



GREEN MARKETING: CONCEPT, CHALLENGES & STRATEGIES

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Abstract

Green Marketing is a notion emanate from green management. In the contemporary aeon of globalisation, it has turn into defiance to nurture our natural habitat sheltered. And this is a gigantic urgency in the contemporary aeon. Green marketing is a tool used by many companies in various industries to pursue the trend of being green. Green marketing is the marketing of goods or services that are presumed to be environmentally safe. Thus green marketing incorporates a broad range of activities like modification in the product or service, change in the production process, change in the packing of product as well as modifying the promotional activities. Worldwide clues reveal that society and biz world worry about our natural habitat and changing their behaviour as an outcome, there is rising market for sustainable and social responsible goods or services. This paper is mainly targeting on the concept, need, importance, challenges and strategies of green marketing .The main aim is to understand the concept of green marketing and why organisation is using the green marketing and how it is beneficial to the biz world and what kind of challenges they are facing .This paper also examine the present trends of green marketing .This paper also present some utilities for developing interests among potential students, research scholars and academician and gaining theoretical understanding and knowledge of green market.

Keyword: Green Management, Green Marketing, Sustainable Development.

INTRODUCTION

Today the key defiance for the biz world or society is to perpetuate and safeguard the natural environment and finite resources. Many scientists and researchers are debating on the national affairs like Carbon credit, global warming and climate change resulting into natural clematises and disaster in national international conference. In the light of these issues organisations and consumer are becoming more aware about the ecological system and environment so, organisations are trying to produce those goods which are friendly for the environment and Consumer are more conscious about their purchasing in respect with the entire products they are purchasing in their day today life. Green Marketing is a phenomenon which has developed particular importance in contemporary market and has originated as an important concept in the emerging biz. Green marketing is the marketing of goods or services that are presumed to be eco-friendly. These green marketing incorporates a broad range of activities including product modification change in the production process etc. Further explained is some concept of Green marketing.

Green

The color green stands for peace, friendliness, growth, happiness, life and these days fashion too. Therefore, organizations now increasingly comprehend the importance and need of going green with respect to their policies, processes and practices. The New Oxford Thesaurus 2000 presents several other meanings such as verdant, eco- friendly, unripe, unseasoned, and inexperienced and naïve. In terms of organization, greening is sheltering the natural resources, nurturing the natural habitat, detracting the pollution of the atmosphere and engenders greenery.

Green Management

According to Lee (2009), “Green Management is defined as the method whereby organization manages the environment by developing environmental management strategies”. Green Management is the process of managing all activities and resources of organization keeping concern of the environment and sustainable living. It is pursuing all those activities related to business which lead to development and preservation of a green earth. Green management is perceived differently in the different parts of the globe. In developed countries, green management is to a certain degree a contemporary ideology which has found its niche in vital functions of the organization whereas in developing countries green management is in its inception stage and has lots of scope and enrichment opportunities.

Marketing

According to AMA, “**Marketing** is the activity, set of institutions, and processes for creating, communicating, delivering, and exchanging offerings that have value for customers, clients, partners, and society at large. “According to Dr Philip Kotler marketing as “the science and art of exploring, creating, and delivering value to satisfy the needs of a target market at a profit. Marketing identifies unfulfilled needs and desires. It defines measures and quantifies the size of the identified market



and the profit potential. It pinpoints which segments the company is capable of serving best and it designs and promotes the appropriate products and services.” So marketing can be define as the activities of producing, communicating delivery and exchange the goods or services which have value for customer and satisfy the need of customer.

Sustainability Development

According to the World Commission on Environmental Development (1978), Sustainable Development is “meeting the needs of the present without compromising the ability of the future generations to meet their own needs”. The common theme throughout this strategy of sustainable development is the need to integrate economic and ecological considerations in decision making by making policies that conserve the quality of agricultural development and environmental protection.

Green Marketing

According to M. J. Polonsky and P. J. Rosenberger (2011), environmental marketing, more popularly known as green marketing or sustainable marketing is an effort by a company to design, promote, price and distribute products in a manner which promotes environmental protection. According to Rahul Argha Sen (2014) Green marketing as “All activities designed to generate and facilitate any exchanges intended to satisfy human needs or wants such that the satisfaction of these needs and wants occurs, with minimal detrimental impact on the natural environment. ”. Green Marketing is define as the organisation activities which produce, promote, price and distribute the goods or service in a eco-friendly manner and have value and satisfy the need of green consumer.

Green Consumer

Vernekar and Wadhwa (2011) define the green consumer as a person “who adopts environmentally-friendly behaviours, and/or who purchases green products over the standard alternatives”. According to Balderjahn (1988), such green consumers are the consumers who have positive attitudes towards the environment and are more willing to purchase green products. Thus, Green consumer is a consumer which is well aware of green product or service and wants to purchase these products for preserving the society as well as satisfy their personal need.

