Green Branding and networks: building salvaged material in a branded value proposition

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Abstract

Purpose of the paper and literature addressed – This paper is part of a longitudinal research project. The paper investigates the application of a co-branding business model supported by the management of relationships and networks. The context of the research project is that of the steel stockholding industry. The company examined specializes in provisioning steel recovered from other applications and supplied for re-use.

Research method – The paper uses a case study approach to investigate the issues identified. The firm that will provide the case study is a UK SME specializing in provisioning steel recovered from other applications and supplied for re-use. The research project is part of a partly government funded research program.

Research findings – The Company would benefit from leveraging their relationship with manufacturers by implementing a co-branding business model supported by network management.

Main contribution – Our research aims at filling the gaps in research on marketing of recycled and re-used materials by setting up a theoretical and intellectual framework to inform the design of these strategies to be adopted by companies engaged in marketing these resources and by companies operating in the wider EGS sector. Hopefully our proposed solutions will represent a business model that overcomes the structural limitations of the market for materials for recycling and reusing.

Keywords: Interaction; Network; Green branding; Co-branding; Salvage; Recycling; Reusing; collaborative arrangements; Steel

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Introduction

This working paper addresses the issues and investigates the critical success factors for the growth of a business which is classified as a steel stockholder. Since the company specialises in the supply of surplus steel for re-use, however, the company is attempting to reposition as a "green" supplier, and as a player in the Environmental Goods and Services (EGS) industry. This sector is defined by the Organization for Economic Cooperation and development (OECD, 1999, P. 9) as the set of "activities which produce goods and services to measure, prevent, limit, minimize or correct environmental damage to water, air and soil, as well as problems related to *waste*, noise and eco-systems". It includes "cleaner technologies, products and services that reduce environmental risk and *minimise pollution and resource use*" and "the provision and delivery of the environmental resources of water, *recovered materials*, and clean energy" (Diener and Terkla 2000 P. 305) and is populated by "firms adopting "technologies where pollution and *raw material use is being minimised*." (European Commission 1994). One of the benefits of the company's value proposition is that the industrial users of the steel they supply have the opportunity of projecting an image of "responsible buyer". Manufacturers using steel are interested in improving their environmental performance as this is reportedly associated to business success (Porter and van der Linde, 1995; Stone and Wakefield, 2001; Maxwell and van der Vorst, 2002). It is therefore proposed that this will inform the steel purchasers' decisions.

There has for long been a market for recycled resources. This market is very sizeable, for example the market for recycled metals was estimated at £1.56 billion in 2003, equivalent to about 5.5 million tonnes (Keynote, 2004). The growth of the market for materials for recycle and reuse is highly desirable, because of considerable environmental benefits to do with saving natural resources and minimizing the use of raw materials, saving the energy necessary to extract and process these resources, as well as reducing the burden on landfills. Some of this material is also recycled from materials that are potentially very damaging to the environment, so that there is considerable pressure on businesses to recover and recycle these resources. These pressures include legislation and regulation such as the WEEE directive in the EU (Vadde et al, 2007). Unfortunately, there are several factors that inhibit the growth of this market, as the recycling of these materials does not offer sufficient economic incentives for companies to enter this market and invest in the technologies necessary to increase capacity for material recycling. In some cases manufacturers are even hesitating in starting recovery programmes because they fear cannibalization of their new products (Vadde et al, 2007). Finally the businesses involved with these activities have several structural weaknesses. The issue is very relevant to sustainable business and marketing because this inhibits the maximization of material re-using and recycling, which as mentioned above can help reduce CO□ production by industry. The identification of strategies that can allow these economic activities to become profitable is of concern for marketing academics and practitioners.

In trying to capitalize on the advantage of reused steel, our company needs to negotiate the inherent limitations of a business recycling materials. This paper discusses the constraints affecting the growth of a business involved in marketing of materials for recycle and reuse and proposes that these constraints can be addressed by offering an augmented value proposition beyond the supply of simple materials, by integrating their business within a business network and adopting a co-branding strategy with manufacturing partners, in order to address their resource limitations.

Contribution to knowledge and rationale

The market for resources for recycling and reuse is affected by failure, and this poses a considerable problem for professionals marketing these types of resources; it also constrains the growth of the recycling and reusing industry, which in turn reduce significant opportunities for the reduction of CO□ and other pollutant emissions. There is currently a scarcity of research in the marketing strategies applied to recycling and reusing markets, and our research aims at filling this gap by setting up a theoretical and intellectual framework to inform the design of these strategies to

be adopted by companies engaged in marketing resources for recycle and reuse. We hope these strategies can be applied, by some of the companies operating in the wider EGS sector. Hopefully our proposed solutions will represent a business model that overcomes the structural limitations of the market for materials for recycling and reusing.

