The Effects of Sustainable Marketing on Brand Equity and Consumer Behavior
- A Case Study of Cia. Hering

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ABSTRACT

Sustainable Marketing is an important issue nowadays, due to the needs of preservation of the environment for the next generations as well as for the needs of helping and integration of the community, while researchers are always interested in brand equity and consumer behavior. This dissertation is aimed to explore the effects of sustainable marketing on brand equity and consumer behavior, and the relationship among them. Theoretical framework of Sustainable Marketing which is performed by Green Marketing, Social Marketing, and complemented by Corporate Social Responsibility were used to analysis this approach, as well as the theories of brand equity and consumer behavior. According to these theories, the relationship among them was found. In this dissertation, the qualitative research strategy was chosen, but the quantitative method was also used to collect data from consumers’ perspectives. A self-completed questionnaire was sent out by Google Form to customers in Brazil. And the case is a Brazilian company in the textile segment. After analyzing the data, the effects of sustainable marketing on brand equity and consumer behavior were concluded. Sustainable marketing has a positive effect on branding by enhancing brand equity. Furthermore, a good brand image and a higher level of brand awareness, which are included in brand equity, affect consumer behavior to some extent.

Keywords: Sustainable Marketing, Green Marketing, Social Marketing, Corporate Social Responsibility, Brand Equity, Brand Awareness, Brand Image, Consumer Behavior
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1. INTRODUCTION

1.1 BACKGROUND

Nowadays, even with all existing technology that the humanity has, the world can face the shortage of the natural resources in few years, it was a concern twenty years ago and it is much more now. Sustainability is a mainstream issue in a world where the resources need to be preserved and this worried is evidenced by the growing interest shown in sustainable issues (Gordon, Carrigan and Hastings, 2011). Fuller (1999) emphasizes that due the consummation rampant of the Earth’s resources became more than an individual question, it is a world-class issue, the preservation of the environment is a responsibility for the communities and especially for the business corporations. Hawken (1993, p. 26) notes that: “because the corporations are the dominant institution on the planet, they must squarely address the social and environmental problems that afflict humankind”.

Sustainability has become the word of the moment and increasingly present in different firms. The definitions of sustainability are many, and according Martin and Schouten (2012, p. 2) is: “the ability of a system to maintain or renew itself perpetually. All of the Earth’s natural systems function this way. Sustainability comes naturally to the Earth, but not so naturally to humankind”. Martin and Schouten (2012, p. 3) define it as Human Sustainability and describes it as per following: “been the opportunity for all people to maintain fulfilling, productive lives while preserving or replenishing the natural and economic systems that make their well-being possible”.

Marketing plays a key role to promote the development worldwide, increasing living standards around the word, in other words, Marketing serves as a resource to support and propagate the sustainable thinking (Fisk 2001). Martin and Schouten (2012, p. 10) claim that: “through marketing systems that most of humanity’s material needs and many of our psychological needs are met; […] as the engine that drives the global economy, Marketing has an enormous footprint on both the environmental and society. […] As the interface between business and society, Marketing also has great potential as a force for shaping cultural change”. However, Marketing is considered a tool to the Sustainability and a way to spread the importance of preservation of the earth’s ecosystems, defined here as Sustainable Marketing.

According Martin and Schouten (2012, p. 10), Sustainable Marketing is: “about understanding and managing Marketing’s pivotal role in the future of business and society […] is the process of creating, communicating and delivering value to customers in such a way that both natural and human capital are preserved or enhanced throughout” and Gordon et al. (2011, p. 147) complement that Sustainable Marketing: “seeks a solution in which commercial goods can be marketed in a responsible way that does not adversely impact upon sustainability”.

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Sustainable Marketing can be achieved by Green Marketing, Social Marketing and Critical Marketing (Gordon et al., 2011). According Gordon et al. (2011, p. 146): “(1) Green Marketing develops and markets more sustainable products and services while introducing sustainability efforts at the core of the marketing and business process. (2) Social Marketing uses the power of upstream and downstream marketing interventions to encourage sustainable behavior. And (3) Critical Marketing analysis marketing using a critical theory based approach to guide regulation and control and stimulate innovation in markets with a focus on sustainability, but moreover challenging some of the dominant institutions of the capitalist and marketing systems, to construct a more sustainable marketing discipline”.

For establishing statements and policies to address issues of social and environmental ethics, many companies use Corporate Social Responsibility (Martin and Schouten 2012). According Charter (1992, p. 59), “Corporate Social Responsibility refers to the concept that business has a wider responsibility to all the communities within it operates, […] a company’s interaction with the immediate community, or community relations”. Thus, we can consider that Corporate Social Responsibility is linked to Sustainable Marketing.

Sustainability is over more present in our daily life and for the companies that work honestly and seek to have sustainable outcomes the consumer increasingly will reward (Martin and Schouten 2012). “Even as consumers of sustainable marketing become active collaborators in caring for the planet and creating positive social change” explain Martin and Schouten (2012, p. 59).

Based on these theories, the theoretical framework of this study aims to cover the literature concerning about Sustainable Marketing, covering Green Marketing and Social Marketing, and Corporate Social Responsibility, as well as the connection of these approaches to brand equity and consumer behavior.

1.2 PROBLEM AND FOCUS
Significant research will be done about Sustainable Marketing, thus, it will be focused on Green Marketing, Social Marketing and the connection with Corporate Social Responsibility. The exploration and search about these themes are a little scarce, but its importance has grown fast. As mentioned by Emery (2012) sustainability seems be a latterly issue, but it have been discussed for many years, the background of sustainable marketing is numerous and these should be pointed out as moves in the right direction; Social and Green Marketing are connected to Sustainable Marketing, as does Corporate Social Responsibility, and this one provides examples of the concern and the organized efforts from the companies and their business to deal with the topics of sustainability.

Maintaining the earth’s ecosystems is not an option; it is a major issue today. Companies must demonstrate how they preserve the environment and the social responsibility to the community. These kinds of actions are important, but more than
link those actions to the branding, but also to preserve the resources for the next generations and spread the social awareness (Martin and Schouten 2012). To achieve this, is necessary to spread these behaviors and Green Marketing and Social Marketing are the tools that can support companies in working in a sustainable projects (Gordon et al., 2011). The main focus is to understand the practice of Green Marketing, Social Marketing and Corporate Social Responsibility into a company and analysis its characteristics and effects on the consumers’ behavior that reflects on brand equity.

1.3 PURPOSE
Considering the importance that sustainability became over the last years, and how the corporates are concerned about the preservation of the ecosystem and about the communities, the impact that these actions can cause on brand equity and consumer behavior, in this regard, the purpose of this study is to examine and describe Green Marketing, Social Marketing and Corporate Social Responsibility and analysis if there are effects on the brand equity and on consumers behavior.

1.4 RESEARCH QUESTIONS
With the background and discussion given above, this study will focus on the answer of the following research question:

What is the effect that Sustainable Marketing can cause on brand equity and consumer behavior?

1.5 DELIMITATION
Sustainable Marketing is main field of this thesis, and the focus for studying and surveying is Green Marketing and Social Marketing related to Corporate Social Responsibility and the possible effect on brand equity, further on consumer behavior.

The company chosen is a Brazilian textile company due to the several sustainable projects developed since it was established, according the search done in its Website. This company and market were choose because one of the authors had experience in the company and participated in couple social projects, thus her personal experience was token in consideration to pick Cia. Hering.
2. THEORETICAL FRAMEWORK
In order to understand the Sustainable Marketing (SM), the foundations of SM and its approach will be firstly covered and next Green Marketing, Social Marketing and Corporate Social Responsibility since all of these approaches are linked to SM and in this sense, it gives an important comprehension for the concept of SM. After introducing SM and its approaches, brand equity connected to SM will be presented. Following this insight of the literature, the consumer behavior theory will be covered.

2.1 SUSTAINABLE MARKETING
Sustainability became important many decades ago, in one form or another, people have been advocating for sustainability for a long time. It is natural that their voices have not reached the business world, even with all the creative ideas, the typical structures based in a long-held beliefs face terrible objection (Martin and Schouten, 2012).

Martin and Schouten (2012, p. 6) assert that: “modern marketing is the grandchild of the industrial revolution and since the beginning of the era of mass production, the practices and the philosophies of marketing have evolved considerably”. The industrial revolution had as philosophy: “If we can build it, we can sell it”, then became “let the buyer beware”, due the aggressive tactics of sale and advertising that the companies used to compete with each other, and in the third generation, the central stage was the needs and wants of the consumer and marketing concept starts to manage the philosophy of time onwards (Martin and Schouten, 2012).

However, Gordon et al. (2011) claim: “marketing is central to global society, and when harnessed responsibly can encourage us to recycle, reuse, buy Fairtrade, eat healthily, drink sensibly, save energy and support good causes”. according to Emery (2012, p. 7): “leaving to one side the splintering of marketing approaches that have appeared over the years for the moment (e.g. green marketing, societal marketing, viral marketing, guerrilla marketing, etc.) an appreciation of marketing basics helps us to understand the significant chances that are occurring in marketing as a result of the growing influence of the sustainability agenda from all quarters”.

“The sustainability issues are modifying the relationship between business organizations and the business environment they exist in. The relationship between the business organization and the consumer is also changing and the sustainable marketer needs to learn how to address these situations in order to be successful.” (Emery, 2012, p. 7)

The conventional marketing definition has said that marketing seeks to satisfy the customer needs, on the same time that make profit for the business (Emery, 2012). On the table 1, Emery (2012) cited the development of marketing definitions, and in more recent times, the new marketing definition, considering the changing demand of the business environment, notwithstanding a none fully inclusion of a real demand of the sustainability.
Table 1: Definitions of Marketing (Adapted from Emery, 2012, p. 8)

<table>
<thead>
<tr>
<th>Then</th>
<th>Now</th>
</tr>
</thead>
<tbody>
<tr>
<td>Marketing is the management process responsible for identifying,</td>
<td>The strategic business function that creates value by stimulating,</td>
</tr>
<tr>
<td>anticipating and satisfying customer requirements profitably.</td>
<td>facilitating and fulfilling customer demand. It does this by building</td>
</tr>
<tr>
<td></td>
<td>brands, nurturing innovation, developing relationship, creating</td>
</tr>
<tr>
<td></td>
<td>good customer service and communicating benefits. Whit a customer-</td>
</tr>
<tr>
<td></td>
<td>centric view, marketing brings positive return on investment,</td>
</tr>
<tr>
<td></td>
<td>satisfies shareholders and stakeholders from business and the</td>
</tr>
<tr>
<td></td>
<td>community, and contribute to positive behavioral change and a</td>
</tr>
<tr>
<td></td>
<td>sustainable business future.</td>
</tr>
<tr>
<td>A social and managerial process by which individuals and groups</td>
<td>The marketing management philosophy which holds that achieving</td>
</tr>
<tr>
<td>obtain what they need and want through creating and exchanging</td>
<td>organizational goals depends on determining the needs and wants of</td>
</tr>
<tr>
<td>products and value with others.</td>
<td>target markets and delivering the desired satisfactions more</td>
</tr>
<tr>
<td></td>
<td>effectively and efficiently that competitors do.</td>
</tr>
</tbody>
</table>

According Emery (2012, p. 20): “most commentators on sustainability point to the 1972 United Nations Conference in Sweden on the Human Environment as the starting point of international debate on sustainability, which was followed by the 1987 Brundtland Report, Our Common Future by the World Commission on Environment and Development, which inspired many of the later standard definitions of sustainability”. In short, the Brundtland Report refers about attempts to settle conflicting topics through the balance of the economic growth and the concern of the natural environment, as well as the justice and equity social, and proposing a better distribution and use of the natural resources (Emery, 2012).

