



GREEN MARKETING A WAY TO SUSTAINABLE DEVELOPMENT

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ABSTRACT

Green marketing offers business bottom line incentives and top line growth possibilities. While modification of business or production processes may involve start-up costs, it will save money in the long term. Sustainable development is one of the most serious and crucial issues of countries all across the globe. Green marketing is one important concept which marketers are using these days as a key strategy for sustainable development.

Sustainable marketing refers to the way of marketing which incorporates needs of the customer, the organisation and the society in general over a long term. It means designing and marketing products that can be used universally by all the consumers across the world over extended periods, without causing harm to either the consumers or the environment. This paper explains the way for achieving sustainable development through green marketing.

Keywords: Green marketing, Sustainable development, products, environment

INTRODUCTION

Sustainability is emerging as a market driver with the potential to grow profits and present opportunities for value creation a dramatic evolution from its traditional focus on efficiency, cost, and supply chain risk. Marketing is both a discipline and a set of practices to appeal to consumers and entails the operations organized around a product or service, from concept to sales and through the design, price setting, promotion and availability.

Green marketing subsumes greening products as well as greening firms. In addition to manipulating the 4Ps (product, price, place and promotion) of the traditional marketing mix, it requires a careful understanding of public policy processes. Sustainability represents an important consumer need, and is now an integral aspect of product quality. Green is no longer simply a market position. Products need to be green. Brands need to be socially responsible period.

GREEN MARKETING

The term “green marketing” first surfaced in the late 1980s as an extension of what the American Marketing Association referred to in 1975 as “ecological marketing”.

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.



There is no single definition accepted universally, but in 1994 Polonsky stated: "Green or environmental marketing 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." The United Nations Environment Programme defines it as "a marketing which encompasses all communication operations undertaken to promote a product on the basis of its environmental properties or of its social qualities. It is about selling products on an ethical platform."

Green marketing refers to the process of selling products and/or services based on their environmental benefits. Such a product or service may be environmentally friendly in it or produced and/or packaged in an environmentally friendly way. The distinctive features of green marketing are its commercial dimension coupled with the reference to the values of consumers who want to act in an environmentally conscious and socially responsible manner with the purchases they make.

As per Brundtland Commission (1987), —Development that meets the needs of the present without compromising the ability of future generations to meet their own needs.

IMPORTANCE OF GREEN MARKETING

Green marketing offers business bottom line incentives and top line growth possibilities. While modification of business or production processes may involve start-up costs, it will save money in the long term. For example the cost of installing solar energy is an investment in future energy cost savings. When looking through the literature there are several suggested reasons for firms increased use of Green Marketing. Five possible reasons are as follows:

1. An organization perceives environmental marketing to be an opportunity that can be used to achieve its objectives.
2. Organizations believe they have a moral obligation to be more socially responsible.
3. Governmental bodies are forcing firms to become more responsible.
4. Competitors' environmental activities pressure firms to change their environmental marketing activities.
5. Cost factors associated with waste disposal, or reductions in material usage forces firms to modify their behaviour.

GOLDEN RULES FOR GREEN MARKETING

1. **Green is main stream:** Not too long ago, just a small group of deep green consumers existed.
2. **Green is cool:** Once a faddish preoccupation of the fringe, green is not only mains treat, it's chic. In fact, green consumers are early adopters and leaders who influence



purchasing behaviour. Celebrities and other cool types generally are espousing green causes.

3. **Greener products work equally or better and are often worth a premium price:** Thanks to advances in technology, we've come a long way since the days when greener products gathered dust on health food store shelves because they didn't work as well and were not a good value. Organics, hybrid cars, and safer cleaning products now command a price premium.
4. **Green inspires innovative products and services that can result in better consumer value, enhanced brands, and a stronger company:** Savvy managers no longer consider the environment to be a burden that represents added cost and overhead – but an investment that can pay back handsomely.
5. **The greenest products represent new concepts with business models with significantly less impact:** If we simply keep greening up the same old “brown” products we've been using forever, we're never going to get to sustainability. With time running out, we've got to “leap” to service replacements for products, and adopt entirely new ways of doing business. Consumers don't necessarily need to own products; services can meet their needs, perhaps even better.
6. **Keep it simple:** Plato was an environmentalist: “Simplicity is elegance.” Today's consumers are cutting out the needless purchases, and getting rid of the gadgets and gizmos that don't add value to their lives.
7. **Green consumers don't expect perfection:** Just like there's no more whitest whites, there's no greenest of the green. Consumers expect that you'll set high goals (i.e., perform beyond mere compliance), keep improving, and report on progress.
8. **Environmentalists are no longer the enemy:** Recognizing the power of the marketplace to effect change, many environmental advocates willingly partner with industry, offering useful guidance and expertise.

