Ajay Menon & Anil Menon

Enviropreneurial Marketing Strategy: The Emergence of Corporate Environmentalism as Market Strategy

Environmental concerns have begun to reshape the landscape in which global organizations compete. The demands and influences of the environmental movement are evident in the dollar value size of the environmentally conscious marketplace. In addition, the growing regulatory concerns over the environmental impact of corporate practices have begun to influence corporate strategies. The authors discuss the concept of an enviropreneurial marketing strategy, which reflects the confluence of social performance goals, corporate entrepreneurship orientations, and marketing strategy by integrating environmental concerns when developing marketing policies and practices. They provide a brief overview of the emergence of the enviropreneurial strategy paradigm, identify three types of enviropreneurial marketing strategies, and develop a model of the antecedents and consequences of an enviropreneurial marketing strategy. Finally, they conclude with a brief discussion of future research needs.

The natural and physical environment, traditionally discussed as an external influence on the process and content of managerial decision making, is now viewed as central to marketing and management strategy (Drumwright 1994; Hart 1995; Shrivastava 1994). Although the idea of integrating environmental issues into the process and the content of marketing strategy is not new (see Henion and Kinnear 1976; Kassarjian 1971), the idea of integrating has moved into mainstream marketing consciousness over the past ten years (cf. Drumwright 1994; McDaniel and Rylander 1993; Sheth and Parvartiyar 1995). Similarly, firms have already begun incorporating environmental criteria and/or environmental elements into their marketing strategies to remain competitive in the marketplace (cf. Drumwright 1994; Kirkpatrick 1990; Mason 1993). Consider the following developments within the investment, competitive, and regulatory arenas that have made environmental concerns real and immediate for businesses.

There is now a general consensus within the business and consumer communities that the environmental or so-called green market appears to be real and growing (Coddington 1993; Fierman 1991; Kirkpatrick 1990). For example, Arthur D. Little estimates it at $280 billion worldwide, with the potential to double by the end of this decade (Schmidheiny and Business Council for Sustainable Developments 1992; hereinafter Schmidheiny). Also, consumer surveys over the past decade reveal a growing segment of consumers who either reward or intend to reward firms that address environmental concerns in their business and marketing practices and who punish firms that appear to ignore the environmental imperatives (Carlson, Grove, and Kangun 1993). Parallel to these product and market influences, companies are now increasingly subject to a new form of investor influence, namely, social investing (Labadie 1991). Social investing involves integrating social values into investment choices and is now estimated to be a $500 billion influence. One such investor group focusing on corporate environmentalism is the Coalition for Environmentally Responsible Economies (CERES), which was formed in 1989, and represents over $160 billion in total investment power (Van Buren 1994). This group aligns with major corporations that endorse the CERES principles,[1] a set of environmental principles for integrating environmental accountability and performance into business practices.

Most analyses of the environmental regulatory environment point to the continuance and even the expansion of environmentally based laws (Noah 1995). On the basis of new theoretical insights and empirical evidence, an emerging view within the business, academic, and regulatory com-

Ajay Menon is Assistant Professor of Marketing, College of Business Administration, Colorado State University. Anil Menon is Assistant Professor of Marketing, Goizueta Business School, Emory University. The listing of the authors is alphabetical and reflects equal contribution. The authors thank Sundar Bharadwaj, Connie Kertz, and Atul Parvartiyar (Emory University); Bernard J. Jaworski (University of Southern California); and Phani Tej Adidam, Steve Edison, and Jim Walton (Texas Tech University), for their insightful comments on previous versions of this article. They also thank Richard E. Rienwart and Lori Lopez (Colorado State University) for their able research assistance. This research was funded by the Marketing Department at Colorado State University. The authors express their appreciation to the current and previous editors and three anonymous *JM* reviewers for their helpful comments on earlier drafts of the article

[1]Originally called the *Valdez principles*, CERES principles are a ten-point code for corporations' environmental performance and accountability.

Journal of Marketing
Vol. 61 (January 1997), 51–67

munities contends that environmental regulations enhance rather than hurt competitiveness and firm performance (Cohen, Fenn, and Naimon 1995; Jaffe et al. 1995; Porter 1991; Porter and van der Linde 1995). Coupled with changes in the federal laws that reward firms that overcomply with environmental regulations (*GAO Reports* 1995) and punish senior executives for environmental violations of subordinates (Vogel 1992), environmental issues have gained "mission critical" importance within firms. This new importance is reflected in a McKinsey survey of chief executive officers (CEOs) and board members in which 92% of the respondents stated that the environment is one of their top three management priorities for this decade (Walley and Whitehead 1994).[2]

Against this backdrop, the need for more research on and discussion of the role of the natural environment[3] in marketing strategy and firm performance is critical. Although the literature has been relatively silent on the integration of nonmarket (e.g., social) issues and the *content* of marketing strategy (Robin and Reidenbach 1987; Varadarajan and Menon 1988), recent works by Drumwright (1994) and Varadarajan (1992) offer interesting insights. Drawing on rich case histories, Drumwright documents the prevalence and importance of noneconomic criteria, especially the environment, in corporate decision making. Drumwright provides useful insights into the role of individuals in developing different ecological orientations within organizations. Varadarajan proposes the term *enviropreneurial marketing* to emphasize the need for an entrepreneurial approach in melding ecological concerns and marketing strategy objectives. Both scholars call for theoretical and empirical research into questions such as, What factors motivate individuals, managers, and/or firms to adopt an enviropreneurial orientation? and What kinds of enviropreneurial strategies would enable a firm to achieve a competitive advantage in the marketplace?

Our purpose is to help address the theoretical aspects of the previous questions and provide a testable model for further research. In particular, our goal is to identify the antecedents and consequences of enviropreneurial marketing strategies. To that end, this article is organized around the following major sections: First, we draw on extant research in environmental history, environmental economics, and environmental law to provide an overview of how the enviropreneurial strategy paradigm emerged. Second, we identify three types of enviropreneurial marketing strategies by drawing on (1) published case histories of environmentally based market strategies and (2) in-depth interviews with managers, portfolio managers for socially responsible funds, and an environmental journalist. Third, we develop a framework of the antecedents and consequences of enviropreneurial marketing strategies. Fourth, we conclude with a brief discussion of future research needs.

[2]Similar findings are reported by Kanter (1991).

[3]For ease of communication, unless specified otherwise, the terms *environment, environmental,* and *environmentally based* refer to the natural and physical environment.

Emergence of the Enviropreneurial Marketing Strategy[4]

Although corporate environmentalism is a relatively recent phenomenon, its scope and influence are being felt throughout the business and academic communities. Environmental historians trace the birth of modern environmental activism in the United States to 1962, the year Rachel Carson's book, *The Silent Spring,* was published (cf. Adler 1995; Sale 1993; Worster 1993). Since then, the rubric of environmentalism has firmly linked the physical environment to social change and social justice. Subsequently, we develop the emergence of the enviropreneurial marketing strategy paradigm. Drawing on research in environmental history (Adler 1995; Schabecoff 1993; Worster 1993), environmental law (Calvo y Gonzales 1981), and corporate environmentalism (Cairncross 1992; Fischer and Schot 1993; Schmidheiny 1992; Stroup, Neubert, and Anderson 1987; Walley and Whitehead 1994), we identify four phases in ecological marketing leading to the emergence of enviropreneurial marketing.

Environmental Issues Are Not a Driver of Marketing Strategy

The natural environment did not have a significant impact on the practice of marketing until the 1970s. The reasons for this limited impact range from environmental regulations being limited in scope and influence to society being ambiguous with respect to environmentalism and corporate social responsibility. Environmental regulations during the 1950s and 60s were generally viewed as weak (Sale 1993). Most of the regulations passed during this period (e.g., Wilderness Act of 1964, Air Quality Act of 1967) did not carry noncompliance penalties and were relegated to the local and state agencies with little federal oversight (Davies and Davies 1975)—all of which added to the perception that these regulations were mere guidelines for improvement, rather than major corporate imperatives. Thus, there was no coercive or other regulatory influence motivating ecologically oriented marketing strategies or tactics.

The concept of environmentalism, that is, the concern for the reciprocal impact of humans and nature, was not established as a mainstream idea until the 1970s. Prior to the 1960s, environmental concerns were limited to the passionate writings of conservationists (Leopold 1949), and the issue had not gained the status of a movement (Hays 1987; Sale 1993). Environmentalism was seen by the mainstream public as a concern of sportspeople, naturalists, and the affluent not connected to everyday life (Sale 1993; Tucker 1990; Worster 1993). Because of this low public and societal interest in environmental issues, most firms placed little importance on the role of the natural environment in developing marketing strategies and guiding business decisions.

At a more fundamental level, it is important to recognize that not only was corporate social responsibility a relatively new notion, commitment to this idea was equivocal within the business community. Consequently, and not surprisingly,

[4]The term enviropreneurship was coined by Terry Clark, Goizueta Business School, Emory University.

specific social goals, such as reducing the negative impact of business activities on the environment, were not seen by businesses as relevant in developing marketing strategies. Academic interest with respect to the impact of business activities on nature was restricted to those with liberal political leanings (e.g., Boulding 1966). As these academics framed the issue—green versus greed and conservation versus consumption—environmental interests and business interests (and profits) were essentially irreconcilable (Porter 1993). As a result, the business community viewed these debates as antibusiness, anti-industrialization, and anticivilization rhetoric. Consequently, businesses either rejected the entire concept of corporate environmentalism or responded in isolated instances by "voluntarily doing good" (Stroup, Neubert, and Anderson 1987; Varadarajan and Menon 1988).

Environmentally Based Marketing Strategy as Resistant Adaptation

In the 1960s, environmentalists tried to change business practices through public opinion and pressure. Considering the failure of this approach, the environmental movement shifted tactics in the 1970s and replaced public opinion with legal pressure as their major tool to change business practices. By the mid-1970s, the Big Ten[5] environmental groups reoriented their priorities and philosophy to practical gains rather than affirmation of ideologies (Hays 1987). As a result, these groups gained considerable ground in terms of the membership clout and financial resources needed to influence legislation. They collaborated with congressional allies to create powerful agencies, including the Environmental Protection Agency, the Occupational Safety & Health Administration, the Consumer Product Safety Commission, and far-reaching laws, such as the Endangered Species Act of 1973 and the Comprehensive Environmental Act (Superfund) of 1980.

The laws and regulations approved during this period focused on creating mechanisms and provisions to address *market externalities*,[6] which created an adversarial relationship between the regulators, environmentalists, and businesses (Adler 1995). The laws became known as *command and control* or *end-of-pipe* laws because of their exclusive focus on the inputs to manufacturing and the technology used in these operations, rather than on the outputs or outcomes of these operations (Adler 1995). For example, laws were passed requiring the use of the best available technology for reducing pollution and emissions. Yet, attempts at defining what constitutes best available technology were inconclusive, and the administrative problems associated with monitoring and documenting the emissions of hundreds and thousands of different sources of pollution were inordinate. More important, firms argued that such strict activity and compliance-oriented regulations limited their ability to respond to environmental issues in innovative ways. Not surprisingly, the nature and scope of environmentally based marketing strategies reflected this ambivalence and distrust of the "environmental issue."

