



## Green Marketing & Green Washing: Opportunity & Challenges

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### ABSTRACT

Today all the business houses and the consumers are conscious of the impact of global warming and pollution on environment. This paper aims at evaluating the opportunities and challenges of green marketing. It also aims at studying how green wash is a major threat to business today. The conclusion drawn are that green marketing is beneficial not only for business but for environment also. It should be taken as an opportunity for business but green washing must be avoided as it plays a negative role.

### KEYWORDS

Green Marketing, Green Washing, Sustainability and Green Revolution.

### INTRODUCTION

As environment is changing very rapidly and there is need to make people more concerned about environment so a new concept has been developed for reducing environment pollution. It is known as Green Marketing. The term Green Marketing came into prominence in the late 1980s and early 1990s. The American Marketing Association (AMA) held the first workshop on "Ecological Marketing" in 1975. The proceedings of this workshop resulted in one of the first books on green marketing entitled "Ecological Marketing". 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 made to the production processes, packaging changes, as well as modifying advertising. Yet defining green marketing is not a simple task where several meanings intersect and contradict each other; an 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. Companies have been using green marketing for many reasons for ex green policies are profit-making; the business world is more and more implicated in the social responsibilities. Furthermore there has been change of attitudes among the consumers and due to the government and the competitive pressures it is essential for firms to consider the "green" adjective for marketing strategies (Ghosh, 2010, p.83).

### Green marketing has two purposes:(Boztepe,2012)

1. In order to develop these goods that can appeal to consumer, reasonable affordable prices and environment friendly products causing minimum damage are required.
2. In order to reflect an image of high quality, environment sensitivity production of goods compatible with environment is required.

### DEFINITIONS OF GREEN MARKETING

1. Polonsky (1994) defines green marketing as .all activities designed to generate and facilitate any exchanges intended to satisfy human needs or wants, such that the satisfaction of these needs and wants occurs, with minimal detrimental impact on the natural environment.

### OBJECTIVE OF STUDY

1. To understand the meaning of green marketing and green washing.
2. To know the opportunity and challenges of green marketing.
3. To make study how green washing affects the business.

### REVIEW OF LITERATURE

1. Ashwani et .al (2013) reported about "the attitude of consumer towardsgreen marketing and found that majority of consumers are familiar about green marketing concepts and worry about environment so producers should produce green products according to consumer needs."
2. AyselBoztepe (2012) revealed that "green purchase behavior increase as result of environment consciousness green product features, green promotion and green price increase further company should also take gender consideration in their green marketing strategies."
3. Pavan Mishra et .al (2010) reported that "green marketing is something that will continuously grow in both demand and practice and if all nations will play strict roles towards it then it will save world from pollution."
4. Nandini et.al (2011) concluded that "customer will pay higher price for green products if their performance is also increased with price so green marketing is a golden goose which can be a powerful marketing strategy though when it is done right."
5. Syed AkifHasan et.al (2012) reported "that social influence, environment concern,perceived seriousness of environmental problems, environment attitude, brand environment friendliness have positive effect on brand preference."

### WHAT IS SUSTAINABILITY

According to the Environmental Protection Agency, sustainability is, "policies and strategies that meet society's present needs without compromising the ability of future generations to meet their own needs." (United States Environmental Protection Agency, 2011) The social, environmental, and economic benefits of a "sustainable" approach to business have been well-documented; increasingly, these play an important role in influencing business decisions. (Senge, 2008). Sustainability is now a concept which plays a pivotal role in creating their business strategies and green marketing is a valuable tool for communicating sustainability efforts.

Leading companies are responding to consumer demands for sustainableproducts and for more information about these products. They also recognize that for communication to be effectivelydelivered and corporate benefits maximized, business objectives for sustainability communication at point of purchase must be set. Study participants are setting the following objectives for their sustainability communications at the point of purchase:

**TABLE 1**  
**BUSINESS OBJECTIVE AND STUDY EXAMPLE**  
**Business Objective Study Example**

|  |   |
|--|---|
| Strengthening brand relevance and trust                            | By communicating its product sustainable attributes, Aveda, a US-based global manufacturer and retailer of consumer products (beauty), is able to enhance its brand image associated with natural and product image.                        |
| Delivering on consumer expectations for sustainability performance | As a provider of pharmaceutical products corporate trust is fundamental to UK based retailer of consumer products (health and beauty). Communication on sustainability efforts builds that trust by demonstrate sustainability performance. |
| Differentiating products from standard offerings MEC,              | a Canadian retailer of apparel and sporting equipment, developed a sustainability logo to inform consumers of sustainable product attributes and differentiate those offerings from peer Products.  |

So is concluded that green marketing helps in achieving sustainable development.