GREEN MARKETING STRATEGIES

As consumers become more environmentally conscious, businesses must adapt a green strategy. Small businesses seeking to leverage the power of "going green" should carefully coordinate genuine actions and marketing strategies.

1. **Successful Market Segmentation and Concentration on Selected Market Segment** A company needs to focus on the market comprising of the green consumers. The company can run advertisement for its products in green focussed media. It can also innovate of a new green product along with its existing products. Further, it can altogether launch a new strategic business unit aimed at green.
2. **Developing a New Generation of Green Product** Insufficient production processes and poor designing of products can be very harmful for the environment that is why the companies should consider possible negative effects on the environment and minimize them at the beginning of New Product Development.



3. **Green Positioning** Companies interested in positioning themselves as green should make sure that all the activities that it is involved in supports its projected image, so as not to cheat the consumers as well the media.
4. **Applying Green Promotion** Successful promotion depends on choosing the right strategy and media for promotion of green products. Any kind of green promotion becomes neutral unless it supported by corresponding corporate activities.
5. **Green Packaging** A business that manufactures and packages products can convert to eco-friendly packaging. Converting to biodegradable packaging provides customers with a visible symbol of the company's commitment to "going green". The business can also leverage the eco-friendly packaging as part of its advertising program to help draw in new environmentally conscious customers.
6. **Deciding about Green Prices** Consumers today are willing to pay only a small premium or no premium at all for the green products. Pricing may become a cause of concern when it comes to selling the product in the market, as its manufacturing may be expensive due to new technology involved. It therefore becomes the responsibility of the manufacturer to decide upon the pricing of the product.
7. **Applying "Green" Logistics** Distribution of goods can also be designed such that they leave minimum impact on the environment. Mere reduction in packaging and wrapping can contribute to a large extent in reducing the waste and saving paper. Efficient inventory management can also contribute in minimizing wastage in a big way.
8. **Changing the Attitude towards Waste** generated always does not necessarily have to be an unhelpful result of production processes. A newer understanding of the idea of waste has given birth to a new market of recycled products. Also it may be so that which is deemed waste for a company may be a raw material for another.

Some of the other successful strategies of Green Marketing are as follows: Show potential customers that the company follow green business practices and could reap more green on bottom line. For green marketing to be effective, company have use following strategies too.

1. **Being genuine:** The companies are actually doing what the business claim to be doing in the green marketing campaign and the rest of business policies are consistent with whatever the company is doing that's environmentally friendly. Both these conditions have to be met for the business to establish the kind of environmental credentials that will allow a green marketing campaign to succeed.
2. **Educate your customers:** It is not just a matter of telling people about to know whatever the companies are doing to protect the environment but also a matter of telling them to know why it matters and its importance.
3. **Give your customers an opportunity to participate:** Personalizing the benefits of environmentally friendly actions, normally through letting the customer take part in positive environmental action.



4. **Know your customer:** To sell a greener product to consumers, first the company need to make sure that the consumer is aware of and concerned about the issues that its product attempts to address.
5. **Empower consumers:** Make sure that consumers feel, by themselves or in concert with all the other users of the company's product, that they can make a difference. This is called empowerment and it's the main reason why consumers buy greener products.
6. **Be transparent:** Consumers must believe in the legitimacy of the product and the specific claims the companies are making. Hence complete information need to be disclosed to make environmentally friendly economy.

Green Marketing Mix: Every company has its own favourite marketing mix. Some have 4 P's and some have 7 P's of marketing mix. The 4 P's of green marketing are that of a conventional marketing but the challenge before marketers is to use 4 P's in an innovative manner.