Nevertheless, facing this growing governmental regulation and the beginning of a consumerism movement, firms began to incorporate potential and actual environmental impact explicitly as one of their decision criteria (Sale 1993). Thus, the period from 1970 to 1985 saw the beginning of the integration, albeit weak, of environmental concerns and business and marketing strategies through what Fischer and Schot (1993) call *resistant adaptation*, or what Varadarajan and Menon (1988) call *mandated corporate responsibility*. From a strategic perspective, the beginning of a systematic and coherent approach to handling environmental concerns can be traced to this stage, when large corporations created and staffed specialized departments to focus on environmental issues. Public relations and publicity began to play a bigger role in a firm's marketing communication strategy to allay public concerns to mollify and, if possible, co-opt interest groups and regulatory agencies. Along these lines, firms directed their research and development and product management efforts toward developing appropriate product features to meet command and control–type regulations. For example, in the automobile industry, manufacturers built defensive features for emission control into automobiles, rather than make cars that were inherently nonpolluting or more efficient.

Manifest Environmentally Based Marketing Strategy

In contrast to the defensive and narrow perspective of the resistant adaptation phase, manifest environmentally based marketing strategy reflects a broader and more proactive stance with respect to corporate environmentalism (Adler 1995; Fischer and Schot 1993). This expansion of the nature and scope of corporate environmentalism resulted from an important development during the mid-1980s: the emergence of *free market environmentalism* (Adler 1995; Sale 1993).

Free market environmentalism developed out of several changes in the regulatory philosophy and the environmental movement. Much of the empirical evidence on the effectiveness of the extant laws and regulations suggested indeterminate success, at best, and failure, at worst. Coupled with the growth of conservative politics and a shift in political power, the rationale and approaches of the traditional environmental regulations were increasingly viewed by scholars as inefficient and inadequate (Adler 1995; Hays 1987). Free market environmentalism shifted the emphasis of the regulations from what was an input or activity orientation to an output or results orientation. This shift of emphasis broadened the context for environmental marketing, and firms began experimenting with alternate, customized strategies and approaches to resolve their environmental problems (cf. Arora and Cason 1995).

The environmental movement also changed in two significant ways in the mid-1980s. First, it adopted a profes-

[5]Audobon, Defenders of Wildlife, Environmental Defense Fund, Environmental Policy Institute, Izaak Walton, National Wildlife, Natural Resources Defense Council, National Parks Association, Sierra Club, and Wilderness Society

[6]*Market externalities* are the unintended consequences of business activities (e.g., pollution and emissions). Because the environment is not a private good, pricing mechanisms are incapable of capturing them, which lowers the incentive for businesses to make investments to lower negative externalities or increase positive externalities.

sional rather than an ideological philosophy. Second, as adversaries sought new ground on which to become allies, the relationships between the environmentalists and the lawmakers changed from confrontational to accommodative (Sale 1993). The major environmental groups (Audobon, Sierra Club, Environmental Defense Fund, Greenpeace, Wilderness Society, and Defenders of Wildlife) installed new administrators. These new administrators were hired from outside of the organizations and all for their managerial, legal, and professional skills. Thus, business, lawmakers, and environmental groups began collaborating—seeking common ground and pragmatic solutions.[7]

Against this backdrop, the tone and specificity of the goals and objectives outlined in corporate directives on the environment clearly took a more strategic orientation and changed from the narrow, negative compliance and reporting attitude reflected in earlier corporate directives (Fischer and Schot 1993; Sale 1993). Notwithstanding, most firms still approached environmental concerns as problems to be resolved and constraints to be managed, rather than as market opportunities to be exploited (Buchholz 1991). In other words, firms adopting some form of an environmental strategy considered alleviation of their environmental problems as the major reason for coaligning their marketing and business strategies with environmental issues. Few firms saw environmental concerns as an opportunity to create a strategic competitive advantage. However, in the late 1980s and early 1990s, an environmentally based marketing strategy became a more accepted business paradigm, and more firms began explicit integration of environmental issues into their strategy process (Kirkpatrick 1990).

Establishment of Enviropreneurial Marketing Strategy

An interesting business development in the early 1990s was the emergence of a new strategic environmental paradigm for which Varadarajan (1992) coined the term *enviropreneurial marketing* (EM). We define EM as the process for formulating and implementing entrepreneurial and environmentally beneficial marketing activities with the goal of creating revenue by providing exchanges that satisfy a firm's economic and social performance objectives. Thus, the themes differentiating EM from the other environmentally based approaches are that (1) it adopts the perspective of an innovation and technology solution rather than one of a legal or public pressure solution, (2) it adopts an entrepreneurial philosophy or orientation, and (3) it represents a confluence of social performance, environmental, and economic objectives.

First, the basic assumption driving EM is that environmental degradation is the result of the interaction of human experience, technological growth, and economic development. As such, these same forces—rather than legal pressure, command and control laws, and increasing regulations—should be at the root of the solution to these environmental problems. In contrast to the tendency to use legal and public opinion pressure to address environmental problems, environmental technologies and technological innovations are increasingly proposed as strategic options for developing competitive advantages and resolving environmental concerns (Shrivastava 1995b). Consistent with this logic, EM posits that corporations can reduce environmental problems through innovation by finding new ways to produce, package, and deliver goods and services to consumers and disposing or recycling the wastes created in the production or consumption of these goods or services (Coddington 1993; Mirvis 1994). From a theoretical perspective, environmental problems are being increasingly reframed as economic problems, and research into these issues are conducted within several research streams in ecological economics (e.g., Costanza and Wainger 1991) and industrial ecology (Craincross 1992; Hawken 1992).

Second, a key concept basic to the process of EM is the presence of a *corporate entrepreneurship* philosophy rather than an administrative or management approach (Burgleman 1983; Stopford and Baden-Fuller 1994). Consequently, one of the core values guiding EM is the perspective that the environmental imperatives can be market opportunities rather than management or business constraints (Coddington 1993; Hunt and Auster 1990). Along these lines, EM activities are proactive and involve a willingness to accept measured risks (Miller 1983; Stopford and Baden-Fuller 1994). Risks of EM stem from at least three sources. One, enviropreneurial strategies run the risk of being viewed as exploitative and deceptive if there exist any gaps or perceived gaps between marketing claims and environmental realities (Varadarajan and Menon 1988). Two, enviropreneurial strategies are also risky, because though the green market appears to be real, consumer preferences are not well-defined and their preferences and actions may not always seem to be in concert (Fierman 1991). Three, because this market is still evolving, the risks of market pioneering apply.

Third, EM falls within the rubric of the societal marketing concept and the corporate social performance model. The societal marketing concept articulates the logic that marketers should balance three considerations in formulating and implementing marketing strategies: company profits, consumer needs and satisfaction, and society's interests (Kotler 1994). Cause-related marketing (Varadarajan and Menon 1988) is one approach employed by firms to integrate social responsibility into their marketing practices. The distinguishing characteristic of cause-related marketing is the explicit integration of social performance goals as integral to achieving marketing goals and vice-versa. So, in contrast to corporate charitable giving, cause-related marketing views social objectives as part of a firm's marketing objective. Enviropreneurial marketing strategy extends this idea of integrating social performance objectives and marketing and linking them to an overall cause, the environment, rather than to individual not-for-profit organizations. From an environmental ethics perspective, the integration of social performance and economic objectives creates special challenges because of the uncertainties that accompany

[7]This led a traditional environmentalist to bemoan, "There is too much movement now away from the ideals and too much emphasis on the bottom line. The MBAs are taking over from the people who have the dreams. Do MBAs dream?"

some environmental controversies and the need to balance these uncertainties with economic interests (Worster 1993). Extreme ecocentric views on this debate assert that efforts to reconcile environmental concerns and objectives with economic or human concerns are pernicious, because the environment deserves its own moral standing (Hawken 1992; Purser, Park, and Montuori 1995; Worster 1993). On the other hand, extreme views of anthropocentrism argue that economic concerns should not be subjugated to environmental goals. In contrast, enviropreneurialism adopts the land ethic espoused originally by Leopold (1949), which Norton (1991) describes as a more pragmatic approach to reconciling self-interests with social and environmental needs.

In summary, an EM strategy offers firms a free market approach to ameliorating their environmental concerns. Because of the uncertainties and risks inherent in the strategy approach and in the market, EM is driven by corporate entrepreneurship. Because EM is essentially within the societal marketing domain, social performance principles are intrinsic to the nature and scope of the strategies and tactics of such an approach. Similarly, because the natural environment not only influences the strategy, but is essential to it, EM must resolve the tension between the relative status of the environment and the economic goals. Rather than take the extreme position on this issue, EM is grounded on a pragmatic environmental ethic of balancing environmental and economic issues, needs, and objectives.

All of the preceding, then, raises the more theoretical and interesting issue of how these different themes influence the extent and commitment to EM strategies. Are there different types of EM strategies, and what are their dimensions? We address these issues subsequently.

The Nature and Scope of Enviropreneurial Marketing

The first step in Churchill's (1979) guidelines for construct development and theory development is domain specification; accordingly, we develop a conceptualization of EM strategies using Varadarajan and Menon's (1988) framework of tactical, quasi-strategic, and strategic approaches to linking marketing strategy and a social issue or cause. The dimensions and facets to circumscribe and define the domain of EM were developed through literature review, published case analyses, and in-depth interviews with managers, investment funds managers, environmental consultants, and investigative journalists.

The field research consisted of in-depth interviews with 31 senior managers in seven U.S. cities. The list of companies was chosen from popular press and case histories that reported on corporate environmental practices. A mix of high-tech, consumer products and industrial companies were included in the study. We solicited the participation from a senior manager in the marketing function. In several instances, using a snowballing technique, we identified managers with different orientations within the organization. A standard format was used for each of the interviews. The managers were asked questions along the following lines:

1. What sorts of environmental efforts are in use within your marketing strategy to customers?
2. Why were these strategies adopted? Were they in response to some activities within or outside your company? Who (what functions) were involved in designing these strategies?
3. How widely are these strategies adopted or accepted in your company? Was there any resistance or controversies?
4. Would you classify your firm's strategy to be tactical or strategic or somewhere in between? Why? (If you answer somewhere in between, please explain why they cannot be tactical or strategic?)
5. What types of environmental marketing efforts require top management inputs?
6. Can you think of any low-level environmental marketing efforts requiring top management input?

A total of 24 marketing or market managers at ten large and medium-sized corporations[8] provided managerial perspective on this strategy.

