



GREEN MARKETING - AS A CORPORATE SOCIAL RESPONSIBILITY.

Dr. Poonam Painuly,

Sr. Assistant Professor, Faculty of Management Studies, KanyaGurukul Campus, 47 – Sewak Ashram, Rajpur Road, Dehradun,

Pragya Bharti,

Ph. D Scholar, Faculty of Management Studies, KanyaGurukul Campus, 47 – Sewak Ashram, Rajpur Road, Dehradun,

Abstract

The style of running a business not simply impact the business organization, but as well involve the society in large scale. The present era consumers are more environmentally friendly and prefer to buy and utilize those products which are less harmful to the environment, clean and secure. This new, changed and more ecofriendly attitude and behavior of consumer motivates the business organizations to take on new methods where the motives and principles of company's corporate social responsibility would be accomplished. Green Marketing show the organization's concern towards the environment protection. In the deepest sense, green marketing is a result of a company's corporate social responsibility plan and their ethics. It helps companies to become more socially responsible identity with more ecofriendly products and healthy working conditions and positively contribute in betterment of community and society. By doing these the enterprises not only fulfill their corporate social responsibility, but they can also present themselves more green and positive from other competing companies and can enjoy the profit of being environment concerned organization. The presented paper attempts to identify that how the companies are fulfilling their responsibilities towards the society by adopting the green marketing concept. Thus, this paper tries to find out the significance of green marketing as an approach of the company's social responsibility, the initiative adopted by various business organizations in India.

Keywords: Corporate Social Responsibility, Green Marketing, Environment, Ecofriendly, Environment Protect

Introduction

For the past many years there has been a lot of changes occurs among the companies, customer and society. It is not possible that an organization can continue as an independent entity because business is also a part of society and it is dependent on its environment for growth and survival because without social approval and acceptance it is not easy and possible for any firm to run their business. The success of any business is largely depends upon the profit and this profit is affected by their society. Businesses also have some responsibilities towards their society.



Therefore, there is a need that companies should give importance to fulfilling their social responsibility and integrate it in their new strategies and policies.

Social responsibility is used by companies to improve and increase their corporate and social image which will help in improving employer's performance. Another reason for adopting green concept is that, now the customers are more environments concerned and gives preference to eco-friendly and less harmful products. Companies which are taking initiative to improvement of environment able to make positive image and goodwill of the company in the society. Companies are now realizing the fact that if they want to continue their business with the profit they should consider and focus on the interest of all the customers, stakeholder and society. Today's competitive market demand and made pressure on the firms more ethical and socially responsible business actions and processes. For most of the populace green marketing is not just a strategy which has an impact on the environment. It is about helping the business firm to become more socially responsible, provide better quality products which are less harmful for the environment, improved and better working atmosphere and conditions and contribute to the society. Incorporation of CSR initiatives in business is a great way to go green and make a profit, but it is also important for the much needed reasons.

Green Marketing

Green marketing is a broader marketing concept wherein all marketing related activities like production, consumption, disposal and advertising of goods and services perform in such a manner, that it is less harmful to the environment. It is a process of selling and promoting the environmental beneficial attributes of goods and services. The production and packaging of the product or services can be performed in an ecofriendly way.

Green marketing is additionally named as as environmental marketing or ecological marketing. In his way, broad sorts of exercises are secured beneath green marketing, which incorporates developing the product, making changes within the production and packaging additionally modifying publicizing excercises or evacuating any dings that contrarily impacts the environment. Today, the world faces more environmental related issues than ever before, hence it is very important for companies to adopt a greener way to become as environmentally friendly. Now the Green marketing is emerging as an admired and improved promotional strategy due to improved consumer awareness and concerns towards the environment.

The concept of green or ecological marketing forced the businesses to pursue ethical and green practices while dealing with their employees, customers, suppliers and dealers. Even now the state government and the Public Sector Units are paying more interest towards environmental issues such as global warming, different types of pollution and also have started taking necessary



steps to avert these issues. A company which wants to be successful in green marketing, requires dedicated to work in environmentally friendly ways or green way.

