

Impact of Agriculture on Green Marketing

“Green marketing- a reality to a few some and a strategy to many others”

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Abstract

In simple words green marketing is switching over to a more sustainable marketing with environmental concern taking into consideration the production, processing and marketing. Agriculture on the other hand is art, business and science of crop production and animal production. In today's world the term green market has gained a lot of momentum. By adoption of proper agricultural practices hand in hand with green marketing, can improve the GDP (Gross Domestic Product) in India. This paper would rather discuss on the impact that agriculture in India would bring to this new marketing strategy, as it is well said agriculture is the backbone of Indian economy. The paper also examines the limitation in agricultural set up in India and how the overcoming of these limitations can enhance and contribute in its own ways to green marketing.

Keywords:Green marketing, Agriculture, India, Sustainability, Environment, Ecology, Government, Ecomark

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Introduction

AMA (American Marketing Association) says green marketing is the marketing of products that are presumed to be environmentally safe. Other similar terms used are Environmental Marketing and Ecological Marketing. This would fairly go well for a developing nation like India where both consumers and producers are getting conscious day by day due to the implications of global warming, non- biodegradable solid waste, harmful impact of pollutants etc provided this does not aim at Green washing (quite synonymous to brain washing) wherein when a company or organization spends more time and money claiming to be green through advertising and marketing than actually implementing business practices that minimize environmental impact.

Overview of green marketing

Need for Green marketing

In today's world quality products and safe environment, both are equally important to achieve customer satisfaction. Companies may lose many loyal and profitable customers and consumers due to absence of green management. In a country like India, Agriculture can play a major role in promoting green marketing in the best possible manner as agriculture is highly related to environment and ecology.

Criteria for green products

Green Products are those which are originally grown, recyclable, biodegradable, with natural ingredients, that do not harm or pollute the environment and those with eco-friendly packaging.

Review of literature

- Pride and Ferrell (1993)-Green marketing, also alternatively known as environmental marketing and sustainable marketing, refers to an organization's efforts at designing, promoting, pricing and distributing products that will not harm the environment.
- The development of green marketing has opened the door of opportunity for companies to co-brand their products into separate line, lauding the green-friendliness of some while ignoring that of others. Such marketing techniques will be explained as a direct result of movement in the minds of the consumer market (Pavan Mishra & Payal Sharma, 2010).
- Dutta, B. (2009, January) in his article on Green Marketing titled Sustainable Green Marketing the New Imperative published in Marketing Mastermind states that Green Marketing involves developing good quality products which can meet consumer needs and wants by focusing on the quality, performance, pricing and convenience in an environment-friendly way.
- For consumers, the best way to avoid getting "greenwashed" is to be educated about who is truly green and who is just trying to look that way to make more money (Energy and Sustainability, Earth Talk, Scientific American, June 29, 2013).
- The certification process for organic farming is very lengthy and complex, the cost of certification is also unaffordable for small farmers {Rs.22,000 to Rs.29,200 per certification} (Garibay S V and Jyoti K, 2003).

Objectives of the study

- Emphasis on the importance of agriculture in India.
- Define green marketing in a transparent way for a better understanding to the Indian lot.
- Impact that agriculture can bring on green marketing in India.
- Limitations in our agricultural set up and ways to overcome them in order to enhance green marketing.

Agricultural potential in India for green marketing

India is best known as an exporter of organic tea and also has great export potential for many other products. Other organic products for which India has a niche market are spices and fruits. Organic agricultural export market is the major driving force for greening of agriculture in India. Some of the prerequisites for exploiting this export potential are the farmer's capacity to produce the organically agricultural products which have global market and prior experience of exporters and traders in exporting agricultural commodities to these markets.

Agricultural strategies to enable successful green markets

- Vegetables must be grown organically without the use of chemicals like herbicides and pesticides, whose residues are carried through generations.
- We must increase the cultivable area of food crops and vegetables, so that we need not import from other countries which may carry chemical residues in them.
- More way of sustainable farming by adopting a combined way of intercultural practices like Integrated weed management (IWM), Integrated disease management (IDM), Integrated Pest management (IPM), Integrated nutrient management (INM) etc.
- Packaging of agricultural produce must be done with environmentally safe packaging materials.
- More extensive agricultural research and transfer of technology methods that reaches all the farming community.
- The standards of livestock and dairy industry that are allied with agriculture, should also be improved by avoiding hormonal injections on broilers, adulteration of milk and milk products and selecting organic feed for these domesticated animals.

- Use of genetically modified or improved cultivars for better quality and end point
- Release of more funds to improve the marketing standards of agriculture.
- More of warehouses and cryopreservation units to be set up in the country to enhance the storage of agricultural commodity.

