



## MODULE

# SUSTAINABILITY MARKETING COMPETENCES

### Unit 1 | Activity 1

### Understanding circular marketing thinking



15min



- Pen and blank paper
- Timer/stop watch
- Access to internet

## DESCRIPTION

This activity will help you understand circular thinking regarding marketing, especially digital marketing. It will strengthen your marketing strategy for both existing and new customers. While the traditional sales funnel can still be beneficial, adopting circular marketing thinking will take your understanding to the next level, especially in the digital realm. Here, you'll shift your mindset from merely creating sales to continuously gaining returning customers, whether your business operates in the B2C (Business-to-Consumer) or B2B (Business-to-Business) market. This shift is critical for several reasons, which will be covered in this unit.

# THE ACTIVITY

This activity is used as a starting brainstorm to set the framework for how your business's customer journey works today and to clarify the activities and initiatives that drive your customers through the circular loop and the elements in your funnel.

Use the circular OMD ECO model as the main framework for reflection, with the AIDA model as a supporting element, to create an overview of how you envision the circular loop for your customers. The AIDA model is a valuable tool for reflecting on the initial part of the circular loop in marketing. The circular journey may vary depending on the customer segment, which will be explored further in units #4 and #5. However, this serves as a good starting point for generating ideas and considering the elements that can be included to structure your marketing.

Therefore, use the circular OMD ECO model combined with the AIDA model. Think about these questions throughout this activity:

- How are we creating attention and awareness among potential customers? What marketing activities do we use for both our business and products?
- What information do we communicate about our business and products? Where can both existing and potential customers find information about us, our products, our value, and contact details? How do they find this information?
- How do we generate desire and encourage customers to interact with us and our products? How do we create demand for our products?
- How do we win customers over and convince them to make a purchase from us? How and where do they make their purchases, and what feedback do they provide?
- How do we nurture and ensure customer satisfaction after the sale? Do we have post-sale marketing strategies in place to ensure a great customer experience?
- What do we do to build customer loyalty? What feedback do we receive about our business and products? How do we turn customers into ambassadors?

Please consider these questions and reflect on them throughout the activity.

This activity will help you identify and create an overview of your business's marketing strategy, strengthening your ability to find relevant and useful sustainable elements. It is also crucial for effective communication with your customers, whether it is Business to Client or Business to Business.

## **Step 1: How do you envision your journey with your business?**

Let's begin by brainstorming your understanding of your current journey, keeping the OMD ECO model and AIDA model in mind.

Consider the following:

- Daily, monthly, and yearly activities you engage in
- Products and services you offer

Use the above-mentioned questions to help map out your journey and identify your marketing activities.

Set a timer for 5-10 minutes and write down everything that comes to mind. Don't worry about filtering or evaluating at this stage. The goal is to capture as many ideas as possible.

How does the journey look?

How does it look before the sale?

How does it look during the sale?

How does it look after the sale?

## **Step 2: Brainstorm new marketing initiatives**

Engage in a brainstorming session to generate new marketing initiatives.

Set a timer for 5-10 minutes and jot down all the ideas that come to mind.

Are there any ideas that can be easily initiated and pursued?

Keep all your ideas as they may prove valuable further on.

# THE THEORY

## What is Marketing?

According to the Oxford Dictionary, marketing is defined as "the activity or business of promoting and selling products or services, including market research and advertising." However, it is necessary to understand what drives your customers and their behaviour. Therefore, this module revolves around a basic understanding of the different stages that businesses need to be aware of, whether they are focusing on the B2C or B2B market. B2C stands for Business to Consumer, which means that we often sell products to private individuals like you and me. On the other hand, B2B refers to Business to Business, where businesses sell to other businesses. This often involves multiple decision-makers within the target company, and we need to be aware of their needs and a more logical thinking pattern, including a significant focus on price and benefits.

## What is the AIDA model - a more linear thinking?

Marketing and sales often go hand in hand, resulting in overlaps between the two terms. One of the traditional and well-known sales funnels is the Elmo Lewis's AIDA Model. AIDA stands for Awareness, Interest, Desire, and Action. This model illustrates the various stages that customers typically go through before making a purchase.

Awareness: This is where the customer notices your product - stage: "What is this?"

Interest: The customer begins to show interest in your product - stage: "We like it."

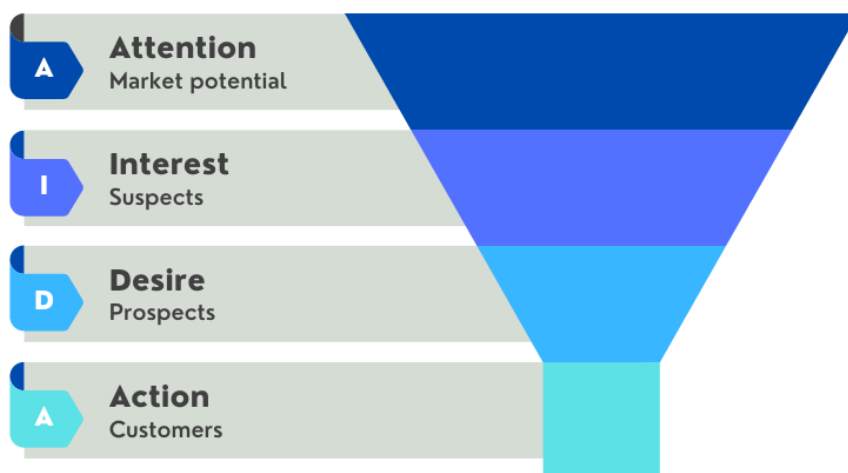
Desire: The customer develops a desire for your product - stage: "We want it."

