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Meenakshi Thakur
Asistant Professor,
Department of Commerce,
Sri Aurobindo College (Eve.),
University of Delhi, India

Green marketing in India: A conceptual overview

Meenakshi Thakur

Abstract

Global warming is one of the most critical threats faced by individuals and society at large. The world is now more concerned with environmental protection. Society and people are moving forward to new technologies and innovation, demanding eco-friendly products. An effort to explain the concept, need and significance of Green Marketing has been made. The present Indian Market scenario is also defined in this paper and discusses the challenges of Green Marketing. The data was obtained from different sources, such as newspapers, research papers, books, websites etc. Green Marketing helps organisations and consumers differently. The use of green products helps to preserve our surroundings.

Keywords: green marketing, green product, environment, global warming, consumer, marketer

Introduction

The Modern-day world is facing a crisis of global warming, which is getting worse day by day. Our society is worried about the alarming situation and is putting its energy and resources into protecting the environment. Modern technology and innovation have offered the people and society with eco-friendly products introducing a modern philosophy called Green Marketing. Green Marketing appeals to the ordinary person highlighting the use of green products to counter the harmful effect of global warming. More and more organisations are now adhering to Green Marketing compliance. The American Marketing Association has announced that it is environmentally friendly to sell and produce green goods. Green marketing therefore involves a wide variety of practises, such as product modification, improvements in the manufacturing process, packaging alteration, and promotional modification.

It is not an easy task to describe green marketing; even study and approaches differ. In green marketing, environmental and ecological marketing are also covered. Green marketing, as per Mr. J. Polonsky, can be described as, "All activities aimed at creating and promoting any exchange aimed at meeting human needs or wishing to meet their needs and wanting to have a minimal adverse effect on the national environment."

Evolution of green marketing

Green Marketing was not popular during the 1960s because the corporates and public sector were not aware of eco-friendly living habits, production, and purchasing products with environmental and health benefits. Green Marketing came into eminence during the late 80's and early 90's. When the corporate or public sector introuced producing eco-friendly products, the public purchased and started using their healthy products. The American Marketing Association in 1975 organised a workshop on Ecological Marketing to study the impact of marketing on the natural environment. It coined the concept of Green Marketing for the first time. The workshop explored the positive and negative impact of marketing activities on pollution and society. Rapid industrialisation during the 1970 with growth of population led to huge piles of industrial waste on our planet. People started thinking about their behavioural patterns and kept asking for environmentally safe and healthy products. The corporate world also incorporated reforming policies and strategies on eco-friendly products.

Green Marketing got modernised in the 1990's with people, society, states, countries getting aware of the concept of green marketing and its contribution toward protecting the environment. Green food, Green factories are the result of green marketing. Spirit of the universe became green marketing. The new atmosphere with changing habits and demand for eco-friendly products forced companies to go green to produce less harmful effects.

Corresponding Author;
Meenakshi Thakur
Asistant Professor,
Department of Commerce,
Sri Aurobindo College (Eve.),
University of Delhi, India

At present, organisations are giving attention to environmental sustainability. The aim of protecting the environment and people's demand for eco-friendly products is the primary drive to this change. Green Marketing has the edge over competitors who do not produce green products. Green Marketing is a channel of advertising and conveys the message of the organisation's environment considering actions in the market.

Over a period, Green Marketing has evolved into an important concept. According to Peattie (2001), Green Marketing passed through three phases.

The first phase was named 'Ecological' green marketing. This phase of marketing covered concerned help to environmental products and provided ready remedies to the problems.

The next stage was 'Environmental' green marketing. The attention shifted to clean and green technology which included new innovative products with minimum waste and lower degree of pollution.

The final stage known as 'Sustainable' green marketing. Its popularity and acceptance came in the late 90's and early 2000's. It focussed on developing better quality products that could meet the basic standards of health and hygiene and pricing in an environmentally friendly way.

Objectives of the study

- 1) To understand the concept of green marketing.
- 2) To identify the need and importance of green marketing.
- 3) To study the challenges and prospects of green marketing.

