



GREEN MARKETING INITIATIVES: A CONCEPTUAL STUDY



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ABSTRACT

Environmental pollution is a buzz word in today's business environment. 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 vital importance in the modern market and has emerged as an important concept in India and also in other developing and developed countries. It is also observed as an important strategy of facilitating sustainable development. Green marketing is perceived as an opportunity by many organizations to achieve their long term goals. "Green Marketing" refers to a holistic marketing concept wherein 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 implications of global warming, non-biodegradable solid waste, harmful impact of pollutants etc. Both marketers and consumers are becoming increasingly sensitive to the need for switch in to green products and services. This paper attempts to examine the concept of green marketing, the various strategies for promoting marketing of green products, as well as study the initiatives taken by various organizations as well as by the Government in the Indian context. The paper also examines the direct and indirect pressure to the company to change their business into environment friendly.

The research paper concludes that business firms need to change their mind set from traditional marketing strategies to green marketing strategies in order to survive in the green competitive world and to have a positive impact on the environment through green marketing elements.

KEYWORDS: *Green Marketing Concept, Green Marketing Strategies, Green Marketing Initiatives.*

INTRODUCTON

Green, environmental and eco-marketing are part of the new marketing approaches which do not just refocus, adjust or enhance existing marketing thinking and practice, but seek to challenge those approaches and provide a substantially different perspective. In more detail green, environmental and eco-marketing belong to

the group of approaches which seek to address the lack of fit between marketing as it is currently practiced and the ecological and social realities of the wider marketing environment. The concept of green marketing is the business that considers consumers' concerns with regards to preservation and conservation of the natural



environment. Green marketing is identified as a part of the market segment based on the "greenness" of the consumer. According to the American Marketing Association, "green marketing is the marketing of products that are presumed to be environmentally safe." 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 sustainability. It incorporates a broad range of activities including Product modification, Changes to the production process, Packaging changes, Modifying advertising etc.

Green marketing companies seek to go beyond traditional marketing by promoting environmental core values in the hope that consumers will associate these values with their company or brand. Engaging in these sustainable activities can lead to creating a new product line that caters to a new target market. Promotional activities are aimed at taking advantage of the changing consumer attitudes towards a brand. These changes are increasingly being influenced by a firm's policies and practices that affect the quality of the environment, and reflect the level of its concern for the community.

Green marketing requires a holistic approach. A company cannot succeed simply by highlighting a green aspect of a particular product, but must demonstrate a commitment on multiple levels, such as in production processes or environmental engagement. Therefore one of the major challenges of effective green marketing is establishing credibility through a comprehensive plan. First, green marketing has to be business-wide. It does no good to advertise the green properties of a product if the company's production and distribution entirely ignore environmental concerns. Second, it has to be honest; unsubstantiated claims should be avoided. Third, it should be transparent. Consumers need information about a business to evaluate its claims and reputation; therefore, the business should promote awareness of its products' histories, including origin and manufacturing. Fourth, a product can be certified green by a third party. Some companies do self-certification; however, for that to be credible, a third party needs to be able to review and approve their certification processes.

OBJECTIVES OF THE STUDY

- To identify the key factors and strategies for successful green marketing.
- To find out the various forces for the company going to green.
- To identify the green initiatives taken by both Government and Non Government organizations

KEYS TO SUCCESSFUL GREEN MARKETING

For green marketing to be effective, one has to do three things; be genuine, educate customers, and give them an opportunity to participate.

- **Being genuine** means that: a) that the company is actually doing what it claims in its green marketing campaign and b) that the rest of its business policies are consistent with whatever it is doing that's environmentally friendly. Both these conditions have to be met for any business to establish the kind of environmental credentials that will allow a green marketing campaign to succeed.
- **Educating the customers** isn't just a matter of letting people know whatever is being done to protect the environment, but also a matter of letting them know why it matters. Otherwise, for a significant portion of the target market, it's a case of "So what?" and the green marketing campaign goes nowhere.
- **Giving the customers an opportunity to participate** means personalizing the benefits of the environmentally friendly actions, normally through letting the customer take part in positive environmental action.

