespread thinking of sustainability in recent years. The relationship between consumption and sustainability can be approached from two different angles: The Objectivism Approach and the Interpretive Approach. (Schaefer and Crane 2008)

1. Objectivism Approach - tries to determine maximum sustainable consumption levels and actions that need to be taken

to stay within these levels. Such maximum sustainable consumption levels have not been calculated with any degree of certainty. However, there has been some work carried out on the carrying capacity of the earth measured by the amount of land used to sustain the consumption of an Individual. The average person worldwide needs 2.3 hectares. Americans need nearly 10 hectares! People in Macaque need 0.47. This disproportion's ratio is evidence of the disparity and inconsistencies of sustainable consumption worldwide.

Therefore, this approach to sustainability and consumption has led to the widely iced suspicion that consumption levels are either or already unsustainable, or fast approaching that state. Be objectively sustainable but instead tries to determine what point of view would environmentally responsible consumption be considered necessary or unnecessary. Different groups of people will have contradicting views, biases and opinions. For example, Environmental activists and producers of ecological goods and services will argue that reduced consumption is indeed necessary.

On the other hand, academics in different fields of interest, activists promoting different concerns, governments that insider other commitments and priorities, will view restrained consumption unnecessary. The economics of climate change " The investment that takes place in the next 10-20 years will have a profound effect on the climate in the second half of this century and in the next. Our actions now and over the coming decades could create risks of major disruption to economic and social activity, on a scale similar to

those associated with the great wars and the economic depression of the first half of the 20th century.

And it will be difficult or impossible to reverse these changes" (Stern 2006)
According to Nicholas Karakas, " We are the very last generation to take action. " Tragedy of Commons (Hardin, G.) The expression has come to symbolize the degradation of the environment happens because people act in their own self interest, destroying a limited resource, even if this is not in their long term interest. " Each man is locked into a system that compels him to increase his herd without limit- in a world that is limited.

Ruin is the destination toward which all men rush, each pursuing his own best interest in a society that believes in the freedom of commons " (Hardin, 1968) The metaphor illustrates the argument that free access and unrestricted demand for a finite resource ultimately reduces the resource through over-exploitation, temporarily or permanently. This occurs because the benefits of exploitation accrue to individuals or groups, each of whom is motivated to maximize use of the resource to the point in which they become reliant on it, while the costs of the exploitation are borne by all those to whom the resource is available).

This, in turn, causes demand for the resource to increase, which causes the problem to snowball to the point that the resource is depleted. The rate at which depletion of the resource is realized depends primarily on three factors: the number of users wanting to consume the common in question, the consumptives of their uses, and the relative robustness of the common
Environmental Externalities External costs exist when " the private

calculation of benefits or costs differs from society valuation of benefits or costs. Pollution represents an external cost because damages associated with it are borne by society as a whole and are not reflected in market transactions (Griffin and Steele 1986) Externally Cost is measured as the size of Insult by the Value of Environmental Damage per unit of insult where by

$$\text{Externally Cost} = \frac{\text{total external cost to society, in dollars}}{\text{Size of Insult}}$$

Size of Insult is expressed in physical units (lbs emitted or hectares degraded); and Value of Environmental physical and chemical intrusions into the natural world For example, the gold rings exchanged by couples during weddings require the processing of tons of ore, most likely by cyanide leaching. To create a pair of gold wedding rings, the ore processed is the equivalent of a hole in the ground that is 10 feet long, 6 feet wide, and 6 feet deep (Brown 2001) Herein lies a contradiction as we as consumers buy wedding rings to proclaim our love and affection, we are damaging and destroying the beauty of the planet we live in. The production of desire In the Land of Desire, Leach (1993) persuasively demonstrates how, from the sass on, American corporate business, in league with key institutions [I. E. The government, universities, financial service providers etc. Began the transformation of American society preoccupied with consumption, with comfort and bodily well-being, with luxury, spending, and acquisition, with more goods than last year, more next year Han this Leach stated Whoever has the power to project a vision of the good life and make it prevail has the most decisive power of all' (1993: xiii). Moreover Leach (1993) identifies that this vision also cultivated the view that the only way to achieve the 'good life' was through the accumulation of material wealth. The problem, as he points out, is that over the intervening

decades we 'confused the good life with goods (Shank et al. 2006) In the sass Victor Elbow designed this system to accelerate all 'normal' levels of consumption. (Leonard 2006) He argued that our enormously productive economy

DEMANDS that we make consumption a " way of life. " He wanted us to " convert buying and use of goods into rituals, that we seek our spiritual satisfaction our ego satisfaction, in consumption. " (elbow, 1955) The sad reality is that this is true for the majority of people living in the Western World. No thought or care for the environment was put into this model. " We need things consumed, burned up, replaced and discarded at an ever accelerating rate. " President Eisenhower turned to this model and claimed the ultimate purpose was now " to produce more consumer goods. No wonder our generation is obsessed with 'stuff and consumer goods with little regard for the environment.

We are victims of the system which was designed with the economy and financial in mind. Scorch 2005 The top line income quintile engaged in what Scholars elsewhere termed " competitive consumption" or what Robert Frank has called " luxury fever" (Scorch, 1998; Frank 1999) One aspect of recent consumer history that has not been sufficiently addressed is the growth of what Scorch terms as excessive consumption in the prices of goods and commodities caused by the particular organization of the lattice economy. The concept of excess consumption includes the idea that cheap prices have contributed to a more rapid cycle of acquisition and discard in a number of consumer categories, causing a significant impact on the environment.

