

TO INVESTIGATE BUSINESS CHALLENGES TO GREEN MARKETING

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Abstract: Environmental problem is a burning issue today as almost every nation's government and people become more concerned has initiated to be more conscious regarding these issues. This insists to a drift of green marketing employed by the businesses as solitary strategies in order to grow return and shield the environment as it has shaped revolution in the market. This paper will be discussing the green marketing and its sustainability as well as the mechanism and extended marketing mix of green marketing. Along with, the green consumer and branding will be studied in downstream of this paper as this will draw more customers. Conclusively, businesses will be propertied once green marketing strategy is practical.

Index Terms - Environmental benefit, socially responsible products, green marketing, marketing mix.

I. INTRODUCTION

There is increasing awareness amongst the consumers all over the globe about safeguard of eco system. Universal proof indicates consumers are afraid about the environment and are shifting their behavior. As a consequence of current natural and man-made adversity, both businesses and consumers have arisen to be responsive of a sequence of environmental-protection problem. In current scenario 'Go-Green' is a widespread idiom among businesses and consumers. Atmosphere Change, dropping energy reliance and costs, surplus utilization, smoldering forests, vulnerable species and the media interest around them has been a significant driver for together consumers and businesses to going green.

Objectives of the Study

1. To evaluate the fundamental concepts and ideas of green marketing.
2. To study green marketing and it's sustainability on the environment and businesses.
3. To evaluate tools and extended marketing mix of green marketing.
4. To study the behavior of green-consumers and eco-brand.
5. To recognize the challenges related among different aspects of green marketing in the current scenario.

The phrase Green Marketing came in the late 1980s and early 1990s, began in Europe in the early 1980s when convinced good were instituted to be injurious to the ecosystem and people as an intact. Therefore novel types of yields were created, called "Green product" that would source fewer damage to the environment. According to Pride and Ferrel (1993), green marketing refers to the organization's efforts at designing, promoting, pricing and distributing products that will not harm the environment.

Green Marketing is the most latest and popular trend market which facilitated for the environment-friendly in individual, animal and planet (Rajeshkumar, 2012). Because of enhance in environment change and global warming, the societal fear for environmental harms is incessantly raised over the precedent decades. The businesses and customers have initiated to challenge eco-friendly goods as they develop into further anxious on the ecosystem, vigor and prosperity in order to protect the earth's resources and the environment. Consequently, the firms have slowly applied green marketing practices in their projects as a part of social conscience and they are demanding to reach the consumers with their green messages (Nagaraju & Thejaswini, 2014).

According to Peattee (2001), the evolution of green marketing can be divided into three phases; first phase was termed as "Ecological" green marketing, second phase was "Environmental" Green Marketing and third phase was "Sustainable". Green marketing incorporates increasing and promoting goods and services that satisfy consumers want and need for quality, performance, cost and convenience exclusive of having a harmful input on the environment. As an effect of this, green marketing has emerged which speaks for increases market for sustainable and socially responsible goods and services.

According to the American Marketing Association (AMA), green marketing is the marketing of products that are presumed to be environmentally safe. Green marketing obtain by substitute names such as environmental marketing, sustainable marketing, eco marketing, green advertising, organic marketing, every one of which summit to analogous concepts although possibly in a more definite way, green marketing is basically a technique to brand your marketing message in order to confine more of the market by tempting to consumer's desire to decide goods and services that are superior for the environment. According to the World Commission on Environmental Development (1978), Sustainable Development defines "meeting the needs of the present without compromising the ability of the future generations to meet their own needs"

The environment conservation for the current and the future generation is what the outcome product of green marketing is. (Vandhana, Karpagavalli, & Ravi, 2013) hence possible reasons for businesses enlarged use of Green Marketing are organizations perceive environmental marketing (Keller 1987, Shearer 1990), moral obligation to be more socially responsible (Davis 1992, Freeman and Liedtka 1991, Keller 1987, McIntosh 1990, Shearer 1990), government forcing and competitors' pressure (NAAG 1990) and cost factors (Azzone and Manzini, 1994).