Review of literature

Ghosh (2010) [2], conducted a study on "Green Marketing - A Changing Concept in Changing Time" established the steps towards the significance of green marketing and initiated the process of green marketing by the organisations and highlighted the hurdles faced by the organisations to implement green marketing. The study showed that importance of using the products that can recycle, reuse, and save energy. The research paper presents a clear picture of the change in material perspective between green marketing and traditional marketing.

Datta (2011) [3] made an attempt to study "Pro-environmental Concern Influencing Green Buying: A Study on Indian Consumers" the study pointed out that the highly educated people are interested in green products and ready to pay a premium price for it. They felt they could contribute to serving the environment to a great extent by using green products. The study further revealed that the higher cost of green products led to dissatisfaction among consumers. Organisations need to adopt the right mix of green marketing for green products with the minimum price to attract the consumer.

Boztepe (2012) [4] in his study on "Green Marketing and Its Consumer Behaviour" explored the cause of the emergence of green marketing. Consumers adopt environmentally friendly behaviour, and green products are purchased rather than standard products. The study shows the environmental awareness, green product attributes, green prices and green marketing promotion activities have a positive impact on consumer buying behaviour. The demographic factors have a moderate impact on consumer buying behaviour. Being Green is an ethical corporate code for the organisations that have started producing green products for long-term

viability and environmentally friendly sustainability in the 21st Century.

Saini (2013) [5] conducted a study on "Green Marketing and Its Impact on Consumers Buying Behaviour" the study centred on how consumers buying behaviour is influenced by green marketing and find out how companies can get a competitive advantage by adopting green marketing. She also tried to find out how green strategies would increase demand. It further revealed that companies need to improve their relationship with consumers to go green and offer quality product at regular price which have more impact on society compared to environmental responsibility.

Nagaraju *et al.* (2014) [6] carried out a study on "Consumers' perception Analysis-Market Awareness towards Eco-Friendly FMCG Products- A Case Study of Mysore District" Consumer understanding and knowledge of environmentally sustainable goods should be investigated. They stated that customers in Mysore are conscious of environmentally friendly goods and expect products and their packages in their buying decisions to be ecologically sound. The government, organisations, and consumers initiatives would require a policy to follow a strategic line between promoting and implementing a greener environment, which will jointly create consumer awareness of eco-friendly products.

Sharma (2015) [7] in the research article on "Green Marketing: An Exploratory Research on Consumers in Udaipur City" attempted to determine the connection of socio-demographic factors to green goods by customers. The analysis showed that customers do care about safety of the ecosystem. It further concluded that attitude and perception of green marketing were affected by education, age, marital status, and respondents' income.

Jain Pooja and Mehta Praveen (2016) carried out research on "Consumers' Perception about Green Marketing" tried to know consumers' perception about green marketing. The study found that green marketing is a valuable instrument for achieving organisational goals and gaining competitive advantages and brand equity. Government of India has made it mandatory for organisation to be socially responsible. Furthermore, the study showed that most consumers are aware of the advantages of green marketing products for them and society. The researcher also suggested marketing strategies to discover new ideas by using variables like value, price, habits, brand name and packaging.

Thelapurath Sujith (2017) conducted a study on "Awareness of Green Marketing and its Influence on Buying Behaviour of Consumers in Kerala" concluded that people are aware of green products and have articulated a positive attitude towards green marketing and green products. Still, organisations need to raise awareness among consumers and society to promote eco-friendly products. Organisations should aim to increase the quality of green products at a minimum price.

Thoria Omer Mahmoud (2018) [11]. In his study on "Impact of Green Marketing Mix on Purchase Intention" with the goal of evaluating the effect on the customer intention in Sudan of the Green Marketing mix elements. The study found that there was a substantial relationship between consumer purchase intention and green marketing mix elements.

Reasons for using green marketing

Humankind has minimal resources to fulfil their limitless

desires. Therefore, fresh or alternate forms of fulfilling infinite needs ought to be developed for enterprise that faces a shortage of natural resources. "Green Marketing" offers the solution for marketing operations to use these limited resources when meeting customer requirement and achieving the goals of the selling company. There are several suggested explanations for the organisation's expanded use of green marketing when reading at literature. The main explanations are

1) Opportunity

Organisations can promote their green products showing advantages over traditional products. Due to increased demand for eco-friendly product organisations are focusing on producing green products. In India, consumers behaviours have shown a positive upward trend towards green and "health-conscious" products. Green marketers have a wide range of buyers to target.

