

A STUDY ON GREEN MARKETING OVERVIEW

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ABSTRACT

The purpose of the study is to gauge the influence of green marketing efforts directed at the consumer. Green marketing is a marketing strategy used by businesses that emphasizes the environmental improvements a company has implemented. Green marketing is not a new concept but it's one that is still relevant to consumer and companies alike as concern for the environment continues to grow. This particular study looks at a relatively new frontier for green marketing in how it appears on social media by testing brand perception and purchase intent of an environmentally conscientious social media post by consumer brand. This study also aims to determine the impacts of green marketing overview.

Key words: Green marketing, green marketing overview, perception, environmental benefits.

I. INTRODUCTION

According to Yakup and Sevil (2011), from the beginning of the 1980s, there have been ecological issues such as global warming, the greenhouse effect, pollution, and climate changes which are directly related to industrial manufacturing and this will continue to affect human's activities. Due to the increase of environmentalism which has dominated the world, there has been a raise in consumer concern with regards to environmental protection and great demand for green products. Hence, most firms have begun to use the green marketing and green product development strategies that can preserve the environment while satisfying consumers' preferences in order to make long term profits in businesses. Before such ideas came in to use, many firms were using green marketing as a sub form of their marketing structure as well as trying to develop green products that could help with the growing environmental problems. There are organizations implementing strategies which aim to solve ecological issues and build up the long term interest toward consumers.

GREEN MARKETING: 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.

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,
- 3) Protection of ecological environment.

Green Marketing's Objectives:

Green marketing is important for a number of reasons, from eliminating wastefulness to educating consumers about how a company is maintaining eco-friendly measures. Here are some other objectives to consider when thinking about green marketing.

1) Avoiding waste: Whether it's creating biodegradable product packaging (meaning it can be broken down by biological means), cutting down on water consumption, or reducing the amount of trash that goes into landfills, green marketing is just as concerned with avoiding waste as putting forward an eco-friendly face to the public.

2) Reinventing products: Products themselves can be modified to lessen the impact on the environment. For example, Method sources its ingredients from many plant-derived ingredients, which means it's safer for humans, not toxic to family pets that might accidentally ingest it; and more environmentally-friendly by being water-soluble and dispersing safely into the environment.

3) Making green while being green: Companies that promote green products want to not only be good stewards of planet Earth, but make a profit while doing so. Green marketing allows businesses to capitalize on the subset of the population willing to pay a little more to lessen their footprint on the environment and protect the atmosphere.

4) Changing processes: Consumers aren't the only ones that need to be concerned with environmental impact. Green marketing also encourages businesses to properly utilize resources such as water consumption and electricity. Changing processes also means looking for renewable materials, using alternative energy sources and finding ways to deliver products in a more fuel-efficient manner.

5) Creating eco-friendly messaging: Green marketing's biggest "marketing" accomplishment might be in messaging. Green marketing works to help consumers understand a product's green benefits and a company's commitment to the environment. It's also an important avenue in which to educate people about sustainability and the environment.

Evolution of Green Marketing:

There are three phases in the evolution of green marketing:

- Ecological green marketing.
- Environmental green marketing.
- Sustainable green marketing.

Marketing Strategies

The marketing strategies for green marketing include the following points: 1) Marketing audit (including internal and external situation analysis). 2) Develop a marketing plan outlining strategies with regard to the four P's of marketing. 3) Implementation of the marketing strategies. 4) Proper review of results.

Impacts or Importance of Green Marketing: Green marketing affects positively the health of people and the ecological environment. People are aware of pure products and pure methods of producing, using, and disposing the products. It encourages integrated efforts for purity in production and consumption as well.

Impacts of green marketing:

1) People are insisting pure products – edible items, fruits, and vegetables based on organic farming. The number of people seeking vegetarian food is on rise. 2) Reducing use of plastics and plastic-based products. 3) Increased consumption of herbal products instead of processed products. 4) Recommending use of leaves instead of plastic pieces; jute and cloth bags instead of plastic carrying bags. 5) Increasing use of bio-fertilizers (made of agro-wastes and wormy-composed) instead of chemical fertilizers (i.e. organic farming), and minimum use of pesticides. 6) Worldwide efforts to recycle wastes of consumer and industrial products. 7) Increased use of herbal medicines, natural therapy, and Yoga. 8) Strict provisions to protect forests, flora and fauna, protection of the rivers, lakes and seas from pollutions. 9) Global restrictions on production and use of harmful weapons, atomic tests, etc. Various organizations of several countries have formulated provisions for protecting ecological balance. 10) More emphasis on social and environmental accountability of producers. 11) Imposing strict norms for pollution control. Consideration of pollution control efforts and eco-technology in awarding IS, ISO 9000, or ISO 14000 certificates and other awards. 12) Declaration of 5th June as the World Environment Day. 13) Strict legal provisions for restricting duplication or adulteration. 14) Establishing several national and international agencies to monitor efforts and activities of business firms in relation pollution control and production of eco-friendly products.

