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Green Marketing - A Tool for Sustainable Development

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ABSTRACT

Green revolutions, going green, environmental protection, sustainable life style, sustainable development, protecting our earth and many more have become a natural phenomenon in our everyday life. Green marketing is a tool used by many companies in various industries to follow this trend. This concept has enabled for the re-marketing and packaging of existing products which already adhere to such guidelines. Additionally, the development of green marketing has opened the door of opportunity for companies to co brand their products into separate line, lauding the green-friendliness of some while ignoring that of others. This paper mainly focuses on the concept, need, importance & strategy of green marketing in India. Researcher also examines the present scenario of green marketing and reasons that organizations are adopting green marketing as a tool for sustainable development. Data has been collected from multiple sources of evidence to understand the importance of green and sustainability management, in addition to books, journals, websites, and news papers. The paper analyses whether the manufacturers are cognizant about green products and eco-labeling, and also the difficulties in implementing green marketing. A guideline is given to the Indian manufacturers for producing green marketing products.

KEYWORDS : Green marketing, Corporate Social Responsibility (CSR), sustainability, Environmentally Safe, Competitive Advantage, Recyclable, eco-friendly products

INTRODUCTION

Today's consumers become more aware about to make their surroundings safer and healthier to live in. So they become more conscious about their purchasing in respect with all the products that they are use in their day to day life. That is why they prefer that type of products that are eco-friendly and not harmful for global environment any way. There are many industries who are now become more conscious about to be environmentally safe and eco friendly with respect to their products and products utility (in case of technically sound products) and the reason for going to be green of the industries are, by doing this they are helping to make the world more Greener and safer for future and up to some extent they are delivering their CSR (Corporate Social Responsibility) by producing Green products for welfare of the environment and the for the customers as a whole. 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, changes to the production process, packaging changes, as well as modifying advertising. The term Green Marketing came into prominence in the late 1980s and early 1990s.

REVIEW OF LITERATURE

The evolution of green marketing has three phases:

1. First phase was termed as "Ecological" green marketing, and during this period all marketing activities were concerned to help environment problems and provide remedies for environmental problems.
2. Second phase was "Environmental" green marketing and the focus shifted on clean technology that involved designing of innovative new products, which take care of pollution and waste issues.
3. Third phase was "Sustainable" green marketing. It came in to prominence in the late 1990s and early 2000.

Green marketing has been an important academic research topic since it came. (Coddinton.1993; Fuller; 1999; Ottman, 1994). Attention was drawn to the subject in the late 1970's when the American Marketing Association organized the first ever workshop on -Ecological marketing in 1975 which resulted in the first book on the subject entitled -Ecological Marketing by Henion and Kinnear in 1976. Peattie and Crane (2005) claims that despite the early development, it was only in the late 1980's that the idea of Green Marketing actually made an appearance because of the consumers growing interest in green products. Green marketing was given prominence in the late 1980s and 1990s after the proceedings of the first workshop on Ecological marketing held in Austin, Texas (US), in 1975. Several books on green marketing began to be published thereafter. The green marketing has evolved over a period of time. According to Peattie (2001), the evolution of green marketing has three phases. First phase was termed as "Ecological" green marketing, and during this period all marketing activities were concerned to help environment problems and provide remedies for environmental problems. Second phase was "Environmental" green marketing and the focus shifted on clean technology that involved designing of innovative new products, which take care of pollution and waste issues. Third phase was "Sustainable" green marketing. It came into prominence in the late 1990s and early 2000. During 1990s, the concern for environment increased and resulted in to increasing challenges for the companies (Johri and Sahasakmontri, 1998). Dutta, B. (2009, January) in his article on Green Marketing titled Sustainable Green Marketing the New Imperative published in Marketing Mastermind states that Green Marketing involves developing good quality products which can meet consumer needs and wants by focusing on the quality, performance, pricing and convenience in an environment-friendly way. Barkar is of the view that, Companies need to believe first that Green Marketing can work and make diligent efforts to make necessary product improvements, which deliver performance, and are marketable and profitable. Unruh, G. And Ettenson, R. (2010) in their research article titled, Growing Green: Three smart paths to developing sustainable products. Published in Harvard Business Review, is for executives who believe that developing green products make sense for their organization and need to determine the best path

forward. The authors have introduced and described three broad strategies that companies can use to align their green goals with their capabilities: **Accentuate:** Strategy involves playing up existing or latent green attributes in your current portfolio. **Acquire:** Strategy involves buying someone else's green brand. **Architect:** Strategy involves architecting green offerings – building them from scratch.

Green marketing mainly focuses on four issues. These issues are: first, importance of green marketing; second, impact of green marketing on firm's competitiveness and performance; third, improving effectiveness of green marketing. In India green Marketing is a relatively new

topic introduced by few multinational companies operating in India like Philips India limited. A recent research of the Greek market (2009) about the "green marketing", realized by the Athens Laboratory of Research in Marketing in collaboration with the Centre of Sustainability (CSE), proved among others that the overwhelming majority of the consumers (92.8%) have a positive attitude towards the enterprises that are sensitive on environmental matters. This attitude represents mainly women of bigger age, married with children, housewives and pensioners. The 96.4% declare that the enterprises are compelled to contribute in the protection of the environment, while the 56% of these avoid products made by enterprises that do not respect the environment. The same research elected that the more important reasons that enterprises strategically support the protection of the environment are their image improvement (4.54), differentiation (3.92), publicity (3.84), sales increase (3.63), favorable taxation (3.54) and finally to really contribute to the protection of environment (3.47). Pittee (1995), and Van Dam & Apeldoorn (1996) define certain characteristics able to constitute sustainability for enterprises or at least sustainable marketing, such as: a redefinition of the "product", a willingness to change markets, an emphasis an benefits from product use, marketing communication that aims to inform rather than just impress, a focus beyond current consumers needs, a willingness to manage demand and expectation downwards, an emphasis on cost instead of price and taking more responsibility. Grant (2008) points out that "sustainability changes everything", while Johri (1998) shows that the future of green marketing strategy passes through the perception that consumers like "green" messages and Yudelson (2009) claims that the green marketing space is wide enough for large retailers and developers.