2) Social responsibility

Organisations have felt the moral responsibility to be socially acceptable. Having accepted the facts to survive and save the environment, they are operating in an environmentally responsible way by taking care of profitability along with environmental objectives.

3) Competitive pressure

A major force in green marketing is the organisation's quest to maintain its competitive advantages. Competition is in the market and each company seeks to sell its eco-products and strive to mimic the actions of this environmental change. In certain cases, this competitive pressure has forced the whole sector to adjust and therefore change its environmentally destructive behaviour.

4) Governmental

Government has framed various rules and regulations for the welfare of consumer as well as society. A regulatory mechanism to minimise the production of toxic products and by-products has also been implemented and developed by the Indian government. The government bodies putting pressure on organisations to become responsible towards the environment and society. These rules and regulations help to control and reduce the production and consumption of harmful products and hazardous waste.

5) Cost reduction

Reducing costs, lesser use of material and disposal of waste cause companies to change their manufacturing pattern. It is possible to achieve cost savings by reducing the use of hazardous waste. Many companies also develop a symbiotic arrangement in which one organisation's waste is used by the other as an economical raw material.

Golden rules of green marketing

▪ Know your customer

Make sure the consumer is conscious of and informed about green products' issues.

▪ Educating your customer

It is the obligation of the marketer to educate the consumer about green goods and explain how and in what way usage of green products protect our environment.

▪ Reassure the customer

Customers must be confident that the commodity does the

intended task, and in the name of the environment, companies have not sacrificed quality and efficiency.

▪ Being genuine and transparent

Organisations need to adopt green marketing practices/messages, as displayed in their green marketing campaign. Organisational policies should be consistent around environment friendly.

▪ Consider pricing

If organisations are charging a premium price for a product, they must ensure high quality ingredients are used in products to make sure the customers felt worthy spending on eco-friendly products. Organisations need to pass on the cost benefits of economies of scales.

▪ Customers participation

Allowing customers to participate, use and experience the merits of environment-friendly products.

▪ Empower customer

Make sure the consumer using the green products recognise the positive difference. This is called empowerment, and is one of the key reasons for purchasing green goods.

Countries are ranked according to the level of their response

Rank according to the level of response towards Green Marketing

Rank	Countries
1	India
2	UK
3	US
4	Thailand
5	Australia
6	Canada
7	China

Source- Namex International Journal of Management Research

The Four P's of Green Marketing

1. Green Product

Organisations explore the emergence of green market by identifying customers' environmental needs and producing eco-friendly products to have less impact than that of the standard products.

2. Green price

One of the critical elements of the marketing mix is pricing. If the product advantages are extra, consumers are ready to pay a higher amount. This can be accomplished by enhanced consistency, efficiency, taste, style and visual attractiveness.

3. Green place

Place preference is one of the main facets of green marketing. Eco-friendly products should be made available to the consumers in their areas as product availability significantly impacts customers being attracted.

4. Green promotion

Promotion is an important factor which gets customers familiar to green products. Various marketing tools like paid

advertising, sales promotions, public relations, and on-site promotions to target the market.

Green products in India

Consumers want products not impacting both the environmental and human health system. Organisations have started producing and marketing of eco-friendly products and took the competitive advantages along with the organisational objectives. Organisations believe in their social responsibility with accountability, hence originating the philosophy of Corporate Social Responsibility (CSR) which many organisations have adopted in India. Government of India has taken initiatives like Digital India, Green City, Green Industry, Ban on Plastic Bags, Promotion of Organic Farming, Development and Utilisation of Renewable Energy, Green Silk Development Program, Eco Mark, CNG, EURO-BSVI and Electric Vehicles which curb the pollution and make the environment safe and healthy for living.