The base to achieve the sustainability is upon three key elements, as cited by Emery (2012, p. 21):

“Social equity, economic sustainability and environmental sustainability; so these three elements form the framework known as the Triple Bottom Line, coined by John Elkington co-founder and chair of SustainAbility, a sustainable business consultancy”.
Emery (2012) explains that SM paradigm sits where the three elements converge and intersect, as figure 1.0 above and as a result it changed the interpretations that only the environment concerns are important for the success of the business, otherwise, SM recognized the interlace of the environment, social/ethical and economic factors for a good performance of the business.

Triple Bottom Line is also named by the phrase “people, planet and profit”, as well “the three Es – equity, economic and environment” and the common split “environmental, social and economic sustainability” as explained by Emery (2012). “The framework provided by the Triple Bottom Line allows companies to assess their progress towards sustainability by measuring overall organizational success, including social and environmental performance, not only economic performance” according Emery (2012, p. 22).

Nowadays SM is a key for the human survival, the several actions of the man is causing huge damage to the environment, as the pollution of the fresh water and consequently the scarcity, what will limit the production of food and automatically unbalancing the ecosystem functions as well as the supply for the urban area; other actions as the damages on the marine ecosystem, climate changes and among other (Martin and Schouten, 2012). In a simple and in other words, Martin and Schouten (2012, p. 2) emphasis that: “humans are using up or destroying the Earth’s vital resources much faster than those resources that can be replenished.”

In order to live in a more sustainable society, a new assumption of marketing must be revised and changed as well its practice, claims Emery (2012).
“Sustainable Marketing recognizes that all human activity is dependent on the existence of the natural capital provided by the planet and acknowledges that long-term, sustainable economic viability only results both environmental stability and societal equity. The sustainable marketing paradigm aims to address these challenges.” (Emery 2012, p. 23)

Emery (2012, p. 24) defines SM as: “a holistic approach whose aim is to ensure that marketing strategies and tactics are specifically designed to secure a socially equitable, environmentally friendly and economically fair and viable business for the benefit of current and future generations of customers, employees and society as a whole”. Otherwise, Fuller (1999, p. 4) describe SM as: “the process of planning, implementing, and controlling the development, pricing, promotion, and distribution of products in a manner that satisfies the following three categories: (1) customer needs are met, (2) organizational goals are attained, and (3) the process is compatible with ecosystems”.

“Sustainable Marketing is the key of transformation, meaning that SM practice has the potential to transform business and the communities in which they operate. Companies that already practice sustainable marketing are keen to emphasize the benefits of the people, planet and profit approach” (Emery 2012, p. 26).

The combination of Green Marketing and Social Marketing can be an effective ‘pathway’ to incentivize Sustainable Marketing, according Peattie and Peattie (2009). Gordon et al. (2011) divides SM in Green Marketing, Social Marketing and Critical Marketing. The main focus of this thesis will be Green Marketing and Social Marketing and as a complement of this theme, Corporate Social Responsibility will be linked to the main focus, as well as branding and consumer’s behavior.

2.1.1 Green Marketing
The preservation of the environment is a subject concerned, in especial for young generations. Charter (1992, p. 27) states that “there is an evidence of an increasingly global perspective, especially among younger adults and children, with greater concern about the destruction of the rainforests, pollution and ozone depletion”.

“Green Marketing is about companies applying sustainable thinking holistically, from production to post-purchasing service, aiming to balance the company’s need for profit with the wider need to protect the environment” (Gordon et al., 2011)

Gordon et al. (2011, p. 147) explain that the companies can develop Green Marketing as the first way to become more sustainable and through it “marketers use their skill to encourage sustainable consumption by influencing all the components of the marketing process” and also complement that: “Green marketing facilitates the development and
marketing of more sustainable products and services while introducing sustainability efforts into the core of the marketing process and business practice.”

A green marketing approach has many benefits; in especial for the business perspective, it is potentially profitable (Gordon et al., 2011). Consumer research has shown that eco-performance of companies can act as a decision maker (Christensen, 1995; Peattie, 1999; referred in Gordon et al., 2011). Elkington (1994; referred in Gordon et al., 2011, p. 147) explains that “this creates the potential for win–win situations in which companies can pursue strategies that benefit both the environment and the company”. Also, “it appeals to growing consumer demands for product traceability, supply chain standards, product authenticity and quality” (DeBeers, 2008:7; referred in Gordon et al., 2011, p. 147), and “reflecting a consumer transition to more considered consumption that businesses can serve” (Carrigan and dePels- macker, 2009; referred in Gordon et al., 2011, p. 147).

Finally, green marketing it is performed with integrity; it is brand and corporate image enhancing, and likely to engender goodwill for public and media relations, but also for the preservation of the planet for the next generations. However, for a completely sustainable development, it is necessary an involvement of the consumer, a change of their own behavior, so the companies can to pursue a Green Marketing effort to contribute to sustainability and more can be achieved in the end (Gordon et al., 2011).

2.1.1.1 Green Marketing Strategy
The world is changing and the companies should fit their strategies to go along this tendency. It is a need the development of methods of marketing strategies and be successful in the changing world. Marketing strategy has the final function of giving a business an advantage in a competitive market (Martin and Schouten, 2012).

“The success of a strategy is measured in economic terms such as sales revenues, market share, profit, and stock prices. The economic pulse of a business is monitored closely, and its indicators are the basis of management compensation, hiring or firing, and other important decisions.” (Martin and Schouten, 2012, p. 15)

Nowadays the concern about sustainability is increasing; “business publications and the popular press, political and nongovernmental groups, and citizen organizations” (Martin and Schouten, 2012, p. 15) are involved on this issue. Martin and Schouten (2012) explain that are many reason for this concern, those can be moral or ethical, but more and more the reason is also economic. “There are many economic reasons for businesses to pursue environmental and social sustainability in their marketing strategies. In the end, the reasons all come down to long-term competitive advantage, and together they make the business case for sustainability” claim Martin and Schouten (2012, p. 15).
For the companies to achieve these entire goal (competitive advantage, make profit, be sustainable, follow the world changes) they need sustainable marketing strategy. That according Martin and Schouten (2012, p. 15): “A sustainable marketing strategy is the statement of an organization’s marketing goals and a plan for achieving them while preserving or enhancing both natural and human capital.”

The companies can start their involvement with the sustainability through the green marketing, and develop a green marketing strategy is the first step. Ginsberg and Bloom (2004) have a green marketing strategy developed to instruct companies to fit in the “greenness” world, but also claim that is no single green marketing strategy right for every company. Ginsberg and Bloom (2004, p. 81) explain: “Companies should consider the likely size of the green market in their industry as well as their ability to differentiate their products on ‘greenness’ from those of competitors before choosing one of the strategies in the matrix.”

**Figure 2:** The Green Marketing Strategy Matrix (Ginsberg, J. M. and Bloom, P. N., 2004. *Choosing the Right Green Marketing Strategy*. Mit Sloan Management Review, p. 81)

The matrix is divided in four levels presented below according Ginsberg and Bloom (2004):

- **Lean Green.** Lean Greens the focus is in to be good citizens and avoiding advertising of those green actions. The main interest in be green is the reduction of costs and on the same time the improvement of efficiency through pro-environmental activities and as consequence create a lower-cost competitive advantage, with long-term preemptive solutions and want to comply with regulations. The intensions are not making money with green actions or even promote it.
- **Defensive Green.** Defensive Greens usually use green marketing like a precautionary measure, a response to a crisis or a response to the actions of a competitor. They seek to improve the brand image and mitigate the damage,
recognizing that market segments are important constituents of green and profitable that they cannot afford to alienate. Its environmental initiatives can be sustained and sincere, but their efforts to promote and publicize these initiatives are timely and temporary, since they typically lack the ability to differentiate themselves from competitors on greenness. And they will certainly defend their environmental records with marketing and public efforts if they are connected by activists, regulators and competitors. But unless they find out that they can get a sustainable competitive advantage in greenness base, they will not launch campaign ostensibly green significance.

- Shaded Green. Shaded Greens companies invest on the green project that involves system wide, long-term and environmentally friendly processes, and there is a significant financial and nonfinancial compromise. These companies use the opportunity creates in being greenness for developing innovation in products and technologies and that outcome in a competitive advantage. The focus is not the greenness, and this is a choice, those companies can make profit using other attributes, the involvement in the environment preservation is in the secondary factor, first all, the company is interested to provide benefits through its products to its customer in a direct, tangible and for a mainstream channel.

- Extreme Green. The companies classified as Extreme Green has extensive philosophies and values. The greenness process is totally integrated to the business as well as to the process of production, and these values are integrated into the company since the first day of foundation. Companies on this level normally attend in a specific niche market and their products have own stores or special channels of commercialization.

Ginsberg and Bloom (2004) explain that the main challenge for the companies is to equilibrate the business practices and the products taking consideration the environment and reach the needs of the consumers. There is a large benefit for all, consumers, shareholders and society when companies are integrated to the preservation of the environment through theirs marketing strategies, Ginsberg and Bloom (2004, p. 84) claim that:

“If properly implemented, green marketing can help to increase the emotional connection between consumers and brands. Being branded green company can generate a more positive public image, which can, in turn, enhance sales and increase stock prices.”

In other words, when the consumer sees the involvement of the companies with the environment preservation, they increase the connection with the company or a specific product made by this company, and as consequence, there is the loyalty growth for the brand (Ginsberg and Bloom, 2004).
2.1.2 Social Marketing

Social marketing can be essentially described as marketing social change (Gordon et al., 2011); it is well known for using in public health campaigns, like drink-driving, anti-smoking and drug abuse, etc. Social marketers know that they have the responsibility to try to change behaviors. According to the standard definition of social marketing, it puts emphasis on changing behavior which makes it fits sustainable marketing and encouraging sustainable behavior (Emery, 2012). The National Social Marketing Center as per Lefebvre (2011, p. 57) defines social marketing as “the systematic application of marketing concepts and techniques, to achieve specific behavioral goals, for a social or public good.”

According Emery (2012) social marketing aims to access individual’s valid self-interest and motivates changes. Consumer’s self-interest is also the key to successful sustainable marketing to some extent. “Several social marketing initiatives have sought to change values and attitudes as a means of influencing behaviors. Achieving a change in values and attitudes is often a prerequisite for behavior change efforts [...]” (Bendell and Kleanthous, 2007; De Beers, 2008; referred in Gordon et al., 2011).

“An important feature of social marketing is consumer orientation, which can be effective at winning people over, engaging them, motivation them and empowering them as individuals or within communities” (Mckenzie-Mohr, 1999, referred in Gordon et al., 2011). However, social marketing goal can help the promotion of change in health, social and sustainable behavior; this change achieved can be beneficial not only for the individual, but as well to the society (Gordon et al., 2011).

