

Green: The New Concept in Indian Marketing

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ABSTRACT

In the modern market green marketing has developed a particular importance. There is a shift in the way consumers go about their life due to increase in awareness on various environmental problems. Industries are actively trying to reduce their impact on environment. However, this is not widespread and is still evolving. To overcome the difficulties of depleting natural resources and environmental destruction a new concept has born in the present globalized world where production, consumption and also marketing of the products can be carried effectively ensuring environmental safety. This concept is named as 'Green Marketing'. To keep the consumer in fold along with keeping environment safe has become challenge for the industries in modern era of globalization .In this research paper, main emphasis has been made of concept, need and importance of green marketing. Data has collected from multiple sources of evidence, in addition to books, websites. The paper describes the current Scenario of Indian market and explores the challenges have with green marketing.

Keywords: Green Marketing, Environment, Traditional Marketing, Environmental safe, Eco-friendly

INTRODUCTION

Man has been severely damaging the environment since the onset of industrialization. It is the need of the hour to save the sinking ecology. Environment protection must be practiced with urgency. Hence, to overcome this challenge lifestyle changes will need to be incorporated into the lives of the people. So it becomes the responsibility to make the way towards sustainable development for the developing countries, like India. But the mantle does not lie only on the government but also on the citizens of the country, the buyers and the sellers to make sensible choices and demand sensible goods, which have minimum impact on the environment.

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. Holistic marketing concept referred in green marketing, here product and services consumption happen in the manner that is less harmful to 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. The shift to green marketing will definitely prove to be indispensable and advantageous as well as cost efficient in the long run even if it may appear to be expensive in the short run.

According to Charter (1992), green marketing is defined as 'greener marketing is a holistic and responsible strategic management process that identified, anticipates, satisfies and fulfill stakeholder needs, for reasonable reward, that does not adversely affect human or natural environmental wellbeing'. This definition adds a strategic dimension stressed the importance of a long term perspective and the role played by stakeholders. It is rightly opinioned Jacquelyn Ottman, author of Green Marketing: Opportunity for Innovation from an organizational standpoint, environmental considerations should be integrated into all aspects of marketing - new product development and communications and all points in between.

GREEN PRODUCTS AND ITS CHARACTERISTICS

For the conservation of natural resources and sustainable development there is a need of green technology and green product. We can characterize green product by following features.

- Products those are originally grown,
- Products those are recyclable, reusable and biodegradable,
- Products with natural ingredients,
- Products containing recycled contents, nontoxic chemical,
- Products contents under approved chemical,
- Products that do not harm or pollute the environment,
- Products that will not be tested on animals,
- Products that have eco-friendly packaging i.e. reusable, refillable containers etc.

WHY COMPANIES ARE ADOPTING GREEN MARKETING?

Opportunity to cash in on:

In order to gain competitive advantages over rival firms that market non-environment alternatives many firms tap this opportunity by green marketing. An example of firms that have striven to become more environmentally responsible, in an attempt to better satisfy their consumer needs, is Surf Excel detergent which saves water (advertised with the message—"do bucket paani roz bachana") and the energy-saving LG consumers durables. Being genuine and transparent means that: (a) a firm actually does what it claims to be doing in its green marketing campaign; and (b) the rest of its business policies are consistent with whatever it is doing that is environmentally friendly. Both these conditions have to be met for a business to establish the kind of environmental credentials that will allow a green marketing campaign to succeed.

Government pressure:

Government regulations are designed so as to protect consumers and society in several ways such as limit and control the amount of hazardous wastes produced by firms; reduce the production of harmful goods or by-products; modify consumer and industry's use and/or consumption of harmful goods. For example, the ban of plastic bag, prohibition of smoking in public areas, etc.

Competitive Pressure:

In order to maintain their competitive edge firms' adopt green marketing. In some instances, this competitive pressure has led the entire industry to modify their business practices and thus reduce the damage to the environment. For example, when one tuna manufacturer stopped using drift nets, others followed suit.