Constraints, barriers to growth and market failure in reused and recycled products

Companies engaged in supplying recycled or re-used materials share some of the weaknesses of EGS businesses. They are constrained in their expansion by various factors, including the size and immaturity of some of the operators. Many factors contribute to constrain the further development of this market, first of all a degree of uncertainty regarding what regulation and legislation will be introduced and enforced by governments, and the absence of universal technical standards. These are serious concerns, because legislation and regulation (voluntary or not) have been claimed to be important driving factors for this industry (Catulli, 2008a; Catulli, 2008b). This uncertainty not only makes difficult for the EGS company managers to make decisions on investments, it also discourages investors from supporting the sector, and therefore makes it difficult for some EGS companies to raise finance. This is exacerbated by the fact that many of the operators in the industry are small, specialist companies (OECD, 2002).
The sector also depends on technical innovation, which is often difficult to manage for smaller companies as is the acquisition of the necessary technical knowledge (Ibid). The industry has not been very proactive in trying to infuence or shape this regulation and legislation (Ibid).
To these constraints the recycling industry adds some more. Companies involved in recycling and supplying recycled or reused products face problems such as irregularity of supply (i.e. out of stock positions when a buyer requires a recycled product and this is not available) and, expecially in after consumer recycling, labour intensiveness and high costs of disassembling products, sorting materials and stocking them (Vadde et al, 2007). Finally there is the cost of the recycling process itself, often requiring advanced technologies (e.g. as in the recycling of carbon fibre). This means that recycled products in some cases need to be priced at a premium, which can be difficult to accept by prospective buyers. The company in our case study needs to address these issues in order to achieve sustainable growth.

Sector weaknesses

Generally, the EGS sector has several weaknesses that have been observed in various studies. In terms of business functions, these weakness include a poor ability to seek international opportunities (Diener and Terkla, 2000; Keynote, 2006). China, for instance, is a burgeoning market for both recycled metals and renewable energy sources (Keynote, 2004; Godfrey, 2006). In addition UK based companies face intense competition from international operators (Keynote, 2004). Businesses in this sector also have a poor adaptability of their business strategies to changes in the market and poor ability to attract and retain high level human resources to the industry (Diener and Terkla, 2000). For example, In the UK the waste management industry finds it difficult to attract and retain capable people, especially young people (Keynote 2006). The sector also has weaknesses in marketing and market research, Information and Communication Technology (ICT), general management competence and new product development (Catulli, 2008b). These limitations may be a consequence of the small size of many of the operators in these segments, such as those involved in the recycling of metals. The majority of the operators in this sector are SMEs; they may not have the skills and resources to invest in technical developments or in international trade activities. They seldom have the ability to attract funding, both because of their small size and because of the high level of uncertainty and dependence on regulatory frameworks beyond their control (OECD, 2002). Their small size also prevents them from achieving the economies of scale necessary to address the costs issues explained above. In many cases, some of these businesses are start-up companies originated by the spin-off of technologies researched in HE establishments. The “inventors” of these technologies, when starting to run the company concerned, lack the necessary managerial skills to succeed (Rutherford and Fulop, 2006). In our case study, the

company needs to overcome all these limitations, which limit both their ability to stabilize the regularity of their supply and market their products effectively.

Green branding and co-branding strategies

One of the "traditional" marketing strategies to achieve augmented profits and customer retention is branding (Aaker, 1991, 1998). Branding is particularly important when marketing a commodity such as steel. The problem with marketing a commodity is that buyers cannot see any differences between a company's product and that of competitive suppliers, which makes it difficult both to retain business and charge attractive margins (Robinson et al, 2002). Commodities are defined as "high volume products that are (…) undifferentiable by product characteristics, (…) produced with a technology which is common amongst competing producers" (Robinson et al, 2002, P. 149), and are "manufactured to a standard or fixed specification, bought in response to basic and essential needs, and used in markets where purchasing decisions are governed by rational factors (ibid, P. 151). In effect, purchase of steel products is driven by rational factors such as price (McAdam and Brown, 2001).Companies trading commodities therefore need to find differentiating factors. Especially when marketing to other businesses, differentiating on brand alone is difficult (Wilson, 1973; Catulli and Gander, 2004); therefore differentiation can be achieved by such differentiating factors as service levels, relationship management, etc. On the product characteristics front, an additional differentiation can be achieved by endowing the product with environmental characteristics, especially since this in itself involves supplying a service component, for example information and certification connected with the Environmental Management System (EMS) of a company.

