
ENDURANCE IN GREEN MARKETING TREND

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Dr.T.VENKATESAN

Associate Professor of Commerce, Vivekananda College, Tiruvedakam West, Madurai, Tamil Nadu, India

Abstract

Green Marketing is a trend which has developed particular important in the modern market. The term green marketing is the hottest cake in today's scenario for all business activities. Environmental degradation all over the world is a significant problem. Natural resources are exploited at fullest without any consideration of their repercussions. These natural resources are limited and human wants are unlimited. To protect the environment and natural resources, governments, NGOs and international organisations have created pressure on marketers to fulfil their responsibilities towards these ecological issues. Due to long efforts and pressures, many companies are practising green marketing. Green Marketing includes delivery of environmentally safe products and services, modification of products, production process, packaging and advertising according to ecological needs. Green marketing emphasizes that customer satisfaction is not only the main aim of marketers but always keep in mind the ecological needs of the society. Green marketing has become an important tool for sustainable development. Green marketing practices are not easy job due to lack of awareness, high cost and some other significant reasons. This paper provides an overview of green marketing, need and significance of green practices. The study also intends to focus on challenges for green marketing.

Keywords: *Green Marketing, Environmental awareness, Environmentally safe, Sustainable development.*

Introduction

Green marketing is very popular word in the business industry. It came into life in late 1980s. Green marketing is rising rapidly and consumers are enthusiastic to go for green products and services. The term Green marketing refers to the planning, development and promotion of products or services that satisfy the needs of consumers for quality, output, accessible prices and service, without however a negative effect on the environment, with regard to the use of raw material, the consumption of energy etc. [1]. Green Marketing is related to the marketing of green products and services. Green products include those products which do not harm the environment like recycled products, energy efficient goods and vehicles, green thoughts like save fuel, protect natural environment etc. On the other hand, green marketing is like societal marketing which insists that customer satisfaction is not enough but firms should keep in mind the environmental protection also for the whole

society. Green marketing, also alternatively known as environmental marketing and sustainable marketing, refers to an organization's efforts at designing, promoting, pricing and distributing products that will not harm the environment [2]. The marketing or promotion of a product based on its environmental performance or an improvement thereof [3].

Green marketing concept emerges from societal marketing [4].

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 also known as Ecological Marketing. Thus "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, and harmful impact of pollutants etc., both marketers and consumers are becoming increasingly sensitive to the need for switch in to green products and services. Green marketing may be expensive in short run but in long run it will be proved profitable and inexpensive. Green marketing affects every sector of our financial system, it does not only guide ecological protection but it also forms new marketplace and employment opportunities. Companies that are environmental friendly can gain lot of satisfied and trustworthy customers.

Green Consumer

The Green consumer is generally defined as one who adopts environmentally friendly behaviours and/or who purchases green products over the standard alternatives. Green consumers are more internally-controlled as they believe that an individual consumer can be effective in environmental protection. Thus, they feel that the job of environmental protection should not be left to the government, business, environmentalists and scientists only; they as consumers can also play a part. They are also less dogmatic and more open-minded or tolerant toward new products and ideas. Their open-mindedness helps them to accept green products and behaviours, more readily [5].

Significance of Green Marketing

Human wants are unlimited but resources are limited on the earth. So, it is essential for the companies to fully utilize the resources without waste or with minimum possible waste. It is also important to achieve organizational profitability. So, marketers cannot ignore green marketing. Consumer interest is increasing day by day in environmental protection. They are changing their attitude and buying behaviour due to environmental awareness. Need of green products and services, has been felt by

consumers all over the world. Thus, green marketing has taken place of marketing. Green marketing provides many benefits and growth possibilities. The process of production technology upgradation or modification of business may be expensive in starting but in long run, it will decrease cost. For example, if a company uses solar energy instead of electricity, company could save large amount of money in energy in future albeit installation cost of solar energy will be high. Companies that deliver environmental friendly products and services can increase their market share, profit and can get competitive advantage over those who are not delivering environmental friendly products and services.

Why to adopt green marketing in a firm there are five reasons which are given below [6]:

1. To use opportunities about green product;
2. To enhance the image of product in corporations;
3. For the purpose of setting prices;
4. To take the competitive advantages, and
5. To follow all the ecological trend in the society.

Many companies across the world are using green marketing in their products and services. Some examples are as follows: Coca-Cola, McDonald's, Tuna manufacturers, Xerox, Philips (EarthLight, CFL), NTPC (Badarpur, Delhi), IOC, Prius, Nokia, Videocon, Kansai Nerolac, Suzlon Energy, Tata Metaliks Limited (TML), Tamil Nadu Newsprint and Papers Limited (TNPL), Oil and Natural Gas Company (ONGC), IndusInd Bank, Wipro Technologies, HCL Technologies, ITC Limited, Idea Cellular, Hero Honda Motors etc.

Statement of the Problem

Today the world requires new decisions and innovations that lead to green marketing environment and also to create a new marketing condition to the potential buyers as well as sellers and manufacturers. Usage of chemicals causes harm to the environment. Now a day, the green marketing brands create awareness among consumers and traders. The researcher shows interest on the growth of green marketing concept in the society. Thus, this particular study has been carried out.

Objectives of the Study

1. To study the present scenario of green marketing.
2. To study the successes and problems faced by green marketers

Methodology

Secondary data of green companies during 2017 were collected from Interbrand. Interbrand, is a brand consultancy, specializing in areas such as brand strategy, brand analytics, brand valuation, corporate design, digital brand management, packaging design and naming. Interbrand has 29 offices in 22 countries.