Artificially- cheap goods caused by global excesses in labor supply, sterilization of environmental costs and US economic power projected onto the global economy. Externalities costs is the idea that the price we pay is not the real cost. Everyone along the system is paying for it. All along the system, people are working below minimum wages, child labor workers, deforestation, global warming, we are exterminating the true cost of production. (Eleanor, 2006) 99% of the stuff we put through the system is disposed of after 6 months. (Eleanor, 2006) This is a distressing fact as we acknowledge the extent of the damage that a product puts on the environment and people throughout the system. 4.

The Global Sweatshop (Scorch, 2005) The Global Sweatshop refers to the fact that wages in foreign manufacturing are kept artificially low and environmental effects remain externalities as the US extends its domination of global markets and economies. They reduce prices by squeezing suppliers and keeping domestic wages low. Overall in the US, the ICP has decliners 542. 9 in 1993 to 494. 3 in 2005. Low-wage, foreign production takes place in a variety of product categories - apparel, footwear, toys, computers, tourist hotels, electronics etc. These products are artificially cheap - we have not really " paid" for them. Why? The depression of labor price and the sterilization of environmental costs are all embedded in the price we pay. Consider the case of apparel. Apparel is priced far too low to reflect its true economic and ecological costs.

It is now possible to buy clothing for prices comparable to cheap agricultural products such as rice and beans. A key element of low apparel prices is the

shift to offshore production. Wages have remained extremely low despite the growth in apparel production and hence labor demand throughout the region. In Bangladesh, which by the end of 2001 had become the fourth largest apparel exporting country to the US, wages are as low as 7 to 8 cents per hour for some tasks, with a high of only about 17-18 cents per hour (National Labor Committee, 2001 .) The 2002 import level translates to approximately 48. New pieces of imported apparel purchased per year, per person.

Low apparel prices have contributed to what we might term " excessive accumulation" (high rates of discard and low levels of utilization) of garments by American consumers, and a move toward disposable US military and political power is key to the survival of governments in exporting countries that repress unions and worker protests and back up the power of factory owners. In some cases, for example Bangladesh, factories are owned by members of the military and the government, who wield considerable power to repress workers. . The Cheap Banana (Scorch, 2005) The cheap banana refers to the tendency of economically and militarily superior countries to intervene in the market processes of other states.

Bananas are the most widely consumed fruit in the US Based on a well-known case of a US military- supported coup in Guatemala in 1957 aimed at preventing an increase of wages and regulation of the environment of banana-growers. United Fruits and other powerful agro-businesses in the US have huge lobbying power, as in the case of the WTO challenge to the European Development Programmer for impoverished banana rowers in SST.

Lucia and Grenade in the late sass. One longstanding result of the US interventions has been the transformation of a once scarce and exotic tropical fruit into an everyday basic of the American diet. Other cases of The Cheap Banana syndrome are Coffee, cocoa. Coffee prices fell by more than 80% in the late sass and early 2000 and 2001, and thousands of coffee farmers were wiped out. Consumption of most imported fruits has risen in the last decade.

The Materials Economy- Leonard 2006 The 'Golden Era of Consumption' (Leonard, 2006) has arisen in which now, our primary identity as people is that of shopping! It all revolves around how much we consume. If everyone consumed at the US rate, we would need 3-5 planets! We dispose of 99% of the stuff we buy after 6 months. " Effective production systems have created an abundance of products" (Dopers and Strange; rd 2005) There are two major determining factors in this disposal. 1. Perceived Obsolescence. - This is when we dispose of things that are still functioning, in tact and are 'usable. ' There is no real Need to throw them away however, society tells us that they are unfashionable.

For example a VS. player in our genealogy crazed world, would seem utterly outdated and impractical. Now a DVD player would be in in trend and a better alternative. As consumers, we follow trends, fashions and listen to what marketers tell us to buy. Advertisements are constantly with consuming and buying and cannot stop 2. Planned obsolescence- these are items quite literally " designed for the dump" They include lightships and mops, disposable cameras. However nowadays this bracket is ever

expanding as more and more goods are convenience based and are designed for immediate disposal. Our system is in crisis point. We are constantly bumping up against limits and causing huge harm to the world we live in.

Two Views on Addressing Sustainable Consumption View 1 - the consumer as rational, individualistic decision-maker: Most research linking consumption with environmental problems has been based on traditional psychological and marketing conception of consumption as individual choice. This perspective argues that more sustainable consumption patterns will be achieved through consumer demand for more environmentally friendly goods and services, a fact that provides incentives for marketers to offer such products. A role or public policy would lie in educating consumers about environmental issues. Such a view of individual consumer choice, is embraced by those who advocate the pursuit of environmentally sustainable marketing practices within the existing economic system, and an incremental approach to "greening" marketing and the market.

View 2 - the consumer is an irrational, hedonistic, placekicking person in a social world The incremental approach to sustainability is a "band-aid", and many organizations are only involved in "green-washing". An individual approach to consumer behavior must make significant, systemic changes. Many of the benefits of hedonistic consumption for the individual seem to lie in the act of purchase and the possession of objects rather than, or in addition to, their use or actual consumption. A large proportion of consumption activity is social - it takes place in social units - the family,

friends, work groups - we use consumption to interact with other humans.

We use consumption to define our own identities...

From this vantage point, environmentalist critiques of consumption and aims to curb it become problematic in themselves since such a curb, if successful, would be liable to take away a commonly employed means of achieving happiness. On the other hand, could sustainable consumption/anticonsumption be pleasurable? Materiality Paradox (Scorch, 2010) We are in an era in terms of understanding consumer culture, in which what people want is a large part to do with their symbolic value through means of advertising, marketing, social opposition. When consumers are most hotly in pursuit of non-things, they are usually most prone to use up natural resources (Scorch, 2010) This is paradoxical. As consumers, all we care about is the image now how we are going to demoralize. How is, in a sense the wrong way of thinking.