

GREEN MARKETING - A CONCEPTUAL STUDY

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Abstract: Green Marketing is a phenomenon which has developed a significant importance in the modern age and is seen as an important strategy of sustainable development. Consumers are becoming increasingly more concerned about the environment and various issues related to it at global level. In this paper main emphasis is made on concept, need, importance and challenges of Green Marketing. Data has to be collected from multiple sources of Evidence in addition to books, journals, websites and newspapers to understand the importance of Green. This paper aims at finding out what actually Green Marketing is and how a business be more competitive by using Green Marketing Campaign to gain a competitive edge over others. It explores the main reasons of Green Marketing. This paper describes the status of Green Marketing in India, the future of Green Marketing and concludes that Green Marketing is something that will continuously grow is both practice and demand.

Key Words:- Green Marketing, Environmentally safe, Sustainable, Globalization, Evolution, Green Products, Green Marketing campaign.

I. INTRODUCTION

As the Globalization process continues rapidly across the world, Environment problems are also growing. Although environmental issues influence all human activities few academic disciplines have integrated green issues into their literature. As society becomes more concerned with the natural Environment, businesses have begun to modify their behavior in attempt to address society's new concerns. The term Green Marketing got attention and importance in the late 1980's early 1990's. This happened because of the first workshop organized on ecological marketing in 1975 by American Marketing Association, in Texas, USA. The proceedings of the workshop resulted in one of the first books on Green Marketing titled "Ecological Marketing" by Henion and Kinnear in 1976. According to American Marketing Association, "Green Marketing is the marketing of products that are presumed to be environmentally safe". Several books on Green Marketing began to publish thereafter.

II. OBJECTIVES OF STUDY

- To consider the concept of Green Marketing.
- To know about the evolution of Green Marketing
- To get knowledge about the status of Green Marketing in India.
- To get knowledge about Green Marketing Mix.
- To examine the challenges faced by Green Marketing.

Definition of Green Marketing:

Green Marketing incorporates a broad range of activities including Product Modification, changes to production process, packaging changes, as well as modifying advertising. Yet defining Green Marketing is not a simple task. Indeed the terminology used in this area has varied it includes: Green Marketing, Environmental Marketing and Ecological Marketing.

According to American Marketing Association (AMA), "Green Marketing is the Marketing of products that are presumed to be environmentally safe."

Some other aspects of Green Marketing are:

Pride & Ferrel (1993): "Green Marketing also known as environmental Marketing & Sustainable Marketing refers to an organizations effort of designing, promoting, pricing and distributing products that will not harm the environment".

Polonsky (1994): Defines green Marketing as "All activities designed to generate and facilitate any in exchanges intended to satisfy human needs or wants, such that satisfaction of these needs and wants occurs with minimal detrimental effect on the natural environment".

Peattie (1995): Defined green Marketing as "The holistic management process responsible for identifying, anticipating and satisfying the need of customers and society in a profitable & sustainable way".

III. EVOLUTION OF GREEN MARKETING

Green Marketing has evolved through three phases as described by the Peattie (2001).

Initial phase – Ecological Green Marketing:

During this period all marketing activities were concerned to help environmental problems. Main focus was on

industries that have direct impact our the environment. (For eg – Chemical Industries etc.).

Second Phase Environmental Green Marketing:

During this phase, clean technology was used and innovative new products were made which take care of pollution and waste issues. Main focus was on productions which were generally used in homes. (For eg-cleaning goods, paper etc.)

Third Phase – Sustainable Green Marketing:-

Came into existence in the late 1990's and early 2000's. Main focus was not only on reducing environmental damage but also on sustainability.

IV. WHY GREEN MARKETING IS IMPORTANT?

The question of why Green Marketing has increased its Importance is quite simple and relies on the basic definition of Economics.

“Economics is the study of how people use their limited resources to try to satisfy unlimited wants.” (MC Taggart Findlay & Parkin,1992).

Thus Mankind has limited resources on the earth, with which they must provide for the world's unlimited wants. As the firms have limited natural resources, they must develop new / alternative ways of satisfying these unlimited wants. Ultimately Green Marketing looks at how marketing activities utilize these limited resources while satisfying consumers wants, as well as achieving firm's objectivities. Worldwide evidence indicates people are concerned about the Environment and are changing their behavior. As a result of this Green Marketing has emerged, which speaks for growing market for sustainable and socially responsible products and services.

Ottomans' comparison of Green Marketing to Traditional Marketing:-

Issues	Conventional Marketing	Green Marketing
Consumers	Consumer with lifestyle	Human Being with lives
Products	Cradle-to-grave, one size fit all products	Cradle-to-cradle, flexible services
Marketing and Communication	Sealing oriented and benefits	Education values

Corporate	Reactive,independent,d epartmentalized, short term oriented, profit minimizing	Pro-active, interdependent, cooperative, holistic, long term oriented .
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V. KEY RULES FOR SUCCESS OF GREEN MARKETING

Green Marketing is becoming more and more important in the modern age of industrialization. For Green marketing to be effective, a marketer should follow these rules.

- Know your customer:- The marketer must know that the consumer is aware about the issues that your product attempts to address. (For eg. Consumers would not pay premium prices for CFC freer refrigerators until they did not know what CFC actually is and its impact on the environment.
- Reassure the customer:- Consumers must be made to believe that the product performs the job it is supposed to do. They won't forgo product quality in the name of the Environment.
- Being Genuine and Transparent:- (a) You are actually doing what you claim to do in Green Market campaign. (b)Your business policies are consistent with whatever you are doing that's environment friendly. Both these conditions have to be met for your business for a successful Green Marketing Campaign.
- Educate your Customer:-It's not just a matter of letting people know you are doing whatever you are doing to protect the environment, but also a matter of letting them know why it matters. Otherwise it's a case of “So what” for a significant portion of your target market and your green market campaign nowhere.

