

**GREEN MARKETING IN INDIA: AN OVERVIEW*****SALEENA T A ,Assistant Professor,******Department of Commerce & Centre of Research, PSMO College ,Tirurangadi, Malappuram (DT)***

Green marketing is a phenomenon, which has developed particular important in the modern market. In the emerging world, the concept of pollution free activity is given more importance in all the sectors and in all stages. The environmentalists are targeting the industrial sectors as the major contributors for depleting natural resources and environmental destruction. Hence, both production and marketing divisions of industries are stressed more to take utmost care in these areas along with fulfilling the market demands. To overcome these difficulties, a new concept has born in the present globalized world where production, consumption and marketing of the products can be carried effectively ensuring environmental safety. This concept is named as 'Green Marketing'. 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 the production process, packaging changes as well as modifying advertising. This paper attempts to examine, the concept of green marketing, green marketing Mix, emerging opportunities as well as explores the challenges businesses have with green marketing.

**Keywords**

*Green Marketing Concept, Green Marketing Mix, Emerging Opportunities And Challenges*

**INTRODUCTION**

As society becomes more concerned with the natural environment, businesses have begun to modify their behaviors in an attempt to address society's new concerns. Some businesses have been quick to accept concepts such as environmental management systems and waste minimization, and have integrated environmental issues into all organizational activities. Green marketing is environment friendly, sustainable and socially responsible. According to the 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 the production process, packaging changes, as well as modifying advertising. 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 it or produced and/or packaged in an environmentally friendly way. "Green Marketing involves developing and promoting products and services that satisfy customers want and need for Quality, Performance, Affordable Pricing and Convenience without having a detrimental input on the environment.

**Evolution of Green Marketing:**

According to Peattie (2001), the evolution of green marketing has three phases. First phase was termed as "**Ecological**" green marketing, and during this period all marketing activities were concerned to help environment problems and provide remedies for environmental problems. Second phase was "**Environmental**" green marketing and the focus shifted on clean technology that involved designing of innovative new products, which take care of pollution and waste issues. Third phase was "**Sustainable**" green marketing. It came into prominence in the late 1990s and early 2000.

**Objectives Of the Study**

The paper titled -Green marketing in India: An overview|| is aimed to cover the following objectives:

- ❖ To know the concept of green marketing.
- ❖ To understand about 4ps of Green Marketing Mix.
- ❖ To study the challenges and prospects of green marketing

**GREEN MARKETING MIX**

Mixes are company's tactical tools which can be controlled and used for effecting on products demand. They include product, price, distribution and promotion (Rex and Baumann, 2007). Each company has its own special marketing mix. 4P in green marketing is the same usual marketing mixes but marketers' challenge is how to use 4P in an innovative way (Ramazanian et al., 2010).

**Green product**

Green product is a product that doesn't harm the environment and also contains components which aren't potentially harmful for the environment (Ranai Kordshouli and Yari Bouzanjani, 2012). For example if its energy consumption is efficient, if it's made of recyclable materials (Polonsky and Rosenberger, 2001) and if its production process is environment-friendly (Lee, 2008). Sustainable products are those products that provide environmental, social and economic benefits while protecting public health and environment over their whole life cycle, from the extraction of raw materials until the final disposal. Entrepreneurs wanting to exploit emerging green market either by identifying customer's environmental needs or by developing environmentally responsible products to have less impact than competitors.

We can define green products by following measures:

- 1.Products those are originally grown.
- 2.Products those are recyclable, reusable and biodegradable
- 3.Products with natural ingredients
- 4.Products containing recycled contents and on toxic chemical
- 5.Products contents under approved chemicals
- 6.Products that do not harm or pollute the environment
- 7.Products that will not be tested on animals
- 8.Products that have eco-friendly packaging i.e. reusable, refillable containers etc

### **Green Price**

Pricing is a critical element of the marketing mix. Most customers are prepared to pay a premium if there is a perception of additional product value. This value may be improved performance, function, design, visual appeal or taste. Environmental benefits are usually an added bonus but will often be the deciding factor between products of equal value and quality. Environmentally responsible products, however, are often less expensive when product life cycle costs are taken into consideration, for example fuel-efficient vehicles, water-efficient printing and non-hazardous product.