OBJECTIVES OF THE STUDY

- To discuss the need & importance for Green marketing in India
- To understand the strategy needed for successful Green marketing
- To know which company implemented green marketing in India.
- To study the present scenario and potential of Green marketing in India.
- To examine some of the reason & problem that organizations are adopting a green marketing philosophy.
- To know why the manufacturers and marketers launch eco-friendly products.

RESEARCH METHODOLOGY

This study is based on secondary sources of information from various research publications, published newspapers, journals-online & printed, magazines, web sites, books. The information is collected from libraries and websites.

GREEN MARKETING AND SUSTAINABLE DEVELOPMENT

American Marketing Association (AMA) defines green marketing as the marketing of products that are presumed to be environmentally safe; it incorporates several activities such as product modification, changes to production processes, and packaging, advertising strategies and also increases awareness on compliance marketing amongst industries. Business Dictionary defines green marketing as promotional activities aimed at taking advantage of changing consumer attitude towards a brand. These changes are increasingly being influenced by a firm's policies and practices that affect the quality of the environment and reflect the level of its concern for the community. It can also be seen as the promotion of environmentally safe or beneficial products. According to the World Commission on Environmental Development (1978), Sustainable Development is "meeting the needs of the present without compromising the ability of the future generations to meet their own needs". The common theme throughout this strategy of sustainable development is the need to integrate economic and ecological considerations in decision making by making policies that conserve the quality of agricultural development and environmental protection. This is what the end product of green marketing is, environmental protection for the present and the future generation.

NEED OF GREEN MARKETING

Issues like Global warming and depletion of ozone umbrella are the main for the healthy survival. Every person rich or poor would be interested in quality life with full of health and vigor and so would the corporate class. Financial gain and economic profit is the main aim of any corporate business. But harm to environment cost by sustain business across the globe is realized now though off late. This sense is building corporate citizenship in the business class. So green marketing by the business class is still in the selfish anthological perspective of long term sustainable business and to please the consumer and obtain the license by the governing body. Industries in Asian countries are catching the need of green marketing from the developed countries but still there is a wide gap between their understanding and implementation.

WHY FIRMS EMPHASIZING ON GREEN MARKETING?

When looking through the literature, there are several suggested reasons for firms increased use of Green Marketing. Five possible reasons cited are:

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.

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 manufacturers.

The Eco-mark Scheme of India has the following stated objectives:

1. To provide incentives 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.

GREEN MARKETING PRODUCTS

1- Coca-Cola Company of the USA pumped syrup directly from tank instead of plastic which saved 68 million pound/year.
2. In 1994, Philips launched the Earth Light, a super energy-efficient compact fluorescent light (CFL) bulb designed to be an environmentally preferable substitute for the traditional energy intensive incandescent bulb (Ottman et al. 2006).
3. In India, Badarpur Thermal Power station of NTPC in Delhi is devising ways to utilize coal-ash that has been a major source of air and water pollution.
4. Barauni refinery of IOC is taken steps for restricting air and water pollutants. It is a common knowledge that email marketing has a minimal impact on Mother Nature, since no trees are harmed in the making and sending of an email and it save both time and costs. We can send white papers, guides, and educational materials in PDF format for online viewing or downloading (instead of sending clients and customers a hard copy paper version). Green marketing takes advantage of customers' willingness to purchase, and sometimes pay a premium for, products that provide private benefits as well as public environmental benefits.

GUIDELINE FOR INDIAN MANUFACTURER FOR PRODUCING GREEN PRODUCTS

1. Know your customers
2. Educating your customers
3. Being Genuine & transparent
4. Reassure the buyer
5. Consider you're pricing
6. Giving your consumers an opportunity to participate

CONCLUSION

As the demand for green products undoubtedly exists, Green Mar-

keting provides an opportunity to the companies to increase their market-share by introducing eco-friendly products. Stricter environmental regulations across the world, growing consumer preference for eco-friendly companies, and the inherent cost advantages in lowering toxic waste, are encouraging industries big and small to clean up. Researcher found that, consumers are not overly committed to improving their environment and may be looking to lay too much responsibility on industry and government. Though it's the responsibility of the firm to produce products, which are having minimum impact on the environment, but ultimately it's the consumer who is having responsibility to use eco-friendly products. Consumers are not too much concerned about the environment but as they have become more sophisticated, they require clear information about how choosing one product over another will benefit the environment. Consumer education results in their empowerment. Empowered consumers choose environmentally preferable products when all other factors are equal. Ultimately green marketing requires that consumers Think Green, Think clean, Think Eco-friendly i.e. they want a cleaner environment and are willing to "pay" for it, possibly through higher priced goods, modified individual lifestyles, or even governmental intervention. Until this occurs it will be difficult for firms alone to lead the green marketing revolution.

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