VI. GREEN MARKETING MIX

Every company has its own Marketing Mix some have 4P's and some have 7P's. The 4P's of Green Marketing are that of a conventional Marketing but challenging before Marketers to use 4P's in an innovative manner.

1. Product:-A producer should offer ecological products which not only must contaminate the environment but should protect it and even liquidate existing environmental damages.

2. Price:- Prices for such products may be a little higher than conventional alternatives. The target groups like LOHAS are willing to pay extra for green products.
3. Place:- When and where to make a product available is of significant importance. Main focus is on ecological packaging. Marketing local and seasonal products e.g. vegetables and fruits from regional farms is more easy to marketed "Green" than products imported.
4. Promotion:- A communication with market should put stress on environmental aspects. for eg. The company possesses a CP certificate or is ISO 14000 certified. This may publicized to improve firm's image. Also publishing the stories of company and employees green initiatives.

India is a world leader in Green IT potential, according to a recently released Global Enterprise survey. According to this survey, Indian respondents scored over respondents from 10 other countries in expecting to pay 5% or more for green technology if the benefits for the environment and return on investment (ROI) is proven.

Microsoft, Apple, HP, IBM, Sony, Dell and Intel are some of the companies which have achieved success in their Green Marketing strategies. Wipro Green is the first Indian Company to launch eco friendly range of desktop. In the same way HUL is trying to reduce its carbon footprint using modified machines in their production unit. SBI is using eco and power friendly equipment which consumes less electricity in its new ATMs. All these adds to the feel good factor too and marketer make buyers feel about the fact that they will contribute something to the environment by buying these products. New Delhi, the capital of India was being polluted at a very fast pace until the supreme court of India forced a change to alternative fields. In 2002, a directive was issued to completely adopt CNG in all public transport systems to curb pollution.

A newly released survey by WPP, at least 77% of consumers in all countries say Green Marketing is somewhat or very important; in India and China the numbers are significantly higher: 87% and 98% respectively say that corporate reputation is an important purchase consideration. Consumers from these countries also agreed that the most important step a company can take to demonstrate its "green-ness" is to reduce amount of toxic or other dangerous substances in its products and business process. At the same time they are seeking more information about green products, so this indicates that future of Green Marketing and Green Products is very bright.

Some Cases :-

1. Tata Motors Ltd. has developed their showroom by using green items and elements in it's design. It shows efriendly atmosphere that attracts people towards it.
2. The Taj Chain is going to produce eco friendly atmosphere by using organic bed linen, energy efficient bars and napkins that are made of waste papers. They are also going to launch a low cost water purifier which is made of pure & natural ingredients.
3. Xerox introduced a "high quality" recycled photocopier paper in an attempt to satisfy the demands of firms for less environmentally harmful products.
4. Mcdonald's replaced its clam shell packaging with waxed paper because of increased consumers concern relating to polystrene production and ozone depletion. (Gifford 1991, Hume 1991).
5. Tuna manufacturers modified theirs fishing techniques because of the increased concern over the driftnet fishing, and the resulting death of dolphins. (Advertising Age 1991)

Adoption of Green Marketing:-

There are basically 5 reasons for which the Marketer should go for Green Marketing.

- 1 Opportunities or competitive advantage over others.
- 2 Corporate social Responsibility.
- 3 Government Pressure.
- 4 Competitive Pressure.
- 5 Cost or Profit Issues.

Challenges of Green Marketing:-

No matter why a firm uses green Marketing there are a no. of potential problems that overcome during Green Marketing compaign are as follows:-

- 1 New Concept:- Indian litrate and urban consumers is getting more aware about the merits of green products. But it is still a new concept for the masses. The consumers needs to be educated and made aware of the environmental threats, which will take a lot of time and efforts.
- 2 Need for Standardization. :- It is found that only 5% messages of "Green Marketing compaign" are entirely true and there is no Standardization to authenticate these claims. A standard quality control boards need be in place for such labeling and licensing.

- 3 Patience and Preservence:- Since it is a new concept, it will require a lot of patience and no immediate results will be find out. The Marketers needs to look at the long term benefits from this New Green Movement.
- 4 Cost Factor:- It involves green technology and green power energy. A lot of money has to be spent on research and development programme for this development, which ultimately leads to increased cost.

In short firm using Green Marketing must ensure that their activities are not misleading to the consumers or industry and don't breach any of the laws relating to environmental Marketing.

VII. CONCLUSION

In the Modern age of Globalization it has become a challenge to keep the customers as well as consumers in fold and even keep our environment safe that is the biggest need of time so it's the right time to select Green Marketing. Green Marketing makes drastic change in business not only in India but also saves the world from pollution. Corporate should create the awareness among the consumers, what are the benefits of Green as compared to Non Green ones. In Green Marketing, consumers are willing to pay more to maintain a greener environment. Consumers, industrial buyers and suppliers need to pressurize to minimize the negative effects on environment friendly. Green Marketing assumes even more.

Future of Green Marketing

The concept of Green Marketing has been well adopted by the organizations across the world. The companies are investing thoughtfully in research and development which can help the companies to become ecofriendly. Further the research needs to be done to know the benefits that the company may draw by "Green Marketing Campaign" in the coming years. Furthermore future research can be done to analyse the impact of Green Marketing Campaign on consumers.

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