In recent years there has been demand by consumers for ethical and green products. Customer surveys reveal that consumers increasingly purchase products because these are advertised as environmentally safe or biodegradable (Ginsberg and Bloom, 2004). The average household spend on ethical and green products has doubled from 2002 to 2006, including a rise of ethical and green foods to 6.8% of the food market, a 44% increase on energy efficient home products, a 6% growth in eco-travel and transport and a net increase in ethical finance (The Co-operative Bank, 2007). Consumers are concerned about their suppliers' green credentials (Ibid), and derive emotional benefits from purchasing environmentally reputable brands (Hartmann and Ibáněz, 2007). A company's environmentally sound reputation is also important for organizational buyers. Green products are those that "possess positive ecological attributes (…) that have been purposely designed in (embedded) through decisions concerning how products are made / manufactured, what they are made of, how they function, how long they last, how they are distributed, how they are used and how they are disposed of at the end of useful service life" (Fuller, 1999, P. 130). A green brand is a brand that embodies green values. Consumers' beliefs in the good ecological performance of a brand result in positive attitudes towards that brand (Montoro Rios et al, 2006). Green claims made by brands already perceived as green (e.g., the Body Shop; Lush) are more credible than that of mainstream brands, while specific claims on the greenness of a product, e.g. a shirt made of recycled cotton, are more credible than general claims of corporate environmental friendliness (Phau and Ong, 2006). This means that the environmental friendliness of a brand needs to rely on specific, product related information, what is called a 'functional positioning strategy', although the emotional associations of the brand are also very important (Hartmann et al, 2006). In effect, the brand needs to communicate both at a cognitive (i.e. using functional messages) and emotional level, as both cognitive and emotional mental processes contribute to the creation of brand attitudes (Hartmann et al, 2006). Crucially, to be successful, "green" brands need to be "certified" by third party environmental labels (Fuller, 1999; Imkamp, 2000; Montoro Rios et al, 2006; Hartmann and Ibáněz, 2006). Vague and unfounded claims could have a negative effect on a brand's reputation, as consumers and buyers in general are rather cynical and sceptical of businesses claims of environmental values (Peattie, 1999), especially if the company uses a purely emotional positioning strategy rather than supporting this with a functional one (Hartmann et al, 2006). Companies can be accused of "green washing", in other words environmental claims that are discovered to be unfounded can produce a customer backlash.