### **Green Place**

Green distribution includes the activities about monitoring and raising environmental aspect in company's demand chain. Its tactical efforts, includes cooperation with network partners to redevelop the product or waste disposal adjustments and customer's assurance of possibility of recycling the recyclable materials (Constantinos et al., 2012). The choice of where and when to make a product available has a significant impact on the customers being attracted. Very few customers go out of their way to buy green products merely for the sake of it. Marketers looking to successfully introduce new green products should, in most cases, position them broadly in the market place so they are not just appealing to a small green niche market. The location must also be consistent with the image which a company wants to project. The location must differentiate a company from its competitors. This can be achieved by in- store promotions and visually appealing displays or using recycled materials to emphasize the environmental and other benefits.

### **Green Promotion**

Green promotion means transfer of real environmental information to consumers who are related with company's activities ( Vlosky et al., 1999). Promoting products and services to target markets includes paid advertising, public relations, sales promotions, direct marketing and on-site promotions. Smart green marketers will be able to reinforce environmental credibility by using sustainable marketing and communications tools and practices. For example, many companies in the financial industry are providing electronic statements by email, e-marketing is rapidly replacing more traditional marketing methods, and printed materials can be produced using recycled materials and efficient processes, such as waterless printing.

## **WHY ARE FIRMS USING GREEN MARKETING?**

While looking through the literature there are several suggested reasons for firms increased use of Green Marketing. Five possible reasons cited are:

1. Organizations perceive environmental marketing to be an opportunity that can be used to achieve its objectives [Keller, 1987; Shearer, 1990].

2.Organizations believe that they have a moral obligation to be more socially responsible [Davis,1992;Freeman and Liedtka,1991;Keller,1987;McIntosh,1990;Shearer, 1990;]

3.Governmental bodies are forcing firms to become more responsible [NAAG, 1990;]

4.Competitors environmental activities pressurize firms to change their environmental marketing activities [NAAG,1990;]and

5.Cost factors associated with wastedisposalor reductions in material usage forces firms to modify their behavior [Azzone and Manzini,1994;]

**Opportunity:** In India, around 25% of the consumers prefer environment friendly products, and around 28% may be considered health conscious. Therefore, green marketers have diversified to fairly sizeable segment of consumers to cater to.

**Social Responsibility:** Many companies have started realizing that they must behave in an environment friendly fashion. They believe both in achieving environmental objectives as well as profit related objectives respecting the principle of Extended Producer Responsibility (EPR)

**Governmental Pressure:** Various regulations are framed by the government to protect consumers and the society at large. The Indian government too has developed a framework of legislations to reduce the production of harmful goods and by-products. These reduce the industry's production and consumer's consumption of harmful goods, including those detrimental to the environment; for example, the ban of plastic bags, prohibition of smoking in public areas, etc.

**Cost of Profit Issues** -Firms may also use green marketing in an attempt to address cost or profit related issues. Disposing of environmentally harmful by- products, such as polychlorinated biphenyl (PCB) contaminated oil are becoming increasingly costly and in some cases difficult. Therefore firms that can reduce harmful wastes may incur substantial cost savings. When attempting to minimize waste, firms are often forced to re-examine their production processes. In these cases they often develop more effective production processes that not only reduce waste, but reduce the need for some raw materials. This serves as a double cost savings, since both waste and raw material are reduced.

**Competitive Pressure** -Another major force in the environmental marketing area has been firms' desire to maintain their competitive position. In many cases firms observe competitors promoting their environmental behaviors and attempt to emulate this behavior. In some instances this competitive pressure has caused an entire industry to modify and thus reduce its detrimental environmental behavior.

