Indian Scenario of Green Marketing

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Abstract

In recent years, concern about the environment has been highlighted in many areas of life. People are trying to reduce their impact on environment. It has been seen that the people are shifting more towards eco-friendly product. Organizations and company have seen this change in consumer attitude and are trying to gain an edge in the competitive market by exploring the concept of Green marketing. In the modern era of globalization, it has become a challenge to keep the consumers in fold and even keep our environment safe. Most of the companies avoid environment aspect while achieving consumer folds. But if a company wants to sustain in market it has to keep in mind the importance of environment and its safety. In this research paper, main focus is on concept, need and importance of green marketing. Data has been collected from websites, books; journals etc. The paper describes the concept of green marketing, current scenario of green marketing in India and challenges in implementing green marketing concept.

Keywords: Green Marketing, Traditional Marketing, 4P’s of Marketing

I. INTRODUCTION

Marketing means meeting needs profitably. But in today’s global world the scenario has been changed from organization as well as from customer’s point of view-Meeting the needs profitably and sustainably. Today the concept of sustainability is almost ubiquitous by showing application in corporate strategy, consumer choice, student education and academic research. The need for sustainable business practices by corporations around the world is identified to be a result of overall increase in the consumer awareness of lack of environmental protection and social inequities. Over the last decade environmentalism has emerged to be a vital aspect due to increasing issues related to acid rains, depletion of the ozone layer, and degradation of the land and many more pressing environmental issues. This resulted in increase in consumer concern with regards to restoration of ecological balance by presenting demands for ecofriendly products in countries around the world (Doyle 1992; Vandermerwe and Olaf 1990). The growth of green marketing research dates back to 1980s when there was emergence of concept of green marketing. Early literature indicates green marketing to be an approach which indicated signs of shift in consumer attention to green product. At that time green marketing research concentrated on the shift in consumer consumption of green products. There was a great deal of empirical research carried out to identify interest among consumers in using and purchasing green products (Mintel 1991).

Many people believe that green marketing refers solely to the promotion of products with environment characteristics. Yes, its true in sense. As per Mr.J.Polonsky, green marketing can be defined as-“All activities designed to generate and facilitate any exchange intended to satisfy human needs or wants such that satisfying of their needs and wants occur with minimal detrimental input on the national environment”.

As the human needs are unlimited and on the other hand the natural resources are limited. So it’s important for a company to utilize these naturally available resources effectively. Consumers now days are becoming more environments friendly. As a result of this, Green marketing has emerged which speaks for the growing market for sustainable and socially responsible products.

A. Many Meanings of Green Marketing:

Another definition is —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 (Polonsky 1994). Therefore it ensures that the interests of the organization and all its consumers are protected, as voluntary exchange will not take place unless both the buyer and seller mutually benefit. There are two slogans like "less environmentally harmful" and "Environmentally friendly". Thus green marketing should look at minimizing environmental harm, not necessarily eliminating it.
II. GREEN MARKETING CONCEPT-DARWINISM

The term Green Marketing came into prominence in the late 1980s and early 1990s. The proceedings of this workshop resulted in one of the first books on green marketing entitled "Ecological Marketing".

The Corporate Social Responsibility (CSR) Reports started with the ice cream seller Ben & Jerry's where the financial report was supplemented by a greater view on the company's environmental impact. In 1987 a document prepared by the World Commission on Environment and Development defined sustainable development as meeting “the needs of the present without compromising the ability of future generations to meet their own need”, this became known as the Brundtland Report and was another step towards widespread thinking on sustainability in everyday activity. Two tangible milestones for wave 1 of green marketing came in the form of published books, both of which were called Green Marketing. They were by Ken Peattie (1992) in the United Kingdom and by Jacquelyn Ottman (1993) in the United States of America.