As it supplies manufacturers, our case study company is unable to reach consumers or final users of a given product made out of steel directly, and therefore has little ability to influence their product preferences towards products manufactured with sustainable steel, in order to leverage on consumers' preferences for green brands. In addition, being affected by the above described limitations, including resource scarcity, the company has little ability to take advantage of the opportunities outlined above. We suggest that one of the possible solutions to this problem is to partner with manufacturers that have immediate access to consumers through retailers to implement co-branding strategies. It would also be useful to initiate a partnership with retailers with the purpose of generating a "pull" on demand for goods made of sustainable materials at the retail level, as well as sharing information about the final customer, which is one of the benefits of co-branding (Bliss, 1996). Co-branding is defined as any activity where two brands are paired together in a marketing context, including for example communications, distribution and product placement strategies (Grossman, 1997; Leuthesser et al, 2003). Co-branding may mean "the combination of two brands to create a single, unique product." (Grossman, 1997, p. 36). It involves pairing a brand which is already known with another, possibly new and unknown, *target brand* (Grossman, 1997). An example of co-branding is the partnership between airlines, hotel chains and car hire companies, where the customer buys a seamless value added proposition including car travel to and from the airport, the flight itself and accommodation on location. Co-branding strategies can be long term agreements, with considerable interaction, knowledge and skill transfer between the partners (Prince and Davies, 2002). There are many types of co-branding, for example ingredient co-branding (Ibid)– e.g. the "Intel inside partnership " the processor company has with PC manufacturers; "corner carving", for example where Starbucks outlets occupy spaces in book retailers such as Borders; and "courtyard sharing", where complementary brands share facilities (Ibid). Co-branding is a strategy that, in addition to the above cited information sharing, can reap major benefits, for example, the co-financing of the co-branding activities; the delivery to the customer of an integrated value added proposition (Blackett and Boad, 1999; Prince and Davies, 2002); and the creation of added value for example in terms of enhanced brand awareness, increased sales, premium prices, customer reassurance, access to cutting edge technology and decreased costs to enter new markets (Blackett and Boad, 1999). An unknown brand benefits from association with a well known brand (Rao et al, 1999; Voss and Gammoh, 2004) and improves its ability to penetrate distribution channels and create awareness (Voss and Tansuhai, 1999). Co-branding on the other hand presents many potential problems, for example incompatible brands and positioning, the overextension of a brand franchise, financial difficulties, failure to meet the agreed objectives and brand dilution or erosion of image (Grossman, 1997 Blackett and Boad, 1999). Additionally, marketers need to be aware of the potential *negative*, as well as positive, associations that partnering with a brand may create (Grossman, 1997), for example a poor performing partner in a company's network could have adverse effects on a brand's reputation (Morgan et al, 2007). A key condition to avoid these shortcomings is reciprocal trust, as co-branding is the result of a collaborative relationship (Prince and Davies, 2002). If trust is broken, the relationship can fail, and this could result in a reduced commitment by the two partners and the abuse of privileged intelligence and knowledge when the relationship breaks down, creating the possibility that the two former partners compete against each other (Prince and Davies, 2002). Furthermore there are risks of brand equity depletion (James et al, 2006). A "fit" needs to exist between the two brands, so the choice of partners is not an issue to be taken lightly (Grossman, 1997; Prince and Davies, 2002). "Brand fit" is defined as the level of consistency between perceptions of each brand based on associations in memory (Keller, 1993). Brand values need to be aligned around common themes and have a similar personality to establish a viable co-branded identity, providing the basis for marketing communications (Motion et al, 2003; James et al, 2006). Co-branding needs to be supported by sustained and continuous communications for it to be established effectively (Grossman, 1997; Till and Nowak, 2000). A special case of co-branding is when a commercial proposition is paired with a cause. This special type of co-branding is called cause related marketing, or cause branding (Till and Nowak, 2000; Hamlin and Wilson, 2004). Increasingly, consumers reward companies that associate themselves with worthy causes, and CRM can build a positive image of the brand, and permanently associate that brand with values relevant to that cause (Till and Nowak, 2000). An unknown brand can especially benefit from pairing with a cause, especially if that is a cause that is not associated with existing brands (ibid). Fit between the brand and the cause is important (Hamlin and Wilson, 2004); the values that a company wants to build in

the brand need to match those of the cause, for example an environmental charity could be paired with an environmentally sound brand. In our case, the motivations both of the manufacturers and retailers to partner with a company supplying resources for recycle or re-use is the ambition to "green" their activities and image, whether it be to comply with environmental regulation and legislation (Sheth and Parvatyiar, 1995; Catulli, 2008b) or to gain a strategic advantage (Porter and van der Linde, 1995; Stone and Wakefield, 2001; Maxwell and van der Vorst, 2002). An example of how a match of cause and products works is the Fairtrade label: this label is associated with ethical values, and because of this both consumers and retailers become less sensitive to price; retailers in particular are willing to give up some of their margin to be able to benefit from being associated with a worthwhile cause and also benefit from the straightforward commercial opportunity.

The setting up of co-branding activities includes, for both parties, a number of stages, including the assessment of opportunities, objective setting, strategies development and relationship initiation and management (Prince and Davies, 2002). This latter condition is extremely important; therefore the section below deals with relationship and interaction management in some detail.

Interaction and networks management

The need for positive interaction management and trust necessary for a successful co-branding strategy, and the need to assure a steady supply of materials for recycle and re-use calls for a strong mastery of relationship management.

The interaction and networks approach, introduced in the 80s (Håkansson, 1982; Ford and Håkansson, 2002; Ford and Håkansson, 2004) is a model that acquired renewed currency in the context of the achievement of efficiency gains and carbon reduction (Ryan, 2008), as it is very effective in modelling the complex relationships and interactions which are necessary to assure that the whole network complies with environmentally sound practices. This involves skilful relationship and network management, and requires the fostering of high levels of commitment and trust by means of nurturing relationships (Selnes, 1998). The achievement of environmental goals also calls for reciprocal adaptation, which can be facilitated by a relationship management system (Ahmad and Buttle, 2001). The actor bonds, activity links and research ties established as part of the relationship development can thus be orientated towards the achievement of environmental gains. The aim of managing these relationships is to create these bonds, be they social, financial or structural (Berry and Parasuraman, 1991) which assure exclusivity of supply to the case study company. The diversity of the sources should enhance the company's ability to deliver different specifications of materials. On the demand side, the ability of the company's network to foster collaboration is essential because our company supplies cuts of steel, which are in variable shapes and sizes depending on the process the original user of the steel operated to produce their goods (for example, automobiles). This limits the flexibility of use of the steel, so these companies need to collaborate in designing products to accommodate the steel sections available.

