

SURVEY ON GREEN MARKETING

ManishArvind.S,
Second Year, Department of Economics,
Loyola College, Chennai

Maheswari.M,
Assistant professor, Department of Information Technology,
DMI College of Engineering, Chennai

Abstract:

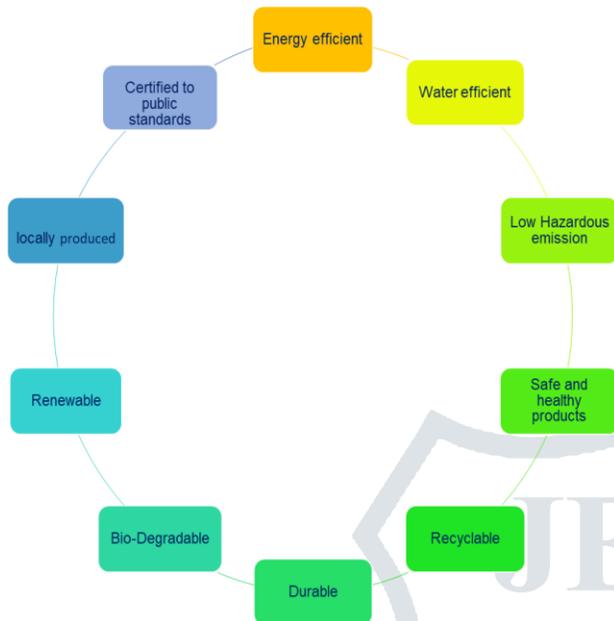
Green marketing is a phenomenon which has particularly developed, the modern market. This concept has made the possibility of re-marketing and packaging of existing products which already cohere to such guidelines. Additionally, the development of green marketing has made a way of opportunity for many companies to lift their products into separate level which leads to the green-friendliness of some while ignoring that of others. Green marketing is friendly to the environment, sustainable and socially responsible as it brings awareness among the people. It covers the overall brand of marketing activities undertaken by companies in a manner that they promote manufacture of products which have a positive impact on environment or alternatively reduce negative impact on the environment. Now a days green marketing is an important component of marketing research which arises due to increasing pressure on firms to present eco-friendly behavior. Even in the manufacturing of the vehicle, for eco-friendly purpose, the car has been electrified completely so that it even doesn't contain the tailpipe of emission. The growth in green marketing has been advertised by the adoption of product packaging and presenting to the public in a

positive way about the green marketing.

I.INTRODUCTION

According to the American Marketing Association, green marketing is the marketing of products that are presumed to be environmentally safe. Thus green marketing incorporates a broad range of activities, including product modification, changes to the production process, packaging changes, as well as modifying advertising. Yet defining green marketing is not a simple task where several meanings intersect and contradict each other; an example of this will be the existence of varying social, environmental and retail definitions attached to this term. Other similar terms used are Environmental Marketing and Ecological Marketing. Thus "Green Marketing" refers to holistic marketing concept wherein the production, marketing consumption and disposal of products and services happen in a manner that is less detrimental to the environment with growing awareness about the implications of global warming, non-biodegradable solid waste, harmful impact of pollutants etc., both marketers and consumers are becoming increasingly sensitive to the need for switch into green products and services. While the shift to "green" may appear to be expensive in the short term, it will definitely prove to be indispensable, advantageous and cost-wise too, in the long run of each and every

industries such as food, transportation, and textile, factories of primary, secondary and tertiary sectors. Pride and Ferrell (1993) Green marketing, also



alternatively known as environmental marketing and sustainable marketing, refers to an organization's efforts at designing, promoting, pricing and distributing products that will not harm the environment.

Polonsky (1994) says that green marketing is that all activities are about to produce and provides any exchanges intended to satisfy human needs or wants, such that the satisfaction of these needs and wants occurs, with minimal harming potential impact on the natural environment.[14]

Elkington (1994: 93) defines green consumers are the one who avoids products that are likely to bring harm to the customers; since, it causes damage to the environment during manufacture, use or disposal. It consume high amount of energy, produce unnecessary waste, uses materials obtained from threatened species or environment and involve unnecessary use of cruelty on animals that adversely affect other countries.