To provide an additional and more objective analysis of EM, we interviewed portfolio managers of six large to medium-sized socially responsible funds that focused on environmental responsibility. Each fund manager was asked the following three questions:

1. What criteria do you use to classify a firm to be environmentally oriented?
2. How do you distinguish between "real" environmental efforts versus "public relations" types of efforts?
3. What do "strategic" companies do as opposed to "nonstrategic" companies with regard to environmental efforts?

We also interviewed an environmentally oriented investigative journalist, John Entine, and reviewed his extensive library of proprietary audits of the environmental strategies of several global corporations.[9] In our work with Entine, we incorporated his criteria for classifying companies that were truly environmentally friendly. His criteria included

- corporate infrastructure changes,
- marketing strategy changes, and
- the ethical framework adopted.

Each of these different sources adopted different orientations to the same issue. As such, our framework captures the essence of these varied orientations. On the basis of these 31 in-depth interviews and the literature review, we determined that an investigation of this phenomenon should focus on the characteristics of the EM strategy, the values guiding these strategies, and the organizational infrastructure provided to implement them. Consequently, we conceptualize the nature and scope of EM as a function of the following dimensions: (1) the nature of the strategy decision, (2) the corporate entrepreneurship and social performance values undergirding it, and (3) the implementation

[8] We interviewed six managers from one Fortune 100 chemical corporation that received wide recognition for its environmental efforts. One of the managers in this group also served on an industry task force and advisory council for environmental strategies and provided multi-industry and multifirm perspectives.

[9] Jon Entine is an Emmy-winning investigative journalist who has audited the environmental claims of several corporations. His writings have been credited for the recent troubles of The Body Shop and for the revision of the Ben & Jerry's Rain Forest Campaign.

infrastructure for the strategy.[10] We present these dimensions and facets in Table 1 and explicate them subsequently.

Nature of the Enviropreneurial Marketing Decision

The nature of an EM decision is reflected by the locus of the decision (where the decision was made within the organization) and by the scope of the strategy (corporate-level, business-level, or marketing function–specific) (Varadarajan and Clark 1994). Strategic EM decisions are made by top management or top management teams and encompass issues related to integrating environmental issues and goals within a firm's micro- and macro-organizational systems. Strategic EM decisions can be entry decisions (new markets that are based on some environmental driver), exit decisions (exiting from current markets on the basis of some environmental driver), or decisions to enter new businesses (cf. Shrivastava 1995a, b). Quasi-strategic EM decisions attempt to integrate environmental goals and concerns with business strategy concerns of achieving competitive advantages within the current businesses and markets (cf. Shrivastava 1995a, b). Quasi-strategic EM can be differentiated from strategic EM in that there is no uniform organization-wide strategy to integrate environmental issues with the marketing strategy. Thus, the EM strategy may manifest itself through the use of differentiated strategy or focused differentiated strategy at the business or marketing strategy level (Porter 1980). Finally, tactical EM decisions are made at the functional marketing level and are generally part of the resource allocation decision to achieve specific marketing objectives. Thus, tactically oriented enviropreneurial efforts are part of a marketing program and are generally developed by an individual product manager or product team.

[10]It is necessary to recognize that the dimensions outlined in this section reflect a composite archetype of the various approaches to enviropreneurial strategy. None of the companies that we researched or described in the literature have adopted all of the dimensions or are complete on all dimensions of an adopted EM strategy.

Enviropreneurial Marketing Core Values

As we discussed previously, EM is grounded in business principles with an entrepreneurial orientation and in social performance principles with an environmental orientation. Therefore, when attempting to delineate the essential core values that undergird EM strategies and tactics, we must address these four aspects of EM values—business principles, entrepreneurial orientation, social performance principles, and environmental orientation. We begin with corporate entrepreneurship principles and then address the corporate social performance and environmental orientation components of this construct.

Corporate entrepreneurship principles. Although traditional entrepreneurship literature has focused on individual entrepreneurship (cf. Burgleman 1983), research on corporate entrepreneurship has received increased attention recently (cf. Stevenson and Jarillo 1990; Stopford and Baden-Fuller 1994). Stopford and Baden-Fuller (1994) identify three types of corporate entrepreneurship modes: individual managers, business renewal, and/or Schumpeterian or industry leadership. In our conceptualization of EM, these three modes relate to the entrepreneurship orientations of tactical EM, quasi-strategic EM, and strategic EM, respectively. Tactical EM, which is rooted in the

TABLE 1
Enviropreneurial Marketing Strategies

Dimensions	Strategic	Quasi-Strategic	Tactical
Nature of EM Strategy Decision			
Scope of strategy	Corporate	Business	Functional
Locus of decision	Top management team (corporate)	SBU managers	Product, marketing managers
Decision focus	Macro (system) focus	Micro (firm) focus	Transaction focus
EM Strategy Core Values			
Corporate entrepreneurship	Frame-breaking	Organization renewal	Individual entrepreneurship
Social responsibility principle	Social responsibility	Social responsiveness	Social obligation
EM orientation	Conservationism and sustainability	Environmentalism	None evident
Organizational and Implementation Infrastructure			
Coordination mechanisms	Interorganizational	Intraorganizational	Intrafunctional
Investment	High and visible	Low and invisible	Low and visible
Commitment	Irreversible	Irreversible	Reversible
Value chain	Supplier and customer	Supplier	None

individual entrepreneurship mode, refers to innovation and creative approaches used to expand economic performance within the existing business; these efforts are generally narrowly bounded within an organization and are driven by individual *intrapreneurs*.[11] Quasi-strategic EM, with its organizational renewal entrepreneurship mode, integrates and coordinates environmental objectives across the functional area strategies within a focal business unit (cf. Denton 1994; Shrivastava 1995b; Stopford and Baden-Fuller 1994). In contrast to the tactical EM efforts, quasi-strategic moves beyond the marketing function area and cuts across different departments and functions within a business unit. As such, quasi-strategic EM focuses on a single product line or on all products within a single strategic business unit (SBU). Such efforts often are undertaken to alleviate concerns from a given target market or to accommodate the SBU management mandates regarding a product's or SBU's environmental friendliness. The use of EM strategies to revitalize a lagging SBU or an entire product line would, under this framework, qualify as a quasi-strategic effort. Finally, strategic EM attempts to create a long-term entrepreneurial prerogative through the development of technologies, markets, and products that create frame-breaking change within the industry or markets (Shrivastava 1995b). Thus, strategic enviropreneurialism focuses on the development of ecologically sustainable corporations (Jennings and Zandbergen 1995; Stead and Stead 1992), the creation of ecological markets and industries, and the creation of a new industrial ecology (Hawken 1992).

Social responsibility principles. Business activities create two effects: market and nonmarket effects. Although businesses incorporate market forces and effects into their strategies, the nonmarket effects (e.g., pollution), termed *externalities,* have been traditionally borne by society or the government. The concept of social responsibility is now accepted as the business response to these externalities (Sethi 1979). However, what is less accepted is the nature and extent of the business response to such nonmarket forces. The social performance literature generally recognizes three alternate perspectives or viewpoints guiding corporate social involvement: social obligation, social responsiveness, and social responsibility (cf. Sethi 1979; Wartick and Cochran 1985; Wood 1991). Social obligation norms guide corporate behavior to do the moral minimum to satisfy market forces or legal constraints (cf. Sethi 1979). Consequently, corporate environmental behavior is a function of customer and marketplace perceptions. It is driven by individual managerial discretion (Wood 1991), instead of being a function of a comprehensive or scientific framework at the organizational level (Sethi 1979; Wood 1991). However, this recognition is subjugated to economic norms and expectations. Social responsiveness–related market activities are driven by a need to bring corporate behavior into congruence with prevailing norms and expectations of critical stakeholders. The critical social performance objective driving this mode is the amelioration of any negative impact of business practice (Sethi 1979). In contrast, social responsibility adopts a more ethically based and moral agency perspective about the long-term obligations and responsibilities of the firm to all current and future stakeholders (Sethi 1979; Swanson 1995; Wartick and Cochran 1985). As Sethi (1979) points out, social responsibility is driven by an objective to promote positive change and outcomes outside traditionally defined business environmental boundaries. Thus, in our framework social obligation refers to tactical EM, social responsiveness refers to quasi-strategic EM orientation, and social responsibility refers to perspectives inherent in strategic EM.

Environmental orientation. Our research reveals two major orientations within the environmental movement, especially in regard to corporate involvement, namely, environmentalism and sustainable development. Tactical EM strategies are predominantly economic adaptations rather than social performance-based responses to societal concerns and expectations about environmental degradation (Sethi 1979). Drumwright (1994) characterizes such strategies as "opportune" efforts guided by an opportunity in the marketplace to leverage environmental issues as marketing propositions for transactional exchanges. Therefore, though tactical EM strategies are driven by a recognition that environmental concerns are prevalent in the marketplace, the strategies are not driven by any distinct environmental ethic. Consequently, there are no unifying environmental principles, such as pollution prevention, product stewardship, or sustainable development, evident in tactical EM. In contrast, quasi-strategic EM, rooted in the social responsiveness mode, is a utilitarian social performance response to environmentalism that reconfigures current business and marketing practices to ameliorate the negative nonmarket consequences of firm practices. The environmentalism ethic, which drives quasi-strategic strategies, emphasizes pollution prevention and product stewardship principles (Denton 1994; Hart 1995). Pollution prevention strategies encompass both control and prevention issues and include both integrated recycling efforts through the value chain and intraorganizational efforts through attempts to integrate activities directed to achieving environmental objectives. Product stewardship efforts encompass the product development and management processes. As is evidenced by the special issue on the topic in the *Academy of Management Review* (1995), sustainable development is the emerging consensus over the environmental ethic for a strategic orientation to corporate environmentalism (Gladwin, Kennelly, and Krause 1995; Shrivastava 1995a). Sustainable development philosophy is predicated on the logic that current business and market development efforts should explicitly incorporate an assessment of the future environmental impact of these efforts. Thus, the World Commission on Environment and Development (i.e., the Brundtland Commission) (1987, p. 8) study contends that sustainable development is "development which meets the needs of the present without compromising the ability of future generations to meet their own needs." Thus, environmentally oriented management prac-

[11]Intrapreneurs are people within an organization who form entrepreneurial groups or persuade others within the organization to change their behavior, thereby influencing innovative activity. Drumwright (1994) refers to such people as *policy entrepreneurs.*

tices, such as design for disassembly, manufacturing for the environment, total quality environmental management, industrial ecosystems, and technology assessment, are based on sustainable development principles (Hart 1995; Shrivastava 1995b).

Enviropreneurial Marketing Organizational and/or Implementation Infrastructure

In elucidating EM, the final set of dimensions to consider center on the infrastructural arrangements necessary for each of the three strategies. We focus on four dimensions related to organizational and implementation infrastructure: coordination mechanism, investment, commitment, and supply chain.

