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## Green Marketing: Buzzword for New Age Marketers in India

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**Abstract:**

*Marketing is the concept which concerned with an exchange process that take place in a natural environment. Any commercial activity requires resources from its environment in the form of energy, raw material etc. This continuous exchange process leads the depletion of natural resources available in the earth. This paper concerns with the concept of adopting the go green concept in the marketing strategies of the firm and the opportunities and challenges that have forced to include this concept in their activities. Increasing awareness on the various environmental problems has led to a shift in a way consumers go about their life. It includes the concept of Green Marketing, its marketing mix, its advantages and disadvantages. The paper throws light on the future potential of Green Marketing concept. There is a need on part of corporate to change their mindset form Traditional Marketing concept to Green Marketing concept in order to survive in this competitive environment.*

**Keywords:** Green Marketing, Green Products, Strategy

### 1. Introduction

The marketing activities concerned with the exchange process in the form of input and output. To proceed with any commercial activity it need inputs from environment in form of energy, raw material .etc. and provided final goods and services in the form of output to the people. This exchange process take lot of resources from the environment and replaces a lesser to it. The deterioration of environment caused by the over consumption and utilization of natural resources from the consumers is always the concern of the public. With an increase in social and political pressure, many firms are including the concept of green in their marketing strategies and are exploiting the concept of environmental concern as a source of competitive advantage. Now a day's people are more getting more and more concerned about environmental issues and the impact of economic activities on the environment. Both the marketers and the consumers felt an urgent need to switch to green products which may appear expensive in short run but it will definitely prove to be an advantageous one in the long run. A business gets resources from the society and thus it's imperative that it need to be emphatic to their concerns as regards protection of environment is concerned. Consumers have started to show interest in green products and the appetite to spend more on such products has also increased. Moreover, Green Marketing improves the bottom lines of the companies and top line growth possibilities. The growing awareness among the consumers to have a clean and safe environment has led the corporate to think twice before producing products that might have harmful impact on environment. So, in a real sense environmental protection is necessary through a much famous concept called Green Marketing concept.

Green Marketing entails the development and marketing of products designed to minimize negative effects on the physical environment. Green Marketing as the study of all efforts to consume, produce, distribute, promote, package, and reclaim products in a manner that is sensitive or responsive to ecological concerns. The inclusion of all efforts to consume recognizes that many entities are involved in Green Marketing. Green Marketing is not limited to government or nongovernment organizations, nor is it solely an activity undertaken by consumers. Manufacturers, wholesalers, retailers, and services firms each has opportunities to contribute in the field of Green Marketing.

### 2. Literature Review

Peattie (1995) defined Green Marketing as a managerial process to identify, process and meet society's and consumer needs via a sustainable and profitable procedure. Charles W., Lamb et al (2004) explained that Green Marketing has also become an important way for companies to build awareness and loyalty by promoting a popular issue. By positioning their brands as ecologically sound, marketers can convey concern for the environment and society as a whole. Saranya (2011) analyses that Green Marketing mainly focuses on promoting the consumption of green products. Marketers also have the responsibility to make the consumers understand the need for and benefits of green products than non-green products. Polonsky (1994) advocated Green Marketing or Environmental Marketing includes all activities that are designed to facilitate the transactions in order to meet human wants and needs in a way with the least adverse effect on living environment. Peattie (2001) advocated Green Marketing has three phases. 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 2000s. Maheswari and Malhotra (2011) have dictated in their study the concern of people towards environment as “Indian literate and urban consumer is getting more aware about the merits of Green products”. The People around the world are becoming more aware of the environmental stresses that the humans are placing on the planet. Large masses of consumers display concern about environmental deterioration. Weilling and Chavan (2010) have propounded that 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. Selvakumar & Ramesh Pandi (2011) indicated that Green Marketing is not all about manufacturing green products and services but encompassing all those marketing activities that are needed to develop and sustain consumers’eco-friendly attitudes and behaviours in a way that helps in creating minimal detrimental impact on the environment. Murugesan (2008) underlined that firms may use Green Marketing as an attempt to address cost or profit related issues.