II.NEED OF GREEN MARKETING

The information as reported in the Times recently

given is: "Air pollution causes damage to people, crops and wildlife in US. Totally tends billions of dollar each year". Many reports of research in the countries like US, Brazil Europe, Mexico, South Korea and Taiwan have researched links between air pollutants and low birth weight, premature birth and infant death". As resources are limited and human needs are limitless, it is important for the marketers to utilize the Resources efficiently without wasting as well as to achieve the organization's target. So green marketing is inevitable.

It is observed an increasing interest among the consumers all over the world regarding protection of environment. Across the world people are concerned about the environment and are changing their behavior. Hence, green marketing has emerged for growing market that provides sustainable and socially responsible products and services. Thus the growing awareness among the consumers all over the world regarding protection of the environment in which they live, People do want to bequeath a clean earth to their offspring. Various studies by environment concerned persons indicate that people are interested about the environmental care and are changing their behavior pattern so as to be less hostile towards it. Now a days most of the consumers, both individual and industrial, are becoming more awared about environment friendly products. Green marketing was given priority in the late 1980s and 1990s after conducting the first workshop on Ecological marketing which was held in Austin, Texas (US), in 1975. Then several books about green marketing has been released. According to the Joel makeover (a writer, speaker and strategist on clean

technology and green marketing), green marketing faces a lot of challenges because of lack of standards and public consensus to what constitutes "Green". The green marketing has got a great evolution over a period of time.

Peattie (2001) describes, the evolution of green marketing has three phases. First phase is about "Ecological" green marketing, that implies all marketing activities were about to help and solving environment problems and making solutions for it. Second phase was "Environmental" green marketing and it was completely focussed on clean technology that indulged in designing of creative new products, which reduces pollution and waste issues. Third phase was "Sustainable" green marketing and came into prominence in the late 1990s and early 2000.[15]

- (i) Opportunities available and competitive advantage.
- (ii) Corporate social responsibility on the part of companies.
- (iii) Regulations provide by government.
- (iv) Competition with other responsible companies.
- (v) Goodwill of the company.
- (vi) Environment conscious consumers.
- (vii) For conserving scarce natural resources

III. GREEN PRACTICES: GREEN MARKETING PRACTICES

1.ENERGY EFFICIENT: The amount of energy required to provide products and services must be low as much as possible. Since the production of conventional electric energy could be used in electric cars they are highly recommended for energy efficient products.

1.WATER EFFICIENCY: It is about using innovative and smart technology to use less water to accomplish the same work.

2.LOW HAZARDOUS EMISSION: Some material with hazardous constituents can be recycled, such as lead acid batteries or electronic circuit boards. The Green electric cars would be used rather than the fossil fuel consuming cars, as they have zero pollution emissions from the tailpipe.

3.SAFE AND HEALTHY PRODUCTS: Using healthy cooking methods such as steaming, broiling, grilling and roasting. Avoiding packaged and processed foods

4.RECYCLABLE: Recycling aims at environmental sustainability by substituting raw material inputs into and redirecting waste outputs out of the economic system.

5.DURABLE: Consumer products that do not need to be purchased frequently because they are made to last for a long time.

6.BIO-DEGRADABLE: These material is capable of decomposing without an oxygen source into carbon dioxide, water, and biomass, but the timeline is not very specifically defined.

7.RENEWABLE: The ability of biomass and biofuels

to contribute to a reduction in CO₂ emissions is limited because both biomass and biofuels emit large amount of air pollution when burned and in some cases compete with food supply. Hence,conventional form of electric energy could be used in order to reduce the pollution.

8.LOCALLY PRODUCED: refers to food and other agriculture products that are grown or

produced, processed and then sold within a certain area 5

9.CERTIFIED TO PUBLIC STANDARDS: are those in the private sector delivering public services.

10.ECONOMICITY:

The electric vehicles are economic to operate. The cost for fuelling as compared to the gas-powered cars are significantly less.