Definitions of Green Marketing

As per Mr. J. Polonsky, green marketing can be defined as, "*All activities designed to generate and facilitate an exchange intended to satisfy human needs or wants such that satisfying of these needs and wants occur with minimal detrimental input on the national environment.*"

According to the American Marketing Association (AMA), "*green marketing is the marketing of products that are presumed to be environmentally safe. Thus, green marketing includes a large range of activities incorporates advanced production, changed packaging and developed advertising plan.*"

Corporate Social Responsibility (CSR)

CSR is a process having an aim to perform the company's responsibilities and make a positive impact of firm through their actions and activities on the social environment, environment, employees, consumers/customers, stakeholders and all other members that are influenced by firm's activities.

"(CSR) also called corporate conscience, corporate citizenship, social performance, or sustainable responsible business/ Responsible Business, is a form of corporate self-regulation integrated into a business model."

The main reason behind adopting the CSR concept is that to consider the interest of the society and fulfill responsibilities. Companies try to make a positive impact of their action on consumers, employees, shareholders, the environment, suppliers and all other socially linked communities. This helps to the companies to gain more profit in terms of better public image, increase goodwill, branding in the eyes of their customer and the general public.

Review of Literature

Many experts, authors and researchers suggest that the business firms should have shown their social responsibility activities in serious way because it not only helps to build and improve company image, but also helps in informing their customers, employees, shareholders and government about their social work. It is also a very good way to change the public view about the company's product, services, price and gain their trust and confidence.

Prakash. A (2002), Observed in his study that directly beneficial green products are largely accepted by consumers. *Labbai, M. (2007)* highlighted in his paper, that while operating their business in the developing countries like india , at what level MNC's are taking care of the



ethical and social responsibility aspects. *Chitra (2007,)* suggested that consumer concerns about the environment have been on the increase in recent years. Stated that in current time. *Singh, S.P. (2008)* stated that green marketing is not only developing environmentally products but also this is a systematic change in the society that includes consumers, producers and the general commercial structure within which they negotiate. *Andrews, C. & Devault, D. (2009)* found that producer innovations, green consumerism and government policies are the three emerging forces for environmental protection is green consumerism. The combination of these three force gives a hope that society's environmental and economic objectives are reconcilable. *Rashid (2009)*, suggested in his study that the environmentally concerned person strongly prefers to purchase green products. He also found that consumer required detailed information about green product and consumer prefer to purchase more Eco labeled products. *Li, Y., Muthu, S.S., Hu, J.Y., Mok, P.Y., Ding, X., Wang.L. & Chen, W. (2010)* found that in India the readiness to support the efforts of the government for recycling of shopping bags is 95% whereas in China and Hongkong it is only 100%. *Meon & Jorgensen (2010)*, suggested that CSR or green concept is needed to be improved in most of the industries, and the firms that are performing weak in this dimension will be weaker competing as compared to the other competing firms in the industry. *Mishra, P. & Sharma, P. (2010)* has concluded that green marketing is something that will continuously grow in both practice and demand. *Saxena, R.P. & Khandelwal, P.K. (2010)* depict that even in the developing economy like india,the consumers are more concerned about green concept. Due to this positive approach for green marketing practices companies can target these new green segment by designing creative, effective and holistic advertising that highlight their product's value and competitive advancement. *Welling, M. N. & Chavan, A.S. (2010)*, the researcher find that government is providing various facilities such as financial assistance, tax incentives, recognition in the form of awards and compulsory eco-labelling etc to encourage green product's . *Krishnan & Balachandran (2010)* say that care for the community is directly associated with the sustainable business growth. *Azad, P. (2011)*says that Green Marketing includes various tasks such as product adjustment, modifying the production process, crative advertising, modifications in packaging, etc., that aims at reducing the harmful impact of products and their consumption and disposal on the environment. *Vazifehdust, H & Asadollahi, A. (2011)*, Social responsibility transcends the positive environmental approach since it takes into account every angle of consumers' consumption.

