



Green Marketing : Concept and Prospect

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Abstract

Green marketing refers to the process of selling products and/or services based on their environmental benefits. Such a product or service may be environmentally friendly in it or produced in an environmentally friendly way. Green marketing products are presumed to be environmentally safe. It incorporates a broad range of activities, including product modification, changes to the production process, sustainable packaging as well as modifying advertising. Green, environmental and eco-marketing is part of the new marketing approaches which do not only just refocus existing marketing thinking and practice, but also seek to challenge those approaches and provide a substantially different perspective. Green marketing is a phenomenon which has been developing particular important in the modern market. As a result of this businesses have increased their rate of targeting consumers who are concerned about the environment. In the modern era of globalization, it has become a challenge to keep the customers as well as consumers in fold and even keep our natural environment safe and that is the biggest need of the time. Consumers are also aware of the environmental issues like; global warming and the impact of environmental pollution. Green marketing is a phenomenon which has developed particular important in the modern market and has emerged as an important concept in India as in other parts of the developing and developed world, and is seen as an important strategy of facilitating sustainable development.

In this research paper, main emphasis has been made of concept, need and importance of green marketing. It explores the main issues in adoption of green marketing practices. The paper describes the current Scenario of Indian market and explores the challenges and opportunities businesses have with green marketing. The paper also examines the present Scope and trends of green marketing in India it also conclude the advantages and prospect of green marketing.

Keywords: Environment, Marketing, Green Marketing, Globalization, Sustainable Development, Green consumers.

Introduction

Green marketing may be called as ecological marketing; green marketing refers marketing of products that are presumed to be environmentally safe and the product that are natural and herbal. Green marketing in simple words, marketing of herbal and nature good which are environment friendly which doesn't pollute the environment and ecology friendly. Now a days the role of marketing has become matter of discussion as lifestyles and consumption patterns in the world of industrialization, are a major originator of environmental damage. On the other hand, marketing can be seen as a significant instrument in order to sell new lifestyles and change overall consumption habits, not only to ecologically concerned

consumers. Marketing has developed and widened its scope towards ecological issues from focusing on the production process, transaction and exchange. Green marketing, Peattie (1995, p. 28) defines green marketing management as "the holistic management process responsible for identifying, anticipating and satisfying the requirements of customers and society, in a profitable and sustainable way" while Coddington (1993, p. 1) defines it as "marketing activities that recognize environmental stewardship as a business development responsibility and business growth opportunity ." "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". Pride and Ferrell (1993) Green marketing, also alternatively known as environmental marketing and sustainable marketing, refers to an organizations efforts at designing, promoting, pricing and distributing products that will not harm the environment.

Evolution of Green Marketing

The term Green marketing was first discussed in a seminar on — Ecological Marketing organized by American Marketing Association (AMA) in 1975 and took its place in the literature. The green marketing has evolved over a period of time. The evolution of green marketing has three phases according to Peattie (2001) : First phase was termed as "Ecological" green marketing and during this period all marketing activities were concerned to help environment problems and provide remedies for environmental problems. Second phase was "Environmental" green marketing and the focus shifted on clean technology that involved designing of innovative new products, which take care of pollution and waste issues. Third phase was "Sustainable" green marketing. It came into prominence in the late 1990s and early 2000.

Green Marketing Mix -The P's

Product – In case of products, Green products should take into account materials and energy use in production. Products should have minimal environmental impact in production and use.

Pricing -Consumers are willing to pay a 'premium price' for a product with Green credentials. However, there is no reason that 'Green' products have to cost more to produce or manufacture than ordinary products.

Place -How the product is sold. Supply chain from producer to consumer and its supplied in a manner that has minimal impact which means the supply chain from producer-to-consumer is resource intensive or not.

Promotion- Methods used for promotion that should resource/energy intensive. 'Disposable' promotions, throwaway flyers/leaflets could be incongruent with the product's 'Green' mission. The product be promoted in a manner with minimal environmental impact, such as through Internet, Viral Advertising etc.

People -People coming into contact with customers can affect overall satisfaction. or green consumers: Are the people selling the product articulate about the products environmental impact ? Are the values of the person selling the product congruent with the consumers ?

Process -The process, through which a product is produced, may be as important to 'Green Consumers' as the product itself. focus should be on that Was much energy used in the production of the goods? From where was this energy sourced? Was it produced ethically? Was the labour used in production treated fairly and paid fairly ?

Physical Evidence - Services cannot be experienced like physical products. Some evidence of the quality of the service needs to be provide e.g. Testimonials, Demonstrations etc. For Green Products, 'Evidence' is often needed that the product can provide the consumer with a similar 'quality of service' with lessened environmental impact – at an attractive price.

Packaging- Green consumers are likely to be acutely aware of the materials and amount of packaging a product comes in. Opt for recycled materials – strike the balance of protecting the product and protecting the environment.

Green Aspects in Services

Financial Services

Use of electronic printing media.

Use of technology to cut short the usage of paper.