OBJECTIVE

Following are the Objective of this paper:

- To understand the concept of the green marketing.
- To know the benefits or challenges to green marketing.
- To throw lights on the strategies of green marketing.
- To facilitate or support further research in the green marketing filed.

LITERAUTRE REVIEW

Philip Kotler and Kevin Lane Keller in Marketing Management has initiated the topic by discussing about the relevance of green marketing in the past few decade sand has also discussed the explosion of environmentally friendly products. However, according to the author from the branding perspective green marketing programs have not been very successful.

Prothero. A. (1998) introduces several papers discussed in the July 1998 issue of 'Journal of Marketing Management' focusing on green marketing. This includes; a citation of the need to review existing literature on green marketing, an empirical study of United States and Australian marketing managers.

Kilbourne, W.E. & Beckman, S.C. (1998) traces the development from the early research which focused predominantly on the characterization of the "green" consumer, conceptualization of environmental consciousness, environmentally related behaviours such as recycling, and attitudes towards environmental problems such as pollution.

Walker, R.H. & Hanson, D.J. (1998) highlights and discusses green/environmental implications and imperatives associated with destination marketing as distinct from those related to product and services marketing.

Kilbourne, W.E. (1998) discusses the failure of green marketing to move beyond the limitations of the prevailing paradigm. While there are nascent macro developments in marketing thought that might lead to a truly green marketing considering sustainability, holistic thought, and the limitations of the prevailing paradigm, they remain thus far on the periphery of the discipline.



According to Ginsberg & Bloom (2004), the first step is to gain rich understanding on consumer preferences towards green marketing i.e., whether the development of product that has green attributes is better selling point to target consumers. Various studies have showed that to know the target green market segment better, there is need for appropriate individual consumer tendencies towards green marketing.

Various authors has proposed different models to develop strategy that includes the green Marketing grid and the green marketing strategy matrix (Ginsbger& Bloom, 2004). Further, holistic and integrated approach is necessary to implement green marketing strategies in all areas of the marketing mix was emphasized by Polonsky& Rosenberger (2001).

Uberoi(2007), in his book on Environmental Management states that, the Government at the centre and at the State level and their agencies should become proactive vis-à-vis environment. The environmental problems cannot be tackled without a sound proactive policy by the Government. Intervention of the Government is required on continuing basis and not on one-time legislation and its implementation. The corporate world in India, under new economic order of liberalization and globalization has to increase its share of world trade and in this effort one major impact of rising trades would be on environment and resources. A survey by Mckinsey and company revealed that: (1) 92% of CEO's believe that environment should be top management priority; (2) 35% CEO's believe that their companies have adopted strategies to anticipate impacts of environment on business.

Manju(2012),Green Marketing refers to a holistic marketing concept wherein the production, marketing, consumption and disposal of product and services happen In a manner that is less detrimental to the environment. Green Marketing 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. As, Environmentalism has fast emerged as a worldwide phenomenon, business firms too have risen to the occasion and have started facing to environmental challenges by practicing green marketing strategies. Green consumerism also has played a catalytic role in ushering corporate environmentalism and making business firms green marketing oriented. But most of our green activities are hinged on a set of do's and don'ts. There are three reasons why we must rethink the idea of green Marketing. First, after-life of these green products is always not very environmental –friendly Second, the impact of the products on environment and thirdly, the hardest of all, is the question whether they are really green or not.

Jain and Kaur (2006), studies depicts that all consumers are not always fervent and factual supporters of the protection of environment and certainly are not particularly influenced by the "green" marketing. However, they constitute a target group which can prove to be particularly profitable for the enterprises which will be activated in the sectors of production and disposal of friendly to the environment products.

Founder & CEO of Emergent Ventures India (EVI) Vinod Kala says he realised in 2004 that there is huge business potential in environment. He further adds that financial investors are increasingly looking at Green Technology as profit opportunity than only a morally right thing to do, but there are dozens of entrepreneurs who have found that the capital expenditure involved in such projects are overwhelming and funds too hesitant to invest in them.

Surinder Pal singh(2008),Explain the 4p's of green market In his paper “ The Green revolution In marketing – It is worth.

- **Product**
Green Products are eco-friendly product which are design and proceed (produced) in the eco-friendly manner that can be recycled or reused.
- **Price**
Pricing is a critical element of the marketing mix. Most customers are ready to pay a premium if there is a perception of additional product value. This value may be convalesce 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. Green products, however, are often less expensive when product life cycle costs are taken into consideration. For example fuel-efficient vehicles, water-efficient printing andnon-hazardous products.
- **Place**
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 emphasise the environmental and other benefits.