Coordination mechanism. Coordination mechanism refers to the structural arrangements necessary to manage a particular EM effort. Such arrangements include alliances between functional units within an organization, alliances between organizational units within a corporation, and alliances between corporations (Anderson and Narus 1990). As was mentioned previously, tactical EM with a transaction focus and a functional scope requires the efforts of units within the product marketing group. As such, effective intrafunctional coordination becomes paramount to the successful implementation of tactical EM. Similar to tactical EM, quasi-strategic EM efforts focusing on a given SBU or specific line of products require functional units within the SBU to be well-coordinated. Quasi-strategic EM can operate independently of the other SBUs. Accordingly, effective quasi-strategic EM integrates the marketing function with other business systems within the SBU, namely, workforce initiatives, financial and accounting systems for assessing the environmental impact, operations management, life-cycle costing, and strategy of compliance use of environmental audits (Denton 1994). With its macro focus and systems emphasis, strategic EM attempts to integrate the marketing strategy across organizational units within a corporation and across multiple stakeholders (e.g., environmental groups, political and regulatory agencies, suppliers, distributors, customers) within the corporation's business system (Jennings and Zandbergen 1995).

Investment. Investment refers to financial and nonfinancial investments required to implement the EM effort. Tactical EM, with its narrower focus and limited scope, requires relatively low investment. Specific investments might include funding communications programs or retail incentives. Because tactical EM investments are usually directed toward marketing mix changes, they are easy to detect and measure, and hence easily copied. In contrast, investments made within a quasi-strategic EM framework go beyond marketing expenditures and include investments devoted to the redesign of operations and key business processes (Denton 1994). The quasi-strategic EM efforts revolve around cost reductions, compliance issues, and efficiencies, all of which generate performance benefits in terms of lower costs and improved profit margins (Hart 1995; Porter and van der Linde 1995). In contrast to tactical EM efforts, these investments and benefits are less visible and less obvious to competitors and thus provide a higher level of competitive advantage (Hart 1995; Itami 1987). Finally, the concept of strategic EM implies a long-term perspective and system-wide focus with substantial financial and nonfinancial investment requirements.

Commitment. Commitment refers to the irreversibility of the decision specificity of resources (Bharadwaj, Varadarajan, and Fahy 1993). Strategic enviropreneurialism takes on a long-term perspective and system-wide focus that requires substantial financial and nonfinancial commitment. Therefore, rather than attempting to convert older facilities and change the extant management orientation regarding corporate environmentalism, strategic EM orientation is more viable with new buildings and facilities (Shrivastava 1995b). Also, because time compression economies are created in strategic EM (cf. Dierickx and Cool 1989), reversibility of decision becomes difficult, and the decision, in turn, becomes more immobile (Itami 1987). Finally, strategic EM requires serious inquiry and analysis prior to implementation, because these decisions and programs have a long-term orientation and require significant resource allocation (Porter and van der Linde 1995). Quasi-strategic EM, on the other hand, is localized to a business unit and requires intraorganizational changes, and the amount of effort needed to reverse a decision is less compared to strategic EM. Finally, because of its short-term focus, tactical EM affords the opportunity to reverse decisions made, and the effort might not have long-lasting effects. As such, trial and error with tactical EM is common and provides an opportunity to retreat in the event of failure.

Supply chain. Tactical EM, as defined previously, takes a narrower perspective compared to the other two types of EM. As such, integration across functional areas is not a focus of programs characterized by a tactical EM. Many of the programs under a tactical EM are designed to alleviate concerns surrounding a single product or an element of the marketing mix for a given product and do not call for the redesign and creation of entire business systems. In cases of tactical EM, integration across functional areas is rare to nonexistent. Moreover, the changes that are required to redesign a business system for sustainability demand significant irreversible investments across the entire value and supply chain and attendant behavioral and attitudinal modifications. Under the strategic EM orientation, along with the firm and its suppliers, even consumers and other members of the forward marketing chain must modify behaviors and attitudes (Shrivastava 1995a). A global electronic company has mandated that the supply chain be changed to incorporate environmental principles. As one senior manager responded, "[T]o be truly successful, one has to change the behavior of our customers in consumption and disposal"—which he added would take a long time.

We outline the key dimensions and facets of tactical, quasi-strategic, and strategic EM. Collectively, they offer an approach to circumscribe and define the nature and scope of enviropreneurial strategies undertaken by firms. The major aspect of EM is the explicit integration of social responsibility goals, entrepreneurial styles, and market strategies. Although the framework provided here offers a useful archetype to categorize EM practice, its theoretical value emerges within the context of a model that addresses the questions, What are the antecedents or drivers of the use of EM strategies? and What are the consequences or outcomes of the use of EM strategies? We address these questions subsequently.

A Model of the Antecedents and Consequences of Enviropreneurial Marketing

Our model of the antecedents and consequences of EM strategies is based predominantly on the concepts and principles drawn from the political economy framework (cf. Achrol, Reve, and Stern 1983; Arndt 1983; Hutt, Mokwa, and Shapiro 1986; Stern and Reve 1980), supporting concepts drawn from the stakeholder perspective (cf. Donaldson and Preston 1995; Wood 1991), and empirical and theoretical evidence from environmental economics (cf. Jaffe et al. 1995; Porter and van der Linde 1995). Our choice to focus on the political economy framework is appropriate for several reasons. First, from a history of science perspective, the political economy framework may be the most appropriate because it was developed during the industrial revolution to address the issues of resource scarcity, allocation, and societal well-being, especially within the context of environmental degradation (Hahn 1990). Second, from a theoretical perspective, the political economy framework offers a more comprehensive explanation for the adoption and success of EM because of its explicit emphasis on the internal and external polities of a firm and their impact on a firm's decision process. Third, from a marketing strategy theory perspective, applying the political economy model within the EM context furthers its development through what Hunt and Menon (1995) describe as *inter-domain metaphor generalization,* that is, the transfer of a metaphor or new theoretical framework from an extant domain (channel strategy research) to a new domain (marketing social performance research). Additionally, it is important to recognize that the concept of the commons (e.g., social problems), which undergirds the political economy framework, has not been addressed in extant marketing expositions of the political economy framework. By integrating social responsibility issues with the marketing strategy issues, we contribute substantively to the development of the political economy paradigm in marketing.

In our exposition, firm behavior and performance should be viewed as an outcome of a process of interactions between the major internal and external economic and sociopolitical forces within an organizational system. More specifically, these forces should be viewed in terms of their key components: external polity, external economy, internal polity, and internal economy. For purposes of this article and our model, the external polity component relates to regulatory intensity and customer environmental sensitivity. The external economy component relates to the competitive intensity and the attractiveness of market opportunity. The internal polity refers to the management sensitivity within the organization and the power structure of the groups internal to the organization. Finally, the internal economy refers to the structure of an organization in terms of specialization, centralization, and formalization. These facets and constructs are depicted in Figure 1.

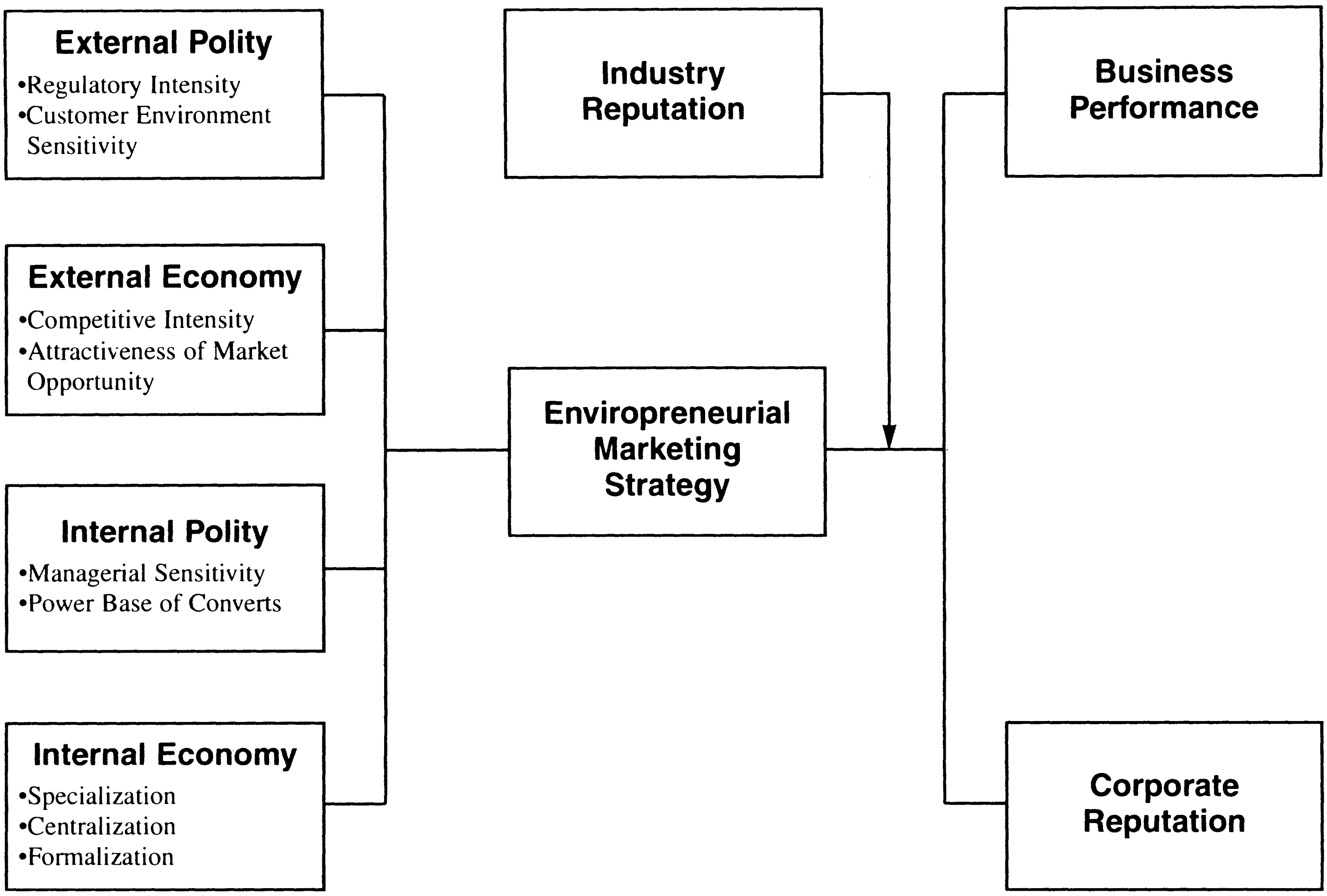
External Polity

Intensity of regulatory and institutional environment. Environmental political interactions relate to the attempts by regulatory bodies, consumer interest groups, and other organizations (e.g., the media) to influence a firm's decision-making process (Arndt 1983). In the United States, legislation aimed at environmental protection has gained momentum at both state and federal levels. The intensity of these efforts is reflected by the fact that U.S. environmental regulations comprised about 15,000 pages at the end of 1992 (Makower 1993). More important, the enforcement of these regulations is on the rise and not expected to abate (Noah 1995). Parallel to these governmental movements is the increasing pressure applied by consumer constituency groups and other advocacy groups (Hutt, Mokwa, and Shapiro 1986). For reasons outlined previously, to the extent that these pressures focus on command and control types of environmental constraints, the incentive or the motivation to implement EM strategies will be inhibited (Adler 1995; Denton 1994).

