

# Green Marketing-is Not Just a Catchphrase: It is Marketing

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## Abstract

Green Marketing has emerged as an important concept in India as in other parts of the developing and developed world, and is seen as an important strategy of facilitating sustainable development. Green marketing is an idea which has gained popularity in the last few years. This has become all the more vital when our planet is in threat and everybody is keen to protect it. Going green is in the minds of the business owners and executives now more than ever. Environmentalism has fast emerged as a worldwide phenomenon. Business firms too have risen to the occasion and have started responding to environmental challenges by practising green marketing strategies. Green consumerism has played a catalytic role in ushering corporate environmentalism and making business firms green marketing oriented. In this paper, would be containing the introduction, literature review, objective of the study, research methodology, finding, and conclusion.

## Keywords

Greener Side, Marketing Mix, Green Advertising, Green Strategy, Going Green

## I. Introduction

According to the American Marketing Association, 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.

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. Green marketing has focused on marketing green products and addressing the environmental concerns of consumers. Green marketing means "All activities designed to generate and facilitate any exchange intended to satisfy human needs and wants such that satisfying of these needs and wants occur with minimal detrimental input on the national environment Green marketing refers to the process of selling goods and/or services based on their environmental benefits. Such a product or service may be environmentally friendly in it or produced and/or packaged in an environmentally friendly way. The obvious assumption of green marketing is that potential consumers will view a product or service's "greenness" as a benefit and base their buying decision accordingly.

Green marketing involves developing and promoting products and services that satisfy customers want and need for Quality, Performance, Affordable Pricing and Convenience without having a detrimental input on the environment. Green and dirt free environment is the key for growth and sustainable development of the country. This is the basic reason behind the increasing awareness and consciousness about the word 'green' which is used as a symbol of "eco-friendly products".

Over the years green marketing has gained importance in the business world due to consumers increasing consciousness about natural resources on the earth.

"Green Marketing" refers to holistic marketing concept wherein the production, marketing consumption and disposal of products and services happen in a manner that is less detrimental to the environment with growing awareness about the implications of global warming, non-biodegradable solid waste, harmful impact of pollutants etc., both marketers and consumers are becoming increasingly sensitive to the need for switch in to green products and services.

## A. Green Marketing Is not Just a Catchphrase: It is Marketing

It is true that green marketing is a trendy way of gaining more business. It can make you a lot of money if done right. But... This Brings to question the very nature of green marketing and going green all together. The goal is to be environmentally safe and beneficial to both consumers and producers of green products and services.

Green Marketing success involves ensuring that the marketing mix and the company also meet four "S" criteria (Peattie, 1995).

1. Satisfaction of customers needs
2. Safety of products
3. Social acceptability of the product
4. Sustainability of the product

## B. Goals of Green Marketing

- Eliminate the concept of waste
- Make prices reflect actual and environmental costs
- Make environmentalism profitable
- Bringing out product modifications
- Modifying advertising

## C. Need of Green Marketing: An Anthropological View

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 anthropological perspective of long term sustainable business and to please the consumer and obtain the sanction 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.

## D. Benefits of Green Marketing

Today's consumers are becoming more and more conscious about the environment and are also becoming socially responsible. Therefore, more companies are responsible to consumers aspirations for environmentally less damaging or neutral products.

Companies that develop new and improved products and services with environment inputs in mind give themselves access to new markets, increase their profit sustainability, and enjoy a competitive advantage over the companies which are not concerned for the environment.

## E. Problems of Green Marketing

Many organizations want to turn green, as an increasing number of consumers' want to associate themselves with environmentally friendly products. Along side, one also witness confusion among the consumers regarding the products. In particular, one often finds distrust regarding the credibility of green products. Therefore, to ensure consumer confidence, marketers of green products need to be more transparent, and refrain from breaching any law or standards relating to products or business.