Advantages of Green Marketing:

Companies that develop new and improved products and services with environment inputs in mind give themselves access to new markets, increase their profit sustainability and enjoy a competitive advantage over the companies that are not concerned for the environment.

Some of the advantages of green marketing are as follows:

- It ensures sustained long-term growth along with profitability.
- It saves money in the long run, although initial cost is more.
- It helps the companies to market their products and services keeping the environment aspects in mind. It helps in accessing the new markets and enjoying competitive advantage.
- Most of the employees also feel proud and responsible to be working for an environmentally responsible company

- It promotes corporate social responsibility.

Challenges of Green Marketing:

- Green products require renewable and recyclable material, which is costly.
- Problems of deceptive advertising and false claims.
 - Requires a technology, which requires huge investments in research and development.
- Majority of the people are not aware of green products and their uses.
- Majority of the consumers are not willing to pay a premium for green products.
- Educating customers about the advantages of green marketing.

Consumer Buying Approach: Consumer behavior has been illustrated as the actions of consumers who identify a need or want, searching for information, buying, using, giving feedback on the products and services in order to fulfill their desires (Vyas, 2009). In 20th century, most markets clearly understand the actual behavior, factors, and objectives of the consumers' buying approach by aiming for the use of environmentally friendly marketing. Due to the detrimental impacts on natural environment, green marketing activities have been a popular tool that used by many firms, and these events caused a shift in consumers' buying approach towards green products (Cohen, 1973). Therefore, most consumers have adjusted to the concept of "green consumers" who were aware of the importance of preservation and protection of the natural environment as well as seeking for eco-friendly products as their demand of green consumption grows (Peattie, 2001). Further to this information, Boztepe (2012) emphasized that the green consumers would stop consuming any harmful product which may affect their health, involves torture of animals and causes

Involves torture of animals and causes damage to the environment during production process, disposal or use. Lot of marketers may choose to enhance the consumers' consciousness of environmental problems by using marketing ploys to get them involved in social charities which motivate the consumers' to move from conventional products to eco-friendly products (Golkanda, 2013).

REVIEW OF LITERATURE:

Green marketing came into prominence in the late 1980s and early 1990s. The first book titled Ecological Marketing was the outcome of first workshop on "Ecological Marketing", held by American Marketing Association (AMA) in 1975. Green marketing acquired an eminent status since early 1990s. There has been occurring about green consumers and green consumerism in 1970s and 1980s. Henion and Kinnear (1976) defined green consumers as environmentally conscious consumers while Antil (1984) described green consumerism as a specific type of socially conscious consumer behavior with prime focus on protection of environment. Green consumerism was described as a form of "pro-social" consumer behavior (Weiner and Doescher, 1991). Michael Polonsky (1994) defined "green marketing as the marketing that consists of 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."

Various studies support the assertion that consumers today prefer environmentally safe products and have a positive disposition towards companies following such practices. A strong willingness is shown by consumers to favor environmentally conscious products and companies as per various opinion polls taken in US and elsewhere, however action to do so in reality are debatable (Mendleson N, Polonsky M J, 1995). In spite of huge interest in green marketing by researchers and organizations, demand of green products is not as high as expected. Mintel (1995) found a significant gap between consumers concern and actual green purchasing. It is found that still there are considerable barriers towards the diffusion of more ecologically oriented consumption styles.

According to Michael J Polonsky, environmental marketing has been perceived as an opportunity by the organizations to achieve their objectives (stated by Keller 1987, Shearer 1990). It was believed that organizations have moral obligation to serve the society in more environmental friendly way (Davis 1992, Freeman and Liedtka 1991, Keller 1987, Shearer 1990). Firms are also forced to become more socially responsible due to the laws laid by the government towards the protection of the environment. Firms are also pressurized by the environmental activities adapted by competitors that demand the firms to change their marketing activities to environmental marketing activities. One of the factors identified that affects the purchase of green product is its high price in comparison with traditional product. Price of the product can be reduced by properly designed environmental standards. Environmental standards can trigger innovations that lower the cost of the product or improve its value. Such innovation will allow the companies to use a

range of inputs more productively - from raw materials to energy to labor – thus offsetting the cost of improving environmental impact and hence enhanced resource productivity will make companies more competitive. Innovation will play a lead role in sustainable development for the companies to be competitive and resisting innovations will lead to loss of competitiveness in today's global economy (Michael Porter and Claas van der Linder, 1995).

