

GREEN MARKETING

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ABSTRACT

This paper argues that as people are becoming more concerned. About the environment ,the demand for green products also have increased .These demands created the rising niche market known as “green market”. The green products are usually defined as products that are environmental-friendly and can be recycled. How ever different products have started their impact that may cause a good result for the environment. As a result of consequence, the emergency of green products has created a new market known as “green market”, it is the market where selling and purchasing of green products takes place.More over this paper also argues that whether it is an advantage or a dis advantage for green products in market besides that, this paper also discusses and explains the reasons why the sellers are willing to sell green products in the market.Now a days we could find even many global players in diverse of business are seen successful ly implementing green marketing practices ,various studies by environmentalist indicate that people are concerned about the environment and are changing their behaviour al pattern .

Lastly this paper also explains why all these aspects are important for green products ,because they may occur at the situation where people mis-understand the definition of green products. This scenario will lead to the abuse and mis guided of these products .As a result, the purpose of emergence of green products in market may not be achieved.

Key words: *Green marketing, Environment, Recycle, behavior, diverse.*

I INTRODUCTION

Green marketing is relatively new focus in business endeavor’s and came into prominence in the late 1980’s and early 1990’s (ottoman 1998)began in Europe in the early 1980’s when certain products were found to be harmful to the environment and society as a whole .

In order to meet stricter environmental standards ,both marketers and consumers are becoming increasingly sensitive to the need for switch into green products and services .As a result, green marketing has emerged which speaks for growing market for sustainable and socially responsible towards their consumers .

Hence green products are products which are biodegradable,non-toxic, and ecofriendly majority of the products are made up of glasses ,cans ,plastic ,and some with papers .Over time the rates of environmental issues have increased and it has raised the peoples concern's. This concern had made the demand for green products increased and has led to the emergence of a "New Marketing philosophy" popularly as green marketing .This is considered as important because it is an opportunity for companies to set up a new business trend .

According to "KASSAYE"the green marketing is considered as one of the major trends in the modern businessworld.As there is an increase amount of green products in the market, the advantages and disadvantages of green products have become more pronounced .This advantages and disadvantages will then influence a consumer's willingness to buy or not to buy green products.

Besides this advantages gives us a notion of why there is demand for green products and why the fact that people have conscious about environment issues .How ever the factors that are causing consumers to be un-willing to purchase green products are the products which are preferred under advertisement's,credibility and consumer behaviour ,lastly the reason that made sellers willing to sell green products not just because of they can made profitability from the sales of green products but also can fulfill their social responsibility towards the society at the same time.

II EVALUATION OF GREEN MARKETING

The origins of the environmental movement can be traced back to different parts of the world throughout the history The environmentalist movement, at least in Europe ,grew out of the reaction to the industrialization , growth of cities and poor air and water quality .

Green marketing was given dominance after the proceedings of the first workshop on ecological marketing held in Austin,Texas (us)in1975 .The workshop released the first book on green marketing entitled "ecological marketing". Several books on green marketing began to be published thereafter.

The milestones for waves of green marketing came in the form of published books, both of which were called green marketing .They were by KENPETTIAE in the united kingdom and by JACQUELYN OTTMAN(1993)in the u.s.a, the similar terms used in connection with green marketing are ecological marketing (fisk1974) Henio and keener.(1976),environmental marketing (oddington1993)green marketing (peattie,1995);(ottman1992) sustainable marketing (charter and polonsky,1999)

In the years after 2000,a second wave of green marketing emerged .which was again categorized into three different phases which are as follows

1st phase: “**ECOLOGICAL**” green marketing in which ,all marketing activities were concerned to help environment problems and provide remedies for environmental problems.

2nd phase: “**ENVIRONMENTAL**” green marketing and the focus shifted on clean technology that involved in designing of innovative new products ,which take care of pollution and waste issues.

3rd phase: “**SUSTAINABLE**” green marketing which comes into prominence in the late 1990’s and early 2000.

