

# Green Marketing in India - A Study

<sup>1</sup>Dr. P.Loganathan & <sup>2</sup>S.Geetha

<sup>1</sup>Head, PG and Research Department of Economics, Kandaswami Kandari's College, Velur, Namakkal (Dt) (India)

<sup>2</sup>Ph.D Research scholar PG and Research Department of Economics, Kandaswami Kandari's College, Velur, Namakkal (Dt) (India)

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### \*Corresponding Author

Email: geethaseco[at]gmail.com

## ABSTRACT

Increasing awareness on the various environmental problems has led a shift in the way consumers go about their life. There has been a change in consumer attitudes towards a green lifestyle. People are actively trying to reduce their impact on the environment. However, this is not widespread and is still evolving. 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. In the modern era of globalization, it has become a challenge to keep the consumers in fold and even keep our natural environment safe and that is the biggest need of the time. Green marketing is a phenomenon which has developed particular importance in the modern market and has emerged as an important concept in India as in other parts of the developing and developed world, and is seen as an important strategy of facilitating sustainable development. In this research paper, main emphasis has been made of concept, need and importance of green marketing. Data has collected from multiple sources of evidence, in addition to books, journals, websites and news papers. It explores the main issues in adoption of green marketing practices. The paper describes the current Scenario of Indian market and explores the challenges have with green marketing.

## 1. Introduction

First of all, environment and environmental problems, one of the reasons why the green marketing emerged. 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 holistic marketing concept wherein the product, marketing consumption on disposal of products and services happen in a manner that is less detrimental to the environment with growing awareness about the implications of global warming, non-biodegradable solid waste, harmful impact of pollutants etc., both marketers and consumers are becoming increasingly sensitive to the need for switch into green products and services. Many people believe that green marketing refers solely to the promotion and advertising of products with environmental characteristics. Generally terms like phosphate free, recyclable, refillable, ozone friendly and environment friendly are most of the things consumers often associated with green marketing. Yes, green marketing is a golden goose. As per Mr. J. Polanski, green marketing can be defined as, "All activities designed to generate and facilitate any exchange intended to satisfy human needs or wants such that satisfying of their needs and wants occur with minimal detrimental input on the national environment." Green marketing is also called environmental marketing/ecological marketing. As resources are limited and human wants are unlimited, it is important for the marketers to utilize the resources efficiently without waste as well as to achieve the organization's objective. So green marketing is inevitable. There is growing interest among the consumers all over the world regarding the protection of the environment. Worldwide evidence indicates people are concerned about the

environment and are changing their behavior. As a result of this, green marketing has emerged which speaks for the growing market for sustainable and socially responsible products and services. Now this has become new mantra for marketers to satisfy the needs of consumers and earn better profits.

## 2. The challenges of green marketing

The challenges before producers and marketers of green products are many: Green Marketing strategies provide more benefits to consumers as well the society. It also helps to create green environment by adopting eco – friendly marketing practices. Even though getting more benefits from green marketing, there is lot of challenges or hurdles also available for its development.

- Green products require renewable and recyclable material, which is costly
- Requires a technology, which requires huge investment in R & D
- Water treatment technology, which is too costly
- Majority of the people are not aware of green products and their uses

## 3. Problems in green marketing

Ensuring that marketing activities are not misleading to consumers or industry and do not breach any of the prescribed regulations is the main problem in green marketing. Claims of green marketing must:

- Clearly state environmental benefits
- Explain how environmental benefits are achieved.
- Justify comparative differences

- Use only meaningful terms and pictures

#### 4. Green marketing strategies

Following are the important strategies of green marketing which are helping to achieve the objectives sustainability.

- Marketing review (including internal and external situation analysis). Expand a marketing plan outlining strategies with regard to 4 P's (i.e. green product, green price, green promotion, green physical distribution).
- Apply marketing strategies.
- Set up a performance evaluation schemes.
- A company which practices green marketing strategies in order to attain the following
  - goals
  - Eliminate the concept of waste
  - Reinvent the concept of a product
  - Make prices reflect actual and environmental costs
  - Make environmentalism profitable

#### 5. Characteristics of green consumer

While not all "green consumers" are the same, an understanding of some of their common characteristics can help business operators examine the market for environmental products and services. Common attitudes and beliefs of these consumers as described by the International Institute for Sustainable Development (IISD) as follows:

Commitment to green lifestyles

- Critical of their own environmental practices and looking for companies that In corporate green practices and impact.
- Overstate their green behavior
- Want environmental protection to be easy
- Tend to distrust companies' environmental claims
- Lack of knowledge about environmental issues, but they are eager to learn about them.