According to Jacquelyn Ottman, (author of "The New Rules of Green Marketing: Strategies, Tools, and Inspiration for Sustainable Branding" (Greenleaf Publishing and Berrett-Koehler Publishers, February 2011)) from an organizational standpoint, environmental considerations should be integrated into all aspects of marketing — new product development and communications and all points in between. The holistic nature of green also suggests that besides suppliers and retailers new stakeholders be enlisted, including educators, members of the community, regulators, and NGOs. Environmental issues should be balanced with primary customer needs.

The past decade has shown that harnessing consumer power to effect positive environmental change is far easier said than done. The so-called "green consumer" movements in the U.S. and other countries have struggled to reach critical mass and to remain in the forefront of shoppers' minds. While public opinion polls taken since the late 1980s have shown consistently that a significant percentage of consumers in the U.S. and elsewhere profess a strong willingness to favor environmentally conscious products and companies, consumers' efforts to do so in real life have remained sketchy at best. One of green marketing's challenges is the lack of standards or public consensus about what constitutes "green," according to Joel Makower, a writer on green marketing. In essence, there is no definition of "how good is good enough" when it comes to a product or company making green marketing claims. This lack of consensus—by consumers, marketers, activists, regulators, and influential people—has slowed the growth of green products, says Makower, because companies are often reluctant to promote their green attributes, and consumers are often skeptical about claims.

Despite these challenges, green marketing has continued to gain adherents, particularly in light of growing global concern about climate change. This concern has led more companies to advertise their commitment to reduce their climate impacts, and the effect this is having on their products and services.

B. Objectives of Study:
1) To understand the concept of Green Marketing.
2) To identify the need of Green Marketing.
3) To study the importance of Green Marketing.
4) Challenges in Green Marketing Concept-Indian Perspective.
C. Green Marketing Mix:

1) **Product:**
A producer should offer ecological products which not only must not contaminate the environment but should protect it and even liquidate existing environmental damages.

2) **Price:**
Prices for such products may be a little higher than conventional alternatives. But target groups like for example LOHAS are willing to pay extra for green products.

3) **Place:**
A distribution logistics is of crucial importance; main focus is on ecological packaging. Marketing local and seasonal products e.g. vegetables from regional farms is easier to be marketed “green” than products imported.

4) **Promotion:**
A communication with the market should put stress on environmental aspects, for example that the company possesses a CP certificate or is ISO 14000 certified. This may be publicized to improve a firm’s image. Furthermore, the fact that a company spends expenditures on environmental protection should be advertised. Third, sponsoring the natural environment is also very important. And last but not least, ecological products will probably require special sales promotions.

III. REVIEW OF LITERATURE

Brahma ,M. & Dande,R.(2009), The Economic Times, Mumbai, had written an article satated that, Green ventures Inia is a subsidiary of New York based asset management firm Green venture International. The recent announcement of $300 million Indian focused aimed at renewable energy products and supporting in carbon credits.

Oyewole, P. (2001) in his paper presented a conceptual link among green marketing, environmental justice and industrial ecology. It argues for greater awareness of environment justice in the practice for green marketing. A research agenda is finally suggested to determine consumer awareness of environmental justice and their willingness to bear the costs associated with it. Brahma, M. & Dande, R. (2008), The Economic Times, Mumbai, had an article which stated that, Green Ventures India is a subsidiary of New York based asset management firm Green Ventures International. The latter recently announced a $300 million India focused fund aimed at renewable energy products and supporting trading in carbon credits.

Paco & Raposo (2009) had conducted a survey to identify the characteristics of green consumers. The factors considered are environmentally friendly products, environmental activism, environmental knowledge, environmental concern, recycling, perception, resource saving, economic factor and skepticism towards environmental standards. The lack of awareness about green products, negative perceptions of green products, can be resolved by educating customers and building better products respectively (Bonini & Oppenheim, 2008). The responsibility of educating consumers is not sole responsibility of businesses but the government should play a prominent role in encouraging the consumers to adopt for eco-friendly products.

