



Green Marketing: A Tool For Future Marketers

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INTRODUCTION:

The concept and the boundary of green marketing is not limited up to only manufacturing the eco friendly and the environment friendly products – which are less harmful to people, but it expands to banking industry, Automobile Industry as well as it has also taken jump in to the field of Construction and Real Estate and other areas too. Many Corporate have shown keen interest in 'green marketing' through Corporate Social Responsibility. Green marketing is a way to use the environmental benefits of a product or service to promote sales. Many consumers will choose products that do not damage the environment over less environmentally friendly products, even if they cost more. With green marketing, advertisers focus on environmental benefits to sell products such as biodegradable diapers, energy-efficient light bulbs, and environmentally safe detergents. Environmentalists support green marketing to encourage people to use environmentally preferable alternatives, and to offer incentives to manufacturers that develop more environmentally beneficial products.

STATEMENT OF PROBLEM:

The concept of 'Green' was introduced in the year 1975 but got more importance in the decades of 1980s and 1990s. Even today there are some myths about it. Still many people are confused regarding the 'Green' concept. They are not much clear about it. They always think that the 'Green' means green leaves, trees and its branches. Green marketing is a way to use environmental benefits of a product or service to promote sales.

The Author intends to clear the myths and present the facts so that the reader would understand the concept of Green Marketing and its applications.

RESEARCH METHODOLOGY:

The relevant literature is drawn in house. The secondary data was collected through various research publications, journals – online & printed, magazines, web sites. The literature is cross checked and validated to give the latest information.

REVIEW OF LITERATURE:

P. Hawken, A. Lovins and I. H. Lovins (1999) in their article 'Natural Capitalism: Creating the next Industrial revolutions' has opined that every product has an impact on the environment. In business terms "Green Product" and "Environmental Product" are always used commonly to describe the products which strive to protect or create awareness about the natural environment by conserving the energy or resources or reducing the impact or eliminating the use of toxic agents, and reducing pollutions and waste. Dr. Vemuri. Lakshmi Narayana, Mr. S. Dinesh Babu in their article, 'Green Marketing – New Hopes and Challenges' (2010) studied the meaning, history

and the nature of 'Green Marketing'. They are of the opinion that 'Green Marketing' refers to holistic marketing concept where, the production, marketing and consumption of disposable products that harms environment the least and avoids wastage. They also opined that 'Green Marketing' is very essential as the resources are limited and scarce.

Anurag Singh, Ranjit Singh, (November 2010) in their article 'Green marketing Developments in the Indian Automobile Sector' have reviewed the recent trend of green marketing in the automobile sector. They have opined that the 'Green Marketing' encompasses activities designed to satisfy the human needs. The article concludes with an appeal to other sectors to pursue eco friendly initiatives to foster long term growth of the economy. They have unfolded some of the green marketing initiatives which are undertaken by some of the companies in the Indian Automobile sector. Elkington defines green consumer as the one who avoids products that are likely to endanger the health of the consumer or others; cause minimal damage to the environment during manufacture, and do not use materials derived from threatened species or environments.

HISTORY OF GREEN CONCEPT:

The concept of green marketing has been around at least since the first Earth Day in 1970. But the idea did not catch on until the 1980s, when rising public interest in the environment led to a demand for more green products and services. Manufacturers responded to public interest by labeling hundreds of new products "environmentally friendly"—making claims that products were biodegradable, compostable, energy efficient, or the like. In spite of its growing popularity, the green marketing movement faced serious setbacks in the late 1980s because many industries made false claims about their products and services. For instance, the environmental organization CorpWatch, which issues annually a list of the top ten "green washing" companies, included BP Amoco for advertising its "Plug in the Sun" program, in which the company installed solar panels in two hundred gas stations, while continuing to aggressively lobby to drill for oil in the Arctic National Wildlife Refuge. Without environmental labeling standards, consumers could not tell which products and services were truly beneficial. Consumers ended up paying extra for misrepresented products. The media came up with the term "Green Washing" to describe cases where organizations misrepresented themselves as environmentally responsible. In 1992, the Federal Trade Commission (FTC) stepped in to prevent further deception. The FTC created guidelines for the use of environmental marketing claims such as "recyclable," "biodegradable," "compostable," and the like. The FTC and the U.S. Environmental Protection Agency defined "environmentally preferable products" as products and services that have a lesser or