Social responsibility:

Firms conduct their business in an environmentally responsible manner as they start to realize that they are the member of a wider community. In order to achieve their environmental objectives as well as profit related goals firms' integrated environmental issues into the firm's corporate culture. For example, the HSBC became the world's first bank to go carbon-neutral.

Cost-Reduction:

Reduction of harmful waste may lead to substantial cost savings. For example, the fly ash generated by thermal power plants, which would otherwise contribute to a gigantic quantum of solid waste, is used to manufacture fly ash bricks for construction purposes.

Technology:

Technological break-through are helping to produce and promote products with components that keep the environment safe and promote sustainable development. Cutting-edge research on fuel cells (electrochemical devices that convert the chemical energy of a fuel source into electricity, generating water as a by-product), and the use of superconductivity technology in magnetic levitation trains are examples of the strides being made in green technology.

For green marketing to be effective, firms' have to do three things; be genuine, educate your customers, and give them the opportunity to participate.

1) Being genuine means that a) you are actually doing what you claim to be doing in your green marketing campaign and b) that the rest of your business policies are consistent with whatever you are doing that's environmentally friendly. Both these conditions have to be met for your business to establish the kind of environmental credentials that will allow a green marketing campaign to succeed.

2) Educating your customers isn't just a matter of letting people know you're doing whatever you're doing to protect the environment, but also a matter of letting them know why it matters. Otherwise, for a significant portion of your target market, it's a case of "So what?" and your green marketing campaign goes nowhere.

3) Giving your customers an opportunity to participate means personalizing the benefits of your environmentally friendly actions, normally through letting the customer take part in positive environmental action.

CHALLENGES IN GREEN MARKETING

Need for Standardization

It is found that only 5% of the marketing messages from Green campaigns are entirely true and there is a lack of standardization to authenticate these claims. There is no standardization to authenticate these claims. There is no standardization currently in place to certify a product as organic. Unless some regulatory bodies are involved in providing the certifications there will not be any verifiable means. A standard quality control board needs to be in place for such labeling and licensing.

New Concept

Indian literate and urban consumers are getting more aware about the merits of Green products. But it is still a new concept for the masses. The consumer needs to be educated and made aware of the environmental threats. The new green movements need to reach the masses and that will take a lot of time and effort. By India's Ayurvedic heritage, Indian consumers do appreciate the importance of using natural and herbal beauty products. Indian consumers are exposed to healthy living lifestyles such as yoga and natural food consumption. In those aspects the consumer is already aware and will be inclined to accept the green products.

Patience and Perseverance

The investors and corporate need to view the environment as a major long-term investment opportunity, the marketers need to look at the long term benefits from this new green movement. It will require a lot of patience and no immediate results. Since it is a new concept and idea, it will have its own acceptance period.

Avoiding Green Myopia

The first rule of green marketing is focusing on customer benefits i.e. the primary reason why consumers buy certain products in the first place. Do this right, and motivate consumers to switch brands or even pay a premium for the greener alternative. It is not going to help if a product is developed which is absolutely green in various aspects but does not pass the customer satisfaction criteria. This will lead to green myopia. Also if the green products are priced very high then again it will lose its market acceptability.

EIGHT KEYS TO SUCCESSFUL GREEN MARKETING

Show Potential customers that you follow green business practices and you could reap more green on your bottom line. Green Marketing isn't just a catchphrase; it's a marketing strategy that can help you get more customers and make more money. But only if you do it right. For green marketing to be effective, you have to do three things; be genuine, educate your customers, and give them the opportunity to participate.

(i) Being genuine means that (a) that you are actually doing what you claim to be doing in your green marketing campaign and (b) that the rest of your business policies are consistent with whatever you're doing that's environmentally friendly. Both these conditions have to be met for your business to establish the kind of environmental credentials that will allow a green marketing campaign to succeed.

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(iii) Giving your customers an opportunity to participate means personalizing the benefits of your environmentally friendly actions, normally through letting the customer take part in positive environmental action.