One of the aims of the network is to give incentives to all member companies to optimize the environmental performance of their activities and certify them to ISO14001 standard. In order to assure environmental performance, companies cannot look at their activities in isolation. The achievement of a low carbon footprint by an individual business is meaningless if members of the network upstream (suppliers) or downstream (customers and commercial partners) do not achieve comparable savings in energy and carbon emissions. It is necessary for each business to "green their supply chain" (Alvarez et al, 2006), in other words to ensure that all the members of their business network deliver a reduction in their environmental footprint. This need has given rise to many certification schemes, such as ISO14001 for example, which aim at giving businesses an opportunity to vet their suppliers and commercial partners based on these criteria.

Methodology

Our research uses a case study methodology to investigate the issues identified. This is a type of inductive method requiring a holistic approach to data collection (Ahmad and Buttle, 2001) which involves investigation and analysis of phenomena within their real life context (Perry, 1998) and offers the opportunity to analyze critical incidents that determine a course of events within the context of a longitudinal study (Perry, 1998; Meredith, 1999; Tikkanen and Alajoutsijärvi, 2002). This research method was chosen as it offers the possibility to generate rich contextual data from which to build theory (Eisenhardt, 1989)

The firm that will provide the case study is *Abbey Steel Ltd* (AS), a UK SME specializing in the salvage and supply of steel for re-use. The company has been operating in the steel salvage industry for several years. The research is part of a UK Department of Trade and Industry funded research program[1] involving the university and the firm. The company specialises in supplying salvaged steel to a variety of industry sectors, including automotive, lighting, office furniture, horticulture, catering fittings and equipment, home ware and shop fitting industries. This steel is part of the waste material produced by the automotive industry.

Case study methodology uses multiple sources of data (Perry, 1998). The research instruments used as part of the case study research method include the use of secondary sources such as financial records, meeting minutes, memoranda, business plans and secondary data tracking the licensees' performance over time. Primary data include qualitative interviews of the company personnel. Although regarded as a valuable method (Yin, 1981; Eisenhardt, 1989) there are necessarily concerns over the 'generalisability' of the findings particularly when only involving one firm. We acknowledge this view and will therefore use the case study as part of a two stage research process: The initial recommendations originated by our case study will supply initial indications to be further explored by means of research conducted across a range of firms and industry sectors dealing in materials for recycle or re-use.

Early Progress on Case Study

To date, the case study has not as yet been conducted as the DTI funded project has duration of 21 months and ends up in October 2009. It is possible, however, to give an indication of early results and issues emerging. The Project Management Team (PMT) had planned to pilot the co-branding scheme with a "pilot customer" (henceforth referred to as "PC". In practice, two PCs have been committed to the scheme, both in the market of office furniture, although the majority of the work is being done with a company called *Silverline*. Early difficulties arose from the demand of data on retailer's interest by the companies contacted. This confirmed our early expectations, and was addressed by designing and implementing a communication plan to contact retailers of domestic appliances to build interest in products made with re-used steel. Communications to retailers created considerable interest and built a database of inquiries (followed by formal presentation by AS) that allowed AS to support their sales effort with potential partners.

Another early difficulty was reluctance on the part of prospective partners to commit themselves to an exclusive supply of a commodity product such as steel.

The main PC's interest arose from the opportunity to gain public sector contracts. Some tender documents for public sector provision contain a recycled content clause. A brand and strap line was developed including the phrase "Contain Sustainably Sourced Abbeysteel". This caption, where the "Abbeysteel" section is protected by trademark, can be inserted under the client company's brand and logo. The two partners agreed that *Silverline* would use the AS brand under licence. The marketing teams of AS and the PCs have worked together to come up with joint promotional materials. One example is given in figure 1. The use of this concept in the brand is supported by third party certification on the re-used nature of the steel supplied. There are plans to gain third

[1] This type of programme is called a Knowledge Transfer Partnership (KTP) and is a vehicle to bring universities and local businesses together.

party assessment to gain the use of the EU Green brand. This is essential to substantiate the environmental claims.