High accessibility rate to reduce the mile coverage by the users and the executives



Use of air conditioners with high star-rating and CFL lighting to reduce power consumption

Green planting spread within the working space.

Transportation Services

Wide spread public transport system

Heavy investment to avoid use of diesel

Using recyclable products

Electric vehicles for rent

Medical Services

Donation camps

Rural areas visits

Free check-up

Free medication

Integration of all services under one roof

Paper covers instead of plastic

Educational Institutions

Use of electronic media to avoid paper and other stationary

Make students participate in social welfare activities

Maintain greenery in the campus

Discourage the use of personal vehicles

Use power efficient equipment.

Retail Services

Discourage plastic bags

Wax paper printing

Online trading

Help raise funds for needy

Moderate lighting

Spread maximum products

Promote green products

Characteristics of Green Products

Products are originally grown.

Products those are recyclable, reusable and biodegradable.

Products with natural ingredients.

Products contain recycled contents, non-toxic, chemical.

Products contain under approved chemical.

Products do not harm or pollute the environment.

Products that is not tested on animals.

Golden Rules Of Green Marketing

Know your customer

Educating your customers

Being genuine & transparent

Reassure the buyer

Consider your pricing

Keeping consumer expectation in mind always

The 2016, top 10 Green Brands in India

are: AMUL, . Dabur India Ltd., Infosys, Taj Hotels, Britannia Industries Ltd., Suzlon India, Hindustan Unilever Ltd., Wipro technologies Ltd., Maruti Udyog Ltd., Godrej Consumer Products.

Literature Review

Arseculeratne & Yazdanifard, (2014)

According to green marketing principle every components in the marketing mix will have a green perspective from establishing to introducing a product to the market When a product is manufacture under a process of eco friendly and harmless to the environment, the product may be named as green product. During production process, environmental pollution is an issue that business has to reduce. Natural resources ought to be preserved during physical removal of raw materials from a product. Significant area must be form by waste management in this connection. Eco friendly design product should be manufactured and packaging process should lessen contamination and pollution. Product enhancements certainly involve a significant amount of sunk costs but they are worth the resolution since development in the product would bring about a turnaround in sales. The manner of reversed logistics whereby customers return to the business used wrapping, packaging and even the recycled product itself would considerably help to conserve the environment.

Boztepe, (2012) the green consumer is typically known as one who support eco-friendly attitudes and/or who purchases green products over the standard alternatives. Climate change, environmental problems and social problems will confront the leaders of future generation for engaging effective and inclusive determinations. In the practice of engaging these determinations, the first concern of business society should be placed on the key of conserving the



environment instead of improving the profitability of the business.

Cherian & Jacob, (2012) the recognition of eco-label has a positive impact between the information of a green product and consumer's willingness to buy. In addition, previous researches that were finalized in western nations have agreed that most consumers have positive green consciousness on eco-labeled products. There have been a total of various circumstances which are influential in encouraging green consumers to buy green products. Far-reaching research over the years classify that intensive understanding of green issues; heightened level of knowledge opportunity on environmental subsistence; green advertising by corporations; raised concern for the environment; expanded in recognition of green products by environmental and social charities as some circumstances. This overpowering advance in the general environmental awareness among various consumer biography have been attempt undertaken by companies to "go green" by introducing the idea of corporate environmentalism.

Rajeshkumar, (2012) Green Marketing is the most latest and popular trend market which facilitated for the environment-friendly in individual, animal and planet . green marketing can build brand value. A great green practices company will get a good brand value in the heart of the consumers. Another important benefit of green marketing is getting tax breaks and loans from government because those innovative companies which help the nation who are living in a rural or un-employment will bear uncertain risks. Besides, they save environment and health of nation so they receive subsidies from government. Lastly, the most crucial advantage of green marketing is world salvation. Disposal and treatment of wastage, production process of companies will produce emissions of several greenhouse gases which contribute to global climate change which can causes

greenhouse effect. By following a great way of green practices, the companies could save the world in the way of saving the health of peoples and the environment.

Yazdanifard, (2011)The American Marketing Association (AMA) defines green marketing as marketing of products that are believed to be environment-friendly, which organizes into various activities such as product Adjustment, modification of production processes, packaging, labeling, advertising strategies as well as increases Awareness on compliance marketing amongst industries.

Dono et al., (2010) Consumerism can be defined as a progress which originally started as a practice which was presented to safeguard consumers against operations of unethical business. Over time this has widespread and grow into wider in nature. When today's agenda wit regards to consumer advocacy is taken into study it can be recognized that conservation of the environment is the most important element.

Armstrong and Kotler, (2007) Eco labels are a main tool used in green marketing. Eco labels are defined as labels which identify overall environmental preference of a product or service within a specific product or service range. So, an eco-labeled product is entitled to carry a logo that comes with a claim that the product has been produced in accordance with certain environmental standards. An eco label, in contrast to green symbols or statements, has to consist of three components, namely, the certification standard, an independent accreditation body and independent certification bodies. Eco-labeling schemes demand independent third-party certifications that the product concerned meets the predefined standards, ensuring strict and continuous compliance with the standard by producers.

