



GREEN MARKETING IN DEVELOPING INDIA - EMERGING IMPACT & CHALLENGES

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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. Environmental pollution is a vital role in today business environment. Consumers are also aware of the environmental issue 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 . Additionally, the development of green marketing has opened the door of impact for industries to co-brand their products into separate lines. lauding the green – friendless of some while ignoring that others. Such marketing techniques will be explain as a direct result of movement in the minds of the consumer market. As a result of this business have increase their rate of targeting consumers who are concerned about the environment. These same consumers through their concern are interested in integrating environmental issues In to their purchasing decisions. Through their incorporation in to the process and content of the marketing strategy for whatever product may be required..

This paper discuss how business have increased their rate of targeting green consumers those who are concerned about the environment and allow it to affect their purchasing decisions. The paper identified the three segments of green consumers and explores challenges and impact business have with green marketing. The paper also examines the present trends of green marketing in India and describes the reason why companies are adopting it and future , suggestion and concludes that green marketing is something that will continuously grow in both practice and demand.

Key Words-Green Products, Recyclable Environmental Soft Life, Eco -Friendly, Impact In Green Marketing.

1. Introduction

Green marketing is the most latest and popular trend market which facilitated for the environment ,but the environmental issue have gained importance in business as well as in public life through out the world .It is not like that a few leaders of different countries as a few big renowned business houses are concerned about the day to day deterioration of oxygen level in our atmosphere but every common citizen of our country, and the world is concerned about this common threat of global warming. So in this scenario of global concern, corporate houses has taken green marketing as a part of their strategy to promote product by employing environmental claims either about their attributes or about the systems ,policies and process of the firms that manufactures a sell them.

Clearly green marketing is part and parcel of overall corporate strategy along with manipulating the traditional marketing mix (product, price, promotion and place.) . It requires as understanding of public polices, process. So we can say green marketing covers a broad range of activities.

Objective of the Study

The main thrust of the present study is to make a detailed survey of ‘GREEN MARKETING IN INDIA’ existing literature and to place an outlook on its probable effect on Indian economy.

Research Methodology

The present study is descriptive in nature. All the data for the present study are collected from the secondary sources i.e. from Research articles, Working papers, Newspapers, Magazines, Academics Books and Websites. This study is made exclusively based on the finding of existing literature i.e. of 15 research articles over a time



period ranges from 2010 to 2019. This manuscript includes studies basically related to India and the selection is made based on the availability and consistency of the data.

What is Green Marketing ?

Green marketing refers to the process of selling products and or services based on their environmental benefits. Such a product or services may be environmentally friendly in itself a produced and packaged in an environmentally friendly way. In other words it is the marketing of products by companies that promote the environment in some substantial way. “Green or Environmental Marketing consists of all activities designed to generate and facilitate any exchanges intended to satisfy human needs minimal detrimental impact on the nature environment.”

According to the American marketing Association “Green marketing is the marketing of products that are presumed to be environmentally safe. Thus green marketing incorporate a broad range of activities, including product modification, changes to the production process, packaging changes, as well as modifying activities.”

Green Marketing refers to holistic marketing concept where in the production , marketing consumption and disposal of products and services happen in a manner that is less detrimental to the environment with growing awareness about the implication of global warming , non- biodegradable solid waste, harmful impact of pollutants etc.

Environmentally responsible or ‘green’ marketing refers to the satisfaction of consumer needs wants, and desires in conjunction with preservation and conservation of the natural environment.

Objectives of green marketing.

1. To eliminate the concept of waste.
2. To reinvest the concept of the product .It means that products should be either consumables or durables .Consumables are eaten or used and durables can be used again and again.
3. To make the environment profitable by making pollution free products and products which are not harmful to the environment and people.
4. Implementation of marketing strategies.
5. Recyclable packaging of the product.
6. Security of the ecological environment.

Importance of green marketing

1. it reduces the use of plastic and plastic based product.
2. It increases the consumption of natural products and reduces the chemical products.
3. It creates a demand for herbal medicines natural therapy and yoga
4. It aware re- use of consumer and industrial products.