Stakeholders can use social marketing to change individual behavior to promote sustainability. Furthermore, delivery agents like the third sector use social marketing to help to engage with people on sustainability issues (Gordon et al., 2011). Maibach (1993) explains that social marketing is a useful approach for making solutions of environmental problems which can be used to assist policy planners and campaigners to make growing global concern pay attention to effective actions over sustainability issues.

As Gordon et al. (2011, p. 151) mention that “social marketing is not only well placed to change people’s immediate behaviors, but has potential as a tool for changing values that are consistent with prevailing institutions and then recreating this in daily behavior”. And they also comment that it needs long-term and durable methods to deal with sustainability (Gordon et al., 2011).

2.1.3 Corporate Social Responsibility

According Emery (2012), Corporate Social Responsibility (CSR) precedes the action of sustainable marketing and in simple words, it is the relation of the companies with its stakeholders and is often describe as a commitment with the wellbeing of the community and corporate resources are invested to discretionary business practices.
“Corporate Social Responsibility refers to the concept that business has a wider responsibility to all the communities within which it operates. […] The most common view is that Corporate Social Responsibility refers to a company’s interaction with the immediate community, or community relations”. (Charter, 1992, p. 59).

Due the utility of consider a company social responsible, Johnson (2003) created a model and divided it in five fairly distinct levels, and few characteristics are fitted and the company’s CSR evolution can be analyzed: illegal/ irresponsible, compliant, fragmented, strategic, and social advocacy. The figure 3 below shows the five distinct levels of identification for considering a company as social responsibility:

![Corporate social responsibility continuum](image)

**Figure 3:** Corporate social responsibility continuum (Johnson, H. H., 2003. *Does it pay to be good? Social responsibility and financial performance*. Business Horizons, 34-40).

Following the description of the levels as Johnson (2003):

- **Level 1. Illegal/ irresponsible:** companies in this level do not accept the regular and legal conditions and standards and it can also do illegal practices.
- **Level 2. Compliant:** companies in this class at least are complacent with the local, state and federal law, and activities that can be considered socially responsible are few or any.
- **Level 3. Fragmented:** in this status, the companies engage in additional activities, but it is limited into the definition of CSR, and its participation in these activities is piecemeal rather than strategic. According Johnson (2003, p. 36): “Their social commitment is usually minimal, piecemeal, and of mixed motives. In some cases, the motive may be profit-oriented, such as adding employee benefits to attract and retain highly skilled employees; in other cases, it may be personal, such as contributing to an owner’s favorite charity”.
- **Level 4. Strategic:** companies in this level seek to work with CSR for strategic and/or instrumental motivation, specifically in the areas that can improve the business financial performance. It is common for these companies hold strong ethical policies. Social project on the communities is another target, the companies want to show that they are more than good neighbors and citizens,
but also evidence good conditions of work and attract and retain qualified professionals. The firms can work in different activities, such as working on roads and traffic to assist schools and the development of health care, as well as sponsoring and participate in voluntary.

- Level 5. Social advocacy: on this level, the companies would base in a moral belief. The purpose of the company is not profit-making, in other words, the companies are worried with the people and community around it, and they should be “good”, regardless of the financial consequences, positive or negative. However, this kind of business exists for a high purpose than just to make money. As Johnson (2003, p. 36): “A common analogy in this context is that of breathing: We must breath to stay alive, but few of us see breathing as our sole purpose in life. In other words, we breathe to live, not live to breathe.”

CSR is an issue concerned by consumers. According a survey carried out in 1990 by Dragon International and undertaken by Diagnostic Social and Marketing Research, and also supported by a research by Mintel’ “Second Green Consumer Report” conducted in May 1991, among a sample of 1,336 adults, when was asked ‘what would make people stop buying’, three top answers were highlighted (Charter, 1992): environmental, ethical and animal issues. Through this result, can be observed consumers are concerned about social and environmental issues, and it can cause “…implications on the corporate activities, from branding strategy to corporate and brand coordination, reputation of management and monitoring” (Charter, 1992, p. 63). Therefore, investments in social and environmental approaches are strategies for a responsible reputation and a good commercial sense for the brand (Charter, 1992).

2.2 CONSUMER BEHAVIOR

According to Martin and Schouten (2012), the experiences and activities of people that engaged in buying, using, and disposing of goods and services constitute consumer behavior. Consumer behavior is motivated by different needs, may be social or psychological needs. And consumer behavior is affected by both internal and external forces.

To understand how sustainable marketing affects consumer behavior, it needs to understand the concept of sustainable consumption, and in accordance with Martin and Schouten (2012) “is that which meets people’s needs without compromising the ability of other people to meet their needs, either now or in the future [...] is that which meets the four conditions of a sustainable system. In other words, individuals or households would not systematically contribute to environmental increases in synthetic substance or substance extracted from the Earth’s crust. Their consumption would not contribute to increasing environmental degradation, and it would in no way hinder the ability of other people to consume adequately and sustainably” (p. 58).

Sustainable marketing plays a key role in removing the barriers of sustainable consumption as fully as possible. Successful sustainable marketing would sell a sustainable product to a customer finally. In this way, customer can have the
knowledge, motivation and resources to use and dispose of the product in a sustainable manner. Then, a relationship would be developed between the customer and marketer ideally, which created value for not only the customer and marketer, but also the society and environment. Consumer and sustainable marketing complement each other in creating positive change to care for the earth (Martin and Schouten, 2012).

Consumers are beginning to recognize not only the need for food and clean water, but also the need to sustain the social and environmental systems (Martin and Schouten, 2012, p. 61). Consumer awareness encourages consumers to have the responsibility to decrease the damage of environment by purchasing ecologically sound products (Paladino and Baggiere, 2008).

Customers choose products and services which can meet their needs by using available information. So some firms provide customers with the information of their products’ sustainability actively (Martin and Schouten, 2012, p. 65). Environmental compatibility (a product’s greenness) is becoming a crucial factor in consumers’ purchasing decisions quickly, while price, quality and convenience are still uppermost (Ottman, 1999). Many consumers are willing to pay a price premium for “green” products (Wüstenhagen, 1998; Vlosky et al., 1999; Veisten, 2007).

It is always crucial for marketers to have the ability to change customers’ behaviors. The general habits and behaviors have to change in order to become sustainable. And this needs a significant effort from not only the marketers and stakeholders but also the customers who are reluctant to change their behaviors if their lifestyles will be changed or sacrificed a lot (Emery, 2011, p.148). Ethical products and services will change consumer behavior, which may help them to live more sustainably. Social and environmental concerns also can change consumer behavior (Oliveira and Sullivan, 2008).

**Figure 4:** Analysis model (Frame of reference)
Sustainable marketing plays an obvious role in enhancing consumers’ awareness of brand. Some campaigns of sustainable marketing make consumers be willing to pay a premium for green products (Garcia-Gallego and Georrgantzis, 2011), as they are aware of the importance of sustainability and realize which brand is more valuable for them to spend money. Fraj-Andre’s et al. (2008), Miles and Covin (2000), Miles and Munilla (1993), Pujari et al. (2003), Shrivastava (1995) and York (2009) stated that sustainable marketing was benefit for firms in many aspects. Enhancing brand image was one of the benefits.

As brand awareness and brand image are brand knowledge, which is involved in brand equity (Keller, 2003), it can be said that sustainable marketing can enhance brand equity. And for consumers, a good brand image and higher level of awareness are crucial for their purchasing behaviors ((Dobni and Zinkhan, 1990; Yasin et al., 2007). Therefore, brand equity can influence consumer behavior. The relationship among sustainable marketing, brand equity and consumer behavior can be developed like this, sustainable marketing has effects on brand equity, further on consumer behavior.

2.3 BRAND EQUITY AND SUSTAINABLE MARKETING
Branding as a means to differ the products from those of another has been around for a long time. A brand is a “name, term, sign, symbol, or design, or a combination of them, intended to identify the goods and services of one seller or group of sellers and to differentiate them from those of competition” (Keller, 1998). With the rapid development and high competition in international markets, there is a growing awareness that corporate and product brands are strategy factors in building company’s value, both in domestic and international markets.

The brand is one of the most significant assets (Gregory, 2001). As Aaker and Biel (1993) said, “brand equity deals with the value, usually defined in economic terms, of a brand beyond the physical assets associated with its manufacture or provision”. Brand equity is driven by brand image in consumer terms as showed in figure 4 (Aaker and Biel, 1993). Brand knowledge is an important concept in customer-based brand equity, which contains brand image and brand awareness. Brand image is a set of associations in consumers’ minds (Keller, 1993). Brand awareness is “the consumers’ ability to recall and recognize the brand as reflected by their ability to identify the brand under different conditions and to link the brand name, logo, symbol, and so forth to certain associations in memory” (Keller, 2003, p.76).
“Brands able to be classified as green are those whose users’ primary associations are environmental conservation and sustainable practices” (Insch, 2011, p.283). According to Fraj-Andre’s et al. (2008), Miles and Covin (2000), Miles and Munilla (1993), Pujari et al. (2003), Shrivastava (1995) and York (2009), there are many advantages for firms to get if they employ sustainable marketing, such as increasing sales and profits, enhancing brand images, returning on investment, entering new markets, differentiating products, using resources efficiently and enhancing competitive advantages. Some campaigns play obvious role in enhancing awareness of consumers, which make consumers be willing to spend more money for green products (Garci’a-Gallego and Georgantzi’s, 2011). And Ottman (1999) stated that developing environmentally sound products and manufacturing processes could enhance brand and corporate images, decrease costs, and open new markets to meet consumers’ needs which to maintain a high quality of life.

“In 20 developed countries surveyed, CSR-related factors collectively accounted for 49 per cent of a company’s brand image” (Business and Sustainable Development, 2001). As McDonald and Rundle-Thiele (2008) mentioned, increasing profit, customer loyalty, and a positive attitude towards the brand were the benefits of CSR. CSR is also considered to be an important dimension in building a strong brand (Porter and Kramer, 2006; Bansal and Roth, 2000).
3. METHODOLOGY

3.1 PURPOSE OF THE RESEARCH
Exploratory study, descriptive study and explanatory study are three different research purposes. Exploratory study as Robson (2002) explained aims to find new insights, assessing phenomena in a new light. Descriptive study describe phenomenon completely (Robson, 2002). Explanatory study focuses on explaining relationships between variables (Saunders, et al., 2009). The aim of this thesis is to explore the effect of sustainable marketing on brand equity and consumer behavior.

3.2 RESEARCH APPROACH
As Bryman and Bell (2007) mentioned, research approach can be divided into two types, deductive and inductive. In the process of deduction, hypotheses can be confirmed or rejected after analysis (Bryman, A. & Bell, E., 2007, p.12). If hypotheses are rejected, conclusions are the revision of theories. Otherwise, conclusions are the confirmed hypotheses. In the inductive position, theory is the outcome of research (Bryman, A. & Bell, E., 2007, p.14).

This thesis has employed the abductive strategy, which inductive and deductive strategies are combined. There is no doubt that sustainable marketing is a hot issue today. Many literatures and theories can be found related to sustainable marketing, brand equity and consumer behavior. But theories of the relationship between sustainable marketing and brand equity and consumer behavior still have space to explore. In order to improve theories, literatures review of sustainable marketing, brand equity and consumer behavior is needed. And a theoretical framework is developed in this thesis. Theoretical framework is used to present an overview of existing theories, which is the base of research Models.

