



## **A paper on study of Green Marketing - Indian scenario**

### **Abstract**

*Green Marketing is a phenomenon that has developed particular importance in modern market. The concept enable re-marketing and packing of existing products, which already adhere to such guidelines. It also open door of opportunity for firms / companies to co-brand their product with separate lines. Green Marketing must satisfy two objectives (1) Improved environment quality and (2) Customer Satisfaction. "Greener" products defined as having a light impact on the planet then alternatives. Green products save energy, conserve resources, reduce emissions and are biodegradable or recyclable. Green Marketing viewed as one of the most academic subject since its conception. Consumers growing interest in green products, increased awareness and willingness to pay for green products.*

*This paper will try (1) to introduce the term Green Marketing and evaluation Green Marketing (2) briefly discuss benefits and challenges of Green Marketing (3) reasons why the companies are adopting Green Marketing (4) specify rules in Green Marketing and (5) mention measures to promote Green Marketing.*

**Keywords:** *Environmentally safe, Eco-friendly, Green, Green Marketing, Green Product.*

### **Introduction**

Green Marketing affects all area of our economy. It not only lead environment protection but it also create new market and job opportunities. The term Green Marketing got noticed in between 1980's and 1990's. AMA held the first workshop on ecological marketing in 1975. As per AMA Green Marketing is the marketing of products that are presumed to be environmentally safe. Green Marketing includes large range of activities including modification of product, changes in production process, changes in packaging and modifying advertising. Consumers are motivated to buy from companies that are eco-friendly in production. When a Green logo is display on their products that shows their product and their services are different from crowd and these gives them competitive edge. Unfortunately a majority of people believe that Green Marketing refers only to the promotion or advertising of product with environmental characteristics and most often associate with Green Marketing. In general Green Marketing is a much broader concept that can be applied to consumer goods, industrial goods and even services.

### **Green Marketing - evolution**

Over a period of time Green Marketing came into existence called evolution. This evolution has three different phases. First is termed as ecological Green Marketing. Under this phase all marketing activities are focused to help environmental problems and give solution for that. Second phase is environmental Green Marketing and focused on clear technology that include designing of innovative new product that take care of pollution and waste issue. Third phase is sustainable Green Marketing and as discussed in introduction it came into notice in between 1980's and 1990's.

### **Characteristics of Green Product**

Green product are those products which are manufacture through green technology and that cause no environmental hazard. Characteristics of Green Products are as below

- Original grown products.
- Recyclable, Reusable and bio-degradable products
- Natural ingredients products.
- Non-toxic chemical products
- Approved chemical content products.

- Products which do not pollute environment.
- Product which will not be tested on animals.
- Eco-friendly packaging.

### **Benefits of Green Marketing**

- Companies developed new or improved product or services with concept of green marketing give themselves entry in the new market.
- Increased profit sustainability.
- Enjoy competitive advantage
- Ensure sustain long term growth.
- Save money in long run
- Employee also feels honor and proud working for company concerned with green concept.
- Helps marketing of product keeping green concern in mind.

### **Challenges in Green Marketing**

1. Need for standardization  
There is not standardization to know / identify and certify a product as green. There should be a regulatory body to provide certificate as a green.
2. New concept  
In India the concept is getting awareness in cities and in literate consumers, but still new concept for mass. This new green concept should reach to many as Indian consumers are already aware and appreciate using natural and healthy products.
3. Government regulation  
Government regulation is designed to give consumers the opportunity to make better decision. But there is a difficulty in establishing policies that address all environmental issues.
4. Competitive Pressure  
Competitive pressure can cause all "followers" to make the same mistake as the "leader". Blindly following competitions can have costly ramifications.
5. Patience  
Investor and company should look Green Marketing as a long term investment opportunity. Marketer should look at the long term benefit from this green concept. It requires a lot of patience and no immediate result.
6. Costly affair  
Green marketing encourages green product, services, green technology, and green energy. To do so lots of money has to spend thus adopting Green Marketing initially will become a costly affair.
7. Customers inability to pay higher prices  
Many customers may not be ready to pay more prices for green product which will affect on sale of the company.

### **Reasons for companies' adopting Green Marketing**

Worldwide and also in India concept of Green Marketing is accepted by the companies. Reasons for acceptance are as follows

1. Opportunities  
As acceptance and awareness increases among customers for green product. Many firms see this change as an opportunity to exploit and have a competitive edge.
2. Government pressure  
Government wants to protect consumers and society with environmental issues. Government has to develop legislation to reduce the production of harmful goods and by-product. This reduces industry's production and consumer's consumption of harmful products. Government regulations pressurizes firm to adopt Green Marketing Concept.
3. Competitive Pressure  
Firm/Company desire to maintain their competitive position over competitive company or product by producing and marketing green product to capture market share.
4. Social responsibility

Many companies have begun to realize that they are members of the society and must behave in an environmentally responsible manner. This combines companies' profit related objective with achievement of environmental objectives.

5. Cost or Profit issue

Disposing of environmentally by-product is becoming increasingly costly and sometimes difficult. Therefore reducing harmful waste may incur cost saving. By minimizing waste company has to re-examine their production process. In this case they often develop more effective production process, which not only reduce waste but also reduce the need for raw material. Sometimes firms try to find market or uses for their waste material.

### **Green Marketing Rules**

1. Know your customer

Company / Firm should ensure that consumer should aware of and concerned the issue that product attempts to address.

2. Educate Customer

Educate customer why and what you are doing to protect the environment.

3. Be genuine and transparent

Do what you claim in your Green Marketing campaign. Rest your business policies should consistent with whatever you do that should be environment friendly.

4. Reassure the buyer

Company should provide assurance to the buyer by changing or adopting concept of green product. The performance of product will not be changed.

5. Consider Pricing

Company should consider whether their customers ability to pay for higher quality ingredients or not. Make sure those customer can afford premium.

6. Give customer an opportunity to participate

Personalize the benefits of environment friendly action, normally through letting customer take part in positive environment action.

### **Measures to promote Green Marketing**

1. The Government should provide subsidies and support the companies who are producing and promoting green product and green concept.

2. Financial support / subsidy / assistance should be provided to companies who manufacture and market green product.

3. As Green Marketing is a costly affair, there should be a tax incentives or tax holiday for small and medium scale companies.

4. Social advertising should be done on a big scale to promote consumption of green product and support environment friendly practice.

5. Eco labeling should be done to make awareness among companies and consumers.

6. Award, prize, recognition etc. should be given to companies who adopt and promote Green Marketing concept. This will motivate others to adopt it.

### **Conclusion**

From above we can conclude that Green Marketing is not an easy concept. Adopting Green Marketing may not be easy in short time but has a positive impact in long run. Government and social organization may force all companies to adopt Green Marketing for better development. Customer also will be ready to pay little higher for Green Product. A clever marketer will involve customers for marketing of Green Product. Green Marketing should not be considered as one more approach to marketing. Companies adopting Green Marketing will get constant support from government, share holders, consumers, society as all parties are benefited through Green Marketing.

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