Who Is Green Consumer?

“Green consumers have thus arisen who prefer to use products made from recycled materials or products whose use is not detrimental to the society.”

Four P’s of Green Marketing.

1- Green Product.-

The products those are manufactured through green technology and that cause no environmental hazards are called green products. Promotion of green technology and green products is necessary for conservation of natural resources sustainable development. We can define green products by following measures.

1. Products those are originally grown.
2. Products those are recyclable , reusable and biodegradable.
3. Products with natural ingredients.
4. Products containing recycled contains, non-toxic chemical.



5. Products contents under approved chemical.
6. Products that do not harm or pollute the environment.
7. Products that will not be tested on animal.
8. Products that have eco- friendly packaging i.e. reusable refillable containers.

2) Green Pricing - Usually environmentally benefit is an added bonus but will often be the deciding factor between products of equal value and quality most customers will only be prepared to pay a premium, if there is a perception of additional product value.

3.)Green place- Green products, in most cases, positioned broadly in the market place but very few customers will go out of their way to buy green products merely for the sake of it. For this in store promotions and visually appearing displays or using re-cycled materials to emphasize the environmental and other benefits.

4.)Green Promotion -Green promotion includes paid advertising, public relations, sales promotions, direct marketing and on- site promotions, green marketers will be able to re-in force environmental credibility by using sustainable marketing and communications tools and practices.

Why do firms and industries go green ?.

Firms and industry may choose to their systems, policies and products due to economic and non- economic pressures from their consumers, business partners, regulators, citizen groups and other stakeholders (non-market environment) some other reasons may includes-

1. Some scholars claim that Green policies, products, are profitable. Green policies can reduce costs, Green firms and industries can shape future regulation and reap first mover advantages.
2. Now a day's firms and industries are becoming more concerned about their social responsibilities (S R). They have taken(S R) as a good strategy move to build up an image in the heart of consumers. Even social responsible firms and industries are getting leverage. Whenever they intend to enter foreign countries. They are example of firms like ITC, HALL, (surf excel) who are heavily promoting them as an environmentally concerned firms and industries. Whereas there is example of firms and industries who are working in this direction in a silence manner like coca-cola, who have invested cores of money in various recycling activities, as well as having modified their packaging to minimize its environmental impact. While being concerned about the environment coke has not use their concern as a marketing tool. Another big organization who is also working in this field without claiming any credit is Walt Disney World (WDW). so we can see that firms and industries in this situation have taken two perspectives.
A-They are using green marketing as marketing tool.
B-They are working in this field without promoting the fact.
3. **Change in customers attitude** - with increasing concern about environment, customers attitude towards firms having green policies or green products are becoming motivating factor.
4. **Governmental pressure-** In all most all civilized countries Govt., has the law to protect the consumers and the environment from the harmful goods or by products and ensure through law that all type of consumers have the ability to evaluate the environmental composition of goods. Govt. establish the several regulations to control the hazardous waste produced by firms and many by- products of production are control through the issuing of various environmental licenses. Thus hoping the behavior of organization towards more socially responsible one.
5. **Competitive pressure** - Competition is the integral part of business, and you cannot over look any competitive action taken by your competitor, so to be in the market you have to have vigil over your competitors move for making its products. some firms and industries have green –marketing as a strategy to build up its image rather than inculcate it as a part of the policy and work silence, in some instance this competitive pressure has caused an entire industries to modify and thus reduce its detrimental environmental behavior.



6. **Cost or profit issue** - firms and industries may also use green marketing in an attempt to address cost or profit related issues. Disposing of environmentally harmful by products, such as polychlorinated biphenyl (PCB) contaminated are becoming increasingly costly and in some cases difficult. Therefore firms and industries that can reduce harmful wastes may incur substantial cost savings. When attempting to minimize waste, firms are often forced to re-examine their production process. In these cases they often develop more effective production processes that not only reduce waste, but also reduce the need for some raw materials. One Australian example of this is a firm who produces acidic waste water as a byproduct of production and sells it to firms and industries involved in neutralizing materials.

Emerging Impact of Green Marketing.

