



## GREEN MARKETING

**Senahe Lata** : Assistant Professor of Commerce, UCK, Kurukshetra (Haryana).

### ABSTRACT :

People around the world are becoming more aware of environmental stresses humans are placing on the planet. Many consumers now display concern about environmental deterioration. This is the measure impetus for green products and green marketing. However green is a relative term and depends on the individuals. From the study we are able to see that the majority believes the companies leverage on green marketing but awareness about green product is less. Factors like price, availability and brand name are considered by consumer before buying green products. The consumers feel that they are over paying for the products. In the world all countries are taking necessary steps to reduce plastics and implement the environmentally friendly products way of green marketing and save the earth. These kinds of products are not affecting the environment and also recompose the wastage to reusable. So this could save the earth from the wastage and also save the people's earth. 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 products may be required. This paper explains why are firms using green marketing and explores the problems and finding out their solutions to its best. A case study is also given which clarifies the green marketing concept with ease. The paper also discusses the green marketing laws regulated by FTC and the global scenario of green marketing is also given there for comparative study of green marketing impact internationally. The paper also examines the reasons why companies in India are adopting it and concludes that green marketing is something that will continuously grow in both practice and demand.

ISSN 0024-5437



9 770024 543081

**KEYWORDS** : Green Marketing, Recyclable, Eco-friendly, environmentally safe, Biodegradable.

**Introduction** : Marketing adversely influences our environment or ecology. Disposable or throw away packages have created problems of pollution in big cities. Paper napkins, disposable diapers, drinking cups, bottles, beverage cans etc. have added pollution though we enjoy convenience. Outdoor posters and bill boards obscure natural beauty. Refineries, power plants, fertilizers and chemicals complex, paper industries are responsible for pollution of our environment in this beautiful earth planet. It is pointed out that marketing misallocates scarce economic resources. In an economy of scarcity, this assumes special significance.

This is the green marketing which helps us to properly utilize these scarce economic resources.

**Green Marketing** : Green marketing is the protection of natural environment, by attempting to minimize the detrimental impact of product on the environment. It involves developing products & packages that are less harmful to the environment.



Green marketing incorporates a broad range of activities, including product modification, changes to the production process, packaging changes as well as modifying advertising. Thus green marketing should look at minimizing environmental harm, not necessarily eliminating.

### **Why are firms using green marketing?**

**Limited resources** : On our planet sources are limited and human needs unlimited. Recyclable or renewable goods are needed to fulfill the unlimited needs of customer. As industries are having limited resources, they have to search for new and alternative ways to satisfy the consumer needs. Thus, green marketing is important for the firms to utilize the limited resources satisfying the consumer needs as well as achieving the selling objectives.

**Moral obligations** : Many firms are beginning to realize that they are the members of the community and therefore must behave in an environmentally responsible fashion. This translates into firm's believe that they must achieve environmental objectives as well as profit related objectives. This results in environmental issues being integrated into the firm's corporate culture.

Firms in this situation can take two prospective; 1) they can use the fact that they are environmentally responsible as a marketing tool: or 2) they can become responsible without promoting this fact.

**Government bodies and laws** : Government wants to protect consumer and society. For this, government makes various laws and regulations for consumer and social welfare. Government intervention also promotes firms to use green marketing concept.

Governments establish regulations designed to control the amount of hazardous wastes produced by firms. Many by-products of production are controlled through the issuing of various environmental licenses, thus modifying organizational behavior. For example, some governments have introduced voluntary curb-side recycling programs, making it easier for consumers to act responsibly.

**Cost factors** : Firms may also use green marketing in an attempt to address cost or profit related issues. Disposing of environmentally harmful by-products, such as polychlorinated biphenyl (PCB) contaminated oil are becoming increasingly costly & in some cases difficult. Therefore firms that can reduce harmful waste 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. This serves as a double cost savings, since both waste & raw material are reduced.

**Competitive pressure** : All firms have a desire to maintain a competitive position. In many cases firms observe competitors promoting their environmental behaviors & attempt to emulate this behavior.

Reacting to competitive pressure can cause all "followers" to make the same mistake as the "leaders." A costly example of this was the Mobil Corporation who followed the competition & introduced "biodegradable" plastic garbage bags. While technically these bags were biodegradable, the conditions



under which they were disposed did not allow biodegradation to occur. Mobil was sued by several US states for using misleading advertising claims. Thus blindly following the competition can have costly ramifications.

**Increasing consumer awareness :** Many consumers now display concerns about environmental deteriorations. Increasingly often they ask how much impact a product will have on the environment during its lifespan or during its disposal.