Why Green Marketing Is Used as a New CSR

Now the more environmentally concerned consumers, be it an individual customer or industrial consumers of all over the world influence and motivate the companies to produce the products and adapt the activities that are less harmful to the environment. Society expect to the business firm that they should act as a responsible member of the society. Because of this, corporate social responsibility becomes a most important aspect of companies, in which the continuous and



sincere efforts are taken by firms to increase the positive impact and decrease the negative impact of their actions and activities on the society. Now the consumers are more concerned about how they and the business firm can do something to protect the environment. They are also trying to find out the new ways to the disposal, recycle and reuse of waste material. This expectation and growing interest of consumers regarding environment protection make the Green Marketing is a one of the main tools of fulfilling companies social responsibility and include it as a main part of their marketing strategy.

Need For the Study

Green marketing has now become as one of the foremost areas of interest for marketers as it provides competitive advantages to their business. However, it requires huge investment in terms of technology improvement, process modification, advertisement benefits to their customers, etc. Several companies in India had now started promoting themselves as green organizations due to government pressure in terms of different rules and regulations and change in the preference of the consumers/ customers worldwide. The attitude of Indian consumers towards green marketing and products and the relationship between the attitude and actual buying behavior is also uncertain. As green marketing is a bit different from the traditional marketing, thus, marketers need to identify the key factors that influence the customer to buy the greener products.

Reasons- Why Green Marketing is Important For Business Firms

There are several reasons for the companies to adopt the Green Marketing as a primary concept in all the activities. The majority of them are-

- Companies believe that green marketing helps them to achieve their objectives.
- Companies accept that they have an ethical commitment towards the betterment of society.
- The government also forces firms to act more socially responsible.
- The rivalry company's ecofriendly practices makes pressure and influenced the firms to change their activities according to the environment needs.
- Cost factors associated with the waste and disposal management enforce the firms to modify their activities and actions.

Benefits of Green Marketing

Green Marketing is beneficial for both for the business firms as well as for consumers. There are several benefits of green marketing. Following are the some of the benefits of adopting green marketing:



- Reached and Penetrate to new markets.
- Increased profit.
- Enjoy a competitive advantage
- Attract and Retain Customer for long term
- Positive and Good Image in the eyes of customers
- Increased Goodwill of the Firm
- Fulfill the Social Responsibility

Green Marketing Mix

Green Marketing alludes as per the general inclination of consumer's needs, wants and requests in mix with the assurance, protection or safeguarding of the indigenous habitat and accessible assets.

Green marketing is combination of marketing mix i.e. product price, place and promotion that is used by companies to sell their goods and services with advances environmental benefits in the form of advanced technology, more energy efficient, reduced waste, recyclable, reusable and less release of toxic emissions.

Each firm has its own favourite set of marketing mix as per their requirements. They use these set of 4 P's or 7P's as per their requirements.

- **Product:** Green marketing is all about different product or services. The main idea behind this type of product is to proper utilization of resource, used less harmful material, decrease pollution and to Increase conservation of rare resources.
- **Price:** Most consumers are ready to pay premium price for the green features and extra product value. This can be in the form of improved design, performance and function. Marketers should take all these factors into consideration while planning a pricing strategy.
- **Promotion:** There are three types of green advertising: - i) Advertisement that give you a thought regarding a connection between an item and the environment ii) Advertisement that advance a green way of life by featuring the ecological advantages of an item. iii) Advertisement that speak to a corporate picture of an organization's ecological duties satisfied by them.

Place: Current time is a time of online shopping. Very few customers are willing to go out their way and make extra efforts to buy green products. So the easy and proper availability of products is necessary to make a significant impact on the consumers.

Objective of the Study

The objective of this study is to provide an overview of the emerging practices of the Green Marketing as their social responsibility that is performed by various Indian companies.



Research Methodology

This study is done through the use of secondary data. The secondary data has been collected from, various sources such as research papers, published reports and companies websites etc.

