



GREEN MARKETING: A NEW TREND FOR SOCIAL AND ECONOMIC RESPONSIBILITIES

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Abstract

This study aims to give information about the trends and future scope of green marketing by taking various case studies. Literature review of past studies has also been done to analyze the challenges in green marketing. While going green was largely considered nothing more than a trend when it first entered the business scene, studies have shown that being more ecofriendly can have numerous positive effects on any type of business, from economic factors to consumer-related ones. Green marketing is an attempt to characterize a product as being environmental friendly (eco-friendly). It holds the view that marketing which is a part of business not only has to satisfy customers in particular, but also has to take into account the interests of society in general. This has already helped to increase the recent trend towards the “greening” of the companies. It is only since 1990’s that the researchers have started academically analyzing consumers and industry attitude towards green marketing. Most of the studies are done in developed countries. Green Marketing has emerged as an important concept in India. It is a new revolution in India in late 1990’s. There is a radical change in consumer preferences and life styles. Due to this shift from traditional marketing to green marketing, companies these days are facing many new challenges. Organizations and business however have seen this change in consumer attitudes and are trying to gain an edge in the competitive market by exploiting the potential in the green market industry. This conceptual study discusses the various initiatives introduced by selected companies for promoting green marketing-revolution.

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INTRODUCTION:

Green marketing refers to selling products or services by highlighting their environmental benefits. Some call it eco-marketing or environmental marketing, and consumers recognize such brands by terms like "organic," "eco-friendly," "recyclable," or "sustainable".

The concept of green marketing appeared as the after-effect of humans' negative impact on our planet. Brands illustrate how they change their missions and practices from revenue-driven to environmentally aware by business processes that have the least impact on the environment as possible.

Goals of green marketing

- Implementing sustainable business practices
- Demonstrating social responsibility
- Reducing expenses (packaging, transportation, energy/water usage, etc.)
- Demonstrating how safe and mindful products or services are

In the tradition of green marketing, brands launch eco-friendly products or create the corresponding environment around them by using eco-friendly packaging or refuse from it, make products recyclable and reusable, use green energy for product production, design products from recycled materials to reduce waste, choose local selling to reduce transportation energy, and more.

As a part of green marketing, brands also often participate in recycling programs, become more scrupulous about waste disposal practices, donate to different green movements, and don't forget to educate their customers about what they do to protect the environment and why it matters. [1]

To integrate green marketing into your overall business brand marketing strategy, you can do the following:

- Communicate your green message through advertising (digital, TV, radio)
- Promote green aspects of your company through content assets at all points of customer contact (a website, blogs, e-mail, social media, mobile marketing, coupons, word-of-mouth, cold calls, retargeting, etc.)
- Initiate market research and visualize the results to educate consumers and recommend green improvements to your niche
- Partner with like-minded businesses for cross-promotion
- Support eco-friendly programs and corresponding community initiatives
- Focus on green production

In other words, twist green into a part of your brand's identity. To make it work, become fully committed to the concept of green marketing in your marketing plan. This includes green design, positioning, pricing, logistics, and disposal. When making environmental consciousness a number one focus of your business, you succeed with both sales and consumer loyalty. In the long term, green brands get more profits and establish a reputation of being trustworthy.

Evolution of Green Marketing

Peattie (2001) identifies three distinct stages of green marketing differentiated by their domain, aim, approach and emphasizes the fact that each of these stages has different implications for



marketing. Rooted within the social and environmental concerns of the 1960s and early 70s, first stage is “ecological 6 marketing”, which is a narrowly focused attempt to reduce dependence on particularly damaging products. This stage brought along slight improvements on production processes or products especially with the aim of decreasing pollution and is symbolized by the understanding of environment as a cost center that brings along constraints on marketing. It used to focus on industries with obvious direct impact on the environment such as oil, mining, agrochemicals and automotives. It was a concern for a limited number of industrialized and affluent economies. The American Marketing Association (AMA) held its first workshop on “Ecological Marketing” in 1975 (Henion and Kinnear 1976) and broadened the way for its academic and practical way forward. The primary stage has been followed by the second stage that Peattie (2001) calls “environmental marketing”. It was a broader initiative and mostly motivated by consumer demand and also competitive advantage opportunities to a degree. Consumer boycotts and wide ranged mobilizations of consumer groups signified that period. The consumers’ environmental concern was a top priority and also a source of increased willingness to pay or brand associations. For example, Peattie (2001) gives the example of a 1990 research data from J. Walter Thompson suggesting that up to 82% of US consumers were willing to pay a 5% premium for greener products, which is just a small representation of a giant literature on environmentally conscious consumers (Straughan and Roberts, 1999). This tradition has been very significant and resulted in an overemphasis on the consumer demand side of the issue for a long time.

The paradigm of green marketing:

Historically, marketers developed products that met consumers' needs at affordable prices and then communicated the benefits of their brands in a memorable way. Paid media campaigns characterized by ads with catchy slogans were de rigueur. Green or "sustainable" marketing and branding is more complex. It addresses consumers' new heightened expectations for businesses to operate and requires two strategies:

1. Develop products that balance consumers' needs for quality, performance, affordability, and convenience with the lowest impact possible on the environment, and with due concern for social considerations, e.g., labor, community.
2. Create demand for the resulting brands through credible, values-laden communications that offer practical benefits while empowering and engaging consumers in meaningful ways about important environmental and social issues. These communications represent value to consumers for what they provide functionally and what they represent, and often positively reinforce the manufacturer's track record for sustainability as well.