III WHAT IS A GREEN PRODUCT ?

What are green products ? How do people usually define green products ? From the reviews we could say that different people will have different view points about green product in regarding to their own perception. From the societal point of view ,green products are often referred to as products which are recyclable and reversible for example:

These products are mainly comprised of about papers, aluminium, cans, glass etc., How ever some professional researchers have come up with more defined ,specific descriptions of green products.

Some have defined green products as the products which are biodegradable,non-toxic and are pack with materials that are recyclable. In addition they also think that as green products , which should be eco friendly Which means that the product should have a least impacts and less harmful effects towards the environment and human health.

Despite that, green products generally should also be those which are easy to dissolve or decompose in soil, air, and even in water to the circumstances that will be accepted by the public. There fore , it could be said that green products can be explained in a lot of different ways depending on one’s personal perception. Although most of the explanations are more or less the same but there is not a fixed definition for it.

III WHAT ARE GREEN COMPANIES ?

Firms contributing to conservation of environment through biodiversity , producing environment friendly products , conservation of energy ,water and natural resources , climate protection , maintenances of schools , roads , parks providing assistances for upliftment of the rural sector and the un privileged and so on so forth.

THE COMMON CHARCTERISTICS OF GREEN COMPANIES ARE :

- i. Use natural gas for boiler fuel
- ii. Recycle of biodegradable waste
- iii. Minimize the use of plastic materials ; use recyclable packing materials
- iv. Use bio mass and solar radiation as sources of renewable energy
- v. Generate electricity from hydroelectric plants
- vi. Reducing toxic emissions etc.,

A survey conducted by BT -AC NIELSEN ORG -MARG, ranked oil and natural gas company (ONGC) the greenest company in INDIA followed by RELIANCE industries BPCL ,CASTROL INDIA and HPCL, at other companies in this sector that were rated as green companies in the survey.

India's software companies are considered as green companies . India is world leader in green IT , potential , according to recent release global enterprise survey conducted by green factor .HCL has a duty bounded to manufacture environmentally responsible and safe products and comply with environment management process right from the time products are sourced ,and they are easily recovered at their end-of-life and ♻ recycled.

Apple , H-P, Microsoft, IBM, Intel, Sony, and Dell, and well among this "HCL" have a comprehensive policy designed to drive its environment management program ensuring "SUSTAINABLE DEVELOPMENT".

JOHNSON and JOHNSON Ltd ,chilibreeze, IBM, LG electronics ,P&G , TATA motors and Hero Honda motors and some of other green companies in India . The private sector companies were in a majority (13 out of 20) in the list of top20 greenest companies in India. As per study about 25% of the Indian consumers in India consider environment friendly products to be safe for nature, 28% are concerned with safety to human health and happiness and protective to nature With above figures it can be assumed that firms which are marketing or thinking to market goods with environmental characteristics will have a competitive advantages over firms. And even though explains about one's own responsibility towards their own nature and environment that they are living.

IV REASONS TO BE GREEN :

Now a days most of the companies are venturing into green marketing because of the following reasons

OPPORTUNITY

In India around 25% of the consumers prefer environmental-friendly products, and around 28% may be considered healthy conscious . The "SURF EXEL" detergent which saves water (advertising with a message "Do Bucket Panni Rooz Bachana ")

SOCIAL RESPONSIBILITY :

Many companies have started realizing that they must behave in an environmental -friendly fashion. The HSBC became the worlds first bank to go "CARBON NATURAL" , coca cola and WaltDisney world in florida , us , have an extensive waste management program and infrastructure in place.

GOVERNMENTAL PRESSURE :

The Indian government too has developed a frame work of legislations to reduce the production of harmful goods and by products to protect the consumers and society at large for example:

The ban of plastic bags all over India and prohibition of smoking in public areas etc.,

COMPETITIVE PRESSURE :

Many companies take up green marketing to maintain their competitive edge. The green marketing initiatives by niche companies such as body shop, green and black have prompted many mainline competitors to follow suit .