Companies adopted green marketing in India

- Wipro Infotech is the first company in India to use environmentally friendly peripherals for computers.
- Patanjali has manufactured mineral and herbal products from the Himalayan region and has used herbs.
- The first eco-friendly mobile handsets made from recycled materials were launched by Samsung in India. With effective electricity and without harmful chemicals such as lead and mercury, LED TV screens were also introduced.
- The biggest energy company in India, the Oil and Natural Gas Business, has begun using the energy-efficient Mokshada Green Crematorium.
- Nerolac has started removing hazardous metals- lead, mercury, chromium, arsenic and antimony from paint manufacturing.
- The first commercial electric car in the world was launched by Reva, The Indian Company in Bangalore.
- ITC has introduced Paper Kraft, a premium collection of environmentally responsible company papers.
- Honda India car manufacturer introduced its Civic Hybrid model.
- Indusind Bank installed the first solar-powered ATM in India which created an eco-savvy revolution.
- "Suzlon Energy" manufacturers and markets wind turbines to generate wind power, one of the renewable energy sources. It helps to mitigate the carbon footprint.
- Eco-friendly showrooms are set up by Tata Motors using natural materials for their flooring and energy-efficient lighting.

Ways to go green

- Go digital- save paper.
- Switch off -when not in use.
- Conserve water- each and every drop counts
- Turn to lightweight, energy-saving fluorescent light bulbs.
- Choose fewer packaged products-save resources.
- Buy local and organic food -stay healthy.
- Walk more and drive less- save energy and fuel
- Recycle more-save natural resources.
- Turn to renewable energy, including solar power, use non-conventional energy.
- Aware the world of green, living green, keeping green.

Green marketing challenges

Although several businesses do green marketing, it is not a simple job, since issues of green marketing have to be solved. Green marketing is posing major hurdles

1. New concept

Modern "Indian consumers" are becoming more conscious of the benefits of green goods. The government and advertisers should educate the consumer and raise awareness of environmental risks. The modern green movement wants to enter every aspect of society, and it will take a great deal of time and effort.

2. Convincing customers

Customers buy a product only when they are persuaded of the advantages of the product. There are chances that consumers would not trust the promotion of green marketing by a company. Organisations must ensure that all possible steps to persuade consumers of their green goods. Implementing eco-labelling systems is the best choice available. Once they have felt a positive difference over regular goods, customers will pay a higher price for eco products.

3. Cost factor

Green marketing requires the commercialisation of green goods, new technology, green power and electricity, which involve significant quantities of expenditure in innovation, growth and associated advertising campaigns for research and development programmes that raise costs in the short term. Marketers should keep in mind the high-cost factor in the short term.

4. Sustainability

Green technologies and recycled and recyclable materials are costlier, so profits are initially very low. Organizations have to do long-term planning rather than short-term plans. In the short term, companies should avoid falling into the lure of unethical activities to gain money.

5. Non-cooperation

Green marketing organisations must work hard to persuade stakeholders, and organisations may sometimes struggle to convince stakeholders of the long-term advantages of green marketing relative to short-term expenditures.

Suggestions

Green marketing requires a lot of study to leverage its ability to the max. There are some recommendations that organisations can adopt in order to address the challenges to successfully exploit the area of green marketing. The benefits of green goods need to be made clear to customers and the issue that green products are meant to address. It is duty of the government and organisations to educate the customers regarding green products and explain how and in what way usage of green products protect our environment and improve health. Organisations need to adopt green marketing practices as displayed in their green marketing campaign. Organisations policies should be consistent around the environment-friendly approach. The high-quality ingredients are used in products to make customers feel comfortable spending on eco-friendly products and recognise the positive difference.

Conclusion

Green Marketing is an instrument to protect the environment for future generation. The world has to be saved by strictly imposing environmental restrictions on producing hazardous products and trying to promote eco-friendly products. The importance of green marketing has now increased. It has captured the imagination of the marketers as well as the eco-friendly society. Marketers and consumers are showing their interest and concern for green products. Marketer can take competitive advantage by moving to eco-friendly products. We can save our environment, by optimum use of our natural resources, recycling, and reusing the products through green marketing strategies. This helps our earth in becoming a healthy planet to live.

Today's demand for green products is increasing worldwide due to global warming and health-related issues. Marketers need to consider the rapid and stimulating growth of green products and must grasp this opportunity by identifying and implementing the best green marketing strategies.

Green marketing is more important and relevant to countries like India, which have a huge population with high birth rate and scarce natural resources. Government and Marketers in India should get the consumers aware about eco-friendly products and induce optimum price for eco-friendly products so that every section of society can afford to utilise/consume the eco-friendly products.

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