

Sustainable Growth with Green Marketing: An Economic Indicator

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ABSTRACT

Environmental matters are very important nowadays that the business organisation has to consider with the fast process of economic development. It is very clear that without industrial development, economic growth is unimaginable but together with this the sustainable development with environment protection is an important consideration that each and every sectors need to focus on especially industrial sector. The present paper has conducted research work in the reference of green marketing aspects with its objective, benefits, challenges, current scenario, golden rules, future of green marketing so that the development of the country becomes the development of each and every person and even for the generations to come this development can be sustained.

1. Introduction

According to the American Marketing Association, green marketing is the marketing of products that are presumed to be environmentally safe. Thus green marketing incorporates a broad range of activities, including product modification, change to the production process, packaging changes, as well as modifying advertising. Yet defining green marketing is not a simple task where several meanings intersect and contradict each other; and example of this will be the existence of varying social, environmental and retail definitions attached to this term. Other similar terms used are Environmental Marketing and Ecological Marketing. 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 the implication of global warming, non biodegradable solid waste, harmful impact of pollutants etc, both markets and consumers are becoming increasingly sensitive to the need for switch in to green products and services. While the shift to "green" may appear to be expensive in the short term, it will definitely prove to be indispensable and advantageous, cost-wise too, in the long run.

2. Objectives of the Study

- To identify the importance of Green Marketing in India from different perspectives.
- To understand the golden rules/strategy needed for successful Green Marketing.
- To study the present scenario and potential of Green Marketing in India.
- To study the problems faced by Green Marketers in India.

3. Importance of Green Marketing

Green Marketing offers business bottom line incentives and top line growth possibilities. While modification of business or production 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 profit and enjoy competitive advantage over those marketing non-environmentally responsible alternatives. When looking through the literature there are several suggested reasons for firms increased use of Green Marketing. Five possible reasons are as follows;

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.

4. Benefits of Green Marketing

Companies are responsible to consumers' aspirations for environmentally less damaging or neutral products. Many companies want to have an early-mover advantage as they have to eventually move towards becoming green. Some of the advantages of green marketing are;

- It ensures sustained long-term growth along with profitability.
- It saves money in the long run, though initially the cost is more.
- It helps companies' market their products and services keeping the environmental aspects in mind. It helps in accessing the new markets and enjoying competitive advantage. Most of the employees also feel proud and responsible to be working for an environmentally responsible company.

One of the main problems is that firms using green marketing must ensure that their activities are not misleading to consumers or industry, and do not breach any of the regulations or laws dealing with environmental marketing.

Another problem firm's face is that those who modify their products due to increased consumers concern must contend with the fact that consumers' perceptions are sometimes not correct. Take for example the McDonald's case where it has replaced its clamshells with plastic coated paper.

5. Problems with Green Marketing

1. The firms using green marketing must ensure that their activities are not misleading to consumers or industry, and do not breach any of the regulations or laws dealing with environmental marketing.
2. 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. There is no standardization to authentic these claims.
3. 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.
4. The investors and corporate companies need to review the environment as a major long-term investment opportunity; the marketers need to look at the long-term benefits from this new green movement. It will require a lot of patience and no immediate results. The corporate should not expect huge benefit for implementing Green Marketing immediately.
5. Green marketing is focusing on customer benefits i.e. the primary reason why consumers buy certain products in the first place. If the green products are priced very high then again it will lose its market acceptability.

6. Golden Rule of Green Marketing

1. Know you're customer

Make sure that the consumer is aware of and concerned about the issues that your product attempts to address.

2. Educating your customer

Isn't just a matter of letting people know you're doing whatever you're doing to protect the environment, but also a matter of letting them know why it matters. Otherwise, for a significant portion of your target market, it's a case of "So what?" and your green marketing campaign goes nowhere.

3. Being Genuine and Transparent

You are actually doing what you claim to be doing in your green marketing campaign and the rest of your business policies are consistent with whatever you are doing that's environmentally friendly. Both these conditions have to be met for your business to established the kind of environmental credentials that will allow a green marketing campaign to succeed.

4. Reassure the buyer

Consumers must be made to believe that he product performs the job. It's supposed to do they won't forego product quality in the name of the environment.

5. Consider your pricing

If you're charging a premium for your product and many environmentally preferable products cost more due to economies of scale and higher quality ingredients-make sure those consumers can afford the premium and feel it's worth it.

6. Giving your customers an opportunity to participate

It means personalizing the benefits of your environmentally friendly actions, normally through letting the customer take part in positive environmental action.

7. Thus leading brands should recognize that consumer expectations have changed

It is not enough for a company to green its products; consumers expect the products that they purchase pocket friendly and also to help reduce the environmental impact in their own lives too.

8. The future of Green Marketing

There are many lessons to be learned to avoid green marketing myopia, the short version of all this is that effective green marketing requires applying good marketing principles to make green products desirable for consumers. Evidence indicates that successful green products have avoided green marketing myopia by following three important principles.

9. Consumer value positioning

Design environment products to perform as well as alternatives. Promote with desired consumer values. Frame environmental product attributes as "solutions" for consumer needs. Create engaging and educational internet sites about environmental products desired consumer value.

10. Credibility of Product Claim

Employ environmental product and consumer benefit claims that are specific and meaningful. Procure product endorsements or eco-certifications from trustworthy third parties.

11. Calibration of consumer knowledge

Educate consumers with marketing message that connect environmental attributes with desired consumer values. Frame environmental product attributes as "solutions" for consumer needs. Create engaging and educational internet sites about environmental products desired consumer value.

7. Current Scenario-India

Eco-mark scheme introduced by government of India in 1981 was a major step towards the promotion of green marketing in the country. Eco-labels provide information regarding the environmental performance of products. The basic objective of eco-labeling is to provide authentication to genuine claims regarding the environmental impact of products and processes by manufactures. The eco-mark scheme of India has the following stated objectives.

1. To provide incentive to manufacturers and importers to reduce adverse environmental impact of products.
2. To assist consumers to become environmentally responsible in their daily lives by providing them information to take account of environmental factors in their daily lives.

3. To encourage citizens to purchase products which have less environmental impact.
4. To reward genuine initiatives by companies to reduce adverse environmental impact of products.
5. Ultimately to improve the quality of the environment and to encourage the sustainable management of resources.

8. Paths to Greenness

Green marketing involves focusing on promoting the consumption of green products. Therefore, it becomes the responsibility of the companies to adopt creatively and insight, and be committed to the development of environment-friendly products. This will help the society in the long run. Companies which embark on green marketing should adopt the following principles in their path towards "greenness".

- Adopt new technology/process or modify existing technology/process so as to reduce environmental impact.
- Establish a management and control system that will lead to the adherence of stringent environmental safety norms.
- Using more environment-friendly raw materials at the production stage itself.

- Explore possibilities of recycling of the used products so that it can be used to offer similar or other benefits with less wastage.

9. Conclusion

Green marketing is not going to be an easy concept. The firm has to plan and then carry out research to find out how feasible it is going to be. Green marketing has to evolve since it is still at its infancy stage. Adoption of green marketing may not be easy in the short run, but in the long run it will definitely have a positive impact on the firm. Green marketing is still in the stage of childhood in the Indian companies. The lots of opportunities are available in Indian market. Customers too are ready to pay premium price for green products. This transformation in consumer's behaviour is compelling corporate to think about the harmful impact of their activities on the natural environment of the world. The rapid increase for the environment concern in last two decades is stressing companies to prove the change to ensure the sustainable growth of the society. Green marketing should not be considered as just one more approach to marketing, instead should be pursued with greater vigor as it has societal and environmental dimensions.

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