Action: This is where the customer takes action and makes the purchase - stage: "We're going to get it."

As a company, how do we contribute to these stages to ensure that our sustainable product is purchased and that customers understand it and want more?

# AIDA

## Funnel Diagram

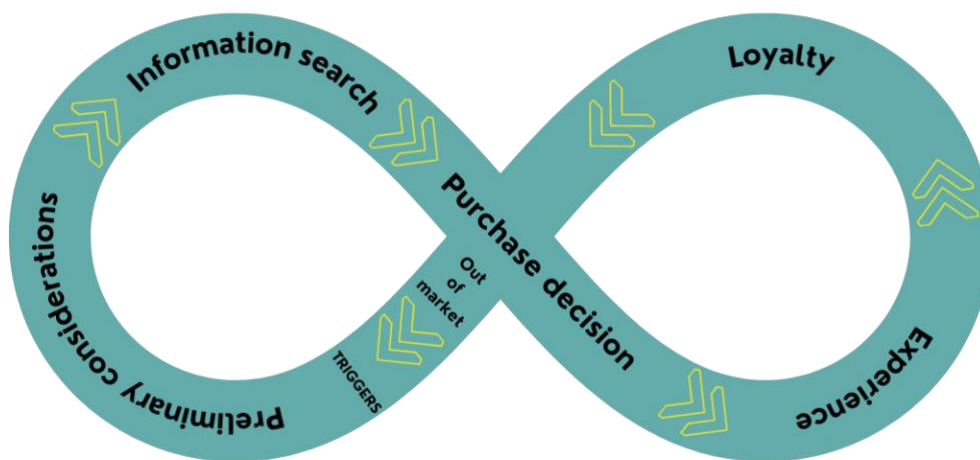


Model by OMD, Yougov & TV2 & Aida model by Elmo Lewis

### What is the OMD ECO model - embracing circular thinking?

The world is dynamic and continuously evolving, with a growing impact from digital presence and changing communication patterns and user behaviour. Now more than ever, it is crucial to adapt and focus on the entire customer journey, which we will delve into further in Unit #5. One of the influences and impacts of going online is that customers can easily share their experiences. By recognizing the importance of this, you can leverage it as an advantage in your marketing strategy and also have a plan for addressing less positive situations.

The OMD ECO model, developed by OMD, YouGov, and TV2 Denmark, revolves around enhancing the customer experience, whether in the B2C or B2B context.



- It starts with reaching out for potential (out of market) customers, users, etc. Here, it means that people can be influenced by your business even before they are aware that they need your product, service, or the values of your company.
- Then, something triggers their desire and thinking. For example, people may develop a desire to eat more organic food and start reflecting on it.
- After beginning to reflect, they start collecting information or other kinds of data to some degree. This can include other people's experiences with your business, such as through social media, events, tests, articles, etc.
- Once they have collected enough information to make a more or less informed decision, they will decide whether or not to buy your product. According to the OMD, YouGov, and TV2 Denmark report ([https://issuu.com/omddanmark/docs/omd\\_danmark\\_-\\_eco-system](https://issuu.com/omddanmark/docs/omd_danmark_-_eco-system)), 44% of people rely on other customers' experiences. This percentage may vary from country to country.
- After they have purchased your product, this is where an extension of the AIDA model comes into play. It is also about the experience after the sale, both with your product and your business in general. It is important to continue focusing on the customer's experience here and foster loyalty towards your business, encouraging your existing customers to share their experiences and validate your business to others and potential new customers.
- By being aware of this, you have the chance to influence and keep your customers loyal, so they stay in the second and last part of the loop in the model. This means that your customers constantly remain in the purchase decision -> experience -> loyalty -> purchase decision loop.

- However, failing to do so will cause your customers to return to the first part of the loop and go through the process all over again, possibly with a lower chance of choosing your business due to their previous poor experience.

### **Why is it important to understand? (the purpose).**

By understanding that there are several stages both before, during, and after the sale, you increase your chances of creating a marketing strategy that covers all of them and has a much larger impact. You can create initiatives within your strategy that directly target the different stages and understand how these marketing initiatives complement each other and when they should be implemented. For example:

- you can have initiatives that focus on your story and how you make a sustainable difference for animal life, the planet, vegetation, etc.
- These can be followed by initiatives that highlight your sustainable products and why they are environmentally friendly.
- Furthermore, you can implement initiatives that encourage your customers to return to your business for more and emphasise the reasons why they should do so.

## Developed by our organizations



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