

“Economic Growth Through Green Marketing: Challenges And Strategies”

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Abstract— This is a dynamic world. There are a large number of environmental problems all over the world those necessitate to preserve and protect the earth's natural environment and all the limited resources available. So, there is a need for the marketers and the consumers to act in a responsible way to benefit the environment. Most of them are now focusing on green products and services. Now-a-days, companies are adopting the concept of green marketing and are manufacturing green products. These types of products are less harmful to the environment. Consumers are also playing a very important role by using green products and reducing the environmental problems. This paper includes the concept of green marketing with some challenges, which are facing this world. This paper also covers some of the strategies which can be used to improve its importance so that most of the environment problems can be reduced. Secondary data has been used for this study. It includes some literature reviews in which different authors' point of views have been referred to. The paper suggests that the market for green products could be utilized more so that most of the things, which are harmful for environment, can be avoided.

Keywords— Green Product, Green Marketing, Environmental Protection, Eco-friendly.

I. INTRODUCTION

Now-a-days, green marketing is becoming very popular as customers are willing to pay a lot for green products. Green products are also being seen as the promotion of environmentally safe or beneficial products. This was the year of late 1980s and early 1990s when concept of green marketing came into existence. It was started in Europe when certain products were found to be harmful to the environment and society. Just because of these harmful effects, new types of products were produced, called “Green Products”. These products would cause less damage to the environment. Green marketing is the marketing of products that are supposed to be environmentally safe. It contains a high range of activities including product modification, modifications in advertising, packaging and changes to the manufacturing process. The evolution of green marketing can be divided into three phases. First phase was termed as “Ecological Green Marketing”, which was considered to solve the environment problems through remedies. Second phase was “Environmental Green Marketing” which

focused on clean technology that involved designing of new innovative products, where the pollution and waste issues were properly taken care of. Third phase was “Sustainable Green Marketing”, where it became essential for companies to produce environment friendly products because the awareness for such products was grown so much that the customers started demanding eco-friendly products and technologies. Green marketing is in itself a very wide concept; it also includes sustainable development with customer satisfaction as well as the concept of environmental safety.

II. REVIEW OF LITERATURE

Different authors, whether they belongs to India or foreign, have different opinions about the concept of green marketing. Here in this section, some of their views are:

Polonsky, M. J. (2011), has presented the Impediments and Opportunities of Transformative Green Marketing. He takes up various challenges to the promotion of Green Marketing and suggested the different strategies to address the potential impediments.

Amitabha Ghosh (2008) has examined the strategies that are used in Green Marketing. Ghosh highlights the history, growth and challenges of Green Marketing in India and abroad. He also mentions some of the innovative techniques of regulation on corporate environmental planning at various levels.

Narayan Lakshmi Vermuri (2008) has covered his views on ‘Green Marketing as ‘its new hopes and challenges in the present scenario. The author has tried to establish the ‘cause-effect relationships’ of ‘Green Marketing’ at a global level. He has also examined the concept of ‘Marketing Mix’ in ‘Green Marketing’. The author has attached ‘Green Marketing’ with opportunity, social responsibility, government pressure and competitive pressure. He has mentioned some of the problematic areas of ‘Green Marketing’ also.

Suresh K. (2006) has discussed the conceptual framework of Green Marketing. He has covered green market, green product design, supplier environmental management, green food claims, the Indian scenario

of green marketing, attitudinal and behavioural analysis of Indian consumers of green marketing and other related topics.

Driessen (2005), in his research concluded that in order to maintain a competitive advantage, an optimum level of greenness needs to be identified between innovation performance and greenness, thus avoiding merely capturing the niche green market. So, if the market for environmentally sustainable products is to become main stream, it is important to look at which factors influence the consumer's selection process.

Aseem Prakash (2002) has tried to co-relate the concept of 'Green Marketing' with public policy and managerial strategy to get some of desired results of 'Ecological Viability' at the 'cost-effective' rates of 'eco-friendly' products. He discussed the 'Green-Marketing' as 'Supreme 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 careful understanding of public policy processes.

Martin Charter and Michal Jay Polonsky (1999) have put forwarded the analytical view point on the 'Global perspective' on 'Green marketing practices' in the changing scenario. They have mentioned some of feasible points which operate behind the process of 'Green Marketing' in the present dynamic scenario.

Porter, M.E., Vander Linde (1995) have highlighted the competitive features of green marketing of various products in the world. He also mentioned some of the limitations of green marketing of various products and services in the world market.

Ottman, J.A. (1993) has made an analytical study on Green marketing. It includes major challenges which are faced by the green marketing. It also covers the internal and external opportunities which could be helpful to accelerate the expansion of green marketing.

