

Green Marketing and Sustainable Development Challenges and Opportunities

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ABSTRACT - In the modern era of globalization, it has become a challenge to keep the customers as well as consumers in fold and even keep our natural environment safe and that is the biggest need of the time. Consumers are also aware of the environmental issues like; global warming and the impact of environmental pollution. Green marketing is a phenomenon which has developed particular important in the modern market and has emerged as an important concept in India as in other parts of the developing and developed world, and is seen as an important strategy of facilitating sustainable development. In this research paper, main emphasis has been made of concept, need and importance of green marketing. Data has to be collected from multiple sources of evidence, in addition to books, journals, websites, and newspapers. It explores the main issues in adoption of green marketing practices. The paper describes the current Scenario of Indian market and explores the challenges and opportunities businesses have with green marketing. The paper examines the notion of 'green marketing' and the challenges which are associated with different aspects of green marketing in the present scenario. It also includes the strategies which are to be employed, so that the green marketing can be expedited and pave the way to make the 'green products' more 'ecological viable' as well as 'economical viable for the consumers belong to different hierarchy. Why companies are adopting it and future of green marketing and concludes that green marketing is something that will continuously grow in both practice and demand.

KEYWORDS: Environmental pollution, Green Marketing, Globalization, Global Warming, Sustainable Development

I. INTRODUCTION

The term Green Marketing came in the late 1980s and early 1990s, began in Europe in the early 1980s when certain products were found to be harmful to the environment and society as a whole. Consequently new types of products were created, called "Green product" that would cause less damage to 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. It is a complex combination which includes varying social, environmental and retail definitions attached to this term. Thus "Green Marketing" refers to holistic marketing concept wherein the production, marketing consumption that is detrimental to the environment with growing awareness about the implication of global warming, non-biodegradable solid waste, harmful pollutants etc.

As resources are limited and human wants are unlimited, that is why, it's an imperative to make a judicious use of resources available, as well as to achieve the desired objectives of organization. So green marketing is quite

inevitable, so that may make the best use of available natural and man-made resources. As a result, green marketing notion has been given a third dimension to man and environment relationship. It includes sustainability and socially responsible products and services, rendered for human being, living on this earth. That is why green marketing has been widely adopted by the firms would wide and the following are the reason for widely adoption of this conception. There are basically five reasons for which a marketer should go for to adoption of green marketing-

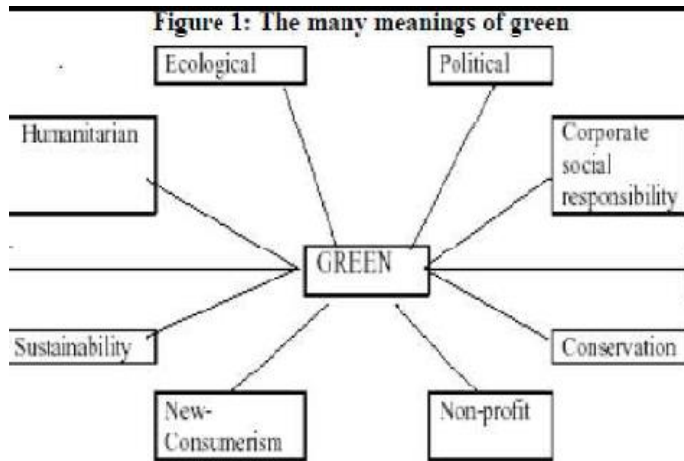
1. Opportunities or Competitive advantage
2. Corporate social responsibility (CSR)
3. Government pressure
4. Competitive pressure
5. Cost or Profit issues

Definition of Green Marketing

The holistic management process responsible for identifying, anticipating and satisfying the requirements of customers and society, in a profitable and sustainable way (Peattie, 1995).

Green 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.



II. LITERATURE REVIEW

1. Prothero, A. (1998) introduces several papers discussed in the July 1998 issue of 'Journal of Marketing Management' focusing on green marketing. This includes; a citation of the need to review existing literature on green marketing, an empirical study of United States and Australian marketing managers, a description of what a green alliance look like in practice in Great Britain, ecotourism and definitions of green marketing.

2. Kilbourne, W.E. (1998) discusses the failure of green marketing to move beyond the limitations of the prevailing paradigm. The author identifies areas that must be examined for their effect in the marketing/environment relationship, namely economic, political and technological dimensions of the cultural frame of reference.

