

Green Marketing for sustainable development and role of stakeholders

**Dr P VRaveendra
Dr Arun Kumar D C
Dr. Shalini H S**

Professor, Department of Management Studies M S Ramaiah Institute of Technology, MSR Nagar,
MSRIT Post Bangalore
Associate Professor, Department of Management Studies, M S Ramaiah Institute of Technology, MSR
Nagar, MSRIT Post Bangalore
Assistant Professor, Acharya Bangalore B-School, Bangalore.

ABSTRACT

Pandemic has taught many lessons to the economy as well as all the industries. It has taught to rethink the way the business has to be run in long run and focus on what and what not? It is right time to learn from the past and start think in innovative ways to reengineer all the activities for sustainability. This opportunity of learning should not be lost at any cost as it had given some time to readjust to the new environment. There are many innovative practices for the businesses like social innovations, responsible innovations, social entrepreneurship, green engineering, and green marketing and so on. However, this study is limited to one of the important elements of these strategies where the companies can implement i.e., green marketing in near future. This chapter focuses on what are the nuances of green marketing and the role of different of stakeholders in implementing green marketing. Secondary data from various sources had been collected including various research papers, books, and websites. After reviewing, it is identified that the successful implementation of green marketing requires the support of all the stakeholders. Companies have to understand that for sustainable development in future the implementation of green marketing is a must.

KEYWORDS: Green Marketing, Role of stakeholders, Sustainable Development, innovative practices

1. INTRODUCTION

American Marketing Association focused on “environmental safety” in its green marketing definition, which has a broader meaning and covers many elements of value chain both internal and external. It is beyond social marketing and environmental marketing. Green marketing aims at all the activities to create exchanges intended to satisfy the human needs or wants without destructing the natural environment (Polonsky,1994).

The objective of this chapter is understand the green process marketing given by Peatti and study the different stake holders roles in successful implementation of green marketing.

2. Green Marketing Process:

Peattie (2001) had given the various components of green marketing process with proper classification as Internal green Ps (including products, promotion, pricing, place, providing information, processes and policies), external 7 Ps (including paying customers, politicians, pressure groups, problems, providers, predictions and partners. After integrating these two sets of 7Ps, green marketing will lead to 4S(satisfaction of stakeholder need, safety of products and process, social acceptability of the company and sustainability of its activities).

3. ROLE OF STAKEHOLDER IN GREEN MARKETING:

The following paragraphs discusses about the mentioned Ps in detail.

3.1. Internal Ps

3.1.1 Products:

A product is one which will satisfy the customer needs for today and tomorrow. However, there are no one definition for defining green product. However, there are features that will describe the green product. A product should be energy efficient and effective, water efficient and effective(both in use and production),renewable, durable, biodegradable, with limited consumption of natural resources. For example, Dell had launched a campaign “go green with dell” to focus on producing green It products. They use eco-friendly material wherever is possible. Nokia had come with recycling of phones to save natural resources. Construction industry is encouraged to use ‘fly ash brick’ to minimize the soil erosion. The product design should be geared up to think about green product design and the required Production planning and control for the same.

3.1.2. Promotion:

NDTV is promoting green value through its “Greenathon” campaign. The programme aims to increase awareness levels among the public regarding environmental issues. Media plays an important role in increasing the awareness levels. According to (Rahbar & Wahid, 2011), i) statement related to the environment, ii) concern and dedication to the improvement by its changed procedure and iii) specific environmental activities are three important elements in promotion of green marketing. The marketing department should be able to communicate the concept of green products and marketing to all the employees and see that they involve in design and development process also.

3.1.3. Pricing:

Price is the one which is to be affordable by the consumer. With investment in green manufacturing many believe that the cost of the product is going to increase. It may be true in the short term but not in the long term. However, with increase in value of the product and with increased productivity will offset the increase in cost of production and thus product becomes competitive. However, innovation is the key in sustainable development and value addition to the products. (Porter & Linder, 1995).

3.1.4. Place:

Making use of the eco-friendly vehicles in the distribution of goods will diminish environmental impairment which will also give promotion for its products. The transportation through water is the cheapest and environment friendly. Use of bio fuels in transportation within and outside the organisation will meet the objective. This green distribution should not be at the cost of the safety of products as products should not lose its quality in the transportation. (Arseculeratne & Yazdanifard, 2014). Marketing managers should change their mind set from ‘distribution’ to ‘green distribution’ so that they will find suitable strategies for successful implementation of green marketing.

3.1.5. Providing information:

Even though green marketing is an old concept the awareness level among all the stakeholders is not as expected. It is right time to increase the awareness levels among the stakeholders so that they will be ready for the implementation of the same. To transmit the required information companies should make use of direct marketing, sales promotions, advertising and public relations including digital marketing. Today social media play an important role in educating the stakeholders. (Arseculeratne & Yazdanifard, 2014). The responsibility should be taken by all the stakeholders in the society.

