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“Green Revolution In Marketing: Need Of The Hour In Changing Business Environment”

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Abstract:

Environmentalism has become a buzzword today. In India concern for the environment has considerably heightened in recent years and this is evident from the increasing enactment of environmental legislations and judicial activism. And to survive in this changing environment Business firms have also started turning ‘green’ and embracing green marketing practices to conform to green pressures and environmental legislation. Smart business houses have accepted green marketing as a part of their strategy. At present green marketing is becoming more and more important to businesses because of the consumer’s genuine concerns for limited resources available on the earth. By using green marketing measures to save the earth’s resources, businesses are showing consumers they too share the same concerns, boosting their credibility. Green marketing is still in its infancy and a lot of research is to be done on this with a view to explore its potential fully. The objective of this paper is to introduce the term and concept of green marketing and find out the advantages corporate achieved after adoption of the green marketing. In this paper we have done a feasibility study of green marketing for business organization in Delhi and try to analysis that how aware are the manufactures about green marketing also explains a number of problems hindering the adoption of the green marketing. In this paper we try to describe the steps must be taken by the government to promote green strategy. This paper also examines the present trends of green marketing in India and look into the future of such marketing. From the above research we can conclude that Marketing approaches should be customer plus environmental oriented for sustainable growth and development of future generation. The organization has to plan and then hold research to find out how feasible it is going to be. There is a need for shift in the pattern of the way the business houses think about their role in attaining sustainable development.

Key words: Marketing, Consumers, Environment, sustainable Development, Green Marketing.

1.Introduction

Environmentalism has become a buzzword today. As a result of pressure from green lobbyists and growing ecological legislations, consumers and business firms have started turning green. Business firms have started accepting what has come to be known as ‘corporate environmentalism’ – green manufacturing facilities, processes and green marketing strategies. They have come a long way from being ‘business friendly’ too becoming ‘consumer friendly’ and even becoming ‘environmentally caring’ too. Consumers too have started demanding green products, giving rise to a movement which has been dubbed as ‘green consumerism’. Markets are today flush with environment friendly products – products that are resource conserving, energy saving, biodegradable and recyclable. Though the green trend is not only more discernible in the developed countries but also it has gradually started gaining position in the developing countries. Concern for the environment has significantly heightened in current years and this is apparent from the increasing enactment of environmental legislations and legal activism in India. Business firms have also on track of turning ‘green’ and implementing green marketing practices to meet the green pressures and environmental legislation, Some businesses have been quick to accept concepts like environmental and waste management systems, have integrated ecological issues into all business activities. Organizational area where environmental issues have received a great deal of discussion is Green Marketing. Till now, people are mostly considered green marketing to refer exclusively to the advertising or promotion of products with environmental characteristics or even just one environmental characteristic. Terms such as environmentally friendly, natural, recyclable, and biodegradable have been used to market products as green. However, because of the ambiguity of these terms, they have also sometimes been used to mislead the public.

Green marketing, however, is now much more advanced, and it encompasses wider issues. Just as marketing deals with a wide range of issues, green marketing must also do the same and so cannot be limited simply to advertise. This shows that all the activities of the company are part of the product that is consumed, or the services that are given. Thus it is not just the finish product that is considered.

Thus "Green Marketing" is a concept wherein the manufacture, marketing, use & throwing away of products & services occur in a way that is less harmful to the environment with growing knowledge of global warming, harmful impact of pollutants, non-biodegradable solid waste, etc. Many terms are used to capture the essence of green marketing and these ranges from sustainable marketing, environmental marketing, and ecologically correct marketing to ecological marketing.

According to The American Marketing Association, —Green or Environmental Marketing consists of all activities designed to generate and facilitate any exchanges intended to satisfy human needs or wants and that the satisfaction of these needs & wants occur with minimal harmful impact on the environment. So we can say that Green Marketing includes manufacturing & providing good quality products to the consumers at the same time they are not harmful to them even in the long run. - Utilize the resources for development in such a way that it will enable the future generation to use the resources to meet their requirements leading to Sustainable Development. - Framing & implementing policies which will not have any harmful effect on the environment i.e. in present as well in the future.

2.Objectives Of Green Marketing

The motive for wanting to go green is

2.1.An Opportunity

It appears that all types of consumers, both individual & industrial are becoming more concerned and aware about the environment. These days, firms selling goods with ecological characteristics have realized a competitive gain over firms' marketing non-environmentally responsible alternatives. For example McDonald changed its clam shell packaging with waxed paper because of the increased concern of the consumers about ozone depletion. Some of the marketers even take the green marketing concept as an opportunity which would help them in achieving the objectives more easily.

