



Green market grooming: An overview

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Abstract

Green marketing has emerged important concept in India as in other parts of the developing and developed countries. It is a new revolution in India in early 1990's. There is a radical change in consumer preferences and life styles. There has been a change in consumer attitudes towards a green life style. The companies are actively trying to increase their impact on the environment. Due to the shift from traditional marketing to green marketing, companies are facing many new challenges. Organisations and business however have seen this change in consumer attitudes and are trying to gain an edge in the competitive market by exploiting the potential in the green market industry. This concept study discusses the initiatives of few corporate towards green marketing in India and abroad also. Though their initiatives are different but the goals are similar. This paper describes the various initiatives introduced by selected companies for promoting green marketing revolution.

Keywords: green marketing, environment, green marketing revolution

Introduction

The term "sustainability" has become the key word of this competitive era. As resources are scarce and human wants are infinite, this widen gap has increased the interest among the consumers all over the world regarding enrichment of environment. This increasing awareness amongst the world regarding ecological balance has provided more environmental awareness amongst them. This in turn has transformed the behavioral blueprints both in individuals and businesses. Now there is an era of recyclable, non toxic and environment responsive green goods

All over the world, the consumers are now cognizant regarding enrichment of the environment in which they live. Most of them believe that environment-friendly products are safer to use. They are at present, showing eager interest in everything that is organic such as organic food, hybrid cars, carpooling, recycled products, energy saving appliances etc. Thus, the global distress for sustainable development has highlighted need for going green in every field of human life; and that includes marketing as well. As a consequence, there is a there is a swing in practices of marketers as well that has given birth to the concept of 'Think Green'. This led to the appearance of green marketing which speaks for mounting market for sustainable and socially accountable products and services. It contains a wide range of tasks such as product adjustment, transforming the production process, changed advertising, modifications in packaging, etc., that aims at reducing the harmful impact of products and their consumption and disposal on the environment. Despite of this world awareness, they are numerous potential challenges and issues that are required to be surmounted. Green marketing has evolved as the new mantra for marketers to persuade the needs of target audience and thereby produce lucrative bottom lines. While the shift to "green" may emerge to be expensive in the near future but it will unquestionably prove to be crucial and advantageous,

cost-wise too, in the upcoming years. A majority of organizations, around the world, are making an attempt to reduce the harmful impact of production processes on the climate and other environmental conditions. They have comprehensively utilized the word green in marketing campaigns in the form of green marketing, green supply chains, green retailing, green consumers, green products, etc. hence the businesses and the marketers are taking the indication and are going green for the betterment of the entire society¹.

History of green marketing

The term Green Marketing came into prominence in the late 1980s and early 1990s. The American Marketing Association (AMA) held the first workshop on "Ecological Marketing" in 1975. The proceedings of this workshop resulted in one of the first books on green marketing entitled "Ecological Marketing". The Corporate Social Responsibility (CSR) Reports started with the ice cream seller Ben & Jerry's where the financial report was supplemented by a greater view on the company's environmental impact. In 1987 a document prepared by the World Commission on Environment and Development defined sustainable development as meeting "the needs of the present without compromising the ability of future generations to meet their own need", this became known as the Brundtland Report and was another step towards widespread thinking on sustainability in everyday activity. Two tangible milestones for wave 1 of green marketing came in the form of published books, both of which were called Green Marketing. They were by Ken Peattie (1992) in the United Kingdom and by Jacquelyn Ottman (1993) in the United States of America. According to Jacquelyn Ottman, (author of "The New Rules of Green Marketing: Strategies, Tools, and Inspiration for Sustainable Branding" (Greenleaf Publishing and Berrett-Koehler Publishers,

February 2011) from an organizational standpoint, environmental considerations should be integrated into all aspects of marketing — new product development and communications and all points in between. The holistic nature of green also suggests that besides suppliers and retailers new stakeholders be enlisted, including educators, members of the community, regulators, and NGOs. Environmental issues should be balanced with primary customer needs.