reduced effect on human health and the environment when compared to other products and services that serve the same purpose. The label "environmentally preferable" considers how raw materials are acquired, produced, manufactured, packaged, distributed, reused, operated, maintained, or how the product or service is disposed. Today, special labels help the public identify legitimate environmentally preferable products and services. Several environmental groups evaluate and certify products and services that meet FTC standards—or their own tougher standards. One popular product that has received certification is shade-grown coffee, an alternative to coffee beans that are grown on deforested land in the tropics.

EXAMPLES OF ENVIRONMENTALLY-BENEFICIAL PRODUCTS AND SERVICES:

- Paper containing post-consumer wastepaper
- Cereals sold without excess packaging
- Shade-grown coffee beans
- Cleaning supplies that do not harm humans or environment
- Wood harvested from sustainable forests
- Energy-efficient light bulbs
- Energy-efficient cars
- Energy from renewable sources of energy such as wind-mills and solar power

Eco marketing can essentially mean the push to raise the public consciousness regarding materials or products that are presumably environmentally safe or friendly. This broad brush moniker can cover a plethora of concepts. Packaging, fuel savings, advertising, building materials, manufacturing processes, and many other facets are included under the umbrella of green marketing ideas. So by asking what is green marketing, it may mean simply that the merchant has begun selling only environmentally friendly products. Both online and onsite stores tout themselves as being "green" by selling everything from organic foods, soaps, gardening supplies and toothpaste, biodegradable trash bags, and fluorescent light bulbs. Other services that will fall under the green marketing ideas shadow are those which assist in disposing of toxic materials, such as worn out electronics, tires, plastics, and other environmentally unfriendly products. New green marketing ideas will spring up exponentially to wrest a market share of a somewhat lucrative commercial interest. Green marketing ideas also include the move to supply more and more of the world's power through the responsible use of renewable energy resources such as wind, geothermal, hydro and solar power.

FRAMEWORK OF GREEN MARKETING:

The 'Green Marketing' must satisfy two criteria i.e. improved environmental quality and customer satisfaction. 'Ecological Marketing' was totally based upon the idea that environmental protection and resource conservation can be better advanced through less regulations by both public and private sector. Green Marketing is not only terms like Phosphate free, Reusable, Refillable, Ozone Friendly but in fact, it is a broad concept which goes beyond the application not only in consumer and industrial goods but also in service sector. It always denotes the broad concept of activities, including product modification, changes in the production process and changes in packaging styles as well as advertising the marketing mix.

EXAMPLES OF GREEN MARKETING IN INDIA:

Regarding 'Green Marketing' the latest example is of Mr. Dilip. V. Narlikar, who is a resident of Sangli District. He is a retired Senior Branch Manager of Bank of Baroda. He contributed his valuable time and efforts for serving the society. He has started his project under the heading "10,000 Green Ganapati Idols". He is launching this project with the helping hands of NGOs and the M.B.A students who will market these Ganapati Idols. The main theme and the idea behind this project are:

1. Create awareness regarding the 'Green' concept of 'Ganapati idols'
2. To produce or manufacture the 'Ganapati idols' by using the 'Matti' instead of POP (Plaster of Paris), which is

harmful and it does not dissolve into the water easily.

3. To take helping hands of NGOs and the students of M.B.A Marketing students- who will disseminate the concept and importance of 'Green Ganapati' at every doorstep and will book the order for the upcoming 'Ganapati Festival'. The main target market is – Residential areas, corporate and many Ganesh Mandals etc.