3. Oyewole, P. (2001). In his paper presents a conceptual link among green marketing, environmental justice, and industrial ecology. It argues for greater awareness of environmental justice in the practice for green marketing. A research agenda is finally suggested to determine consumers' awareness of environmental justice, and their willingness to bear the costs associated with it.

4. Sanjay K. Jain & Gurmeet Kaur (2004) in their study environmentalism have fast emerged as a worldwide phenomenon. Business firms too have risen to the occasion and have started responding to environmental challenges by practicing green marketing strategies. Green consumerism has played a catalytic role in ushering corporate environmentalism and making business firms green marketing oriented. Based on the data collected through a field survey, the paper makes an assessment of the extent of environmental awareness, attitudes and behaviour prevalent among consumers in India.

5. Donaldson (2005) in his study realized in the Great Britain initially concluded that in general the ecological attitude of consumers changed positively. This study

reported the strong faith of consumers in the known commercial brands and in the feeble behaviour referring to the "green" claims, which was the main cause behind the consuming failure to interpret their concerns beyond the environment in their behavior.

6. Brahma, M. & Dande, R. (2008), The Economic Times, Mumbai, had an article which stated that, Green Ventures India is a subsidiary of New York based asset management firm Green Ventures International. The latter recently announced a \$300 million India focused fund aimed at renewable energy products and supporting trading in carbon credits.

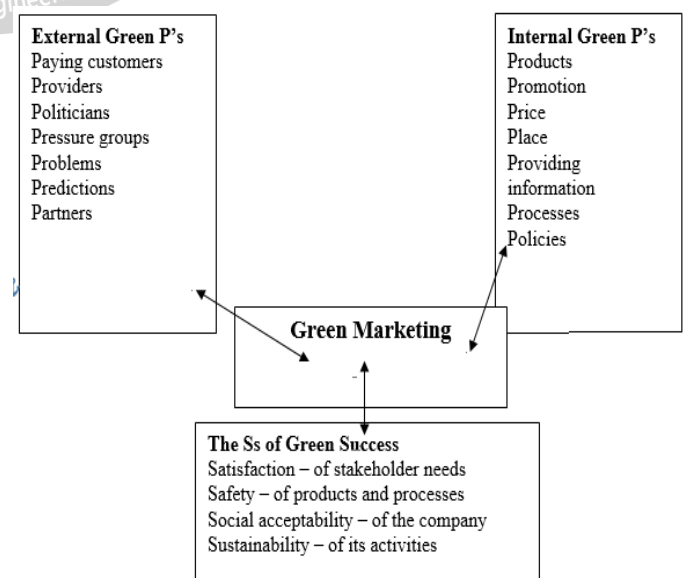
III. OBJECTIVES OF THE STUDY

1. Eliminate the concept of waste
2. Reinvent the concept of product
3. Make environmentalism profitable
4. Bringing out product modification
5. Changing in production processes
6. Packaging changes
7. Modifying advertising

IV. GREEN MARKETING PROCESS

Green marketing process comprises with external and internal Ps. After integrating external and internal Ps, green success will automatically come through four Ss. Here external 7 Ps consists of Paying customers, Providers, Politicians, Pressure groups, Problems, Predictions and Partners; internal 7Ps consists of Products, Promotion, Price, Place, Providing information, Processes and Policies. After integrating external and internal 7Ps, we can find out the green successes through 4 Ss such as Satisfaction – of stakeholder needs, Safety – of products and processes, Social acceptability –of the company and Sustainability – of its activities.

FIGURE 2: THE GREEN MARKETING PROCESS



V. IMPORTANCE OF GREEN MARKETING

1. Organizations perceive 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 behavior

VI. CHALLENGES IN GREEN MARKETING

There is sizable numerical strength of organizations which would like to turn green, as an increasing number of consumers' want to associate themselves with environment-friendly products. There is wide spread confusion among the consumers regarding products. In particular, where one often finds erosion of credibility of green product. Therefore, to ensure consumer confidence, marketers of green products need to be much more transparent and refrain from breaching any law or standards relating to products or business practices.

