

GREEN MARKETING AND IT'S IMPORTANCE IN PRESENT ERA

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ABSTRACT

As the ecological issues are getting worse, the consumers' concerns about the environmental protection have led to the diversification in consumer buying approach towards a green lifestyle. Therefore, firms are taking action to develop potential ecological approaches in the green market industry. Green marketing and green product development are useful techniques that are used by firms to increase competitive advantages and stand a chance of gaining the satisfaction of consumers in order to achieve the firm's mission and vision. Green marketing and green product development have various benefits to firms in terms of increasing the sustainable environmental benefits and to increase the awareness of brand image of the firm.

This study focuses on the concept of green marketing and green product development, the different consumer consumption in regards to green marketing and green product development, and lastly examines the problems that firms have faced when they have failed to implement green marketing and green product development.

KEYWORDS

Green Marketing, Green Product Development, Consumption, Environmental Benefits etc.

INTRODUCTION

In case, we love the environment that alone cannot lead to the concept of green marketing. Producing the right product with appropriate packaging, rendering the services with the corporate culture and creating an impact on the environment & the world around us is important.

Green marketing is a concept that says why the customer should buy our product. Along with the selling & advertising concepts, the seller should focus on various concepts like:

- Recyclable Packing,
- Sustainable Designing,
- Modification in the Production Process,
- Upgrading Advertising,
- Toxins Free Products,
- Chemicals Free Products.

According to the American Marketing Association, green marketing is the marketing of products that are presumed to be environmentally safe. The concept of green marketing came into existence during late 1980's & 1990's.

Therefore green marketing includes broad categories as recyclable packing, sustainable designing, modification in the production process, upgrading advertising, toxin free products and chemical free products.

If this concept as to be better understood by a layman, green marketing includes all such product-marketing strategies that will not cause any harm to the environment & it can be eco friendly product.

Any such concept that can cause minimal effects on the environment by its usage can come under the preview of green marketing. It also covers not only the consumer products but also the industrial goods as well as service sectors. All such organizations who can bring in the balance in ecology without causing any kind of damages to the ozone layer.

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As a part of corporate social responsibility, it is the duty of the seller to make the best products available to the ultimate consumer without disturbing the ecological environment in the world. Striking the right balance between the ecology and consumers is important. The ecosystem needs to be protected instead of damaging it by the wealth creators. It also becomes the responsibility of each & every individuals & corporate to protect our environment as compare to three decades before. Therefore, it becomes the essential responsibility of all public and private owned organizations to provide such products & services to the end users without causing any damage to the environment.

According to American Marketing Association – “Green marketing is the marketing of products that are presumed to be environmentally safe.”

According to Polonsky, 1994 – “Green or Environmental Marketing consists of all activities designed to generate and facilitate any exchanges intended to satisfy human needs or wants, such that the satisfaction of these needs and wants occurs, with minimal detrimental impact on the natural environment.

So any such products that are manufactured and distributed to the ultimate consumers without causing any kind of damages to the environment and by creating benefits to the environment, can create a kind of greenness in the eye of consumers and therefore they will choose all such products and will pay more for green products compared to less green products.

FEATURES OF GREEN MARKETING

Customer Consciousness: Any organizations can market their products to customers only if the customers are aware of the usage of such products. So it becomes important for any manufacturer of product or service to reach their customers with required information on eco-friendly basis.

Stimulate Buyers: It becomes the responsibility of marketer to market the given product to the customer on commercial & ethical basis, because it will be highly challenging to sell the product just based on eco-friendliness.

Translucence: Marketer should be genuinely & transparently marketing the product to the customers, the business policies must be ethical.

Contemplate Pricing: Due to higher cost of production, the cost of products may increase automatically. However, it becomes the obligation of marketer to keep the prices as low as possible, because not all can afford.

Customer Engagement: Customer involvement should be made by the marketer, so that they can feel themselves as a part of the product decision making & understand the related issues.