II. GREEN MARKETING TOOLS

Environmental belief, green packaging, eco-label, eco-brand and environmental advertisement are element of the green marketing tools which can create acuity easier and enhance awareness of eco-friendly goods/services features and aspects. Accordingly, this will direct the buyers to purchase the environmentally friendly goods/services. Practicing these policy tools plays an important role in changing consumer purchasing behavior to purchase environmental friendly products, thus, decreasing the adverse effect of artificial products on the environment (Delafrooz, Taleghani, & Nouri, 2014).

Environmental belief: The environmental belief relates to convictions that are detained to be factual by persons or groups about concepts, proceedings or belongings. Intercontinental researchers illustrate that the consumers worry more about the environment and gradually change their behavior (Arbutnot, 1977; Simon, 1992). Besides this, consumers' values and beliefs need to be thought about when exploring the influences affecting purchase decisions (Hoyer and MacInnis, 2004). Theory of planned behavior proposed by Ajzen's (1991) explains that environmental beliefs shape attitude towards behavior, which in turn is translated into buying intention (Hoyer & Deborah J. MacInnis, 2004).

Eco-label: Eco labels are logo or marks given to a product with details of the product and contents on conformity to eco-friendly criterion lay down by government, association or standard certification board, Morris et al., (1995) have affirmed that specific product claims on product labels like "eco-friendly", "recyclable", "biodegradable" and "ozone friendly" used by marketers enabled companies to communicate the environmental benefits of products to their consumers. Furthermore, earlier researches that were finalized in western nations have agreed that most consumers have positive green consciousness on eco-labeled products (Cherian & Jacob, 2012) as well Eco-labels are appealing tools notifying consumers about the environmental impact of their buying determination (Rashid, 2009).

Eco-Brand: Also called as green brands are those that consumers can associate with environmental conservation and ecological/sustainable business practices. Applying eco-brand aspects can help consumers to distinguish them by some means from other non-green products (Delafrooz, Taleghani, & Nouri, 2014). Some studies reveal that growing environment awareness of consumers has encouraged them to be more inclined towards brands that seemed to be environmental friendly (Eagly and Kulesa, 1997). According to Pickett et al., (1995), if green brand attributed are not well communicated, environmentally sustainable products will not be commercially successful. Likewise, other researchers have recommended that green positioning is an important element in the success of green branding strategies. The earlier research in western countries encourages this opinion as consumers in the Germany and USA take action positively to eco-branded products such as green energy and Body Shop (Wustenhagen & Bilharz, 2006). Further, The consumers who widely recognized themselves as an environmental responsible consumers suggest to picks the green products in their actual purchase to meet their emotional desires (Rahbar & Wahid, 2011).

Environmental Advertisement: It defines to a type of communication that specifically endorses the environment friendly characteristic of the product or company. Besides, direct their attention to the positive consequences of their purchasing behavior, for themselves as well as the environment (Delafrooz, Taleghani, & Nouri, 2014). It includes promotional tricks centered on environmental aspects. The goal of green advertisements is to influence buyer's purchase behavior by cheering them to purchase goods that are safe to the environment and to lead their consideration to the positive consequences of their buying behavior, for themselves as well as the environment (Rahbar & Wahid, 2011). Davis (1994) describes there are three elements in green advertisement. Firstly, the company will start a statement that is related to the environment. Secondly, the company will demonstrate its concern and dedication to improve the environment by its changed procedure from the green advertisement. Thirdly, specific environmental actions in which the company is involved will be promoted by green advertisement (Rahbar & Wahid, 2011). Environmental advertisements help to form consumer values and translate these values into the purchase of green products (Baldwin, 1993).

III. EXTENDED GREEN MARKETING MIX

The marketing mix is originated from conventional marketing (Kontic, Biljeskovic, & Brunninge, 2010). According to green marketing principle every components in the marketing mix will have a green perspective from establishing to introducing a product to the market (Arseculeratne & Yazdanifard, 2014).

