

## GREEN MARKETING : THE NEW MANTRA

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**Abstract**

Growing concern towards environment has affected almost every sphere. It also affected the marketers that's why concept of green marketing evolved. Green marketing or green product development is more than just a product which is environment friendly but a lot more than that . it is a systematic and slow change which takes with it customers, marketers or say producers. This is more than a approach to market the product but it has an environment and social dimensions attached to it. Green marketing has been defined as process of developing product and services and promoting them to satisfy the customer who prefer the product of good quality, performance and convenience at affordable cost, which at the same time do not adversely affect the environment. The concept has become more important as it is attached to save the deteriorating conditions of earth and environment. The paper describes green marketing, benefits and problem etc related to green marketing..

**Introduction**

Global environment has become subject of utmost importance for all the environmentalist global warming, pollution deforestation etc are catching attention. the environmentalist are now trying to draw attention of each and every part of society towards it . The growing awareness among the population all over the world regarding protection of the environment in which they live, the term green marketing emerged. The main aim of green marketing is to market or to produce only those products which are sustainable and socially responsible product which do not harm the the environment. 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. Thus "Green Marketing" refers to holistic marketing concept wherein the production, marketing consumption an 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.(nayar2006) According to 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 production process, packaging changes, as well as modifying advertising. According to business directory "green marketing is Promotional activities aimed at taking advantage of the changing consumer toward a brand. These changes are increasingly being influenced by a firm's policies and practices that affect the quality of the environment, and reflect the level of its concern for the community". Although no consumer product has a zero impact on the environment, in business, the terms "green product" and "environmental product" are used commonly to describe those that strive to protect or enhance the natural environment by conserving energy and/or resources and reducing or eliminating use of toxic agents, pollution, and waste.( Ottman,2006) **Green marketing** refers to the process of selling products and/or services based on their environmental benefits. Such a product or service may be environmentally friendly in itself or produced and/or packaged in an environmentally friendly way.(ward 2007)

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Promotion of environmentally safe or beneficial products. The term Green Marketing came into prominence in the late 1980s and early 1990s<sup>1</sup> 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 defined as "Green or Environmental Marketing consists of 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. Green marketing began in Europe in the early 1980s when certain products were found to be harmful to the earth's atmosphere. Consequently new types of products were created, called "green" products, that would cause less damage to the environment. The movement quickly caught on in the United States and has been growing steadily ever since. The development of ecologically safer products, recyclable and biodegradable packaging, energy-efficient operations, and better pollution controls are all aspects of green marketing. Green marketing has produced advances such as packages using recycled paper, phosphate-free detergents, refill containers for cleaning products, and bottles using less plastic.

### Why to move to green marketing?

Every recycled ton of paper saves approx. 17 trees, which are then available for other uses. Recycling paper also reduces the air pollution and water pollution due to paper manufacturing. The question of why green marketing has increased in importance is quite simple and relies on the basic definition of economics:

“Economics is the study of how people use their limited resources to try to satisfy unlimited wants “

More over many of reports or researches done all over world shows various problems occurring due to increased pollution like low birth weight, premature birth, disorders at the time of birth, people got certain diseases due to inhalation of toxic gas or polluted water( like people living near textile industries or near source of silicon) or use of improper raw material in products (like colours or materials used by china in the toys causes several diseases)

Green marketing offers business bottom line incentives and top line growth possibilities . while modification of business or production processes may involve start up costs, it will save money in the long term . for example the cost of installing solar energy is an investment in future energy cost savings. Companies that develop new and improved products and services with environmental impacts in mind give themselves access to new markets ,substantially increased profits and enjoy competitive advantages over those marketing non-environmentally responsible alternatives . When looking through there are several suggested for firms increased use of green marketing- five responsible reasons cited are:

1. organizations perceive environmental marketing to be an opportunity that can be used achieve its objectives.
2. Organizations believe they have a moral obligation to be more socially responsible
3. Govermental bodies are forcing firms to become more responsible

4. Competitor's environmental activities pressure firms to change their environmental marketing activities.
5. cost factors associated with waste disposal , or reductions in material usage forces firms modify their behavior

### **Marketing Mix For Green Marketing**

- **Product:**

The products have to be developed depending on the needs of the customers who prefer environment friendly products. Products can be made from recycled materials or from used goods. Efficient products not only save water, energy and money, but also reduce harmful effects on the environment.

- **Price :**

Green pricing takes into consideration the people, planet and profit in a way that takes care of the health of employees and communities and ensures efficient productivity. Value can be added to it by changing its appearance, functionality and through customization

- **Place :**

Green place is about managing logistics to cut down on transportation emissions, thereby achieving an effect aiming at reducing the carbon footprint. Using resources available locally and supplying the product in near by market will cut shipment and transportation cost as well as pollution.

- **Promotion :**

Green promotion involves configuring the tools of promotion, such as advertising, marketing materials, white papers, web sites, videos and presentations by keeping people, planet and profits in mind. It will reduce paper consumption which in turn will result in saving trees.

### **BENEFITS OF GREEN MARKETING**

- **Opportunities :**

It appears that all types of consumers, both individual and industrial are becoming more concerned and aware about the natural environment. In India , around 25% of the consumers prefer environmental friendly products, and around 28% may be considered health conscious .therefore , green marketers have diverse and fairly sizeable segments to cater to. Now a day firms marketing goods with environmental characteristics have realised a competitive advantage over firms marketing non- environmentally responsible , in an attempt to better satisfy their consumer needs .