In India there are many examples where the concept of green is applied successfully and many corporate had already started taking initiatives like Suzlon Energy, TNPL (Tamil Nadu Newsprint and Papers Limited), TML (Tata Metalinks Limited), Wipro, HCL Technologies, IBM, ONGC (Oil & Natural Gas Corporation), Indusind Bank, Idea Cellular, Apple etc and in automobile sector Hero Honda, Maruti & Suzuki, Reva, Mahindra Group etc. In banking sector SBI (State Bank of India) has taken initiative towards the green marketing. This bank has started to move towards 'Paperless Banking'. For this they have installed several electronic machines in each and every branch of SBI through which the customers can pay miscellaneous bills, deposit, and transfer the money from one branch to another. The main motto, intention of green marketing under the title of green banking is to provide the fast, quick and quality services by reducing and saving the stationery of the bank. Green marketing does not stop here. It has also entered into field of construction and real estate. Many renowned builders and developers have realized the importance of green marketing. They have started to launch their products and projects – i.e. row bungalows, row houses, flats, road constructions, and commercial constructions under the banner of green buildings and constructions. The main focus of such projects is to construct buildings and the commercial constructions in such a place where people can enjoy fresh environment and without pollution as well as it will be free from noise, fumes and it will not only be reliable but also suitable for them as well as for the companies. This wind has been crossed the boundary of metropolitan cities and reached the urban as well as the rural areas.

Many companies are adopting green marketing for capturing market opportunities. Last but not the least one more example may be considered here regarding 'Green Concept'. The IRCTC (Indian Railway Catering & Tourism Corporation Ltd) – a branch of Indian Railways has also started to create awareness regarding 'Green' concept among people. It advocates not using paper for printing the tickets but requests to go through the electronic devices i.e. Mobile, Laptops, E-Notebooks, I-Pads. An appeal to passengers is uploaded on its home page: 1. "Please do not take print out of your E – Ticket". 2. "Carry Your Ticket in Electronic Mode". As per their opinion 3 Lac papers per day can be saved if we do not take print outs of E-tickets. Pimpri – Chinchwad Municipal Corporation (PCMC) promotes Green Buildings. The main motto is to maintain the green concept in their area. For this the Corporation has initiated several promotional activities. Normally they charge premium to the builders, now Corporation may give incentives to Green builders i.e. give concession in Premium Charges and Property Tax in order to conserve the environment and reduce the burden on civic body. To get these concessions, there will be a different rating scale which is termed as 'Green Scoring Card'. The criteria will be based on: 1. Rain Water Harvesting 2. Solar Power 3. Drainage. 4. Sewage Management Facilities. After checking these, a certificate will be issued to the builder. The concession may range between 10 % to 50 %.

THE FUTURE OF GREEN MARKETING:

Green marketing has not lived up to the hopes and dreams of many managers and activists. Although public opinion polls consistently show that consumers would prefer to choose a green product over one that is less friendly to the environment when all other things are equal, those "other things" are rarely equal in the minds of consumers. Then how should companies handle the dilemmas associated with green marketing? They must always keep in mind that consumers are unlikely to compromise on traditional product attributes, such as convenience, availability, price, quality and performance.

It's even more important to realize, however, that there is no single green-marketing strategy that is right for every company. It is suggested that companies should follow one of four strategies, depending on market and competitive conditions, from the relatively passive and silent "Lean Green" approach to the more aggressive and visible "extreme green" approach - with "defensive green" and "shaded green" in between. Managers who understand these strategies and the underlying reasoning behind them will be better prepared to help their companies benefit from an environmentally friendly approach to marketing.