2.2.Cost Or Profit Issues

Firms may also apply green marketing in an effort to attend to cost or profit related issues. Removing the environmental hazardous by-products, for instance polychlorinated biphenyl (PCB) polluted oil are becoming increasingly costly and in some complex cases. As a result, firms that can reduce harmful wastes may gain sizeable cost savings. When trying to minimize waste, it becomes compulsory for the firms to re-examine their production processes. In this case they usually develop a more effective production process in which we require fewer raw materials that reduces waste, this results in dual cost savings. In other cases firms try to find out end of pipe solutions, instead of reducing waste. In this situation firms try to find out markets or users for their waste materials, where the firm's waste becomes another firm's input of production. An Australian example of this is a firm who produces acidic waste water as a by- product of production & sells it to firms involved in neutralizing base materials.

2.3.Competitive Pressure

Another major force in the ecological marketing area has been firms' aspiration to retain their competitive position. In many cases firms examine competitors that are promoting their environmental behaviour & attempt to emulate this behaviour. In some cases this competitive pressure has caused the entire industry to transform & thus reduce its harmful environmental behaviour. Example, it can be argued that Xerox's 100% Recycled paper was introduced a few years ago to deal with the Introduction of recycled photocopier paper by competitors. In another eg, when one of the tuna manufacturer stopped using driftnets the others followed suit.

2.4. Social Responsibility

Many firms have now realized that they are the members of the wider community & hence must behave in an environmentally friendly way. This helps with environmental issues being incorporated into the firm's corporate customs. Firms in this condition can take two perspectives is one they can use environmentally responsible behaviour as a marketing tool another is they can become responsible without promoting this fact. There are firms adopting dual strategies. Firms for eg. The Body Shop encourage the fact that they are environmentally responsible. Although this behaviour results in competitive advantage, the firm was established to offer consumers environmentally responsible alternatives to conventional beauty goods. This idea directly ties itself to the whole corporate culture, rather than simply being a competitive device. An example of a firm that does not promote its environmental initiatives is Coca-Cola. Which have invested huge sum of money in various recycling activities, as well as having changed their packaging to minimize its environmental impact. Even being concerned about the environment, Coke has not used this apprehension as a marketing tool.

2.5. Governmental Pressure

Governmental laws of environmental marketing are planned to protect consumers in many ways one is to lessen the production of harmful goods & by-products another is to modify industry's & consumer use and consumption of unsafe goods next is to ensure that every type of consumers has the capability to measure the environmental composition of goods. The India's capital was getting polluted at a very fast speed till Supreme Court of India forced a change of In 2002, a directive was issued, to curb pollution, is to adopt CNG in all public transport systems. One of the more recent environmental regulations set by governments has been the establishment of guidelines to control green marketing claims. These regulations comprise the Australian Trade Practices Commission's (TPC) guideline Environmental Claims in Marketing , the US Federal Trade Commission's (FTC) Guideline for the

Use of Environmental Marketing Claims and the laws suggested by the National Association of Attorneys General. These regulations are all designed to ensure consumers have the appropriate information which would enable them to evaluate firm's environmental claims.

3. Size Of The Market Of Green Products

In India, around 25% of the consumers prefer environmental-friendly products, and around 28% may be considered healthy conscious. Therefore, green marketers have sizeable segments. Thus, governmental attempts to protect consumers from false or misleading claims theoretically offer customers with the ability to make more knowledgeable decisions.

The MNCs & large scale organizations are practicing environment friendly practices. This study tries to find out to what extent the small and medium scale manufacturers believe in implementing them.

4. Green Marketing-Need

At present, challenge is to keep the customers on the one hand and keep our natural environment safe on the other hand. Due to absence of green management, many Companies may lose many faithful and profitable customers. Nowadays in innovative business world of high technology due to rising community and consumer interests in socially responsible and green products and due to increased community stress on companies to internalize externalities, neighborhood amenity, such as health issues, climate change, governmental legalizations and initiatives; improved resource and energy efficiency, innovative technologies and approaches of dealing with pollution, it is very much urgent to implement green marketing. Green management helps in producing new environment friendly customers which to help to increase in profits and sales of an organization that leads to development and growth of business. Green marketing is required to have good public image of the business. In the current times when the government regulations in the whole world are very strict and the entire world is worrying about global warming, environment protection and climate change companies would have no option but to take up green marketing otherwise it may be too late to survive in the greener world. Green marketers have different and sizeable segments to supply to. Many companies have now realizing that they must use environment-friendly technique and should stress on both profit related objectives and achieving environmental objectives. These days many companies using green marketing to face competition and to create and maintain competitive edge.