IV.IMPORTANCE OF GREEN MARKETING:

Since early 1990s, a major issue on ecological effects of industrial house on environment has been mapped on marketplace. The relation between human, organization and natural environment being redefined and interpreted; due to these, new thoughts are being formed and re-evaluated on several problems like environmental friendly products, recyclability, reducing the waste, the cost associated with pollution and the price value relationship of environmentalism. Insistence from various customers, Government environment activists, NGOs, consumers is placed on businesses, which in turn keeps them under constant and inflexible watch in their daily actions.[1] A visible result can be observed in developed and developing countries where Govt. became stricter in posing regulations to protect environment; at the same time, the consumers of these countries are being more and more outspoken regarding their requirements for eco-products, even though questions remains that they are lagging on their will to pay a higher cost for such products.[1] So in this era where consumers are those who decides the destiny of a company, green marketing

induces a highly active strategy for these companies to place the market by imparting environment-friendly products/ services which otherwise reduce detrimental impact on environment. Acknowledgment of a green-marketing approach in the product area of manufacturing helps to promote the integration of environmental issues into all situations of the corporate activities right from strategy formulation, planning, reengineering in production process and dealing with consumers.[20] So to maintain among challenge posed by the environment protectionists, the companies have to find answer through their marketing strategies, processes, product delivery & service redesigning, customer handling etc. In this attempt to achieve a goal, the companies may go forward in new technologies for handling waste, sewage and air pollution; it can undergo product standardization that ensures products that are safe to environment; by providing complete natural products. In this regard the companies should be concerned with the happening to a product during and after its use. Companies may processes this concern through experimenting with ways to reassess and redesign the life stages of a particular product. Reassessment of life cycle focuses on product development and design, including energy and material inputs and out-puts in production, consumption and disposal of products for environmental assessment. Then we would be able to manage the life stages of any product in an eco-friendly and eco-efficient manner. Eco-efficient implies the proper way of thinking for the consumption of natural resource so that it affords an opportunity to renew itself.

THE LIFE STAGE OF PRODUCT WOULD INCLUDE THE FOLLOWING:

Stage-I:Developmentstage:

Classically characterized as the obtaining of raw materials, component parts, and subassemblies. The alternative method implied here encourages the manufacturing units to check the environmental programs of suppliers, to minimal the packaging of inputs, and to include sources of materials that could be easy replenished or recycled.

Stage-II:Production stage: manufacturing industries are encourage to decrease emission, toxicity and waste, to conserve water and energy resources. They are also insist to seek and develop alternative uses for waste products, to alter the manufacturing process, to minimize waste generation, to minimize energy use or to attempt to find alternative sources of energy.

Stage-III -Consumption stage: Reduce the packaging, conservation of energy and decreasing of waste from product maintenance and service are strongly advised.

Stage-IV The last stage of a product is the disposal, green marketing provides the concepts of reduce, reuse and recyclability, along with waste reduction.

V.GREEN PRODUCTS AND ITS CHARACTERISTICS

The products that are manufactured by usingthe process of eco-friendly technology and causes zero environmental effects are called green products. Promotion of green technology and green products is required for conservation of natural resources and sustainable development in the environment. We can define green products by following measures:

- Products those are originally grown,
- Products which can be recyclable, reusable and biodegradable,
- Products with natural resources in its ingredients,
- Products containing recycled materials, non-toxic chemical substances
- Products contains approved chemical substances
- Products that don't cause harm or pollute the environment, not tested on animals and have eco-friendly packaging like reusable

The Four Ps Of Green Marketing

1. Product

Entrepreneurs wants to explore emerging trends of green market either by identifying customer's environmental requirements or by developing environmental effective products.

The increasingly development of:

1. Products that can be recycled or reused. Efficient products are those which saves water, energy or gasoline, money and reduce environmental impact considerably.[6]

2. Products with environmentally responsible packaging. McDonalds, for example, changed their packaging from polystyrene clamshells to paper.

3. Products with green labels, as long as they offer surety of originality of the product

4. Organic products — many consumers are ready to offer premium on organic products, which offers promise of the quality. For example, Organic butchers provide the additional qualities such as taste and tenderness.