GREEN MARKETING STRATEGIES

Social marketing focuses on designing and implementing programs that increase the acceptability of a social idea, cause, or practice in (a) target group(s) (Kotler, 1994). Ken Peattie (1999) defined environmental marketing in terms of customer satisfaction in a sustainable fashion which refers as 'the holistic management process responsible for identifying, anticipating, and satisfying the requirements of the consumers and society, in a profitable and sustainable way'. It implies that organizations (governments, businesses and nonprofit organisations) need to determine the needs of target markets and to deliver the desired satisfactions in a way that enhances the consumers and the society's well being. Green marketing involves focusing on promoting the consumption of green products. Therefore, it becomes the responsibility of the companies to adopt creativity and insight, and be committed to the development of environment-friendly products. This will help the society in the long run. Companies which embark on green marketing should adopt the following principles in their path towards "greenness."

1. Environmental management:-

- Manage 'greening' strategically. Start by developing a vision and a policy. Gain support at the highest levels, and ensure that it is demonstrated through action and money, not just talk.
- Keep it integrated. Build co-operation across departments, and involve people from all levels of the company. Formal 'green teams' are increasingly popular.
- Develop a strategy that encompasses all the stakeholders of the company.
- Demonstrate market leadership. Educate customers about the environment, and make sure that internal operations are managed proactively, not in reaction to regulations. Design products and processes that incorporate environmental responsibility, and carry out cost-benefit analysis using cradle-to-grave, life-cycle costing.

2. Product strategies:-

- Explore all possible ways in which the product can be environmentally improved. Examine the environmental benefits of each alternative, as well as the cost and practicality. Set priorities. Typically, measures can be identified that save money or are cost-neutral.
- Prepare a phased plan of environmental improvements to accomplish over time. Estimate the likely timing and content of competitors' responses, and be ready to offer additional improvements to maintain leadership. Incorporate specific estimates of the tasks and time required to effect each planned improvement.
- Ensure that the products meet or exceed the quality expectations of customers. Durability generally enhances environmental performance.
- Thoroughly test products under consumer-use conditions.

3. Marketing and communications:-

- Research the environmental attitudes and purchasing criteria of the customers.
- Pursue alliances with other companies, environmental groups and research organizations.
- Combine public relations and other marketing initiatives with traditional advertising.
- Communicate through sources that people trust.

- Treat environmentally-conscious consumers with respect. They tend to be well-educated, analytical, and cynical about corporate claims.
- Admit mistakes and past errors. Show how the company and its products are improving. Communicate simply and avoid jargon

4. Public relations:-

- Focus on public relations rather than advertising.
- Develop community outreach programs involving the company and the area it serves.
- Work with corporate customers to 'partner' environmental programs specific to their industries.
- Collect stories of employees' green initiatives and try to publicize them, being concrete and educational in approach.
- Educate the public and the media about the environmental issues related to the company or industry.
- Prepare responses to questions that are likely to be asked by the media. Involve knowledgeable technical people, not just PR professionals.
- Anticipate bad press, and prepare information to minimize its impact.

5. Advertising:-

- Wherever possible, supply consumers with sufficient but simple information, so they can assess claims themselves. Remember that claims must be backed up with evidence. Simple graphs or illustrations can be helpful.
- While images of nature are useful, avoid ads that are merely soft and fuzzy image-enhancers. Green consumers are suspicious of empty imagery.
- Avoid ads that are overly 'cute'. Consumers believe environmental responsibility should not be trivialized. Even 12-year olds think such ads are corny.
- Test ads with green consumers before airing them.
- Consider using advertising inserts to convey complex environmental information in print media. Include educational pieces written by neutral authorities or company experts, along with traditional ads.
- Highlight any novel instructions or product usage modifications on the packaging and in advertising.

- To overcome concerns about effectiveness, offer inducements to try the product. Free samples are especially persuasive.
- Use the influence of children to encourage parents to test green products.
- Gain environmental endorsements where possible, but be selective.

6. Other marketing strategies:-

- Use labels to convey precise, detailed information about the product and its packaging. Ensure compliance with government labeling guidelines.
- Use consumer hotlines to disseminate and gather information about environmental issues and customer concerns.
- Point-of-sale displays, brochures, and videos are effective for providing more in-depth information than can be offered on labels. They should be used to catch the eye and to communicate the uniqueness of the company's green products.
- Adopt new technology/ process or modify existing technology/ process so as to reduce environmental impact.
- Establish a management control system that will lead to adherence of stringent environmental safety norms.
- Explore possibilities of recycling of the used products so that it can be used to offer similar or other benefits with less wastage.
- Use more environment-friendly raw materials at the production stage itself.