5. Objectives Of The Study

- In his study we try to know whether the small and medium scale manufacturers believe in Importance of green marketing practices in their business.
- This study is to verify whether companies take their environmental responsibility sincerely or they are using this because of market adaptation to environment legislations to satisfying only the minimum standards of being green.
- Next research objective is to know which factors motivates companies to take on green marketing
- objective is to know the problems faced by the companies when they try to use green marketing.
- And also try to find out that whether green marketing gives a competitive edge to the manufacturers.

6. Methodology

This is an Empirical research on manufacturers situated in Delhi and NCR, India. The data is collected through survey method. Convenient Sampling Method is used to select the respondents as manufacturers were hesitant to give information. Data was collected from 102 respondents.

7. Findings

The data collected through questionnaire was analyzed, the views of the manufacturers were taken and percentages were derived which are shown in the form of charts. The findings are:

The respondents are divided on the basis of the type of product manufactured and the percentage was derived

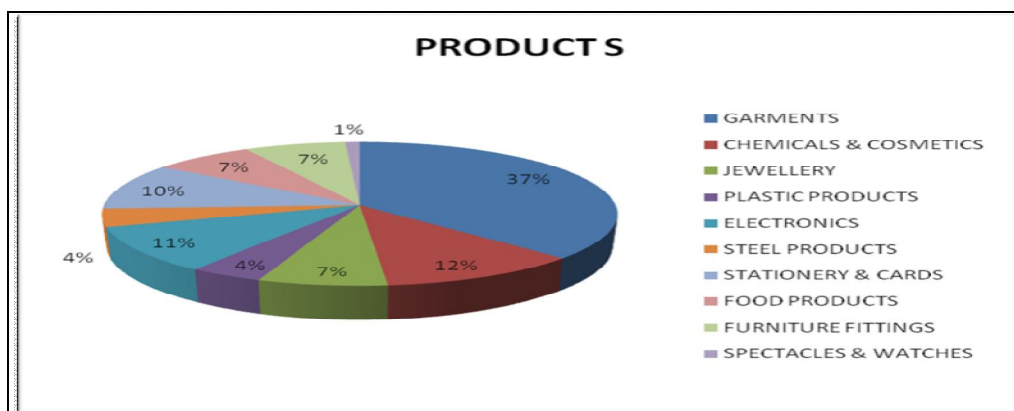


Figure 1

The figure 1 shows that 37% respondents were manufacturing garments; 12% manufactured chemical and cosmetic products; 4% manufactured Plastic products : 11% manufactured electronic products, 4% manufactured Steel products, 10% manufactured stationery items; 7% manufactured Food products, Furniture and Fittings;; remaining 1% were manufacturers of Spectacles and Watches. Figure 2 shows under is the consolidated graphical presentation of the responses of the various manufacturers responses.

