

## GREEN MARKETING: CHALLENGES AND OPPORTUNITIES

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**Abstract - Green Marketing is a phenomenon which has developed particular important in the modern market. In the emerging world the concept of pollution free activity is given more importance in all the sectors and in all stages. The environmentalists are targeting the industrial sectors as the major contributors for depleting natural resources and environmental destruction. Hence, both production and marketing divisions of industries are stressed more to take utmost care in these areas along with fulfilling the market demands. To overcome these difficulties a new concept has born in the present globalized world where production, consumption and also marketing of the products can be carried effectively ensuring environmental safety. This concept is named as 'Green Marketing'. But the question still remains "how safe can it be in the Indian scenario?" since India is one of the fastest developing nations and utilization of resources has to be carried continuously in order to maintain trade balance, both internal and external. The Balance of Payments has to be maintained at a proper level which was negative in the past and the country is still struggling to recover the losses. Hence this paper highlights how effective business can be carried out and how Green customers, who are concerned about the environment can be convinced and support their purchasing decisions. The paper explores the challenges and opportunities businesses have with green marketing. The paper also describe the reason why companies are adopting it and concludes that green marketing is something that will continuously grow in both practice and demand.**

**Key words:** - green products, environmental safe, eco-friendly

### I INTRODUCTION

Development and conservation professionals are increasingly incorporating conservation products into their portfolio of activities to contribute to biodiversity conservation and poverty alleviation for the communities that live in high biodiversity areas. Tremendous progress has been made in involving communities in good conservation practices, developing enterprises that are sustainable and generating income that also promotes biodiversity conservation. Yet, these groundbreaking enterprises and products still struggle to understand the markets for their products and how to access these markets. Green marketing is the marketing of products that are presumed to be environmentally safe. Green marketing refers to holistic marketing concept wherein the product, marketing consumption on 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 into green products and services.

“Those human activities directed at satisfying needs and wants through voluntary exchange processes, with full consideration of the social, ecological, and economic impacts of those transactions.”

### Literature Review

The term green marketing came into prominence in the late 1980s and early 1990s. The first wave of green marketing occurred in the 1980s. The tangible milestone for the first wave of green marketing came in the form of

published books, both of which were called green marketing. They were by Ken Peattie (1992) in the United Kingdom and by Jacquelyn Ottman (1993) in the United States of America.

According to the American marketing association **green marketing** is the marketing of products that are presumed to be environmentally safe. Thus green marketing incorporates a broad range of activities, including product modification, changes to the production process, packaging changes, as well as modifying advertising. Yet defining green marketing is not a simple task where several meanings intersect and contradict each other; an example of this will be the existence of varying social, environmental and retail definitions attached to this term. Other similar terms used are **Environmental Marketing** and **Ecological Marketing**. Thus in a holistic approach the green marketing is defined as the concept where in the production, marketing of environmental safe product and services happened in a manner that is less detrimental to the environment with growing awareness about the implication of global warming and calamities which is going to happen due to environmental disturbance, non-biodegradable solid waste, harmful impacts of pollution etc. both marketers and consumers are becoming increasingly sensitive. While the shift to green may appear to be expensive in the short term, it will definitely prove to be indispensable and advantageous cost – wise too, in the long run. Thus 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 green market has evolved over a period of time. According to Peattie (2001), the evolution of green marketing has three phases. The first phase was termed as ecological green marketing and during this period all marketing activities were concerned to help the environmental problems and provide remedies for environmental problems. Second phase was environmental green marketing and the focus shifted on clean technology that involved designing of innovative new products, which take care of pollution and waste issues. The third phase was sustainable green marketing. It came into prominence in the late 1990s and early 2000.

### 3.1. Concepts, opinion and definitions and work done in the field of green marketing

- a. According to the **American marketing association** it has been interpreted or defined in three ways 1. Retailing: the marketing of products that are presumed to be environmentally safe. 2. Socially marketing: the development and marketing of products designed to minimize negative effects on the physical environment or to improve its quality. 3. Environment: the effort by organization to produce, promote, package and reclaim products in a manner that is sensitive or responsive to ecological concerns.
- b. **Pride and Ferrell (1993)**: green marketing, also alternatively known as environmental marketing and sustainable marketing, refers to an organisation's efforts at designing, promoting, pricing and distributing products that will not harm the environment.
- c. **Polonsky (1994)**: defines green marketing as all activities designed to generate and facilitate any exchanges intended to satisfy human needs or wants, such that the satisfaction of these needs and wants occurs, with minimal detrimental impact on the natural environment.
- d. **Elkington (1994)**: defines green consumer as one who avoids products that are likely to endanger the health of the consumer or others; cause significant damage to the environment during manufacture, use or disposal; consume a disproportionate amount of energy; cause unnecessary waste; use materials derived from threatened species or environments; involve unnecessary use of or cruelty to animals; adversely affect other countries.
- e. **Oyewole, P. (2001)**: he defines a conceptual link among green marketing, environmental justice, and industrial ecology. He argues for greater awareness of environmental justice in the practice for green marketing. In his paper he identified another type of costs, termed 'costs with positive results,' that may be associated with the presence of environmental justice in green marketing. A research agenda is finally suggested to determine consumers' awareness of environmental justice, and their willingness to bear the costs associated with it.