Jacquelyn Ottman, (1998) suggests that from an organizational standpoint, all aspects of marketing including new product development and communications should be integrated with environmental considerations. This holistic view of Green Marketing suggests that not only the suppliers and retailers, but the new stakeholders including educators, community members, regulators, and NGOs should also be taken into purview. Environmental issues should not be compromised to satisfy primary customer needs. Organization operating green practices in their processes and products is considered as environmentally friendly by the consumers and they prefer to purchase the products of the organization that are marketing themselves as green organizations.

It has been always believed that the actions of individuals can be predicted by their attitudes. Number of studies has been made towards improving the ability to predict an individual's actions. Davidson et al. (1985) found that the consumers' attitude is associated with the knowledge and personal experience they possess. However inconsistencies were found among the relationship between consumers' attitude and their behavior when it comes to green consumerism. Mainieri et al. (1997) found low correlation between consumers' attitude and green behavior. Previous researches also proved low correlation between consumers' attitudes and their green behavior (Tracy and Oskamp, 1984). Spruyt et al. (2007) suggested that the prediction of individual's behavior is dependent on the attitude of the consumer. In order to predict specific behaviors, the measurement criteria of attitudes should be directed at a specific environmental issue like purchasing of green products (Gadenne et al, 2011; Wulf and Schroder, 2003).

Green Gauge Study of Roper Organization (stated by Crispell, 2001) classified the American consumers into True - Blue Greens, Greenback Greens, Sprouts, Grouzers and Basic Browns. True - Blue Greens are the consumers who buy only green products and trying to make up for the deficits, Greenback Greens are the consumers willing to expend money towards protection of natural environment but don't have time and energy for environmental activities, Sprouts are the consumers who can buy green products but are not involved in environmental activities, Grouzers are the consumers who cares about the protection of environment but make excuses for adapting green products, and Basic Browns are the consumers who don't care about the environment protection and are not even ashamed of it.

Consumers are substantially aware about green products; however applying green marketing practices in business operations is not an easy task (Juwaheer, 2005). Antonio et al (2009) suggested that due to environmental consciousness that has evolved over time, studies on green consumerism will be the main focus point in future leading to identifying the consumer attitudes, behaviors and intentions. Braimah and Tweneboah - Koduah (2011) studied Ghanaian consumers and have found low level of awareness towards green marketing issues which affected that purchase decision of the consumers. Price of green products was also found to be one of the factor that influence the purchase of green products. However, it was found that young consumers are more likely to be influenced by green issues. Cherian and Jacob (2012) found that consumers lack green knowledge and because of this low awareness, organizations are still not focusing towards development of green products.

There are several issues and challenges identified by various researchers with respect to Green Marketing (Welling and Chavan, 2010). Practicing green marketing initially may prove to be a costly affair as it encourages green products/services, green technology (procuring new technology or modification of existing technology), green power/energy which requires a lot of money to be spent on R&D programs. High investment is required in marketing promotions to create awareness regarding green products and their uses. Many customers may not be willing to pay a premium for green products which may affect the sales of the company. It requires the companies to extensively communicate the presence and benefits of green marketing to the customers by means of various tools available for integrated marketing communication. Eco - labeling could be a good way to convince the customers regarding green products. Consumers might be willing to pay premium price if they see additional benefit (such as quality, environmentally safe product,

fuel - efficient vehicles, and non - hazardous products) attached with the product. Green Marketing can help organizations to gain a competitive advantage and a strong consumer base. (Renfro L A, 2010).

According to Joel Makower (cited by Shafaat & Sultan, 2012), challenges faced by green marketer also include the lack of standards and common consensus among the public about what actually constitutes “green”. Despite these challenges, green marketing continues to gain popularity, particularly in light of growing global concern about climate change. Companies are coming forward to showcase their commitments to reduce adverse climate impacts of their products and services. Green marketing can play an important role in sustainable development so firms must adapt innovative methods to sustain itself in the competitive environment.

Conclusion: As the growing concern of ecological issues had begun to form, society and the government have started to be aware about these issues and begin to make changes to contain the negative impacts of these problems. Green marketing and product development have been deemed the best ways forward for a business to be able to conform with new rulings from the government, and also to be able to comply with the behavior of consumers from field studies in to the wants and needs. The firms believed that the ideas of green marketing such as implementing a green supply chain, green products design, packaging, pricing and promotion are beneficial to society and the environment; and therefore it has taken priority over conventional marketing initiatives. Furthermore, the firms should present notable efforts to its customers in a manner that shows the firm is actively trying to decrease its environment risk. In conclusion, implementing green marketing and green product development strategy are not difficult, but rather a relative concept that consistently differs over the time.

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