A number of factors have caused business firms to behave more responsibly towards the natural environment, perhaps foremost among these is the possibility of capitalizing on opportunities from the sale of environmental services and / or “earth friendly” products. Environmental awareness has increased dramatically, particularly since the organized environmental movement emerged in the late 1960s. It can witness the following emerging impact of green marketing.

1. Now, people are insisting on pure products- edible items, fruits and vegetables based on organic farming, The number of people seeking vegetarian food is on the rise.
2. Reducing use of plastics and plastic-based products.
3. Increased consumption of herbal products instead of processed products.
4. Recommending use of jute and cloth bags instead of plastic carrying bags.
5. Increasing use of bio-fertilizers (made of agro-waste and wormy-compost) instead of chemical fertilizers (i.e. organic farming) and minimum use of pesticides.
6. Worldwide efforts to recycle wastes of consumer and industrial products.
7. Increase use of herbal medicines, natural therapy, and yoga.
8. Strict provisions to protect forests, flora and fauna, protection of the rivers, lakes and seas from pollution.
9. Global restriction on production and use of harmful weapons, atomic tests, etc. Various organizations of several countries have formulated provisions for protecting ecological balances.
10. More emphasis on social and environmental accountability of producers.
11. Stricter legal provisions for restricting duplication or adulteration.
12. Establishing several national and international agencies to monitor efforts and activities of business firms in relation to pollution control and eco-friendly products.

5- Green Marketing Challenges

Although a large number of firms are practicing green marketing, it is not an easy job as there are a number of problems which need to be addressed while implementing Green marketing. The major challenges to green marketing which have to be faced are³⁹

1. **New concept**-Indian literate and urban consumer is getting more aware about the merits of Green products, But it is still a new concept for the masses. The consumer needs to be educated and made aware of the environmental threats. The new green movements need to reach the masses and that will take a lot of time and effort⁴⁰.
2. **Cost factors**-Green marketing involves marketing of green products / services, green technology, green power/ energy for which a lot of money has to be spent on R&D programmes for their development and subsequent promotional program which ultimately may lead to increased cost.⁴¹
3. **Convincing customer.** The customers may not believe in the firm's strategy of Green marketing, therefore the firm should ensure that they undertake all possible measures to convince the customer about their green product. The best possible option is by implementing Eco-labeling schemes. Eco-labeling schemes offer their approval to environmentally less harmful products. In fact the first Eco-



labeling program was initiated by Germany in 1978 . sometimes the customer s may also not be willing to pay the extra price for the products ⁴²

4. **Non- co- operation.** The firms practicing Green marketing have to strive hard in convincing the stake holders and money a times it may be to convince them about the long term benefits of green marketing as compared to short- term expenses.⁴³
5. **Avoiding green myopia.**The first rule of green marketing is focusing on customer benefits, ie.the primary reason why consumers by certain products in the first place. It is not going to help if aproduct is developed which is absolutely green in various aspects but does not pass the customer satisfaction criteria. This will lead to green myopia. Also if the green products are priced very high then again it willloss its market acceptability.

6. Golden Rules Of Green Marketing

1. **Know the Customer :** Make sure that the consumer is aware of and concerned about the issues that your product attempts to address, (Whirlpool learned the hard way that consumer s would not pay a premium for a CFC, Free
2. **Reassure the buyer.** Consumer must be made to believe that the product. Performs the job its supposed to do they won't forgo product quality in the name of the environment.
3. **Consider the pricing ;** If a firm is charging premium for the product- and many environmentally preferable product s cost more due to economics of scale and use of higher quality ingredients the firms and industries has to make sure that those consumers can afford the premium and feel it's worth it.
4. **Leading should recognize that consumer expectations have changed brand s ,**
It is not enough for a company to green its products , consumers expect the product that they purse pocket friendly and also to help reduce the environmental impact in their own lives too.
5. **Educating customers.**It is not just a mate of letting people know what the company is doing to protect the environment , but also a matter of letting them know why it matters , Otherwise , for a significant portion of the target market, its a case of "so what"? and the green marketing campaign of the firm goes nowhere.
6. **Being genuine and Transparent;** Means that (a) the firm is actually doing what it claims to be doing in its green marketing campaign and (b) the rest of the business policies are consistent with whatever the firm is doing that 's environmentally friendly. Both these conditions have to be met for the business to establish the kind of environmental credentials that will allow a green marketing campaign to succeed.
7. **Providing customers with an opportunity to participate;** It means personalizing the benefits of the environment friendly actions , normally through letting the customer take part in positive environmental action. Xerox introduced a " high quality " recycled photocopier paper in an attempt to satisfy the demand s of firm for less environment ally harmful.

