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GREEN MARKETING

AN UPCOMING APPROACH TO SUSTAINABLE DEVELOPMENT

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ABSTRACT

In the recent times, societies are getting more concern towards the environment and they are becoming more aware about the use of green products and eco-friendly products which led to the arising of green practices in the world and it is the current scenario around the globe due to which concept of green marketing has gained importance worldwide. The ideas of green marketing includes production of green products, green pricing, green promotion, implementing green supply chain and green advertising which is beneficial to the society as well as to the environment. Green marketing is used as a tool for sustainable development which concerns about the proper use of natural resources and reduce pollution in the environment. Green marketing is a strategy that addresses the concern of promoting and preserving the natural environment which benefits the firms as well as customers. Companies are investing huge amount of money on research and development to introduce green products which could reduce pollution in the environment and conserve the natural resources by proper using it. In this research paper main emphasis has been made on concept and importance of Green marketing and its effects on sustainable development. Data has been collected from secondary sources like journals, books, newspapers and websites. To conclude, green marketing plays a vital role in sustainable development of the firms and environment management of the firms of any country.

KEYWORDS – Green products, Green Marketing, Sustainable development, Green pricing, Green promotion

INTRODUCTION

Green marketing is a new concept which has shifted the focus of customers from ordinary products to green products. During 1960s, Green Marketing is not a very important topic in the market in the corporate sector and customers are not aware about the green products. Green marketing has attained growth during 1980s, when the concept of green marketing has emerged. Green marketing refers to the production, promotion and distribution of goods and services which are eco-friendly in nature and do not increase the rate of pollution in the society and these products are concerned with the environmental pollution. The globalization has causes the increase in pollution and global warming which has become a serious problem. The first definition of Green Marketing was given by Henion in 1976 “The implementation of marketing program, directed at the environmentally conscious marketing segment” (Banerjee,1999). Green marketing strategy includes those activities which are eco-friendly in nature and produce, promote the green products which can satisfy the human wants and need. (Polansky, 1994). The word Green includes sustainability, conservation of non- renewable resources, and proper use of resources. Green marketing comprises of 4Ps of green marketing- green products, green price, green place and green promotion. According to American Marketing Association, green marketing has been divided into three major segments-

- **Retailing definition-** Marketing of goods that are supposed to be environmentally safe and do not damage the environment.
- **Social marketing definition-** The development and marketing of products designed to reduce negative effects on the physical environment or to improve the quality of the product.
- **Environmental definition-** The attempts and efforts by organizations to produce, promote, package and retrieve products in a manner that is sensitive or receptive to ecological concerns. After this study Green marketing can be defined as, “Raising consumer awareness by promoting and selling products which are recyclable, health oriented, environmental friendly in terms to MPDU(manufacturing, packaging, distributing and using) available at affordable prices.

Evolution of Green Marketing

The evolution of green marketing has growth over a period of time. Green marketing has taken place into three phases:-

- First phase was termed as ‘**Ecological**’ Green marketing, which is concerned with the problems related to the environment and also provide solution to solve these problems.
- Second phase was termed as ‘**Environmental**’ Green marketing which is concerned with the production of green products with the use of innovative technology and take care of waste issues.
- Third phase was termed as ‘**Sustainable**’ Green marketing which came into existence in the 1980s and 1990s which concludes the proper utilisation of natural resources

Marketing mix of Green marketing

- **Green Product**

The green products have following features-

1. Products that can be recycled
2. Products with eco-labels
3. Products which are environment friendly
4. Products with eco-friendly packaging to reduce pollution
5. Products made up of optimum utilisation of resources
6. Products which are concerned of sustainability issues.

- **Green Price**

Price is an important factor of the product because price decides the demand of goods. Customer is willing to pay more prices only if they are getting environmental benefits from the use of green products. Marketers should fix the price according to the income of the consumers because it can change the mind-set of consumers to buy more green products.

- **Green Place**

Place is also an important factor to be considered because some people are not willing to travel distant places just to buy products. Green products should be made easily available in the market so that customers can buy the products and reach to more consumers.

- **Green promotion**

The internet, web based marketing and web based advertising are the important tools used by the companies for the promotion of goods and services. Traditional advertising are now replaced by modern advertising. Many companies are promoting their products and services by using internet advertising because it is cheap, green in technology and can reach to large number of customers in a short time.