There is large number of challenges in the field of green marketing which may be summed up as follows:

1. **Need for standardization of the products:** It has been observed that very loss proportionate of the marketing message from "Green" campaigns is true to requisite standard and reflect the authenticity which they claim. There is no 'yard stick' currently, from where we could certify that the product as organic.
2. **New notion :** The consumers of different rural and urban hierarchy are gradually becoming aware of the merits of green products. But it is still new notion or concept for the masses. It is therefore, become imperative to educate the people about growing menace of deteriorating environment.
3. **Long gestation period require patience perseverance :** It has been observed that the inventors and corporate need to view the environment as a long-term investment opportunity. It is because of the projects related to 'Green Marketing' have a long-gestation period. It require a lot of patience to get the desired results.
4. **Avoiding green myopia :** The first principle of green – marketing is focusing the customer benefits. i.e that is why consumers buy particular goods and services in their first priority. Is it a right approach and motivate the customers to buy particular brands or even pay a premium for a 'greener' surrogate products. If green product not economical

viable, as a result, it will reduce the market acceptability. Other challenges, associated with 'Green Marketing' are green products which require renewable and recyclable material at the cost effective. It require a modern technology which again huge cost in Research and Development.

VII. STRATEGIES TO BE EXECUTED FOR GREEN MARKETING

1. Product Differentiation : It is a paramount need to make continuous efforts which can be helpful to differentiate then products and services using green marketing practices. There is a wide range of markets which includes retailing etc. the manufactures have used eco-performance to differentiate and to compete.

2. Value positioning of consumer : The organization can design environmental products to perform as promoting and delivering the customer's desired value of environmental products and target relevant customer market segment can be proved conducive to organization to differentiate.

3. Designing of bio-degrading prone packaging : It has been observed that promotion of green products have been strongly influenced by the design making of the customers. Thus it indicates that bio-degradable packing will affect in a strong and moderate on their decision making.

4. Product strategy for green marketing : In order to promote marketing for green marketing it is an urgent need to identify customer's environmental necessities and develop the products accordingly. It includes more environmentally responsible packages which ensure that products meet or exceed the quality expectation of the consumers; so that the marketers may charge higher price with highlighting the eco-logical viability of the products.

5. Distribution strategy of green marketing : In this strategy of green marketing, it is very essential to take customer support. In this case, the location must be differentiated form the competitors. It can be achieved by promoting the in-store activities like recycling of materials to focusing the environmental and other related benefits.

6. Life cycle analysis of green marketing : Product brand is a vital aspects, which can help to formulate plans for green marketing. It is a best tool for performing life cycle analysis complex assessment which can make available the vital statistics on social, environmental and economic impact of products through the supply chain production process and after the purchase. Life cycle analysis can inform a brand requirement to go before it claims to be sustainable.

VIII. RESEARCH METHODOLOGY

One of the biggest problems with the green marketing area is that there has been little attempt to academically examine environmental or green marketing. While some literature

does exist, it comes from divergent perspectives. This paper attempts to throw light on the conceptual issues associated with green marketing. The present study is exploratory in nature to provide a clear guidance for empirical research. It is also descriptive where the focus is on fact finding investigation with adequate interpretation. For this purpose secondary data were collected. The secondary data were collected through newspapers, magazines, books, journals, conference proceedings, Government reports and websites.

IX. CONCLUSION

Now this is the right time to select —Green Marketing globally. It will come with drastic change in the world of business if all nations will make strict roles because green marketing is essential to save world from pollution. From the business point of view because a clever marketer is one who not only convinces the consumer, but also involves the consumer in marketing his product. Green marketing should not be considered as just one more approach to marketing, but has to be pursued with much greater vigor, as it has an environmental and social dimension to it. Green marketing is relatively a new notion to the most of the consumers. However, the green marketing is the marketing of product that are presumed to be environmentally safe. Therefore, it become very essential to understand the dualism between green marketing and the growing price of the green product, so that the green product can be within the reach of the consumers of different hierarchy. It requires a periodic review of the 'green product', so that the products may become 'ecological viable' as well as 'economical viable' for the consumers, especially belong to middle and low income groups.

Thus an environmental committed organization may not only produce goods that have reduced their detrimental impact on the environment, they may also be able to pressure their suppliers to behave in a more environmentally "responsible" fashion. Final consumers and industrial buyers also have the ability to pressure organizations to integrate the environment into their corporate culture and thus ensure all organizations minimize the detrimental environmental impact of their activities.

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