- **Promotion**

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. Retailers, for example, are recognising the value of alliances with other companies, environmental groups and research organisations when promoting their environmental commitment. To reduce the use of plastic bags and promote their green commitment, some retailers sell shopping bags, under the banner of the Go Green Environment Fund. The key to successful green marketing is credibility. Never overstate environmental claims or establish unrealistic expectations, and communicate simply and through sources that people trust promote your green credentials and achievements. Publicise stories of the company's and employees' green initiatives. Enter environmental awards programs to profile environmental credentials to customers.

STARTGIES OF GREEN MARKETING

1. **Know you're customer:** Make sure that the consumer is aware of and concerned about the issues that your product attempts to address, (Whirlpool learned the hard way that consumers wouldn't pay a premium for a CFC-free refrigerator because consumer's didn't know what CFCs were.).
2. **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 environmentally friendly. Both these conditions have to be met (Fulfilled) for your business to establish the kind of environmental credentials that will allow a green marketing campaign to succeed.
3. **Educating your customers:** It isn't just a matter of letting people know you 'redoing whatever you're doing to protect the environment, but also a matter of letting them know why it matters. (Now-a-days it is more about letting the customer know about practices, policies followed by the organization in order to protect the environment). Otherwise, for a significant portion of your target market, it's a case of "So what?" and your green marketing campaign goes nowhere.
4. **Reassure the buyer:** Consumers must be made to believe that the product performs the job it's supposed to do-they won't forego product quality in the name of the environment.
5. **Consider your pricing:** If you're 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.
6. **Giving your customers an opportunity to participate:** Means personalizing the benefits of your environment friendly actions, normally through letting the customer take part in positive environmental action.
7. **Thus leading brands should recognize that consumer expectations have changed:** It is not enough for a company to green its products; consumers expect the products that they purchase pocket friendly and also to help reduce the environmental impact in their own lives too.

BENEFITS

Environmental concerns present both challenges and opportunities (Ottman, 1997). Enlightened Chief Executive Officers have taken advantage of opportunities by using green marketing strategies which has resulted in various benefits (Ottman, 1997).



- **Profitability:** Green based products create less waste, use fewer raw materials, and saves energy.
- **Competitive advantage:** Companies that are first to put their environmental innovation on the shelf enjoys competitive advantage.
- **Increased market share:** Brand loyalty is near all-time low. In fact the percentage of consumer's who feel that some brands are worth paying more for is declining. According to a poll conducted consumers viewed companys record on the environment as an important determinant of their purchase decision.
- **Better products:** Green based products are higher in quality in terms of energy saving, performance, convenience, safety, etc.
- **Personal Rewards:** Green products offer consumers with the benefits of healthier, more fulfilled lives and power to make the world a better place.
- **Better Physical Environment:** Well-co-ordinated use of all green marketing strategies will result in better physical environment in terms of reduced air and water pollution, waste energy depletion, global warming, deforestation, depletion of natural resources, and rate of landfills.

CHALLENGES IN GREEN MARKETING

Urgency for standardization

It is found that only 5% of the marketing messages from Green campaigns are entirely true and there is a lack of standardization to authenticate these claims. There is no standardization to authenticate these claims. There is no standardization currently in place to certify a product as organic. Unless some regulatory bodies are involved in providing the certifications there will not be any verifiable means. A standard quality control board needs to be in place for such labelling and licensing.

Noble 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. By India's Ayurveda heritage, Indian consumers do appreciate the importance of using natural and herbal beauty products. Indian consumer is exposed to healthy living lifestyles such as yoga and natural food consumption. In those aspects the consumer is already aware and will be inclined to accept the green products.

Patience and Perpetuation

The investors and corporate need to view the environment as a major long-term investment opportunity, the marketers need to look at the long-term benefits from this new green movement. It will require a lot of patience and no immediate results. Since it is a new concept and idea, it will have its own acceptance period.

Avert Green 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 brands or even pay a premium for the greener alternative. It is not going to help if a product is developed which is absolutely green in various aspects but does not pass the Customer satisfaction criteria. This will lead to green myopia. Also if the green products are priced very high then again it will lose its market.

CONCLUSION

This research paper is divided into two parts, the first part explain the concept of Green marketing and other part explain the challenges and strategies to adopt Green Marketing. Green Marketing is define as the organisation activities which produce, promote, price and distribute the goods or service in a eco-friendly manner and have value and satisfy the need of green consumer and green consumer is a person who has idea about green product and want to purchase. Green marketing is not



new for world but In India It is still in its infancy so organisation has to face challenges like producing green product. Green product development is more than just creating products that are environment friendly, it is about systemic change in society that includes consumers, producers and the general commercial structure within which they negotiate. Organisations need strategies to face the challenges. This paper also explains the some strategies to face the challenges. Green marketing is still in its infancy in India and more research needs to be undertaken on different aspects of green marketing to explore its potential to the maximum possible extent.

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