

A Study on Green Marketing

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ABSTRACT

The concept of Green Marketing is still in the stage of infancy. Even till date it has not been inculcated as a subject in identifying the key ideas in relation to the awareness of green products that may be most relevant to eco-friendly environment. Smart business houses have accepted green marketing as a part of their strategy. This paper will attempt to introduce – the terms and the concept of green-marketing; about the importance of green marketing; examine some reasons that make the organizations interested to adopt green marketing philosophy; it also highlights some problems that organization may face to implement green marketing This paper, will also attempt to identify the extent to which consumers are concerned to purchase green products, to study the various factors which affect consumers purchasing green products, to evaluate attitudes of consumers regarding green products.

1. Introduction

Environmental issues have gained importance in business as well as in public life throughout the world. It is not like that a few leaders of different countries or few big renowned businesses.

Houses are concerned about the day to day deterioration of oxygen level in our atmosphere but every common citizen of our country and the world is concerned about this common threat of global warming. So in this scenario of global concern, corporate houses has taken green-marketing as a part of their strategy to promote products by employing environmental claims either about their attributes or about the systems, policies and processes of the firms that manufacture or sell them. Clearly green marketing is part and parcel of overall corporate strategy; along with manipulating the traditional marketing mix(product, price, promotion and place) , it require an understanding of public policy process. So we can say green marketing covers a broad range of activities. A different writer has given different definition about green marketing which tried to cover all major components of green marketing.

According to Polonsky (1994)- green or environmental marketing consists of all activities, designed to generate and facilitate any exchange indented to satisfy human needs and wants, such that the satisfaction of these needs and wants occur with minimum detrimental impact on the natural environment.

2. Importance of Green Marketing

Since early 1990s, a major concern on ecological impact of industrial house on environment has been surfaced on marketplace. Not only the relation between human, organization and natural environment being redefined ,but the implication thereof are being interpreted; because of these, new perceptions are being formed or re-evaluated on issues like environmental friendly products, recycle ability, waste-reduction, the cost associated with pollution and the price value relationship of environmentalism. Pressure from various

stakeholders, Govt., environmentalists, NGOs, consumers is placed on businesses, which in turn keeps them under constant and relentless watch in their daily operations. A direct result can be seen in developed and developing countries where Govt. became more strict in imposing regulations to protect environment; at the same time, the consumers of these countries are being more and more outspoken regarding their needs for environmentally friendly products, even though questions remain on their willingness to pay a higher premium for such products. So in this era where consumers determine the fate of a company, green marketing imparts a proactive strategy for these companies to cater the market by imparting nature-friendly products/ services which otherwise reduce or minimize any detrimental impact on environment.

3. Objective of the Study

1. To consider the concept of Green Marketing.
2. To identify the factors that influences the customer persuasion to buy green products.
3. To know about the initiatives taken by the Government of India.

4. The Life Stage of Product would include the following

Stage- I

Development stage: traditionally characterized as the acquisition of raw materials, component parts, and subassemblies. The alternative approach advocated here encourage manufacturer to check the environmental programs of suppliers, to require minimal packaging of inputs, and to consider sources of materials that could be easily replenished or are recyclable.

Stage-II

Production stage: manufacturing companies are encourage to reduce emission, toxicity and waste, and to conserve water and energy. They are also encourage to seek

and develop alternative uses for waste products, to revise the manufacturing process, to minimize waste generation, to minimize energy use or to attempt to find alternative sources of energy.

Stage-III

Consumption stage: minimization of packaging, conservation of energy and minimization of waste from product maintenance and service are strongly urged.

Stage-IV

The final stage of a product is its disposal, green marketing introduce the concepts of reuse and recyclability, in addition to the concept of waste reduction.

5. Why are Firms using Green Marketing

Firms may choose to green their systems, policies and products due to economic and non-Economic pressures from their consumers, business partners, regulators, citizen groups and Other stakeholders (non market environment).some other reasons may include:

1. Some scholar claim that green policies/products are profitable: green policies can reduce costs; green firms can shape future regulations and reap first mover advantage.
2. Now a day's firms are becoming more concerned about their social responsibilities (S.R).They have taken S.R as a good strategic move to build up an image in the heart of consumers. Even the socially responsible firms are getting leverage, whenever they intend to enter into foreign countries. There are example of firms like ITC, HLL (Surf-excel) who are heavily promoting them as an environmentally concerned firms, where as there is example of firms who are working in this direction in a silence manner like coca-cola, who have invested corers of money in various recycling activities, as well as having modified their packaging to minimize its environmental impact. While being concerned about the environment coke has not use their concern as a marketing tool. Another big organization who is also working in this field without claiming any credit is Walt Disney World (WDW).So we can see that firms in this situation have taken two perspectives: (1) they are using green marketing as marketing tool; (2) they are working in this field without promoting the fact.
3. Change in customers attitude: with increasing concern about environment, consumers attitude towards firms having green policies or green products are becoming motivating factor.
4. Governmental pressure: in all most all civilized countries Govt. has the law to protect the consumers and the environment from the harmful goods or by products and ensure through law that all types of consumers have the ability to evaluate the environmental composition of goods. Govt. established several regulations to control the amount

of hazardous waste produced by firms and many by-products of production are controlled through the issuing of various environmental licenses, thus shaping the behaviour of organization towards more socially responsible one. In some countries govt. has designed guidelines in such a way that consumer would have appropriate information which would enable them to evaluate organisation's environmental claims.

5. Competitive pressure: competition is the integral part of business; and you cannot over-look any competitive action taken by your competitor. So to be in the market you have to have a vigil over your competitor's move for marketing it's products. Some firms have taken green-marketing as a strategy to build up it's image rather than inculcate it as a part of the policy and work silence. In some instances this competitive pressure has caused an entire industry to modify and thus reduce its detrimental environmental behaviour.
6. Cost or profit issue: firms may also use green-marketing in an attempt to have a control over the cost associated with waste disposal.

6. Challenges in Green Marketing

Need for Standardisation

It is found that only 5% of the marketing messages from Green campaigns are entirely true and there is a lack of standardization to authenticate these claims.

New concept

Indian literature 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. By India's ayurvedic heritage, Indian consumers do appreciate the importance of using natural and herbal beauty products.

Patience and Perseverance

The investors and corporate 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.

Opportunities: Green Marketing

- Competitive advantage
- Increasing the consumer base
- Legislation and receiving subsidies from Government
- Reduction in cost
- Corporate social responsibility

Now a day's Indian companies are leading the world in the field of Green Marketing. A study by the famous internet portal shows that the Indian Companies are leading in the filed and Indian consumers are also the much aware about the Green products. In India day by day many companies are adopting green for capturing market.

1. Best Green IT Project: State Bank of India:

By using eco and power friendly equipment in its 10000 new ATMs, the banking giant has not only saved power costs and earned carbon credits, but also set the right example for others to follow. SBI is also entered into green service known as "Green Channel Counter". SBI is providing many services like; paper less banking, no deposit slip, no withdrawal form, no checks, no money transactions from all these transaction are done through SBI shopping & ATM cards, State Bank of India turns to wind energy to reduce emissions: The State Bank of India became the first Indian Bank to harness wind energy through a 15-megawatt wind farm developed by Suzlon Energy.

2. Indian Oil's Green Agenda:

Indian Oil is near to the target of reaching EURO-IV compliant fuels to all parts of the country by the year 2016; major cities will upgrade to Euro-IV compliant fuels by that time. Indian Oil has invested about Rs.7000 crore so far in green fuel project at its refineries; ongoing projects account for a further Rs.5000 crore. The R&D Centre of Indian Oil is engaged in the formulation of eco-friendly biodegradable lube formulations.

3. Eco-Friendly Rickshaws for Transportation have been started in the Metro Cities.

4. Wipro Infotect was India's first company to launch environment friendly computer peripherals. For the Indian market, Wipro has launched a new range of desktops and laptops called Wipro Greenware. These

products are ROHS (Restriction of Hazardous Substance) compliant thus reducing e-waste in the environment.

5. Government of India has set up various standards for environment protection such as energy efficiency standards for appliances (refrigerators, tube lights, transformers and other electrical appliances), energy conservation building code (ECBC) and fuel efficiency or emission norms for vehicles (Ministry of Environment and Forest, Govt. of India 2010).
6. Indian Government had made mandatory the use of fly ash (a hazardous industrial waste) in the cement industry, thus making it an eco-friendly product.

7. Conclusion

Now this is the right time to select "Green Marketing" globally. It will come with drastic change in the world of business if all nations will make strict roles because green marketing is essential to save world from pollution. With the threat of global warming looming large, it is extremely important that green marketing becomes the norm rather than an exception. Recycling of paper, metals, plastics, etc in a safe and environmentally harmless manner should become much more systematized and universal. Green Marketing requires that consumers "Think Green, Think Eco-friendly".

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