MERITS OF GREEN MARKETING

With the changes and increase in technology & population, there is tremendous increase in the production of goods & services, which in turn causing harm to the society & environment through its residuals. There is a lot of damage caused to people, animals, plants and other small creatures. The goods produced also are not the original products, because it comprises of lots of chemicals within it. So it becomes very important to each one of us to protect the environment for our future generations and that is where the concept of green marketing takes lots of importance.

The concept of green marketing has taken shape due to the increased concern from the people to have a healthy environment around them. There is lot of knowledge & awareness among the people to keep the environment safe for their future generations and to make best use of the resources available in the economy.

Positive Environmental Impact: If the marketer can create an better environment, then definitely they can explore better possibilities & enter into new markets. Any alternative methods that can reduce the emission of toxic substances can be best practiced, such as usage of solar panels by all households and corporate. The advantages of green marketing can be having car pooling, using organic products at workplace & recycling at work. Less or better packaging, paperless



policies, recycling ink cartridges, planting trees, reducing your carbon footprint. Every organization should work for the betterment of the society & educate the consumers on green marketing products advantages.

Reduction in Cost: Increasing profits & decreasing cost are the two main motives any organization to be successful. Reducing the waste equals can benefit organizations better. LED lights, use of natural lighting, water conservation policies, and mandatory recycling and hybrid company vehicles save money on utilities, fuel and office supplies. With all such go green activities an organization can create the best impact in the minds of stakeholders like supplies, customers, financial institutions, government and others.

Creates an Competitive Edge: The corporate social responsibility of your organization will be at its peak, which can further create a niche position for your organization and you can be the responsible leader in the respective industry. Instead of concentrating only on the organizations profits, the marketer should dedicate himself in promoting the social & ecological benefits of the products & services. The future-safe markets include biomaterials, green buildings, personal transportation, smart grids, mobile applications and water filtration.

Maximum Utilization of the Available Resources: Resources are in scarce, therefore it become the responsibility of each individuals in the organization to put them into best use.

Sustain Customers: Customers are well educated & conscious about environment, if the green products are made to reach the consumers, then such organizations can sustain for a long time in this competitive world.

BEST EXAMPLES OF CORPORATES WITH GREEN MARKETING CONCEPT

Organizations are conscious about the environment, therefore it has become the basic responsibility of all organizations to develop the concept of green marketing in all their products and services to sustain & win the expectations of customers. There are few such organization who are playing the lead role in this context, following are the developments made by the organizations with respect to green marketing concept.

IKEA: IKEA's invested in sustainability throughout its entire business operations, including things customers can readily see and things they cannot. It starts with their supply chain, where the Swedish furniture-maker has sourced close to 50 per cent of its wood from sustainable foresters and 100 per cent of its cotton from farms that meet the Better Cotton standards, which mandate reduced user of water, energy and chemical fertilizers and pesticides.

Unilever: The Company's Sustainable Living Plan sets targets for sourcing, supply chain and production on everything from energy and water use to treatment of suppliers and communities where they operate. When it was first adopted in 2010, CEO Paul Polman said he wanted to double the company's business while halving its environmental impact in just 10 years. It's made amazing strides: three quarters of Unilever's nonhazardous waste does not go to landfills and the share of its agricultural suppliers that use sustainable practices has tripled. The United Nations awarded the company's CEO its Champion of the Earth Award in 2015 for his efforts toward reaching this goal.

Panasonic: It moved its North American headquarters from suburban Seacaucus, New Jersey to a LEED-certified building in downtown Newark by Penn Station, an intentional move to eliminate the need for employees to drive to work and reducing their carbon footprint. They are also collaborating with several companies to make a demonstration Sustainable Smart Town in Japan centered on sustainability.

New Belgium Brewing: The brewery diverts 99.8 per cent of its waste from landfills. In addition to making energy efficiency integral to their brewing process, they are also an outspoken advocate for climate change action and signatories to both the BICEP pro-climate business coalition and the Brewery Climate Declaration.

