

Green Marketing in India –An Overview

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Abstract

Ethical measures in marketing are an important part of modern business. Environment pollution is the main concern in the today's business environment. Green marketing is the phenomenon that has been developed in the whole world to facilitate sustainable development. There has been a change in consumer attitude towards green life style. In this paper main emphasis has been given on concept, need, importance, golden rules of green marketing and its angle of difference from traditional marketing. This paper describes the current scenario of Indian green marketing and exploring the challenges it faces in the India.

Key words : Green marketing, eco-friendly products, recyclable.

Introduction

Green marketing is not going to be an easy concept. Green marketing refers to the process of delivering the higher standards of living through the marketing of the products that are presumed to be environmentally safe. Green marketing is also known as environmental marketing and ecological marketing. Adoption of green marketing is not may not be easy in short run but it will give long run impact on society. Green marketing includes a broad range of activities such as product modification, changes to the production processes, packaging changes as well as modifying advertising. McCarthy classified the 4 P's of marketing as Product, Price, Place and Promotion but in the era of Green marketing there is 3 more P's like People, Profits and Planet.

As resources are limited and human wants are unlimited, it is important for the marketers to utilize the resources efficiently without waste as well as to achieve the organization's objective. So green marketing is inevitable. There is growing need among the consumers all over the world regarding the protection of the environment. As per J. Polonsky, green marketing can be defined as, "All the activities designed to generate and facilitate any exchange intended to satisfy human needs or wants with minimal detrimental input on our environment." Green Marketing can also leads to social responsibility arena of the organization.

Green Marketing

Green marketing is the marketing of products that are presumed to be environmentally preferable to others. Thus green marketing incorporates a broad range of activities, including product modification, changes to the production process, sustainable packaging, as well as modifying advertising.

Evolution of Green Marketing

Green marketing is the term that was first discussed in a seminar on "Ecological Marketing" organized by American Marketing Association (AMA) in 1975 and took its place in marketing terminology. Acc. to Peattie (2001), the evolution of green marketing has three phases.

First Phase was termed as "Ecological" Green Marketing. During this period all the marketing activities were concerned to help environmental problems and to provide remedies to those problems.

Second Phase was "Environmental" Green Marketing. The focus was shifted to clean technology that involves the designing of innovative products that take care of pollution and waste issues.

Third phase was “Sustainable” Green Marketing. It came into existence in late 1990 and early 2000. It was concerned with developing the products that meet the criteria of quality, performance, pricing and convenience in an eco friendly way.

Green Products

Green products can be defined as “Products which have minimal impact on the environment”

Characteristics of Green Products

Green products can be characterized by following measures:

1. Products with natural ingredients.
2. Eco-friendly products.
3. Organic products.
4. Recycled, reusable and biodegradable products.
5. Not tested on animals.
6. Only approved chemicals contents.

Green Products Examples

1. Power from wind and solar energy
2. Solar heater
3. Solar kitchen appliances
4. Gas fitted vehicles
5. Philips CFL bulbs
6. LED Lights
7. Green data centers
8. Electricity powered vehicles
9. Electric kitchen appliances
10. Nokia take back campaign
11. McDonalds’s napkins and bags
12. Lewis jeans @ ECO
13. Nike Green shoes(Air Jordan)
14. Apple green technologies
15. Motorola Green phone Moto W233

Requirements for Green Products

- Production process compatible with the environment.
- Compatible with the company’s goals.
- Satisfy the customer’s need.

There is need to find the BALANCE between these requirements.

Objectives of The Study

This paper is aimed to cover the following objectives.

1. To understand the concept of green marketing.
2. To identify the importance and need of marketing.
3. To study the challenges and prospects of green marketing.

Research Methodology

The research is exploratory in nature. It focuses on review of various researchers’ literature, books, journals, websites and other reliable sources.