Concept of green marketing: Concept of green marketing concerns with protection of ecological environment. Modern marketing has created a lot of problems. Growth in marketing activities resulted into rapid economic growth, mass production with the use of advanced technology, comfortable and luxurious life, style, severe competition, use of unhealthy marketing tactics and techniques to attract customers, exaggeration in advertising, liberalization and globalization, creation of multinational companies, retailing and distribution by giant MNCs, etc., created many problems.

Departmental stores, specialty stores, and shopping malls are flooded with useful as well as useless products. These all factors have threatened welfare of people and ecological balance as well. Particularly, giant factories have become the source of different pollutions. Production, consumption and disposal of many products affect environment adversely.

Impacts or Importance of Green Marketing

Green marketing affects positively the health of people and the ecological environment. People are aware of pure products and pure methods of producing, using, and disposing the products. It encourages integrated efforts for purity in production and consumption as well. i) Now, people are insisting pure products – edible items, fruits, and vegetables based on organic farming. The number of people seeking vegetarian food is on rise. ii) Reducing use of plastics and plastic-based products. iii) Increased consumption of herbal products instead of processed products. iv) Recommending use of leaves instead of plastic pieces; jute and cloth bags instead of plastic carrying bags. v) Increasing use of bio-fertilizers (made of agro-wastes and wormy-composed) instead of chemical fertilizers (i.e. organic farming), and minimum use of pesticides. vi) Worldwide efforts to recycle wastes of consumer and industrial products. vii) Increased use of herbal medicines, natural therapy, and Yoga. viii) Strict provisions to protect forests, flora and fauna, protection of the rivers, lakes and seas from pollutions.

Green products and their characteristics

The products are manufactured through green technology and that caused no environmental hazards are called green products. Promotion of green technology and green products is necessary for conservation of natural resources and sustainable development. Green products are measured by following measures

- Products those are grown originally
- Products those are recyclable, reusable and biodegradable
- Products with natural ingredients
- Products containing recycled contents, non toxic 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,

Literature review

The growth of green marketing and green consumer is “perhaps the biggest opportunity for enterprise and invention the industrial world has ever seen”. The green consumer is considered more educated and wealthier than the average consumer. There appears to be a democratization of green purchasing in Europe and North America. In 2002 survey, 41% of consumers said they did not buy green products because they are diminished quality of eco friendly versions. All over the world, the demand in green products are growing and there is a concern for understanding how green is a green product.

Green consumer segments

According to the roper survey (2002)

- 58% of the consumers try to save electricity at home
- 46% recycle newspapers, 45% return bottles or cans
- 23% use packaged products or recycled materials

The roper survey divides consumers

1. True Blue Greens (9%): It have strong environment values and take it upon themselves to try to effect positive change.
2. Greenback Greens (6%): It differ from true blues in that they do not take the time to be politically active.
3. Sprouts (31%): It believes in environmental causes in theory but not in practices.
4. Grouzers (19%): It tend to be uneducated about environment issues and cynical about their ability to effect changes.
5. Basic Browns (33%): It caught up with day to day concerns and do not care about environment and social issues.

Green marketing mix

The traditional marketing mix as are re conceptualized with new environmental concern and other dimensions bundled into its ingredients. It deals with environment friendly (green) product, price, promotion and place.

Understanding the target consumer will help marketers to know whether “greenness” is an appropriate selling attribute and how it should be incorporated into the marketing mix.

Green product

Green products are typically durable, non toxic, made from recycled materials or minimally packaged. Green based product strategies or combination of recycling, reduction of packaging materials, making more durable products.

Green price

Many consumers assume that green products are often priced higher than conventional products. Wal mart unveiled its first recyclable cloth shopping bag.

Green place

Green place is about managing logistics to cut down on transportation emissions, thereby in affect aiming at reducing at carbon footprint.