Green Marketing Cases- Some cases. Interestingly green marketing continues to be an issue of some global interest , in fact google Trends reports that of , on a relative basis, more searches for "Green marketing" originated from India than from any other countries.

<u>RANK</u>	<u>COUNTRY.</u>
1	INDIA
2	UK
3	USA
4	THILAND
5	AUSTRALIA
6	CANADA
7	CHINA

Many companies are adopting green for capturing market opportunity of green marketing come case.



CASE-1 Indians first Green stadium-Thyagaraj stadium stands tall in the quiet residential colony behind the capital's famous I N A market. It was jointly dedicated by union former sports minister M S GILL and former chief minister late Sheila Dikshit on Friday.

CASE 2-Digital tickets by Indian Railways -Recently IRCTChas allowed its customers to carry PNR no, of their E- Tickets on their laptop and mobiles. Customers do not need carry the printed version of their ticket any more.

CASE 3-No polythene carry bags for free-Forest and environmental Ministry of India has ordered to retail outlet like Big Bazar, Mores, Central, D. Mart. V .Mart.etc. that they could provide polythene carry bags to customers only if customers are ready for pay for it.

CASE 4 Best – Green IT Project; State bank of India-State bank of India, By using eco and power friendly equipment its 50,000 new A T M, the banking giants has only saved power costs and earned carbon credits, but also the right example for others to follow . S B I is also entered in to services known as “ Green channel counter’ . S B I is Providing many services like, papers less banking, no deposit slip, no withdrawal form, no check s , no money transactions for all these transaction are done through S B I shopping and ATM cards.

CASE 5 Wipro’s Green Machines, (in India only)

Wipro Infotech was India 's first company to launch environment friendly computer peripherals. For the Indian market, Wipro has launched a new range of desktops and laptops called wipro Green ware. These products are R O H S (Restriction of Hazardous Sub stances) compliant thus reducing e- waste in the environment.

CASE 6 ; Eco – Friendly Rickshaws before CWG.

The former- Chief miser late Sheila Dixit launched a battery operated rickshaw” E- rick ‘ sponsored by a cellular services provider, to promote eco- friendly.

CASE -7- Philips’s ‘ marathon’ C F L Light bulb.

Philips lighting’s first shot at marketing a standalone compact fluorescent light (C F L) bulb was each light at \$15 each versus 75 cents increase The company is re-launched the product as ‘marathon’ under scoring it’s new super long life positioning and promise of saving \$26 in energy add credibility as well as new sensitivity to rising utility costs and electricity shortages, sales climbed 12 percent I an otherwise flat market.

CASE-8 Green fuel alternatives-In the country pursuit of alternative sources of energy, Indian oil is focusing on compressed natural gas (C N G), ethanol blended petrol, bio-diesel and Hydrogen energy.

7. Present Trends in Green Marketing in India.

Organization are perceive environmental marketing as opportunity to achieve it s objectives. Firms have realized that consumers prefer products that do not harm the natural environment as also the human health. Firms marketing such green products are preferred over the others not doing so and thus develop a competitive advantage, simultaneously meeting their business objectives.

Organization believe they have a moral obligation to be more socially responsible. This is in keeping with the philosophy of CSR which has been successfully adopted by many business houses to improve their corporate image. Firms in this situation can take two approaches.

1. Use the fact that they are environmentally responsible as a marketing tool.
2. Become responsible without promoting this fact.



