Green Marketing: Savior for the Consumers, Businesses and the World

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Abstract:

The globe is facing detrimental impact because of the usage of the unlimited resources and these resources are not easily sustainable. To overcome these impacts green marketing could be one of the solutions. The strategies of green marketing would make the firms and industries attain the sustainable advantage. The firms were only focused on the profit making without taking initiatives for the improvement of the environment. The green marketing has started gaining momentum more than the traditional marketing as it satisfies the consumer needs and demand with the preservation of the natural environment. Initially green marketing was only recycling of the products but now modifying the inputs in the process of production has been taken into account. In context to India several companies are taking steps towards green marketing. Green marketing is an attempt to protect consumers and environment through production, consumption, and disposal of eco-friendly products. This paper discusses the prevalence of green marketing in India, the vital role of the green markets, the various green marketing strategies followed by the organizations, the opportunities and challenges faced by the producers and marketers who have opted for green marketing. The change from brown to green will benefit the consumers, businesses and the world.

Keywords: global, environment, green marketing, sustainable, consumers, business.

I. INTRODUCTION

The need of the hour is to have sustainable business practices to protect the planet Earth. Green marketing is the answer to such detrimental effects on the environment. Over the years environmentalism has emerged to be a vital aspect due to increasing issues related to acid rains, depletion of the ozone layer, and degradation of the land. The eco friendly products can help to restore the ecological balance of the globe. The shift towards green is expensive in the short run, but is advantageous in the long run. The adoption of green strategies is making the firms gain a competitive advantage. Green marketing acts as a strategic tool to control the environmental conditions and to develop the business opportunities for the company. The stages of the green product are in the developmental stage the manufacturer should keep a check of the materials to be used should be easily recycled, in the production stage the waste, energy should be minimized, in the consumption stage the minimization of the waste from the product and service.

The ways have to be developed in which industrial development and environmental protection can symbiotically coexist. For this the basic structure of the supply chain has to be re-defined by incorporating the methods that would utilize the resources with less detrimental effect on the environment. The traditional supply chain involves the designing, modeling and distribution of the raw material from the suppliers to the customers. This supply chain is extended by using certain methods of recycling, reuse and remanufacture. India’s burden of environmental problems have been divided into the —oldl problems of water, sewage and waste disposal, and other forms of pollution related to poverty. The —newl problems focus on industrial pollution, chemical usage in agriculture and the growing amounts of difficult-to-dispose wastes, related to a structural transformation of the economy (Reich and Bowonder, 1992). The government must promote the ecological activities through regulations, procurement and production policies giving subsidies and incentives. The firms can practice the green product development to standardize the product modification and manage the raw materials with environmental concerns, thus, decrease the negative impacts on human health and environment (Tsai, Chuang, Chao, & Chang, 2012). The development of energy-efficient operations, better pollution controls, recyclable and biodegradable packaging, ecologically safe products are all part of green marketing which also leads to sustainable development. The organizations can green themselves through two levels: first is the firm level represented by value addition process and management systems, and the second is the product level (Aseeem Prakash, 2002).