III. OBJECTIVES OF STUDY

Here are the two main objectives of this study:

- A. *To know about the different challenges faced by marketers relating the concept of green marketing.*
- B. *To know about the different strategies adopted by marketers for awareness of green products in green marketing.*

IV. RESEARCH METHODOLOGY

This research paper involves theoretical study in Green Marketing. The secondary data, used for this study, has been collected from the different books on green marketing, magazines, websites and research papers. The study has referred the data from different types of reviews, previously done researches on the same subject matter of Green Marketing.

V. CONCEPT OF GREEN MARKETING

Green marketing is not a new concept. It came into existence in late 1980s. The concept of Corporate Social Responsibility started with an ice cream seller Ben and Jerry, where the financial report was supplemented by a greater view on the company's environmental impact. In the year 1987, a document was prepared by the World Commission on Environment and Development as a guideline for meeting the needs of the present without compromising the ability of future generations to meet their own needs. This became as Brundtland Report and was another step towards widespread thinking on sustainability in everyday activities. These two were the milestones in this field and green marketing came in the form of published books.

'Green' means 'purity' that indicates pure in quality and fair in dealing. Green marketing is the marketing of products that are supposed to be environmentally safe. Green marketing includes a variety of activities like sustainable packaging, modifying advertising, advanced production process etc. that are concerned with protection of ecological environment. Green marketing covers all types of marketing products and services which are based on environmental factors or awareness. If any company is using concept of green marketing then they seek to go beyond traditional marketing, by promoting environmental values in hope that consumers will associate these values with this company and its brands. Thus, green marketing is a marketing philosophy that gives production and selling of eco-friendly products that create a balance between environment and production. According to American Marketing Association, "Green Marketing is the marketing of products that are presumed to be environmentally safe". There are some similar terms which can be used for green marketing like Environmental Marketing and Ecological Marketing.

VI. GREEN PRODUCTS/SERVICES

The BLS definition of green goods and services includes jobs in businesses that produce goods and provide services that benefit the environment or protect natural resources. These goods and services are sold to consumers and include research & development and maintenance services. The products which are manufactured through green technology and do not be the reason for environmental hazards are called green products. There must be some features in green products or services such as:

- Products must be produced from recycled materials.
- Products must be recyclable.
- Products must be with natural ingredients.
- Products must contain non-toxic chemicals.
- Products must be biodegradable.
- Products must not pollute the environment.
- Products must be eco-friendly.

- Products must not be tested on the animals.
- Products must not be harmful.
- Products must have eco-friendly packaging, like packaging should be reusable.

There are many products or services covered under green marketing. Some examples of green marketing in India are Digital Tickets by Indian Railways, No Polythene Carry Bags for Free of Cost, Green IT Projects: State Bank of India, Wipro Green IT, Tata's New Mantra, Lead-Free Paints from Kansai Nerolac, Organic Farming, Friendly Packaging, Paperless Office etc.

VII. CHALLENGES IN GREEN MARKETING

The main challenge for the world is to maintain ecological balance. There must be a good strength of organizations which would like to turn green, as an increasing number of consumers want to associate themselves with environment-friendly products. To ensure consumer confidence, marketers of green products need to be much more transparent and try to produce such things which are eco-friendly and also can satisfy the customer needs. Green marketing is an initiative towards environment protection but still there are a number of challenges in the field of green marketing which are as follows:

A. *New Concept*

All consumers of rural and urban hierarchy are gradually becoming aware of the advantages of green products, but still it is new concept for the masses. It has therefore, become very essential to educate the people about growing danger of deteriorating environment. The new green movements and advocacy programmes are required to reach the masses and that will be a time consuming process. Indian Ayurvedic Heritage can help to boost up the green marketing for beauty products by giving natural and herbal products. Indian consumers have an extensive exposure to healthy living life style such as yoga and habits of taking natural food that can be helpful to make out the concept of green marketing more common.

B. *Need for Standardization*

This has been observed that a very small proportion of the marketing messages (approximately 5%) from "Green" campaigns are true and also they lack standardization and reflect no authenticity which they claim. There are not many authentic ways of measuring and certifying that a product is organic. There must be a standard quality control board to be in place for such labelling and licensing.

C. *Patience and Perseverance*

To achieve success in any field, patience and perseverance are two important factors. It has been observed that the investors and corporate sector need to consider the environment as a long-term investment

opportunity. As it is a new concept and it has its own acceptance developing period, so time should be given for the acceptance of the projects related to 'Green Marketing'. It requires a lot of patience and also a solid determination to get the desired results.