**Green products and its characteristics :** The products those are manufactured through green technology and that cost no environmental hazards are called green products. Promotion of green technology and green products is necessary for conservation of natural resources and sustainable development.

We can define green products by following measures:

- Products those are originally grown,
- Products those are recyclable, reusable and biodegradable,
- Products with natural ingredients,
- Product containing recycled contents, non-toxic chemical,
- Products contents under approved chemical,
- Products that do not harm or pollute the environment,
- Products that will not be tested on animals,
- Products that have eco-friendly packaging that is reusable, refillable containers.

## Green Marketing Laws

### *(Regulated by Federal Trade Commission)*

- **Avoid broad environmental claims-** such as “green “and “eco-friendly”-unless they can be qualified with specific environmental benefits.
- **Be careful with the use of certifications and seals of approvals.** Even if you have legitimate green accreditation, you are still obliged to clearly and prominently identify specific environmental benefits. Also, disclose any material connections you may have to the certifying organization.
- **Be judicious with your use of green terms and phrases.** Terms such as “made with renewable materials, “biodegradable” or “made with recycled materials” can be misinterpreted by consumers as meaning something more than what is being claimed. You can minimize the risk with “made with renewable materials” and other phrases, for example, by identifying the material you are referring to and explaining why it is renewable.

## Green marketing : case study of “Ceres”

**Introduction:** Ceres is the best 100% pure fruit juice you can buy. Wholesome, earthy and natural with no added cane sugar, colorants or preservatives. The pure goodness of nature from the valley of Ceres.



Ceres was launched in South Africa in September, 1982. It is the flagship brand of the ‘Ceres fruit Juice Company’ and commands a premium in the marketplace. Although it was developed predominantly for family consumption. Its appeal extends to adults with solid family values.

#### **Ceres’ positive aspects are**

- Food packages made from paper can be formed into simple or elaborate designs, because it is flexible and easy to work with,
- Light weight,
- Generally inexpensive,
- Excellent surface for printing,
- It protects the product,
- Easy to transport the product,
- Easy to open the container & use the product,
- Carries information about the product,
- Promotes the brand image.

#### **Ceres’ negative aspects are**

When dumped in landfills it’s often dug under where the good bacteria can’t survive in the oxygen depleted environment. It then breaks down under anaerobic conditions which creates methane, a greenhouse gas with over 62 times the GWP (global warming potential) of carbon dioxide. Also, biodegradable waste can contain toxins. For example human & animal waste which is considered biodegradable may contain traces of all sorts of toxins such as heavy metals & pesticides depending on the person/ animal’s diet.

**Conclusion :** It can be concluded that packaging plays an important role both in promoting the product or service and for the environmental conditions also. So it is very important to choose the correct packaging.

#### **Problems and solutions of green marketing**

##### **1.) Green washing**

Green washing refers to all industries that adopt outwardly untrue green related claims about their products or services with an underlying purpose to increase profit. The primary objective of green washing is to provide consumers with the feeling that the organization is taking the necessary steps to responsibly manage its ecological footprint. In reality, the company may be doing very little that is environmentally beneficial.

Recently Federal Trade Commission has even taken companies to court for green washing. For instance in 2009, Kmart & Tender were charged with making unsubstantiated claims about how their moist wipes, towels & plates were biodegradable.



**Solution :** Only make green claims that you can substantiate, and then substantiate those claims. Be very specific about how your products or services are green and be specific about which parts are green like the ingredients, the packaging, and the manufacturing process etc.

### 2.) Use of confusing language

Some firms are using confusing language about their green products. Terms such as recyclable, recycled, degradable, biodegradable, environment friendly & ozone safe are examples of claims that are confusing.

**Solution :** Green marketing claims must clearly

- state environmental benefits
- explain environmental characteristics
- explain how benefits are achieved
- ensure comparative differences are justified
- ensure negative factors are taken into consideration
- Only use meaningful terms & pictures.

### 3.) Limited scientific knowledge

When firm attempts to become socially responsible, they may face the risk that the environmentally responsible action of today will be found to be harmful in the future due to lack of scientific knowledge. For example, the Aerosol Industry which has switched from CFCs to HFCs only to be told HFCs are also a greenhouse gas that is why some firms like coca-cola & Walt Disney World are becoming socially responsible without publicizing the point.

**Solution :** There is need to have proper scientific knowledge. We can take the help of scientists to verify product whether it is green or not.

### 4.) Lack of standards regarding green marketing

There is no definition of “how good is good enough”, when it comes to a product or company making green marketing claims. There is no standardization to authenticate these claims.

Due to lack of standard some firms aren't making environmental claims about their products even though they continue to develop products and packages that are better for environment.