Green Product - Deal with environmental needs, these goods/services have optimistic effects on the environment as they are less toxic, biodegradable, recyclable, energy efficient, renewable due to which they are termed as "Green Products" (D'Souza et al., 2006). A producer should tender ecological good/services which not only must not contaminate the environment but should defend it and even clear up existing environmental damages. When a product is manufacture under a process of eco-friendly and harmless to the environment, the product may be named as green product (Arseculeratne & Yazdanifard, 2014).

Green Price- Have fewer environmental impact than competitors price. Green pricing refers to an optional utility service that allows customers of traditional utilities support a greater level of utility investment in renewable energy by paying a premium on their bill (U.S. Environmental Protection Agency) Going green is extremely pricey as they encompass variety of costs such as educating people, devices, institution of contemporary technology, fascinating extrinsic costs, and converting waste into recycled

goods/services. Undeniably these will cause the goods/services to be extra costly. Therefore green price is also termed as premium price. These will have further pressure on marketing due to premium price. Marketing efforts must diminish these expenses and buyers need to be persuaded to pay a premium, as a result that pragmatic messages in adverts are desired.

Green Place- Green distribution comprise appointing pathway in a manner to diminish environmental impairment. Most of the damages are induced during shipping of goods. Therefore safety precautions must be implemented in the shipping of goods (Arseculeratne & Yazdanifard, 2014). Green place is also in relation to managing logistics to decrease on logistics emissions, by this means in effect targeting at dropping the carbon footprint. For example, as a replacement for of marketing an imported orange juice in India it can be licensed for local production. This avoids shipping of the product from distant away, thus dropping shipping charge and more significantly, the consequential carbon discharge by the ships and other modes of logistics.

Green Promotion- Promotional material of a company is essential in green marketing. The most important information of go green has to convey to the consumers by the means of direct marketing, advertising, sales promotions and public relations. Public relations and advertising certainly have turn into the most frequently utilized tool to initiate the green perspective of a company. Going green infrequently develop into a foremost national associations implement as it form a link between the company and the people. Green advertising might be used to promote products, justify their features and price (Arseculeratne & Yazdanifard, 2014). Green promotion includes configuring the tools of promotion, such as advertising, promotional materials, signage, white papers, web sites, videos and presentations by maintaining 3P's i.e. people, planet and profits in mind.

Green Packaging- Also called as sustainable packaging, it is an novel thinking towards product packaging that concentrates absolute environmental impact of the production and disposal of the packaging material this involves increased use of life cycle inventory (LCI) (Franklin, 2004) and life cycle assessment (LCA) (Zabaniotou, A; Kassidi, 2003). A sustainable package will produce fewer wastes than conventional packaging and will be manufactured from materials that use as much recyclables material as possible by utilizing minimum amount of energy. The concept of being environmentally friendly or green will have an effect on all parts of business from the conception of products to the use of subsequent disposal of the product by customers (Pralhad & Hamel, 1994). Packaging can be considered ecological depending on the degree of environment pollution (Delia, 2010).

Green Positioning - Hartmann et al. (2005) have categorized green positioning strategies as functional or emotional. They implies that a green positioning strategy based on functional brand attributes intends to build brand associations by delivering information on environmentally sound product attributes, such as production processes, product use, and/or product elimination (e.g., Meffert & Kirchgeorg, 1998; Peattie, 1995). Further Hartmann et al. (2005) evaluate to facilitate functional positioning result in a strong cognitive perception of an environmentally friendly brand, whereas an emotional position suggests a brand association with nature.

Green People - These are the employees of the company who are much concerned about the environmental impact and it relates to how they perform their duties. Employees should be well trained on environmental issues, finely motivated and with a excellent attitude since the repute of the company rests on their shoulder. Several factors such as competitiveness of a company can be resolute by the green people strategy of a company. The employees can too affect either optimistically or pessimistically the consumer satisfaction levels due to the means they take out their day to day task.

Green Process- Minimizing the use of harmful material in the processing of goods and services with certain adjustments to internal processes are essential of organizations that decide to implement green marketing as a business strategy. A reformation of the business process is mostly important. Elemental transformations in the production processes in the business are vital component of the green marketing model by diminishing the amount of utilization of used energy, cancelling faulty goods/services in the productivity process, dropping damage and loss, and resolving the depletion of natural resources.