**CHALLENGES OF GREEN MARKETING**

(Kiran, 2012)As green marketing is a new concept and very few consumers know about green marketing so when marketers wants to sell green products then they have to win confidence of consumers by providing right information without breaking any law or standards relating to product or business practices so there are many challenges in green marketing which are as follows:

**1. Need for standardization**

Very few green campaigns are true and there is lack of standardization to authenticate these claims so unless some regulatory bodies are involved in providing the certification there will not be any verifiable means. A standard quality control board should be established for labeling and licensing.

**2. New concept**

Only some urban and educated people know about green products so there is need to reach the masses and telling about the green products.

**3. Patience and perseverance**

Marketers have to keep patience because it is a new concept and no immediate results can be achieved if marketers have patience then it is a long term investment opportunity.

**4. Avoiding green myopia**

Green product should be according to consumer need otherwise it will lead to green myopia. Price should not be very high because consumer will not be ready to pay high premium price for green products.

**5. Green dilemma**

One of green marketing challenge is lack of standards or public consensus about what constitutes green. This lack of consensus – by marketers, consumers, activists, regulators and influential people have slowed the growth of green products –says makeover because companies are often reluctant to promote their green attributes and consumers are often skeptical about claims.

**6. Green washing**

Green washing (a compound word modelled on “white-wash”), or “green sheen, “it is a form of spin in which green PR or green marketing is deceptively used to promote the perception that an organization’s products, aims and/or policies are environmentally friendly. Evidence that an organization is green washing often comes from pointing out the spending differences: when significantly more money or time has been spent advertising being “green” (that is, operating with consideration for the environment), than is actually spent on changing the name or label of a product to evoke the natural environment on a product that contains harmful chemicals to multimillion dollar advertising campaigns portraying highly polluting energy companies as eco-friendly.

Some companies who are leading green revolution:

• **MCDONALDS**

Time was not long ago when McDonalds wouldn’t have come within striking distance of making this list. However, the increasing public shift toward greener living has sent a clear signal to the powers that be at the popular fast-food chain. Instead of ravaging the natural habitats of animals, McDonalds now works in close collaboration with PETA on systematically reforming its business practices to be more humane and friendly to the environment in which they operate.

• **WAL-MART**

Possibly the most hated name in the entire green movement, Wal-Mart is now positioned to make all but the most dogmatic of its detractors eat their words. According to Sustain blog, Wal-Mart has launched an ambitious long-term plan to eventually power each and every one its stores using 100% renewable energy sources. According to the company’s executives, Wal-Mart is committed to using its waste-eliminating corporate philosophy to make its own operations more eco-friendly than ever.

**DEFINITION OF GREENWASHING**

Sometimes a company, government or other group promotes green-based environmental initiatives or images but actually operates in a way that is damaging to the environment or in an opposite manner to the goal of the announced initiatives.

As cases of green wash are increasing continuously due to which many cases are filed against these marketers. Recent California case (Ayana Hill v. Roll International Corporation and Fiji Water Company LLC), a water bottler’s claim that its bottled water was “environmentally friendly and superior” was challenged. The “greenness” of the bottled water was not disputed, but rather that the bottler’s overall manufacturing, distribution and packaging of the water causes “as much, if not more, of an adverse environmental impact when compared to similar bottled waters.” The allegations are that the water bottler uses a “greater amount more of natural resources” in the creation and transportation of the bottled water than competitors and that this results in the use of “46 million gallons of fossil fuel, producing approximately 216,000,000 billion pounds of greenhouse gases per year.”

So we can say that green wash activity affect not only the reputation of marketers but also affect consumer thinking because after that they will lose confidence in green products. Proper regulatory and legislative action should be taken against green washer. Many countries like Australia, Canada, France, Norway and United Kingdom are also taking proactive steps to tackle green washing claims through a variety of regulatory, legislative and enforcement efforts. India should also take a step ahead against green washers for saving consumer from deceptive tricks.

**CONCLUSION**

It is concluded that green marketing is an opportunity whose benefit marketer can take by providing green products and creating awareness about these products by using different tools but green washing is a threat which can spoil your busi-

ness because it is true that green wash is white wash with green brush.

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