



## GREEN MARKETING: A CHANGING CONCEPT FOR EMERGING OPPORTUNITIES

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### **Abstract:**

Green marketing is a phenomenon which has developed particular important in the modern market. This concept has enabled for the re-marketing and packaging of existing products which already adhere to such guidelines. Additionally, the development of green marketing has opened the door of opportunity for companies to co-brand their products into separate line, lauding the green-friendliness of some while ignoring that of others. Such marketing techniques will be explained as a direct result of movement in the minds of the consumer market. As a result of this businesses have increased their rate of targeting consumers who are concerned about the environment. These same consumers through their concern are interested in integrating environmental issues into their purchasing decisions through their incorporation into the process and content of the marketing strategy for whatever product may be required. This paper discusses how businesses have increased their rate of targeting green consumers, those who are concerned about the environment and allow it to affect their purchasing decisions.

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### **INTRODUCTION:**

Green marketing is the marketing of products that are presumed to be environmentally safe. Thus green marketing incorporates a broad range of activities, including product modification, changes to the production process, packaging changes, as well as modifying advertising. Yet defining green marketing is not a simple task where several meanings intersect and contradict each other; an example of this will be the existence of varying social, environmental and retail definitions attached to this term. Other similar terms used are Environmental Marketing and Ecological Marketing. Thus, "Green Marketing" refers to holistic marketing concept wherein the production, marketing consumption an disposal of products and services happen in a manner that is less detrimental to the environment with growing awareness about the implications of global warming, non-biodegradable solid waste, harmful impact of pollutants etc., both marketers and consumers are becoming increasingly sensitive to the need for switch in to green products and services. While the shift to "green" may appear to be expensive in the short term, it will definitely prove to be indispensable and advantageous, cost-wise too, in the long run. [1]

Pride and Ferrell (1993) Green marketing, also alternatively known as environmental marketing and sustainable marketing, refers to an organization's efforts at designing, promoting, pricing and distributing products that will not harm the environment.

Polonsky (1994) defines green marketing as .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.



Elkington (1994: 93) defines green consumer as one who avoids products that are likely to endanger the health of the consumer or others; cause significant damage to the environment during manufacture, use or disposal; consume a disproportionate amount of energy; cause unnecessary waste; use materials derived from threatened species or environments; involve unnecessary use of, or cruelty to animals; adversely affect other countries.

### **Green marketing:**

Green marketing is the marketing of products that 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. Yet defining *green marketing* is not a simple task where several meanings intersect and contradict each other; an example of this will be the existence of varying social, environmental and retail definitions attached to this term. Other similar terms used are *environmental marketing* and *ecological marketing*. [2]

Green, environmental and eco-marketing are part of the new marketing approaches which do not just refocus, adjust or enhance existing marketing thinking and practice, but seek to challenge those approaches and provide a substantially different perspective. In more detail green, environmental and eco-marketing belong to the group of approaches which seek to address the lack of fit between marketing as it is currently practiced and the ecological and social realities of the wider marketing environment.

The legal implications of marketing claims call for caution or overstated claims can lead to regulatory or civil challenges. In the United States, the Federal Trade Commission provides some guidance on environmental marketing claims. The commission is expected to do an overall review of this guidance, and the legal standards it contains, in 2011.

The term Green Marketing came into prominence in the late 1980s and early 1990s. The proceedings of this workshop resulted in one of the first books on green marketing entitled "Ecological Marketing".