As Srikant and Raju ( 2012) have proposed that “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”. And sustainable development can be achieved through managing and maintain level of economic resources along with consumer satisfaction The global survey of Synovate 2007 and 2008 in association with Aegis and BBC World found that consumers are becoming more aware and willing to act on environmental concerns. However, most of such studies on green philosophy and Green Marketing are done in developed countries but such studies however, remain conspicuously missing in the context of developing economies like India. The study by Sandhya Joshi (2011) pointed that Environmental issues have gained importance in business as well as in public life throughout the world. Clearly Green Marketing is part and parcel of overall corporate strategy; along with manipulating the traditional marketing mix - product, price, promotion and place. Smart business houses have accepted Green Marketing as a part of their strategy.

Indranil Mutsuddi & Rimi Mutsuddi (2009) found that there is overall consensus among the respondents about the initiatives in workplace like paperless office, use of teleconferencing to reducing travel, training and introduction of waste management practices and introduction of wellness program for healthy work life have been very effective. Tiwari, Tripathi, Srivastava and P.K (2011) have advocated that shift to the “green” may appear expensive in the short term, but it definitely prove to be indispensable and advantageous in long run. The study by Welling & Anupamaa S. Chavan (2010) analysed Green Marketing is not going to be an easy concept. The firm has to plan and then carry out research to find out how feasible it is going to be. Green Marketing has to evolve since it is still at its infancy stage. Adoption of Green Marketing may not be easy in the short run, but in the long run it will definitely have a positive impact on the firm. Nandini Deshpande (2011) has pointed out that Green Marketing should not neglect the economic aspect of marketing. Marketers need to understand the implications of Green Marketing. Thus Green Marketing is a golden goose, and can be a very powerful marketing strategy though when it is done right.

### 3. Objectives

- To discuss the concept of Green Marketing.
- To study the advantages and shortcoming of Green Marketing.
- To discuss the various Green Marketing strategies adopted by companies.
- To identify the future potential of Green Marketing.

### 4. Research Methodology

The research paper is descriptive in nature. The study is based on secondary sources of data that has been obtained from various published sources, websites, books, articles, journals and company(s) database.

### 5. Concept of Green Marketing

Green Marketing is a holistic marketing concept wherein the production, marketing consumption and 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. It refers to the process of selling products/services based on their environmental benefits.

According to American Marketing Association-Green Marketing is the marketing of products that are presumed to be environmentally safe. Thus it 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 as it takes several meaning and contradicts with each other, as it is viewed in the existence of varying social, environmental and retail definitions. While the green product has been defined by Ottman (1998) as “a product in which typically nontoxic, made from recycled materials, or minimal packaged”. Pavan (2010) has characterised green product as which is based on features including original grown, recycle/reusable, contains natural ingredients, contains recycled content, do not pollute environment and contain approved chemical and not tested on animals.

Kumar (2012) has viewed Green Marketing concept as a realistic concept, as it involves activities which helps in implementing and adopting such policies, programmes and activities which are helpful in safeguarding the environment. Again the author has viewed it as holistic concept where production, marketing consumption and disposal of products and services happen in a manner that is less detrimental to the environment with growing awareness about the implication of global warming, non-biodegradable

waste, solid waste, harmful impact of chemical pollutants.etc. Both consumers and marketers are becoming more and more concerned about safeguard of environment and switching over to the concept of green.

## 6. The Green Marketing Mix

Marketing mix is a business tool used by marketing professionals to an unprecedented extent in marketing industry. Marketing Mix entails 4P's namely Product, Price, Promotion and Place but in view of the changed scenario, Green Marketing concept in marketing strategies required inclusion of additional P's in addition to already existing ones namely Public, Partnerships, Policy and Purse Strings.

- **Product:** A product is anything that satisfies consumer needs or wants. The ecological objectives in planning of products are to reduce resource consumption, pollution and to increase the conservation of scarce resources. Products that can be recycled and have environmentally responsible packaging with green labels.
- **Price:** Price is the determining factor behind valuation of offerings. Prices of such green products may be little higher than the other products and the consumer will be ready to pay the premium price if there is a perception of getting extra value in the form of improved performance, function, design, visual appeal and taste.
- **Promotion:** A promotion refers to the communication effect on the market. According to Kumar (1994) there can be three types of Green Marketing advertising: a) Advertisements which addresses relationship between a product/services and biophysical environment; b) The advertisement which promotes a green lifestyle and c) Advertisement that present corporative image of environmental responsibility.
- **Place:** It refers to the choice of where and when to make a product available to the consumers as this has a huge impact as very few go out of the way to buy such green products simply for the sake of it. Managing logistics to cut down on transportation emissions is also important aspect of this element.
- **Publics:** Public is the multiple group of people which are both external and internal to the organisation. External publics include target audience, secondary audience, policymakers and gatekeepers, while internal publics refer to those people who are involved with implementation of Green Marketing concept.
- **Partnership:** It is complex and difficult for one person to take initiative of green; therefore it requires the association with the other group and teams to strengthen the efficiency
- **Policy:** Changes in the policy are needed for long run to motivate individual behaviour change.
- **Purse Strings:** It refers to what is the cost of implementing the green strategies and who is funding the effort. These are the various marketing mix elements which helps the organisation to focus on green business practices and its proper implementation. Each of the elements of this mix should be handled carefully.