Green Physical Evidence- In the context of green, it should be ensured that the green physical evidence is covering the efficacy of greenness in every part of the system instead of a particular area (Eneizan, Wahad, Zaino and Obaid 2016). To be more specific, it should cover the system from the operations, production to the product sold (Larashati, Hudrasyah and Chandra 2012). The lack of information causes most customers to become unaware of the significance of green products. Businesses can fill this void using various green promotional strategies. Customers specifically require concrete information on the capacity of green products to solve and avoid environmental problems .In other words, customers should be provided with physical evidence of the overall efficacy of greenness across the system, from the organizational operations and strategies to the products sold in the market. The green physical evidence is highly relevant to the service firm. They serve as a unique space for the firm to interact with its customers. Hence, the green physical evidence is vital as a green strategy that enhances the uniqueness of the firm which leads to an increase in both the financial and environmental performance. To build a more impressive green physical evidence, firms should commit more to creating a comfortable environment with carefully chosen furnishings and colors; designing the facilities to suit the green image objectives; nurturing employees' green images; updating the green unit; or even providing a friendly environment alternative to the location.

IV. CHALLENGES OF GREEN MARKETING

Polonsky et al. (1995) describes that one of the main problems is that firms using green marketing must ensure that their activities are not misleading to consumers or industry, and do not breach any of the regulations or laws dealing with environmental marketing. Majority of the consumers are not aware about green products and their uses, advantages and disadvantages hence lacking into the credibility or trust on green products/services hence consumers are may not willing to pay a premium for green products, which leads to green myopia, as the primary rule of green marketing is focusing the consumer's advantages that are why customers purchase particular product or services in their primary priority. Is it a correct approach and

stimuli the consumers to purchase particular brands or even pay a premium for a 'greener' substitute good or service? If green product or service not economical viable, as an outcome, it'll scale back the market acceptableness.

As green marketing is new conception in the market consumers are confused on the topic of green or sustainable product claims the consumer required to be educated and made responsive to the environmental intimidation. The novel green movements necessitate reaching to the masses and that will require a lot of time and effort.

Necessitate for standardization of the products very few marketing messages from green campaigns are entirely true and there is a lack of standardization to authenticate these claims. Dumping the substandard product under the name of green product in the market is possible hence reputational risk from "misleading claims" is also associated with the green marketing.

Green products require renewable, recyclable material, green production technology, water treatment and waste treatment technology which requires massive investment in research and development, long gestation period require patience perseverance to get the desired return on investment (ROI) which is costly and unaffordable in competitive market for short term profit gainer. Certainly the liability risk from "greenwashing" as per government guidelines and rules is as well linked with the green marketing.

V. CONCLUSION

Corporate ethical code and the emergency of the 21st century is being green. This paper extensively reviews the literature in the field of green marketing strategy and challenges to adopt green marketing. Green marketing has to develop since it is still at its immaturity stage. Embracing for Green marketing may not be easy in the transitory phase, but in the long term it will absolutely have an optimistic impact on the businesses. For green marketing to be successful, businesses has to practice three things; be authentic, educate your clientele, consumers and buyers, and provide them the chance to involve by realizing them the necessity and benefits of recyclability or reusability and positive effects of green products/services which may generate interest and intention on green buying, and may lead to produce a new breed of consumers known as 'green-consumers'. By the efficient use of extended marketing mix effectively communicate quality, performance in addition to sustainable aspects highlight the personal benefits. Cost could be a basic obstacle that restricts the adaptation of green goods/services. Green purchases would be an equivalent competitor to non-green goods/services merely if the prices of green goods/services become lower than the prices of non-green goods/services. As this would give out the long-term attention of environment protection and support sustainability. Green marketing should not be measured as just one additional chance and method of marketing, instead should be pursued with superior strength as it has societal and environmental magnitude. Marketers also have the responsibility to make the stakeholders responsive about necessitate and return of green products.

VI. REFERENCE

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