When faced with intense political and institutional pressures over environmental concerns, firms are increasingly likely to develop comprehensive and coordinated multiple constituency strategies to achieve long-term survival and success (Hutt, Mokwa, and Shapiro 1986). For example, firms create alliances or joint programs with interest groups (e.g., McDonald's joint program with the Environmental Defense Fund) to achieve their organizational goals (Achrol, Reve, and Stern 1983). Similarly, firms that are subject to increasing regulations are more likely to adopt a strategic EM approach in an attempt to shape future regulations that are consistent with their own environmental standards (*GAO Reports* 1995; Shrivastava 1995b). Several of the companies in our research interviews suggested that they played an active role in industry advisory groups with the goal of influencing standards that provide them competitive advantages. Consider the efforts of Whirlpool to change competitive rules by attempting to raise environmental requirements within the U.S. washing machine market. In anticipation of GE's Maxxus brand entry into the U.S. market, Whirlpool lobbied the regulatory body to increase the industry's environmental emission standards, which would have given it a significant competitive advantage over its competitors. Nonetheless, the degree and type of EM adopted by the firm would be a function of the nature of the pressures. A firm that faces environmental regulations that vary in complexity and intensity across the multiple SBUs will adopt a more fragmented approach to EM, whereas firms facing similar and consistent regulatory pressures across its business units and markets are more likely to adopt a comprehensive systems approach to EM. Hence,

> P_{1a}: The greater the regulatory and other political intensity, the higher the EM level within the firm.
>
> P_{1b}: The less diverse the regulatory and other political intensity across the different business units and markets within a firm, the higher the EM level within the firm.

FIGURE 1
The Antecedents and Consequences of Enviropreneurial Marketing Strategy



Customer environmental sensitivity, expectations, and power. Research evidence points to the fact that customers who have a significant ability and willingness to exercise bargaining power will receive attention and positive response from managers (cf. Day and Nedungadi 1994; Porter 1980). Empirical evidence in relationship marketing suggests that customers with greater power bases will use their superior position to request or demand changes of partners or suppliers if they believe those changes will mutually increase the outcomes of both parties or singly increase their own outcomes (Anderson and Narus 1990). Research on consumer attitudes and commitment toward environment and purchase patterns (cf. Schuhwerk and Lefkokk-Hagius 1995; Schwepker and Cornwell 1991) suggest that the extent of the influence that customers have on a firm's propensity to adopt EM is based on three key factors. The first is the degree to which the customers are committed to the environmental issues. The second is the customers' expectations of the level of the firm's environmental sensitivity. The third is the customers' willingness to exert their power to make the marketer conform to those expectations. Hence, if customers have high environmental sensitivity, are committed to this orientation, and have power over the marketer, we posit

P_{2a}: The greater the environmental sensitivity of the firm's customers, the higher the EM level of the firm.

P_{2b}: The greater the power base of the firm's customers and their propensity to use their power, the higher the EM level of the firm.

External Economy

Competitive intensity. The degree of competition in an industry has a direct bearing on the development of EM by a firm. Markets with intense competitive pressures require marketers to look for ways to differentiate their product offerings and, thereby, offer multiple choices for the customer (Day and Nedungadi 1994). Research also points out that, under conditions of high competitive intensity, firms that are not market-oriented and responsive to the needs and demands of the customers are likely to perform poorly (Jaworski and Kohli 1993). It then follows that firms will in markets with low competitive intensity may not be motivated to develop and implement EM. Also, the stakeholder literature posits that under competitive environments, strategies and tactics that appear to have market value are quickly imitated or adopted (cf. Galaskiewicz and Burt 1991; Jennings and Zandbergen 1995). Such mimicry suggests that competitors adopt higher levels of EM to stay ahead of competition. Institutional and stakeholder theory suggest that annual self-evaluation environmental audits made available to various public stakeholders can create a new set of environmental norms (Scott 1987) and force organizations to reorganize and restructure activities that present the firm in a negative environmental stance (Oliver 1991), all of which encourage firms to move more rapidly up the EM strategy ladder. Indeed, Arora and Cason (1995) find that firms in competitive industries were more likely to adopt voluntary environmental programs and marketing related environmental efforts. Therefore, we predict

> P_3: The greater the competitive intensity in the served market, the higher the EM level of the firm.

Attractiveness of environmental market opportunity. Attractiveness of product markets is a function of size and rate of market growth. Research suggests that, in high-growth markets, firms are more likely to be customer-oriented and explore opportunities for niche marketing (Day and Nedungadi 1994; Kerin, Varadarajan, and Peterson 1992). High-growth markets are associated with higher profits, entry of new competitors notwithstanding (Eliashberg and Chatterjee 1985). If the environmental market growth rate is determined to be robust and enduring with a quickening in the pace of market evolution, firms will invest significant resources and commitment into EM to preempt competition and gain first-mover advantages (Kerin, Varadarajan, and Peterson 1992; Szymanski, Troy, and Bharadwaj 1995). Consider Dow Chemical Corporation's purchase of an environmental consulting organization and determination to invest more than $1 billion over the next ten years on environmental products and services. Therefore, we believe that though tactical and quasi-strategic EM efforts are more likely to be attempted first if the market attractiveness is not clear, we posit that

> P_4: The greater the attractiveness of environmental markets, the higher the EM level of the firm.

Internal Polity

Top management sensitivity. The ideals and values of top management directly affect the nature and scope of a firm's social responsibility (Robin and Reidenbach 1987), level of market orientation (Jaworski and Kohli 1993), and environmentally responsible behavior (Drumwright 1994). Research evidence on market orientation by Jaworski and Kohli (1993) suggests that market orientation levels are lower if top managers send inconsistent signals about the importance of being market-oriented and/or if they are more risk averse and are higher when top managers are more educated, upwardly mobile, and/or possess a more positive attitude about changes. In light of the risk and entrepreneurial components of EM, these findings suggest that when top managers are risk averse or less market-oriented, they are less likely to embrace EM. Indeed, even if they adopt EM, top managers are likely to send inconsistent messages about their commitment (Sturdivant, Ginter, and Sawyer 1985).

Upper-echelons theory (cf. Hambrick and Mason 1984) posits that top managers with longer tenure in a firm and industry are more likely to pursue strategic persistence and show higher levels of commitment to the status quo (Hambrick, Geletkanycz, and Fredrickson 1993). This strategic persistence and orientation to the status quo is partly based on the conviction that their ways are correct and partly on the psychological fear of change. However, as Hambrick, Geletkanycz, and Fredrickson (1993) suggest, the relationship between top managers' commitment to the status quo and their industry and organizational tenure may be moderated by the level of interaction they have with counterparts within and outside their own industry. Additional moderators of this relationship include top management's access to heterogeneous information and the degree of homogeneity, professionalism, and cosmopolitanism within their industry (Gatignon and Robertson 1989). Hence, managers that interact extensively outside of their industries and use multiple, heterogeneous sources of information are more likely to be sensitized to environmental concerns and more aware of what other firms are doing in terms of EM. As one of our respondents from a chemical company (who also serves on the industry task force for environmental issues) points out, "[W]hen senior managers get involved, how can it be tactical? They talk the walk, and we walk the talk." Extending the preceding into the EM framework, we posit that

> P_{5a}: The longer the top management's industry and organizational tenure, the lower the EM level within the firm.
>
> P_{5b}: The more heterogeneous, professional, and cosmopolitan the top management, the higher the EM level within the firm.

Power base of the converts. Drumwright (1994) identifies a group of people within organizations who initially resisted any environmental responsive influences on their decision making, but were later converted to become champions of the environmental cause. Although the importance of converts within an organization cannot be downplayed, the political economy paradigm (Arndt 1983; Stern and Reve 1980) suggests that their value and impact for change within any organizational unit depend on how strongly positioned they are within the organization. Furthermore, stakeholder theory posits that the influence of converts on organizational change also depends on the level of influence they have on the values, beliefs, and behaviors of other persons within the organization (Jennings and Zandbergen 1995). The development of a strategic plan dealing with environmental issues at a medium-sized company involved in commercial and industrial carpeting was in large part due to the CEO's deep metaphysics-based philosophical belief leading him to want to change the world. Therefore, to the degree converts within an organization are able to directly influence other persons or build coalitions of support within an organization, they can influence EM policies within an organization. Hence,

> P_6: The greater (a) the number of converts within an organization and (b) the stronger their power base, the higher the EM level within the firm.

Internal Economy

The role of the internal economy is to develop coordinating mechanisms to ensure the efficient functioning of the internal production processes and transfers (Arndt 1983). The most commonly used dimensions of internal economy are specialization, formalization, and centralization. The role of the internal polity on the type and extent of EM is less clear for several reasons, which we elaborate subsequently.

Specialization. Specialization, or departmentalization, refers to the number of departments into which organizational activities are segregated and compartmentalized. On the one hand, higher levels of specialization are posited to increase the degree of alienation within a system (Hage and Aiken 1970), thereby lowering levels of market orientation (Jaworski and Kohli 1993), especially if the specialization leads to lack of communication or conflicts (Jaworski and Kohli 1993). In light of these findings and the controversial nature of the environmental issues in most firms, we could speculate that increased specialization could lower overall environmental orientation and the levels of EM efforts. On the other hand, research also suggests that specialization could lead to greater commitment, better coordination, and better overall planning (Fisher and Schot 1993; John and Martin 1984). Indeed, within the environmental context, there is evidence that having specialized environmental functions and personnel within an organization is positively related to environmental performance (*GAO Reports* 1995). Hence, specialized personnel would be better informed about best practices in environmental marketing and may be able to influence EM strategies. Nevertheless, because of the contradictory findings regarding the effects of high specialization levels or departmentalization, we propose that

> P_7: The level of specialization within a firm will influence the level of EM in the firm.

Centralization. Centralization refers to the concentration of input and decision making in the relevant activities of market planning. Much of the research evidence on the impact of centralization on a firm's market-orientation (e.g., Jaworski and Kohli 1993), use of research or information (e.g., Deshpandé and Zaltman 1982), and value of market plans (e.g., John and Martin 1984) suggests that the effects are deleterious. Centralized decision making not only lowers the incentive and opportunity for managers to try new innovative or entrepreneurial strategies, but it also lowers integration across the organization (cf. Gatignon and Robertson 1989; Stern and Reve 1980). Therefore, given the centrality of entrepreneurialism to EM and using the rationale of the political economy that more centralized planning lowers an organization's flexibility to changing environmental conditions, especially in a changing and growing market such as the environmental market, we posit

> P_8: The higher the level of centralization within a firm, the lower the EM efforts within a firm.