- Mc donald's replaced its clam shell packaging with waxed paper because of increased consumer concern relating to polystyrene production and ozone depletion ,more over it changed white bleached napkins which saved cost also.
- The surf excel detergent which saves two bucket of water daily.
- Philips light launched CFL which saves energy.

## **SOCIAL RESPONSIBILITY**

Many firms are now understood that it is high time to be fulfill the responsibility towards society by behaving in environmentally responsible manner. Business organizations have realized that must try to earn profit only after satisfying the social and environmental needs only than they will be able to remain in market. This results in environmental issue being integrated into the firm's mission, vision and culture. There are examples of firm adopting strategy to use the fact of being eco friendly and environmentally responsible as a marketing tool also like nike. These behaviors provide a competitive advantage to the firm. There are other firms which do not market this fact like coca-cola who invested large sums of money in various recycling activities, as well as having modified their packaging to minimize its environmental impact. Another firm who is very environmentally responsible but do not promote the fact is walt desney world. Walt diseny has its extensive waste management programs and infrastructure in place . yet these facilities are never highlighted in their general promotional activities.

## **GOVERNMENTAL PRESSURE**

Governmental rules and regulations to environmental marketing are designed to protect consumers by reducing production of harmful goods or by products, by modifying use and consumption of harmful goods and by ensuring that all types of consumers have the ability to evaluate the environmental composition of goods.

Government design their rules and regulations to controlthe amount of hazardous waste, pollution, global warming and proper waste management by the firms/producers. These standards are met by issuing licenses for using particular technology etc. for example use of CNG vehicle in delhi , ban on use of plastic bags below particular standards

## **COMPETITIVE PRESSURE**

Cut throat competition is one more fact which makes firms to follow what their competitors are doing to maintain its competitive position. Some times due to this pressure firms try to modify their marketing tools, products, culture also. example of this is 100% recycled paper produced by Xerox in response to the recycled photocopier paper produced by the other firm.

## **COST/PROFIT ISSUES**

Some of the products used by the for manufacturing of are cheap but they produce such by products which proves costly and difficult to handle. When such issues are analyzed then they can get some substitute which is costly but produce by product which can be easily handeled or dealt with. This

gives cost saving to the firm and can hence increase profit for the firm.

## THE PROBLEMS

### Lack Of Consumer Awareness

Some times consumers do not have clear and full knowledge about the products and their wrong perception about the product .General Motors (GM) and Ford encountered similar problems when they launched their highly publicized EV-1 and Think Mobility electric vehicles, respectively, in the late 1990s to early 2000s in response to the 1990 zero emission vehicle (ZEV) regulations adopted in California.<sup>14</sup> Both automakers believed their novel two-seater cars would be market successes (GM offered the EV-1 in a lease program, and Ford offered Think Mobility vehicles as rentals via the Hertz car-rental chain). Consumers, however, found electric vehicles' need for constant recharging with few recharging locations too inconvenient. Roper ASW's 2002 Green Gauge Report<sup>15</sup> finds that the top reasons consumers do not buy green products included beliefs that they require sacrifices—inconvenience, higher costs, lower performance—with out significant environmental benefits.

### Limited scientific knowledge

Sometimes in absence of knowledge they choose a product which is more harmful considering it to be environment friendly for example many firms which switch over to hydrofluorocarbons (HFC) from chlorofluorocarbons (CFC) did not know that it was also a green house gas

## FINANCIAL CONSTRAINTS

The technology involved in manufacturing ecofriendly products is difficult to adopt due to huge cost involved. Sometimes inventors got the copyright on the technology and charge huge fees for providing license which may lead to increase in the price of final product .for example adoption of EURO standards by Indian car companies resulted in increase in price of cars .

## DECEPTIVE MARKETING

Sometimes many firms do misleading advertisement about eco – friendly product just to gain market share without modifying their nature . sometimes they do not consider accuracy of their behavior , their claims or effectiveness of their products and jump on the green bandwagon.

## LACK OF STRICT LEGAL STANDARDS –

Government plays an important role in efficient and effective implementation of this green marketing concept . unless the government creates specific and stringent laws the concept cannot be turned into reality . for example delhi government put a ban on poly bags for packaging of food products and also emphasized use of CNG gas in vehicles.

### How one can go green!

Here are few ways in which one can become green marketer

- One should work with the vendors who follow proper practice regarding green marketing Redesign packaging in way that the minimum extra materials for the purpose as it will reduce transportation cost and wastage . use of renewable , reduce the use of toxins for labeling the product.
- Use minimum amount of paper , catalogs, manual brochures for promotion , instead of this email and other electronic ways can be used for promotion .
- Use energy efficient lighting in the show rooms etc use electricity only where it is required .
- Use as much as solar energy one can use by using solar plant at factories and showrooms to convert into electrical energy.
- Give customer reusable shopping bag like paper bag, if they demand poly bags discourage them
- Use recyclable products or raw materials as possible
- Encourage the employees to use pool service to reach the job place instead of using own separate vehicle
- Donate a portion of profit to a green nonprofit organization or the organization working for green and pollution free environment

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 lightbulbs
- Energy-efficient cars
- Energy from renewable sources of energy such as windmills and solar power

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