II. REVIEW OF LITERATURE

An eco-marketing orientation, adapting (McNamara’s, 1972) frame work for measuring an organization’s degree of marketing orientation, may be measured by some combination of structural and behavioral indicators. These indicators may include: (1) employee, supplier, community, and customer eco-education programs; (2) toll free social concern and eco hotlines; (3) a designated ecological and social concern marketing staff; (4) cradle to grave planned product eco-lifecycles; (5) explicitly considering ecological and social concerns in all strategic and tactical planning; and (6) a systematic environmental scanning procedure explicit in all business decision making. Green consumers are
environmentally conscious consumers (Henion and Kinnear, 1976). 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. (Kilbourne, W.E., 1998). The environmental issues have a significant impact on the modern society and observed the impact of green marketing and the environment protection (Azhagaiath and Ilangovan, 2006). Green Marketing should be able to fulfill two objectives-improved environmental quality and customer satisfaction. The terms “green product” and “environmental product” are used commonly to describe those that strive to protect or enhance the natural environment by conserving energy (Ottman, Jacquelyn A et al., 2006). The stakeholders play an important role in influencing organizations and markets. They identified the stakeholders associated with GMS and their impact on the strategy adopted by the firms and established how this was moderated by the firm's own economic sector and organizational characteristics (Jaime Rivera-Camino, 2007). The multifaceted views on Green Marketing with the current scenario were studied. The cause-effect relationships of ‘Green Marketing’ at also studied at a global level (Narayan Lakhmi Vemuri, 2008). Developing good quality products which can meet consumer needs and wants by focusing on the quality, performance, pricing and convenience in an environment-friendly way, (Dutta, B, 2009). Marketers who plays a greater role in using and diverting resources to give maximum satisfaction to the consumers at minimum cost and efforts are posed with another challenge to dealt with is of environment protection. This has lead to the major push of manufactures and economic activist towards the adoption for green products and Green Marketing (Weilling and Chavan, 2010). Due to growing concern over environmental issues, the demand for both sustainable development and green marketing has gained tremendous momentum among the communities over the last few decades (Chen and Chang, 2012; Jhawar et al., 2012; Leonidou et al., 2013). The challenges faced by green marketer also include the lack of standards and common consensus among the public about what actually constitutes “green”. Despite these challenges, green marketing continues to gain popularity, particularly in light of growing global concern about climate change (Shafaat and Sultan, 2012). There is a growing interest about environment protection among consumers in the entire world and the people are concerned about the environment and as a result, are changing their buying behavior. (Dr. Ketaki Sheth and Dr. Pinakin Sheth, 2012). The environmental problems in India are growing very fast. Economic development, rapid population and industrial growth in India is straining the environment, infrastructure and the country’s natural resources. So it’s the right time to implement the Green Marketing in India. Green Marketing makes far-reaching change in the business not only in India but has the potential to save the world from pollution. Green marketing is more important and relevant in developing countries like India (Dr. V. Mohanasundaram, 2012). The need, importance & strategy of green marketing in India is studied. The present scenario of green marketing is as a tool for sustainable development. The research claimed that demand for green products undoubtedly exists and green marketing provides an opportunity to the companies to increase their market-share by introducing eco-friendly products. (R. Vadhana et al., 2013). Green marketing should not neglect the economic aspect of marketing. There is a need to change perception about the consumers that they are generally not willing to pay premium price for eco-friendly products. It was observed that consumers have shown consciousness about the concept of green marketing and companies going green (Gupta Sangeeta et al., 2014)

### III. OBJECTIVES OF THE STUDY

1. To study the prevalence of green marketing in India.
2. To study the vital role of the green market.
3. To understand the strategies and practices adopted by the green businesses.
4. The opportunities and challenges faced by the green organizations.

### IV. RESEARCH METHODOLOGY

The research is based on the secondary data which is collected from the various sources journals, magazines, data from the organizations following green marketing, the feedback of the customers.

#### Prevalence of Green Marketing in India

The increase in the economic development, rise in population and pollution by the industries is creating problems related to the environment in India. By going deep into the roots of green it is the time to select green marketing globally. Several multinationals are focusing on this aspect of green marketing. Eco –mark Scheme introduced by Government of India in 1981 was a major step towards the promotion of green marketing in the country. Eco-labels provide information regarding the environmental performance of products. The companies are following green concept have economic advantage like achieve tax reduction by the government; enable the cost cutting by reducing, recycling, reusing remanufacturing the products. The companies will have a good brand image and goodwill by opting this concept. The initiatives by the companies:

#### Tata Steel

It commits to minimize the detrimental impact of its operations on ecology by conserving the natural resources & energy consumption by opting for lean management and resorting to reducing & recycling of materials.

#### Titan

Minimizes the consumption of metallic materials in all its processes, recycles the waste product for ensuring technocommercial viability, emphasizes on maximum conservation of natural resources viz. energy, fuel and water.
Nokia India Pvt. Ltd
They launched an environmental campaign to recycle electronic waste. Consumers were encouraged to dump their old mobile phones and related accessories at any one of the 1,300 eco-based recycling bins at either Nokia priority dealers or Nokia care centers.

Philips India
The strategic intent integrates social equity, economic prosperity and environmental quality. They believe in delivering value by embarking on three strengths: healthcare, lifestyle and enabling technologies.