1. **Product:** The ecological objectives in planning products are to reduce resource consumption and pollution and to increase conservation of scarce resources.
2. **Price:** Price is a critical and important factor of green marketing mix. Most consumers will only be prepared to pay additional value if there is a perception of extra product value. This value may be improved performance, function, design, visual appeal, or taste. Green marketing should take all these facts into consideration while charging a premium price.
3. **Promotion:** There are three types of green advertising: -
 - Ads that address a relationship between a product/service and the biophysical environment.
 - Those that promote a green lifestyle by highlighting a product or service.
 - Ads that present a corporate image of environmental responsibility.
4. **Place:** The choice of where and when to make a product available will have significant impact on the customers. Very few customers will go out of their way to buy green products.

Strategies: The marketing strategies for green marketing include: - 1. Market Auditing (including internal and external situation analysis). 2. Develop a marketing plan outlining strategies with regard to 4 P's · 3. Implement marketing strategies. 4. Plan results evaluation

GREEN MARKETING – ADOPTS BY THE FARMS

Green marketing has been widely adopted by the firms worldwide and the following are the possible reasons cited for this wide adoption:

1. **Opportunities** - As demand changes, many firms see these changes as an opportunity to exploit and have a competitive advantage over firms marketing non environmentally responsible alternatives. Some examples of firms who have strived to become more environmentally responsible, in an attempt to better satisfy their consumer needs.



2. **Government Pressure** - As with all marketing related activities, governments want to "protect" consumer and society; this protection has significant green marketing implications. Government regulations relating to environmental marketing are designed to protect consumers in several ways, 1. Reduce production of harmful goods or by-products Modify consumer and industry's use and/or consumption of harmful goods 2. Ensure that all types of consumers have the ability to evaluate the environmental composition of goods. Government establish regulations designed to control the amount of hazardous wastes produced by firms.
3. **Competitive Pressure** - Another major force in the environmental marketing area has been firms' desire to maintain their competitive position. In many cases firms observe competitors promoting their environmental behaviours and attempt to emulate this behaviour. In some instances this competitive pressure has caused an entire industry to modify and thus reduce its detrimental environmental behaviour.
4. **Social Responsibility** - Many firms are beginning to realize that they are members of the wider community and therefore must behave in an environmentally responsible fashion. This translates into firms that believe they must achieve environmental objectives as well as profit related objectives. This results in environmental issues being integrated into the firm's corporate culture. There are examples of firms adopting both strategies.

THE FUTURE OF GREEN MARKETING

There are many lessons to be learned to avoid green marketing myopia, the short version of all this is that effective green marketing requires applying good marketing principles to make green products desirable for consumers. The question that remains, however, is, what is green marketing's future? Business scholars have viewed it as a "fringe" topic, given that environmentalism's acceptance of limits and conservation does not mesh well with marketing's traditional axioms of "give customer what they want" and "sell as much as you can". Evidence indicates that successful green products have avoided green marketing myopia by following three important principles:

1. **Consumer value positioning** Design environmental product to perform as well as (or better than) alternatives Promote and deliver the consumer desired value of environmental products and target relevant consumer market segments. Broaden mainstream appeal by bundling consumer desired value into environmental products.
2. **Calibration of consumer knowledge** Educate consumers with marketing messages that connect environmental attributes with desired consumer value. Frame environmental product attributes as "solutions" for consumer needs. Create engaging and educational internet sites about environmental products desired consumer value.
3. **Credibility of product claim** Employ environmental product and consumer benefit claims that are specific and meaningful. Procure product endorsements or eco-



certifications from trustworthy third parties and educate consumers about the meaning behind those endorsements and eco certifications. Encourage consumer evangelism via consumers social and internet communication network with compelling, interesting and entertaining information about environmental products.

CONCLUSION

Green marketing is a tool for protecting the environment for the future generation. it has a positive impact on environmental safety. Because of the growing concern of environmental protection, there is an emergence of a new market which is the green market. If we think customers are not concerned about environmental issues or will not pay a premium for products that are more eco-responsible, then we should think again. We must find an opportunity to enhance you product's performance and strengthen your customer's loyalty and command a higher price. Green marketing is still in its infancy and a lot of research is to be done on green marketing to fully explore its potential. Marketers also have the responsibility to make the consumers understand the need for and benefits of green products as compared to non-green ones. In green marketing, consumers are willing to pay more to maintain a cleaner and greener environment.

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