3.3 RESEARCH METHOD
Quantitative and qualitative researches are two distinctive research methods. Quantitative research emphasizes quantification in the collection and analysis of data, while qualitative research emphasizes words rather than quantification (Bryman, A. & Bell, E., 2007, p.28). Bryman and Bell (2007, p. 14) also defined that: “Deductive strategy is associated with a quantitative research approach, an inductive strategy of linking data and theory is typically associated with a qualitative research approach.”

In Ghauri and Gronhaug (2005) opinion, the main difference between qualitative and quantitative research is procedure. And the differences between them are illustrated in the table below:
Table 2: The difference in emphasis in qualitative versus quantitative methods (Based on Reichardt and Cook, 1979; referred in Ghauri and Gronhaug, 2005, p. 110).

<table>
<thead>
<tr>
<th>Qualitative methods</th>
<th>Quantitative methods</th>
</tr>
</thead>
<tbody>
<tr>
<td>• Emphasis on understanding</td>
<td>• Emphasis on testing and verification</td>
</tr>
<tr>
<td>• Focus on understanding from respondent’s/informant’s point of view</td>
<td>• Focus on facts and/or reasons for social events</td>
</tr>
<tr>
<td>• Interpretation and rational approach in natural settings</td>
<td>• Logical and critical approach</td>
</tr>
<tr>
<td>• Observations and measurements in natural settings</td>
<td>• Controlled measurement</td>
</tr>
<tr>
<td>• Subjective ‘insider view’ and closeness to data</td>
<td>• Objective ‘outsider view’ distant from data</td>
</tr>
<tr>
<td>• Explorative orientation</td>
<td>• Hypothetical-deductive; focus on hypothesis testing</td>
</tr>
<tr>
<td>• Process oriented</td>
<td>• Result oriented</td>
</tr>
<tr>
<td>• Holistic perspective</td>
<td>• Particularistic and analytical</td>
</tr>
<tr>
<td>• Generalization by comparison of properties and contexts of individual organism</td>
<td>• Generalization by population membership</td>
</tr>
</tbody>
</table>

The qualitative research is used in this thesis, but the quantitative method was also used to collect data from consumers’ perspectives. Qualitative research provides a wider and deeper understanding of the research problem (Malhotra, 1999). The research question of this thesis is “What are the effects that Sustainable Marketing can cause on brand equity and consumer behavior?”. And the aim of this thesis is to do a deeper exploration of the relationship between them. It’s the main reason to employ this research method within this thesis.

3.4 RESEARCH STRATEGY

Case study is one of the research strategies. A case study is preferred when the research question is “how” and “what” and the focus is on a phenomenon in a real-life context (Yin, 1994).
Table 3: Basic design for case studies (Adapted from Ghauri and Gronhaug, 2005, p. 120, referred in Yin, 1994, p.46).

Yin (1994) defined four types of case study: single case, multiple cases, holistic case and embedded case (see table 3). Single case is useful when doing a deeper study of social phenomenon (Yin, 1994). This thesis aims to do a deeper study of the effects of sustainable marketing on brand equity and consumer behavior. So a single case of a big Brazilian company named CIA Hering was chosen to make a deeper exploration of theories.

3.5 CASE SELECTION
It is important to decide which firms, individuals, groups or elements that will be represented in the thesis. And then make it available to get access from the target population (Cooper, 1984). It is better to choose a bigger firm while studying a specific and complex issue, as these firms have rich experience of dealing with complex problems that can provide in-depth information on the particular issue (Ghauri and Gronhaug, 2005).

The chosen case in this thesis is Cia. Hering. It's a big and famous firm in Brazil, as most of the Brazilians know it. Cia. Hering was awarded in 2010 for Exame Magazine as the best company in textile and clothing sector through the Melhores e Maiores (Best and Biggest); it was elected as one of the trademarks of the century; Abrasca awarded Cia. Hering as the company that most grew over in the last three. Cia. Hering has done many actions related to sustainable marketing, which is suitable for the theme of the thesis and 2011 it won the Certificate of Sustainability in Government and Society (Cia Hering Social Report).

Cia. Hering always pays attention to their consumers. It received the Modern Consumer Award due to the excellence in Customer Service in Fashion category. Cia. Hering has
the best strategy for consumers at all points of contact (Cia Hering’s Social Report, 2011, p. 34). That is the reason that the authors want to study consumer behavior in this thesis. Another reason to choose this case is that one of the authors can get access to collect information from the firm, besides the several information available in the company’s Website.

3.6 DATA COLLECTION
Surveys, semi-structured/unstructured interview, observations, focus group and historical/archival research are five data collection methods (William and Lisa, 2006). The sources of data in the thesis are primary data and secondary data.

Secondary data are collected by others for purposes. In most research, it’s needed to start with a literature review which is the earlier studies related to the research topic. Journal articles, books, online data sources such as official websites of firms are all secondary data. The usefulness of these sources should be evaluated first (Ghauri and Grønhaug, 2005).

The secondary data of this thesis was collected from Internet and school library. Internet can provide researchers with a new research environment and has been a convenient and efficient way to get more useful information (Eloise, 2001). Some empirical data was gained from CIA Hering’s official website. Theories were selected from journal articles of data bases like Emerald and books of school library.

Other secondary data was collected through annual reports, internal reports, photographs, newspaper articles. And other academic studies (undergraduate and/or graduate) investigating the case company was used as secondary data if it is available. It's easy to get secondary data, as one of the advantages of secondary data is the enormous saving in time and money (Ghauri and Grønhaug, 2005).

Primary data is original data that are collected for the particle research at hand, which is more consistent with the research question (Ghauri and Grønhaug, 2005). In this thesis, the primary data was collected by a former interview about social marketing with the communication manager of Cia Hering who can give useful information that is needed via email and making a questionnaire in Brazil, through Google Forms.

In bigger firms, it is crucial to select the right department or individual to make the interview. The right person is right for the point of view of the research questions (Ghauri and Grønhaug, 2005). The interviewee of Cia Hering is familiar with the company and has knowledge of social marketing. So she could provide the right and useful information to complement the studies. The results were recorded and translated into English.

In qualitative research, sampling is crucial in research process (Bryman and Bell, 2007). The samples of questionnaire respondents are people in Brazil. The reason to
choose this sample is that they are likely to know Cia. Hering. Cia. Hering was honored by Carter Capital as one of the most admired companies in Brazil (Cia. Hering’s Social Report, 2011, p. 38). Whether the questionnaire respondents know Cia. Hering is a key factor in the research. Because the aim to do questionnaires is to gain the information that if the company’s activities of social and green marketing can influence their buying decisions of the firm’s brands.

3.6.1 Interview Guide
There are different types of interviews. In this thesis, we use a semi-structured interview according to the theoretical framework. As Bryman and Bell (2007, p. 474) claims: “a list of questions which the researcher has on specific topics often referred to as an interview guide”. An interview guide refers to questions asked in semi-structured interview, etc. Researchers should provide a copy of the interview guide to interested readers, which can strengthen the research dependability (Bryman and Bell, 2007, p. 482). (See Appendix A)

During the preparation of the interview guide, there are some basic elements to be included. (1) Order on the topic areas should be created, which will make questions reasonable. (2) Interview questions should help to answer the research questions. (3) Language should be comprehensible and relevant to the interviewees. (4) Leading questions should not be asked in interviewing. (5) Useful information of a general kind such as name, age, gender, and a specific kind like position in company, years employed should be ensured to be asked or recorded for contextualizing people’s answers (Bryman and Bell, 2007, p. 483). The language to use in the interview is Portuguese. After the interview, the data was translated into English.

3.6.2 Questionnaire Design
Questionnaires that are completed by respondents themselves are one of the main tools to collect data. This kind of questionnaire named self-completion questionnaire which is often used in business research (Bryman& Bell, 2007, p. 240). In this thesis, a self-completion questionnaire (see Appendix B) is designed to collect information that whether the company’s activities of social marketing and green marketing can influence their buying decisions of the firm’s products.

Self-completion questionnaire has more close questions which are easier to answer. The questionnaire has also an easy-to-follow design to minimize the risk that the respondent fails to follow filter questions or unintentionally omits a question. A questionnaire is shorter which reduces the risk of ‘respondent fatigue’ (Bryman& Bell, 2007, pp. 242-243). Most of the questions in the questionnaires only have two options, “Yes” or “No”, which are easy to answer. And the outcomes are obvious. The questionnaires use Portuguese which is suitable to the questionnaire respondents in Brazil. The data was translated into English later.
3.7 DATA ANALYSIS
There are two general analytical strategies, relying depending on theoretical proposition and developing a case description. The researcher can choose one of these analytical strategies when using a case study (Yin, 1994). Data reduction, data display, and conclusion drawing/verification are consisted in the analysis of qualitative data (Miles and Huberman, 1994). After the interview and questionnaires, the outcomes were put into order in empirical data, which can correspond to the theoretical framework. Combining the existing theories that can support the research area and the empirical data to analyze, the conclusion was gotten.

3.8 RELIABILITY AND VALIDITY
Reliability and validity are crucial for qualitative research (Bryman and Bell, 2007). As Yin (1994) said, there are four tests used to establish the quality of research, construct validity, internal validity, external validity and reliability. Construct validity establishes correct operational measures for studying concepts. External validity establishes the field to generate findings of the study. And internal validity establishes a causal relationship. And Bryman and Bell (2007) divided reliability into external reliability and internal reliability. The external reliability is the extent to which a study is replicable, while internal reliability is the agreement among researchers over observation.

To improve reliability and validity of this thesis, evidences of data sources, such as written notes and interview records, have been kept. The translation from Portuguese into English was made by one of the academic of this study due her nationality is Brazilian.
4. EMPIRICAL FINDING

4.1 CIA HERING

4.1.1 General Information

Cia Hering is a huge manufacturer of textile products in Brazil, according classification of SEBRAE – Brazilian Service of Support to Micro and Small Enterprises (http://www.sebrae-sc.com.br/leis/default.asp?vcddexto=4154, accessed in 2013/31/05). As per Cia. Hering’s Website (http://ciahering.com.br/site/en-gb/Company/About+Cia .+Hering, accessed in 2013/06/05) and its Social Report of 2011 (http://ciahering.com.br/site/en-gb/Sustainability/Social+Balance, accessed in 2013/06/05), everything had begun in 1880, when Hermann Hering decided to manager his first investment, a familiar production of shirts. The production was housed in a commercial establishment in the city center of Blumenau, Santa Catarina in South Brazil. And with the expansion of the production, in 1897 the company transferred to Bom Retiro Valley, where it is established until nowadays.

Since the beginning of its existence, the company has been working with social actions, but in 1941, it is when Cia. Hering developed officially social assistances like dining hall, group life insurance, consumer cooperative, daycare center, medical clinic and Credit Cooperative for all employees. As well as with green actions and in 1973 the Company implemented a waste treatment plant, becoming a reference for the region (Cia. Hering’s Social Report, 2011).

In 1995, Cia. Hering becomes the first partner of the IBCC (Instituto Brasileiro de Combate ao Câncer – Brazilian Institute of Cancer Control), supporting the Fashion Target Breast campaign and 1999 was integrated the SGI system (environment, security and quality). Cia. Hering is awarded in 2002 in New York with the CFDA – Council of Fashion Design of America prize. This is an international recognition for support in the Fashion Target Breast Cancer campaign contributing to the free treatment of thousands of women in the prevention of breast cancer (Cia. Hering’s Social Report, 2011).