Top Five Indian Green Companies

Top Five Indian companies which did business in the most sustainable manner in 2016 are following [7]:

1. Tata
2. Airtel
3. Reliance Industries Limited
4. HDFC
5. Life Insurance Corporation of India

Top Ten Global Green Companies

Top ten companies using green practices across the world according to Interbrand are as given in below table [8]:

2017 Rank	Brand	Sector	Brand Value	Change in Brand Value
01	Apple	Technology	184,154 \$m	+3%
02	Google	Technology	141,703 \$m	+6%
03	Microsoft	Technology	79,999 \$m	+10%
04	Coco-cola	Beverages	69,733 \$m	+5%
05	Amazon	Retail	64,796 \$m	+29%
06	SAMSUNG	Technology	56,249 \$m	0%
07	TOYOTA	Automotive	50,291 \$m	-6%
08	Facebook	Social Network	48,188 \$m	+48%
09	Mercedes-Benz	Automotive	47,829 \$m	+10%
10	IBM	Business Services	46,829 \$m	-11%

Source: Inter-brand - Best Global Green Brands 2017.

Green Marketing and Sustainable Development

Majority of people believe that green marketing refers solely to the promotion or advertising of products with environmental characteristics. Terms like Phosphate Free, Recyclable, Refillable, and Ozone friendly and environmental friendly are some of the things consumers most often associate with green marketing. While these terms are green marketing claims, in general green marketing is a broader concept, one that can be applied to consumer goods and industrial goods and services [9]. Sustainable development is development that meets the needs of the present without compromising the ability of future generations to meet their own needs. [10]. Sustainable development promotes the idea that social, environmental, and economic progress is all attainable within the limits of our earth's natural resources. Sustainable development approaches everything in the world as being connected through space, time and quality of life. Sustainable development constantly seeks to achieve social and economic progress in ways that will not exhaust the earth's finite

natural resources. The needs of the world today are real and immediate, yet it's necessary to develop ways to meet these needs that do not disregard the future. The capacity of our ecosystem is not limitless, meaning that future generations may not be able to meet their needs the way we are able to now [11]. Sustainable development requires "sustainable marketing" that is marketing efforts that are not only competitively sustainable but are also ecologically sustainable [12]. Indeed, marketing's role in the development process is well recognized [13]. Much of the economic activity is triggered by the marketing process that offers and stimulates consumption to satisfy human needs and wants. However, marketing's critical role in development will only be appreciated when, through sustainable marketing, it meets the need of the present without compromising the ability of future generations to meet their own needs [12]. In response to the challenge of advancing simultaneously in economic development and environmental protection as the sustainable development demand companies and academicians have developed and/or adopted green marketing strategies and other corporate strategies. Among the key strategies are; green product strategies, green logistic strategies, green pricing strategies, green promotion strategies, changing consumers from consumption culture to ecologically concerned consumers, adoption of eco-marketing orientation as a business philosophy, Government intervention, lifecycle inventory analysis and teaming up for success [14]. Green marketing brings together all marketing activities with protection of the environment. On the other side sustainable development insists that the future generations take over the natural environment in an unchanged condition or improved as inherited by the earlier generations. This calls in support of the protection and step up of the environment. Hence, sustainable development is a dependent variable of green marketing as well as other aspects.

Things to Remember For Successful Green Marketing

There are some points to always remember for marketers for successful green marketing:

1. Being authentic
2. Educating your customers
3. Giving your customers an opportunity to participate
4. Identify your customer
5. Empower consumers
6. Be clear
7. Assure the buyer
8. Think about your pricing

Challenges for Green Marketing

Implementation of green marketing is difficult task. The marketer has to face various issues while adopting the green marketing practices. The main challenges to green marketing are:

- a) In green marketing, recyclable and renewable materials are used, which are very costly.
- b) Green marketing needs technology. It requires large investment in Research and Development and every firm is not able to invest too much in R & D.
- c) For environmental marketing, water treatment is important but its implementation cost is very high.
- d) Unawareness of green products is also the main challenge before the green marketing. Most of the people don't know the importance and benefits of green products.
- e) Green products are little bit costly than others, most of the consumers don't want to pay extra money for green products.
- f) From the past researches, it is noticed that only 5 % of the marketing communications by green companies are completely true. There is a need of standardization and regulatory body to authenticate the claims by green companies and certify the product as eco-friendly. Eco-friendly labelling and licensing should be governed by any quality control panel.
- g) Green marketing must fulfil two main aims equally, first is no environmental degradation or minimum environmental loss, and second is satisfaction of consumers. If a product is green in many dimensions but it does not satisfy the consumers then it will not be helpful and result will be loss of business. Balancing of both aims is necessary. Green companies have to motivate buyers to purchase the green products even at high costs.
- h) The investors and corporate need to have a lot of patience and perseverance. They should consider the long term gains from green marketing because it is a new idea and it will take time.

Conclusion

In this globalization era, due to rapid increasing population and industrialization environmental problems are increasing day by day. To protect the planet from environmental degradation green marketing should be adopted by all the companies. In starting it would be difficult, costly and time taking but in long run it would be profitable and sustainable. Consumer awareness and green education campaign should be started by all the companies and other social organizations. To initiate green marketing, government support is must. Government may provide some assistance and subsidy for starting green marketing if needed. Consumers should also be conscious to purchase green products even at high costs.

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