COST REDUCTION :

Reduction of harmful waste may lead to substantial cost savings . For example :

The fly ash generated by thermal power plants , which would otherwise contribute to a gigantic quantum of solid waste , which is used in manufacture of fly ash bricks for construction purpose.

GREEN MARKETING :

Some scholars claim that green policies /products are profitable , green policies can reduce cost ; green firms can shape future regulations and reap first mover advantages.

There are numerous strategies for the firms to be green they can be themselves green in three ways :

- i. VALUE ADDITION PROCESS (Firm Level)
- ii. PRODUCT MANUFACTURING (Product Level)
- iii. MANAGEMENT SYSTEMS (Firm Level)

There are numerous examples of firms who have strived to become very more environmentally responsible serving to better satisfy their consumer needs . More over ,their activities also help them to improve heir revenues and profit in various ways.

- ✓ SURF EXCEL (Do Bucket Panni.....Ab Roozana Hai Bachana)that produces a lesser but infact has a effective as before , thus reducing the water consumption.
- ✓ LIFEBUOY (A brand of soap from uniliever India)had an advertisingcampaign encouraging children to keep their hands and surrounding s clean and not to worry about germs as lifebuoy protects them.
- ✓ MC .Donald’s restaurent all the usage of bags , cups, bowls and napkins are made of recycle paper.
- ✓ Coca-cola pumps its drink directly from tank , instead of plastic which saves 68 million pounds every year
- ✓ Plantation and cultivation activities taken up by “Intel India” is an example of socially responsible firms contributing to preservation of environment.
- ✓ Maruti :Greening of supply chain.
- ✓ “Amway” claims that their products are environmentally friendly and natural.

- ✓ ITC 's social and farm forestry initiative has greened over 80,000hectares creating an estimated 35 million persons to be employed .
- ✓ ITC 's sustainable community development initiatives include women empowerment , supplementary education, integrated animal husbandry programmes.
- ✓ All environment ,health and safety management system in ITC, conform to the best international standards.
- ✓ Recycling used products also acts as a step towards minimizing the waste.
- ✓ Proctor and gamble(p&g) has introduction refills for its cleaners and detergents in Europe that comes in throw away packs.

V CHALLENGES OF GREEN MARKETING

According to “JOEL” (a writer ,speaker and strategist on clean technology and green marketing), therefore green marketing faces a lot of challenges because of lack of standards and public consensus to what constitutes “Green”. The author opined the lack of consensus -by customers , marketers, activities, regulators ,and influential people has slowed the growth of green products , because companies are often reluctant to promote their green attributes , and consumers are often skeptical about claims at the same time , consumers are mistrustful of company claims of green as they have become increasingly sophisticated and knowledge able through information from the web.

As per report published in times recently “air pollution” is causing damage to people , crops, wild life in the us totals 10's of billion dollars each year more than 12 other studies in the us ,Brazil, Europe, Mexico, South Korea, and Taiwan, have established links between air pollutants and low birth , low weight , premature birth and infant death.

VI CHALLENGES AHEAD IN GREEN MARKETING :

- ❖ Green products require renewable and recyclable materials ,which are costly.
- ❖ Requires a technology ,which again requires a huge investment in R&D.
- ❖ Water treatment technology , which is too costly.
- ❖ Majority of the consumers are not willing to pay a premium for green products.
- ❖ Lack of credibility or trust by consumers and end users .
- ❖ Confusion regarding green or sustainable products claims ahead .
- ❖ Reputational risk from “misleading “claims.
- ❖ Pick the product or services you promote on green grounds with care .
- ❖ Be specific with word choices
- ❖ Be specific with about what part of your product or packaging is green.
- ❖ Substantiate ,substantiate, substantiate.....always backup your claims.