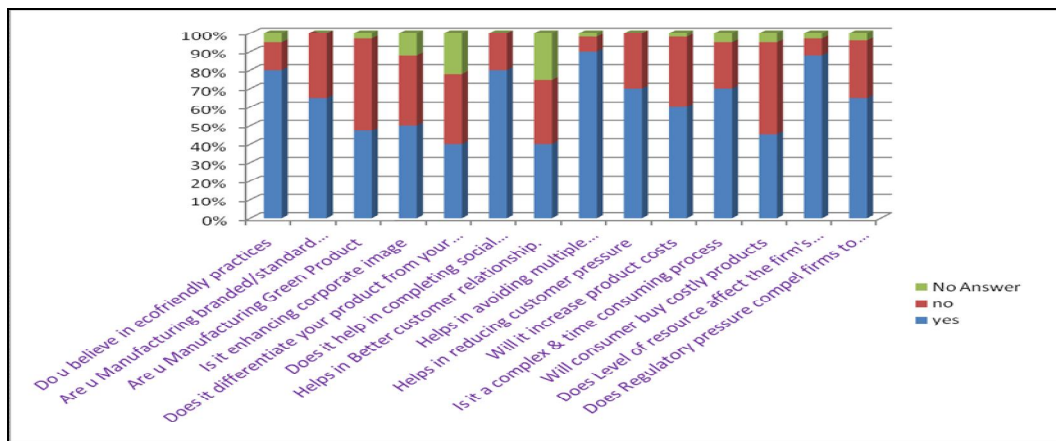


Figure 2

Through this study we come to know that green marketing helps the firm in achieving their objective like by helping in increasing corporate image, help in differentiating their product from competitors, helps in completing social responsibility, helps in development of better customer relations, and also helps on avoiding multiple permits, regulations and inspections.

8.Problems

Even if many firms are using green marketing, it is not an easy job because there are a many problems which need to be addressed while Implementing Green marketing. The major problems of Green marketing are: Even if consumer is getting aware about Green products. But still it is a new concept for most of the people. The consumer should be educated and made conscious of the environmental pressure. This green movement should reach all the people but it will take a lot of time and effort. Even if at the starting profits are less because of use of renewable and recyclable products and green technologies are more expensive but in long run green marketing will be successful. So the business should plan for long term rather than short term strategy.

The firms practicing Green marketing may face non corporation from the stakeholders and many a times it may fail to convince them in the long run Green marketing will be beneficial even if it is expensive in short run. Green marketing means marketing of green products & services, green technology, green power & energy for their development research is required a lot of money which may lead to increased costs. Green marketing is a complex and time consuming procedures so manufacture have to be patient to be successful which is tough. Some time manufacturer want to use green marketing but scarcity of resources stop them from doing so because going green require extra cost. Before going green manufacturer have to see that whether customer will be ready to pay more for green products because green products are mostly costlier then other products. The firm may give up on Green marketing or be enforced to practice unfair means to cut cost to sustain in the competition and thus the entire idea of going green will be a farce.

9.Trends Of Green Marketing In India And Its Future

Though green marketing has become importance in the last two decades but its usage dates back to the 1890s (Kuhre, 1996). From the foregoing discussion it is clear that environmentalism has gained importance in India The Indian government has also done a lot in promoting green marketing and environment friendly practices by way of banning plastic bags, helping its auto industry to develop greener vehicles, by investing in greener cars the Government of India building an infrastructure that will reduce emissions & generate economic growth. The government is promoting green buildings construction & using alternate sources of energy by companies. Governmental Bodies are compelling Firms to become more eco friendly. The government forces the firm to adopt policy which reduce production of harmful goods & protects the interests of the consumers, Modify consumer and industry's consumption of harmful goods & Ensure that all types of consumers can evaluate the environmental composition of goods. Government has launched the Scheme of Labeling of Environment Friendly Products (ECO-MARKS), 1991. The scheme helps to provide an incentive for manufacturers and importers

to reduce unfavorable environmental impact of products; assist consumers to become environmentally. Reich and Bowonder (1992) have divided India's environmental problems into the old problems of sewage, water, waste disposal, and pollution related to poverty and infectious deceases. The new problems focus on chemical usage in agriculture, industrial pollution and the growing amounts of wastes difficult to dispose off, connected to a structural change of the economy.

Industrialization is synonymous with economic development. It has helps in alleviation of poverty and raising standards of living. Local communities as well as the government have now s realizing that unregulated development causes serious threats to human

health (D'Souza and Peretiako, 2002) and increase environmental damage. The structural dualism of supporting economic growth with a growing population and trying to balance environmental issues has emerged as a serious problem for the planners in the country. In 1972 after the Stockholm Conference on Human Environment in India developed its own environmental control systems, laws and policies. The Forest Act 1980 for Conservation of forest, The Water (Control & Prevention of Pollution) Act, 1974, Manufacture, Storage and Import of Hazardous Chemical Rules, 1989, Hazardous Wastes Rules 1989, Re-cycled Plastics Manufacture and Usage Rules, 1999, The National Environment Tribunal Act, 1995. The Narmada Bachao Andolan, Ganges Action Plan, ban on use of plastic bags, implementation of Euro II norms and various Court judgments relating to environmental issues are just a few examples of the growing environmental concern in the country. Various laws have been enacted to protect the environment. India is one of the signatories to the international convention to reduce pollution. As per the convention, the government has put a ban on the 15 year old vehicles and use of diesel vehicles in order to control vehicular pollution in cities like Delhi, Hyderabad and Mumbai. So the problem of India is not that the country has insufficient laws to fight environmental problems. The major hurdle is the poor enforcement of law.

