



GREEN MARKETING – A BLESSING FOR FUTURE GENERATION

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Abstract: *In this era where the customer is the king the pressure on the corporate houses is to keep their clients happy as well as keeping the natural environment safe and that is the biggest need of the time. Keeping Environment safe and secure for the present generation as well as future generations is the current agenda in today's policy of government, business houses, philanthropists, social activist and many more. Today's customers are aware of all the environment issues like global warming, environmental pollution, hazardous effect of poisonous gases emissions affecting our green belt of society. In such a situation the concept of Green marketing has emerge as a blessing for all the countries which are facing the problem of sustainable development. This research paper highlights the need and significance of green marketing in the context of developing countries like India. Data has been collected from multiple sources of evidence to understand the importance of green and sustainability management, in addition to books, journals, website, and news papers. The Paper aims at how the actual implementation of green marketing approach helps the business organizations to satisfy their customers without affecting the environment and how these companies gain an extra competitive edge over others. It also explores the main issues in adoption of green marketing practices and keep the environment safe and healthy. This paper will attempt 1) to understand the concept of green marketing; 2) significance of going green 3) why do corporate take green marketing philosophy; and 4) hurdles with green marketing.*

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INTRODUCTION – GREEN MARKETING

Green marketing is the marketing of products that are presumed to be environmentally safe. It incorporates a broad range of activities, including product modification, changes to the production process, packaging changes, as well as modifying advertising. In the year 1975 American Marketing Association (AMA) held the first workshop on “Ecological Marketing” the proceedings of which have resulted in the form of a book on green marketing entitled “Ecological Marketing”. According to AMA, “Green Marketing is the marketing of products that are presumed to be environmentally safe”. Main stress is on "less environmentally harmful" rather than "Environmentally Friendly."

Green marketing refers to the process of selling products and/or services based on their environmental benefits. Such a product or service may be environmentally friendly in itself or produced and/or packaged in an environmentally friendly way. As per Polonsky (1994), Green or Environmental Marketing or Ecological Marketing consists of all activities designed to generate and facilitate any exchanges intended to satisfy human needs or wants, such that satisfaction of these needs and wants occurs, with minimal detrimental impact on the natural environment.

Majority of people believe that green marketing refers solely to the promotion or advertising of products with environmental characteristics. Terms like Phosphate Free, Recyclable, Refillable, Ozone Friendly, and Environmentally Friendly are some of the things consumers most often associate with green marketing. While these terms are green marketing claims, in general green marketing is a much broader concept, one that can be applied to consumer goods, industrial goods and even services. For example, around the world there are resorts that are beginning to promote themselves as "ecotourist" facilities, i.e., facilities that "specialize" in experiencing nature or operating in a fashion that minimizes their environmental impact.

Thus "Green Marketing" refers to 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 sustainability. It incorporates a broad range of activities including product modification, changes to the production process, packaging changes, 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. While green marketing came into prominence in the late 1980s and early 1990s, it was first discussed much earlier. To understand the concept of Green Marketing one must be aware with the GREEN CODE.

The Green Code is:

1. G=Generalize with care
2. R=Remember
3. E=Explore
4. E=Ensure
5. N=Neutrality is important

According to OTTMAN 1993 Green Marketing serves two key objectives:

- 1.To develop the products that incorporate consumers needs for convenience, affordable pricing and performance while having a minimal impact on the environment.
- 2.To project an image of high quality including environmental aspects, both in regard to product attributes and the manufacturer's track record for environmental fulfillment.

OBJECTIVES OF RESEARCH PAPER:

1. This paper will attempt to understand the concept of green marketing
2. To know the significance of going green
3. To know why the big multinational giants corporate adopting the green marketing approach
4. To look upon the hurdles within green marketing
5. To discuss upon the strategies of green marketing concept.

RESEARCH METHODOLOGY:

To analyse the above mentioned objectives the information has been gathered through secondary sources which includes research paper, e- journals ,books and reports of various authentic organizations.