## 7. Opportunities behind Adoption of Green Marketing

There is a large mass of consumers who prefer environmental friendly products. In India around 25 percent of the consumers prefer environmental friendly products including both individual consumers and industries. Nowadays, marketing firms who adopt the concept of green have realized a competitive advantage over the other non –environmentally responsible alternatives and thus there are following reasons why companies venture into the Green Marketing concept:-

- **Social Responsibility:** Various firms have realised that they are the part of the community as they get resources from society so they must behave in environmentally responsible fashion. This translation led the firms to believe to achieve both environmental and profit relative motives, which results the integration of environmental issues into the corporate culture.
- **Governmental Pressure:** Various regulation by government relating to the environmental marketing are designed to protect consumers in several ways like, reduce production of harmful goods or by-products; modification in the use of harmful products by industry and consumers and ensuring that all type of consumers are able to evaluate environmental composition of goods. Like in some cases government imposes tax on individuals who act in an irresponsible way. The Indian government has also developed a legislation to reduce the production of harmful goods and by products. For example: ban of plastic bags, prohibition of smoking in public areas.
- **Competitive Pressure:** Another major factor which has led the adoption of environmental marketing is the firm's desire to maintain its competitive position. In many cases it is observed that firms promote their environmental behaviour to reap benefits of the society and this pressure causes industries to modify and reduce their detrimental environmental behaviour. For example, Xerox's company had introduced "Revive 100% Recycles paper" a few years ago in an attempt to address the concept of recycled photocopier paper by other manufacturers.
- **Cost Reduction and profit issue:** Cost can be saved by the reduction in the production of harmful wastes. Many companies enter into symbiotic relationship where the waste generated from one company is used as a raw material by another company. For example, the fly ash generated by thermal power plants which is used to manufacture fly ash bricks for construction purpose which otherwise would have contributed to a gigantic quantum of solid wastes. In order to focus on these issues firms need a modification in their production processes. Firms should develop strategies which not only reduce production of wastes but also reduce the consumption of raw material.

## 8. Advantages of Green Marketing

Companies have become more responsive to the needs of the customers to have environmentally less damaging products so companies are eventually making a move towards becoming green as it entails following advantages:-

- It ensures sustained long-term growth along with profitability
- It helps companies market their products and services keeping the environment aspects in mind.
- It helps to access the new markets and enjoying competitive advantage.
- Most of the employees also feel proud and responsible to be working for environmentally responsible company.
- Access to new and untapped markets.
- It saves money in the long run, though initially the cost is more.

### 9. Shortcomings of Green Marketing

In spite of several benefits, following are the shortcomings associated with Green Marketing:-

- Green Marketing requires huge investment in Research and Development from technology point of view so it's a costly affair.
- There is a lack of standardization to authenticate these claims made by Green campaigns. Indian literate and urban consumer is getting more aware about the merits of Green products. Green Marketing is still a new concept for the masses. The consumer needs to be educated and made aware of the environmental threats that will take a lot of time and effort.
- The investors and corporate companies 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. The corporate should not expect huge benefit for implementing Green Marketing immediately.
- Green Marketing focuses on customer benefits and environmental sustainability. If the green products are priced very high then it will lose its market acceptability and will lead to Green Marketing Myopia.
- Lack of cooperation from the stakeholders about the long term benefits as compared to short term expenses.

### 10. Companies Adopting Green Marketing Strategy

Many large companies today are joining in the race of adopting the concept of Green Marketing at the very earliest. Listed below are some of the companies which have taken this initiative. This shows commitment to do something worthwhile in this direction.