REASONS FOR THE COMPANY TO GO FOR GREEN MARKETING

❖ Customer pressure:-

Customers are the king of the business. In a developed country customers are very conscious towards the environment so, they purchase those products which are less detrimental to the environment and not harmful to the human being. If companies want to survive they should produce the product according to the consumer environment needs and wants.

❖ Government pressure:-

The Government of India frames various acts and regulations to protect the society and consumers from the environment degradation, pollution etc. These actions reduce the number of polluted industries and customer consumption of harmful goods for example, ban of plastic bags, smoking in the public places etc.

❖ Competitor pressure:-

Many companies follow green marketing to maintain the core competency strategy in the competitive position of the market. Companies follow green marketing as a corporate social responsibility to save the environment.

❖ Community pressure:-

People living in the surrounded places of the company opposed to the pollution expel the company from their production function. Sometimes this opposition led to closure of the company. Due to this force companies take action to change their process to do less damage to the environment.

❖ Cost reduction:-

Reduction of harmful waste may lead to cost savings to the company. Sometimes waste generated by one company is used as raw materials by another company for their production process. For example fly ash generated by thermal power plants would contribute to generate fly ash bricks by another company.

❖ Social responsibility:-

Every firm is responsible to serve the society apart from its business activities. Many firms realize this fact and behave in a holistic and environment responsible marketing. Through these environmental responsible and social responsible efforts they translate their profit objective and achieve environmental marketing. For example a firm that invested large amount of money for recycling, also modify their package to minimize its environment impact.

GREEN MARKETING INITIATIVES – GOVERNMENT AND NON GOVERNMENT ORGANISATIONS

In India various Acts framed by the Government are to be enforced to save the environment. These Acts indirectly pressure the company to change its business into environmental friendly.

❖ Environmental (Protection) Act 1986:-

This act was passed with the objective of every state has the responsibility to protect and improve the environment and to safeguard the forest and wild life of the country. It imposes a duty on every citizen to protect and improve the natural environment including forests, lakes, rivers, wildlife etc.

❖ Air (Prevention and Control of Pollution) Act 1981:-

The objective of this act is to provide for the prevention and control of air pollution from the environment degradation. Decisions were taken in the United Nations

Conference on the human environment held in Stockholm in June 1972, in which India also participated, to take appropriate steps to preservation of the natural resources of the earth including preservation of the quality of the air and control of air pollution.

❖ **Water (Prevention & Control) Act 1974:-**

The main objective of this Act was to provide for the prevention and control of water pollution and take action against water polluting companies.

❖ **Wildlife Protection Act 1972:-**

According to this act wildlife includes any animal, bees, butterflies, fish and moths and aquatic and land vegetation which forms part of any habitat. In accordance with wildlife (protection) Amendment Act 2002 no alteration of boundaries/ national park/ sanctuary shall be made by the state govt. except on recommendation of the National Board for Wildlife.

❖ **Hazardous waste (Management and Handling) Amendment Rules 2003:-**

These rules classify used mineral oil as hazardous waste under the Hazardous waste (Management & Handling) Rules 2003 that requires proper handling and disposal. Organizations should seek authorization from the State Pollution Control Board (SPCB) for disposal of hazardous waste whenever required.

❖ **Ozone Depleting Substances (Regulation and Control) Rules 2000:-**

A notification dated 17th July under section 6, 8, and 25 of the Environment (Protection) Act 1986 has notified rules for regulations and control of Ozone Depleting Substances under Montreal Protocol. As per the notification, certain control and regulations have been imposed on manufacturing, import, export and use of these compounds. Organizations as per provisions of notification shall phase out all equipments, which use these substances. The aim is Chloro Fluoro Carbon organizations in the near future.