Review of Literature

Sachdev (2011) studied that customers were not clear about the benefits that eco friendly products are providing to the society. There is no legal authority that can certify environmental

claims that are made by manufacturers. The author suggested that companies should focus on two objectives: improved environmental quality and customer satisfaction. Companies should strike a balance between visibility and transparency i.e. what they are promoting should convey trust. Mohanasundaram (2012) examined the reasons that organizations adopted for green marketing philosophy were social responsibility, govt pressure, competitive pressure and cost reduction. The author supported the 7 P's green marketing such as product price, place, promotion, people, planet and profits.

Cherian & Jacob (2012) determined the relationship between the consumer attitudes and green marketing. The author studied the relationship between a dependent variable (consumer perception of green marketing)and its impact on independent variable (attitude and purchase behavior towards green marketing). The researcher suggested that there is need to explain the inconsistencies in attitudes of consumers through t of individual factors by using reference group theory. Singh (2013) analysed the ethical measures taken by various companies in marketing area. The researcher studied the effectiveness as well as awareness among consumers about the green marketing. The researcher studied the demographic factors and green marketing practices. The author suggested that consumer awareness can only be increased with the association of NGO's and govt. The researcher suggested that companies should develop appropriate and affordable technologies to achieve wider acceptance of green products that will make a significant impact on the environment protection.

Nagaraju (2014) examines the market awareness of eco friendly FMCG products and consumer perception and willingness to pay more for green products. The author determined the relationship between product quality, price and consumer perceptions towards green products. The author suggested that govt and marketing organizations should join hands together in creating awareness of eco friendly products through eco labeling.

Golden Rules of Green Marketing

1. **Know Your Customer:** Make sure that the customer is aware of and concerned about the issues that your products attempts to address.
2. **Educating Your Customer:** It is the duty of marketer to educate the customer regarding green products that it protects our environment how and in what ways. If it is the case of so what then green marketing campaign goes nowhere.
3. **Being Genuine and Transparent:** being genuine means marketers are actually doing what they claimed to doing in their green marketing campaign.
4. **Eco-Innovate:** Inventing new products, materials and technologies rather than changes in existing ones.
5. **Promote Responsible Consumption:** Protection, Preservation and Conservation of natural resources is the motto.
6. **Reassure The Buyer:** Customer must be made assure that product performs the job w.r.t. environment.

Difference between Traditional Marketing and Green Marketing

Area	Traditional Marketing	Green Marketing
Goals	<ul style="list-style-type: none"> • Customer satisfaction • Organizational goals 	<ul style="list-style-type: none"> • Customer satisfaction • Organizational goals • Eco system compatibility
Decision making	<ul style="list-style-type: none"> • Fragmented thinking • Non boundary spanning • Short term orientation 	<ul style="list-style-type: none"> • Integrated thinking • Boundary spanning • Long term orientation
Philosophical basis	<ul style="list-style-type: none"> • Eco system an open risk 	<ul style="list-style-type: none"> • Eco system a physical limiting factor
Ecological responsibilities	<ul style="list-style-type: none"> • Limited product risk • Local /regional/national • No/ under ecological costs 	<ul style="list-style-type: none"> • Product risk • Global/ international • Full accounting of ecological costs
Tools	<ul style="list-style-type: none"> • Use planning to minimise cost • Focus on industry functions • Total Quality management (TQM) 	<ul style="list-style-type: none"> • Use life cycle assessment and environment audit to minimise and redirect waste management

10 Ways To Go Green

1. Unplug when not in use.
2. Use less water, every drop counts.
3. Use CFLs.
4. Buy organic food.
5. Walk more.
6. Drive Less/ Car pooling.
7. Recycle more.
8. Switch to green power e.g. Solar power.
9. Aware the world about Go Green, Live Green.
10. Say no to plastics.