IDEA Cellular
IDEA, paints India green with its national ‘Use Mobile, Save Paper’ and save the trees campaign. The company had organized Green Pledge campaigns various Indian metro cities where many came forward and pledged to save paper and trees and to protect the environment. IDEA has also set up some bus shelters with potted plants and tendril climbers to convey the green message in Mumbai.

IndusInd bank:
Green banking has been catching up as among the top Indian green initiatives ever since IndusInd Bank had opened the first solar-powered ATM in India and pioneered an eco-savvy change in the Indian banking sector. The IndusInd bank is planning for more such initiatives in addressing the challenges of climate change.

Reckitt Benckiser Group
The company launched a global campaign termed ‘Our Home Our Planet’ which helped consumers to save money and effectively minimize their carbon footprint.

ITC Limited:
ITC has strengthened their commitment to green technologies by introducing ‘Ozone-treated elemental chlorine free' bleaching technology for the first time in India. It is also manufacturing eco-friendly business use paper ‘papercraft’s’. ITC also providing an opportunity to consumers to be a partner in efforts to mitigate the adverse impact of climate change and create positive environmental footprints. It is also selling 'Classmate' notebooks which are also environment friendly.

In India many companies are beginning to realize that they are members of the wider community and must behave in an environmentally responsible fashion. This translates the firms to achieve environmental objectives as well as profit related objectives resulting in environmental issues being integrated in to the firm's corporate culture.

V. VITAL ROLE FOR EFFECTIVE GREEN MARKETS:
Traditional marketing satisfies the human needs and wants whereas green marketing facilitates the minimal detrimental impact on the natural environment with the satisfaction of the consumers. New and alternative ways have to be designed so that the organizations can use the best ways to save the environment. The companies that have opted for green marketing will gain high profits in the long run, they are becoming more concerned towards the society, and competitors are pressuring them to move towards green marketing.

Moving towards social responsibility:
Green marketing acts as bridge connecting the corporate, environment and consumers. It also acts a competitive advantage for the green users than the non green users. Business organizations are not independent entities they are directly linked with the society for their survival and growth. Green marketing should provide ecofriendly products, follow green packaging and logistics and contribute to the community and attains high profit margins.

Following the legal rules:
The multinational companies have to follow the legislations related to the environmental issues. The concerns are not only related to the industrial pollution, waste disposal but to maintain the sustainable resources. Green marketing laws focus on environmentally friendly products and on product packaging.

Response to competition:
Reacting to competitive pressures can cause all “followers” to make the initiatives to protect the environment as the leader.

Provide clear information for use of green marketing:
The usage of green marketing should not result in green washing; they should not mislead the consumers, industries and the legislations. The green activities should state the ways to achieve the environmental benefits. The products that are green should be made from recycled or reused goods and the products should be tested to meet the environmental needs and customers expectations.

Green products should be sustainable:
The materials, the process of production should not cause any detrimental effect on the environment. The resources to be used should be for a long time, balancing the performance and the sustainability.
Green price, green packaging and distribution

Pricing is as critical in green marketing as in conventional marketing. Only a few customers are ready to pay the premium price for the green products as they understand the additional benefits of these products for the environment and sustainability. All the customers would not pay high just for environmental issues. Packaging should be done in such a way that reduces the waste and can the material can again be reused. It reduces the environmental impact of a product while also saving companies money. The use of paper bags rather than the plastic bags would be of great help. As a result of an increasing environmental awareness, more companies are adopting sustainable, or green, business practices. Green distribution practices range from changing the way distribution centers and vehicles are powered to implementing greater transparency regarding the environment and distribution practices. All products provide quality, price, performance and availability but the green products can add a factor of environment concern and sustainability.

VI. GREEN MARKETING STRATEGIES FOLLOWED BY THE FIRMS

The green marketing strategies are required by the green products from the production till the manufacturing of the product. The adoption of green marketing will result sustainable marketing by reorganization, restructuring and redesigning many processes and systems within the organization.