### Green Marketing: Opportunities

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 that are not concerned for the environment. Some of the advantages of green marketing are as follows:

- 1) It ensures sustained long term growth along with profitability.
- 2) It saves money in the long run, although initial cost is more.
- 3) It helps the companies to market their products and services keeping the environment aspects in mind. It helps in accessing the new markets and enjoying competitive advantage.
- 4) Most of the employees also feel proud and responsible to be working for an environmentally responsible company.
- 5) It promotes corporate social responsibility.
- 6) Greening enables the company to highlight itself in the new markets above rivals through offering new products or additional advantages of the present ones. It will increase company's value near customers, their loyalty and finally the profit (Doaye et al., 2006);
- 7)It saves consumption of raw materials and energy,
- 8)Increases staff health;
- 9)Increase the social and public dignity of company (Alipour et al., 2011).
- 10)Paying attention to physical and mental health and surroundings of customers ( Doai et al., 2006);
- 11)Companies paying attention to social and environmental concerns of consumers;
- 12)Prioritizing consumers decisions in selecting products ( Alipour et al., 2011)

### Green Marketing-Challenges

Although a large number of firms are practicing green marketing, it is not an easy job as there are a number of problems which need to be addressed while implementing Green marketing. The major challenges which Green marketing have to be faced are:

**1.New Concept-** Indian literate and urban consumer is getting more aware about the merits of Green products. But it is still a new concept for the masses. The consumer needs to be educated and made aware of the environmental threats. The new green movements need to reach the masses and that will take a lot of time and effort.

**2.Cost Factor-**Green marketing involves marketing of green products/services, green technology, green power /energy for which a lot of money has to be spent on R&D programs for their development and subsequent promotional programs which ultimately may lead to increased costs.

**3.Convincing customers-**The customers may not believe in the firm's strategy of Green marketing, the firm therefore should ensure that they undertake all possible measures to convince the customer about their green product, the best possible option is by implementing Eco-labeling schemes. Sometimes the customers may also not be willing to pay the extra price for the products.

4. **Sustainability**-Initially the profits are very low since renewable and recyclable products and green technologies are more expensive. Green marketing will be successful only in long run. Hence the business needs to plan for long term rather than short term strategy and prepare for the same, at the same time it should avoid falling into lure of unethical practices to make profits in short term.

5. **Non Cooperation**-The firms practicing Green marketing have to strive hard in convincing the stakeholders and many a times it may fail to convince them about the long term benefits of Green marketing as compared to short term expenses

6. **Avoiding Green Myopia**-Green marketing must satisfy two objectives: improved environmental quality and customer satisfaction. Misjudging either or overemphasizing the former at the expense of the latter can be termed green marketing myopia.

### **Green Marketing Initiatives in India**

**Wipro Info tech (Green It)** was India's first company to launch environment friendly computer peripherals.

**Samsung**, was the first to launch eco friendly mobile handsets (made of renewable materials) – W510 and F268-in India.

**Oil and Natural Gas Corporation Ltd. (ONGC)**, India's largest oil company, has introduced energy-efficient Mokshada Green Crematorium, which saves 60% to 70% of wood and a fourth of the burning time per cremation.

**Reva**, India's very-own Bangalore based company was the first in the world to commercially release an electric car.

**Honda** India introduced its Civic Hybrid car

**ITC** has introduced Paper Kraft, a premium range of eco-friendly business paper.

**Suzlon Energy** manufactures and markets wind turbines, which provide an alternative source of energy based on wind power. This green initiative taken by the company is extremely important for reducing the carbon footprint

### **CONCLUSION**

Now this is the right time to select "Green Marketing" globally. It will come with drastic change in the world of business if all nations will make strict roles because green marketing is essential to save world from pollution. Marketers also have the responsibility to make the consumers understand the need for and benefits of green products as compared to non-green ones. In green marketing, consumers are willing to pay more to maintain a cleaner and greener environment. Finally, consumers, industrial buyers and suppliers need to pressurize effects on

minimize the negative effects on the environment-friendly. Green marketing assumes even more importance and relevance in developing countries like India.

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