

Sustainable Growth of Green Marketing and Its Challenges

Dr.D.Rajagopal

Assistant Professor, Department of Commerce, Telangana Mahila Viswavidhyalayam, Formerly Osmania University College For women, Koti, Hyderabad

Abstract-The paper aims to provide the information on Green marketing and its Importance and the benefits of the green products, which refers to environmental friendly. Green marketing has increased its importance in the present-day scenario. People are becoming more aware about the environment and their problems. The attempts are made by corporate companies to be in line with environment friendly. The study further focus on green marketing challenges and new rules for the green marketing. The paper describes the current Scenario of Indian market and explores the challenges and opportunities businesses have with green marketing. Why companies are adopting it and future of green marketing and concludes that green marketing is something that will continuously grow in both practice and demand.

Key words: Green Marketing, Environmental pollution, Environmental benefit, Green products.

INTRODUCTION

Consumers are more conscious about the products which are available in the market. People are very much concerned about the environment and their changing behavior. The American Marketing Association (AMA) defines “Green Marketing as the marketing of products that are presumed to be environmentally safe, it incorporates several activities such as product modification, changes to production processes, packaging, advertising and also increases awareness of compliance marketing amongst industries. Business Dictionary defines green marketing as promotional activities aimed at taking advantage of changing consumer attitude towards 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. It can also be seen as the promotion of environmentally safe or beneficial products. Green marketing includes all the activities designed to generate and facilitate any exchange

intended to satisfy human needs or wants such that satisfying these needs and wants to occur with minimal detrimental input on the national environment”. Green marketing involves developing and promoting products and needs for quality, performance, affordable pricing and convenience without having a detrimental input on the environment.

REVIEW OF LITERATURE

Pride and Ferrell (1993) 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

Polonsky (1994) defines green marketing as .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.

Elkington (1994: 93) defines green consumer as one who avoids products that are likely to endanger the health of the consumer or others; cause significant damage to the environment during manufacture, use or disposal; consume a disproportionate amount of energy; cause unnecessary waste; use materials derived from threatened species or environments; involve unnecessary use of, or cruelty to animals; adversely affect other countries.

Saloni Pawan Diwan & B. S. Bodla (2011) “Green Marketing: A New Paradigm of Marketing in the Automobile Industry observed that it is not a smooth sailing of the ship carrying green products and services in the sea of intense competition. The boat can encounter an iceberg of increased cost and prices and inflated claims of greenness.

Selvakumar & Ramesh Pandi (2011) “Green Marketing Need of the Hour” indicated that Green Marketing is not all about manufacturing green products and services but encompassing all those marketing activities that are needed to develop and sustain consumers ‘eco-friendly attitudes and behaviors in a way that helps in creating a minimal detrimental impact on the environment.

Moloy Ghoshal (2011) “Green Marketing – A changing concept in changing time”, examined that green marketing was still in infancy. In the perception of marketing scholars, green marketing refers to eco-level and market segmentation and the role of structural factors and economic incentives in influencing consumer behavior. The green marketers must understand to satisfy two objectives improved environmental quality and customer satisfaction.

Dileep Kumar (2010) “Effect of Green Marketing on Consumer Consumption Behavior” analyzed that how far the hotel business organizations in the tourism sector meet the customer’s needs through green marketing effort and how they influence the consumer behavior and their satisfaction by inducing environmentally responsible behavior.

Vijay Jain et al (2010) “Green Marketing & it’s Changing Scenario” summarized the three C’s process for green marketing implementation as consumer value positioning, calibration of consumer knowledge and credibility of the product.

OBJECTIVE

- To study the conceptual framework and importance of Green Marketing
- To study the challenges of Green Marketing associated with different aspects.

Conceptual framework:

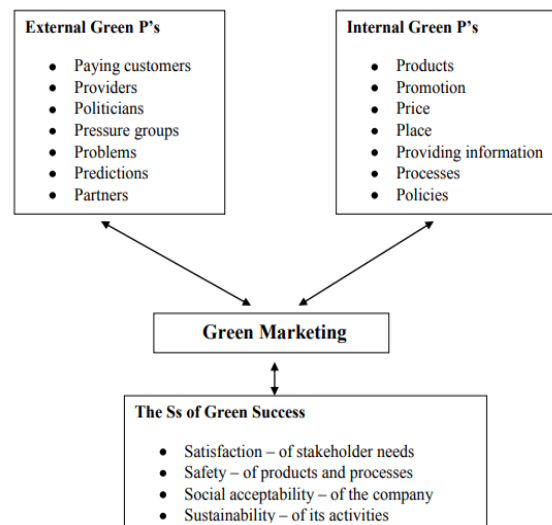
According to the American Marketing Association, green marketing is the marketing of products that are presumed to be environmentally safe. Green marketing involves the promotion of the products and services, development, manufacturing, promotion, distribution, consumption which are environmentally safe.

GREEN MARKETING PROCESS

Green marketing process comprises with external and internal Ps. After integrating external and internal Ps,

green success will automatically come through four Ss. Here external 7 Ps consists of Paying customers, Providers, Politicians, Pressure groups, Problems, Predictions and Partners; internal 7Ps consists of Products, Promotion, Price, Place, Providing information, Processes and Policies. After integrating external and internal 7Ps, we can find out the green successes through 4 Ss such as Satisfaction – of stakeholder needs, Safety – of products and processes, Social acceptability –of the company and Sustainability – of its activities.

