GREEN MARKETING - AN OVERVIEW

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Abstract: Recent days, as the environmental issues are globally noticed, green marketing has become common worldwide to give a better solution for environmental issues. The population growth and the reduction of natural resources and food led to an important phenomenon, namely the use on a large scale of artificial products or chemical substances that reduce the maturation periods of plants and animals. This phenomenon has generated reactions from consumers and companies, that have started to pay more attention to the consequences of their actions and the impact on the environment. Green marketing represents the way that companies can advertise their products and inform their consumers that they are working in an environmentally friendly way. Green marketing has become a global trend, and many companies consider it a part of their strategy.

This paper covers various aspects of conservation of environment and green marketing concepts. The understanding of green marketing concepts is important to everyone. The green marketing concept is magic mantra increasing around the world with developed nations being more concern towards the environment. But developing nations the advantage of going green (or) green marketing concepts and importance there is a gap of awareness in companies, government and NGO’S some other private organizations are also focused towards to protect (or) save the nature.

Keywords: Green marketing, Golden rules of Green Marketing and 4 p’s of green marketing.

INTRODUCTION

Green marketing is a phenomenon which has developed importance in the modern market and has emerged as an important concept in India as in other parts of the developing and developed world and its seen as an important strategy of facilitating sustainable development. 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 early 2000. It was concerned with developing the products that meet the criteria of quality, performance, pricing and convenience in an ecofriendly way.

Environment pollution is the main concern in today’s business environment. Green marketing is the phenomenon that has been developed in the whole world to facilitate sustainable development. Ethical measures in marketing are an important part of modern business. Green Marketing can also lead to social responsibility arena of the organization. Environment is a reservoir of resources. World Environment Day is celebrated on the 5th of June every year, and United Nation’s principal vehicle for encouraging awareness and action for the protection of our environment first held in 1974. World Environment Day has grown to become a global platform for public outreach, with participation from over 143 countries annually. The theme for 2018 is “Beat plastic pollution”. People should be free from the issues. Indian government pledged to eliminate all single use of plastic in India by 2022. Conservation of environment is most suitable time for taking important steps for all the companies.

Conservation of Environment

Many people believe that green marketing refers solely to the promotion and advertising of products with environmental characteristics. Generally, terms like phosphate free, recyclable, refillable, ozone friendly and environment friendly are most of the things consumers often associated with green marketing. There is growing interest among the consumers all over the world regarding the protection of the environment. 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 the growing market for sustainable and socially responsible products and services. At present it has become new mantra for marketers to satisfy the needs of consumers and earn better profits.
Advantages of green marketing - at strategic level

Green marketing is incorporates a broad range of activities, including product modification, changes to the production process, sustainable packaging, as well as modifying advertising. The Green marketing expands on the fundamental functions of traditional marketing. Consequently, green marketing achieves goals that traditional marketing cannot meet. Green marketing focuses on the direct benefit of a product and long-term environmental benefits. It is a process of integration of social and environmental requirements with the economic desires of the company. It is also known as environmental, sustainable and eco marketing.

Green marketing has been growing rapidly since it came into existence; it is not only leading companies to environmental protection, but also creates job opportunities and opens new markets. Green Marketing has emerged as a mainstream marketing tool in business over the last decade. With the mobilisation of socio-environmental groups and the vastly increased sources of information in society it is no longer possible for companies to ignore ‘green’. Thus, green marketing has evolved enough to become significant for the long-term sustainability of companies.

FOUR P’S OF GREEN MARKETING

Green product
Green products need to grab emerging green market either by identifying customer’s environmental needs or by developing environmentally responsible products to have less impact than competitors. Green products are typically durable, non-toxic, made from recycled materials or minimally packaged. Green based product strategies comprise the combination of recycling, reduction of packaging materials, reconsumption, dematerializing the products using sustainable source of raw materials, making more durable products designing products that are repairable, making products that are safe for disposal, making products and packaging’s that are compostable and making products that are safer. Many consumers are prepared to pay a premium for organic products, which offer promise of quality. Certified products, which meet or exceed environmentally responsible criteria.

Green Price
Pricing is a significant and critical element of the marketing mix. Many consumers assume that green products are often priced higher than conventional products. Green pricing takes into consideration the people, planet and profit in a way that takes care of the health of employees and communities and ensures efficient productivity. Value can be added to it by changing its appearance, functionality and through customization. Most customers are prepared to pay a premium if there is a perception of green products and their additional product value. This value may be improved performance, function, design, visual appeal or taste. Environmental benefits are usually a bonus but will often be the deciding factor between products of equal value and quality. Environmentally responsible products, however, are often less expensive when product life cycle costs are taken into consideration.