## F. Adoption of Green Marketing

There are basically five reasons for which a marketer should go for the adoption of green marketing. They are -

1. Opportunities or competitive advantage
2. Corporate Social Responsibilities (CSR)
3. Government pressure
4. Competitive pressure
5. Cost or profit issues

## G. Challenges Ahead

1. Green products require renewable and recyclable material, which is costly
2. Requires a technology, which requires huge investment in R & D
3. Water treatment technology, which is too costly
4. Majority of the people are not aware of green products and their uses
5. Majority of the consumers are not willing to pay a premium for green products

## H. Some Cases

1. McDonald's restaurant's napkins, bags are made of recycled paper.
2. Coca-Cola pumped syrup directly from tank instead of plastic which saved 68 million pound/year.

## I. Golden Rules of Green Marketing

Know Your Customer: Make sure that the consumer is aware of and concerned about the issues that your product attempts to address, (Whirlpool learned the hard way that consumers wouldn't pay a premium for a CFC-free refrigerator because consumers didn't know what CFCs were).

### 1. Empower Consumers

Make sure that consumer feel. By themselves or in concert with all the other users of your product, that they can make a difference. This is called "empowerment" and due to this main reason consumers will buy greener products.

### 2. Be Transparent

Consumers must believe in the legitimacy of the product and the specific claims made in regard.

### 3. Reassure the Buyer

Consumers must be made to believe that the product performs the job it's supposed to do-they won't forego product quality in the name of the environment.

### 4. Consider Your Pricing

If you're charging a premium for your product-and many environmentally preferable products cost more due to economies of scale and use of higher-quality ingredients-make sure those

consumers can afford the premium and feel it's worth it. Thus leading brands should recognize that consumer expectations have changed. It is not enough for a company to green its products; consumers expect the products that they purchase pocket friendly and also to help reduce the environmental impact in their own lives too.

## II. Literature Review

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.

It is particularly applicable to businesses that are directly dependent on the physical environment; for example, industries like fishing, processed foods, and tourism and adventure sports. Changes in the physical environment may pose a threat to such industries.

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.The first definition on "green Marketing according to Henion (1976) was "the implementation of marketing programmes directed at the environmentally conscious market segment" .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. As per fuller (1994);Green marketing can be defined as a process of planning, implementing and controlling the development ,pricing, promotion and distribution of products in a manner that satisfies the three following criteria:

- Customer needs are met
- Organizational goals are attained
- The process is compatible with ecosystems

Furthermore, 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. According to the Joel make over (a writer, speaker and strategist on clean technology and green marketing), green marketing faces a lot of challenges because of lack of standards and public consensus to what constitutes "Green". 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. In India green Marketing is a relatively new topic introduced by few multinational companies operating

in India like Philips India limited, Avoiding Green Marketing Myopia (By: Jacquelyn A. ottoman, Edwin R. Stafford and Cathy L.Hartman, 2006).

### III. Objective of the Study

1. To study the life stage of Green Products
2. To determine strategies for green marketing
3. To identify India's initiative for Green Marketing

### IV. Research Methodology

Research is defined as human activity based on intellectual application in the investigation of matter. Various types of research are:

1. Exploratory or Formulative research studies.
2. Descriptive research studies.
3. Diagnostic research studies.
4. Hypothesis testing research studies.
5. Action research studies.
6. Comparative research studies.
7. Pure research studies.
8. Applied research study.
9. Operation or Quantitative research study. There are two methods of collecting data: Primary and Secondary. Primary sources include: Questionnaire, interview, case study, observation and secondary sources include: Journals, publications, internet etc.

This study is based on secondary sources of information from published newspapers, journals, books. The information is collected from libraries and websites.

### V. The Life Stage of Green Product

#### A. Stage -I

##### 1. Development Stage

Traditionally characterized as the acquisition of raw materials, consumption parts, and subassemblies. The alternative approach advocated here encourage manufacturer to check the environmental programs of suppliers, to require minimal packaging of inputs, and to consider sources of materials that could be easily replenished or are recyclable

#### B. Stage -II

##### 1. Production Stage

Manufacturing companies are encouraged to reduce emission, toxicity ,and waste, and to conserve water and energy. They are also encourage to seek and develop alternative uses of waste products, to revise the manufacturing process, to minimize waste generation, to minimize energy use or to attempt to find alternative sources of energy.