The strategies followed are:

**Defensive vs. Assertive**

The term green marketing to marketers attempts to develop strategies targeting environmental consumers. Furthermore, marketers should understand the environmental problems and be able to include these issues into the strategic marketing management process (McDaniel and Rylander, 1993). The two approaches to green marketing: defensive and assertive. Companies that use the defensive approach do the minimum in order to avoid negative consequences. To avoid penalties these companies meet only the minimum environmental regulations imposed by the government. The companies which take a defensive approach to green marketing will not encounter significant increase in market acceptance. These companies are not likely to gain a competitive advantage in this dimension. The second approach is an assertive approach. The companies that use the assertive approach have the best opportunity for a sustainable competitive advantage in this dimension. This approach often involves having the advantage of being a first mover. Also, the assertive approach responds to market incentives rather than government regulations. The first mover advantage requires good strategic marketing in order to create an image of a sincere environmental activist. This creates the basis for sustainable competitive advantage. Other benefits of the assertive approach include that government agencies are less prone to investigate and control the companies who adopt this approach.

**Lean green**

Companies using the Lean Green strategy try to be good corporate citizens but they are not focused on publicizing or marketing their green initiatives instead these companies try to reduce costs and improve efficiencies through environmentally friendly activities creating a lower-cost competitive advantage not a green one (Ginsberg and Bloom, 2004). These companies want to follow the rules and regulations, but do not expect to see substantial money to be made from the green market segments. Lean Green companies are usually uncertain about promoting their green activities and the green product attributes for fear of being held to a higher standard. The companies are afraid of not being able to live up to its claims or differentiate themselves from competitors (Ginsberg and Bloom, 2004).

**Defensive green**

When defensive green is used as a marketing strategy, it is used as a precautionary measure, or as a response to a crisis or to competitors’ actions. Companies recognize that green market segments are important and profitable constituencies that they cannot afford to separate from. Therefore, they use defensive green strategy in order to enhance
brand image and ease the damage. On the other hand, by using this strategy companies cannot differentiate themselves from competitors on the basis of greenness. The efforts to promote and publicize companies’ environmental initiatives are irregular and minimized despite those initiatives being truthful sometimes (Ginsberg and Bloom, 1994). When using the defensive approach, companies engage in activities such as sponsoring smaller environmentally friendly events and programs.

**Shaded green**

Shaded Green companies focus on having long-term, system wide, environmentally friendly processes that require both significant financial and nonfinancial commitment. Shaded Green companies see green activities as an opportunity to create innovative needs-satisfying products and technologies. From this the shaded green companies hope to achieve a competitive advantage (Ginsberg and Bloom, 2004). These companies usually have the power and capability to differentiate themselves on greenness, but instead they choose to profit from highlighting other attributes. These attributes are usually the direct, tangible benefits provided to the customers. This type of promotion is most efficient when promoting products that have the ability to help the consumer save on recurring costs, such as energy, fuel and electricity.

**Extreme green**

Companies using extreme green as a marketing strategy are embodied with holistic philosophies and values. In these companies the environmental issues and responsibility are fully incorporated into the business and product life-cycle processes. Their practices include life-cycle pricing approaches, total-quality environmental management and the manufacturing for the environment. Companies that use extreme green as a marketing strategy mostly serve niche markets and sell their products or services through boutique stores or specialty channels (Ginsberg and Bloom, 1994).

**VII. OPPORTUNITIES AND CHALLENGES IN GREEN MARKETING**

The companies adopting green marketing have the advantages of long term sustainable growth with profits, saves a lot of money, the companies diverse to new markets and have competitive advantage over non green users.

As people are becoming more concerned for the environment, the benefits of adopting green marketing are increasing (Polonsky, 1994). Companies that have adopted green marketing into their corporate strategy can enjoy sustainable competitive advantage over the companies who are marketing non-environmentally responsible alternatives (Polonsky, 1994). Also, first-movers that adopt green marketing improve their image by reacting to market incentives instead of government regulations (McDaniel and Rylander, 1993). As demand changes, many firms see these changes as an opportunity to exploit and have a competitive advantage over firms marketing non environmentally responsible alternatives. The Surf Excel detergent which saves water and the energy-saving LG consumers durable are examples of green marketing. McDonald's replaced its clam shell packaging with waxed paper because of increased consumer concern relating to polystyrene production and Ozone depletion.