5. A service that rents or loans products – such as toy libraries where the toys can be donated, lend and borrowed.

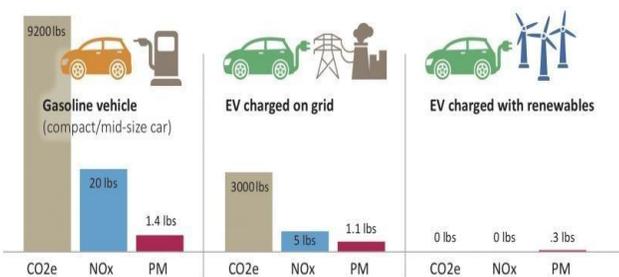
6. Certified products, which meets the

necessity of environmentally responsible criteria.

VI.CO₂ EMISSION CONTROL IN FUEL TECHNOLOGY

The vehicles can be organized with Green fuels such as the electricity produced from renewable source of energy and rechargeable batteries. A full electric car can travel about 150-350 km before the battery is being charged. The emission of CO₂ is reduced two-third times of the CO₂ produced due to the non-renewable sources of energy. The “fueling” cost is also comparably very less for full-electric cars.

Annual vehicle emissions by fuel type (12,000 miles)



There are some techniques that can be followed to improve mileage of the Electric vehicles in the cold weather:

- Warming the car cabin while the car is in plugged in state.
- Using vehicle’s heated accessories
- Practicing the eco-driving by avoiding hard start and applying break wherever necessary.
- Cleaning the car surface regularly before and after use of the vehicle.

VII.CHALLENGES IN GREEN MARKETING

- Green products require renewable and recyclable material, which is costly.
- Problems of misleading advertising and false claims on environment.

- Environment concerning industries requires a technology, with huge investments in research and development.
- Many of the people are unaware of green products and their benefits.
- Major consumers are unwilling to pay a premium for green products due to financial circumstances.
- Educating customers and creating awareness about the advantages of green marketing.

1) **Need for standardization:** It is analyzed that only 5% of the marketing quotes from “Green” campaigns are completely true and somewhere there is a lack of standardization in providing authentication to these claims. There is no standardization to certify a product as organic to consume, unless some regulatory bodies or organization are involved in providing the certification there would not be any verifiable means. Thus, a standard quality control board is required for such labeling and licensing purpose.

2) **New concept:** Indian literate and urban consumer is getting more knowledge and awareness about the merits of green products.[20] But still many people consider it as a new concept. The consumer in rural and literate must also be educated and made aware of the environmental threats and issues. The new green movements on eco problems must be put forward and awareness must be created that takes 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 about to live a healthy lifestyles such as yoga and

natural food consumption. In those situations the consumers are already aware and will be readily accept the green products.

3) **Patience and Perseverance:** The investment makers and corporate companies must view the environment as a major long-term investing opportunity, thus the marketers must look at the long-term benefits from this new green movement. Thus it will require a lot of patience and no immediate outcome would be notified. Since it is a new concept and idea, it will have its own period of acceptance.

Golden rules of Green Marketing

1) **Know your customer:** If a greener product has to be sold to consumers, first need is to make sure that the consumer is aware of it and concerned about the issues that the product attempts to address.

2) **Empower consumers:** consumers should feel by themselves or in connect with the other consumers of your product, so that they can make a difference. This is called “empowerment” and it’s a root cause for having more customers for green products.

3) **Be transparent:** Consumers must believe in the value of your product and the specific claims of your product. The rest of your business policies are consistent that is environment friendly.

4) **Reassure the buyer:** Consumers must believe that the product performs the job it is supposed to do, if not so they won’t promote product quality in the name of the environment.

5) **Consider your pricing:** If charging premium for the product and many environmentally safer products costs high due to economies of scale

and use of top-quality ingredients and make sure that consumer can afford the premium and feel it’s worth it. Many consumers, obviously, can’t afford premiums for any type of product these days, much less greener ones, so while developing target audience and product specifications this must be put up forward.

Green Marketing- Adopts by the firms

The following are the possible reasons shortlisted for wide adoption of green marketing:-

1) **Opportunities:** As demand changes day to day, those changes can be utilized as an opportunity to explore and have a great advantage over the other marketing non-environmentally responsible alternatives. Some examples of firms who have become more environmentally responsible in an attempt to satisfy better their consumer needs are:-

McDonald’s replaced their packaging with waxed paper because of increased consumer concern regarding to polystyrene production that causes Ozone depletion. Xerox introduced a “high quality” recycled paper for photocopies in order to satisfy the demands.