Other problem is It is not easy to establishing policies at the corporate level that tackle all the environmental issues. Even though a firm is wants to adopt a green policy, it is vary expensive because it involve modifying the whole marketing process. A higher risk is associated in the employing green marketing strategies as a competitive tool because there is uncertainty involved as the environmentally responsible action taken today might turn out to be hurtful in the future. A firm can come back to square one and have to start, once again, the entire greening process. The other problem with green marketing is that consumers get confused over too many claims and terminology such as eco-safe, environment friendly, recycled, recyclable and biodegradable. Next problem is business firms don't understand the green marketing concept properly. Many a firm uses green marketing only as a tactic to promote its commercial interests. we mostly see towards government to protect the environment. But there is a limit to which government and NGO's and environmental laws can combat environmental problems. The success of any such movement depends on the acceptance of green ideas and products by consumers. Unless the consumers at their own turn green and start demanding green products, business firms will not have much encouragement to go green.

So in future for effective green marketing requires making use of good marketing principles to make green products popular for consumers. For this firms must

- Design good environmental friendly products and deliver desired value of environmental products the consumer.
- Target appropriate consumer market segments.
- Giving marketing messages that connect environmental attributes with consumer value to the consumers to educate them.
- Use environmental product and claims consumer benefit that are specific and meaningful.
- Obtain eco certifications from trustworthy third parties and inform consumers about the meaning behind those eco-certifications.
- Green consumers buy with their heads as well as their hearts, so make both rational and an emotional appeal.
- Green is not black and white. Consumers embrace sustainable product benefits with a range of acceptance. Some consumers are extra ready than others.

10. Some Example Of Green Marketing

- **Samsung and Godrej:** Samsung and Godrej have planned to make complete Product range Energy proficient and to launch Product recycling.
- **Tata Steel:** Tata steel is the country's leading private sector steel maker is adopting nano technology based products to lessen emissions and improve efficiency.
- **Liberty:** Liberty is the footwear which uses and promotes green shopping bags
- for image building
- **Delhi Government:** Chief Minister Mrs. Shiela Dikshit launched E-rickshaw which is battery-operated, to promote eco-friendly transportation in the city .
- **Maruti Udyog Limited:** It is firm which have explicitly evolved environment policy. Its four fold environment policy aims at constantly maintaining and improving the environmental performance of its products ,activities and services; reducing pollution, maximizing resource and minimizing waste efficiency; and increasing environment awareness and commitment of business associates and company employees .
- **Bharat Heavy Electricals Ltd. (BHEL):** This firm too is a eco-considerate firm which is using eco-friendly power generation technology, India is thus the fourth largest country after US, Germany and Japan in the world to have developed such technology

11. Conclusion

From the above we can conclude that Green marketing is not an simple concept to follow. Green marketing has to grow since it is at the infancy stage. In the short run, Adoption of Green marketing may not be easy, but in the long run it will surely have a positive impact on the firm. It can do great change in the world of business if all nations will make strict rules because green marketing is essential to save world from pollution. A true marketer is one who not only convinces the consumer, however includes the consumer in marketing his product. Don't see Green marketing as another approach to marketing, but has to be used with much greater force, as it has an environmental and social dimension to it. With the threat of global warming threatening large, it is important that green

marketing becomes the norm rather than an exception. The economic aspect of green marketing should not be neglected because ecological issues are the focal point of green-marketing decision-making. Marketing approaches should be environmental plus customer oriented for sustainable growth and development of future. Marketer should understand the importance of eco marketing and have to be very caringly towards ethical and environmental aspects as well, or they may have to bear a higher price in near future. The important factor is to understand the consumer's perception about the environment and to build up a sense of moral obligation in every person. The marketer should increase such awareness among its customers and then adopt green marketing with a bonus. More research studies are needed to observe the business firms' awareness of environmental issues and the factors that motivate them to go for green marketing practices.

So we can say at the end that govt should

- Support and encourage the manufacturers who are producing green products by giving them subsidies.
- Give Tax holidays and tax incentives to the manufacturers as green marketing is expensive.
- Give financial assistance in the form of easy loan facility to equip for manufacturing green products.
- Go for promotion of Eco-labeling or Eco-mark to create awareness among manufacturers and consumers.

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