The Corporate Social Responsibility (CSR) Reports started with the ice cream seller Ben & Jerry's where the financial report was supplemented by a greater view on the company's environmental impact. In 1987 a document prepared by the World Commission on Environment and Development defined sustainable development as meeting "the needs of the present without compromising the ability of future generations to meet their own need", this became known as the Brundtland Report and was another step towards widespread thinking on sustainability in everyday activity. Two tangible milestones for the first wave of green marketing came in the form of published books: *Green Marketing* by Ken Peattie (1992) in the United Kingdom and *Green Marketing: Challenges & Opportunities for the New Marketing Age* by Jacquelyn Ottman (1993) in the United States of America. [3]

According to Jacquelyn Ottman, (author of "The New Rules of Green Marketing: Strategies, Tools, and Inspiration for Sustainable Branding" (Greenleaf Publishing and Berrett-Koehler Publishers, February 2011)) from an organizational standpoint, environmental considerations should be integrated into all aspects of marketing — new product development and



communications and all points in between. The holistic nature of green also suggests that besides suppliers and retailers new stakeholders be enlisted, including educators, members of the community, regulators, and NGOs. Environmental issues should be balanced with primary customer needs.

### **GREEN PRODUCTS AND ITS CHARACTERISTICS**

The products those are manufactured through green technology and that caused no environmental hazards are called green products. Promotion of green technology and green products is necessary for conservation of natural resources and sustainable development [4]. We can define green products by following measures:

1. Products those are originally grown,
2. Products those are recyclable, reusable and biodegradable,
3. Products with natural ingredients,
4. Products containing recycled contents, non-toxic chemical,
5. Products contents under approved chemical,
6. Products that do not harm or pollute the environment,
7. Products that will not be tested on animals,
8. Products that have eco-friendly packaging i.e. reusable, refillable containers etc.

### **Green Marketing's Objectives**

**Green marketing** is the act of not only living by environmentally-friendly policies and procedures, but letting consumers know about it. Green marketing is important for a number of reasons, from eliminating wastefulness to educating consumers about how a company is maintaining eco-friendly measures. Here are some other objectives to consider when thinking about green marketing. [5]

1. Avoiding waste: Whether it's creating **biodegradable** product packaging (meaning it can be broken down by biological means), cutting down on water consumption, or reducing the amount of trash that goes into landfills, green marketing is just as concerned with avoiding waste as putting forward an eco-friendly face to the public.
2. Reinventing products: Products themselves can be modified to lessen the impact on the environment. For example, Method sources its ingredients from many plant-derived ingredients, which means its safer for humans, not toxic to family pets who might accidentally ingest it, and more environmentally-friendly by being water-soluble and dispersing safely into the environment.
3. Making green while being green: Of course, companies that promote green products want to not only be good stewards of planet Earth, but make a profit while doing so. Green marketing allows businesses to capitalize on the subset of the population willing to pay a little more to lessen their footprint on the environment and protect the atmosphere.
4. Changing processes: Consumers aren't the only ones that need to be concerned with environmental impact. Green marketing also encourages businesses to properly utilize resources, such as water consumption and electricity. Changing processes also means looking for renewable



materials, using alternative energy sources, and finding ways to deliver products in a more fuel-efficient manner.

5. Creating eco-friendly messaging: Green marketing's biggest "marketing" accomplishment might be in messaging. Green marketing works to help consumers understand a product's green benefits and a company's commitment to the environment. It's also an important avenue in which to educate people about sustainability and the environment.

## **Challenges in 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. There is no standardization to authenticate these claims. There is no standardization currently in place to certify a product as organic [6]. Unless some regulatory bodies are involved in providing, the certifications there will not be any verifiable means. A standard quality control board needs to be in place for such labeling and licensing.

### *New Concept*

Indian literate and urban consumer is getting more aware about the merits of Green products. However, it is still a new concept for the masses. The consumer needs to be educated and made aware of the environmental threats. The new green movements need to reach the masses and that will take a lot of time and effort. By India's Ayurvedic heritage, Indian consumers do appreciate the importance of using natural and herbal beauty products. Indian consumer is exposed to healthy living lifestyles such as yoga and natural food consumption. In those aspects, the consumer is already aware and will be inclined to accept the green products.

