

# Marketing

## Table of Contents

Summary of the Article.....	3
Relevance to the Course.....	4
Agreement with the Article.....	4
Disagreement with the Article .....	5
Three Questions Left Unanswered.....	5
Future Impact on Any Aspect of Marketing .....	6
References.....	7

**Name of the Website:** Businessweek.com

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**Title of Article:** Ford to Cut New-Car Greenhouse Emissions 30% by 2020 (Update4)

### **Summary of the Article**

Ford Motor Company is the third biggest automaker in the world. The company has plans to lessen the greenhouse gas release in its new vehicles by the year 2020 to 30% in the United States as well as in Europe. At the conference that was held with the religious as well as the institutional investors, the Vice President of Ford Motor Group named Susan Cischke stated that the task of reducing the harmful gas seems to be quite difficult. However, it is not impossible to achieve this goal.

The company is trying its best to draw the customers by demonstrating that it recognizes its responsibility towards the environment. The company has failed to meet its goals that were to improve the mileage on sport-utility vehicles by the year 2005 to 25%. According to the views of Susan Cischke, although the company has failed to meet its commitments, its SUV (Sports-Utility Vehicle) mileage goals has been a blueprint demonstrating where the company wants to go and thus stated that she is confident that this time the company will be able to achieve the goal. However, Alan Mulley (Chief Executive Officer) stated that the company will try to focus upon the environmental friendly issues. According to Friends of the Earth, which is an environmental group stated that the announcements that has been made by the Ford Motors has

been quite unimpressive since the stated targets of 30% reduction meets the regulatory requirements (Koenig, “Ford to Cut New-Car Greenhouse Emissions 30% by 2020 (Update4)”).

### **Relevance to the Course**

The article is quite relevant to the course since it tends to demonstrate how the company has recognized its responsibility towards the customers and the environment. It demonstrates the company’s conscientiousness towards the societal objectives. The article has been successful at revealing the ethics as well as the corporate social responsibility related matters of Ford Motor Company (CSRwire, “Ford Commits to Major SUV Fuel Economy Gains”).

### **Agreement with the Article**

The most important point in the article that has been agreed with is the Vice President’s statement that stated, the difficulties Ford Motors might face while implementing the policies of greenhouse gas emissions, however it is not impossible task at all. The statement makes it evident that the company seems to perceive the social responsibility as an opportunity to serve the society and other participants rather than a damage control initiative. If the leader is of such views then the company as a whole can be prepared to work with the similar enthusiasm and mindset as that of the Vice President, Susan Chischke.

## **Disagreement with the Article**

The point in the article holding most disagreement is the company's confidence to meet the goals of greenhouse gas emissions. The reason for the disagreement has been the fact that the company has rejected its goals that was based upon the improvements on the sports-utility vehicles in the year 2003 to 25% as targeted till 2005 (Koenig, "Ford to Cut New-Car Greenhouse Emissions 30% by 2020 (Update4)"). The statement of Susan Cischke seems to be contradictory by nature and thus it raises the issue of unreliability.

## **Three Questions Left Unanswered**

1. What is the impact of such announcement of 30% greenhouse gas emission upon its competitors?
2. What are the reasons for the company's reluctance to meet the demand of California?
3. What apart from setting the long-term targets of reducing the greenhouse gas emission of 30%, is the company initiating for the purpose of reducing the greenhouse gas release. For instance, educating the employees, improving energy efficiency, buying renewable energy?

## **Future Impact on Any Aspect of Marketing**

1. The article is helpful to attract the customers since it is a well known fact that the customers can also be attracted towards the company behind the products as well as the brands that they tend to buy. The most influential factors have been the extent of social responsibility through which the companies tend to treat their workers, invest money for the betterment of the society and the benefit of the usage of the product in the society and these are considered to be important in aspects of marketing as well as for the corporate agenda.

2. The article serves as the means of promotion through which other companies may as well be attracted towards implementing similar policies and marketing strategies and thus demonstrate their urge to be socially responsible. Furthermore, if the Ford Motors is unable to meet its goal of 30% decline of greenhouse gas release; other companies will get an opportunity to learn from the failure and thus will be able to implement other marketing strategies.

3. The companies will be able to generate its sales if they are socially responsible since the customers prefer to buy the products and thus rate the products of the company that is perceived to have a good reputation.

## References

CSRwire. "Ford Commits to Major SUV Fuel Economy Gains". July 05, 2011. CSR Press Release, 2010. <[http://www.csrwire.com/press\\_releases/25704-Ford-Commits-to-Major-SUV-Fuel-Economy-Gains](http://www.csrwire.com/press_releases/25704-Ford-Commits-to-Major-SUV-Fuel-Economy-Gains)>

Koenig, Bill. "Ford to Cut New-Car Greenhouse Emissions 30% by 2020 (Update4)". July 05, 2011. Bloomberg, 2008. <<http://www.bloomberg.com/apps/news?pid=newsarchive&sid=aMIQX0p5EMyI&refer=us>>