Green promotion

- Educate consumers on the environmental problems that a green product solves,
- British petroleum displays gas station which its sunflower motif and boasts of putting money into solar power,
- Provide performance reassurance of green based products, as many consumers perceive them to be a inferior to conventional products.

Publics: Effective Social Marketing knows its audience, and can appeal to multiple groups of people. "Public" is the external and internal groups involved in the program. External publics include the target audience, secondary audiences, policymakers, and gatekeepers, while the internal publics are those who are involved in some way with either approval or implementation of the program.

Partnership: Most social change issues, including "green" initiatives, are too complex for one person or group to handle. Associating with other groups and initiatives to team up strengthens the chance of efficacy.

Policy: Social marketing programs can do well in motivating individual behavior change, but that is difficult to sustain unless the environment they're in supports that change for the long run. Often, policy change is needed, and media advocacy programs can be an effective complement to a social marketing program.

Companies involved in green environment

1. ITC Limited

ITC strengthened their commitment to green technologies by introducing 'ozone treated elemental chlorine free' bleaching technology for the first time in India. The result is an entire new range of Top of green products and solutions: the environmental friendly multi-purpose paper that is less polluting than its traditional counterpart.

2. State bank of india :green it @sbi

SBI entered into green service known as "Green channel counter". SBI is providing many services like paperless banking, no deposit slip, no withdrawal form, no checks all these transactions are done through SBI shopping & ATM cards.

3. Oil And Natural GAS (ONGC)

India's largest oil producer, ONGC, is all set to lead the list of top 10 green Indian companies with energy efficient, green crematoriums that will soon replace the traditional wooden pyre across the country. ONGC's Mokshada Green Cremation initiative will save 60 to 70% of wood and fourth of the burning time per cremation.

4. Hero Honda motors

Hero Honda is one of the largest two-wheeler manufactures in India and an equally responsible top green firm in India. The company's philosophy of continuous innovation in Green products and solutions has played a key role in striking the right balance between business, mankind and nature.

5. McDonalds green revolution

McDonald's replaced its clam shell packaging with waxed paper because of increased consumer concern relating to polystyrene production and ozone depletion. McDonald's restaurants bags are made of recycled bags.

6. KFC's New green restaurant

The latest store was built using elements that follow the leadership in Energy and Environmental Design (LEED) certification process created by USA Green Building Council. This new KFC restaurant is a part of E3 initiative, which looks at economically responsible ways of saving energy and being environmentally aware.

7. Digital tickets by Indian railways

IRCTC has allowed its customers to carry PNR no of their E-tickets on their laptop and mobiles. Customers do not need to carry the printed version of their ticket anymore.

Conclusion

Green Marketing refers to marketing where ecological issues are the focal point of marketing decision-making. It ranges from change in raw materials to change in packaging materials. It includes change in product design or even substitution of one product by another. It is also encompasses disposal of waste generated during production and distribution, the disposal of surplus or expired products and even the disposal of packaging after the use of the product. There is ample scope for green marketing at both the manufacturers' end and marketers' end. Green Marketing is catching on in a big way. Marketers as well as consumers are slowly but strongly recognizing it. Awareness is being created about the use of such materials, which are helpful in conserving the environment and are eco-friendly. Though the green products can be bit costlier in comparison to their non-green counterparts, they are beneficial from the view point of environment conservation, which will definitely prove advantageous in the long run. Green marketing is gaining increasing prominence across the world and in India.

Green marketing is a relatively quite recent phenomenon and it is growing awareness amongst consumers and business about minimizing the adverse impact on the environment. Environmental issues are given more importance these days. This paper helps us to know the various practices made by companies for promoting green environment and also aimed at transforming the consumer minds and their perceptions. Well in this scenario, many corporate has taken green marketing further and as part of their company strategy just to create brand image, gain the attention of the consumers. This paper can also be viewed as a source of new opportunities to grow in today's highly competitive global environment.

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