Green consumerism was described as a form of pro-social consumer behavior (Weiner & Doesher, 1990). Oyewole, P. (2001). In his paper presents a conceptual link among green marketing, environmental justice, and industrial ecology. It argues for greater awareness of environmental justice in the practice for green marketing. A research agenda is finally suggested to determine consumers’ awareness of environmental justice, and their willingness to bear the costs associated with it. According to Joel Makeover (cited by shafaat and sultan, 2002), challenges faced by green marketers also includes the lack of standards and common consensus about the public about what actually constitute “green”.

A. Benefits of Green Marketing:
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.

B. Adoption of Green Marketing:
There are five basic reasons for which a marketer should go for the adoption of green marketing. They are—
- Opportunities or competitive advantage
- Corporate social responsibilities (CSR)
- Government pressure
- Competitive pressure
- Cost or profit issue

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<th>Table - 1</th>
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Earth friendly tractors for farmers

3. Go GreenBOV
   Battery Operated Vehicles (BOV)

4. Philips
   Compact Fluorescent Light (CFL) bulbs

5. Hewlett-Packard Company
   Energy-efficient products and services and institute energy-efficient operating practices in its facilities worldwide

6. Wipro Technologies
   Sustainable IT products and solutions, which help customers, achieve high productivity in energy, space and asset management through the lifecycle
   Launched Green ware ranges of desktops are not only 100% recyclable, but also toxin-free

7. CISCO Systems
   Cisco recently partnered with San Francisco’s Department of Energy to announce World’s first Urban Eco Map Pilot. This tool provides information on carbon emissions which are caused by transportation, energy waste etc. organized by ZIP codes
   Cisco is planning to minimize the ecological impact by establishing responsible operation programs aimed to reduce energy consumption across the company, limit the greenhouse gas emissions implicated in global warming, closely manage the air quality, water consumption, food procurement and waste and lastly, monitor and ensure proper disposal of hazardous materials

8. Infosys Technologies Ltd.
   Focused on green buildings, water harvesting and conservation, better transport management by encouraging car pool for its employees and increasing bio-diversity in its campuses

9. Accenture
   Focused on “green” buildings and data centers at all global offices

10. McDonald Restaurant
    McDonald „restaurant’s napkins, bags are made of recycled paper

11. Honda India
    Civic Hybrid Car

12. Samsung-Mobile
    W510 & F268 (made of renewable materials)

C. The 2011, top 10 Green Brands in India are:
1) AMUL
2) Dabur India ltd.
3) Infosys
4) Taj Hotels
5) Britannia Industries ltd.
6) Suzlon India
7) Hindustan Unilever Ltd.
8) Wipro technologies ltd.

D. Characteristics of Green Products:
- Products those are originally grown,
- Products those are recyclable, reusable and biodegradable
- Products with natural ingredients
- Products containing recycled contents, non-toxic chemical
- Products contents under approved chemical
- Products that do not harm or pollute the environment
- Products that will not be tested on animals
- Products that have eco-friendly packaging

E. Challenges Ahead:
1) Green products require renewable and recyclable material, which is costly.
2) Huge investment in R & D i.e. Technology upgradation.
3) Awareness of green products lacking in Indian customers
4) Williness to pay premium price for green products.

IV. CONCLUSION

Future of earth depends upon how quickly Green Marketing concept is implemented by companies. It’s not going to be a one night activity. The firm has to plan and then carry out research to find out customers response towards the ecofriendly product. Customers may not easily accept the product from short term point of view, but in long term customer will accept the change. Green Marketing is still in the stage of child hood in the India companies. Lots of opportunities are available. So it is now right time for Indian companies to select green marketing.
With the threat of global warming looming large, it is extremely important that green marketing becomes the norm rather than an exception or just a fad. Use of recyclable packaging material and eco friendly product should become a daily activity universally.

Indian market customers will pay premium price for green products. But there is a need for shift in the consumers behavior and attitude towards, more environment friendly life style. For this companies need to carry out different promotional strategies indicating the environment safety message.

**REFERENCES**