



Green Marketing: Trends and Practices

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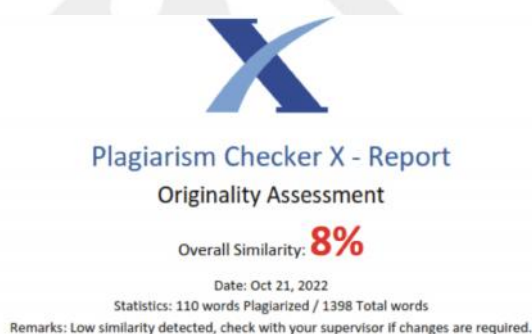
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ABSTRACT

Green marketing has gained importance in business as well as public life throughout the world. It is not like that a few leaders of different countries or few big well known business houses are concerned about the gradual worsening of atmosphere but every common citizen of world is concerned about this common threat to mother earth. So green marketing practices gaining popularity day by day among marketers. They are now striving for providing products and services which are not only fit to use but also fulfils sustainability objectives. Customers are also welcoming such products and services which commit to save environment from harmful process, wastages and pollutants. It is now becoming a trend among business organizations simultaneously creating a competition also. They are correlating each product, service and process with conservation of environment. Ultimately the Mother Nature and customers both are getting benefit out of it.

KEY WORDS

Environmentally Friendly, Sustainable Development, Green Marketing.

INTRODUCTION

As per Pride and Ferrell (1993) Green marketing is "An organization's practices to design, price and distribution of products which doesn't harm the environment." According to Peattie (2001) the emergence of green marketing has three phases, first phase was termed as Ecological green marketing, second phase was termed as Environmental green marketing and

third phase was termed as Sustainable green marketing. As per M.J. Polonsky (1994) “Activities which cause minimal detrimental inputs on national environment during exchange of goods and services to satisfy human needs is green marketing.” The common goal behind green marketing is to reduce negative impact on nature, to gain strategic advantage, improve credibility, making a room for innovations, to ensure growth for long term, to earn high revenues, to reduce dependency on non-renewable energy resources and to build a positive image.

Adoption of Green Marketing

There are basically five reasons for which a marketer should adopt green marketing, they are following:

- Opportunities or competitive advantage.
- Corporate social responsibility (CSR).
- Government pressure.
- Competitive pressure.
- Cost and profit issues.

Green Marketing Mix - 4P's

1. **Green Product:** The products that are made by using green technology in the manufacturing process and are environmentally friendly after being used or consumed are named as green products. Features of green products are:
 - a) Products which use eco-friendly raw material.
 - b) Products which are less toxic.
 - c) Products which can be reused are biodegradable and recyclable.
 - d) Products that use approved chemicals.
 - e) Products not tested on animals.
 - f) Products that are packed in eco-friendly materials, i.e. reusable, refillable containers etc.
 - g) Products that conserve the environment.
2. **Price:** The major characteristic of the green marketing mix is price. Consumers will agree to pay premium price for the green product only if they understand the entire product value. Product value means the overall improvement of the product, such as colour, taste, quality and function etc. Before charging a higher price, green marketing firms should focus on these aspects carefully. With extensive research and development they have to work upon cutting the cost so prices can be lowered.
3. **Place:** The environment where the sale of green products takes place can become an example for other by positive outcomes. Production, consumption and disposal of such products and services will lead to cleaner and safer environment. Not many customers are willing to go beyond the common norms to buy green products with higher price but when they experience the surrounding and understand the relevance they will surely accept this. If an effort is made to make the environment more eco-friendly and natural then customers will join this to become a responsible citizen of nation.
4. **Promotion:** Green marketing promotion involves combining different elements of promotion such as, marketing materials, advertising, web sites, videos, social media etc. by taking into account, people, planet and profit. In other words, the communication with the market should lay stress on the environmental aspect by focusing upon benefits of green products to customer and to the environment at the same promotional campaign. Multinational Companies claiming that their products, services and packaging are organic, eco-friendly, less toxic, recyclable,

biodegradable or sustainable. They are talking about pollution, carbon emission, global warming, and deforestation in advertisement to attract more customers. For promotion companies are using eco-friendly or recycled paper, seeking official certifications regarding sustainability along with doing more digital marketing.

Global Scenario

Globally, Green Marketing has been an established practice, especially in developed countries like the US. This is due to the higher consumer willingness to adopt sustainable products. As per Hubspot (An American CRM Software Developer) globally about 49% of consumers are ready to pay a premium price for green products. The sustainability market which promise cleaner and safer products of US is worth \$150 million. Many companies are initiating green practices due to the huge market potential and regulatory pressures. It acts as a goodwill builder for them also because they promote each activity in the favour of environment. Global giants such as Apple, Starbucks, IKEA, Honda, Disney, Patagonia, Johnson & Johnson, Google and Tesla motors etc. using such process which are eco-friendly and energy saving. They are now more depends upon renewable energy which least harmful to the environment and that attracts customers.

Green Marketing in India

Apart from traditional CSR practices of making surrounding cleaner and empowering the locality now many Indian companies are working on promotion of eco-friendly practices and initiating green marketing too. Home appliances brands like LG, Samsung, Haier, etc. have been producing environment friendly products and energy-saving technologies. IT Majors Infosys, HCL, Wipro and TCS have been continuously working on eco-sustainability through various business practices. Tata power, Suzlon, Adani Power and Renew Power are leaders in the energy sector with upcoming renewable energy plans. Many organizations are getting central and state Government benefits such as subsidies, tax rebates and basic infrastructure too in the process of accepting green marketing practices. For the betterment of nature and to reduce non-biodegradable wastages through a notification the Government of India has put a ban on single-use plastic from July 2022 onwards. This includes the making, stocking, import, distribution, sale and use of single-use plastic, including polystyrene.

Challenges Ahead

Business organizations have to face so many challenges in order to implement green marketing practices. It's not easy for all. Some problem causing challenges are following:

1. **Responsibility:** Once an organization claims to be a green marketing practitioner it has to work carefully. If it found guilty of any anti-environmental activity will lead to huge loss of revenue and goodwill. Many legal actions will also be taken in that condition.
2. **High Cost:** It's obvious when organizations use innovative ways of producing, packaging, promoting and distributing eco-friendly products the cost structure will be higher than traditional ways. So they have to take effective measures to cut down such cost without compromising with committed quality.
3. **Competition:** In this global trend of green marketing competition is very high. To become leader business organizations have to focus upon their research and development ability otherwise they will be trailed behind. It's a capital intensive and technology driven competition.
4. **Government Pressure:** Government is continuously changing the environmental laws and regulations. To match up with such laws and regulation is becoming big problem among domestic and international business organizations. Common business operations and products can become illegal or anti-environmental when changes taking place in legal environment. Government is becoming very strict regarding manufacturing related pollution, waste disposal and land reforms.

CONCLUSION

Green marketing can act as a mean for conserving the environment for future generations, but its implementations is not as easy as it seems. Firms need to carry out proper planning and research to assess its feasibility in the market. Adopting green marketing might be difficult initially but its long term effect would surely have a favourable impact on the firm. We should not consider green marketing as yet another approach to marketing but its implementation should be much more vigour as it involves the environmental and social aspect also. Because the danger of global warming is getting worse day by day, it is imperative instead of becoming an exception; green marketing should become a norm.

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