Indian Companies that are using the concept of Green Marketing

Various companies in India are adopting and practicing green marketing concept of maximizing profit and capture market opportunity. The Followings are some of the Indian companies which have taken a green initiative. This reflects the commitment of companies towards their corporate social responsibility.

- LG India has been on top in making eco-friendly electronic gadgets. It has launched a LED E60 and E90 series monitor that consumes 40% less energy as compare to other conventional LED monitors. They also barely used halogen or mercury.
- HCL has recently launched HCL ME 40 notebooks with the five star rating by Bureau of Energy Efficiency. These notebooks don't use any harmful chemicals and polyvinyl chloride (PVC).
- Haier includes eco branding in their green initiative and have launched the Eco Life Series. This series includes automatic, semi automatic washing machines, refrigerators, air conditioners and televisions etc.
- Samsung India had a eco friendly series of LED TV screens and now they have launched eco – friendly LED backlight. These light use 40% less electricity and also not have any harmful chemicals such as mercury and lead.
- TCS has already topped the Newsweek's top World's Greenest Company title with a global green score of 80.4%
- Idea Cellular, launched its national campaign 'Use Mobile, Save Paper' as a part of their corporate social responsibility program. In order to promote the savings of trees and paper company organized a Green Pledge campaigns. They also decorate various bus shelter with plants to spread the green message.
- IBM is selling green solutions to corporate data centres where energy constraints and costs are limiting their ability to grow, with the promise that the energy costs would be reduced by half.
- Wipro InfoTech (Green It) was India's first company to launch an environment friendly new range of desktops and laptops called Wipro Green ware. These are the (RoHS) Restriction of Hazardous Substances products compliant thus reducing e-waste in the environment. Wipro's corporate headquarters in Pune is the most eco friendly building in this sector all over India.



- As a part of its CSR Samsung offers eco-friendly products. It was the first company to launch ecofriendly mobile handsets (made of renewable materials) – W510 and F268- in India.
- Oil and Natural Gas Corporation Ltd (ONGC), has introduced energy-efficient Mokshada Green Crematorium, which saves 60 to 70% of .
- Honda India introduced its Civic Hybrid car.
- Mahindra Group had launched a project named Mahindra Hariyali in which 1 million trees would be planted nation-wide by all members of Mahindra Group.
- ITC has introduced ozone treated elemental chloride free bleaching technology. They have also launched quality range of eco-friendly business paper – paper kraft.
- IndusInd Bank is the first bank of India to encourage paper free transactions in ATM's. The country's first solar-powered ATM also set up by IndusInd Bank.
- MRF Tyres has launched a eco friendly tubeless tyres made with unique silica based rubber named ZSLK series.
- IRCTC the Indian railways have adopted the paper free policy. According to the recent policy the sms sent by IRCTC is enough of a proof and there is no need of taking a printout of the ticket.
- Godrej came up with the EON series in refrigerators and air conditioners which are 5 star rated products in terms of energy saving. The company has also adopted the concept of “Green Think”, As an initiative for this the company has taken a step towards reusing discarded materials as a resource for manufacturing.
- Tata Steel commits to minimize the negative impact of its operations on the environment by conserving the natural resources & energy by reducing the consumption and wastage.
- Titan Industries ltd. is a leader in manufacturing watches, clocks make commitment to contribute in environment protection by minimizing the negative impact of its activities, actions, products and increase positive impact of their action to protect the environment. For this it improves and sets its own superiors standards. Titan also minimize the consumption of materials in all its processes, and recycling the waste product, largely focused on conversing the natural resource like water, energy and fuel. Promote the products that are safe to use and environment. They are also educating their employees for protection and improvement of environment, encourage them to clean, healthy and hygienic workplace and society.
- Johnson & Johnson conducts its business in a manner in which it regards the company's first responsibility to the people who use its products and services; the second responsibility is to its employees; the third to the community and environment; and the fourth to the stockholders.
- Philips India introduce CFL bulbs that saves more energy.
- NTPC's Badarpur Thermal Power station in Delhi is devising ways to utilize coal-ash that has been a major source of air and water pollution.
- Barauni refinery of IOC is taken steps for limiting air and water pollutants.