**Pressure by the government**

The government has framed various legislations to protect consumers and the society at large by reducing the production of harmful product, those detrimental to the environment; for example, the ban of plastic bags, prohibition of smoking in public areas, etc. They can reduce production of harmful goods or by-products and modify the consumer’s choices. The government also ensures that all types of consumers have the ability to evaluate the environmental composition of goods. Government establishes regulations designed to control the amount of hazardous wastes produced. They also issue various environmental licenses in order to control by-products of production, which modifies organizational behavior (Polonsky, 1994). Furthermore, governments try to encourage final consumers to become more environmentally responsible. This triggers companies will to become environmentally responsible, as they satisfy their customers better.

**Competition**

The social responsibility of the firms has made them achieve environmental objectives as well as profit related objectives. This results in environmental issues being integrated into the firm's corporate culture. The urge of the organizations to be in the top position can cause an entire industry to modify and thus reduce its detrimental environmental behavior. For example, it could be argued that Xerox's "Revive 100% Recycled paper" was introduced a few years ago in an attempt to address the introduction of recycled photocopier paper by other manufacturers.

**Challenges**

The firm has to face many problems while stepping the way of Green marketing. Since green marketing support green products, services, green technology, green energy; a lot of money has to be used up on R&D program. The firm have to encourage the customer about their green product by implementing Eco-labelling schemes. Green marketing will be successful only in long run but the firm may give up on Green marketing concept or be forced to practice unbalanced means to cut cost to continue in the competition and thus the total idea of going green will be a scorn.

**New Approach**

The concept of green marketing is in the nascent stage. The consumers are getting aware about the merits of green products. The consumer has 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. The Indian consumers follow the healthy living so they will be inclined to accept the green products.

Credibility
The activities by the firms using green marketing must ensure that they are not misleading to consumers or industry, and do not breach any of the regulations or laws dealing with environmental marketing.

Obligation for Standardization
There is a lack of standardization to authenticate the green products. There is no standardization to certify a product as organic. Regulatory bodies have to be involved in providing the certifications to the products. A standard quality control board needs to be in place for such labeling and licensing.

No adequate policies
The governmental regulation is designed to make the consumers aware or to motivate them to be more environmentally responsible, there is difficulty in establishing policies that will address all environmental issues.

Avoiding Green Myopia
Green marketing focuses on the customer benefits and their satisfaction. The businesses have to motivate consumers to switch brands or even pay a premium for the greener alternative. If the customers are not satisfied this would lead to green myopia. Also if the green products are priced very high then again it will lose its market acceptability

VIII. CONCLUSION
Green marketing is an approach by the organizations and the industries to produce the green products and protect the globe. Green marketing is a continuous process that requires constant inputs from the suppliers, government legislations and policies and the people. Marketers are making the consumers understand the need and benefits of green marketing and the consumers are willing to pay premium price for the products to maintain a cleaner and greener environment. Green practices result in financial and market performance by balancing holistic development with environmental sustainability. This would result in having a competitive advantage over the non green users. Green marketing makes business become socially responsible. The non green business organizations have to shift from the traditional marketing strategies to green marketing strategies with a huge investment in technology, research and development and opting for the elements like the green design, green labeling, green packaging and green distribution. The green products should become economically and ecologically viable. There is a lot of potential in the nation but the concept has to be taken to nook and corner of the country. India is a growing economy for its development it should follow effective ways for energy and environment sustainability. As green marketing is acting as a link between the consumers and the organizations the concept has resulted in social responsibility. The government has to make stern laws to follow green steps to overcome the detrimental effects on the planet. Clear information should be given to the users of the products and their sustenance. The sustainability can be achieved by focusing that environmental costs must be included in the economic costs of a product, cost saving should be given the priority, industrial structures should be restructured, distribution should be made more effective, strategic alliances should be made between firms for spreading the new green innovations. The business organizations have to follow different strategies in order to get benefits from the environmentally friendly approach as green marketing offers business incentives and growth opportunities while it may involve start-up costs, it will save money in the long term. The need for the standardization of the policies, government pressure, and reduction of the green marketing myopia will help in reducing the carbon footprints and minimizing the toxicity. It is the fundamental responsibility of the marketers to innovate and adopt new marketing strategies those would safeguard our eco system as well as satisfy the consumers.

REFERENCES