Figure 1 – artwork for co-branding.

The co-branding arrangement has been "slotted" in a project Silverline implemented called "Green for Gold". The PC and AS together commissioned self-adhesive polydome labels to be produced to be attached to their filing cabinets. Information leaflets were distributed to visitors on Silverline's stand on the exhibition *Design Prima* at London's *Business Design Centre* early in June. This attracted very good interest.

Since the inception of the plan, it was anticipated that the co-branding scheme would need to be supported by a co-branding manual, including guidelines for the co-branding partners on the use of the brand. After several meetings with the PC, it was decided that this manual will be supported by training activities for the partner's personnel. Neither the PC, nor the other companies contacted, seemed inclined to pay a premium price for the re-used steel; however, importantly, the co-branding agreement certainly induced the PC to commit to AS for their steel purchases for a number of years, which is a major benefit in a commodity industry with very low customer loyalty.

Conclusions and Managerial Implications

This working paper has reviewed the constraints to profitable growth that affect companies that market materials for recycle and reuse; and has outlined a possible strategy that these companies can adopt in order to overcome some of these constraints. We propose the deployment of co-branding and relationship management as effective strategies to compensate the structural weaknesses of the recycling and reusing operators and other sector of the EGS industry.

Our case study company has the advantage of working in the pre-consumer market. This means that the labour intensiveness of some recycling processes is not a problem for the business. However, many other limitations still apply. As the company relies on production of surplus steel by other manufacturers, a correct forecast of the material available for delivery can be problematic. This represents considerable limitations when proposing the supply of steel to large manufacturers. These companies need a regular supply in large quantities, and the inability to assure supply means that some of this business is beyond the company's reach. One of the possible routes to address this limitation is to build a reliable network of suppliers and buyers. In respect to the co-branding strategy, the findings so far confirm one major benefit of co-branding as applied to this case, in terms of communication economies. The PC has contributed to generate awareness of the "sustainable steel brand" and sustained most of the costs. This suggests this is an attractive strategy for companies having scarce resources to invest to advertise their brands.

To implement these strategies, managers should consider:

- Adopting network and relationship management practices to form a network of partners that comply with environmental principles;
- Considering the impact the performance of networking partners has on a brand's image, businesses that desire to position themselves as environmentally responsible need to

manage their network connections, so as to ensure each member of its network complies or indeed over complies with environmental regulations;

- Great care should be put into selecting the most suitable co-branding partner in terms of fit with the brand and reputation and stability with the target brand. In this managers should go through a well structured process;
- The communications produced in partnership with the co-branding partner should be sustained and carefully planned. They should leverage both on the functional and emotional level and be substantiated; the risk of failing to do so is to be singled out as a "green washer". Functional attributes should be built on detailed product's information (features and benefits);
- A Co-branding manual, supported by training activities, should be created to support the activities of the partners;
- Managers of companies that specialize in material recycling should consider augmenting their marketing resources with those of the co-branding company, as well as gaining access to the distribution network;
- Time should be invested in the research on, and application for, third party certifications to support the co-branding strategy;
- Together with the co-branding partner, management should evaluate opportunities to associate their brand with worthwhile causes (cause related marketing), this involves the research of a suitable cause;
- Managers should avoid falling in the "commodity trap" where they sell the recycled material on a price basis. This involves designing a new value proposition which does not rely exclusively on their product, but also delivers additional value such as advice, expertise, delivery, etc.
- These companies should address the weaknesses identified in their sector, for example marketing, ICT and HRM, and should identify strategies that integrate environmental management with business strategies;
- In their marketing efforts, companies marketing materials for recycling or reuse should leverage on legislation and regulation liabilities of manufacturers. EU and UK legislation will increasingly create pressure on these companies to purchase materials for recycle or reuse.

Recommendations for further research

Further research should aim at investigating further the attitudes of industrial manufacturers using steel to the perspective of entering a co-branding relationship with a supplier of recycle or re-used materials, as well as the priority given to the environmental benefits deriving from using recycled material for their products. Our next step will be therefore a survey of manufacturers using steel, as well as the completion of the case study when sufficient evidence becomes available. In addition, our research aims at using the case study to test the proposition by Ryan et al (2008) for the IMP interaction and networks philosophy to be applied to the design of a successful strategy which relies on the environmental performance of the network, and call for careful relationship management based on the creation of reciprocal trust, and aim at fostering reciprocal learning between the companies in the network and in particular with the co-branding partner (s).

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