2) **Government Pressure:** In all marketing related activities, governments wants to “protect” society who are the consumers of the product; this protection leads to green marketing. Government regulation regarding environmental marketing are designed to protect consumers and environment in several ways, Reduce production of harmful goods or by-products modify consumer and industry’s use and consumption of harmful goods. Ensure that all types of consumers have the ability to evaluate the environmental composition of goods. Governments establish rules and regulations that are designed to control the amount of hazardous wastes produced

by firms.

3) **Competitive Pressure:** Another major part in the environmental marketing area is the desire to maintain their high position. In many cases firms observe that their competitors promoting their environmental behaviors and attempt to emulate this. At sometime this competitive pressure has caused an entire industry to modify and thus reduce its destructive environmental behavior.

4) **Social Responsibility:** Many firms began to realize that they are members of the vast community, thus it is necessary to behave in an environmentally responsible manner. This made the firms to believe they must achieve environmental requirements as well as profit related requirements. Thus environmental issues help to integrate the firm's corporate culture.

5) **Reason for use of green marketing in organization**

Man has limited resources on the earth, with which she/he must attempt to provide for the world's unlimited wants. Hence there is "freedom of choice", that individuals and organizations have the right to attempt to have their wants satisfied. As firms face limited natural resources, they must develop new or alternative ways of satisfying those unlimited wants. If looking into the literature there are huge suggestions for firms that increased the use of Green Marketing. Five possible reasons are as follows:

1. Organizations consider ecofriendly marketing to be an opportunity that can be used to achieve its vision and objectives
2. Organizations consider to have a moral obligation and be more socially responsible. Governmental sectors are forcing firms to become

more responsible and concerning about environment.

3. Competitors' environmental actions pressure the firms to change their usual marketing activities into environmental marketing activities.

4. Governmental bodies are forcing firms to become more responsible.

5. Amount spent with waste disposal, or reductions in material usage induce the firms to modify their behaviour.

VIII. ADVANTAGES OF GREEN MARKETING

Companies that develop new and improved products and services with environment inputs gives themselves access to new markets and technology, that obviously increase their profit considerably and enjoy a competitive merits over the companies that are not much aware of the environment.

It ensures sustained long-term growth along with profitability.

It saves money in the long term investment even though initial cost is high.

It helps the companies to market their products and services keeping the environment aspects in mind..

Most of the employees who work in the environment concerned firms also feel proud and responsible to be working for an eco-friendly responsible company. It improves corporate social responsibility regarding environment.

IX. MARKETING STRATEGIES FOR GREEN MARKETING

Audit of environmental marketing (including internal and external situation analysis).

Develop a marketing plan outlining strategies with regard to the four P's of marketing.

- Marketing strategies improvement by quality to protect environment. betterment in the usage of quality products. A number of countries have tried to introduce the alternate number system for urban mobility. Taking lessons from it, Indian automobile industry has started turning towards green marketing. There are various other factors that is making green marketing as an attractive choice. Looking into the degradation of air quality, people now want to opt for vehicles that have eco friendly features that do not create much pollution and hence demand for green vehicles are increasing. At the same time, incentivizing green cars by government is providing opportunities for automobile players. Yet another advantage for automobile players is that by opting green marketing they are fulfilling their social responsibility. By opting green technologies the automobile manufacturers are getting benefited financially by following the measures of reuse, recycle and reduce. However, the progress made so far in green marketing is not satisfactory. Since it has not reached everyone yet. It is not very clear as to whether the consumers are really willing to share the high cost of greening the Indian automobile industry that would be much effective in bringing up environment health. Nor is it ascertained yet that automobile industry are keen to shoulder a part of the enhanced cost at the initial stages to add to their long term competitiveness.
- Proper review of results.
- **Concept of Marketing Mix in Green product**
- Eco friendly.
- Waste is minimized.
- Use of recycled and bio-degradable ingredients.
- Effective use of non-renewable energy sources
- Price.
- Fixed on purchase power parity mode.
- Environmental concerned Promotion of product.
- Commitment and responsibility towards society along with environment are regarded as parts of promotional tactics.