The company has manufacturing plants and offices spread around Brazil, such as in Santa Catarina, Goiás, São Paulo and Rio Grande do Norte. With well structure retail, through its own stores or franchises and a multibrand retail, Cia. Hering reached the whole country and also established 16 stores in Latin-American (Cia. Hering’s Social Report, 2011).

Cia Hering closed the fourth quarter of 2011, with 432 Hering stories, and according the Social Report from 2011, the company has 8.501 employees in 13 units and it was invested 20 million in activities aimed to the Employee, such as alimentation, professional qualification, education and welfare. The company also invested in 2011 about R$ 1.900.000.00 in tax incentive laws that promoted the democratization of culture and sport and implanted a new unit and expanded its existing manufacturing
facilities with machinery, equipment and energy efficient lighting as informed in its Social Report (2011).

Nowadays, Cia. Hering works only with their own brands, describe below:

![Cia. Hering’s Brands](image)

**Figure 6:** Cia. Hering’s Brands (Information from Cia. Hering’s Website).

As the figure 6 shows, Cia. Hering seeks to reach all social classes and ages, developing clothes for kids, women and men. Cia. Hering pursues to express its long existence and history keeping an important role of the textile segment in Brazil through values obtained from the founders. Sustainable actions are perceived since the very beginning of the company establishment, and it always received attention from the administrators (Cia. Hering’s Social Report, 2011).

According Cia. Hering’ Social Report (2011), its values are based on a pillar and guide its mission as well:

![Pillar of Value and Mission](image)

**Figure 7:** Pillar of value and mission (Cia. Hering’s Website).

According Cia. Hering Website (http://www.ciahering.com.br/site/engb/Sustainability/Social+Balance, accessed in 2013/06/05), its main values are:

- Respect to customers: enchant the customers with products and services that exceed their expectations.
- Sustainability: being economically rentable, promoting socioeconomic responsibility.
• Integrity and Ethics: acting with transparency and ethics, respecting the rules of society.
• Innovation and Openness to Changes: researching and monitoring the market, constantly reinventing itself.
• Commitment: attitude to reach the goals in line with the strategic vision of the company.

Sustainability is considered one of the pillars of the administration of the company, as mentioned on Cia. Hering’s Social Report (2011). Next will be presented the view of the Company about Sustainable Marketing, covering Green and Social Marketing through the actions that Cia. Hering has been doing.

4.1.2 Sustainable Marketing and Corporate Social Responsibility
According Cia. Hering’s Website (http://www.ciahering.com.br/site/en-gb/Sustainability/Social+Balance accessed in 2013/06/05): “The Company is an organization centered on people and customer needs, market-oriented and to adding value to the shareholder.” Sustainability practice was a personal belief of the founders and it walks along with the business since the beginning. The bases of sustainability direct the company forward to an engagement to the social responsibility and preservation as well as the development of the environment (Cia Hering’s Social Report, 2011).

The main focus of all sustainable programs is the human wellbeing and seeking to improve the quality of life of the people from the community as well the environment integration and its preservation. Cia. Hering is one of the leading Brazilian companies on the textile segment and give the example and get aware of the role of a transforming agent within their relationships with business partners, investors, suppliers, community, clients and employees (Cia Hering’s Social Report, 2011). “Activities are carried out in areas such as health, communication, education and training, safety, environment, social programs and community quality of life” according its website (http://www.ciahering.com.br/site/ptbr/Sustentabilidade/Conhe%C3%A7a+nossos+projetos, accessed in 08/12/2012).

Cia. Hering also follow the concept of Corporate Governance, that according to the Brazilian Association of Corporate Governance is (Cia Hering Social Report, 2011, p. 28): “the system by which companies are directed and monitored, involving relationships between Shareholders, the Bords of Directors, Executive Officers, Independent Auditors and the Audit Committee”. The company consider this practices as good to “increase the value of the company, facilitate its access to capital and contribute to its sustainability”. Its basic principles underlying this practice are: transparency, equity, accountability and corporate responsibility as per its Social Report (2011).

4.1.2.1 Green Marketing
According Cia. Hering Website (http://www.ciahering.com.br/site/engb/Sustainability/E
nvironment, accessed in 2013/09/05), the company was settled down in Bom Retiro Valley in 1905 and started its preservation of environment projects in the very beginning of its establishment; estates around the company were acquired for the exclusive purpose of preservation.

The Green Marketing is based in Quality and Sustainability, as per Cia. Hering’s Social Report (2011, p.13) following three principles:

- Develop brands and distribution channels supplying quality products and services and value the delight your clients;
- Ensure an ethical work environment, that is healthy and safe by contributing to the development of life of its employees;
- Be economically viable, promoting social and environmental responsibility, respecting the rules of society.

Cia. Hering also has an Internal Commission for Energy Conservation (CICE) as its Social Report (2011, p. 74), “which controls all the consumption of water, energy, oil, waste treatment and environmental indices. The CICE aims to analyze the data, pointing out distortions and propose alternatives to reduce consumption and improve the indices.”

Below are presented some measures taken to reduce energy in 2011 (Cia Hering Social Report, 2011, p. 74):

- Implantation of a new production unit with machinery, equipment and high efficiency lighting;
- The acquisition of sewing machines with greater efficiency for the replacement of old equipment;
- Installation of a high technology dyeing machine that offers 22% savings in water consumption

As fuels for its production, Cia. Hering uses wood to generate steam (Cia Hering Social Report, 2011, p. 75):

“All the wood used in the process comes from reforestation. Through energy recovery technology developed in partnership with the Federal University of Santa Catarina – UFSC, the company ceases to burn the equivalent of 520 m³/month of reforestation wood. Apart from wood, natural gas is used to complement the production of steam, thereby reducing environmental impact with respect to emissions.”

With the purpose of reducing environmental impacts and decentralized generation of energy, Cia. Hering uses electrical energy from the SHP (Small Hydro Power Plant) for
manufacturing facilities and Headquarters in Blumenau, “SHP Energy comes from a small hydroelectric plant with a capacity greater than 1 MW and less than 30 MW” (Cia Hering’s Social Report, 2011, p. 75).

Biodiversity is also one of the green concerns that Cia Hering has, according its Social Report (2011, p. 77):

“The company has about 8.5 million m² of preserved/conserved green areas in its units. For every 1 m² of built up area the company has 49.23 m² of preserved green area. The bags distributed in the retail area by Cia. Hering consist of two materials: FSC – Forest Stewardship Council – certified paper and oxy-biodegradable plastic. In 2011, the total consumption, in all its sales channels, was 27 million packages, made up of bags and cartridges used indirectly in the sale channels. The paper certified by FSC (Forest Stewardship Council) comes from certified forest and controlled sources, according to principles that consolidate environmental preservation and social responsibility regarding workers and the native population.”

The company has also concern about the waste water: “All water used in the Cia. Hering manufacturing process is removed from streams and is treatment at Water Treatment Plant with a capacity for treating up to 360 m³/hour of water. After being used in the manufacturing process, is goes to the WWTP – Effluent Treatment Plant, which follows strict quality parameters before returning it to the streams of origin” (Cia Hering Social’s Report, 2011, p. 78-79). Below is presented the data water treatment:
Figure 9: Data Percentage of Water and Total Volume of recycled and reused water (EN10) (Cia. Hering’s Social Report, 2011).

The reuse of water is an important cause to the company; all the water used on the company passes for a process to be treated and returns to the environment and the goal is to reduce by 25% of all water consumed on the company (Cia Hering’s Social Report, 2011).

4.1.2.2 Social Marketing
Cia. Hering believes that a good relationship with its employees is the best way to develop and retain talents, so the company invests in programs that promote professional development, as described in its Social Report (2011), “It invests in the development of its employees in order to enhance and retain talent, providing conditions for having stimulating work environment, with opportunity for growth, sense of justice and prepared leaders.” With the intention to improve the communication and spread the activities, on the same time that integrate the employees and the company, Cia. Hering has a group called communication agents, this volunteers team of agents has the work to propagate information within the company, on the same time they promote transparency and provide upgrading of the organizational environment of the company (Cia Hering’s Social Report, 2011).

The company also has a group of volunteers, which one promotes since support for internal campaigns to motivate and encourage activities such as voluntary blood donation between others, as per its Social Report (2001), there are several projects supported by Cia. Hering: “Acting on planned activities and focusing on education, the volunteer group carries out projects in partnership with Junior Achievement in the public school in the city of Blumenau.” Internal groups that promote actions for the safe work environment are developed within the company, such as Training Courses for the Volunteer Fire Brigade, Accident Prevention Week, Emergency Simulations, Quality and Sustainability Week – and DDSQ, Daily Safety and Quality Dialogue among others. Among the programs, actions and benefits that support these relationships, the following stood out in 2011 are presented below:
As an incentive for the good results of productivity, the company offers the PPR (Results Sharing Program) this program provides a participation in profit to its employees. And for the improvement and development of the professionals, Cia Hering offers trainings for the upgrading of the knowledge and to link the good relationship between employee and employer. Among these projects can be highlighted the School of the Future, which creating opportunity to employees that did not conclude the elementary and high school can attend classes and finish the studies; and Learn Click in partnership with SESI that give the basic and intermediate levels of computer training; these two program give the employees the chance to grow as professional in the company. Below are presented the report for these projects, as per Cia. Hering’s Social Report (2011):
Figure 11: Report of Investments in Training and Development (Cia. Hering’s Social Report, 2011).

With the intention to establish a relationship with its suppliers Cia. Hering created a project based on transparency, respect and trust, and built a specific code of ethical conduct for its suppliers (Cia Hering Social’s Report, 2011, p, 57): “In the first instance the project will consider a pilot group. The goal is to build a relationship of value, seeking to positively stimulate a commitment from Company suppliers. Hering is aspects related to legal compliance social responsibility.”

In 1995 the company started a campaign for the IBCC (Brazilian Institute for Cancer Control), that showed positive results “both in terms of awareness, such as fund raising for the treatment of diseases in thousands of patients and the expansion of the hospital infrastructure, modernization of technology park” (Cia Hering’s Social Report, 2011, p, 59). The sale price for the t-shirts are reduced what provides good profit for the institute, and “all the celebrities photographed for the Hering ad campaigns, ad also posed with the shirts for the campaign “Breast Cancer – Fashion Target”, and donated their fees to the cause” (Cia Hering Social Report, 2011, p, 59).

Project Training for Prison Inmates, established since 2006:

“Cia. Hering is partner of a pioneering task in the state of Goias. Training for inmates that are carried out in partnership with the Prison Agency of the State of Goias. The focus of the project is the rehabilitation, where inmates work in the packaging of the parts produced by Cia. Hering in the state. The work began in the city of Anapolis, and today is also carried out in Goiania and the city of Sao Luiz dos Montes Belos. Currently the project benefits 300 inmates. For every
three days worked, on day is reduced from the sentence to be served, and the wages received are passed on to their families.” (Cia Hering’s Social Report, 2011, p. 60)

The company arranges the project Sewing Course, free for the community and also offers bus passes, meals, materials, medical and life insurance, as well the chance to be hired by Cia. Hering (Cia Hering’s Social Report, 2011).

Figure 12: Junior Achievement – Students beneficiaries and volunteers (Cia. Hering’s Social Report, 2011).