Formalization. As with specialization and EM, the relationship between a firm's formalization levels and EM efforts is ambiguous. Some research suggests that higher levels of formalization, especially with respect to environmental issues, signal a higher level of commitment on the part of senior management and improve coordination and implementation efforts (John and Martin 1984). Yet, other research (e.g., Jaworski and Kohli 1993) also points out that programmatic and rule-based approaches to improving a firm's orientation to an issue are not effective. Because of the equivocal findings of this research, we posit

> P_{9a}: The higher the levels of formalization within a firm, the lower the levels of EM within the firm.
>
> P_{9b}: The higher the levels of formalization within a firm, the higher the levels of EM within the firm.

Consequences of Environmentally Based Marketing Programs

Because of the nature of EM, (that is, the coaligning of social and economic goals), its programs must be evaluated for effectiveness along several dimensions of customer response and business performance.

Enviropreneurial marketing and business performance. One of the basic objectives of EM is to increase sales and profit. Although some evidence on the relationship between social responsiveness and firm performance has been equivocal (cf. Aupperle, Carroll, and Hatfield 1985), recent research on this relationship (cf. Capon, Farley, and Hoenig 1990) suggests that social responsibility leads to better performance. Similarly, though conventional wisdom in the environmental literature also suggests that environmental regulations and environmental responsiveness negatively affect firm performance (cf. Bartel and Thomas 1985), research of more recent vintage finds general support for a positive relationship between environmental and business performance (Cohen, Fenn, and Naimon 1995; Jaffe et al. 1995, Porter and van der Linde 1995).

Hence, though there is empirical evidence for the overall proposition that environmental performance is positively related to business performance, what are the performance implications for the three EM strategies? We argue that the higher the levels of EM strategies pursued by a firm, the greater the potential for developing, maintaining, and enhancing a sustainable competitive advantage. The resource-based view of market competition (cf. Bharadwaj, Varadarajan, and Fahy 1993) posits that strategies that are difficult to imitate, rare, and organizationally based create competitive advantages that produce long-term performance results. To the extent that the effects of voluntary environmental efforts mirror those of mandated environmental regulations (cf. Jaffe et al. 1995), increasing EM levels should create significant barriers to entry through resource immobility and ambiguity over the key success factors (Dierickx and Cool 1989; Itami 1987). Because tactical EM strategies are highly visible, imitable, and require low levels of skills and organizational capabilities to copy, they are susceptible to competitive imitation, and hence performance results are less enduring (Hart 1995). In contrast, because strategic and quasi-strategic EM strategies require significantly greater levels of organizational resource commitment and culture shifts, they are rare and thus less susceptible to competitive imitation. Hence,

> P_{10}: The higher the level of EM, the higher the level of firm performance.

Enviropreneurial marketing and corporate reputation. One of the other goals of EM is to enhance the reputation of an organization. Corporate reputation can result from perceptions of citizenship behavior and from brand associations made by consumers. Citizenship behavior of an organization is the discretionary corporate behavior that promotes the well-being of society (MacKenzie, Podsakoff, and Fetter 1993). MacKenzie, Podsakoff, and Fetter (1993) identify five dimensions of corporate citizenship: altruism, courtesy, sportsmanship, civic virtue, and conscientiousness. We contend that the higher the levels of EM, the greater a firm's ability to project a consistent message about its concern for the environment and society, express its civic nature because of its interaction with multiple constituents, and show its seriousness by going beyond compliance standards and what is legally mandated.

Corporate reputation also can result from the brand associations made by the consumer. Simply making a profit and being the best at providing quality products and services is not enough to establish a positive image (Mason 1993). Hosmer (1994) contends that including ethical principles in the strategic decision processes of the firm can lead to trust and commitment on part of all its stakeholders. Therefore, if the recent statistics pointing to the increased consumer awareness about environmental issues, increased environmental concerns, and the stated intentions of rewarding firms that are environmentally responsible are accurate, then all other things (e.g., features, quality, price) being equal among the competitors, environmental friendliness can be a source for developing a positive brand or corporate image. Similarly, customer loyalty is emerging as a more effective yardstick for measuring company performance than basic accounting systems (Reichheld 1993). Research on market orientation (Jaworski and Kohli 1993) points to the proposition that firms that are market-oriented and satisfy their customers are more likely to enjoy repeat sales and customer loyalty. Hence,

> P_{11}: The higher the level of EM, the higher the levels of corporate reputation.

The moderating effect of industry. Our review of the literature and the case histories of successes and failures in the environmental market did not uncover any empirical studies on industry effects with respect to EM and firm performance. However, we posit that the firm's industry can moderate the relationship between EM and firm performance by influencing the strength of the relationship. Specifically, we contend that the strength of the relationship between strategic EM and firm performance is stronger in industries that have been traditionally viewed negatively with respect to their environmental performance. For example, chemical and petro-chemical industries have traditionally had a poor reputation with respect to environmental impact (Schmidheiny 1992). In such contexts, our research suggests that firms making strategic investments in their enviropreneurial effort gain visibility and significant competitive advantages over their competitors. Therefore,

> P_{12a}: The reputation of the firm's industry enhances the strength of the relationship between EM and firm performance.
>
> P_{12b}: The reputation of the firm's industry enhances the strength of the relationship between EM and the corporate reputation.

We present our model of the antecedents and consequences of EM strategies. We categorize the major antecedents of EM into external polity (regulatory intensity and environmental sensitivity among customers), external economy (competitive intensity and market attractiveness), internal polity (management structure and power base of converts), and internal economy (type of organizational structure). Also, we argue that the success of EM is reflected in the responses of the customers, and the financial performance of the firm and the relationship between EM and performance is moderated by industry effects. Although the model presented here provides a useful conceptualization of the factors driving EM and its consequences, several critical issues relevant for a programmatic inquiry into EM remain unclear. These issues are the focus of our subsequent section on further research.

Directions for Further Research

Enviropreneurial marketing is an emerging segment of the social responsibility literature. As such, there are several areas that afford directions for further research. One such avenue is the empirical examination of the model, which we present here as the major antecedents and outcomes of EM. Because of the lack of measures for enviropreneurship and EM strategies, an obvious avenue for additional research should be the development of a valid scale of EM strategies and tactics. Using managerial and literature insights, we offer the starting point for such an effort by proposing a set of dimensions and facets that can be used to specify the domain of EM. Using the guidelines offered by Churchill (1979), we urge scholars in the area of environmental marketing to develop a pyschometrically based measure of EM.

Another measurement research direction refers to an appropriate measure of performance for EM. Traditional business performance measures fail to provide the focus needed for measuring outcomes of nonfinancial goals such as those inherent in EM (cf. Chakravarthy 1986). Because a major aspect of EM is the explicit integration of social responsibility goals and market strategies, noneconomic criteria for measuring performance becomes essential. As such, efficient measurement of EM strategy successes requires development of performance measures that reflect noneconomic criteria (cf. Drumwright 1994). Furthermore, across the different types of EM (tactical, quasi-strategic, and strategic), similar measures of performance may not be appropriate. For example, because of the long-term orientation and cross-company nature of strategic EM, a more forward-looking measure of performance (cf. Chakravarthy 1986) is needed. An appropriate measure of social performance equity that reflects an optimal balance between profit maximization and social goals also is needed.[12] Such mea-

[12]As one of our reviewers pointed out, "given their domains, objectives and tasks, ecologists and business people have fundamentally different concerns and, thus, irreconcilable differences. For example, take the term 'system productivity.' To the business person, this generally refers to some measure of output per unit of input. Thus the agribusiness people look at crop yield. To the ecologist, system productivity is measured by the ability of the system to sustain itself without external inputs—excluding solar energy."

sures should consider the time dimension involved in the manifestation of the outcomes of EM (cf. McGuire, Sundgren, and Schneeweis 1988). Further research could assist in clarifying the effects of prior, current, and future firm performance on the relationship between business performance and EM.

An interesting extension of the model presented here would be the exploration of relationships in industrial and consumer sectors. Research should explore the possibility that more tangible measures and systematic evaluations are used by industrial buyers than are used by consumers, and, consequently, the relationships between factors affecting EM and performance are different. Similarly, given the difference between services and goods in terms of credence, experience, and communication attributes (cf. Bharadwaj, Varadarajan, and Fahy 1993), research is needed to determine if environmental claims are evaluated and perceived differently in these sectors.

Although the perspective in much of the literature on environmental marketing is positive regarding the integration of environmental issues and the strategy process and content, we argue that EM is inherently risky. Yet, an interesting avenue for further research is to determine if there are moderating or mediating factors of the dangers and risks of pursuing EM. We offer several issues for further research. Because large companies traditionally have been accused of environmental insensitivity, are larger corporations more likely to be accused of cause-exploitative marketing when they adopt EM than would small, newly formed firms that adopt and use EM? Similarly, are interest groups, purely for notoriety and wider exposure, more likely to target companies using EM than companies that are more environmentally unfriendly but are not visible? Research by Garrett (1987) suggests that a small number of firms within each industry is more likely to be targeted for boycotts by certain groups, because they are more visible and can provide for a greater exposure of the issue. Indeed, for this reason, a global electronics company—which participated in our research—has chosen to keep a low profile on its comprehensive environmental program and will not incorporate its efforts in its marketing strategy. A related research question deals with the possibility of boycotts and industry-wide effects of using EM. How does the use of cause-exploitative EM by a few firms affect the risk levels of other firms employing EM within the same industry?

Another research question deals with the effect of EM on the firm's existing product portfolio. Research in marketing suggests that creating new categories (cf. Sujan and Bettman 1989) and quality perceptions of line extensions (cf. Dacin and Smith 1994) can have strategic implications for existing product portfolios. For example, what impact does extending a product line to include environmentally friendly brands have on consumer perceptions of the other nonenvironmentally friendly brands and products within a firm's product offering?

Finally, research efforts should be directed toward the effectiveness of defensive versus proactive EM. Are consumers and other stakeholders more likely to believe that the firm is "not doing bad things to the environment" and counterargue or disbelieve that the firm is "doing good things for the environmental cause" (cf. Carlson, Grove, and Kangun 1993)?

Conclusion

The emerging consensus among business leaders is that the goals of social good and business success are no longer an either/or proposition but rather are very much interwoven. Indeed, the new emphasis on integrating environmental concerns into business planning is not only indicative of this consensus but also of the recognition that the environmental movement is in the marketplace to stay. Notwithstanding these developments, managers lack a strategic framework enumerating the factors under which an enviropreneurial marketing strategy can lead to competitive advantages within a product or market. To achieve that goal, we (1) provide an overview of enviropreneurial marketing and its facets, (2) expound on the tactical, quasi-strategic, and strategic forms of enviropreneurial marketing, (3) propose a testable model of the antecedents and consequences of enviropreneurial marketing, and (4) offer direction to researchers. From a marketing academic perspective, more work in the area of enviropreneurial marketing and enviropreneurship can significantly enhance the contributions of marketing to the strategy dialogue. From a practitioner perspective, especially if present conditions continue, a firm's enviropreneurship may well determine whether it thrives or becomes an "endangered species."