Many researchers have claimed for 7Ps of Green marketing Mix which includes process, people and physical evidence. Marketing of green products provide benefits for companies like reducing cost of production by recycle their waste parts into new products which can generate more profits for the company. Green marketing works on three principles- these principles state that product should be safe for the environment, price should be affordable so that more customer can purchase these products and the marketing strategy used for the production, promotion and distribution of goods should be environmental oriented.

REVIEW OF LITERATURE

Pride and Ferrell (1993) He concludes that green marketing also known as environmental marketing and sustainable marketing which refers to the production and distribution of environmental friendly products that do not harm the environment and it became very essential for the companies to adopt green marketing strategies.

Polonsky (1994) 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 these needs and wants occur with minimal detrimental input on the national environment.”

Peattie (1995) “Green Marketing is the holistic management process responsible for identifying, anticipating and satisfying the requirement of customers and society, in a profitable and sustainable way. He explains the evolution of green marketing in three phases- First phase includes ecological, second phase includes environmental and third phase includes sustainable.

Rowell (1996) “Green Marketing refers to development of goods that meets the needs of the present generation without comprising the need and ability of future generation to meet their own needs. Green marketing is only a way to safe our environment over a long period of time. Green marketing is not only limited to environmental sustainability but also includes human sustainability, social sustainability and economic sustainability.

Zhan and Zhang (1999) states that Green marketing is a new trend which focuses on environmental protection. Green marketing is necessary for sustainable development and for the protection of environment. This study states that green marketing is divided into two phases- one is before entry of green products and second phase is after the entry. First phase includes green products undergo reduction, reuse and recycling and second phase includes green pricing, establishing the green sales and promote green products.

Ottman, Stafford and Hartman(2006) defined that green marketing must satisfy two main objectives- First to improved the quality of environment by producing green products and second to satisfy the consumers by fulfilling their wants and demands.

Dale (2008) said that entrepreneurs are inventing new and innovative ways of using renewable sources of energy because renewable products can protect the environment and also conserve the natural resources for the coming generation. Even the consumers are willing to pay more prices for the green products because they become more concern towards the environment.

Murphy, Graber and Stewart (2010) state that in the modern era, green marketing is becoming a trendy concept. Nowadays, customers prefer goods which are eco-friendly in nature. Marketers have to improve their green marketing strategies to the consumers by combining environmental issues with economical sustainability.

Chaudhary, Tripathi and Mongo (2011) concluded that green marketing is the marketing of products that are eco-friendly in nature. Green marketing adopts the activities like changing the manufacturing process, packaging and promotional strategies for the product. Large number of companies is adopting green strategies for the betterment of environment.

Ottman(2011) explore that hazardous nuclear waste, water quality, pollution from vehicles, water conservation, deforestation, overpopulation and global warming are main environmental issues of the world. To solve the problem related to environment the companies and society have to deal with these issues in a positive manner.

Robert Dahlstorm (2011) examined that green marketing has had a positive impact on environment. Many companies started adopting green marketing strategies to gain more profit as demand for these products have increases. Many firms established strategic alliances with the government, local companies, industry experts and competitors to adopt green strategy to influence the economy and safe the environment.

Bhalero(2014) said that green marketing is also known as environmental marketing and sustainable marketing. This study shows the various ways for the marketers to treat their customers in a better way. This study also claims that all nations must make strict rules and regulations for the customers and companies to save the environment and natural resources. Researcher also focused on green trends which are adopted in India by companies.

GREEN MARKETING AND SUSTAINABLE DEVELOPMENT

The idea of sustainable development is getting popular with the following definition “Eco-efficiency is achieved by the delivery of competitively-priced goods and services that satisfy human needs and bring quality of life, while progressively reducing ecological impacts and resource intensity throughout the lifecycle to a level at least in line with the earth’s carrying capacity”.(DeSimone and Popoff,1997). The concept of sustainable development came into existence with the report of World Commission of Environment and Development in 1987. Sustainable development means “Development that meets the needs of the present generation without compromising the ability of future generations to meet their own needs”. The concept of sustainable development means balancing the natural resources between present and future generation. Sustainable development requires that non-renewable resources should be used in a manner which does not degrade or diminish their usefulness for future generations. The overall goal of sustainable development (SD) is the long-term stability of the economy and environment; which can only be achieved through the combination and acknowledgement of economic, environmental, and social concerns throughout the decision making process..