### *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, and 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 green in various aspects but does not pass the customer satisfaction criteria. This will lead to green myopia. In addition, if the green products are priced very high then again it will lose its market acceptability.

## **GOLDEN RULES OF GREEN MARKETING**

- 1. Know you're Customer:** Make sure that the consumer is aware of and concerned about the issues that your product attempts to address, (Whirlpool learned the hard way that



consumers wouldn't pay a premium for a CFC-free refrigerator because consumers don't know what CFCs were.).

2. **Educating your customers:** isn't just a matter of letting people know you're doing whatever you're doing to protect the environment, but also a matter of letting them know why it matters. Otherwise, for a significant portion of your target market, it's a case of "So what?" and your green marketing campaign goes nowhere.
3. **Being Genuine & Transparent:** means that **a)** you are actually doing what you claim to be doing in your green marketing campaign and **b)** the rest of your business policies are consistent with whatever you are doing that's environmentally friendly. Both these conditions have to be met for your business to establish the kind of environmental credentials that will allow a green marketing campaign to succeed.
4. **Reassure the Buyer:** Consumers must be made to believe that the product performs the job it is supposed to do-they won't forego product quality in the name of the environment.
5. **Consider Your Pricing:** If you are charging a premium for your product-and many environmentally preferable products cost more due to economies of scale and use of higher-quality ingredients-make sure those consumers can afford the premium and feel it is worth it.
6. **Giving your customers an opportunity to participate:** Means personalizing the benefits of your environmentally friendly actions, normally through letting the customer take part in positive environmental action.

Thus leading brands should recognize that consumer expectations have changed: It is not enough for a company to green its products; consumers expect the products that they purchase to be pocket friendly and to help reduce the environmental impact in their own lives too.

### **GREEN MARKETING – ADOPTED BY THE FARMS**

Green marketing has been widely adopted by the firms worldwide and the following are the possible reasons cited for this wide adoption:

1. **Opportunities** - As demand changes, many firms see these changes as an opportunity to exploit and have a competitive advantage over firms marketing nonenvironmentally responsible alternatives.
2. **Government Pressure** - As with all marketing related activities, governments want to "protect" consumer and society; this protection has significant green marketing implications. Government regulations relating to environmental marketing are designed to protect consumers in several ways.
3. **Competitive Pressure** - Another major force in the environmental marketing area has been firms' desire to maintain their competitive position. In many cases firms observe competitors promoting their environmental behaviors and attempt to emulate this behavior. In some instances this competitive pressure has caused an entire industry to modify and thus reduce its detrimental environmental behavior.
4. **Social Responsibility** - Many firms are beginning to realize that they are members of the wider community and therefore must behave in an environmentally responsible fashion. This



translates into firms that believe they must achieve environmental objectives as well as profit related objectives.

**5. Cost of Profit Issues** - Firms may also use green marketing in an attempt to address cost or profit related issues. Disposing of environmentally harmful byproducts, such as polychlorinated biphenyl (PCB) contaminated oil are becoming increasingly costly and in some cases difficult. Therefore firms that can reduce harmful wastes may incur substantial cost savings. When attempting to minimize waste, firms are often forced to re-examine their production processes. In these cases they often develop more effective production processes that not only reduce waste, but reduce the need for some raw materials. [7]

## CONCLUSION

Now this is the right time to select “Green Marketing” globally. It will come with drastic change in the world of business if all nations will make strict roles because green marketing is essential to save world from pollution. From the business point of view because a clever marketer is one who not only convinces the consumer, but also involves the consumer in marketing his product. Green marketing should not be considered as just one more approach to marketing, but has to be pursued with much greater vigor, as it has an environmental and social dimension to it. With the threat of global warming looming large, it is extremely important that green marketing becomes the norm rather than an exception or just a fad. Recycling of paper, metals, plastics, etc., in a safe and environmentally harmless manner should become much more systematized and universal. It has to become the general norm to use energy-efficient lamps and other electrical goods.

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