REFERENCES

Achrol, Ravi S., Torger Reve, and Louis W. Stern (1983), "The Environment of Marketing Channel Dyads: A Framework for Comparative Analysis," *Journal of Marketing*, 47 (October), 55–67.

Adler, Jonathan (1995), *Environmentalism at Crossroads*. Washington, DC: Capital Research Center.

Anderson, James C. and James A. Narus (1990), "A Model of Distributor Firm and Manufacturer Firm Working Partnerships," *Journal of Marketing*, 54 (January), 42–58.

Arndt, Johan (1983), "The Political Economy Paradigm: Foundation for Theory Building in Marketing," *Journal of Marketing*, 47 (October), 44–54.

Arora, Seema and Timothy Cason (1995), "An Experiment in Voluntary Environmental Regulation: Participation in EPA's 33/50 Program," *Journal of Environmental Economics and Management*, 28 (May), 271–86.

Aupperle, Kenneth E., Archie B. Caroll, and John D. Hatfield (1985), "An Empirical Investigation of the Relationship Between Corporate Social Responsibility and Profitability," *Academy of Management Journal*, 28 (2), 446–63.

Bartel, Ann and L. G. Thomas (1985), "Direct and Indirect Effects of Regulation: A New Look at OSHA's Impact," *Journal of Law & Economics*, 28 (April), 1–25.

Bharadwaj, Sundar G., P. Rajan Varadarajan, and John Fahy (1993), "Sustainable Competitive Advantage in Service Industries: A Conceptual Model and Research Propositions," *Journal of Marketing*, 57 (October), 83–99.

Boulding, Kenneth (1966), "The Economics of the Coming Spaceship Earth," in *Environmental Quality in a Growing Economy*, H. Jarrett ed., Baltimore, MD: Johns Hopkins Press.

Buchholz, Rogene (1991), "Corporate Responsibility and the Good Society: From Economics to Ecology," *Business Horizons*, 34 (4), 56+.

Burgelman, Robert A. (1983), "Corporate Entrepreneurship and Strategic Management," *Management Science*, 29 (12), 1349–64.

Cairncross, Frances (1992), *Costing The Earth: The Challenge for Governments, the Opportunities for Business*. Boston: Harvard Business School Press.

Calvo y Gonzales, Jorge A. (1981), "Markets in Air: Problems and Prospects of Controlled Trading," *Harvard Environmental Law Review*, 5 (2), 377–430.

Capon, Noel, John U. Farley, and Scott Hoenig (1990), "Determinants of Financial Performance: A Meta-Analysis," *Management Science*, 36 (October), 1143–59.

Carlson, Les, Stephen Grove, and Norman Kangun (1993), "A Content Analysis of Environmental Advertising Claims: A Matrix Method Approach," *Journal of Advertising*, 22 (3), 27–39.

Carson, Rachel (1962), *The Silent Spring*. Greenwich, CT: Fawcett Publications.

Chakravarthy, Balaji S. (1986), "Measuring Strategic Performance," *Strategic Management Journal*, 7 (September/October), 437–58

Churchill, Gilbert A. (1979), "A Paradigm for Developing Better Measures of Marketing Constructs," *Journal of Marketing Research*, 16 (February), 64–73.

Coddington, Walter (1993), *Green Marketing*. New York: McGraw Hill.

Cohen, Mark A., Scott Fenn, and Jonathan Naimon (1995), "Environmental and Financial Performance: Are They Related?" working paper, Owen Graduate School of Management, Vanderbilt University.

Costanza, Robert and Lisa Wainger (1991), "Ecological Economics," *Business Economics*, 26 (4), 45+

Dacin, Peter A. and Daniel C. Smith (1994), "The Effect of Brand Portfolio Characteristics on Consumer Evaluations of Brand Extensions," *Journal of Marketing Research*, 31 (May), 229–42.

Davies, Clarence J. and Barbara Davies (1975), *The Politics of Pollution*. Indianapolis, IN: Bobbs-Merrill.

Day, George S. and Prakash Nedungadi (1994), "Managerial Representations of Competitive Advantage," *Journal of Marketing*, 58 (April), 31–44.

Deshpande, Rohit and Gerald Zaltman (1982), "Factors Affecting the Use of Market Research Information: A Path Analysis," *Journal of Marketing Research*, 19 (February), 14–31.

Denton, D. Keith (1994), *Enviromanagement: How Smart Companies Turn Environmental Cause Into Profits*. Englewood Cliffs, NJ: Prentice Hall.

Dierickx, Ingemar and Karel Cool (1989), "Asset Stock Accumulation and Sustainability of Competitive Advantage," *Management Science*, 35 (November), 1504–11.

Donaldson, Thomas and Lee Preston (1995), "The Stakeholder Theory of the Corporation: Concepts, Evidence, and Implications," *Academy of Management Review*, 20 (1), 65–91.

Drumwright, Minette E. (1994), "Socially Responsible Organizational Buying: Environmental Concern as a Noneconomic Buying Criterion," *Journal of Marketing*, 58 (July), 1–19.

Eliashberg, Jehoshua and Rabikar Chatterjee (1985), "Analytical Models of Competition and Implications for Marketing: Issues, Findings, and Outlook," *Journal of Marketing Research*, 22 (3), 237–61.

Fierman, Jaclyn (1991), "The Big Muddle in Green Marketing," *Fortune*, 123 (June 3), 91–101.

Fischer, Kurt and Johan Schot (1993), *Environmental Strategies for Industry: International Perspectives on Research Needs and Policy Implications*. Washington, DC: Island Press.

Galaskiewicz, Joseph and Ronald S. Burt (1991), "Interorganization Contagion in Corporate Philanthropy," *Administrative Science Quarterly*, 36 (March), 88–105.

GAO Reports (1995), *Environmental Auditing—A Useful Tool that can Improve Environmental Performance and Reduce Costs*, Report to the Committee on Governmental Affairs of the U.S. Senate, 104th Cong., 1 sess. (May 3).

Garrett, Dennis E. (1987), "The Effectiveness of Marketing Policy Boycotts: Environmental Opposition to Marketing," *Journal of Marketing*, 51 (April), 46–57.

Gatignon, Hubert and Thomas S. Robertson (1989), "Technology Diffusion: An Empirical Test of Competitive Effects," *Journal of Marketing*, 53 (January), 35–49.

Gladwin, Thomas N., James J. Kennelly, and Tara-Shelomith Krause (1995), "Shifting Paradigms for Sustainable Development: Implications for Management Theory and Research," *Academy of Management Review*, 20 (4), 874–907.

Hage, Jerald and Michael Aiken (1970), *Social Change in Complex Organizations*. New York: Random.

Hahn, Robert (1990), "The Political Economy of Environmental Regulation: Towards an Unifying Framework," *Public Choice*, 65 (April), 21–47.

Hambrick, Donald C., Marta A. Geletkanycz, and James W. Fredrickson (1993), "Top Executive Commitment to the Status Quo: Some Tests of Its Determinants," *Strategic Management Journal*, 14 (September), 401–18.

——— and Phyllis A. Mason (1984), "Upper Echelons: The Organization as a Reflection of Its Top Managers," *Academy of Management Review*, 9 (April), 193–206.

Hart, Stuart (1995), "A Natural-Resource-Based View of the Firm," *Academy of Management Review*, 20 (4), 986–1014.

Hawken, Paul (1992), *Ecology of Commerce*. New York: Harper Business.

Hays, Samuel (1987), *Beauty, Health, and Permanence: Environmental Politics in the United States 1955–1985*. New York: Cambridge University Press.

Henion, Karl E. and Thomas C. Kinnear (1976), *Ecological Marketing*. Chicago: American Marketing Association.

Hosmer, Larue T. (1994), "Strategic Planning as if Ethics Mattered," *Strategic Management Journal*, 15 (Summer), 17–34.

Hunt, Christopher B. and Ellen R. Auster (1990), "Proactive Environmental Management: Avoiding the Toxic Trap," *Sloan Management Review*, 31 (Winter), 7–18.

Hunt, Shelby D. and Anil Menon (1995), "Metaphors and Competitive Advantage: Evaluating the Use of Metaphors in Theories of Competitive Strategy," *Journal of Business Research*, 33 (June), 81–90.

Hutt, Michael D., Michael P. Mokwa, and Stanley J. Shapiro (1986), "The Politics of Marketing: Analyzing the Parallel Political Marketplace," *Journal of Marketing*, 50 (1), 40–51.

Itami, Hiroyuki (1987), *Mobilizing Invisible Assets*. Cambridge, MA: Harvard University Press.

Jaffe, Adam, Steven Peterson, Paul Portney, and Robert Stavins (1995), "Environmental Regulation and the Competitiveness of U.S. Manufacturing: What Does the Evidence Tell Us?" *Journal of Economic Literature*, 33 (March), 132–63.

Jaworski, Bernard J. and Ajay K. Kohli (1993), "Market Orientation: Antecedents and Consequences," *Journal of Marketing*, 57 (July), 53–70.

Jennings, Devereaux and Paul Zandbergen (1995), "Ecologically Sustainable Organizations: An Institutional Approach," *Academy of Management Review*, 20 (4), 1015–52.

John, George and John Martin (1984), "Effects of Organizational Structure of Marketing Planning on Credibility and Utilization of Plan Output," *Journal of Marketing Research*, 21 (May), 170–83.

Kanter, Rosabeth Moss (1991), "Transcending Business Boundaries: 12,000 World Managers View Change," *Harvard Business Review*, 69 (May/June), 151–64.

Kassarjian, Harold (1971), "Incorporating Ecology Into Marketing Strategy: The Case of Air Pollution," *Journal of Marketing*, 35 (July), 61–65.

Kerin, Roger A., P. Rajan Varadarajan, and Robert A. Peterson (1992), "First Mover Advantage: A Synthesis, Conceptual Framework, and Research Propositions," *Journal of Marketing*, 56 (October), 33–52.

Kirkpatrick, David (1990), "Environmentalism: The New Crusade," *Fortune*, (February 12), 44–54.

Kotler, Philip (1994), *Marketing Management: Analysis, Planning, and Control*, 10th ed. Englewood Cliffs, NJ: Prentice Hall.

Labadie, Barbara (1991), "Social Investing: Social Value and the Value of Money," *Pension World*, 27 (10), 32+

Leopold, Aldo (1949), *A Sandy County Almanac*. New York: Oxford University Press.

MacKenzie, Scott B., Philip M. Podsakoff, and Richard Fetter (1993), "The Impact of Organizational Citizenship Behavior on Evaluations of Salesperson Performance," *Journal of Marketing*, 57 (January), 70–80.