Cia. Hering supports the Entra 21 Program-Blusoft (Cia Hering’s Social Report, 2011, p. 64), “which serves low-income youths from 16-25 years who are studying or have completed high school and residing in Blumenau or in nearby towns.” Blumenau is an area where IT is growing, thus Cia. Hering generate the social and professional inclusion for the demand of skill labors for that field. It is a free complete training, what include textbooks and transport. Only in 2011, 254 youths were benefited through the program and 52% of these students already got a job in the labor market.

“Encourages the development of an environment of innovation, design and fashion culture and influences the academic training in Santa Catarina, are values that motivated the creation of the SCMC – Santa Catarina Moda Contemporânea (Santa Catarina Contemporary Fashion). During one year, students experience the daily life of companies and produce a collection using the resources of the industries. Their training is complemented by a series of events, lectures and a workshop offered by the SCMC, and on the end of the training is marked by a great event.” (Cia Hering Social Report, 2011, p. 65)

According the Social Report (2011), Cia. Hering also supports the sport, such as the sponsorship of the Clube Atletico Metropolitano (Metropolitan Athetic Club of Blumenau), the gymnast Gabriel Suski Dias and the investiment on the soccer school of the Hering Sports Association.
“Cia. Hering assumes its roles as an agent of social transformation, and its goal of sustainable development. In partnership with SESI, the company began the process of building their Private Social Investment Policy, which is characterized by the voluntary transfer of corporate resources in a planned, systematic and monitored way, for public purposes.” (Cia Hering Social Report, 2011, p. 70)

Below is presented more information about what has already been accomplished:

![Figure 13: Resources obtained through tax incentive laws (Cia. Hering’s Social Report, 2011).](image)

The Hermann Hering Foundation is a legal entity of Cia. Hering, and its mains objective as per the Cia Hering’s Social Report (2011, p. 81) is: “distribute benefits, indistinctly and free of any charge, to all servers, workers and employees of Cia. Hering.”
Below are presented some information about benefits that Cia. Hering offers to its employees:

![Figure 14: Data of Internal Indicators – Employees (Cia. Hering’s Social Report, 2011).](image1)

![Figure 15: Data of Workforce Indicators (Cia. Hering Social Report, 2011).](image2)
Cia. Hering also founded the Hering Museum, where its history is preserved and told, as well a place for kids, families and schools for the integration of the community with such large and historical reference in the textile segment. The museum was created with the purpose to involve people with fun, culture and history.

4.1.2.3 Sustainable Fashion Program

Cia. Hering business model is based on three foundations according its Website (http://ciahering.com.br/site/en-gb/Sustainability/Sustainable+Fashion, accessed in 2013/09/05):

- In house production
- Outsourcing strategy for specific manufacturing processes
- Outsourcing strategy for finished goods from sub-contract companies (national and international).

“This model allows control of production processes, not only on quality terms but also on socio-environmental impacts which involve the supplier’s chain. This new vision of the purchasing process illustrates Cia. Hering’s commitment to the development of its supply chain, including Outsourcing, vendors and trims suppliers” (http://ciahering.com.br/site/en-gb/Sustainability/Sustainable+Fashion, accessed in 2013/09/05).

Through its principles (transparency, respect and trust among all supplies), Cia. Hering created in 2012 The Sustainable Fashion Program and the Suppliers Code of Conduct:
“The main purpose is stimulating positively the commitment regarding the socio-environmental responsibility” (http://ciahering.com.br/site/engb/Sustainability/Sustainable+Fashion, accessed in 2013/09/05). The code is extends to all Cia. Hering suppliers, and a Committee composed by leaders of different areas are on front of it and do the interface with the suppliers, as well the commission has monthly meetings managed by Cia. Hering’s Supply Chain Director.

4.2 BRAND EQUITY AND SUSTAINABLE MARKETING
As a large company in its segment, branding is still important for Cia. Hering to develop further. A lot of actions of sustainable marketing affect branding obviously.

4.2.1 Brand awareness
The Hering Museum, inaugurated in November 22, 2010 is a multipurpose, creative, critical and modern space, combining the preservation of historical references with the concept of innovation. It is a place where the visit becomes observation and experimentation and is described with a lot of technology and interactivity. The aim is to build the idea of industrial heritage, understand and analyze the history of the textile industry in the Itajai Valley and Blumenau, reflect about fashion, habits and entrepreneurship. The visitors can have access of information about the projects that Cia. Hering promotes, thus it is a way to spread the chance and opportunities develop within the community.

Activities for the visitors to the Museum include aspects such as dynamism, technology and interactivity that the exhibition provides. In addition to basic level, intermediate and higher educational institutions, spontaneous visitors know a little more about the history of the family and the company throughout than 130 years of history. By 2011, the Hering Museum had more than 9,000 visitors.

The objective of the exhibition is to provide integration with the public school. In 2011, more than 2500 students visited the location. Among the topics discussed during the visit are: Industrial Revolution, Architecture, Immigration, Fashion, Technological Evolution, and History of the Company Hering, among others.

Teachers are also invited to visit the museum before the students so that in partnership with the internal team they can assess the issues to be discussed. On this anticipated visit the teacher can learn about the structure and educational activities for the pupils at the time of visit. The Museum offers several lines of research such as Economics, Administration, Engineering, Architecture, History, Anthropology, Sociology and others. This allows the museum becomes an extension of the classroom.

The Museum is prepared to welcome families, youths, elderly and spontaneous public in general, all has their space reserved at the Hering Museum. The visit is a day full of fun, culture and history. “Sunday at the Museum” (a project that is always on a Sunday of each month) includes workshops on various topics, exhibitions, theater and
When asked about the effect of social marketing on brand awareness, the interviewee answered that: “In 2011, the company invested 3,731,272,00 BRL in social marketing, according with the Social Report attached with information of the last 3 years. The company sees it as an investment for the brand which provides awareness, not only to the community, suppliers, competitors and government, but also to the employees and consumers.”

4.2.2 Brand image
In 2007 Cia. Hering enters into Bovespa’s New Market and becomes part of the portfolio of the Index of Corporate Governance (IGC) and the Itororó Unit in Blumenau implants a reusable water project. Cia. Hering participates in several core business groups in order to share information and establish joint actions for improvement in strategic areas of business such as Health and Safety, Quality Management, Social Responsibility, Eradication of Child Labor, among others according its Social Report (2011).

When asked about the effect of social marketing on brand image, the interviewee answered that: “We want that people see Hering as a brand that is always in contact with the public and contributes to the community processes, for the health and welfare of their members. We are aware that those actions affect the brand image, because of that, all the projects are analyzed before put in action.”

4.3 CONSUMER BEHAVIOR
To get data of consumers’ views of sustainable marketing and brands, questionnaires were sent to consumers in Brazil through Google. 396 participants completed the online questionnaires. Forty-two percent of the participants are males, and fifty-eight percent are females. Most of the participants are under twenty-five year old, conform figure 17 and figure 18:

![Figure 17: Questionnaire – Gender](image-url)
When were asked of the knowledge about what were social marketing and green marketing, half of the participants had the knowledge, and half of them had not, according figure 19 below:

As Cia. Hering is a famous company in Brazil, ninety-eight percent of the participants knows its brands, but sixty-nine percent of them stated that they didn't know the social actions and environment preservations that Cia. Hering has been doing, as per figure 20 and figure 21 presented:
Figure 21: Questionnaire – Knowledge of Cia. Hering and its green and social actions

Seventy-two percent of the participants agreed that the actions of sustainable marketing were important to affect their decisions of buying Cia. Hering’s brands. On the other hand, only twenty-eight percent of them did not consider it as important criteria on their decision to buy Cia. Hering’s brands (cf. Figure 22):

Figure 22: Questionnaire – The effect of Sustainable Marketing on Consumer Behavior.

As the interviewee claimed, the benefit of the effect of Sustainable Marketing on brand image and awareness is obvious for consumer behavior. The interviewee answered that:

“Consumers are willing to buy our products because of the good image of our brand. Consumers are not afraid to buy our products and consequently we win their confidence and our brand is recognized for the all social and green projects. We consider that help our sales.”
5. ANALYSIS
In this chapter will be presented an analysis that combines and discusses the empirical findings with the theoretical framework presented in earlier chapters. It is covered firstly SM, following by Green and Social Marketing and complemented by CSR. The next issue discussed is the correlation of SM with branding and consumer’s behavior and the findings reached with the research in question.

5.1 SUSTAINABLE MARKETING
In the marketing literature, Sustainable Marketing (SM) is defined by Fuller (1999, p. 4) as “the process of planning, implementing, and controlling the development, pricing, promotion, and distribution of products in a manner that satisfies the following three criteria: (1) customer needs as met, (2) organizational goals are attained, and (3) the process is compatible with ecosystems”. As per Cia. Hering Website, (http://www.ciaher ing.com.br/site/en-gb/Sustainability/Social+Balance accessed in 2013/06/05), its values are based on respect to customers, sustainability, integrity and ethics, innovation and openness to changes and commitment, that together with its concepts of business, vision and mission described on its Social Report (2011): “Business: brand management, product development and distribution channel for clothing; Vision: be recognized as the most profitable and the best managed clothing brands; and Mission: develop brands, create and market clothing products and services with a perceived value and customer focus”, Cia. Hering seeks to manager a sustainable brand and business.

Emery (2012) uses the Triple Bottom Line to explain the SM, and based on this theory Cia. Hering can be classified as a SM company, due integration of “people, planet and profit”. The company has several actions, activities and programs for the community and its employees, as well for preservation, conservation and development of the environment. The main focus of all sustainability programs is the human wellbeing and seeking to improve the quality of life of the people from the community as well the environment integration and its preservation (Cia. Hering Social Report, 2011).

Since the very beginning the company has been working in favor of its employees emphasizing people, as informed its Social Report (2011), as example, the official assistance started in 1941 and among the support offered were dining hall, group life assistance, consumer cooperative, daycare center, medical clinic and Credit Cooperative. For the planet, the main action is the preservation of the forest around the buildings in Bom Retiro Valley, where the company was established in 1897, as well as the water treatment (Cia. Hering’s Social Report, 2011). Profit can be considered the result of the work, and the good image that the company developed through over 130 years of existence.

Cia. Hering integrations between people and planet is a way to involve the society, its customers, employees and suppliers to be aware of the need of a developing sustainable future, the company considers itself as an example for the stakeholders and can influence through the awareness of its role of a transforming agent (Cia. Hering’s Social
According Emery (2012), the company uses SM as a marketing strategy and tactic, and ensures to design a just society, environmentally friendly and a fair developed economy and viable business for the good of actual and future generations. In short, Cia. Hering does SM, that according Emery (2012, p. 26), which is no more than: “the key of transformation, meaning that SM practice has the potential to transform business and the communities in which they operate.”

In order to reach the practice of SM, this is divided in two actions, named Green Marketing and Social Marketing and complemented by Corporate Social Responsibility, to base the activities related to these actions.

5.1.1 Green Marketing
Green Marketing is denominated as “a holistic and responsible strategic management process that identifies, anticipates, satisfies and fulfills stakeholders’ needs, for a reasonable reward, that does not adversely affect human or natural environmental well-being” according Charter (1992, p. 28). In other words, the companies should work in favor of the environment, and their strategies have to fit in actions that reach the goals of profit and cause the less damage possible to the Earth’s ecosystem, preserving the environment for the next generations.