### Challenges in Green Marketing

- 1) **Need for standardization:** It is found that only 5% of the marketing messages from “Green” campaigns are entirely true and there is a lack of standardization to authenticate these claims. There is no standardization currently in place to certify a product as organic. Unless some regulatory bodies are involved in providing the certifications there will not be any verifiable means. A standard quality control board needs to be in place for such labeling and licensing.
- 2) **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 needs to reach the masses and that will take a lot of time and effort. By India’s ayurvedic heritage, Indian consumers do appreciate the importance of using natural and herbal beauty products. Indian consumer is exposed to healthy living lifestyles such as yoga and natural food consumption. In those aspects the consumer is already aware and will be inclined to accept the green products.
- 3) **Patience and Perseverance:** The investors and corporate need to view the environment as a major long-term investment opportunity, the marketers need to look at the long-term benefits from this new green movement. It will require a lot of patience and no immediate results. Since it is a new concept and idea, it will have its own acceptance period.

### Golden rules of Green Marketing

- 1) **Know your customer:** If you want to sell a greener product to consumers, you first need to make sure that the consumer is aware of and concerned about the issues that your product attempts to address.
- 2) **Empower consumers:** Make sure that consumers feel, by themselves or in connect with all the other users of your product, that they can make a difference. This is called “empowerment” and it’s the main reason why consumers buy greener products.
- 3) **Be transparent:** Consumers must believe in the legitimacy of your product and the specific claims you are making. The rest of your business policies are consistent with whatever you are doing that’s environmentally friendly.
- 4) **Reassure the buyer:** Consumers must be made to believe that the product performs the job it’s supposed to do-they won’t forego product quality in the name of the environment.
- 5) **Consider your pricing:** If you are charging a premium for your product and many environmentally preferable products cost more due to economies of scale and use of higher-quality ingredients-make sure that consumer can afford the premium and feel it’s worth it. Many consumers, of course, can’t afford premiums for any type of product these days, much less greener ones, so keep this in mind as you develop your target audience and product specifications.

### Green Marketing- Adopts by the firms

Green marketing has been widely adopted by the firms worldwide and the following are the possible reasons cited for this wide adoption:-

- 1) **Opportunities:** As demand changes, many firms see these changes as an opportunity to exploit and have a competitive advantage over firms marketing non-environmentally responsible alternatives. Some examples of firms who have strived to become more environmentally responsible in an attempt to better satisfy their consumer needs are :-

McDonald’s replaced its clam shell packaging with waxed paper because of increased consumer concern relating to polystyrene production and Ozone depletion.

Xerox introduced a “high quality” recycled photocopies paper in an attempt to satisfy the demands of firms less environmentally harmful products.

- 2) **Government Pressure:** As with all marketing related activities, governments want to “protect” consumer and society; this protection has significant green marketing implications. Government regulation relating to environmental marketing are designed to protect consumers in several ways,

Reduce production of harmful goods or by-products modify consumer and industry's use and consumption of harmful goods.

Ensure that all types of consumers have the ability to evaluate the environmental composition of goods. Governments establish regulations designed to control the amount of hazardous wastes produced by firms.

**Competitive Pressure:** Another major force in the environmental marketing area has been firms' desire to maintain their competitive position. In many cases firms observe competitors promoting their environmental behaviors and attempt to emulate this behavior. In some instances this competitive pressure has caused an entire industry to modify and thus reduce its detrimental environmental behavior.

**Social Responsibility:** Many firms are beginning to realize that they are members of the wider community and therefore must behave in an environmentally responsible fashion. This translates into firms that believe they must achieve environmental objectives as well as profit related objectives. This results in environmental issues being integrated into the firm's corporate culture.

### **Reason for use of green marketing in organisation**

Man has limited resources on the earth, with which she/he must attempt to provide for the worlds' unlimited wants. Hence there is "freedom of choice", that individuals and organizations have the right to attempt to have their wants satisfied. As firms face limited natural resources, they must develop new or alternative ways of satisfying these unlimited wants. When looking through the literature there are several suggested reasons for firms increased use of Green Marketing. Five possible reasons are as follows:

1. Organizations perceive environmental marketing to be an opportunity that can be used to achieve its objectives.
2. Organizations believe they have a moral obligation to be more socially responsible. Governmental bodies are forcing firms to become more responsible.
3. Competitors' environmental activities pressure firms to change their environmental marketing activities.
4. Governmental bodies are forcing firms to become more responsible.
5. Cost factors associated with waste disposal, or reductions in material usage forces firms to modify their behaviour.

## **II CONCLUSION**

Now this is the right time to select "Green Marketing" globally. It will come with drastic change in the world of business if all nations will make strict roles because green marketing is essential to save world from pollution. From the business point of view because a clever marketer is one who not only convinces the consumer, but also involves the consumer in marketing his product. With the threat of global warming looming large, it is extremely important that green marketing becomes the norm rather than an exception. 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 electrical goods.

Marketers also have the responsibility to make the 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 cleaner and greener environment. Green marketing assumes even more importance and relevance in developing countries.

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