D. *Avoiding Green Myopia*

Green marketing must satisfy two objectives, first to improve environmental quality and another one is to satisfy the customers. Misjudging the former at the expense of the later is called green marketing myopia. The primary rule of green marketing is to have a focus on the customer benefits i.e. why consumers buy particular goods and services as their first priority. It is a right approach to motivate the customers to buy particular brands and even to pay a premium for green products. A product, if produced eco-friendly but not meeting the needs of the potential consumers, is of no use. Also, if green products are not economically viable, then as a result, they will not achieve the market acceptability. Other challenges associated with 'Green Marketing' are the requirements of renewable and recyclable material to be made such products cost-effective, need of modern technology which again involves huge cost of Research and Development. In order to include the 'Concept of Green Marketing' in to the market, it requires a systematic advocacy and campaigning programs, so that the people may be ready to pay a premium for green products.

E. *Strategies for Green Marketing*

Strategy is a plan of action designed to achieve a long term or overall aim. As consumer becomes more environmentally conscious; so for attracting them all businesses must adopt a green strategy. Companies must follow the concept of "go green". In order to expand the market of green products, there are some of the strategies which can be conducive to boost up the market of the green products. Those strategies can be implemented as follows:

1) *Product Differentiation*: Product differentiation is a process of distinguishing a product or service from others. It includes differentiating from competitor's product as well as from firm's own product. There is a paramount need to make continuous efforts, which can be helpful to differentiate products and services using green marketing practices. There is a wide range of markets in which the manufactures have used eco-performance to differentiate and to compete. It has been observed that the product with poor eco-performance can become target for new substitution. This will result into a great competition.

2) *Value Positioning of Customers*: A value position is a business or marketing statement that a company uses to summarize that why a person should buy a product or use a service. An organization can design environmental products to perform as promoting and delivering the customers' desired value

of environmental products and target relevant customer market segment that can be proved conducive to organization to differentiate.

3) *Designing of Eco-Friendly Packaging:* Eco-friendly packaging is not an optional feature. It is increasingly getting a mandate just because of corporate standards, consumers' tastes and government policies. Promotion of green products has been strongly influenced by the design making of the customers. Thus, it indicates that bio-degradable/eco-friendly packaging will affect, in a strong way, their decision making. Moreover, now no polythene carry bags are given free of cost. Forest and Environmental Ministry of India has ordered to retail outlets like Big Bazaar, D-Mart etc., not to provide polythene carry bags to customers without paying.

4) *Public Announcement/Declaration:* This is a very simple type of green marketing by using, public announcements through press releases or like, that the business will pursue green policies. The declaration must include details about the specific changes the business will make and in what timeframe; this will help a lot to the customers.

5) *E-Newsletters:* Now-a-days, it is very common to offer monthly/quarterly newsletters to their customers by different businesses. Normally, businesses/companies uses papers and also bear printing expenses but they can reduce this cost by shifting equal or greater level of contents over to e-newsletters.

6) *Use of Electric/Hybrid Vehicles:* Most of the small business owners often serve as the most visible representative of the business itself. If a small business owner tries to rebrand the business as green by producing green products but drives a fuel inefficient truck or other vehicles which create pollution; the green marketing efforts seems deceptive. Switching over to an electronic/hybrid vehicle serves as another visible reminder that the business is adopting a green policy, as there will not be air pollution.

VIII. SUGGESTIONS

Here are some suggestions, through which economy can grow by using green marketing concept.

There must be eco-friendly selling, and for this, having a product or service selling technique that uses less energy or produces less waste than a traditional method is a great differentiator.

Company's brands must be used with variety of logos and insignias that represent green. These can also be displayed on company's website, advertising, business cards etc. A good example of such a logo may be Recycling Arrow.

For an environment conscious business, recycled papers must be used for marketing brochures, flyers or business cards. It is an easy way to conserve

resources.

Online marketing or e-marketing must be used because it is much more environment friendly than offline marketing like direct mail or printed advertising even if it costs less.

Hybrid/Electric/FlexFuel vehicles must be used by manufacturers/producers for delivery of goods. By using these types of vehicles one can not only reduce gas expenses but also it shows that the concerned business is eco-friendly.

For promoting the business products, companies may use local vendors so that gas consumption and carbon emissions can be minimized. Moreover, it will be very beneficial in case of food industry so that fresh food can be delivered.

IX. CONCLUSION

Green marketing is not a very new concept. It can be considered in three ways i.e. in retailing form, in social form and in environmentally safe form. For the concept of Green marketing, economic aspect can't also be neglected. We can conclude that still a lot of research can be done on green marketing to fully explore its potential. Green Marketing constitutes some of the challenges which require innovative technology so that the 'green products/services' can fetch wider market at domestic and international levels for the growth of our economy. When companies adopt green marketing activities/strategies, they should ensure that the economic aspect of marketing is not neglected. Thorough understanding of the implications of green marketing activities and strategies must be undertaken by the companies so as to ensure that they achieve competitive advantage in the markets. The companies must keep in mind that the consumers are very much concerned about the environmental issues cropping up in the country and they are willing to pay a premium price for the "green products". Thus, companies must try to produce such types of products which are eco-friendly and helpful for the growth of economy.

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