SLNo:	Company	Green Marketing Initiatives
1	Philips India	<ul style="list-style-type: none"> Energy saving Lights. Medical Equipments. House hold appliances
2	Infosys Technologies Ltd	<ul style="list-style-type: none"> Green buildings & green engineering Water harvesting and conservation Better transport management by encouraging car pool for its employees and increasing bio-diversity in its campuses.
3	Mahindra Reva	<ul style="list-style-type: none"> Electric Vehicle-"e2o". Earth friendly small tractors
4	State Bank of India	<ul style="list-style-type: none"> "Green Channel Counter". Paper less banking, no deposit slip, no withdrawal form, no cheques, no money transactions form all these transaction are done through SBI shopping & ATM cards Wind energy to reduce emissions, reduction of its carbon footprint and promotion of energy efficient processes, especially among the bank's clients.
5	Philips	<ul style="list-style-type: none"> Compact Fluorescent Light (CFL) bulbs
6	Accenture	<ul style="list-style-type: none"> Focused on "green" buildings and data Centre
7	HCL	<ul style="list-style-type: none"> HCL commits to manufacture products that are environment friendly in all respects and are free from hazardous chemicals.
8	Hewlett-Packard Company	<ul style="list-style-type: none"> Energy-efficient products and services and institute energy-efficient operating practices
9	McDonald Restaurant	<ul style="list-style-type: none"> McDonald Restaurant's napkins, bags are made of recycled paper.
10	Panasonic	<ul style="list-style-type: none"> Eco-friendly refrigerators, air conditioners, washing machines. Plasma TV, LCD. Quick iron, batteries and bulbs producing EPEAT certified products with energy star certified devices. Offers three types of packaging materials such as bamboo packaging, mushroom packaging, wheat straw packaging

11	Wipro Technologies	<ul style="list-style-type: none"> Sustainable IT products and solutions, which help customers, achieve high productivity in energy, space and asset management through the lifecycle. Recycled plastic. Launched Green ware ranges of desktops, not only 100% recyclable, but also toxin-free Wipro involved environment friendly activity in collecting their e waste through starting various recycle centers
12	CISCO Systems	<ul style="list-style-type: none"> Cisco recently partnered with San Francisco's Department of Energy to announce World's first Urban Eco Map Pilot. This tool provides information on carbon emissions which are caused by transportation, energy waste etc. organized by ZIP codes.
13	Kansai Nerolac	<ul style="list-style-type: none"> Kansai Nerolac has worked on removing hazardous heavy metals like lead, mercury, chromium, arsenic and antimony from their paints.
14	Coca-Cola	Coca-Cola work in partnership with WRAP(Waste and Resources Action Programme) and recoup a leading authority in the UK for plastics waste management to locate the Recycle zones in various areas to help the customers to recycle the empty plastic bottles and cans.
15	IITC	IITC introduced India's first environment friendly elemental chlorine free and ozone layer processed green paper under the paperkraft brand in 2008.In addition to Paperkraft recently launched white board and permanent markers with refillable, longer cap-off period, superior ink intensity and is completely nontoxic one.
16	Idea Cellular	Idea Cellular plan to save paper consumption and avoids cutting trees and deforestation. They offer their cell phones for consumer reading news paper in their cell phone (m-paper), airline and railway ticket can be checked only through cell phones.
17	Delhi Transport Corporation(DTC)	CNG (compressed natural gas)-powered buses& Auto Rickshaws and Eco-friendly Rickshaws to promote Eco-friendly transportation in the city.
18	Hindustan Unilever Limited	Recycled package, water conservative products. For example Surf excel washing powder with low foam save the water. Comfort- they offer the product with refillable packaging.
19	Gujarat Power Corporation LTD	Asia's largest "Gujarat Solar Park" to mitigate impact of Climate Change and to protect environment for our future generation and initiative in the projects of Renewable energy to harness Clean and Green Energy
20	TATA MOTORS LIMITED	First electric car Reva is launched.

CONCLUSION

In the present day, a majority of consumers have realized that their behavior had a direct impact on environment as there is mounting amount of evidence indicating that consumers are shifting traditional products to green products to have a positive impact on the natural environment. The research paper concludes that business firms need to change their mind set from traditional marketing strategies to green marketing strategies with a huge investment in technology, Research and Development and through Green marketing elements such as eco-design of a product, eco-labeling, eco-packaging, green logo in order to survive in the green competitive world and to have a positive impact on the environment. Green Marketing is still in the stage of childhood in the Indian

context. Finally, consumers, industrial buyers and suppliers need to promote the positive effects of Green marketing on the environment.

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