

Green Marketing-A Step Towards Sustainable Tomorrow

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Abstract

Green marketing is a new concept. It is a phenomenon which has developed particular importance in the modern market. It is driving a lot of corporate social responsibility themes today. Some firms are going green for short term benefits while others are looking at it as a long term responsibility and incorporating 'green' as a part of their corporate DNA. This involves developing and marketing environment-friendly products that use sustainable methods and includes green packaging and labels. This concept has enabled for the re-marketing and packaging of existing products which already adhere to such guidelines. A strong commitment to environmental sustainability in product design and manufacturing can yield significant opportunities to grow one's business, to innovate, and to build brand equity. This paper attempts to introduce the terms and concepts of green marketing, why going green is important and mention some of the problems with green marketing.

KeyWords:Corporate Social Responsibility, Environment Friendly, Environmental Sustainability, Green Product

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Introduction

We all depend upon the environment. It provides us the essentials of life. But we are not using it sustainably. Environmental sustainability forces businesses to look beyond making short term gains and look at the long term impact they are having on the natural world. You need to consider not only the immediate impact your actions have on the environment, but the long term implications as well. For example, when manufacturing a product, you need to look at the environmental impact of the products entire lifecycle, from development to disposal before finalizing your designs. Marketing is a very old and

essential tradition of all companies to promote their products. The companies are adapting a number of strategies to attract customers. A new concept “Green Marketing” emerged with the awareness of environmental sustainability. It considers the health and safety of the customers and the society. This is known as Corporate Social Responsibility (CSR).

Defining green marketing is not a simple task. It includes: Green Marketing, Environmental Marketing and Ecological Marketing. Green Marketing concept came into existence in the late 1980s and early 1990s. The American Marketing Association (AMA) held the first workshop on "Ecological Marketing" in 1975. The proceedings of this workshop resulted in one of the first books on green marketing entitled "Ecological Marketing". Ecological marketing was defined as: "the study of the positive and negative aspects of marketing activities on pollution, energy depletion and non energy resource depletion." [2]

Broadly we can say that Green or Environmental Marketing consists of 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.

There are limited natural resources on the Earth. Every human being has the right to live without any fear, this fear may be in the form of dis-satisfaction of their wants. If the natural resources are not used properly, depletion will be more and the human being will be deprived of his daily needs. That is why it is very important for all the business houses to initiate the concept of “Going Green”.



Figure 1.1 – Going Green

Principles of green marketing

The principles of Green Marketing revolve around three P’s i.e. Product, Price & Promotion.

- The product to be manufactured should be environment friendly, it should be safe to use. The products have to be developed depending on the needs of the customers. Products can be made from recycled material or used goods. Moreover after the completion of its useful life, the dumping of it should not be hazardous for the environment. The green marketing claims should be credible.
- Price to be charged from the consumer should be friendly to his pocket. It should be easily affordable. If there is a price premium, educate consumers about why they should pay that price premium. The more a product offers, the more consumers will be willing to pay.[5]



Figure 1.2 – Principles of Green Marketing

- Promotion strategies should be such that the consumer becomes aware of it's environmental value. The aim of marketing strategies should be such that the consumer is told about the environmental benefits of the product so that he is encouraged to buy the product. The green marketing message must make customers feel that by using the product or service they will make a difference.[3]

Benefits of green marketing

- ❖ Minimal wastage of Natural Resources
- ❖ Saves time
- ❖ It saves money in the long run, though initially the cost is high
- ❖ Good for the environment
- ❖ Healthier society
- ❖ Reduces waste
- ❖ It ensures sustained long term growth along with profitability.
- ❖ Increase in goodwill.

- ❖ Green based products create less waste, use fewer raw materials, and saves energy.



Figure 1.3 – Primary Benefits of Green Marketing

Problems with Green Marketing

- ❖ **False Claims:** The big business houses may make false claims about the environment friendly products being manufactured by them. Green marketing claims must mention about the environmental benefits, it's environmental characteristics. These claims must ensure the comparative differences and the consideration of negative factors. Only meaningful projections should be made. But sometimes false claims are made for more profits.[4]
- ❖ **No Specific Policies:** There is difficulty in establishing policies that will address all environmental issues. If governments want to modify consumer behavior they need to establish a different set of regulations.
- ❖ **Competitive Pressures:** Sometimes, the small business houses follow the strategies made by big business houses. The reaction to competitive pressures can cause all "followers" to make the same mistake as the "leader". For example the Mobil Corporation followed the competition and introduced "biodegradable" plastic garbage bags. While technically these bags were biodegradable, the conditions under which they were disposed did not allow biodegradation to occur. Thus blindly following the competition can have costly repercussions.
- ❖ **Disposal of Waste:** The disposal of waste is a very crucial issue. For example: the LED tubes more commonly used these days are very difficult to be disposed or

dumped after the expiry of their useful life. The aim should be on minimizing the waste.

- ❖ **New Concept:** It is a new concept, so resistance from the side of both the producer and the customer is there. Understanding of the concept is must only then it will be acceptable. Otherwise it will remain as a challenge.
- ❖ **Huge Investment:** The new technology requires high cost. The investors are not ready to take risks.

The golden rules for green marketing are:

- **Know your customer:** Before selling a greener product to consumer, make sure that the user is aware and concerned about the issues which is being addressed.
- **Reassure the buyer:** The buyer needs to believe that the product performs the required job. The quality of the product should not degrade in the name of the environment.
- **Empower the customer:** Make sure that the consumer feels that he/she can make a difference. This is the main reason why consumers buy greener products
- **Customer friendly pricing:** Do not charge more for your product in the name of the environment. If the product is of premium cost make sure that its looks and feel should be considerable as compared to its price tag.



Figure 1.4 – The customer should be well aware

I. Sustainable Development & Green Marketing

Sustainable Development can be defined in many ways. One is “Sustainable development is the development that meets the needs of the present without compromising the ability of future generations to meet their own needs”. It contains within it two key concepts: the concept of needs & the idea of limitations.[6]



Figure 2.1 – Key principles of sustainable development

The Principles of Sustainable Development include: health & quality of life, environmental protection, economic efficiency, precaution, prevention, bio-diversity preservation etc.

These principles are integrated into the practices of a growing number of private or non-private organizations which are going green. They draw inspiration from these principles to improve their methods.[7]

Conclusion

Green Marketing is a step towards sustainable future. The business houses should go green. They should understand the basic concept that every action has an equal reaction. If the natural resources are utilized properly, there will be sustainable development. Already there is depletion in the natural resources as profit motive was the only concern of big business houses in the past. In recent years, people are becoming aware of saving the natural resources, thereby came the concept of green marketing. The big business houses claim their products to be green, their marketing to be green. But these claims should be true. While firms must bear much of the responsibility for environmental degradation, ultimately it is consumers who demand goods, and thus create environmental problems. It must be remembered that it is the uncaring consumer who chooses to dispose off their

waste in an inappropriate fashion. While firms can have a great impact on the natural environment, the responsibility should not be theirs alone. It is a collective effort for better tomorrow.

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