Since its foundation, Cia. Hering works to preserve the environment. Its main installations are centered in a valley in Blumenau since 1897, and the green area around the company is exclusive considered preserved forest, there is about 8.5 million m² of preserved/conserved green area in its units. Managing its strategies and tactics, there is Cia. Hering principles, and among these principles, there is the green one: “Be economically viable, promoting social and environmental responsibility, respecting the rules of society.” The company also uses green bags and papers in the retail area, all certified by FSC (Forest Stewardship Council), maintaining controlled sources to stay into their principles of environmental preservation and social responsibility (Cia. Hering’s Social Report, 2011).

Gordon et al. (2011) claim that Green Marketing is the first way for a company becomes more sustainable, and the way to do it is encourage sustainable consumption on its production and on the components of the marketing process. Cia. Hering has few projects connected to its production that help the environment. One of than it is the Internal Commission for Energy Conservation (CICE), which is responsible for the control of all the consumption of water, energy, oil, waste treatment and environmental indices (Cia. Hering’s Social Report, 2011). It is one of the benefits of the green marketing for the business (Gordon et al., 2011), because through of this project, the company can save money, reducing waste unnecessary and according Elkington (1994, referred in Gordon et al., 2011), this benefits both, environment and company, it is a win-win situation. Among others actions are implemented by Cia. Hering to reduce the waste of energy and water consumption are the investment in high technology in
equipment for the production, reaching up to 22% savings in water consumption (Cia. Hering’s Social Report, 2011).

Another green business practice is the awareness of using of fuels. Cia. Hering uses 520 m³/month of wood for its production, but according its Social Report (2011), this wood must come from reforestation and to complete the needs of the production of steam, there is the use of natural gas, trying by the way, also reduces the impact on the environment. Keeping this concern about reducing impact on the environment, Cia. Hering also uses electrical energy from the own Small Hydro Power Plant, being this supplier of 85.6% of the energy used on the manufactory and headquarters in Blumenau (Cia. Hering’s Social Report, 2011).

For the control of water treatment, Cia. Hering works with treated and recycled water. The company uses water from streams near the manufactory, and after consuming for the production, all the water are treated on the WWTP (Effluent Treatment Plant) and return to the streams of origin and the goal is to reduce 25% of all water consumer on the company. According Cia. Hering’s Social Report (2011), 100% of the water used for the company is treated or recycled.

5.1.1.1 Green Marketing Strategy
For the companies go along with the changes and do not lose the focus on the profit, creating a successful strategy that measures economically sales revenues, market share, profit, stock prices and let the management of important decisions and help on the economic pulse of the business is not so easy (Ginsberg and Bloom, 2004; Martin and Schouten, 2012). Especially in a “greenness” world, term used by Ginsberg and Bloom (2004) to describe the present day due the concern about sustainability. Even with the moral pressure by popular, media, govern and nongovernmental groups, the main reason still is the economic, so the companies find themselves forced to work with the greenness in a way can be profitable, strategic and competitive (Martin and Schouten, 2012).

Ginsberg and Bloom (2004) developed a strategy named Green Marketing Strategy Matrix, and divided in four levels with specific characteristics: Lean Green, Defensive Green, Shaded Green and Extreme Green. As can be seen below, Cia. Hering in placed between two of these levels (Lean and Shaded Green) and following is described the features that explain this position on the Green Marketing Strategy Matrix.
Cia. Hering has some Lean Green characteristics (Ginsberg and Bloom, 2004), such as trying to be good corporate citizen, and not focus on public and marketing its green actions and activities, but the company seeks to reduce cost and improve efficiency through the green actions, the goal is not make money in the green market, because the activities are normally focus on reduction of costs, like CICE program, which controls the consumption of water, energy and oil or waste and treatment of water, which demands high investment and the benefit, is practical for the environment (Cia. Hering’s Social Report, 2011).

But we have identified few Shaded Green characteristics in Cia. Hering green actions. That as per Ginsberg and Bloom (2004, p. 82), companies who invest in a “long-term, system wide, environmentally friendly process that require a substantial financial and nonfinancial commitment” are classified on this level. The focus is the competitive advantage, but not forcing the image of greenness, the main point is achieve the consumer providing benefits for the consumer through the product, the environmental benefit are promoted as a secondary factor. Example of that is the investment in the waste and water treatment, the bags and papers on the retail area, even the wood used as fuel must come from reforest (Cia. Hering’s Social Report, 2011).

In short, Cia. Hering has some characteristics of Lean Green and Shaded Green, analyzing through the information that we had access via the Social Report. The analysis could be deeper if we had the company support, but due the company considerations that they do not work with Green Marketing, they denied an interview to clarify some doubts about green projects.
5.1.2 Social Marketing

Cia. Hering has several social actions and programs seeking for creating a good relation with its employees, customers, suppliers and community, always promoting the welfare and quality of life. As Lefebvre (2011, p. 58) claims, “Social Marketing is focused on people, their wants and needs, aspirations, lifestyle, freedom of choice; […] it aims for aggregated behavior change – priority segments of the population or markets, not individual, are the focus of programs.”

Among the many social programs manager by Cia. Hering, there is a high investment for the internal public of the company that believes this is the best way to develop and retain talents, between 2009 and 2011, it has been invested around four million of BRL in Training and Development, more than 326.000 hours of training applied to employees.

The programs go from internal benefits in general, such as restaurant (investment of 21.440.762,42 BRL between 2009-2011), and medical clinic assistance (investment of 10.351.289,00 BRL between 2009-2011) within the company, transportation of employees (investment of 11.734.891,00 BRL between 2009-2011), insurance, workplace gymnastic for more than 5.000 employees every workday in the states of Santa Catarina and Goias, a program for moms beneficiated more than 1.000 mothers with gestation assistance, vaccination of 1.669 employees in Santa Catarina plants and 3.273 employees with physical therapy first aid station in the last years.

Also there are intern programs to spread transparency and provide upgrade of the organizational environment as the communication agents, and the actions for a safe internal environment like the Training Courses for the Volunteer Fire Brigade, Accident Prevention Week, Emergency Simulations, Quality and Sustainability week and Daily Safety and Quality Dialogue, etc.

Cia. Hering also has volunteers programs that beneficiate the community, such as Blood Donation, Junior Achievement that helps kids for public schools in Blumenau, the support to the IBCC campaign, project Training for Prison Inmates, Sewing Course, Entra 21 and the SCMC, providing opportunity of learning and opportunity for the labor market. Among the several programs and actions between 2009 and 2011, 107 employees had participated of the programs as volunteer and almost 1.400 students were beneficiated for the projects. To promoting the social investments, Cia. Hering has an internal policy and already used in social projects more than 3.7 million of BRL between 2009 and 2011. Other investment done for the company is the sports, since 2009 to 2011 was 4.067.823,00 BRL in sponsoring of a soccer team and gymnastic as well as in soccer school and other sports.

As Maibach (1993) explains, social marketing is a useful approach for making solutions of environmental problems which can be used to assist policy planners and campaigners to make growing global concern pay attention to effective actions over sustainability.
issues. This can be seen in Cia. Hering’s actions because the company seeks to spread the welfare between the employees and as well as into the community. It is a way to give the example as a large and famous company can do investments of time, financial and human resources for the wellbeing of the community, so people achieved for those actions can be felt touched by the perceived benefit and promote this wellness for other people, thus creating a chain and making changes on the behavior. Gordon et al. (2011) explain it claiming that social marketing can change values that reflect in daily behavior, however, social marketing cannot change people’s immediate behaviors, but it is the key for initiating these changes.

5.1.3 Corporate Social Responsibility
The company is concerned about its Social Corporate Responsibility and focus in actions that preserve the environment and spread wellbeing among the community, employees and others stakeholders. All the green and social actions done for Cia. Hering demonstrates how the company works to be a responsible corporation. This starts since into the company with benefits for its employees, as well as the social programs for the community and the preservation projects for the environment (Cia. Hering’s Social Report, 2011). Emery (2012) described CSR as this involvement of the companies with the community, the wellbeing for people and the concern about the environment.

As a large company in its segment, Cia. Hering uses its influences with the suppliers, then practicing the CSR. The specific project named Sustainable Fashion Program is directed to its suppliers, and is concern about the quality of the production process, but not just it, as well the socio-environmental impacts which involve the suppliers’ chain. On this program, the company has a code for the suppliers, and they need to be fitted on it to be able to supply inputs and the main purpose is to stimulate the engagement with the socio-environmental responsibility (Cia. Hering’s Social Report, 2011).

![Sustainable Analysis model (Frame of reference)](image)

**Figure 24:** Sustainable Analysis model (Frame of reference)
The author developed a model to explain that for companies are social responsible, they need to be involved at least in one sustainable action, social or green. As figure 24 can explain, CSR is the huge atmosphere, to achieve it, the company works on Sustainable Marketing and the tools to be consider a sustainable and responsible corporation is through Green or Social Marketing alone or together. On the intersection of Social and Green Marketing is where the company can work joining social end green project on the same time, as well as it can be worked them separately.

5.1.3.1 Corporate Social Responsibility Continuum
For a better understanding about CSR, Johnson (2003) created a model described in five levels which explains how much a company is social responsible. After analyzing Cia. Hering project and action in Green and Social Marketing, it can be fitted in the Level 4. Analyzing the level 4 characteristics, we consider Cia. Hering as a strategic CSR company with strong ethical policies and demonstrates through the several social and green projects how it intends to be good and demonstrates its concern about the community, as well as the number of benefits offered to the employees, one way to attract qualified professionals. Other actions that can classify Cia. Hering on this level is the social projects done in schools, as the Junior Achievement and other volunteers programs, Blood donation and the sponsor of the soccer club Metropolitano and the gymnast Gabriel Suski.

5.2 SUSTAINABLE MARKETING IS AN EFFECTIVE APPROACH TO ENHANCE BRAND EQUITY
Brand awareness is the ability of consumers to recall and recognize the brand through brand name, logo, symbol and associations in memory (Keller, 2003). Cia. Hering established The Hering Museum in November 22, 2010. It is a place where the visitors can learn the history of textile industry and what the company has done. Teachers are invited to visit the museum before the students. Teachers can learn sociology, economics and other knowledge in the museum, and then teach their students. In 2011, more than 2500 students visited the museum, which allows the museum becomes an extension of the classroom. Families, youth, the elderly and spontaneous public in general is all welcomed to visit the museum. By 2011, the Hering Museum had more than 9,000 visitors. It is a good way to enhance consumer awareness of Cia. Hering.

Some campaigns play obvious role in enhancing consumers’ awareness of the brand (García-Gallego and Georgantzis, 2011). Cia. Hering participated in the IBCC campaign “The Breast Cancer Fashion Targets”, which shows positive results in both the awareness, such as the fund raising for treatment of diseases, and the expansion of the hospital infrastructure, modernization of technology park. And due to the support in the Fashion Target Breast Cancer campaign that supplied free treatment for thousands of women in the prevention of breast cancer, Cia. Hering was awarded in New York with the CFDA – Council of Fashion Design of America prize in 2002.