The IISD offers some broad generalizations regarding the demographic Characteristics of green consumers.

- Many are young adults, influenced by their young children
- Women are a key target market. They often make purchases on behalf of men.
- The best green customers are those with money to spend (good prospects for Businesses at the high end of the market).

#### 6. Golden rules of green marketing

1. **Know your Customer:** Make sure that the consumer is aware of and concerned about the issues that your product attempts to address.
2. **Educating your customers:** It is not just a matter of letting people know, whatever you're doing is to protect the environment, but also a matter of letting them know why it matters.

3. **Being Genuine & Transparent:** means that a) You are actually doing what you claim to be doing in your green marketing campaign and b) The rest of your business policies are consistent with whatever you are doing that's environment friendly.
4. **Reassure the Buyer:** Consumers must be made to believe that the product performs the job , in this firm should not forgot product quality in the name of the environment.
5. **Consider Your Pricing:** If you are charging a premium for your product and many environmentally preferable products cost more due to economies of scale and use of higher-quality ingredients make sure those consumers can afford the premium and feel it's worth it.

#### 7. Green Product 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. Indusland Bank installed the country's first solar-powered ATM and thus brought about an eco-savvy change in the Indian banking sector. 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.

#### 8. Benefits of green marketing

Nowadays consumers gradually acknowledge the need to take care of the environment and become more culturally responsible. Therefore, accountability of companies to consumers' inclinations for environmentally harmless or neutral products is essential the Green Marketing has a lot of important benefits for those communities whose accept these new concepts.

- The Important benefits are revenue increased. Consumers prefer every new and positive concept, so that innovator plays an essential role in this segment. A successful product that fulfills consumer satisfaction will definitely have an increase in sales and revenue.
- Second important benefits are cost reduced. In green marketing, the cost of raw materials is low thus it will increase the productions and save money. On top of that, green marketing can build brand value. A great green practices company will get a good brand value in the heart of the consumers. Another important benefit of green marketing is getting tax breaks and loans from government because those innovative companies which help the nation who are living in a rural or un-employment will bear uncertain risks.

- Besides, they save environment and health of nation so they receive subsidies from government.
- Lastly, the most crucial advantage of green marketing is world salvation. Disposal and treatment of wastage, production process of companies will produce emissions of several greenhouse gases which contribute to global climate change which can cause greenhouse effect. By following a great way of green practices, the companies could save the world in the way of saving the health of peoples and the environment.

## 9. Conclusion

Green marketing is a tool for protecting the environment for future generation. It is not going to be an easy concept. The firm has to plan and then carry out research to find out how feasible it is going to be. Green marketing has to evolve since it is still at its infancy stage. Adoption of Green marketing may not be easy in the short run, but in the long run it will definitely have a positive impact on the firm. Green Marketing is still in the stage of childhood in the Indian companies. Lots of opportunities are available. 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 rules because green marketing is essential to save world from pollution. From the business point of view because a clever marketer is one who not only convinces the consumer, but also involves the consumer in marketing his product. Green marketing should not be considered as just one more approach

to marketing, but has to be pursued with much greater vigor, as it has an environmental and social dimension to it. With the threat of global warming looming large, it is extremely important that green marketing becomes the norm rather than an exception or just a fad. Recycling of paper, metals, plastics, etc., in a safe and environmentally harmless manner should become much more systematized and universal. It has to become the general norm to use energy efficient lamps and other electrical goods. Indian market Customers too are ready to pay premium price for green products. One thing that is being reiterated is that the current consumption levels are too high and are unsustainable. Therefore there is a need for green marketing and a need for a shift in the consumer's behavior and attitude towards more environment friendly life styles. Ultimately green marketing requires that consumers want a cleaner environment and are willing to pay for it, possibly through higher priced goods, modified individual lifestyles, or even governmental intervention. Until this occurs it will be difficult for firms alone to lead the green marketing revolution. An environmental committed organization may not only produce goods that have reduced their detrimental impact on the environment, they may also be able to pressure their suppliers to behave in a more environmentally responsible fashion. Final consumers and industrial buyers also have the ability to pressure organizations to integrate the environment into their corporate culture and thus ensure all organizations minimize the detrimental environmental impact of their activities.

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