Green Place
Green place is about managing logistics to cut down on transportation emissions, thereby in effect aiming at reducing the carbon footprint. The choice of where and when to make a product available has a significant impact on the customers being attracted. Marketers looking to successfully introduce new green products should, in most cases, position them broadly in the market place. The location must also be consistent with the image which a company wants to project. The location must differentiate a company from its competitors. This can be achieved by in-store promotions and visually appealing displays or using recycled materials to emphasize the environmental and other benefits. In the same way instead of marketing an imported product in India it can be licensed for local production.
Green Promotion
Promoting products and services to target markets includes paid advertising, public relations, sales promotions, direct marketing and on-site promotions. Smart green marketers will be able to reinforce environmental credibility by using sustainable marketing and communications tools and practices. Now a days even many financial industry are providing electronic statements by email, e-marketing is rapidly replacing more traditional marketing methods, and printed materials can be produced using recycled materials and efficient processes. Retailers role is very significant in environmental commitment.

To reduce the use of plastic bags and promote their green commitment, some retailers sell shopping bags, under the banner of the Go Green Environment Fund.

Golden Rules of Green Marketing
- Ensuring the awareness of the consumers about the issues that the green product attempts to address.
- Educating the customers about importance of protecting the environment, to establish the genuine and transparent environmental credentials which leads to the successful green marketing campaign.
- Green markets should assure the consumers about they should not compromise with the quality in the name of the environment.
- Companies should aware and accept the consumer expectations and to help to reduce the environmental impact in their own lives too.

REASONS FOR GREEN MARKETING
There are several reasons for firms increased use of Green Marketing. They are as follows:
- Organizations perceive environmental marketing to be an opportunity that can be used to achieve its objectives.
- Organizations believe that they have a moral obligation to be more socially responsible.
- Governmental bodies are forcing firms to become more responsible.
- Competitors environmental activities pressurize firms to change their environmental marketing activities and cost factors associated with waste disposal or reductions in material usage forces firms to modify their behaviour.

SIGNIFICANCE OF GREEN MARKETING
Marketing starts before a business begins advertising or promoting its products. It includes strategies covering product development, pricing and distribution. In addition to helping boost sales, green marketing can help companies reduce operating and production costs, specifically by lowering energy usage. Environmentally sensitive companies are more attractive to potential employees who seek to become part of a positive corporate culture.

When a business uses energy efficient lighting, heating and cooling, reduces its water use, recycles office materials, organizes employee community cleanup activities, uses recycled materials and creates less waste, it generates positive public relations in its community and industry and with customers. It can advertise itself as a green company or its products as green on its product packaging, in its advertising and on its website. This can create brand preference or loyalty and boost sales and profits. Green marketers also can qualify as vendors or suppliers with government agencies and businesses that prefer to do business with these types of businesses.

CURRENT SCENARIO OF GREEN MARKETING IN INDIA
In the present scenario, green marketing attains an emerging issue and it is essential for promotion and advertising of products with keeping natural environment safe, it is biggest need of time. Companies are adopting green marketing and are producing green products that have less harmful effects on the environment than the conventional products. Consumers are becoming more and more aware of the environmental problems and are actively trying to reduce their impact on the environment by purchasing green products and moving towards a greener lifestyle. In India the concept of CSR (Corporate Social Responsibility) was progressively picking up and had changed the role of marketing at large. In the social marketing concept, the long-term interests of the consumer and social welfare had taken a mainstream while profit making was expressed as a long-term objective. One of such CSR steps adopted by the corporate to show their green footprint was green marketing.

According to expert opinion, there was a wide contradiction among marketing experts about the gap between attitude and behavior of the consumers regarding green consumption. The consumers are demanding environmental protection, their behavior did not really reflected this attitude: they are not aware of the damage being done to the environment out of their activities. Moreover, people were not knowledgeable of green alternatives and even if they were knowledgeable, they did not consider these green alternatives available and feasible. Many people thought that environmental protection is not their responsibility rather the action should be taken by other institutions, state government and corporates.

The need for sustainable business practices by corporations around the world is identified to be a result of overall increase in the consumer awareness of lack of environmental protection and social inequities. Thus, businesses in almost every industry nowadays are focusing on “green” features of their products and services in every chance they get. In India, major steps are taken for implementing green marketing. India people believe in “Pollution Prevention Pays”.