Nike: Like, Patagonia, it also uses post-consumer recycled materials in some of its products, including its 2011 World Cup jerseys. It has also redesigned its boxes to reduce packaging, committed to eliminating chemical discharges, invested in energy efficiency in its factories and more. Nike is also collaborating with NASA and other government agencies to spark innovation in chemistry to green the processing of raw materials into goods.



Proctor & Gamble: Laundry detergents are also touting energy savings. Proctor & Gamble's (P&G) newest market entry, Tide Coldwater, is designed to clean clothes effectively in cold water. About 80 to 85 percent of the energy used to wash clothes from heating water.

ITC: ITC has been 'Carbon Positive' for three years in a row sequestering/ storing twice the amount of CO₂ than the Company emits. It has been 'Water Positive' six years in a row creating three times more Rainwater Harvesting potential than ITC's net consumption. It has obtained close to 100% solid waste recycling.

HP: Hindustan Petroleum owns a massive e-waste recycling plant, where enormous shredders and granulators reduce four million pounds of computer detritus each month to bite-sized chunks the first step in reclaiming not just steel and plastic but also toxic chemicals like mercury and even some precious metals.

Maruti Suzuki: The Company has been promoting 3 R since its inception. As a result, the company has not only been able to recycle 100% of treated wastewater but also reduced fresh water consumption. The company has implemented rainwater harvesting to recharge the aquifers. Also, recyclable packing for bought out components is being actively promoted. The country's largest car manufacturer had managed to slash energy consumption per car at its Gurgaon factory by 26 per cent over the past six years, while its carbon dioxide (CO₂) emissions during car manufacturing processes has come down 39 per cent in the past five years.

GREEN MARKETING MIX

Any kind of implementation to safeguard and sustain the present environment, 4p's of green marketing are required.

4p's of green marketing mix are:

Green Product: Consider products that consume more energy, use toxic chemicals, cannot be recycled, and use extensive packaging. Such products are a threat to the environment as they lead to environmental degradation and pollution. On the other hand, products that help in saving energy, use natural ingredients, are recycled, or use reduced packaging make contributions to the environment. Therefore, those products that are produced in harmony with the environment are known as 'green products'. Production of green products is based on green technology. Green products help in saving natural resources and subscribe towards sustainable future.

Green Place: Green place relates to the distribution of green products without doing any harm to the environment. This is achieved through efficient utilization of fuel and energy and arranging for logistics with the least emissions.

Green Price: Production of green products requires modification in the production processes and this necessitates expenditure. Cost increase results in increased price point of green products that makes acceptability of the product in the market difficult. The gap between the price of a green product and a non-green product is known as 'pricing gap'. Price impediments can be tackled either by lowering the price point of green products to make it contiguous with the prevailing products in the market or by enhancing the perceived value of the green products.

Green Promotion: Green promotion entails increasing the sensitivity of consumers towards green products as well as promoting the products in an environment-friendly manner like using social networking sites to post profiles related to green marketing. Nike with its 'Better World' campaign launched its first 100 per cent recycled television advertisement, which was recycled by reusing and remixing film of its earlier campaigns.

CHALLENGES FOR ADOPTION OF GREEN MARKETING

Need for Standardization: It is found that only 5% of the marketing messages from "Green" campaigns are entirely true and there is a lack of standardization to authenticate these claims. Regulatory & control bodies should be nominated.

New Concept: Awareness among the masses is less, so initiative needs to be taken to create more awareness among the mass.



Patience and Perseverance: The investors and corporate need to view the environment as a major long-term investment opportunity, the marketers need to look at the long-term benefits from this new green movement. It will require a lot of patience and no immediate results. Since it is a new concept and idea, it will have its own acceptance period.

Avoiding Green Myopia: The first rule of green marketing is focusing on customer benefits i.e. the primary reason why consumers buy certain products in the first place. Do this right motivate consumers to switch brands or even pay a premium for the greener alternative? It is not going to help if a product is developed which is absolutely green in various aspects but does not pass the customer satisfaction criteria. This will lead to green myopia.

CONCLUSION

All the basic amenities are been provided to the human by the natural environment, therefore it becomes very important to protect our environment & bring necessary awareness among all individuals about green marketing concept.

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