Makower, Joel (1993), *The E Factor: The Bottom-Line Approach to Environmentally Responsible Business*. New York: Times Books.

Mason, Julie Cohen (1993), "What Image Do You Project?" *Management Review*, 82 (11), 10–11.

McDaniel, Stephen and David Rylander (1993), "Strategic Green Marketing," *Journal of Consumer Marketing*, 10 (3), 4–10.

McGuire, Jean B., Alison Sundgren, and Thomas Schneeweis (1988), "Corporate Social Responsibility and Firm Financial Performance," *Academy of Management Journal*, 31 (4), 854–72.

Miller, Danny (1983), "The Correlates of Entrepreneurship in Three Types of Firms," *Management Science*, 29 (7), 770–91.

Mirvis, Philip (1994), "Environmentalism in Progressive Companies," *Journal of Organizational Change and Management*, 7 (4), 82–100.

Noah, Timothy (1995), "GOP's Rollback of the Green Agenda Is Stalled by a Public Seeing Red Over Proposed Changes," *Wall Street Journal*, (December 26), 8.

Norton, Bryan G. (1991), *Toward Unity Among Environmentalists*. New York: Oxford University Press.

Oliver, Christine (1991), "Strategic Responses to Institutional Process," *Academy of Management Review*, 16 (1), 145–79.

Porter, Michael E. (1980), *Competitive Strategy: Techniques for Analyzing Industries and Competitors*. New York: Macmillan/The Free Press.

——— (1991), "America's Green Strategy," *Scientific American*, (April), 168.

——— and Claas van der Linde (1995), "Green and Competitive," *Harvard Business Review*, 73 (September/October), 120–34.

Porter, Roy (1993), "The Wealth of Nature: Environmental History and the Ecological Imagination," *New Republic*, 209 (1), 33

Purser, Ronald, Changkil Park, and Alfonso Montuori (1995), "Limits to Anthropocentrism: Toward an Ecocentric Organization Paradigm?" *Academy of Management Review*, 20 (4), 1053–89.

Reichheld, Frederick F. (1993), "Loyalty-Based Management," *Harvard Business Review*, 71 (March/April), 64–73.

Robin, Donald P. and Eric Reidenbach (1987), "Social Responsibility, Ethics, and Marketing Strategy: Closing the Gap Between Concept and Application," *Journal of Marketing*, 51 (January), 44–58.

Sale, Kirkpatrick (1993), *The Green Revolution*. New York: Hill and Wang.

Schabecoff, Philip (1993), *A Fierce Green Fire*. New York: Hill and Wang.

Schmidheiny, Stephan and Business Council for Sustainable Development (1992), *Changing Course: A Global Business Perspective on Development and the Environment*. Cambridge, MA: MIT Press.

Schuhwerk, Melody E. and Roxanne Lefkoff-Hagius (1995), "Green or Non-Green? Does Type of Appeal Matter When Advertising a Green Product?" *Journal of Advertising*, 24 (Summer), 45–54.

Schwepker, Charles H., Jr. and T. Bettina Cornwell (1991), "An Examination of Ecologically Concerned Consumers and Their Intention to Purchase Ecologically Packaged Products," *Journal of Public Policy & Marketing*, 10 (2), 77–101.

Scott, William R. (1987), "The Adolescence of Institutional Theory," *Administrative Science Quarterly*, 32 (4), 493–512.

Sethi, Prakash (1979), "A Conceptual Framework for Environmental Analysis of Social Issues and Evaluation of Business Response Patterns," *Academy of Management Review*, 4 (1), 63–74.

Sheth, Jagdish and Atul Parvartiyar (1995), "Ecological Imperatives and the Role of Marketing," in *Environmental Marketing: Strategies, Practice, Theory, and Research*, Michael Jay Polonsky and Alma T. Mintu-Wimsatt, eds. New York: Haworth Press, 3–20.

Shrivastava, Paul (1994), "Castrated Environment: Greening Organization Studies," *Organization Studies*, 15 (5), 705+

——— (1995a), "The Role of Corporations in Achieving Ecological Sustainability," *Academy of Management Review*, 20 (4), 936–60.

——— (1995b), "Environmental Technologies and Competitive Advantage," *Strategic Management Journal*, 16 (Summer), 183–200.

Stead, W. Edward and Jean Garner Stead (1992), *Management for a Small Planet: Strategic Decision Making and the Environment*. Newbury Park, CA: Sage Publications.

Stern, Louis W. and Torger Reve (1980), "Distribution Channels and Political Economies: A Framework for Comparative Analysis," *Journal of Marketing*, 44 (July), 52–64.

Stevenson, Howard H. and J. Carlos Jarillo (1990), "A Paradigm of Entrepreneurship: Entrepreneurial Management," *Strategic Management Journal*, 11 (Summer, Special Issue), 17–27.

Stopford, John and Charles Baden-Fuller (1994), "Creating Corporate Entrepreneurship," *Strategic Management Journal*, 15 (7), 521–36.

Stroup, Margaret A., Ralph L. Neubert, and Jerry W. Anderson (1987), "Doing Good, Doing Better: Two Views of Social Responsibility," *Business Horizons*, 30 (2), 22–25.

Sturdivant, Fredrick, James Ginter, and Alan Sawyer (1985), "Managers' Conservatism and Corporate Performance," *Strategic Management Journal*, 6 (1), 17–38.

Sujan, Mita and James R. Bettman (1989), "The Effects of Brand Positioning Strategies on Consumers' Brand and Category Perceptions: Some Insights From Schema Research," *Journal of Marketing Research*, 26 (December), 454–67.

Swanson, Diane (1995), "Addressing a Theoretical Problem by Reorienting the Corporate Social Performance Model," *Academy of Management Review*, 20 (1), 43–64.

Szymanski, David, Lisa C. Troy, and Sundar G. Bharadwaj (1995), "Order of Entry and Business Performance: An Empirical Synthesis and Reexamination," *Journal of Marketing*, 59 (October), 17–33.

Tucker, William (1990), "Environmentalism: The New Toryism," *Policy Review*, 14 (Fall), 141+.

VanBuren, Ariane (1994), "Shareholders Seek to Color the Corporate World Green," *Business & Society Review,* 90 (June 22), 45+.

Varadarajan, P. Rajan (1992), "Marketing's Contribution to Strategy: The View from a Different Looking Glass," *Journal of the Academy of Marketing Science*, 20 (Fall), 323–43.

——— and Terry Clark (1994), "Delineating the Scope of Corporate, Business, and Marketing Strategy," *Journal of Business Research*, 31 (2), 93–105.

——— and Anil Menon (1988), "Cause-Related Marketing: A Coalignment of Marketing Strategy and Corporate Philanthropy," *Journal of Marketing*, 52 (July), 58–74.

Vogel, David (1992), "The Globalization of Business Ethics: Why America Remains Distinctive," *Business Horizons*, 35 (1), 30+

Walley, Noah and Bradley Whitehead (1994), "It's Not Easy Being Green," *Harvard Business Review*, 72 (May/June), 46–52.

Wartick, Stephen and Philip Cochran (1985), "The Evolution of the Corporate Social Performance Model," *Academy of Management Review*, 10 (October), 758–69.

Wood, Donna J. (1991), "Corporate Social Performance Revisited," *Academy of Management Review*, 16 (4), 691–718.

World Commission on Environment and Development (1987), *Our Common Future.* New York: Oxford University Press.

Worster, Donald (1993), *The Wealth of Nature: Environmental History and the Ecological Imagination.* New York: Oxford University.

U.S. Postal Service Statement of Ownership, Management, and Circulation (Required by 39 U.S.C. 3685)

1. Title of Publication: *Journal of Marketing*
2. Publication No. 0022-2429
3. Filing Date: October 1, 1996
4. Issue Frequency: Quarterly
5. No. of Issues Published Annually: 4
6. Annual Subscription Price: $75
7. Complete Mailing Address of Known Office of Publication: 250 South Wacker Dr., Suite 200, Chicago, IL 60606-5819
8. Complete Mailing Address of the Headquarters or General Business Offices of the Publisher: 250 South Wacker Dr., Suite 200, Chicago, IL 60606-5819
9. Full Names and Complete Mailing Address of Publisher, Editor, and Managing Editor:
Publisher: Ronald E. Keener, 250 South Wacker Dr., Suite 200, Chicago, IL 60606-5819;
Editor: Robert Lusch, University of Oklahoma, College of Business Administration, 307 W. Brooks, Rm. 9, Norman, OK 73019-0450
Managing Editor: Francesca Van Gorp, 250 South Wacker Dr., Suite 200, Chicago, IL 60606-5819
10. Owner: American Marketing Association, 250 South Wacker Dr., Suite 200, Chicago, IL 60606-5819
11. Known Bondholders, Mortgagees, and Other Security Holders Owning or Holding 1% or More of Total Amount of Bonds, Mortgages, or Other Securities (If there are none, so state): None
12. For completion by nonprofit organizations authorized to mail at special rates. The purpose, function,and nonprofit status of this organization and the exempt status for federal income tax purposes: Has Not Changed During Preceding 12 Months
13. Publication Name: *Journal of Marketing*
14. Issue Date for Circulation Data Below: October 1996
15. Extent and Nature of Circulation:

	Average no. copies each issue during preceding 12 months	Actual no. copies of single issue published nearest to filing date
a. Total No. Copies (Net Press Run)	10,288	9,900
b. Paid and/or Requested Circulation		
(1) Sales through dealers and carriers, street vendors, and counter sales *(not mailed)*	0	0
(2) Paid or Requested Mail Subscriptions *(Include Advertisers' Proof Copies/Exchange Copies)*	9,126	9,256
c. Total Paid and/or Requested Circulation *(Sum of 15b(1) and 15b(2))*	9,126	9,256
d. Free Distribution by Mail *(Samples, Complimentary, and Other Free)*	500	34
e. Free Distribution Outside the Mail (Carriers or Other Means)	0	0
f. Total Free Distribution *(Sum of 15d and 15e)*	500	34
g. Total Distribution *(Sum of 15c and 15f)*	9,626	9,290
h. Copies Not Distributed		
(1) Office Use, Leftovers, Spoiled	662	610
(2) Return from News Agents	0	0
i. Total *(Sum of 15g, 15h(1), and 15h(2))*	10,288	9,900
Percent Paid and/or Requested Circulation *(15c/15g x 100)*	94.8% paid circulation	99.6% paid circulation

16. This Statement of Ownership will be printed in the January 1997, issue of this publication.
17. Signature and title of editor, publisher, business manager, or owner: Ronald E. Keener, Group Publisher. I certify that the information furnished on this form is true and complete. I understand that anyone who furnishes false or misleading information on this form or who omits material or information requested on the form may be subject to criminal sanctions *(including fines and imprisonment) and/or civil sanctions (including multiple damages and civil penalties).*