#### C. Stage -III

##### 1. Consumption Stage

Minimization of packaging, Conservation of energy and minimization of waste from product maintenance and services are strongly urged

### D. Stage-IV

#### 1. The Final Stage

Green Marketing introduces the concepts of reuse and recyclability, in addition to the concept of waste reduction.

### VI. Strategies for Green Marketing

#### A. Educate Customers

Because consumers are largely unaware of green products, a business that sells them must see itself first as an educator, not a sales machine.

#### B. Build Products

Consumers will not think better of green products until companies make them equal to or better than, their conventional alternatives.

#### C. It's no Surprise

Most people value performance, reliability and durability much more than ecological soundness

#### D. Be Honest

To rebuild public trust, companies must come clean about the true environment impact of their products and their attempts to reduce it.

#### E. Bring Products to the People

Having decided to buy green products, many consumers encounter a last hurdle-finding them either because manufacturer's don't keep up with demand or advertise where they can be bought, or because wholesalers and retailers don't stock them or display them prominently

#### F. Water Conservation

Green businesses understand that our fresh water supplies are limited and that careful conservation is required. At all steps in the manufacturing and distribution process, efforts should be made to reduce the consumption of water and the company should strive to produce products that consume less water during their lifespan as well.

#### G. Pollution Prevention

Finally, green businesses practices will also include pollution prevention. Many manufacturing processes use toxic ingredients and/or spew toxic effluent and waste into environment (be it air pollution, water pollution, or ground pollution). A green business will work to reduce toxins going into their products, mitigate toxins at the end of the process, and create a product that function toxin free as well

#### H. Solid Waste Reduction and Recycling

From start to finish, the quantity of waste produced during the manufacturing process should be limited. Processes the minimize waste from the start and that have plans in place for recycling and reusing any waste that is in fact created should be the cornerstone of any green business. And as always, the finished product should reduce waste production.

## VII. 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-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.

## VIII. "Green" in Services

With increased demand for value-based marketing, there is also growing demand of "Green" services. Global customers are not only interested in cost cutting through outsourcing but are also looking for energy efficient IT operations. Example: ITC Info tech is a good example to understand how to package the services "Green" ITC Info tech is a Bangalore based independent Subsidiary of ITC Ltd. At corporate level ITC is working to establish itself as a carbon free company. The company is working on "Triple Bottom Line" i.e. social, economic environmental capital. The company is involved in many community driven initiatives. It is one of the 10 companies globally and first one from India to start publishing sustainability report in compliance with G3 guidelines of Global Reporting Initiative. The company is investing in large-scale plantations to wash away its carbon positive image. It is also focusing on water harvesting and working towards zero solid waste by recycling.

36 Cigarette warehouses were converted to make ITC Info tech's global development campus in the heart of Bangalore. The company has used recycled material and virtualization tools for optimizing energy usage in its data centers. It is also working on digital infrastructure to connect the rural farmers to the Internet using solar panels for power, so that the Indian farmers can get information on crop research and monitor weather trends. The company is using these as a service differentiator and positioning itself as Green service Provide. The corporate image of ITC Ltd. is further enhancing the True Green Image.

## IX. Conclusion

This paper had tried to explore the concept of green with its concept generating in the late century. It highlights the greener aspect by focusing on the products which are made from eco friendly materials. Various multinational focusing on this aspect of green marketing still has to endure more facts and figures as consumer of today not only makes his or her decision process only on attributes of products. The other important element which reminds customers and consumers about green product is green advertising. The article has also highlighted the evolution of different items from various multinationals in order to safeguard the environment. Strong competition is prevailing which is leading

to generate awareness of consumers. Consumer awareness is one such characteristic which forced an individual to buy quality and safer products at any price. The biggest challenge to the companies is how to communicate their commitment for "Going Green" This Concept helps in generating profits in the long run if applied with deep and the latest information gathered through market research.

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 which is going to rule the world in coming times. With the threat of global warming looming large on the world, 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. Marketers also have the responsibility to make the consumers understand the need for and benefits of green products as compared to non-green ones and the benefits they can reap in the future. 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 so as to minimize the negative effects on the environment. Green marketing assumes even more importance and relevance in developing countries in the world like India and others.

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