THE GREEN MARKETING PROCESS



Source: (Peattie (1992), p. 104)

Importance:

The organizations perceive the environmental marketing to be an opportunity to achieve its objectives [Keller 1987, Shearer 1990]

Government bodies are forcing firms to become more responsible (NAAG 1990)

Cost factors associated with waste material, reduction in material waste forces to modify their behavior (Azzone and Manzini 1994)

MARKETING MIX

Green Product:

Green marketing is the marketing of the products that are presumed to be environmentally safe, such products are Green Products. Nimse (2007) green products are those which are environmentally safe, which can be recyclable, with a minimum material wastage, with less usage of water, with minimum

packing and save energy. These products are also known as environmentally friendly products.

Green Price:

It is one of the most important factor of marketing mix. Consumers are ready to pay additional value when the product is having extra value to it. This value can be improved by packing, labeling, performance, function and design according to the taste and preferences of the consumers. While charging the premium price to the product all these factors to be considered.

Green Promotion:

There are different ways of green advertising. Green promotion involves the advertising, marketing materials, websites, and videos keeping the customers preference in mind and also to earn profit. Green marketing attracts the customers with performance of the product. Consumer awareness can be created by word-of-mouth advertising giving the benefits of environmental friendly products. Advertise the relationship between product and service and also the biophysical environment. Promote the green lifestyle by highlighting the product and services. Corporate image of environmental responsibility also useful for promoting the product.

Green Place:

Availability of the product is one of the important factor, when and where to make available of the product. Very few go out the way to buy the green products. Marketers are looking forward to introduce the green products in the market. Product positioning is also an important factor.

Green Consumer:

The consumers who buy environmentally friendly products are known as green consumers. These green consumers are less dogmatic and more open-minded people towards new products and ideas. This helps to accept the green products and behaviors more readily (Shamdasani at al. 1993:491).

CHALLENGES IN GREEN MARKETING

Product Standards

There is a lack of standardization to authenticate these claims. There is no particular standards to certify the product as organic. The regulatory bodies should involve for providing the certifications. A standard quality board needs to be in place for such licensing.

Green Products are new concept

Consumers as to be educated with the benefits of the environmental friendly products. The green movements to reach each and every one and it will take lot of time. But the people are getting more awareness on the green products. Technology played a major role in educating the consumers with Green marketing product and their benefits. Indian consumers welcomes the environmental products in the market. They are more conscious about the natural, herbal beauty products.

Patience:

The corporate sectors and investors need to view the environment as a long term investment opportunity with long term benefits from this green movement. For which requires a lot of patience to get benefits from it. Avoiding Green Myopia

Basically, it should focus more on the consumer benefits and preferences, need to motivate the consumers to switch brands or to pay more value for the greener alternative. As a result it will reduce the market acceptability.

NEW RULES FOR GREEN MARKETING

Knowing the customer:

The consumers should be aware of the green products issues that the products attempts to address.

Customer education:

It is very important to educate the customer with the usage and benefits of the green products which are environmentally beneficial.

A life-cycle approach

It is very necessary that single attributes such as recyclable, organic, energy-efficient matter greatly, that does not mean the product is a green product.

Being Genuine:

This means actually doing what you claim to be and the rest of your business policies are consistent with whatever you are doing is environmental friendly.

CONCLUSION

Green marketing has to develop more, adoption of green marketing may not be easy in short run it is purely for the long-run benefits, which are environmentally beneficial. It will have a positive impact for the long term. Green marketing should be more effective with three aspects; being genuine, customer education, the opportunity to participate.

The development of energy-efficient operations, better pollution controls, recyclable and environmentally friendly are part of sustainable development. Marketers should take the responsibility to educate the customers about green products benefits and their usage. Finally, corporate companies, buyers and suppliers to need to promote the green marketing products which are environmentally benefited.

Marketing Age, Chicago (IL), NTC Publishing Group, Lincolnwood, Illinois.

[13] Peattie, K and Crane, A. (2005), Green marketing: Legend, Myth, Farce or Prophecy? International Journal, (8)4: 357-370.

REFERENCE

- [1] Green marketing strategies: an examination of stakeholders and the opportunities they present-J. Joseph Cronin, Jr & Jeffery S. Smith & Mark R. Gleim & Edward Ramirez & Jennifer Dawn Martinez
- [2] An empirical survey: Can green marketing really entice customers to pay more?-Ming-
- [3] Yuan Hsieh Title: An Introduction to Green Marketing Journal Issue: Electronic Green Journal, 1(2) Author: Polonsky, Michael Jay, University of Newcastle
- [4] Green Marketing: Analysis and Classification Courtney R. Szocs School of Business, University of South Florida, Tampa, Florida, USA
- [5] Green Marketing in India: Emerging Opportunities and Challenges Pavan Mishra* & Payal Sharma** 25th Dec. 2010.
- [6] Green Marketing The new rules of Jacquelyn a. Ottman the new rules of green marketing.
- [7] Marketing Corporate Social. Responsibility Group Members Filip Hechtermans Steve De Craene Sanjay Uchil Avriel Rabenou Jurgen De Backer Glenn Van Langenhove |
- [8] The Green Revolution in Marketing – Is It Worth ?-Author :Surinder Pal Singh.
- [9] Grant, J. (2008), Viewpoint Green Marketing, Emerald Group Publishing Limited-Strategic Direction, 24(6): 25-27.
- [10] Henion, Karl E., and Thomas C. Kinnear. 1976a. Ecological Marketing. Columbus, Ohio: American Marketing Association.
- [11] Neff, Jack. (2009, Apr. 20). Green-marketing revolution defies economic downturn. Advertising Age Vol. 80, Issue 40. Database: Academic Search Premier.
- [12] Ottman, J.A. (1993), Green Marketing: Challenges and Opportunities for the New