**ECOSIA COMPANY**

by [Name]

Course

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Date

**ECOSIA COMPANY**

**Introduction**

Ecosia is a search engine that focuses on reforestation by donating 80% of its profits to non-profit organizations. The company has it’s headquarter in Berlin, Germany. The organization engages in sustainable business activities, and it does not produce carbon dioxide making it a social business (Sharma, Misri, and Pandey, 2020, pp.45). As a search engine company, the company protects the privacy of its users by encrypting user’s searches. The firm also achieves this by not sharing customers’ data with third-party advertisers. The company charges 0.005EUR on average for every search in its search engine, making it not only cheaper but also sustainable. As mentioned previously, the organization promotes tree planting by donating 47.1% of its income. As a social business aimed at promoting reforestation, the company combines behavioral economics and sustainable marketing in marketing its products and services. The paper discusses behavioral economics and sustainable marketing concepts and how various companies such as Ecosia can combine them in reaching out to their consumers.

**Behavioral Economics**

Behavioral economics studies how the decision-making process of individuals and institutions can be influenced by psychological, cognitive, emotional, cultural, and social factors. According to Aston and Cassidy (2019, pp.42), the ability to create a successful marketing campaign depends on the ability of the marketers to have a profound understanding of the consumer's decision-making process. Besides, marketers can develop value propositions that can fit the needs of the consumers by understanding their decision-making process. Behavioral economics allows marketers to understand how the pain of cost affects consumers and how they can overcome it. Behavioral economics also helps marketers understand how paralysis by analysis impacts the consumer's ability to make decisions resulting in a purchase. Providing consumers with more options undermines their ability to make decisions resulting in a purchase.

**Sustainable Marketing**

Czarnezki, Pollans, and Main (2018, pp.294) allude that sustainable marketing is the use of environmentally friendly products and services that satisfy the needs of the current customers without making it difficult for consumers in the future generation to satisfy their needs. It ensures the product and services promoted are eco-friendly hence improve the quality of life of the consumers. Most consumers are becoming more conscious of products and services offered to them due to the increase in environmental issues. Businesses and organizations need to market their products in a way that promotes sustainability. There are five different strategies that an organization can use to promote sustainable marketing. An organization can apply a consumer-oriented marketing strategy in ensuring a company takes into consideration consumer's perspectives in marketing its products. Companies can also achieve sustainable marketing by applying customer-value marketing principles to ensure an organization invests most of its resources in developing customer value. The innovative marketing strategy also aids marketers in achieving sustainable marketing by providing them with an improved product.

**How Behavioral Economics and Sustainable Marketing**

The ability of an organization to meet the needs of the current customers without compromising the ability of future generations requires the need for the company to combine behavioral economics with sustainable marketing.

**Self-interest**

Self-interest is one of the strategies that an organization can utilize in combining behavioral economic and sustainable marketing. An organization can apply this strategy in highlighting sustainable attributes associated with its product and services as to the way of marketing its products to consumers with sustainable behaviors. Ecosia is one of the companies that use self-interest as a strategy in combining sustainable marketing with behavioral economics. For instance, the company highlights that using its search engine removes roughly 1kg of CO2 from the air. Highlighting these sustainable attributes in its products allows the organization to influence the decisions of consumers with sustainable behaviors to purchase the product to reduce the level of CO2 from the air. Self-interest, therefore, aids organizations in combining behavioral economics with sustainable marketing.

**Self-Efficacy**

Self-efficacy is one of the strategies organizations use to influence consumers' decision-making processes. Based on the strategy, consumers are likely to buy a product when there is high efficacy and believe that buying the product will make a difference in terms of environmental sustainability. Ecosia uses this strategy in combining behavioral economics and sustainable marketing. Ecosia organization markets its search engine to consumers with sustainable behaviors by reminding them that using their search engine will reverse the worst effects of climate change for free. The use of self-efficacy in influencing the consumer's decision-making processes, therefore, aids organizations in combining behavioral economics with sustainable marketing.

**Eco-labeling**

This is another strategy organization can apply to combine behavioral economics and sustainable marketing. Organizations can influence consumer's decisions making process by providing them with information about the sustainable attributes of products through the use of eco-labeling. Consumers will easily make better and informed eco-friendly decisions by using eco-labels that are attention grabber, consistent, and easily understandable. Contrasting eco-labels against negative labels have effectively worked out in influencing consumers with sustainable behaviors in making decisions to buy a product or use a particular service. Companies and organizations need to ensure the eco-labels are certified by an environmental regulatory body for their effectiveness in manipulating the decisions of consumers to buy a sustainable product. Ecosia is one of the companies that use this strategy in combining behavioral economics and sustainable marketing. For example, Ecosia uses biodiversity small flowers and plant labels in marketing its products to its consumers as a way of influencing the decisions of the buyers.

**Conclusion**

Behavioral economics studies how the decision-making process of individuals and institutions can be influenced by psychological, cognitive, emotional, cultural, and social factors. Sustainable marketing is the use of environmentally friendly products and services that satisfy the needs of the current customers without making it difficult for consumers in the future generation to satisfy their needs. An organization can use both eco-labeling and self-interest in combining behavioral economics and sustainable marketing. An organization can apply self-interest in highlighting sustainable attributes associated with its product and services as to why of marketing its products to consumers with sustainable behaviors. Organizations can influence consumer's decisions making process by providing them with information about the sustainable attributes of products through the use of eco-labeling.

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