Government bodies are forcing firms to become more responsible, in most cases the Government forces the firm to adopt policy which protects the interest of the consumers. It does so in following way,

1. Reduce production of harmful goods or by products.
2. Modify consumer and industries use and or consumption of harmful goods.
3. Ensure that all types of consumers have the ability to evaluate the environmental composition of goods.

Competitors environmental activities pressure firms to change their environmental marketing activities. In order to get even with competitors claim to being environmentally friendly, firms change over to green marketing. Result is green marketing percolates entire industries. Cost factors, Associated with waste disposal on Reductions in material usage forces firms to modify their behaviour, with cost cutting becoming part of the strategy of the firms. It adopts green marketing in relation to these activities, it may pursue these as follows

1. A firm develops a technology for reducing waste and sell it to other firms.
2. A waste recycling or removal industry develops.

8-The Future of Green Marketing.

The question that remains, how ever is what is green marketing's future ? business scholars have views it as a 'fringe' topics given that environmentalism acceptance of limits conservation does not mesh well with marketing's traditional axioms of give customer what they want and 'sell as much as you can' Evidence indicate that successful green product have avoided green marketing myopia by following three important principles.

1. Consumer Valuepositioning.

- Design environmental products to perform as well as (or better than) alternatives.
- Promote and deliver the consumer desired value of environmental products and target relevant consumer market segments.
- Broaden mainstream appeal by bundling consumer desired value in to environmental products.

2. Celiberation Of Consumer Knowledge.

- Educate consumers with marketing messages that connect environmental attributes with desired consumer value.
- Frame environmental product attributes as 'solutions' for consumer needs.
- Create engaging and educational internet sites about environmental products desired consumer value.

3. Credibility Of Product Claim.

- Employ environmental product and consumer benefit claim that are specific and meaningful.
- Procure product endorsements or eco- certifications from trustworthy third parties and educate consumers about the meaning behind those endorsements and eco- certifications.
- Encourage consumer evangelism via consumers social and internet communication network with compelling. Interesting and entertaining information about environmental products.

Some Eco- Friendly Product Claim.

- Hand made papers Eco- wheel.
- Eco-furniture.
- Handicraft products paper bags.

MRF –has launched the ZSLK series and which is about creating eco-friendly tubeless tires. Johnson and Johnson is also environment friendly as well as body friendly too.



Suggestion

Green marketing is still in its infancy and a lot of research is to be done on green marketing to fully explore its potential. There are some suggestions that an organization should implement for catering challenges of green marketing and successful exploration of green marketing. Those are consumer needs to be made more aware about the merits of green products. It is still a new concept for the masses. The consumer needs to be made educated and made aware of the environmental threats. It should be made sure that the consumer is aware of and concerned about the issue that your product attempts to address. Green marketing campaign and green advertising is a good step towards it. Consumer must be motivated to switch brands or even pay a premium for the green alternative. Make sure that consumers feel that they can make a difference. This is called empowerment. And due to this main reason consumers will buy green products. Further steps should be taken to control false promises and claims by the marketer to maintain legitimacy and trustworthiness of green products. Consumers must believe that the product performs the job. It's supposed to do they won't forgo product quality in the name of the environment. For the effective and efficient implementation of this concept of green marketing, the factor that plays a major role is the Government, unless the Govt. creates specific and stringent laws and utilizes its authority to implement them the concept cannot be conceptualized.

10. Conclusion

Now this is the right time to select 'GREEN MARKETING' globally, it will come a drastic change in the world of business if all nations will make strict roles because green marketing is essential to save the world from pollution.

From the business point of view because a clever market 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, with the threat of Global warming looming large. It is extremely important that green marketing becomes the norm rather than an exception or just a fad. Recycling of paper, metals, plastics etc in a safe and environmentally harmless manner should become much more systematized and universal. It has to become the general norm to use energy, efficient lamps and other electric goods. Marketers also have responsibility to make consumers understand the need for and benefits of green products as compared to non-green ones. In green marketing, consumers are willing to pay more to maintain a clear and greener environment. Finally consumers, industrial buyers and suppliers need to pressurize effects on the environment – friendly Green marketing assumes even more importance and relevance in developing countries like India., live a green life and let the greenery of nature live for ever.

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