EVOLUTION OF GREEN MARKETING

The green marketing has evolved over a period of time. According to pettie (2001), the evolution of green marketing has three phases which is as below:

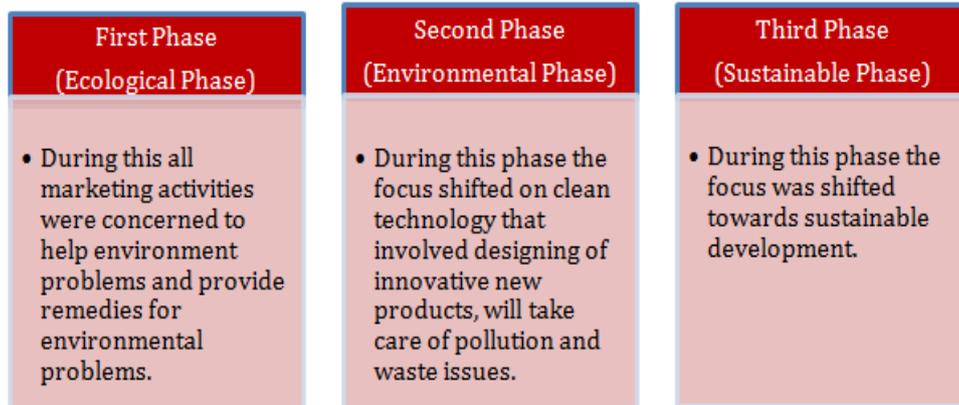


FIGURE- 1

IMPORTANCE OF GREEN MARKETING

Green Marketing offers business bottom line incentives and top line growth possibilities. While modification of business or production processes may involve start-up costs, it will save money in the long term. For example the cost of installing solar energy is an investment in future energy cost savings. Companies that develop new and improved products and services with environmental impacts in mind give themselves access to new markets, substantially increase profits and enjoy competitive advantages over those marketing non- environmentally responsible alternatives.

The following diagram represents the importance of Green Marketing:

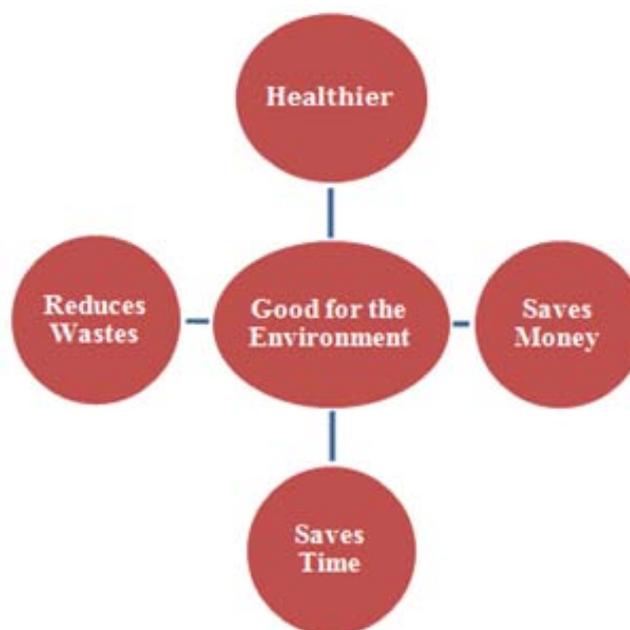


FIGURE-2



The implementation of Green Marketing concept is overall good for the environment as it helps in eliminating the wastes ,saves the time, saves money as the usage of natural renewable sources are cheaper in comparison to the use of other pollution making sources and ultimately leading to a healthy Universe.

Below are the five possible reasons why the firms have increased use of Green Marketing:

1. Organizations perceive environmental marketing to be an opportunity that can be used to achieve its objectives.
2. Organizations believe they have a moral obligation to be more socially responsible.
3. Governmental bodies are forcing firms to become more responsible.
4. Competitors' environmental activities pressure firms to change their environmental marketing activities.
5. Cost factors associated with waste disposal, or reductions in material usage forces firms to modify their behavior.

FOUR P'S OF GREEN MARKETING

Like conventional marketers, green marketers must address the Four Ps in new perspective in view of changed scenario:

- **Product**

Marketers wanting to exploit emerging green market either:

- Identify customers' environmental needs and develop products to address these needs; or Develop environmentally responsible products to have less impact than competitors.
- The increasingly wide variety of products on the market that support sustainable development and are good for the triple bottom line include
 - Products made from recycled goods
 - Products that can be recycled or reused.
 - Efficient products, which save water, energy or gasoline, save money and reduce Environmental impact.
 - Products with environmentally responsible packaging.
 - Products with green labels, as long as they offer substantiation.



- Organic products - many consumers are prepared to pay a premium for organic products, which offer promise of quality.
- A service that rents or loans products such as toy libraries.
- Certified products, which meet or exceed environmentally responsible criteria.
- **Price**
 - Pricing is a critical element of the marketing mix. Most customers are prepared to pay a premium if there is a perception of additional product value.
 - This value may be improved performance, function, design, visual appeal or taste.
 - Environmental benefits are usually an added 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.
- **Place**
 - The choice of where and when to make a product available has a significant impact on the customers being attracted.
 - Very few customers go out of their way to buy green products merely for the sake of it.
 - Marketers looking to successfully introduce new green products should, in most cases, position them broadly in the market place so they are not just appealing to a small green niche market.
 - 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.
- **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. For example, many companies in the 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, such as waterless printing.