**Solution :** 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 & licensing.

### 5.) Price problem

It is also a big concern since green products typically cost more than competing brands, sometimes considerable more.



There is a small set of consumers who do not prefer green products due to their high price, it appears that consumers aren't committed to improving their environment & may be looking to lay too much responsibility on industry and government.

**Solution :** There is need to motivate consumers to switch brands or even pay a premium for green alternative. Ultimately, green marketing requires that consumers want a cleaner environment and are willing to pay for it. Possibly through higher priced good, modified individual lifestyles or even governmental intervention. Until this occur it will be difficult for firms alone to lead the green marketing revolution.

#### 6.) Green isn't enough of a motivating factor in itself

There is only a certain small subset of consumer population for home greenness is motivating enough to buy products and services. Ironically, consumer seems that super-eco-friendly subset tend to cut back on their across the board, which makes them a less than ideal target market. But for the mainstream consumer, green is not quite enough to motivate them to buy a product or service.

**Solution :** Don't just play up your product's greenness. Instead, let consumers know how it can save them money or how it can be more convenient for them or how they can feel good about purchasing it. As with traditional marketing, you want to make sure the consumer knows all the various ways that your product & service can positively impact their life.

#### 7.) Green is easy to overstate

Sometimes companies are less likely to truly greenwash their products, but they may, with good intentions and the overzealousness of a marketer, overstate the greenness of their products. Broad, non-specific language about the greenness of your products and services is a huge no-no, as it can land you with greenwashing claims or, at the very least, make consumer skeptical about what you're saying.

**Solution:** The solution here is to be very, very careful and specific about your language when marketing in the world of green products. Take a page from the book of the popular company, Burt's Bees. Their products tell consumers exactly how much of the product is natural – down to the tenth of a percent.

**Green marketing going global :** Interestingly, green marketing continues to be an issue of global interest. In fact, **Google** trends reports that, on a relative basis, more searches for green marketing originated from India than from any other country.

Rank	Country
1.	India
2.	UK
3.	US



4.	Thailand
5.	Australia
6.	Canada
7.	China

Many companies are adopting green for capturing market opportunity of green marketing some cases.

#### **EXAMPLE 1: Best Green IT Project: State Bank Of India: Green IT @SBI**

SBI is also entered into green service known as “Green Channel Counter”. SBI is providing many services like ; paperless banking, no deposit slip, no withdrawal forms, no checks, no money transactions form all these transactions are done through SBI shopping and ATMs cards. SBI turns to wind energy to reduce emissions.

#### **EXAMPLE 2: India’s First Green Stadium**

The Thyagaraja Stadium stands toll in the quite residential colony behind the capital’s famous INA market. It was jointly dedicated by Union Sports Minister M.S. Gill and Former Chief Minister of New Delhi Shiela Dikshit.

Dikshit said hat stadium is going to be the first green stadium in India which has taken a series of steps to ensure the energy conservation.

#### **EXAMPLE 3 : Lead Free Paints From Kansai Nerolac**

Kansai Nerolac Paints Ltd.,hasalways been committed to the welfare of society and the environment Kansai Nerolac has worked on removing hazardous heavy metals from their paints. Lead in paints especially poses danger to human health where it can cause damage to Central Nervous System, kidney and reproductive system.Children are more prone to lead poisoning leading to lower intelligence levels and memory loss

#### **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 form pollution. From the business point of view because a clever marketer is one who not only convinces the consumers but also involves the consumer in marketing his product. Green marketing should not be considered 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.

### REFERENCES :

---

#### WEBSITES :

- [www.Seminarprojects.com](http://www.Seminarprojects.com); green marketing in India: emerging opportunities and challenges,
- [www.Greenbusinessowner.com](http://www.Greenbusinessowner.com); five common green marketing challenges and how to overcome them,
- [www.slideshare.net](http://www.slideshare.net) ;Anjalee swets; case study:ceres,
- [www.wikipedia.com](http://www.wikipedia.com),
- [www.examiner.com](http://www.examiner.com); Federal Trade Commission.

#### AUTHORS :

- Daniela Baker, small business blogger at [creditdonkey.com](http://creditdonkey.com),
- Michael Jay Polonsky; Market Based Solutions (green consumerism); an introduction to green marketing,
- Davis 1992, Freeman and Liedtka 1991, Keller 1987, McIntosh 1990, Shearer 1990,
- Azzone and Maxzini 1994,
- Aparna Choudhary; Researcher's World- journal of arts, science & commerce; Green Marketing: A Means For Sustainable Development,
- Mishra et al./ Journal of Engineering, Science & Management Education; Green Marketing In India: emerging opportunities and challenges,
- S.P. Bansal; Issue & development in marketing; chapter 14.