Requirements of green marketing

The production process should be compatible with the ecosystem. At the same time marketing process must go by the goals of the company. Above all, it should satisfy the customers. The management should emphasize on the improvement of image and sales of the products. The manufacturer should take utmost responsibility as they are being more accountable to environmental impact. Consumer's awareness about their choice of product is necessary. They should know that some products are less damaging to environment than others.

Ecomark labelling

The Government has decided to institute a scheme on labelling of environment friendly products. The scheme will operate on a national basis and provide accreditation and labelling for household and other consumer products which meet certain environmental criteria along with quality requirements of the Indian Standards for that product. Any product which is made, used or disposed of in a way that significantly reduces the harm it would otherwise cause the environment could be considered as Environment Friendly Product. The Label is known as the "ECOMARK" that carries an earthen pot as the logo for Ecomark scheme in India. The familiar earthen pot uses a renewable resource like earth, does not produce hazardous waste and consumes little energy in making. Its solid and graceful form represents both strength and fragility, which also characterises the ecosystem. As a symbol, it puts across its environmental message. Its image has the ability to reach people and can help to promote a greater awareness of the need to be kind to the environment. The logo for the Ecomark scheme, signifies that the product which carries it does the least damage to the environment.

Limitations in raising organic agricultural products

- Lack of market information in general and organic market information in particular is biggest drawback for Indian agriculture. The current information base is low and even the limited information available does not get disseminated due to lack of adequate channels for dissemination. As a result farmers are in a predicament as

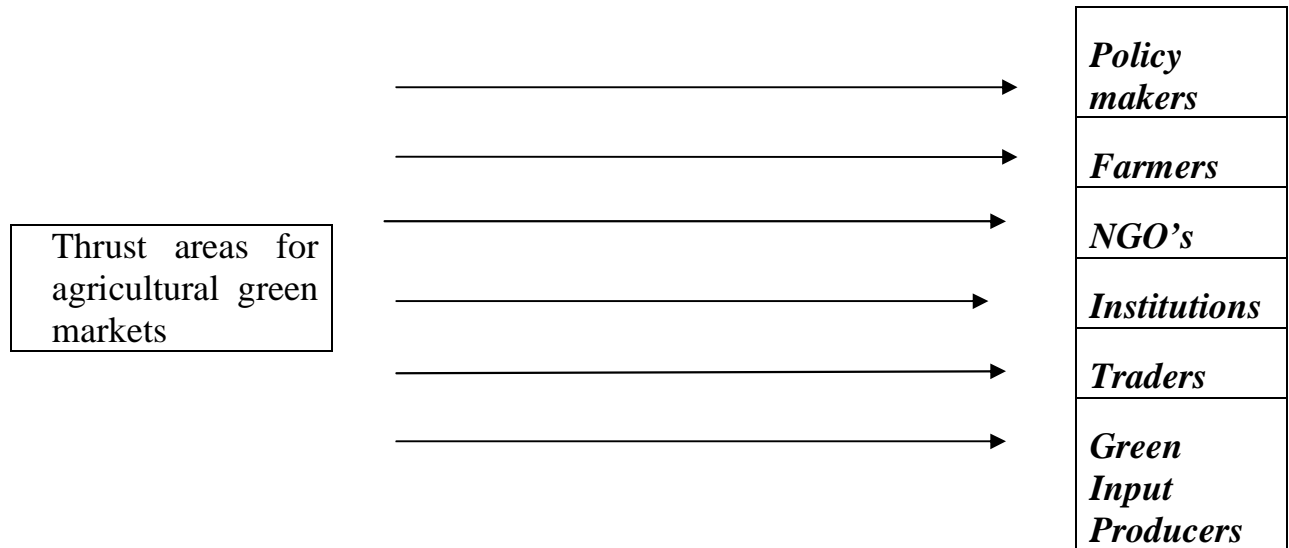


they are unable to attune their production practices as per the market changes. Marketing network specifically for organic products has not yet developed both in the domestic as well as export market.

- Quality of Indian food industry is always a constraint for growth, low consistency of quality and contamination in food products is a hindrance in capturing the available market especially the international market.
- Given the high levels of transaction costs for getting farms certified as organic it is a major deterrent for enhancing organic production in the country. As the certification process for organic farming is very lengthy and complex, the cost of certification is also unaffordable for small farmers {Rs.22000 to Rs.29200 per certification} (Garibay S V and Jyoti K, 2003).
- Government has shown limited interest for organic agriculture, though the activities from government side are increasing but till date there is no direct support from government side in terms of subsidy or market support towards organic agriculture.
- Lack of proper infrastructure in terms of roads from remote villages, cold storage facilities and slow transportation infrastructure affects the cost, quality and reach of producers and
- Indian organic agriculture is very fragmented and there are no organizations for managing the entire value chain of organic products.