The important factors which determine the long-term development opportunities is divide into three capital-

- **Natural capital stock** that includes stock of natural resources and environment like mineral resources, water resources and land resources.
- **Physical capital stock** that includes plants, machinery tools, factories, equipment and infrastructure
- **Human capital stock** that includes education, skills, technical advancement and knowledge

There are growing concerns about the sustainable development in recent years. Sustainability refers to meeting the demand of the present generation without compromising the needs for the future generation. Economic development and overall quality of life is demand on the natural resources. Natural resources are common heritage for all generations. Therefore, it is important that all generations must use natural resources in equal opportunities. It is widely accepted that depletion of the natural resources and degradation of environment should be treated as the cost of development. Effects of economic development on resources and environment are - depletion of natural resources, water pollution, air pollution, solid and hazardous waste, soil erosion, deforestation, use of chemical fertilizers and pesticides, loss of biodiversity and climatic changes.

IMPORTANCE OF GREEN MARKETING

The term green marketing came into existence in the late 1980s and early 1990. According to Unilever, 35% of customers are purchasing green products over traditional products. Green marketing is the process of production, promotion and distribution of goods and services which are eco-friendly in nature. Green marketing has dominant the market due to which many companies have changed their strategy and started adopting green strategy. Range of activities that changed by the companies are- product modification, changes of production process, packaging changes, use natural resources in an efficient way, products from recycled materials or which can be recycled, manufacture products in a sustainable manner. Green marketing is not only meant for protection of nature but also going to benefit the companies in the long run.

- **Access to New Markets**
The new culture has arrived in the market with the introduction of green marketing which has shifted the focus of customers from traditional marketing and also change the behaviour of customers towards green products.
- **Positive public image**
With the campaign of “Go Green” can make customers to feel that companies are well aware about the depletion of natural resources and companies have responsibility towards natural resources. This makes customers to adapt with eco-friendly and clean habits. All this increases the goodwill of companies in the eyes of the customers.

- **Economic Advantages**

Green marketing can reduce the cost of production and increase savings of the companies both environmentally and economically. Eco-friendly business and equipment such as – low wattage or LED lights, use of natural resources, water conservation policies, mandatory recycling and hybrid company vehicles can reduce cost of production.

- **Sustainability and Efficient use of resources**

Green marketing is all about sustainable development. Sustainability transforms green sectors into secure future and more profit. Since, demand and need of customers are unlimited but natural resources are limited in nature, green marketing can help the companies to fulfil the demand of customers by utilisation of natural resources in an efficient manner. The future – safe markets include biomaterials, green buildings, personal transportation, smart grids, mobile applications and water filtration.

- **Competitive Advantages**

Green marketing has increased the competition in the market because it has become a trendy concept in the marketing. Many companies started adopting green strategy because customers are aware about the green products and are more demanding green products. Green marketing sustained long – term growth along with profitability.

- **Innovation of products**

When companies have to choose green marketing, then there is an opportunity for innovation of products by recreates production process and change raw material, change of packaging or change of advertising which can increase the demand of the products.

Examples of Green Marketing which helps in Sustainable Development

- **Hershey**

The iconic chocolate syrup brand has transformed its brand image into green image and started adopting green strategy. It is ranked among top 10 environmentally- conscious companies in the U.S. the main priority of this brand is to reduce greenhouse gases by 50% till 2025.

- **IKEA**

The Swedish furniture brand is highly committed to its green initiatives. It has produced the majority of its products by using only bio-plastic, which has sourced from the sugarcane industry. This leads to save 75,000 barrels of oil a year.

- **Hindustan Petroleum**

This huge company owns a massive e-waste recycling plant, where enormous shredders and granulators reduce 4 million pounds of computer detritus each month and also reduce toxic chemicals like mercury and even some precious metals. Its own machines are recyclable in nature and it save energy consumption by 20%.

- **Starbucks**

Starbucks is one of the few companies that use green strategy to conduct their business and attract customers. Starbucks uses solar energy in its stores to minimize the use of electricity. Starbucks has launched a campaign on Facebook and encourages people to join their campaign to plant trees and paint street for the betterment of environment.

- **Apple**

In 2019, Apple launched its new MacBook Air and MacBook Mini and these products were created by using 100% recycled aluminium. This year their slogan was ' "Truly Innovative products leave their mark on the world but not on the planet" '.

- **Johnson and Johnson**

It is known for its efforts to establish environmental-friendly practices when they provide job training to their employees for adopting environmental-friendly practices. Main aim of this company is to reduce carbon emission by 20% by 2020 and to maximize product recycling.

- **Unilever**

One of the giant companies around the globe has made green investments and adopts green strategy for their programs. The company main aim is to save energy, water and reduce waste in the environment. The CEO of the company won the Champion of Earth award in 2015 for their green efforts.

