



GREEN MARKETING: MAJOR CHALLENGES AHEAD

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Abstract

Green marketing is a new emerging concept in today's scenario. As society has become more concerned about the environment the phenomenon of green marketing has created a value for the environmental friendly products in the modern market. Some businesses and organizations have been accepting this concept to grab the market share as consumer's beliefs and attitude has been changing towards the products they are buying. Consumers and manufactures have been shifted their focus on ecological goods that are presumed to be green or we can say that are environmental friendly. It encourages the innovation in existing products and introduction of new products. But every consumer is not aware of it practically. Apart from this there are many other challenges which are creating obstacles. This paper highlights the concept, need, ideas of green marketing and challenges which businesses and organizations are facing while opting for their marketing strategies. And conclude that green marketing has raised the voice against production, consumption and disposal of such products that anyway harm consumers, the society and the environment.

Keywords: Green Marketing, Eco-Friendly Products, Challenges, Environment And Consumer.

Introduction

Green marketing is the marketing of environmentally friendly products and services. It is becoming more popular as more people become concerned with environmental issues and decide that they want to spend their money in a way that is kinder to the planet. Green marketing can involve a number of different things, such as creating an eco-friendly product, using eco-friendly packaging, adopting sustainable business practices, or focusing marketing efforts on messages that communicate a product's green benefits. As per Mr. J. Polonsky, 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."

Kilbourne, W.E. (1998) 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. The obvious assumption of green marketing is that potential consumers will view a product or service's "greenness" as a benefit and base their buying decision accordingly. The not-so-obvious assumption of green marketing is that consumers will be willing to pay more for green products than they would for a less-green comparable alternative product – an assumption that, in my opinion, has not been proven conclusively.

Characteristics Of Green Products

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 non 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.

Consumers who prefer to purchase green products even though they might be more expensive fall into the 'LOHAS' category. LOHAS stands for Lifestyles of Health and Sustainability.

According to Wikipedia:



“LOHAS describes an integrated, rapidly growing market for goods and services that appeal to consumers whose sense of environmental and social responsibility influences their purchase decisions.”

Consumers are active supporters of environmental health and are the heaviest purchasers of green and socially responsible products. They also have the power to influence other consumers.











Beyond making an environmentally friendly product, business owners can do other things as part of their green marketing efforts. The following can all be part of a green marketing strategy

1. Using eco-friendly paper and inks for print marketing materials.
2. Skipping the printed materials altogether and option for electronic marketing.
3. Having a recycling program and responsible waste disposal practices.
4. Using eco-friendly product packaging.
5. Using efficient packing and shipping methods.
6. Using eco-friendly power sources.
7. Taking steps to offset environmental impact.

Many companies are opting for green marketing to maintain a competitive edge. There are many examples where by eliminating its competitors firms try to upgrade itself to eco-friendly behavior. The ‘green’ behavior of many niche companies like XEROX , BODY SHOP and others have promoted many main competitors to follow the same.

As per the INTERBRAND BEST GLOBAL GREEN REPORT 2014 “FORD” is the top brand globally followed by Toyota, Honda, Nissan and many more. Interbrand’s annual Best Global Green Brand Report examines the gap between the corporations’ environmental practices and consumers’ perception of those practices. Interbrand believes that Best Global Green Brands like at point where perception and performance meets. With this point, the methodology of best global green brands is based on assessing both market perception and actual environmental performance. Here is table showing ranking of the best 10 global green brands in 2014.

Top 10 Best Global Green Brands In 2014

Rank	Brand Name	Country Of Origin	Sector
1		United States	Automotives
2		Japan	Automotives
3		Japan	Automotives
4		Japan	Automotives
5		Japan	Electronics
6		Finland	Networking and communication
7		Japan	Electronics
8		Germany	Apparel, accessories
9		Spain	Food Processing
10		United States	Electronics



Need of Green Marketing

Concept of green marketing concerns with protection of ecological environment. Modern marketing has created a lot of problems. Growth in marketing activities resulted into rapid economic growth, mass production with the use of advanced technology, comfortable and luxurious life, style, severe competition, use of unhealthy marketing tactics and techniques to attract customers, exaggeration in advertising, liberalization and globalization, creation of multinational companies, retailing and distribution by giant MNCs, etc., created many problems. Departmental stores, specialty stores, and shopping malls are flooded with useful as well as useless products. These all factors have threatened welfare of people and ecological balance as well.