• Hindustan Unilever through various projects they perform their social responsibility, they provide care for HIV-positive patients, education and support for children with challenges, provides basic education for children in rural areas, and support to government relief measures in natural calamities. Their major projects are-

1. Etah Integrated Rural Developments

2 Asha Daan - Home for the poorest of the poor.

3 School Contact Program

Challenges

Albeit countless firms are utilizing green marketing, there are a numerous problems faced by them. One of the major problem is that firms using the green marketing concept must ensure that they do not breach any law and that their activities and action does not misguide and mislead the consumers and industry.

For this it is necessary that business firm's must

- Clearly and easily understandable state environmental benefits of the green product
- Clarify the natural traits
- Explain how these advantages can have accomplished
- Ensure similar contrasts are supported
- Ensure that negative effect factors are must contemplate, and
- Only use meaningful and understandable words and pictures.

Conclusion

From going through all above examples of companies it is clear that firms from all the sectors are adopting the green marketing concept in any manner. It shows that how different companies are working for society for performing their social responsibility by proper utilization of resources and save natural resources, providing good, quality and ecofriendly products to their customers and providing improved and healthy workplace for employees. Now the more environmental aware customers are not only interested and prefer the ecofriendly products but they are also inquisitive about the companies behind the product. They are much more interested in the companies that are performing social responsibility. Though the government of India, different corporate bodies, NGO's and private companies tried hard and making extra efforts to promote green products and benefits of adopting green concept among the peoples. The green



marketing requires a lot of promotion and motivation in India because the majority of the Indian consumers are not confident about the green products. They are in dilemma that paying extra or premium price for green attributes of a products is right decision or not because they are suspicious about the claims that are made by a company regarding the greenness of products and go for an intensive search before buying a green product. While the consumer awareness, knowledge and interest can be increased by various ways, it is much required and important that more focuses to be given to the research and development and develop an advanced, appropriate and affordable technology for this. Because the Green Marketing Concept is new and slowly marking its presence in Indian markets and requires a lot of research for fully exploring its potential. Its helps in green products to be positively accepted by customers. If the companies want to contribute in environment protection and perform their social responsibility by using Green Marketing as a tool it is necessary that they should make extra efforts to make green products, packaging, reuse of products and using of recyclable material more popular.

References

- Hasan, A. (2015). Effects of TV Advertisement on Consumer Buying Behaviour: A Comparative Study of Rural-Urban and Male-Female Consumers. *International Journal of Innovation and Applied Studies*. ISSN, 2028-9324, 11(3), 608-614
- Chitra, B. (2015). A Study on Evolution of Green Products and Green Marketing. *Quest Journals Journal of Research in Business and Management*. 3(5), pp: 35-38
- Arshad, R., Mahmood, U., Siddiqui, H., & Tahir, A. (2014). An Empirical Study about Green Purchase Intentions. *Journal of Sociological Research*, 5(1), 290.
- John, S., ASM's, I. P. S., Burbure, P., & Pansare, S. (2013). A Study of Green Marketing and Corporate Social Responsibility in Context to Indian Companies. *ASMs International e-Journal of Ongoing Research in Management & IT*, 1-10.
- Richards, L. (2013). Examining Green Advertising and Its Impact on Consumer Skepticism and Purchasing Patterns. *Elon Journal of Undergraduate Research in Communications*, 4(2).
- Ansar, N. (2013). Impact of Green Marketing on Consumer Purchase Intention.
- Shabani, N., Ashoori, M., Taghinejad, M., Beyrami, H., & Fekri, M. N. (2013). The study of green consumers' characteristics and available green sectors in the market. *International Research Journal of Applied and Basic Sciences*, 4(7), 1880-1883.
- Chowdhury, S., & Dasani, L. (2013, January). Green marketing-A new corporate social responsibility. In *INCON-VIII International Conference on Ongoing Research and IT, Pune, India*.