Developing environmentally sound products and manufacturing process can enhance
brand images, decrease costs and open new markets to meet customers’ needs (Ottman, 1999). As one of the mission of Cia. Hering is to market products and services with a perceived value and customer focus, Cia. Hering has done many actions in sustainable marketing since the very beginning of the company establishment. In 1999, the first Hering store was launched and integrated the SGI system. Cia. Hering became the Itororó Unit in Blumenau implants a reusable water project in 2007. Cia. Hering is focus on the quality of products. According to Fraj-Andre’s et al. (2008), Miles and Covin (2000), Miles and Munilla (1993), Pujari et al. (2003), Shrivastava (1995) and York (2009), increasing sales and profits, enhancing brand images, returning on investment, entering new markets, differentiating products, using resources efficiently and enhancing competitive advantages are the benefits of sustainable marketing.

“In 20 developed countries surveyed, CSR-related factors collectively accounted for 49 per cent of a company’s brand image” (Business and Sustainable Development, 2001). Cia. Hering carries out activities such as health, communication, education and training, safety, environment, social programs and community quality of life as it is realized that the role of the company within the relationships with employees, business partners, investors, suppliers, customers and community. In order to share information and establish joint actions for improvement in strategic areas of business such as Health and Safety, Quality Management, Social Responsibility, Eradication of Child Labor, Hering joins in several core business groups.

Brand knowledge is an important concept in customer-based brand equity, which contains brand image and brand awareness (Keller, 1993). To enhance brand equity, it is essential to increase the awareness of the brand and have a good brand image. The actions of sustainable marketing that Cia. Hering has done enhance its brand image and awareness surely. As the interviewee said that the investment of social marketing provides brand awareness not only to the community, suppliers, competitors and government, but also to the employees and consumers. And those actions also affect the image of Cia. Hering.

5.3 SUSTAINABLE MARKETING CAN CHANGE CONSUMER BEHAVIOR FINALLY
As Cia. Hering is a big company in Brazil which produces textile products; ninety-eight percent of the participants of questionnaires know the brands of Cia. Hering. But half of them don’t have the knowledge of social marketing and green marketing. Even most of them don’t know the actions of sustainable marketing that Cia. Hering has done. So, increasing the knowledge of sustainable marketing is important. To remove the barriers of sustainable consumption, sustainable marketing plays a key role, which make consumers have the knowledge, motivation and resources to use and dispose the product in a sustainable manner (Martin and Schouten, 2012).

Sustainable marketing can change consumer behavior, as seventy-two percent of the participants of questionnaires agreed that the actions of sustainable marketing were
important to affect their decisions of buying the brands of Cia. Hering. But the change is not direct. Consumers are willing to buy the brand that they are familiar with (Hoyer, 1990; Macdonald and Sharp, 2000). And brand image is crucial for consumers to choose which brand to purchase (Dobni and Zinkhan, 1990). Sustainable marketing enhances brand awareness and image of Cia. Hering. Consumers are not afraid to buy Cia. Hering’s products as well as its brands are recognized by sustainable marketing, and consumers are willing to buy the products because of the good image of Cia. Hering.
6. CONCLUSIONS

Due to the increasing concerns about sustainability and the importance of social responsibility of the companies for the community within which it operates, preserve resources and make profit (Charter, 1992; Martin and Schouten, 2012; Emery, 2012), the purpose of this study is to explore the effects of sustainable marketing on branding and consumer behavior. This thesis provided a research about Social Marketing, Green Marketing as ways to perform in Sustainable Marketing; as well Corporate Social Responsibility (CSR) to complement the company sustainable actions.

Given the importance of sustainability, the research on Sustainable Marketing related to branding brought a meaningful contribution to the comprehension of consumer behavior for this study. For a better understanding of the practices of Social Marketing, Green Marketing and CSR an observation on Cia. Hering’s sustainable practices has been done while analyzing the relationship between sustainable marketing and branding, it is confirmed that sustainable marketing has positive effects on brand equity.

For brand awareness and brand image, both can be enhanced through sustainable marketing actions. As an example, Cia. Hering has been participating in several sustainable campaigns, such as “The Breast Cancer Fashion Targets”, that awarded Cia. Hering with the CFDA in New York in 2002 and which increased the awareness of its brands. The actions of sustainable marketing that Cia. Hering has done reflect to the social and environmental responsibility of it. A firm which practices social responsibility impresses a good image on consumer’s mind. There is no doubt that Cia. Hering is a sustainable company, performing in Social and Green Marketing as well as in CSR. However, it has been concluded sustainable marketing actions enhance its brand equity.

Answering the key question what is the effect that Sustainable Marketing can cause on brand equity and consumer behavior, conclude that sustainable marketing can change consumer behavior, if the consumer thinks this is important and knows the company is not involved in action that can cause damage for the environment or to the community. It is a set to achieve this individual awareness, thus we cannot define specific effects that Sustainable Marketing can cause on the brand and consumer behavior, but it can influence.

A brand that has higher awareness and better image is more attractive to be purchased. The good image and familiarity of the brand may influence consumers’ buying decisions. In sum, sustainable marketing may affect brand image and brand awareness which are involved in brand equity positively, thus the increase of brand awareness and the enhancement of brand image can change consumer behavior.

Resuming this regard, this study concludes that Sustainable Marketing can generate awareness and spread sustainable behavior, but cannot be measure its effects precisely due to individually of each consumer. Consumer are aware with green and social
actions, as the questionnaire pointed out, but the author deduced there are much more to be studied and several factors as price and quality can change the mind of the consumers to decide or not to buy specific sustainable brand.

This study also contributed for the company to understand what its consumers, specifically from its region, know about its sustainable actions and the importance that they give for it, since the study was manager at Cia. Hering, a large textile company, it is pointed out the importance of the search. Hope the results of this project will motivate future theoretical and empirical investigations searching to expand knowledge further.

6.1 RECOMMENDATIONS AND FURTHER IMPLICATIONS

6.1.1 Research recommendations
Although, the samples used for this research were restrictive; for a better understanding it is suggested a further research with varied samples, which may have different results or deeper studies.

Regardless of prior studies done about sustainability correlated to branding and consumer behavior, there is a recent lack of considerations of the effects about the choice of the consumer on buying a sustainable brand. It is recommended a deeper study in a future to cover this gap in the survey, thus adding knowledge for the searches.

This research only explores one-way relationship among sustainable marketing, branding and consumer behavior. Further research can be done, studying multi-way of them, for example, the studies of the relationship in the reverse direction to that presented in this research.

Once the empirical findings had considered just one company, although the research was based on a large, trusted and reliable corporation in its segment, it is recommended the application of the theories developed in other industries, enabling different or deeper findings due to the variation of contexts.

Although sustainable marketing was important couple decades ago and it is an issue more important nowadays, but it has not been popularized appropriately; it is good for further research to explore a way to implement sustainable marketing more efficiently.

6.1.2 Managerial Recommendations
The managerial recommendation for Cia. Hering around Sustainable Marketing is specifically on Green Marketing. The company is properly structured in the sense of Social Marketing, recognizing the theory and importance for the community and stakeholders, but when the subject is Green Marketing, Cia. Hering has a lack of knowledge between manager and employees in charge for the responsible department. Due to contact the authors had with an employee that on the beginning was totally opened to help with an interview and after a meeting with her manager, she informed
that together they concluded that it would not be possible answer question because they considered that Cia. Hering does not have Green Marketing actions. Regardless of it, it is suggested a better comprehension and study about Green Marketing, which can support better implementation of new green programs, even though the improvement of those already in progress.

Another point is the consumer perspective of the sustainable actions done by Cia. Hering. Since the company works hard and deep around social and green programs, it is interesting for the image of the company to disseminate these actions, not just to upgrade its image brands, but it can increase consumers awareness and provide opportunity for the community to know how they can help and do their part for a better and sustainable future as well. It is recommended a deeper involvement of the company in the Sustainable Marketing covering Social Marketing, Green Marketing and CSR as a growth strategy.

6.1.3 Theoretical implications
This study moves the research towards to explore the relationship of the concept of Sustainable Marketing and consumer. In relation of this theme, some issues related to Sustainable Marketing have been discussed, Social Marketing, Green Marketing and Corporate Social Responsibility, to provide base for the main area of research to which this project has aimed at contributing in the research on consumer behavior and image of the branding related to sustainability. Nowadays, market literature has thus been covered to support the sustainable concepts and provides field for surveys into different contexts of industries. In the following, it has been presented the main important theoretical contributions that this project has made to the sustainable research, consumer behavior and branding for a later case study in the textile segment. Nevertheless, this study and research is regarding specifically to the relationship between sustainable marketing and branding, the relationship between sustainable marketing and consumer behavior and the relationship between branding and consumer behavior. The findings can be applied for any kind of industry and offer a complete base for students interesting on this field, providing knowledge for further studies.

6.2 LIMITATIONS
The limitation of this thesis count on the indeed that just one company in one segment was studied, in which process can be analyzed in a comparative among two or more companies and in different segments, due to the fact sustainability is an applicable concept in several fields.

Another issue to consider, it is the fact that for the Green Marketing study in Cia. Hering, there is a lack of knowledge on the responsible department, due to the secondary data and theories; it ensures that the company has done actions of Green Marketing. Although the company has much information in its site about the green projects, an interview could clarify some doubts and provide deeper understanding and analysis of the theoretical framework in the practical phase. Therefore, it is considered a
limitation, the gap of the company’s view about Green Marketing.

The questionnaire developed to understand the consumer behavior in practice was sent only to the city where the company is established, in Blumenau, Southern Brazil, thereby presenting a restriction of area and limitation of the results, what suggests it is the expansion of the survey area. Another point is that the end of the survey, the outcome pointed out that the most of the respondents were young adults, less than 25 years old, thus it can restrict the results as well.

The authors focused on few book related to the subject due to the lack of publication. Perhaps the quantity of books selected was not enough to compare ideas, but it was decided to choose actual edition and among them, focus in specific theories to give a brief but clear support to develop this project.

The questionnaire developed also had few mistakes. The authors could not manager in a better way due the lack of experience in this kind of practical survey. But it generated experience to the students for future projects. Thus, it can be pointed that the bad structure of the questionnaire impeded a better outcome that was expected with this practical fieldwork.
REFERENCES

Articles


Books


**Online sources**


APPENDIX A – INTERVIEW GUIDE

Part I – Social Marketing

A. General information

What’s your position in Cia. Hering?

How long have you worked in Cia. Hering?

B. Sustainable marketing

How does Cia Hering perceive the sustainability nowadays?

What is the importance for the companies about actions of social marketing that are taken to the community? What does Cia Hering think about the social marketing?

C. Branding and consumer behavior

Does the company think that actions of social marketing affect the brand awareness? What is the benefit of the effect?

Does the company think that actions of social marketing affect the brand image? What is the benefit of the effect?
APPENDIX B – QUESTIONNAIRE GUIDE

Part I – Sustainable Marketing and consumer

Gender
( ) Male
( ) Female

Age
( ) up to 20 years old
( ) between 21 to 25 years old
( ) between 26 to 30 years old
( ) over 31 years old

Do you have knowledge about what actions of Social Marketing and Green Marketing are?
( ) Yes
( ) No

Do you know Cia. Hering and its brands?
( ) Yes
( ) No

Do you have knowledge about the social actions and environment preservations that Cia. Hering does on the community?
( ) Yes
( ) No

Do you consider or would consider these actions important, to the point of affecting your decision of buying the brands of Cia. Hering?
( ) Yes
( ) No