Particularly, giant factories have become the source of different pollutions. Production, consumption and disposal of many products affect environment adversely. Prothero, A. (1998) described excessive pollution has provoked the Nature and the Nature starts behaving in unnatural ways (in form of global warming v/s global cooling, heavy rains v/s draught, and other natural calamities like frequent earthquakes and tsunami, cyclones, epidemics, and so forth). Economic growth via production and consumption threatens peaceful life of human being on the earth. Green marketing is an attempt to protect consumer welfare and environment (the nature) through production, consumption, and disposal of eco-friendly products.

Basically, Green Marketing Concerns With Three Aspects

1. Promotion of production and consummation of pure/quality products,
2. Fair and just dealing with customers and society, and
3. Protection of ecological environment.

Global ecological imbalance and global warming (also global cooling) have called upon environmentalists, scientists, social organizations, and alert common men to initiate the concrete efforts to stop further deterioration of ecological environment. The World Bank, the SAARC, the UNO, the WHO, and other globally influential organizations have started their efforts to promote and practice green marketing. The world environment summit at Copenhagen (2009) is the mega event that shows the seriousness of ecological imbalance.

To increase awareness, 5th June is declared as the World Environment Day. Green marketing emphasizes on protection of long-term welfare of consumers and society by production and use of pure, useful, and high quality products without any adverse effect on the environment. Mass media have started their campaign for protecting the earth from further deterioration. Worldwide efforts are made to conserve natural water resources.

Kotler, P. and Levy, J. (1971) explained that green marketing is a marketing philosophy that promotes production and selling of pure (eco-friendly) products with protection of ecological balance. Green marketing involves multiple activities. Green Marketing encourages production of pure products by pure technology, conservation of energy, preservation of environment, minimum use of natural resources, and more use of natural foods instead of processed foods. Efforts of people, social organizations, firms, and governments in this regard can be said as green marketing efforts.

Green marketing raises the voice against production, consumption, and/or disposal of such products that anyway harm consumers, the society, and the environment. It is necessary that businessmen and users should refrain from harmful products.

Some Green Products

1. **Wipro:** Info tech (Green It) was India's first organization to dispatch environment benevolent PC peripherals.
2. **Samsung** was the first to dispatch eco benevolent versatile handsets (made of renewable materials) – W510 and F268-in India.
3. **Oil and Natural Gas Corporation Ltd. (ONGC)** India's biggest oil organization, has presented vitality proficient Mokshada Green Crematorium, which spares 60% to 70% of wood and a fourth of the blazing time per incineration.



4. **Reva** India's own special Bangalore based organization was the first on the planet to financially discharge an electric auto. Honda India presented its Civic Hybrid auto. ITC has presented Paper Kraft, a premium scope of eco-accommodating business paper. Indusland Bank introduced the nation's first sun based fueled ATM and in this manner realized an eco-savvy change in the Indian saving money segment. Suzlon Energy produces and markets wind turbines, which give an option wellspring of vitality in light of wind force. This green activity taken by the organization is critical for decreasing the carbon impression.
5. **Toyota Prius** Prices and specifications as the Toyota Prius hybrid cars are relatively higher than conventional cars fuel oil (BBM), because this eco friendly technology is still relatively new in the world even though. The concept car was developed in Japan when 1997 as a response to concerns about the high society world that global warming is caused by high carbon dioxide released by motor vehicles. Toyota Prius concept car is using petrol and electric power sources. With the technology of course this car more fuel efficient and most importantly, lower exhaust emissions and eco friendly. Be some related awards that have been achieved by Toyota Prius was certified as super ultra-low emission vehicle (SULEV) from the California Air Resources Board and the Advanced Technology Partial Zero Emission Vehicle or vehicles with near-zero emissions levels, from the same agency. This car was also named the Best Car America in 2004 and Europe in 2005 Best Cars.

Major Challenges in Green Marketing

In spite of the fact that an extensive number of firms are honing green promoting, it is not a simple employment as there are various issues which should be tended to while executing Green marketing. The real difficulties which Green marketing must be confronted are:

1. **New Concept:** Green marketing is still a new concept in India. People living in rural areas still a lack of awareness regarding the benefits of green marketing. Sharma and Singh (2015) studied many challenges in the study that the consumer needs to be educated and made aware of the environmental threats. The new green movement needs to reach the masses and that will take a lot of time and effort. By India's Ayurvedic heritage, Indian consumers do appreciate the importance of using natural and herbal beauty products. Indian consumer is exposed to healthy living lifestyle such as yoga and natural food consumption. In those aspects the consumer is already and will be inclined to accept the green products.
2. **Need for Equivalence:** It is found that very less percentage of the marketing messages from Green campaigns and there is a lack of equivalence to validate these claims. There is no homogeneity to verify these claims. In recently, there is no consistency putted to officially present a product as organic. Unless some regulatory bodies are involved in providing the certifications there are not be any verifiable means. Thus, a standard quality control board needs to be established for such labeling and licensing.
3. **Cost Factor:** Green products require renewable and recyclable material, which is costly. Further it Green marketing involves marketing of green products/services, green technology, green power/energy for which requires a huge investment in R&D programmes for their development and subsequent promotional programs which ultimately may lead to increased costs.
4. **Information Disclosures:** The potential challenge in front of the firms/products is firstly, all information regarding greenness must be adequate and reliable, and secondly these should not be false unsubstantiated claims. Now it has become the duty of central and state government to see what claims are permissible. Further, government should establish eco-labels and fixed price mechanism which can serve as useful measure for green marketing.
5. **Endurance and Perseverance:** The investors and corporate required viewing the environment as a chief long-term speculation opportunity; the marketers need to gaze at the long-term benefits from this new green movement. It will need a lot of persistence and it has no instantaneous results. Since it is a new concept and idea, it will have its own acceptance period.
6. **Convincing customers:** Another major challenge for a firm is convincing the customers for selling their green product because the customers may not believe easily in the firm's strategy of Green marketing,



therefore the firm 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 to win the believe of customers.

- 7. Avoiding Green Myopia:** Another one, major challenge of green marketing is green myopia. Misjudging either or overemphasizing the former at the expense of the latter can be termed green marketing myopia. The first rule of green marketing is focusing on customer benefits i.e. the primary reason why consumers buy certain products in the first place. Do this right and motivate consumers to switch brand or even pay a premium for the greener alternatives. It is not pass the customer satisfaction criteria. This will lead to green myopia. For avoiding green marketing myopia, marketers must fulfill consumer needs and interests beyond environmental requirements.
- 8. Social Auditing of Green claims:** Another problem of green marketing is lack of properly adaptation of social auditing of the green claim. We know that the claims of the market and nonmarket forces of going green must be done only through proper auditing procedure but the reality is that there is no legal authority to verify or evaluate such claims. Even we see some political parties are not interested to implement environment protective measures. For example, some state governments tried and issued notification banning use of polythene bags, but in practice, it could not be controlled and the polythene bags are used openly in the market.
- 9. 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.
- 10. 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.
- 11. Unwilling to pay premium:** If green products are produced more, then the cost of production also raises due to raise of raw material cost and further after rises of production cost and low sales, the price of the green product is also raise. In that condition consumers are not ready to pay a premium amount for green products.
- 12. Need for standardization of the products:** it has been observed that very loss proportionate of the marketing message from “Green” campaigns is true to requisite standard and reflect the authenticity which they claim. Singh, S. (2012) described that there is no ‘yard stick’ currently, from where we could certify that the product as organic. Until or unless some of regularly bodes are involved in providing the certifications, which can be proved helpful to verify the authenticity of the product’s characteristics. A standard quality control board needs to be in place for such labeling and licensing.
- 13. New notion:** The consumers of different rural and urban hierarchy are gradually becoming aware of the merits of green products. But it is still new notion or concept for the masses. It is therefore, become imperative to educate the people about growing menace of deteriorating environment. The new green movements and advocacy programmers need to reach the masses and that will be a time consuming process. Indian aurvedic heritage can help to boost up the green marketing for beauty products. Indian consumers have an extensive exposure to healthy living life style such as yoga and natural food taking habits; can be helpful to make out the concept of green marketing thoroughly.

Conclusion

Green marketing is an apparatus for ensuring nature for future era. It is not going to be a simple idea. Selection of green marketing may not be simple in short run but rather over the long haul it will positively affect the firm. Green marketing is still in phase of adolescence in the Indian organizations. Reusing of plastics, paper, metals and so forth in a safe and ecologically innocuous way ought to wind up a great deal more systemized and all inclusive.



In Indian business sector, the customers are prepared to pay premium cost for green items. One thing that is being emphasized is that the present utilization levels are too high and unsustainable.

Consequently there is requirement for green promoting and requirement for a movement in buyer's conduct and demeanor towards more environment neighborly ways of life. This research concluded that the green marketing is concerned with the protection of ecological environment. As modern marketing, it has created lot of obstacles. Green marketing has raised the voice against production, consumption and disposal of such products that anyway harm consumers, the society and the environment. It is necessary that businessmen and users should refrain from harmful products but still facing challenges.

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