- Retailers, for example, are recognizing the value of alliances with other companies, environmental groups and research organizations when promoting their 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.
- The key to successful green marketing is credibility. Never overstate environmental claims or establish unrealistic expectations, and communicate simply and through sources that people trust.
- Promote your green credentials and achievements. Publicize stories of the company's

BENEFITS OF GREEN MARKETING



FIGURE- 3

CHALLENGES OF GREEN MARKETING

There are a large number of challenges in the successful implementation of green marketing concept these are:



1. Need for Regulatory bodies for providing the Standardization certification: There is a need for a central standard quality control board for giving the products a green license or label. It is found that very few campaigns of Green marketing which states the reality and there is a lack of standardization to authenticate these claims. There is no standardization to authenticate these claims. There is no standardization currently in place to certify a product as organic. Unless some regulatory bodies are involved in providing the certifications there will not be any verifiable means.

2. Emerging Concept: Today's consumer is an intelligent consumer in the sense that they are aware about green products but still there is a long way to go since it is an emerging concept. 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. By India's ayurvedic heritage, Indian consumers do appreciate the importance of using natural and herbal beauty products. Indian consumer is exposed to healthy living lifestyles such as yoga and natural food consumption. In those aspects the consumer is already aware and will be inclined to accept the green products.

3. Gradual Progress: The progress of Green marketing concept movement is slow and it requires lot of patience from the business houses to let it grow at its own pace. The investors and corporate need to view the environment as a major long-term investment opportunity. If business houses wait they will get the benefits of Green in long run.

4. Avoiding Green Myopia: The major challenge in front of Green product is to pass through the customer satisfaction test. Even though the Green products are safe, secure, healthy but if it is not matching the mindset of consumers the consumer will not accept it either because of its price or if they are liking its alternative product.

5. Price Factor: Green marketing undertake the marketing and promotional activities of green products/services, green technology, green power/energy which all requires a heavy expenditure.

6. Implementing Eco label scheme: The initiator of ecolabel scheme is Germany where by the products are authenticated as green product. For gaining the confidence of the customer in green product the companies can adopt for ecolabel scheme. Adoption of ecolabel scheme and its implementation both are tedious task and require a lot of effort to



change the mindset of customer. Eco-labeling schemes ensure the authenticity of environment friendly products and harmless products.

7. Survival Factor: The profits are less in the initial years since the adoption of green marketing is very expensive and the concept can reap its benefits in the long run only. Green marketing will be successful only in long run. Hence to survive the business houses should wait and should not indulge in any malpractices to make short term profits.

INITIATIVES FOR GREEN MARKETING

To promote green marketing in INDIA a eco mark scheme has been introduced by Govt of India in 1981 to provide information regarding the environmental performance of products. The eco labeling scheme was first introduced in German.

The ecolabel scheme gives the authentication of Green Products which means that the product are environment friendly and not harmful. It is an official symbol that shows that the product has been designed to do less harm to the environment than similar products. The eco label aims to promote products with a reduced environmental impact compared with other products in the same product group.

The below picture shows the types of Eco label Scheme:

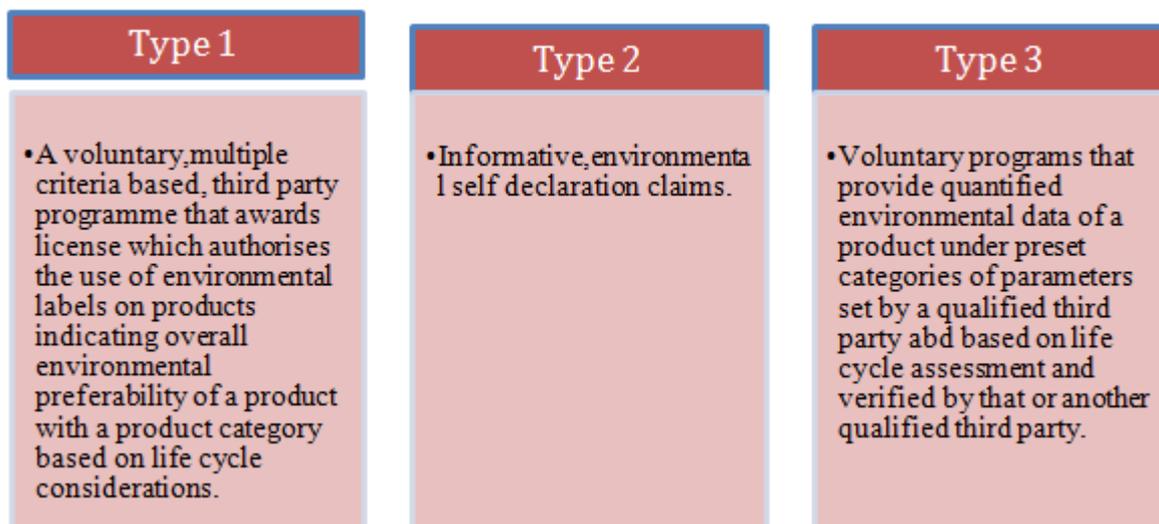


FIGURE - 4

The eco label scheme in several countries worldwide are given in the below table:



TABLE- 1

COUNTRY	SCHEME
GERMANY	BLUE ANGEL TUV RHINELAND
E.U	ECOLABEL
INDIA	ECOMARK
KOREA	ECOMARK
FRANCE	NF ENVIRONMENTAL LABEL RETOUR BRAND
JAPAN	ECOMARK
CHINA	GREEN MARK
AUSTRIA	THE AUSTRIAN ECO LABEL
CANADA	ENVIRONMENTAL CHOICE
NETHERLAND	STICHING MILEUKEUR (ECOLABEL)
SWEDEN	NORDIC SWAN,SITO ECODECLARATION,FALCON/GOOD ENVIRONMENTAL CHOICE,ENVIRONMENTALLY FRIENDLY OFFICE PROGRAMME(TCO'95)
SWITZERLAND	SWISS ENERGY 2000
NEW ZEALAND	ENVIRONMENTAL CHOICE
SINGAPORE	GREEN LABEL
TAIWAN	GREEN MARK
THAILAND	GREEN LABEL
USA	ENERGY SEAL,GREEN STAR,GREEN CROSS

Source: Childs and Whiting 1998

GREEN MARKETING INITIATIVES:

The below table shows the Indian companies examples who are following the Green Approach:

TABLE- 2

S.No	Company	Green Marketing Initiatives
1	Philips India	<ul style="list-style-type: none">• Energy saving lights• Medical Equipments• House hold Appliances
2	Mahindra Reva	<ul style="list-style-type: none">• Electrical Vehicle-“e 20”• Earth friendly small tractor designed for farmers
3	Go Green BOV	<ul style="list-style-type: none">• Battery operated vehicles
4	Philips	<ul style="list-style-type: none">• CFL Bulbs
5	Hewlett Packard	<ul style="list-style-type: none">• Energy efficient products and services and institute



		energy efficient operating practices in its facilities worldwide
6	Wipro Technologies	<ul style="list-style-type: none">• Sustainable IT products and solutions which help customers to achieve high productivity in energy space and asset management through the life cycle• Recycled plastic• Launched Green ware ranges of desktop which are not only 100% recyclable but also toxin free
7	Infosys Technologies Ltd	<ul style="list-style-type: none">• Focused on green buildings, water harvesting and conservation• Better transport management by encouraging car pool for its employees and increasing bio diversity in its campuses• Focused on Green engineering. The unit works on new products as well as on refurbishing existing products to make them more energy efficient.
8	Accenture	<ul style="list-style-type: none">• Focused on “Green Building” and data centres at all global offices
9	HCL	<ul style="list-style-type: none">• Producing products that are environment friendly in all respects and are free from hazardous chemicals
10	Mc Donald	<ul style="list-style-type: none">• Mc Donald napkins, bags are made of recycled paper
11	Panasonic	<ul style="list-style-type: none">• Eco friendly refrigerators, Air conditioners, washing machines• Plasma TV, LCD• Quick Iron, batteries and bulbs

Source: www.indianresearchjournals.com

TOP TEN ECO- FRIENDLY COMPANIES OF INDIA:-

1. Amul
2. Dabur India Ltd
3. Infosys
4. Taj Hotels
5. Hindustan Unilever Ltd
6. Wipro Technologies Ltd
7. Maruti Udyog Ltd
8. Godrej Consumer Products



5. Britannia Industries Ltd
6. Suzlon India Ltd

CONCLUSION

At the end we can say that there is a long Road ahead in front of Green marketing to achieve its ultimate target both from consumer side to make the all the products environment friendly and for the business to reap the benefits of Green Marketing. The sustainability factor of Green Marketing can be achieved in the long run. Green Marketing is still in the stage of childhood in the Indian companies. The growing awareness of the consumers is compelling the big giants corporate to peep into the Green Marketing arena. The Green marketing phenomena has to be looked upon as a responsibility for all of us to make our society for our future generations to worth living.

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