Place

- Making available of products nearer to the consumers while shopping.
- Avoiding shipping of the products that are far away from the destined place.
- Maintaining through logistics in order to reduce percapita on transportation emissions.
- Decentralizing the production sectors.

Price

- ❖ The maximum retail price is Fixed on purchase power parity mode of the resources.
- ❖ Environmental conscious.

Promotion

- ❖ Commitment and responsibility towards society and environment are the most important parts of promotional strategies of the firms.

IX.CONCLUSION

The World Health Organization in 2014 said that 13 of the world's 20 most polluted cities were in India, with Delhi being the worst among them. The Green National Tribunal and the Indian Judiciary is asking regularly from government for the steps to be taken for improving the air

REFERENCE

- [1] Azzone, Giovanni and Raffaella Manzini. (1994). "Measuring Strategic Environmental Performance." Business Strategy and the Environment 3 (1): 1-14.
- [2] Ben Lane, Stephen Potter, The adoption of cleaner Vehicles in the UK: exploring the consumer attitude actiongap. Journal of Cleaner Production Volume 15, issues 11-12, 2007, 1085-1092.
- [3] Central Pollution Control Board, March 2010

- [4] Davis, Joel J. 1992. "Ethics and Green Marketing." *Journal of Business Ethics* 11 (2): 81-87.
- [5] Glorieux BA (2004). Can the environment help boost your marketing. *The Australian J. Dairy Technol.*, 59(2): 1-24.
- [6] Gulati, Nikhil, "IndiaCarSalesTouchRecordHigh". *Online.wsj.com* (9 September 2010). Retrieved 2010-11-28
- [7] Jensen, Robert T. and Nolan H. Miller. 2008. "Giffen Behavior and Subsistence Consumption." *American Economic Review*, 98(4): 1553-77.
- [8] Keller, G. M. 1987. "Industry and the Environment: Toward a New Philosophy." *Vital Speeches* 54 (5): 154-157.
- [9] KPMG report-2010 Louppe, A., (2006), Contribution du Marketing au développement Durable. *Revue Française du Marketing*, 7-31
- [10] MadhuranjanVatsa ,Milindo Chakrabarti, Rajesh Kumar and J.V. Singh (2015). GMS is Powerful Force in Passenger Car Segment of Indian Automobile Industry to enhance innovation and Widen Profits:*International Journal of Engineering Research & Technology (IJERT)*, 4(9), 278-295.
- [11] National Association of Attorneys-General (NAAG). 1990. *The Green Report: Findings and Preliminary Recommendations for Responsible Advertising*. [San Francisco], USA: National Association of Attorneys-General.
- [12] OICA correspondent survey 2016
- [13] Ottman J. 1992. *Greener Marketing*. NTC: Lincolnwood, IL
- [14] "Passenger vehicle sales grow 29% in 2010-11, set to overtake Brazil". *Bsmotoring.com*. Retrieved 2012-08-27
- [15] Peattie K. 1995. *Environmental Marketing Management*. Pitman: London
- [16] Peattie, K. & Crane. A. (2005). Green marketing: legend, myth, farce or prophesy? *Qualitative Market Research*, 8(4), 357–370.
- [17] Polonsky, Michael Jay. 1994a. "Green Marketing Regulation in the US and Australia: The Australian Checklist." *Greener Management International* (5): 44-53.
- [18] Polonsky, Michael Jay. 1994b. "A Stakeholder Theory Approach to Designing Environmental Marketing Strategy." *Journal of business and industrial marketing* 10 (3):29-46
- [19] Prakash, A. (2002). Green marketing, public policy and managerial strategies. *Business Strategy and the Environment*, 11(5), 285–297.
- [20] Queensland Government (2006), "Green Marketing: The competitive advantage of sustainability", Queensland Government Environmental Protection Agency, March 2006.
- [21] Shearer, Jeffery W. 1990. "Business and the New Environmental Imperative." *Business Quarterly* 54 (3):48-52.