The question always remains unanswered – What is the future of green marketing? Now companies are offering more eco-friendly alternatives for their customers. Recycled products for example, are one of the most popular alternatives that can benefit the environment. The introduction of CNG in Delhi in 2002, a directive issued to completely adopt CNG in all public transport systems to curb pollution. For the success of 'Green Mantra' and creating the awareness regarding it, publicity is also essential. The program regarding awareness of and about green marketing is expected by the people too. For this purpose, with the help of Ministry of Environment at Central as well as State level, many promotional activities were undertaken like a rally at school- primary, secondary and college level, road shows, involvement of media, active participation of NGOs and many others. The system of Green Marketing comprises of a total grid, which can be divided into 2 parts namely: 1. Types of Greening and 2. Task or activities. The column starts with Targeting and ends with 'Green Alliance'. While the row line indicates the 3 kinds of greening strategy namely; Tactical Greening, Quasi- Strategic Greening and Strategic Greening.

	Tactical greening	Quasi-strategic greening	Strategic greening
Targeting	All promotional green features are out to green focused media.	A firm dominates a green brand in addition to its other brands.	A firm launches a new strategic business that focus around all the green market.
Green design	A firm makes use of new materials, superior to another with more eco-friendly processes.	Organic products is incorporated into the eco-design process to minimize eco-harm.	E.g. WALK BROTHERS develops its Green Walk paper to be made eco-friendly from the ground up.
Green positioning	E.g. a printing company runs a Public Relations (PR) campaign to highlight its green aspects and practices.	E.g. BRILLO Wet Refillable DISP. BRACKETS challenges its logo to a soft-based container to reflect its view to a hydrogen fuel-based future of the energy industry.	E.g. the BOOHY SHOP pushes environmental and social change announcements and encourages its consumers to do so as well.
Green pricing	Cost savings due to existing energy efficiency features are highlighted for a product.	E.g. a motor company switches its pricing policy from a flat monthly rate to a per-unit-of-water-used policy.	A company runs its products rather than selling; consumers may pay only for use of the product.
Green logistics	A firm changes to a more concentrated design, which.	Packaging innovation is incorporated as a part of a firm's manufacturing review process.	A novel logistics system is put into place by FLOR BROWN to reduce its transportation and manufacturing costs.
Marketing waste	A firm improves the efficiency of its manufacturing process, which lowers its waste output.	E.g. TELETRA (a phone company) has several processes in that old telephone directories, printed and collected and turned into cat litter products by other companies.	E.g. a GlaxoSmithKline sugar-cane facility is reluctant to be regeneration based, using sugar-cane waste to power the operations.
Green promotion	An oil company runs a PR campaign to highlight its green practices in order to counter an oil spill getting bad press coverage.	A company sells a policy that makes a product eco-friendly should always be remembered in promotional materials.	As a part of its philosophy the BOOHY SHOP co-opts one or more sustainable campaigns each year with its shop and promotional materials.
Green alliance	A company funds a competition (e.g. an eco-friendly car race) run by an environmental group to highlight community awareness on green water quality issues.	E.g. SOUTHERN is wine producer forms a long-term alliance with the Australian Government Foundation to help combat land-use/soil issues.	A company seeks a representative of an environmental group to join its Board of directors.

(Source: www.greenmarketingactivities.com)

CHALLENGES IN GREEN MARKETING: Need For Standardization

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 currently in place to certify a product as organic. Unless some regulatory bodies are involved in providing the certifications there will not be any verifiable means. A standard quality control board needs to be in place for such labeling and licensing.

New Concept

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. The new green movements need to reach the masses and that will take a lot of time and effort. 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. It will require a lot of patience and no immediate results. Since it is a new concept and idea, it will take its own course of time to get familiar with the consumer.

CONCLUSION:

According to Rohita Kumar Mishra, "Green marketing covers more than a firm's marketing claims. While firms must bear much of the responsibility for environmental degradation, ultimately it is consumers who demand goods, and thus create environmental problems. One example of this is where McDonald's is often blamed for polluting the environment because much of their packaging finishes up as roadside waste. It must be remembered that it is the uncaring consumer who chooses to dispose of their waste in an inappropriate fashion. While firms can have a great impact on the natural environment, the responsibility should not be theirs alone. Thus an environmental committed organization may not only produce goods that have reduced their detrimental impact on the environment, they may also be able to pressure their suppliers to behave in a more environmentally "responsible" fashion."

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