- John, S., ASM's, I. P. S., Burbure, P., & Pansare, S. (2013). A Study of Green Marketing and Corporate Social Responsibility in Context to Indian Companies. *ASMs International e-Journal of Ongoing Research in Management & IT*, 1-10.
- Hindol, R. (2012). Environmental advertising and its effects on consumer purchasing patterns in West Bengal, India. *Research Journal of Management Sciences ISSN*, 2319, 1171.
- Alniacik, U., & Yilmaz, C. (2012). The effectiveness of green advertising: Influences of claim specificity, product's environmental relevance and consumers' pro-environmental orientation. *The Amfiteatru Economic Journal*, 14(31), 207-222.
- Leonidou, L. C., Leonidou, C. N., Palihawadana, D., & Hultman, M. (2011). Evaluating the green advertising practices of international firms: a trend analysis.
- Bhattacharya, S. (2011). Consumer attitude towards green marketing in India. *IUP Journal of Marketing Management*, 10(4), 62.
- Verma, S. (2011). Why Indian Companies Indulge in CSR?. *Journal of Management and Public Policy*, 2(2), 52.
- Mishra, P., & Sharma, P. (2010). Green marketing in India: Emerging opportunities and challenges. *Journal of Engineering, Science and Management Education*, 3(1), 9-14.
- Krishnan.S & Balachandran R (2010), Implementing Corporate Social Responsibility
- Ivana & Khatripal D.S, (2010) "Exploring the Relationship between Environmental Orientation and Brand Value: Is there fire or only smoke?", *Business Strategy and Environment*, Vol 19, Issue 2, Pg: 90-103.
- Lau, T. C. (2010). Towards socially responsible consumption: an evaluation of religiosity and money ethics. *International Journal of Trade, Economics and Finance*, 1(1), 32.
- Moen, Ø., & Bramming Jørgensen, R. (2010). The New Managerial Challenge: Transforming Environmental and Health Issues to Competitive Advantages. *Journal of technology management & innovation*, 5(2), 24-36.
- Rashid, N. R. N. A. (2009). Awareness of eco-label in Malaysia's green marketing initiative. *International Journal of Business and Management*, 4(8), 132.
- Cox, M. J. (2008). Sustainable communication: a study of green advertising and audience reception within the growing arena of corporate social responsibility. Case study: British Petroleum. *Earth & environment*, 3, 32-51.
- Haytko, D. L., & Matulich, E. (2008). Green advertising and environmentally responsible consumer behaviors: Linkages examined. *Journal of Management and Marketing Research*, 1(1), 5-14.
- Labbai, M. M. (2007). Social responsibility and ethics in marketing. \



- McGinn, D. (2005). The Green Machine. *Newsweek*, 21 March 2005, E8–E12; and J. Weber, “A Super-Natural Investing Opportunity,” *Business 2.0*, March, 34.
- Prakash, A. (2002). Green marketing, public policy and managerial strategies. *Business strategy and the environment*, 11(5), 285-297.
- Alston, K., & Roberts, J. P. (1999). Partners in new product development: SC Johnson and the alliance for environmental innovation. *Corporate Environmental Strategy*, 6(2), 110-128.
- Polonsky, M. J. (1995). A stakeholder theory approach to designing environmental marketing strategy. *Journal of business & industrial marketing*, 10(3), 29-46.
- Aslam, J. S. Green Marketing- As a Tool of Corporate Social Responsibilities
- In Charter, M., & Polonsky, M. J. (Eds.) Greener Marketing: A global perspective on greening marketing practice. Sheffield: Greenleaf Publishing Limited. pp. 16-41.
- <http://www.articlesbase.com/marketing-articles/green-marketing-opportunities-challenges-1146893.html>
- HEWART PACKETT (2008). HP Eco Solutions. <http://www.hp.com/hpinfo/globalcitizenship/environment/> (Accessed on February 14 2016)
- Bhatia, Mayank; & Jain, Amit. (2013). Green Marketing: A Study of Consumer Perception and Preferences in India. *Electronic Green Journal*, 1(36). uclalib_egj_18392. Retrieved from: <http://escholarship.org/uc/item/5mc39217>