- **McDonald's** restaurant's napkins, bags are made of recycled paper. McDonalds replaced clamshell packaging with waxed paper, because of polystyrene production and ozone layer depletion.
- **Xerox** introduced a "high quality" recycled photocopier paper in an attempt to satisfy the demands of firms for less environmentally harmful products.
- **Body Shop** heavily promotes the fact that they are environmentally responsible. While this behavior is a competitive advantage, the firm was established specifically to offer consumers environmentally responsible alternatives to conventional cosmetic products.
- **Coca-Cola** has invested large sums of money in various recycling activities, as well as having modified their packaging to minimize its environmental impact. Coca-Cola pumped syrup directly from tank instead of plastic which saved 68 million pound/year.
- **Badarpur Thermal Power station of NTPC** in Delhi is devising ways to utilize coal-ash that has been a major source of air and water pollution.
- **Barauni refinery of IOC** has taken steps for restricting air and water pollutants.
- In an advertisement in National Geographic magazine in 2004, **Ford Motor Company** tried to convince readers of its commitment to the environment by announcing the launch of the Escape Hybrid SUV and the remodelling its River Rouge factory.
- **Kansai Nerolac Paints Ltd.** has worked on removing hazardous heavy metals from their paints. Lead in the paint poses danger to central nervous system, kidneys' and reproductive system.
- **Suzlon energy** which is the world's fourth largest wind turbine makers is among the greenest and best Indian companies. The visionary behind Suzlon has convinced the world that wind is the energy of future and has built its factory in Pondicherry to run entirely on wind power. Again Suzlon's corporate building is the most energy efficient building ever built in India.
- IndusInd Bank opened the country's first solar powered ATM and pioneered an eco savvy change in the Indian Banking sector.
- **Wipro InfoTech**, India's first company to launch environmental friendly computer peripherals. For Indian market Wipro has launched a new range of desktop and laptops called Wipro Green Ware. These products are ROHS (Restriction of Hazardous Substances) thus reduces e waste in the environment.
- **Samsung** offered a host of eco friendly products by launching eco friendly mobile handsets (made of renewable materials) – W510 and F268 in India.
- **Idea Cellular** advertisement campaign "Use mobile save paper". The company organized Green Pledge campaign to save paper and trees.
- **IRCTC** adopted the policy of paper free travel which says sms sent by IRCTC is enough proof and there is no need to take out the printout of the ticket to save paper.