(iv) Know your customer: If you want to sell a greener product to consumers, you first need to make sure that the consumer is aware of and concerned about the issues that your product attempts to address. (Whirlpool learned the hard way that consumers wouldn't pay a premium for a CFC-free refrigerator because consumers didn't know what CFCs were!).

(v) Empower consumers: Make sure that consumers feel, by themselves or in concert with all the other users of your product, that they can make a difference. This is called "empowerment" and it's the main reason why consumers buy greener products.

(vi) Be transparent: Consumers must believe in the legitimacy of your product and the specific claims you are making. Caution: There's a lot of skepticism out there that is fueled by the raft of spurious

claims made in the “go-go” era of green marketing that occurred during the late 80s to early 90s- one brand of household cleaner claimed to have been “environmentally friendly since 1884!

(vii) Reassure the buyer: Consumers need to believe that your product performs the job it’s supposed to do —they won’t forego product quality in the name of the environment. (Besides, products that don't work will likely wind up in the trash bin, and that’s not very kind to the environment.)

(viii) Consider your pricing: If you’re charging a premium for your product -and many environmentally preferable products cost more due to economies of scale and use of higher-quality ingredients-make sure that consumer can afford the premium and feel it’s worth it. Many consumers, of course, cannot afford premiums for any type of product these days, much less greener ones, so keep this in mind as you develop your target audience and product specifications.

GREEN MARKETING: INDIAN COMPANY INITIATIVES

There are numerous strategies for the firms to be green. They can be green themselves in three ways: value-addition processes (firm level), management systems (firm level) and/or products (product level). There are numerous examples of firms who have strived to become more environmentally responsible serving to better satisfy their consumer needs. Moreover, their activities also help them to improve their revenues and profits in various ways.

- New Surf Exel (Do Bucket Paani... Ab Rozana Hai Bachana) that produces lesser froth but is as effective as before, thus reducing water consumption.
- Lifeboy (a brand of soap from Unilever in India) had an advertising campaign encouraging children to keep their streets clean and not worry about germs as Lifeboy protects them.
- McDonald's restaurant's napkins, bags are made of recycled paper.
- Coca-Cola pumped syrup directly from the tank instead of plastic which saved 68 million pound/year.
- Badarpur Thermal Power station of NTPC in Delhi is devising ways to utilize coal-ash that has been a major source of air and water pollution.
- Introduction of CNG in all public transport systems to curb pollution.
- HCL's Environment Management Policy under HCL eco-Safe.
- E-commerce business and office supply company Shoplet which offers a web tool that allows you to replace similar items in your shopping cart with greener products.
- Walt Disney World, have instituted environmentally responsible behavior in their processes and systems
- The refrigerator industry has shifted from chlorofluorocarbon (CFC) gases to more environmentally friendly gases.
- Plantation and cultivation activities taken up by Intel India is an example of socially responsible firms contributing to preservation of environment.
- Philips Light's CFL
- Maruthi: Greening of Supply Chain
- Amway claims that its products are environmentally friendly.
- ITC's Sustainable Community Development initiatives include women empowerment, supplementary education, integrated animal husbandry programmes.
- All Environment, Health and Safety Management Systems in ITC conform to the best international standards.
- The Supreme Court of India forced a change to alternative fuels. In 2002, a directive was issued to completely adopt CNG in all public transport systems to curb pollution.
- In India, the green building movement, spearheaded by the Confederation of Indian industry (CII) - Godrej Green business Center
- Recycling used products also acts as a step towards minimizing wastes.

CONCLUSION

At last we can say that Green Marketing is a very important concept in today's life. No doubt if we will use the methods in our life then we can make sure that we can save our resources and can make our life better. Green marketing is in the developing stage. But it is an important concept. Many companies are adopting green marketing. But we should take part in these efforts to use green products in our life. Awareness should be spread by the government to rural areas and also tell them the importance of green products. It's true that the environment is ours and we should protect it. So promote GREEN MARKETING.

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