VII STRATEGIES OF GREEN MARKETING

Marketing literature on greening products , firms builds on both the societal and social marketing research . Social marketing focuses on designing and implementing programs that increase the acceptability of a social idea, causes or practice in as follows

1. TARGET GROUP :

- Adopt new technology /process or modify existing technology .
- Establish a management control system that will lead to adherence of stringent environment safety norms.
- Explore possibilities of the used products so that it can used to offer similar or other benefits with less waste age.
- Using more environment friendly raw materials at the production stage itself.
- Marketing audit
- Developing a marketing plan outlining strategies with regard to up's.
- Implementing marketing strategies.
- Plan results evaluation.

The polls report states that 87% of U.S adults are concerned about the condition of the natural environment (philips 1999), 80% believe that protecting the environment will require major changes in current life -style (ottoman 1996) and 75% consider themselves to be environmentalist .

There are few examples of firms adopting both strategies.

- Body shop heavily promotes the fact that they are environmentally responsible.
- Coca-Cola , TATA group, Colgate , Palmolive etc., have invested a large sum of money in various recycling activities , as well as having modified packaging to minimize its environmental impact.
- The government regulations , relating to environmental marketing are also desided to protect consumers in several ways .
- To reduce protection of harmful goods or by -products .
- To modify consumers and industries use and consumption of harmful goods ;
- To ensure that all types of consumers have the ability to evaluate the environmental composition of goods.

Green initiatives include change in the value addition processes , change in the management or modification of inputs , changes in the value addition processes would include introduction of new technology for production , or modification of existing methods of production to reduce their environmental impact firms can also establish and ensure implementation of management systems designed to promote environmental, health and safety norms.

Further several benefits are offered due to implementation of green marketing strategies such as reduction of trade barriers , few health and safety impacts ;improve community and employee relations , and environmental improvement and even accurate information.

In this context it would also suggest that firms could adopt entrepreneurial marketing strategies , the processes for formulating and implementing entrepreneurial and environmentally beneficial marketing activities with the goal of creating revenue by providing exchanges that satisfy firms economic and social objectives.

VIII CONCLUSION

Basically this article is all about how people define green products in their own perception and what has contributed to the emergence of green market. It shows that people have different description towards green products in regards of their own perceptions . This is because people define it according to their own understandings. Besides that , the emergence of green market is due to fact that demands for green products have increased. The emergence of the new market is important as it is significant improvement for countries to have a better future.

Green marketing methods produce highly effective results . Lead to cut costs , raise response rates and increase growth . Businesses are entering the green market place at break neck speed to keep pace with customers and societal demands to reduce their environmental impacts . But greening one's business is not a small feat.

The greening of business is not a fad-it's a fundamental change in how commerce is conducted given the new energy and climate realities. This green marketing is still in its infancy and a lot of research is to be done on this ,to explore its full potential marketers need to understand the implications of green marketing . Most of the studies on the subject shows that although the awarness and environmental behaviour of consumers across countries educational levels, age and income groups may differ , environmental concerns are increasing world wide with the threat of global warming looming large , it is extremely important that green marketing becomes the norm another than exception or just a fad .recycling of paper , metals, plastics, etc., in a safe and harmless manner should become much more systematized and growth.

Business are entering the green market place at breakneck speed to keep pace with the customers and societal demands to reduce their environmental impacts . But greening one's business is no small feat . While clear opportunities abound in this new economy , business leaders pursuing a green strategy are finding few road maps and established rules and plenty of hidden twists and turns.

The greening of business is not a fad -its fundamental change in how commerce is conducted given the new entry and climate realities for the organization of the future , considerations about the long-term environmental impact on their actions will have to become an integral part of their business philosophy .

It is rightly by "FRED KRUPP" , the president of "The environmental defense" fund and author of the "EARTH " :

The sequel , the race to Reinvent energy and stop global warming . "JOEL MAKOWER " charts the course for this new era , showing how leadership companies large and small are harnessing innovations to transform the challenges

into opportunities. While the shift to “green “may appear to be expensive in the short term ; it will definitely prove to be indispensable and advantageous , cost -wise ..too in long run.

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