### 11. Future Potential of Green Marketing

- Since consumers are becoming more conscious of their duties towards the clean environment by purchasing green products, marketers can start by providing best solutions for each consumer for every day products i.e. the concept of “Green First what matters most” must be taken into account to give a strong and robust start to concept of Green Marketing. The basic theme behind this concept is “Charity begins at home” because it is presumed that when one green their home, they green the planet. Products like recycled plastic toys, home air quality test kits, organic products, chlorine removing shower filters, rainwater harvesting product, could be promoted and sold.
- Online Ecostore can be built up with most comprehensive green products to provide consumer with environmentally friendly products all at one place.
- It is becoming highly critical of businesses to go green in view of reducing the carbon footprints and minimising the toxicity. So, there is a future potential of providing recycled products, to cleaning supplies, energy efficient space heaters, eco-restaurants, cafes etc.
- By making efforts to encourage sustainable consumption, marketers will be creating demand for green products and thus we say there is a lot of potential.
- The desire for green products is growing day by day whether based on health concerns, altruistic concerns, so efforts should be made to make them easily available.
- In order to promote Green Marketing at organizational scale, marketers should endeavor to cover not only large business organizations but also start-ups and small businesses.
- Organizations to provide professionals with practical strategic marketing advice on how to build green brands and motivate mass market adoption of more sustainable products.
- At corporate level, engaging into two-way dialogue with the stakeholders via email, web forms, chat rooms and video. This will be used to get feedback, building credibility, and engendering more loyalty by showing more human side of the company. This can also be used to activate shareholders as change agents by soliciting new ideas as regards g0-greening concept.
- Future potential for Green Marketing increases with the marketing research to reveal what needs have the most influence or preference and for which audience.
- Green marketers to effectively influence the audience by segmenting the market based on their attitude towards Going Green concept. This will provide potential opening for marketers to try a more future-focused message when selling greener products.
- Targeting micro segments online keeping in mind the large share of online audience.
- Flash mob concept can work wonders in engaging the audience to promote Green Marketing enabled by Internet and mobile connectivity. Flash mob is a group of people who assemble suddenly in a public place, perform an unusual act for a brief time. Green marketers can take advantage of this by turning the event into a teachable moment especially when engaging audience that might not tune into an environmental message.
- Unveiling of Facebook’s Timeline is one of the best ways to connect with the users on availing Green Marketing opportunities. Timeline facilitates sharing of a user’s life history in an easily accessible, highly visual chronology rather than simply posting thoughts here and there. This will enable the business to present their brand online, allowing the users to expand the thumbnail images to provide broader view of images, enables the Individual posts to remain accessible and thus could act as a unique way to connect with the consumers. Hence, through this Green Marketing can be undertaken at a much influential level.
- With E-commerce is rising day by day, most people view it as more eco-friendly than shopping on the street as they don’t have to travel from their homes.
- Manufacturing and developing Green Gadgets by making them free from worst hazardous chemicals like PVC and BFR. Thus, from health risks to workers, to the environmental impact of chemical discharges into our waterways, electronics companies should endeavour to tackle this issue across their supply chain.
- Humans are driven more easily by emotions so green marketers should endeavor to create an emotional link between the consumers and the green products that marketers promote.
- Self Esteem is an essential part of emotional brand attachment as they seek brands that enhance their own perceptions of self worth. Thus, it may make sense for green marketers to interpret self esteem as consumers’ confidence in their ability to make greener choices that are right for them.
- Green marketers to educate consumers about green products by showcasing the actual use by people that consumers can readily identify with.
- Consumers want value for money. Thus, the holygrail may be to offer a product that is competitive on dimensions both traditional (price, quality, service and eco-friendly).
- As consumers are becoming more environmental conscious and governments are making stricter regulations, industries need to reduce the environmental impact of their supply chain. The auto component manufacturing industries especially SME’s should focus on greener production by applying Green Supply Chain Management (GSCM) in their industries.
- Today, companies are scrambling to understand how to develop business models that are more environmentally sustainable. Thus, by analysing the product, process, policy as also the current marketing strategy, companies can develop a comprehensive sustainable strategy to promote Green Marketing.

- There is an urgent need for corporate commitment towards Green Marketing that will include setting measurable objectives for continuous improvement.
- To maintain the organizations competitive advantage, it is necessary to link environmental objectives with the profit related objectives of the organization. This will enable the marketer of organization to harness the future potential of Green Marketing in an efficient and effective manner.
- Limitations and obstacles faced by marketers in adoption of Green Marketing concept calls for more studies in this field to come up with more effective marketing strategies.

## 12. Conclusion

Keeping in view the untapped space in Indian Market for Green Marketing, marketers must endeavor to bring under scanner the large mass under Green Marketing campaign. In today's marketing scenario, it is imperative that Green Marketing has become a buzzword. Moreover, today consumers want clean and safe environment for which they are ready to pay premium price for the Green products. They are willing to buy if they are easily available. Great initiatives from Government and even the private companies are welcome to sustain the aspect of Green Marketing. Government has a key role to play to provide for legal framework for the purpose of environmental protection that encompasses proper waste disposal, a check on carbon emissions, recycling of waste etc. It is also necessary for the companies to adopt green in the core of their strategies so that they are not out of the competitive arena. Continuous Research and Development activities to be undertaken to explore the concept of Green Marketing on regular basis because this is something which is going to make a perceptible impact on environment. Moreover, marketers also have a due responsibility to make the consumers understand the need for and benefits of green products to develop a positive image of Green Marketing effects on the environment along with determination from various stakeholders minimise the impact on environment.

There is a lot of future potential waiting to get exploited and harnessed to get the concept of Green Marketing to every nook and corner of the country. India is today one of the largest economies of the world, and will continue its rapid urbanization, economic development and industrialization over the next few decades which though is a cause for celebration on one hand, but on other hand one must recognise the challenges this growth presents as with rising consumption and increasing demand, a lot of pressure will develop on the critical natural resources. Considering this aspect in mind, it is required that India finds an effective way to ensure energy and environment sustainability without compromising on its economic and social development. Despite India's robust policy framework, environmental degradation has not been contained on a large scale. This increasing concern about the depleting natural resources will move many manufacturing organisation to adopt a concept of go- greener in their manufacturing and marketing activities.

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