



An Introduction to Green Marketing-Emerging Dimensions: A Review

Ankit Gandhi

PhD Scholar, School of Management, R.K. University, Rajkot

Dr. Ashvin Solanki

Associate Professor, Saurashtra University, Rajkot

ABSTRACT

The importance of Green Marketing can well be emphasised by stating the fact that majority of consumers in all the countries want to buy from environmentally responsible companies. Consumers say environmental consciousness is an important corporate priority – ranking behind good value, trustworthy, and cares about customers. Green marketing is a phenomenon which has developed particular important in the modern market. 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. As a result of this businesses have increased their rate of targeting consumers who are concerned about the environment.

KEYWORDS : Green marketing; Environmental friendliness; Eco-Friendly products; Green Products.

Introduction

The emergence of ecologically-conscious consumers was first noted in the late 1960s and early 1970s, as a response to the appearance of worrying signs concerning the systematic maltreatment of the environment (Fisk, 1973; Kinnear, Taylor, & Ahmed 1974). Throughout the late 1970s and 1980s green issues were not at the forefront of consumer concerns, mainly due to better economic prosperity, spiraling oil prices, and tightening pollution control (Schlegelmilch, Bohlen, & Diamantopoulos, 1996). Since 1970s, a significant amount of research has been conducted on consumer behaviour for environmentally friendly or eco-products. There are number of variables which drive the consumer choice with regard to purchasing these environmentally friendly products. These variables can be grouped into values, beliefs & knowledge, needs & motivations, attitudes, and demographics. A number of intervening variables have been identified to affect consumers' intention to pay more for an environmentally friendly product, grouped into eco-labels and consumer backlash.

Why Green Marketing?

Today resources are limited and human wants are unlimited, it is important for marketer to use the resource efficiently without any wastage as well as to achieve the organisational; objective. So green marketing is inevitable. There is a growing interest of protection of environment among all the consumers. Worldwide evidence shows that the consumer behaviour is changed and the needs and wants are shifting towards environmental protection. As a result of this, green marketing has evolved as a growing interest in sustainable and socially responsible product and service.

We can say that green marketing include wider range of organisational activities, such as; product modification, change in production process, packaging change and delivery changes and more (Polonsky, 2007). In the attempt to define green marketing, researcher and practitioners have addressed several terms which relate with this concept (Prakash, 2002) pointed out that he employed the term green marketing in his survey "to refer to the strategies to promote products by employing environmental claims either about their attributes or about the system, policies and processes of the firm that manufacture or sell them".

Green Marketing Mix:

Green Product: Any organisation wanting to explore emerging green markets they have to either: identify consumer's environmental needs and develop products to as per these needs; or they have to develop environmentally responsible products that should have less impact on environment and also should have less impact than competitor's products.

Green 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

Green Promotion: There are three types of green promotion: -

- Campaigns that address a relationship between a product/service and the biophysical environment.
- Campaigns that promote a green lifestyle by highlighting a product or service.
- Campaigns that present a corporate image of environmental responsibility.

Green Place: To attract the customer and for the significant impact a green marketer has to select where and when to make a product available. It is very important for the green marketer to successfully introduce new green products and also position them broadly in the market place so they are not just appealing to a small green niche market.

Critical evaluation of Green Marketing:

Has green marketing achieved what it promised? After the so called discovery of the environment by academics and marketers and the publication of numerous research paper and the launching of green product over the last two decades, green marketing has emerged as an under achiever (Peattie and Crane, 2005). Green brands such as General Motors EV1 have not continued to enjoy their 1990s' growth and the alternative green ranges of companies such as Reva have been withdrawn from Indian market. Still after the acquisition of Reva by Mahindra and Mahindra the hope are high for Reva to re-enter into the Indian market. There has been a significant gap seen between green concerns of consumers and their actual behaviour has been reported (Wong et al., 1996, Peattie, 1999 and Crane, 2000). Has green marketing failed in its attempts to adapt to behavioural changes in businesses and move in a sustainable direction? Peattie and Crane partly blame consumer distrust on companies' green claims. "Green marketing will not work in the face of consumer distrust, but then that distrust may be partly a product of the types of 'green marketing's that companies have relied upon so far." (2005, pp 357-370).

Challenges in green Marketing:

Today a large number of firms are practising green marketing, but it's not an easy job as there are numbers of problem associated while implementing green marketing. The major challenges of green marketing are:

Need for Standardization:

It is found that only 5% of the messages in green marketing campaign are entirely true. There is a lack of standardization to authen-

ticate these claims. And even there is no standardization procedure to authenticate these claims. There is no standard place or procedure to certify these claims. If there is no regulatory body that can provide certification there will not be any verifiable means. There should be some standard quality control board who should give such labelling and licensing.