Sanjay K. Jain & Gurmeet Kaur (2004) in their study environmentalism have fast emerged as a worldwide phenomenon. Business firms too have risen to the occasion and have started responding to environmental challenges by practicing



green marketing strategies. Green consumerism has played a catalytic role in ushering corporate environmentalism and making business firms green marketing oriented. Based on the data collected through a field survey, the paper makes an assessment of the extent of environmental awareness, attitudes and behavior prevalent among consumers in India.

Karna, J., Hansen, E. & Juslin, H. (2003) interpret that proactive marketers are the most genuine group in implementing environmental marketing voluntarily and seeking competitive advantage through environmental friendliness. The results also give evidence that green values, environmental marketing strategies, structures and functions are logically connected to each other as hypothesized according to the model of environmental marketing used to guide this study.

Peattie (2001) a green consumer is defined as someone who voluntarily engages in consumer practices that are regarded as environmentally friendly by marketing academics and practitioners. Thus, green or environmentally friendly activities deal, for instance, with energy-efficient operations, better pollution controls and recycled materials .

Oyewole, P. (2001) in his paper presented a conceptual link among green marketing, environmental justice, and industrial ecology. It argues for greater awareness of environmental justice in the practice for green marketing. A research agenda is finally suggested to determine consumer's awareness of environmental justice, and their willingness to bear the costs associated with it.

Kilbourne, W.E. (1998) discusses the failure of green marketing to move beyond the limitations of the prevailing paradigm. The author identifies areas that must be examined for their effect in the marketing/environment relationship, namely economic, political and technological dimensions of the cultural frame of reference.

Research Objectives

To understand the concept of green marketing.

To know main issues in adoption of green marketing practices.

To explore the challenges businesses have with green marketing.

It also concludes the advantages and prospect of green marketing.

Research Methodology

Paper Classification: This research is Conceptual in nature.

The study: The data has been collected from extensive desk research through E-library, different available published articles, journals, books, internet, magazines, and seminar papers and the world-wide web.

Data collection: Secondary data has been used for the present study.

Research Findings

This research inculcates awareness about green products and their effectiveness. Green products have fewer side effects. For effective and efficient implementation Green Marketing Concept the 'Government' factor plays a major role. The government creates specific laws and utilizes its authority to implement them, the concept cannot be conceptualized. If the Consumer, the Organization and the Government work in unison towards the common goal of minimizing the detrimental environmental impact of their activities, then they can save this environment and make this world a better place to live in.

Benefits of Green Marketing

Companies that develop new and improved products and services with environment inputs in mind give themselves access enjoys a competitive advantage over the companies which are not concerned for the environment. It ensures sustained and long term growth along with profitability It saves money in the long run, though initially the cost is more Opportunities or competitive advantage Corporate social responsibilities (CSR) Government pressure Competitive pressure.

Challenges In Green Marketing



1. New Concept and Unawareness-Indian literate and urban consumer is getting more aware about the merits of Green products. But it is still a new concept for the masses. There is a unawareness among Customers, The consumer needs to be educated and made aware of the environmental threats. Lot of time and effort will be required to The new green movements need to reach the masses.

2. Cost Factor- Green marketing involves marketing of green products/services, green technology, green power/energy for which a lot of money has to be spent on R&D Programs for their development and subsequent promotional programs, ultimately may lead to increased costs.

3. Trust building and convincing customers: The customers may not believe in the firm's Green marketing strategy, the firm therefore should ensure that they undertake all possible measures to convince the customer about their green product, the best possible option is by implementing Eco-labeling schemes.

4. Sustainability and Strategy- Initially the profits are very low since renewable and recyclable products and green technologies are more expensive. Green marketing will be successful only in long run. Hence the business needs to plan for long term rather than short term strategy and prepare for the same.

5. Avoiding Green Myopia- Green marketing must satisfy two objectives: improved environmental quality and customer satisfaction. Misjudging either or overemphasizing the former at the expense of the latter can be termed green marketing myopia.

6. Willingness to pay: Majority of the consumers are not willing to pay a premium for green products.

Conclusion

Green marketing should not neglect the economic aspect of marketing. Green marketing is still in its infancy and a lot of research is to be done on green marketing to fully explore its potential. Green products

should be priced according to its quality. There should not be more price difference between standard product and green product so that ordinary consumers (Aam Aadmi) can buy it and try it. Green product's quality should be better than standard products. There is a need to build trust among the consumers about the quality and durability of green products, which can be seeded through positive green marketing campaigns which can result into making consumers to use the green products at least once. Make the consumers understand the need and benefits of green products as compared to non-green ones. Even Indian market Customers too are ready to pay premium price for green products which are ecofriendly. One thing that is being reiterated is that the current consumption levels are too high and are unsustainable. Therefore there is a need for green marketing and a need for a shift in the consumer's behavior and attitude towards more environment friendly life styles.

As Indians, it's our responsibility to do value addition to our cultural products (green products) by promoting green marketing. Find an opportunity to enhance your product's performance and strengthen your customer's loyalty and command a higher price.

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