Role of NGOs (Non-Government Organizations) in promoting organic products

Non-Government Organizations is playing a crucial role in promoting organic agricultural practices in the country. Change of agricultural practices is equivalent to changing the culture and mindset of farmers, which can only be achieved by a long drawn interface. NGOs have demonstrated capabilities to this effect. An illustrative example of public private partnership is the successful story of Spice Board's involvement of NGOs to enhance organic production of spices in Kerala, Tamilnadu, Andhra Pradesh and North Eastern states (Shenoy, 2003).



Role of government in promotion of green agriculture

The government has to frame more policies for increasing investments on organic agriculture. There has been limited allocation under 9th Five year plan for bio-fertilizer, bio-pesticide popularization in the agriculture sector and the provision for this programme was enhanced by expanding the scope of activities whereby promotion of organic agriculture has been included as part of the activities targeted in the 10th plan. As part of 10th Five year plan, Government of India has earmarked about Rs. 100 crores for the promotion of organic agriculture in the country. The main components of this initiative include farming of standards, negotiating with different countries and putting in place a system of certification for organic products.

The government should also concentrate on the promotion of input markets. Central government is also promoting the production and use of bio-fertilizer to make it popular. Government has initiated a project “National Project on Development and Use of Bio fertilizers” for this purpose. Main objectives of this project production and distribution of bio-fertilizers, developing Standards and quality control, releasing of grants for setting up bio-fertilizer units and finally training and publicity.

In addition, to promote the organic agriculture in India, government has also taken some initiative in the recent past. APEDA (Agricultural and Processed Food Products Export Development Authority-Planning Commission, 2001) is the nodal agency to promote the Indian organic agriculture and its exports opportunities. National Steering Committee

under the Chairmanship of Secretary Commerce has already outlined and approved the National Program for Organic Production (NPOP) by May 2001. Under this program, National Organic Standards have been evolved paying due attention to the guidelines as enumerated by international organizations such as International Federation for Organic Agricultural Movement (IFOAM), EU (European union) Regulations and FAO (Food and Agricultural organization) Codex Standards.

Some of the other efforts towards promotion of organic exports include attempts to collaborate with all the major organic importing countries. Towards this APEDA is deliberating with European Union for inclusion of India in the list of third countries under Article 11 of the EU regulations No 2092/91 so that India's National Programme for Organic Production gets the required recognition under the EU regulations.

Agricultural factors facilitating green markets in India

Organic agriculture provides economic opportunities for different stakeholders. Some of the drivers that facilitate growth of organic agriculture in India are

- Growing export market for organically produced crops.
- Price premium for organically produced agriculture products from 10% to 100% (Garibay S V and Jyoti K, 2003).
- Diverse agro-climate regions across the country that provides environment for wide range of crops that can cater to different market demands.
- Increasing awareness & health consciousness especially among certain sectors of domestic consumers.
- Availability of comparatively cheap labor for labor-intensive organic agriculture
- Huge numbers of small farmers those who do the traditional farming with very limited capacity to pay for most of the chemical inputs into agriculture ((Planning Commission, 2001)
- Presence of Non-Government Organizations (NGOs) as active promoters of Organic farming in different agro-climatic regions (Donthi N. Reddy, 2001)
- Increasing involvement of private companies in field of agricultural extension, trade, consultation and other services
- Enhanced Government attention and support for organic agriculture through various policy initiations and action programs.

Conclusion

Agriculture is demographically the broadest economic sector and plays a significant role in the overall socio-economic fabric of India. As Per the 2010 [FAO](#) world agriculture statistics, India is the world's largest producer of many fresh [fruits](#) and vegetables, [milk](#), major [spices](#), select fibrous crops such as [jute](#), several staples such as [millets](#) and [castor oil](#) seed. India is the second largest producer of [wheat](#) and [rice](#), the world's major [food staples](#). India is also the world's second or third largest producer of several [dry fruits](#), agriculture-based [textile](#) raw materials, [roots](#) and [tuber](#) crops, [pulses](#), farmed [fish](#), [eggs](#), [coconut](#), [sugarcane](#) and numerous [vegetables](#). India ranked within the world's five largest producers of over 80% of agricultural produce items, including many [cash crops](#) such as [coffee](#) and [cotton](#), in 2010. India is also one of the world's five largest producers of livestock and [poultry meat](#), with one of the fastest growth rates, as of 2011. Infrastructure building can take agriculture to greater heights that can pave way for green markets as well. More emphasis must be given to organic agriculture from seed sowing to harvesting and thereafter post harvest and packaging. This can be attained by having proper checkpoints at all stages like use of quality seeds without treatment with chemicals, more use of biocontrol agents, farm yard manure, straw mulches, processing without chemical treatment, quality packaging materials and on time marketing. This can enable agricultural enterprise in India to take green marketing to a greater height.

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