

THE ROLE OF MARKETING IN ACCELERATING RENEWABLE ENERGY INVESTMENT, INNOVATION AND INCLUSIVE LEADERSHIP

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ABSTRACT

The global energy transition has reached a critical inflection point where the primary constraint is no longer technological feasibility but market viability. Despite possessing 60% of the world's best solar resources, Africa accounts for only 1% of global installed solar PV capacity (IEA, 2023). This paper interrogates the strategic role of marketing in resolving this paradox. Moving beyond the traditional view of marketing as promotion, this paper reframes marketing as a market-creation mechanism that de-risks capital, accelerates diffusion of clean energy innovations, and institutionalizes inclusive leadership. Using a conceptual synthesis of signaling theory (Spence, 1973), diffusion of innovation theory (Rogers, 2003), and stakeholder theory (Freeman, 1984), and drawing on case evidence from Nigeria's renewable energy sector, the study develops the 3I Marketing Framework - Investment, Innovation, and Inclusive Leadership. Findings show that marketing accelerates investment through demand aggregation and investor confidence building; accelerates innovation through benefit-based positioning, pricing innovation, and trust-building; and accelerates inclusive leadership through gender- intentional branding, localized communication, and community ownership narratives. The paper concludes with a curriculum and research agenda for marketing educators in Africa.

Keywords: Renewable Energy Marketing, Green Investment, Diffusion of Innovation, Inclusive Leadership, Energy Transition, Sustainable Marketing Education

INTRODUCTION

The International Energy Agency (IEA, 2023) projects that achieving net-zero emissions by 2050 will require annual clean energy investment of \$4 trillion. For Nigeria, with over 85 million people lacking access to reliable electricity and businesses spending an estimated \$14 billion annually on diesel generators (World Bank, 2023), renewable energy represents both a climate imperative and an economic opportunity. Yet, the Nigerian renewable energy market presents a contradiction. The levelized cost of solar has fallen by 89% in the last decade (IRENA, 2023), making it cheaper than diesel. Innovative business models such as Pay-As-You-Go (PAYG) solar have emerged. Government initiatives like the Nigeria Electrification Project (NEP) and Solar Power Naija exist. Still, adoption remains sluggish.

This paper argues that the missing link is strategic marketing. The energy transition is failing not in the lab, but in the market. Investors perceive high risk where they

should see return. Consumers perceive high cost where they should see savings. Communities perceive exclusion where they should see ownership. Marketing, at its core, is the discipline that bridges perception and reality. This paper therefore examines how marketing can accelerate three critical pillars: Renewable Energy Investment, Innovation, and Inclusive Leadership.

LITERATURE REVIEW

Evolution of Sustainable Marketing

From Peattie's (1992) early conception of green marketing as 'marketing with environmental sensitivity,' the field has evolved to sustainable marketing, which emphasizes creating value for all stakeholders while regenerating social and environmental capital (Kotler et al., 2021). In renewable energy, marketing must be understood as market architecture, not just communication. While traditional marketing focuses on selling existing products, market creation marketing focuses on creating the conditions for exchange to occur - building trust, infrastructure, and narratives where none existed.

Marketing and Investment: Signaling Theory

Spence (1973) posits that in markets with information asymmetry, credible signals reduce uncertainty. For renewable energy, where offtaker risk and regulatory risk are high, marketing signals such as strong consumer brands, pre-signed demand, and visible community acceptance serve as critical de-risking signals to financiers (Baker et al., 2022). A well-marketed pipeline of 5,000 pre-registered households reduces perceived demand risk more effectively than a technical feasibility report.

Marketing and Innovation: Diffusion of Innovation

Rogers (2003) identifies five determinants of adoption: relative advantage, compatibility, complexity, trialability, and observability. In Nigeria, solar fails not on relative advantage - it is cheaper than diesel - but on compatibility (belief that it cannot power heavy appliances), complexity (perceived technical difficulty), and observability (people don't see their neighbors using it). Marketing directly influences these determinants through benefit-based positioning, simplification, and social proof.

Marketing and Inclusive Leadership: Stakeholder and Inclusive Marketing

Freeman's (1984) stakeholder theory and recent work on inclusive marketing (Cavusgil et al., 2023) show that inclusive narratives drive market legitimacy. The renewable sector has been criticized for technocratic, masculine, and foreign-dominated narratives that alienate end-users who are predominantly women and rural. Inclusive marketing reframes women from beneficiaries to entrepreneurs and reframes communities from recipients to owners.

CONCEPTUAL FRAMEWORK: THE 3I MARKETING MODEL

This paper proposes the 3I Marketing Framework for Renewable Energy Transition:

1. Investment Acceleration = Marketing as De-risker: Marketing builds investor confidence through segmentation, demand aggregation, and brand equity.

2. Innovation Acceleration = Marketing as Adoption Catalyst: Marketing accelerates adoption through benefit translation, pricing innovation, and trust infrastructure.
3. Inclusive Leadership Acceleration = Marketing as Legitim�er: Marketing institutionalizes inclusion through gender-intentional branding, localized communication, and ownership narratives.