3.1.6. Processes:

Creating a green value chain is a big challenge for all the companies. It has to re-design the machines, materials, processes and train the employees to meet these challenges. However, it is a bigger challenge for the existing companies to rediscover the wheel thus re-engineer entire process. Production department should be supported by the management in this issue with proper financial support. Government should come forward to extend the interest free loan or grants to the companies which are implementing green marketing.

3.1.7. Policies:

Companies had to redefine its policies so that the green practices are not only for short term but for the long term and make it permanent. The role of all the stakeholders in successful implementation of the green marketing is a very vital including government, society and community support.

3.2. External Ps

3.2.1. Paying customer:

Customers are ready to buy green products provided full information about the product is given with affordable prices. When there is an option to choose between two similar products (green product and product), the consumers will prefer to buy green product. (Awan & Raza, 2011). It is the time to change from ‘consumerism’ to ‘green consumerism’ as consumers are also interested in environment protection (Cherian & Jacob, 2012). Proper education about green marketing makes customers to accept the price because they realise the value of the product.

3.2.2. Politicians:

Politicians play an important role in making the government rules and regulations in the implementation of any projects related to environmental protection. They should be aware about green marketing and green engineering so that they can make right policies when they are having decision

making power. For example, Bhutan had made more than two thirds of its land should be covered through green at any point of time in its Constitution itself.

3.2.3. Pressure group:

Mittel steels is the first company to send their financial statements to its shareholders by email by which it saved millions of dollars as well as paper consumption. However, many governments are yet to change their rules to accept the reality and go for paperless offices. In many technological universities which follow online submission of many documents with a tag line “send the hard copy also”. In such a mindset the pressure for safety and for legal protection is a big challenge for green marketing. Many Banks are going paper less banking or e banking from their traditional paper banking. SBI is taking a leading role in this direction. All its competitors are forced to go for the same to compete better.

3.2.4. Problems:

It is interesting to note that rural customers are more ready to accept the changes rather than urban customers. Selling green products to the customers is a big challenge. Reaching the masses requires extra marketing skills in Indian markets. However, Indians are more health conscious than what they were before due to pandemic. Accepting the yoga, naturebased food consumption, use of herbal beauty products, are symptoms of their readiness to accept the green products. Green products will be easily accepted with affordable prices. It is the duty of the companies to innovate themselves to produce green products with affordable prices.

3.2.5. Providers:

Many governments had banned the plastic covers in theory but they failed to control the usage. Due to various awareness programmes, many had shifted using recyclable materials in their daily use but it is long way to go. The suppliers should be geared up to supply green inputs to the companies so that implementation of green marketing becomes a reality in near future.

3.2.6. Predictions:

Green engineering is going to rule the world in near future which has many concepts of green marketing. Many Universities are offering green engineering as degrees and diplomas slowly the change will come and the stakeholders will be ready to accept the new norms.

3.2.7. Partners:

The role of the all the partners in the values chain is very crucial and they should understand the spirit of green marketing and should be willing to implement the green marketing concepts in each and every activity. The role of government is crucial by supporting green marketing activities. For example, today we have a separate Ministry for renewable energy resource; in future there should be a separate ministry for green concepts.

By implementing the both internal 7 Ps and external 7Ps will lead to the important 4 S as discussed below.

3.3.1. Satisfaction of stakeholder needs:

Stakeholders are satisfied when they perceive that their needs are meet and when benefits of green marketing are visible. However, the benefits of the green marketing are not visible immediately but in the long term in terms of value addition as well environment protection.

3.3.2. Safety of products and process:

Green marketing will not only benefit the customers but also the internal stakeholders. The implementation of green marketing in the organization will lead to safety of products and processes.

3.3.3. Social acceptability of the company:

Successful implementation of green marketing will make the company as social enterprises and will be socially acceptable. The publicity of such companies will be high and they need not to spend much on advertising.

3.3.4. Sustainability of its activities:

All the fruits of successful implementation of green marketing will be visible in the long run. The organizations will become independent in majority of the activities and less dependent on external environment. For example, SBI is buying wind mill in the various parts of the country to become self-sustainable in power consumption in near future.

4. CONCLUSION

Green marketing is not the responsibility of one functional department but of the entire organization. It includes product modification, changing the production process according to the green product, redesigning the facilities in the plant if it is required, new package design, modify the promotional policies, identify the suitable transportation and distributing channel with green marketing in the mind, identifying the new suppliers with green awareness, training the employees on green elements and so on. Thus, the role of every stakeholder in the value chain is crucial in successful implementation of green marketing. The role of customer is key as he/she is the one who plays an important role in success of the organization in implementing the green marketing. For implementing all the above the key component in the manager's mind is the cost. Definitely it is costly in the near future but more profitable in the long run. Government should lend financial support for the green organisations. Similarly big industrial companies should implement this concept and support its supplier as part of its corporate social responsibility. Thus by successful implementation the green marketing in every business, we can realise the theme 'save environment to save the world.

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