The new rules being laid down by today's eco-conscious consumers cannot be addressed with conventional marketing strategies and tactics. Brand builders in the 21st century are accountable to tough new standards. Sustainability represents deep psychological and sociological shifts -- not to mention seismically important issues -- as did one of its predecessors, feminism, which forced marketers to develop more convenient products in step with two-income lifestyles and to portray women with a new respect.



Beware "Greenwash"

Meeting the challenges of today's level of green consumerism presents its own mandates for corporate processes, branding practices, product quality, price, and promotion. To realize that the rules of the game have changed in a big way, one need only recall the unsavory backlash that is now occurring over what is perceived by environmentalists, regulators, and the press as inconsistent and often misleading eco-labels and messages. [2]

The resulting deluge of skepticism, confusion, and regulatory nightmares that spurious green claims -- dubbed "greenwash" -- are spawning in the marketplace proves that environmental marketing involves more than tweaking one or two product attributes and dressing up packages with meaningless and often misleading claims. Too many marketers are learning the hard way that leveraging environment-related opportunities and addressing sustainability-related challenges requires a total commitment to greening one's products and communications.

Green marketing done according to the new rules also affects how a corporation manages its business and brands and interacts with all of its stakeholders who may be affected by its environmental and social practices.

The seven strategies for green marketing success

Under the new rules, the currency of sustainable branding is innovation, flexibility, and heart. I have formulated seven strategies which I believe can help businesses address these deep-seated and lasting changes in consumer sensibility. Reflecting our learning from working with sustainability leaders over the past 20-plus years, they can be summarized as follows:

1. Understand the deeply held environmental and social beliefs and values of your consumers and other stakeholders and develop a long-term plan to align with them.
2. Create new products and services that balance consumers' desires for quality, convenience, and affordability with minimal adverse environmental and social impacts over the life of the product.
3. Develop brands that offer practical benefits while empowering and engaging consumers in meaningful ways about the important issues that affect their lives.
4. Establish credibility for your efforts by communicating your corporate commitment and striving for complete transparency.
5. Be proactive. Go beyond what is expected from stakeholders. Proactively commit to doing your share to solve emerging environmental and social problems -- and discover competitive advantage in the process.
6. Think holistically. Underscore community with users and with the broad array of corporate environmental and societal stakeholders.
7. Don't quit. Promote responsible product use and disposal practices. Continuously strive for "zero" impact.

Importance of green marketing:

The importance of green marketing is that being the world's most environmentally sensitive company won't help your brand if nobody knows it [3]. To reap the full benefits of eco-friendly



products or policies, you need to market what you're doing to the world or – at least – to your target demographic [4]. Some key moves are mentioned below:

- Tell potential customers how your products help them help the environment. For example, a detergent that washes all clothes perfectly in cold water eliminates the need for a warm-water wash. That saves plenty of energy. [5]
- Use green packaging. If buyers see you use packaging that wastes lots of plastic and cardboard, that undercuts your green brand.
- Encourage recycling. If your products don't pile up in landfills, let consumers know about it.
- Walk the walk. A lot of companies pretend to be eco-friendly when they're just engaged in "greenwashing," claiming they're using recycled materials when they don't, for example. If it comes out that you're faking it, that can kill any cred you've earned with consumers.

L'Autre Couleur advises that green marketing can expand your reach: Customers who care about the environment and understand the benefits of eco-friendly products are more likely to shop with you. If you care about the issues, green marketing is a way to promote general awareness.

Conclusion:

Green marketing is an innovative source of marketing with higher possibility of gain. In addition to the benefits it provides to the environment, this method has a great potential of reaching to the people in a positive way. Green marketing also comprises of more and better way of presenting one's business without any limitations.

Future Scope/Challenges

The future scopes in regard to green marketing are as follows

1. It is predicted that the future markets would be directly linked to the development, transfer and implementation of eco-friendly technologies, referred to as Environmental Technologies (ET). All kinds of ET are available now.
2. Apart from producing environment-friendly products and selecting environmentfriendly markets, essentially understanding of „Environmentally Friendly” is required to be integrated into the corporate culture.
3. In order to develop goods that can appeal to the consumer, reasonably affordable prices and environment-friendly products causing minimal damage are required. In order to reflect an image of high quality, environmental sensitivity and hence production of products compatible with environment are required.
4. Companies should be aware of their responsibilities towards the environment and the society in the same way as towards clients, shareholders and employees. Climate change, environmental issues and social problems will challenge the leaders of future generation for taking efficient and comprehensive decisions. In the process of taking these decisions, the priority of business people should be based on the principal of protecting the environment rather than profitability of the business.



5. Intensive research can be done on Indian Automobile Industry with respect to green marketing issues. Research should be done on Indian Power Sector with respect to green power. Research can be done on Indian Housing Sector with reference to green houses or green buildings. Research should be done on Indian Tourism Industry with respect to green tourism.

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