- **Tata Steel**

Tata Steel commits to install technology to minimize the negative impact of its processes on the environment by conserving the natural resources & energy by reducing the consumption, wastage and recycling of materials. Developed and rehabilitate waste dumps through a forestation and landscaping. Maintaining and operating the facilities with applicable environmental laws, statutes and other regulations.

- **Wipro's Green Machines**

Wipro Infotech was India's first company to launch environment friendly computer peripherals. For the Indian market, Wipro has launched a new range of desktops and laptops called Wipro Green ware. These products are RoHS (Restriction of Hazardous Substances) compliant thus reducing e-waste in the environment which can improve the quality of environment.

- **Lead Free Paints from Kansai Nerolac**

Kansai Nerolac Paints Ltd. has always been committed to the welfare of society and environment and as a responsible corporate has always taken initiatives in the areas of health, education, community development and environment preservation. Kansai Nerolac has worked on removing hazardous heavy metals from their paints. The hazardous heavy metals like lead, mercury, chromium, arsenic and antimony can have adverse effects on humans. Lead in paints especially poses danger to human health where it can cause damage to central nervous system, kidney and reproductive system. Children are more prone to lead poisoning leading to lower intelligence levels and memory loss.

SUSTAINABLE DEVELOPMENT- A GREAT CHALLENGE

As the world grows and develops economically, we face various challenges with regards to future in terms to natural resources and environment conservation. The main question is how to preserve our natural resources, rivers, freshwater, lakes, grasslands etc. The loss of natural resources and environment degradation may lead to deterioration in quality of life. Economic growth and economic development can causes environmental damages like degradation of urban environment, industrial waste, air, water and chemical pollution. Therefore, management of environment has emerged as main issue in the world. In recent years, attempts are being made by all the countries to adopt sustainable ways of resource use for development. Conservation of natural resources and preservation of environment is a major topic all over the world. For effective resource and environment management, our development plans has to ensure that resources should be used in an efficient manner and extraction of renewable resources should not exceed the rate at which they are renewed. Efforts should be made to maintain a balance between present generation and future generation in terms to use of natural resources. Main motive is to conserve and nurture the biological diversity. To deal with environmental issues, many countries have implemented rules and regulations like our country India has implemented Environmental Protection Act in 1986, Water(Prevention and Control of Pollution) Act in 1974 and the Air(Prevention and Control of Pollution)Act in 1981. During last two decades, many countries have been actively participating in various world conventions on climatic changes since 1992. The Earth Summit was held in Rio, Brazil in 1992 popularly known as Rio Summit. More than 160 signed this convention. This convention provided an agreement among various nations to address environmental issues and also provide solution to these issues such as – use of renewable sources of energy instead of fossil fuels, the growing usage and limited supply of water, systematic checking of patterns of production which can destroyed the environment. An important achievement of the Summit was an agreement on the climate change convention which known as Kyoto Protocol and the Paris agreement. The last climate change conference was held in Glasgow, Scotland and United Kingdom in October 2021 and nearly 200 countries have participated in this conference. It adopted a resolution to set all the governments more firmly on the path towards emission future and take action on climatic changes and also preserve the environment. Various voluntary agencies, corporate sector and government are playing vital role in improving the quality of environment by following rules and regulations. Despite all of this, main challenge is to maintain sustainable development in the world and it can only be achieved by implementing green marketing strategies around the world.

CONCLUSION

Green Marketing is primarily due to environmental concerns, climate change, global warming, water management issues, deforestation, etc. To preserve the environment and to maintain sustainable development it is the right time to adopt Green Marketing around the globe. It will come with drastic change in the market if all nations will make strict rules and regulations to implement green marketing strategy because it can save world from pollution. With the threat of global warming at a large scale, it is extremely important that green marketing becomes the norm rather than an exception or just a fad. It has become very important to all the companies to change their production process and products according to the change in the environment. Goods should be produced which are eco-friendly in nature and can be recyclable. It has to become the general norm to use energy-efficient lamps and other electrical goods. Marketers also have the responsibility to make the consumers understand the need and benefits of green products as compared to traditional products so that customers can become aware towards green products and change their opinion towards these products. In green marketing, consumers are willing to pay more to maintain a cleaner and greener environment. Finally, consumers, industrial buyers and suppliers need to pressurize to minimize the negative effects on the environment-friendly. Thus an environmental committed organization may not only produce goods that have reduced their negative 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. Green marketing is only a way to conserve our natural resources and maintain the quality of the environment. Green marketing cannot be done without sustainable development and sustainable development cannot be achieved without implementing green marketing activities around the globe.

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