New Concept:

Today the urban consumers in India are getting more aware about the positive side of green products. But still it is a new concept for the masses. There is still lack of consumer education towards environmental threat. So the new green movement needs to reach the masses, but that will take lot of time and effort.

Cost Factor:

As we know that green marketing involves marketing of green products/ services, green technologies, green energy for which a lot of money has to be spend on R&D program. Consumers are aware about environmental protection but they also knew to save the environment they have to pay extra price for green product. And this is the situation for the answer is yet to be found. Cost is the biggest barrier to green lifestyle. Consumer are purchasing green product but the increased cost turns them towards conventional product.

Avoiding Green Marketing Myopia:

Many marketers get obsessed to develop number of product features rather than meeting customer needs, the condition termed as "Marketing Myopia" by Theodore Levitt(1960). Jacquelyn and Edwin(2006) build on this further to explain "Green Marketing Myopia". They suggest that Green Marketing must focus on two objectives: improved environmental quality and customer satisfaction. Misjudging or over-emphasizing one at the cost of the other can lead to Green Marketing Myopia. Such myopia can occur when products fail to provide credible environmental benefits.

Sustainability:

Initially the profits are very low. Since it is renewable and recyclable product these green products are more expensive. Hence the business needs to plan for long term investment rather than short term strategy.

Ethics in Green Marketing:

Friedman says that business has no social responsibility beyond that of increasing profits so long as it stays within the rules of the game, that is, engage in open and free competition without deception or fraud. In other words, business has no business to consider question of good or evil, stillness of social justice or environmental sustainability. So here we can raise the question of whether there is a difference between ethical action and good business sense. Green marketing may be viewed as a strategy for the future or for profitability. As we have seen in past few years environmental concern has been questioned in all aspects of corporate activity. And so for that very reason decision-making in business has become more complex. Since business is in the community and works within a physical and ethical framework, it has to consider the environment as an ethical issue.

The three Rs of environmentalism are:

- 1. Reduce
- 2. Reuse and
- 3. Recycle

Green marketing differs from its societal and ecological predecessors by intertwining of ecological and social concerns, in the breadth of the ecological agenda that it tackles, and in its potential application across all types and sectors of business. Green marketing goes beyond societal marketing in four key ways:

- It is an open-ended rather than a long-term perspective
- It focuses more strongly on natural environment
- It treats the empowerment as something which has an intrinsic value over and above its usefulness to society
- It focuses on global concerns rather than those of particular societies

India's Initiatives for Green Marketing:

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-labelling 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.

- To provide incentives to manufacturers and importers to reduce adverse environmental impact of products.
- 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.
- To encourage citizens to purchase products which have less environmental impact.
- To reward genuine initiatives by companies to reduce adverse environmental impact of products.
- Ultimately to improve the quality of the environment and to encourage the sustainable management of resources.

Conclusion

A clever marketer is one who not only convinces the consumer, but also involves the consumer in marketing his product. Green marketing should not be considered as just one more approach to marketing, but has to be pursued with much greater vigor, as it has an environmental and social dimension to it. With the threat of global warming looming large, it is extremely important that green marketing becomes the norm rather than an exception or just a fad. Recycling of paper, metals, plastics, etc., in a safe and environmentally harmless manner should become much more systematized and universal. It has to become the general norm to use energy-efficient lamps and other electrical goods.

Marketers also have the responsibility to make the consumers understand the need for and benefits of green products as compared to non-green ones. In green marketing, consumers are willing to pay more to maintain a cleaner and greener environment. Finally, consumers, industrial buyers and suppliers need to pressurize effects on minimize the negative effects on the environment-friendly.

REFERENCES

- Aseem Prakash (May 2002) "Green Marketing, Public Policy and Managerial Strategies" Business Strategy and the Environment, pp.285-297 |
- Pavan Mishra & Payal Sharma (December 2010) "Green Marketing in India: Emerging Opportunities and Challenges" Journal of Engineering, Science and Management Education, pp. 9-14 |
- Dr. Sandhya Joshi (2011), "Green Marketing- An Overview" International Journal of Science Technology & Management, February, pp. 36-41 |
- Jacquelyn A. Ottman (June 2006), "Avoiding Green Marketing Myopia" Environment, pp 22-36. |
- Gargi Verma, Dr. Nisha Agarwal, Dr. Anuj Srivastava(2012)"Green Marketing-is Not Just a Catchphrase: It is Marketing" International Journal of Management & Business Studies, Vol.2, Issue 1 pp. 100-104 |
- Sandeep Tiwari1, Durgesh Mani Tripathi, Upasana Srivastava, Yadav P.K.,(2011) —Green Marketing-Emerging Dimensions1, Journal of Business Excellence, Vol. 2, Issue 1, 2011, pp.18-23. |