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No Polythene carry bags for free: Forest and environmental Ministry of India encourages retail outlets to provide paper carry bags to customers only if customers are ready to pay for it. Recently Indian Railway has allowed its customers to carry PNR No of their E-tickets on their laptop and mobiles. Many banks are providing services like paper less banking, no deposit slip, no withdrawal form, no money transaction form. To decrease pollution, a direction is given to y adopt CNG in all public transport systems to curb pollution. Lead free paints from Nerolac: Nerolac has worked on removing hazardous heavy metals from their paints. Lead in paints especially poses danger to human health where it can damage the central nervous systems, kidney and reproductive system.

MAIN CHARACTERISTICS OF A GREEN COMPANY

Many brands like Amul, Dabur India Ltd., Britannia Industries Ltd, HUL, Wipro technologies, Infosys, Maruti Udyog Ltd., Philips electrical and Godrej etc. have achieved the status as ‘Green Brands of India’. Interestingly, green marketing continues to be an issue of global interest. In fact, Google Trends reports that on a relative basis, more searches for “green marketing” originated from India than from any other country. Now aday’s Indian companies followed this kind of characteristics.

The success of any green marketing strategy is heavily dependable on its target consumers. Recently, it has drawn the attention of government too in this regard and paved the way for introducing many environment friendly policies. The divergence between limited resources and unlimited wants of human resources is to be used economically and in an environmentally friendly way. Companies should adopt innovative methods sustainable development in the competitive environment to enable the use of green marketing products.

Using a green product safeguards the interests of its users, society and environment. Setting up a responsive policy in this regard will maximize the health of the earth. Green marketing, other similar terms used are environmental marketing and ecological marketing, is not all about manufacturing green products and services but encompassing all those marketing activities that are needed to develop and sustain consumer’s eco-friendly attitudes and behaviors in a way that helps in creating minimum detrimental impact of the environment.

GREEN MARKETING - CHALLENGES AHEAD

In the present scenario, though many firms have started to practice green marketing, they are number of problems confronting in implementing green marketing. The major challenges which Green marketing have to be faced are:

● New Concept: Indian literate and urban consumer is getting more aware about the merits of Green products. But it is still a new concept for the masses. The consumer needs 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.

● Cost Factor: Green marketing involves marketing of green products/services, green technology, green power/energy for which a lot of money has to be spent on research and development programmes for their development and subsequent promotional programs which ultimately may lead to increased costs.

● Convincing customers: The customers may not believe in the firm’s strategy of Green marketing, the firm therefore should ensure that they undertake all possible measures to convince the customer about their green product, the best possible option is by implementing Eco-labelling schemes. Sometimes the customers may also not be willing to pay the extra price for the products.

● Sustainability: Initially the profits are very low since renewable and recyclable products and green technologies are more expensive. Green marketing will be successful only in long run. Hence the business needs to plan for long term rather than short term strategy and prepare for the same, at the same time it should avoid falling into lure of unethical practices to make profits in short term.

● Non-Cooperation: The firms practicing Green marketing have to strive hard in convincing the stakeholders and many a times it may fail to convince them about the long-term benefits of green marketing as compared to short term expenses.
Avoiding Green Myopia: Green marketing must satisfy two objectives: improved environmental quality and customer satisfaction. Misjudging either or overemphasizing the former at the expense of the latter can be termed green marketing myopia. The unanticipated value, which may exceed customer expectations. Ideally, in a situation like this for green consumers they would learn more towards examining the green products from the point of view of their packaging as well as product ingredients. Most customers choose to satisfy their personal needs before caring for the environment. Overemphasizing greenness rather than customer needs can prove devastating for a product. Many customers keep away from products labelled “green” because they see such labelling as a marketing gimmick, and they may lose trust in an organization that suddenly claims to be green. Green products require renewable and recyclable material, which is costly. At first the profits will be very low.

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. Requires technology which further requires huge investment in research and development. Green marketing support green products/services, green technology, green power/energy; a lot of money has to be used up on R&D programmes. 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-labelling schemes.

CONCLUSION
The companies are involved in various activities to show their concern for environment as well as society, but at the same time it is necessary for the companies to understand that Green marketing should not overlook the economic aspect of marketing. Green marketing helps in the effective outcomes like cost cutting, employee satisfaction, waste minimization, society welfare for the companies as well for society also. This requires the determination and commitment from all the stakeholders of the companies. Marketers also have the responsibility to make the consumers understand the need for and benefits of green products as compared to non-green ones and the benefits they can reap in the future. Green marketing assumes even more importance and relevance in developing countries in the world like India which should be path breakers and trendsetters for all others to follow.

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