Benefits of Green marketing

- **Opportunity** In India, around 25% of consumers prefer eco friendly products. So marketers have diverse segments to cater to.
- **Social Responsibility** Many companies have started realizing that they must behave in an environmental friendly manner. They believe that they should fulfill social responsibility by achieving both environmental objectives and organization profits objectives.
- **Govt. Support** Various regulations are framed by governments to protect consumers and society. The Govt of India has developed a framework of legislations to reduce the production of harmful products e.g. ban of plastic bags in Punjab.
- **Competitive Edge** Many companies take up green marketing to maintain their competitive edge. Initiatives by small companies have prompted the many others companies to follow suit.
- **Cost Reduction** Reduction of harmful waste may lead to saving in cost. It is possible to use waste generated by one company in another company as cost effective raw material.

Challenges in Green marketing

However, green marketing poses huge dangers for marketers if they get it wrong:

1. Most customers choose to satisfy their personal needs before caring for the environment.
2. Overemphasizing greenness rather than customer needs can prove devastating for a product.
3. Many customers keep away from products labeled “green” because they see such labeling as a marketing gimmick, and they may lose trust in an organization that suddenly claims to be green.
4. Green products require renewable and recyclable material, which is costly. At first the profits will be very low.
5. Majority of the people are not aware of green products and their uses. Majority of the consumers are not willing to pay a premium for green products.
6. Requires technology which further requires huge investment in R&D. Green marketing support green products/services, green technology, green power/energy; a lot of money has to be used up on R&D programmes. Water treatment technology which is too costly

Eco Labeling

The customers may not believe in the firm’s strategy of Green marketing, the firm therefore should make sure that they encourage the customer about their green product, this can be done by implementing Eco-labeling schemes. This schemes offer its —approval to —environmentally less harmless products has been very popular in Japan and Europe. In fact the first eco-label programme was initiated by Germany in 1978.

- Improvement in image and sale of products.
- Manufacturer’s being more accountable to environmental impacts.
- Consumer’s awareness that their choice product do affect the environment as some products are less harmful to environment than others.

Suggestions

Though majority respondents claim to be aware of green products, but the awareness seems superficial and over-claimed. The deeper analysis reveals clearly that majority respondents, who claimed to be aware of green products, actually did not know as to what green products constitutes, exactly. The respondents did not understand that buying green products also contributes towards environment protection. The study also shows that people in general have lot of concern and strong desire to do something towards environment but they did not know how they can contribute. Hence marketers and Government cannot be individually held responsible but environmental protection agencies, media, must create awareness about green products as a mean to save the environment. Marketer should take initiative keeping in the mind that consumer are concerned and willing to do their bit towards environment protection. Marketers should plan effective promotional strategies to educate them about green products, their usage and resultant impact on the environment protection that will help in long run and will enhance their goodwill and building strong brand image in the eyes of consumers. Similarly the study points towards the need for an active role on the part of government and various stakeholders in educating the consumers towards being a green consumer. Marketers should make use of environmental product and consumer benefit claims that are specific and meaningful. Marketers should acquire product endorsements or eco-certifications from reliable third parties and educate consumers about the meaning behind those endorsements and eco-certifications.

Conclusion

Environmental problems in India are growing rapidly. Going green has become the new success mantra and is being discussed by people from all the walks of life. Eco-label will be considered as a major tool for Environmental marketing. The government, the organization and the customers has to put hands together in creating awareness of eco-friendly products. It will be a costly affair but it will help in long run to business as well as to our environment. Green marketing is the tool for protecting the environment for the future generation. Firms have to carry out research to find out how it is going to be feasible. With the threat of Global warming, it is very important that green marketing should become the norm. Recycling of paper, plastics in a safe and eco friendly way should become more systematized and universal. Nowadays people started to realize their role and responsibilities. Even the company which focused on the profit now turned towards Green Marketing Companies and producing eco-friendly products. Nowadays companies with the help of advertising started to educate the consumer about the benefits of Green Products.

Green marketing should not neglect the economic aspect of marketing. Green marketing is still in its infancy and a lot of research is to be done on green marketing to fully explore its potential. Marketing was to think how to make more consumption and green marketing is when we think how to consume less.

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