The framework argues that the three pillars are interdependent. Inclusive leadership builds community trust, which accelerates innovation adoption, which creates bankable demand, which accelerates investment.

DISCUSSION: THE THREE ROLES OF MARKETING

Pillar One: Accelerating Investment

Nigeria needs \$10 billion to achieve universal energy access by 2030 (REA, 2023), but renewable energy financing is constrained by perceived risk, not lack of capital.

a) Investor Segmentation and Value Proposition Design: Not all investors are the same. Impact investors (e.g., All On, Acumen) need stories of jobs created and CO2 avoided. Local commercial banks need credit scoring models and cash-flow visibility. Diaspora investors need trust and transparency. Marketing educators must teach development of investor personas and tailored investment memoranda.

b) Demand Aggregation as Marketing: The greatest risk for a mini-grid is low utilization. Leading developers like Husk Power and Engie PowerCorner now spend 30% of project time on community engagement marketing before installation - conducting load audits, securing anchor customers like cold rooms and mills, and doing pre-paid sign-ups. This is marketing creating a bankable project.

c) Brand Equity Reduces Cost of Capital: Why does M-KOPA, Sun King, and Lumos raise capital at lower rates than unknown developers? Brand trust. A strong B2C brand signals operational excellence to B2B financiers. This is a direct marketing-to-finance link. In Nigeria, the Solar Power Naija program struggled until marketing reframed solar from 'a product for the poor' to 'energy independence for business'.

Pillar Two: Accelerating Innovation

Nigerians don't lack awareness of solar; they lack trust. The innovation gap is an adoption gap.

a) From Specs to Benefits: Marketing must shift from technical marketing to benefit marketing. The consumer buys: '24 hours for your shop, no fuel, no noise.' Arnergy's re-positioning from 'solar company' to 'business continuity partner' increased SME conversion significantly.

b) Pricing Innovation as Marketing: PAYG is fundamentally a marketing innovation. It re-frames a N1.5 million asset from a purchase problem to a N300 daily savings subscription - cheaper than diesel. Marketing educators should teach pricing psychology, not just product.

c) Building Trust Infrastructure: The market is flooded with substandard solar products, creating a 'market for lemons' (Akerlof, 1970). Marketing solutions include: Warranty

branding, QR-code verification, live demonstration centers, influencer and trade association endorsements, and community reference selling where early adopters become ambassadors.

Pillar Three: Accelerating Inclusive Leadership

You cannot have a just transition with unjust representation.

a) Re-positioning Women from Users to Entrepreneurs: Women bear the brunt of energy poverty but are excluded from value chains. The Solar Sister model in Nigeria trains women as last-mile distributors and entrepreneurs. Marketing these women as energy leaders, not beneficiaries, changes community aspiration and doubles sales performance in conservative communities.

b) Localization of Communication: Inclusive leadership requires inclusive language. Marketing communication in English alone is exclusionary. Successful campaigns in Northern Nigeria use Hausa radio dramas; in the South-East, they use Igbo market theatre. Marketing education must teach ethnographic and vernacular marketing.

c) From Beneficiary to Owner: Language creates ownership. Framing a project as 'Federal Government/World Bank project donated to community' creates vandalism. Framing as 'Our community power company' creates protection and payment discipline. This narrative shift is a marketing function that drives inclusive leadership.

IMPLICATIONS FOR MARKETING EDUCATORS IN NIGERIA

If marketing is central to the energy transition, then marketing education is central to national development.

1. Curriculum Reform: Introduce 'Sustainable Energy Marketing and Green Finance' as a core course in ND, HND, BSc, and MBA marketing programs. Include modules on carbon literacy, green consumer behavior, and investor storytelling.
2. Pedagogy Shift - From Case Study to Live Lab: Move beyond analyzing Coca-Cola. Partner with REA, NEP, and private developers. Let final year students develop Go-To- Market plans for actual mini-grids in Gwagwalada, Lagos, Port Harcourt, and Kano. Let assessment be market impact.
3. Research Agenda: There is a dearth of empirical data. Urgent research areas include willingness-to-pay for reliable power among MSMEs, impact of female sales agents on solar adoption, and comparative effectiveness of radio vs. WhatsApp marketing for rural energy.
4. Institutional Leadership: Marketing departments should become sustainability champions - powering their departments with solar, publishing green marketing research, and intentionally mentoring female students into green economy leadership.

CONCLUSION AND RECOMMENDATIONS

The renewable energy transition will not be achieved by engineers alone, nor by policymakers alone. It requires market makers. This paper concludes that marketing is not a peripheral support function but a central acceleration function.

It accelerates investment by transforming risk into confidence. It accelerates innovation by transforming technology into desired benefits. It accelerates inclusive leadership by transforming beneficiaries into owners. Recommendation: The National Institute of Marketing of Nigeria (NIMN) and the Association of Marketing Educators should constitute a Thematic Working Group on Green Marketing to develop a national curriculum framework and industry-academia partnership for accelerating the energy transition. The future is renewable. Our task as marketers is to make it bankable, buyable, and belonging to all.

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