

GREEN MARKETING- PROSPECTS AND CHALLENGES

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Abstract

Environmental safety has become the major concern in the present days. Industrialization and modern marketing techniques resulted in rapid economic growth. Consumption and disposal of many products affect environment adversely. Green marketing attempts to protect consumer welfare and environment through production, consumption and disposal of eco-friendly products. It affects positively the health of people and the ecological environment. In spite of heavy investment required for green marketing initiatives, most companies focus on promoting greenways of marketing their products. Educating consumers about advantages of green marketing would make these efforts more successful. Despite many challenges, green marketing has continued to gain adherence particularly in the light of growing global concern.

Key words: Industrialization, production, consumption, environment, consumer welfare, economic growth

Objectives:

- 1) The study is taken to envisage the importance of green marketing and its challenges.
- 2) To make efforts to promote green marketing and encourage utilization of natural resources to its minimum.

Methodology of the study:

This study is based on the collection of data from secondary sources. This includes information gathered from various websites and relevant studies.

Introduction:

Environmental safety has become the major concern in the present days. With increased effects of pollution due to industrialization, it resulted in deteriorating natural resources and thereby becoming the cause for natural disasters. Studies indicate that during 1960s green consumerism emerged and slowly and gradually greener business trends took place worldwide. Marketing practices and business orientation have started shifting their attention from consumer satisfaction and profitability to consumer satisfaction, profitability and environmental protection. Some visionary organizations took a lead in practicing green marketing. This paper aims at envisaging the importance of green marketing and how utilization of resources could be made more environmental friendly.

According to kotler,(1988) the eco- marketing orientation could be conceptually decomposed into four components of the marketing orientation, augmented by both explicit concern for ecologically and socially responsible business and consumer behavior and the innovative and environmental adaptive characteristics of the entrepreneurial orientation. Dimensions of the proposed eco-marketing orientation would include : (1) a market focus, (2) an obsession with both known and latent customer needs, (3) integrated and coordinated marketing throughout the entire organization, (4) focus on long term profitability, (5) an explicit concern for the ecological and social aspects of all business activities and decisions, and (6) a proclivity to innovate and adapt to exploit environmental opportunities.

Green marketing products are presumed to be environmentally safe. It incorporates a broad range of activities including product modification, changes to the production process, sustainable packaging, as well as modifying advertising. Green marketing is the marketing of environmentally friendly products or services. It refers to the process of selling products or services based on their environmental benefit, such as a product or service may be environmentally friendly in itself or produced in an environmentally friendly way such as being manufactured in a sustainable fashion, not containing toxic materials or ozone depleting substance, able to be recycled or produced from recycled materials or being made from renewable energy. It is becoming more popular as more people become concerned with environmental issues and decide that they want to spend their money in a way that is kinder to the planet. Green marketing is typically practiced by companies that are committed to sustainable development and corporate social responsibility.

Green is indicative of purity; green means pure in quality and fair or just in dealing. For e.g. Green advertising means advertising without adverse impact on society. Concept of green marketing concerns with protection of ecological environment. Modern marketing has created a lot of problems. Growth in marketing activities resulted into rapid economic growth, comfortable and luxurious life, use of unhealthy marketing tactics and techniques to attract customers, exaggeration in advertising had created many problems. All these factors have threatened welfare of people and ecological balance as well. Particularly large business units have become the source of different pollutions. Production, consumption and disposal of

many products affect environment adversely. Excessive pollution has provoked the nature and nature starts reacting in unnatural ways (in the form of global warming, heavy rains, draughts and other natural calamities like frequent earth quakes, cyclones, etc.). Economic growth via production and consumption threatens the peaceful life of human beings on the earth. Green marketing is an attempt to protect consumer welfare and environment through production, consumption and disposal of environmental friendly products. Green marketing emphasizes on protection of long term welfare of consumers and society, by production and use of pure, useful and high quality products without any adverse effect on environment. Mass media have started their campaign for protecting the earth from further deterioration. Thus green marketing is a marketing philosophy that promotes production and selling of pure products with protection of ecological balance. It includes multiple activities. It encourages production of pure products by pure technology, conservation of energy, preservation of environment, minimum use of natural resources. Green marketing raises the voice against production, consumption or disposal of such products that harm consumers, the society and environment. It is necessary that business men and users refrain from harmful products. Green initiatives should necessarily aim at minimizing the use of natural resources, conserve energy and also influence the buying behavior of the consumer. Derive marketing strategies that convert every problem into an opportunity.

Advantages of green marketing:

- ✓ Companies that develop new and improved products or service with environment inputs in mind give themselves access to new market, increase their profit sustainability and enjoy competitive advantage over the companies that are not concerned for the environment.
- ✓ It ensures sustainable long term growth with profitability.
- ✓ It saves money in the long run.
- ✓ Employees feel more proud and responsible to be working for an environmentally responsible company.
- ✓ Promotes corporate social responsibility

Challenges of green marketing:

- ✓ The first challenge of effective green marketing is establishing credibility through a comprehensive plan
- ✓ Green products require renewable and recyclable material, which is costly.
- ✓ Problems of deceptive advertising and false claims. One word of caution for green marketers is that a product must perform its claims. Claims should be genuine.
- ✓ It requires technology which requires huge investments in research and development.
- ✓ Majority of the consumers are not willing to pay a premium for green products.
- ✓ Educating the consumers about the advantages of green marketing.

Even though consumers are aware that green marketing is the need for the hour, they are unaware of how they could contribute

- ✓ It should be transparent. Consumers need information about a business to evaluate its claims and reputation.
- ✓ Heavy prices act as a barrier to green marketing. Even if most of the consumers are willing to buy green products, the price tag makes them turn their back on using such products.
- ✓ Unavailability of certain green products as per the customer need or requirement. Some customers find it difficult to locate the product.

The four P's of green marketing:

- 1) Product: Green marketing begins with a green design. Product design constitutes an active interface between demand and supply. Most buyers' decisions are influenced by the labeling that states that all products are green compliant.
- 2) Price: Price is the critical element of marketing mix. The pricing of green products is made based on the value addition that is enabled with the product. The price of the green products has to be made affordable to the costumers.
- 3) Place: The availability of the product as to when and where have a significant impact on the customers. Marketers who look forward to penetrate green products into the market should aim at positioning them broadly in the market place. The location must be consistent and must differentiate them from their competitors.
- 4) Promotion: Promoting products includes sales promotion, paid advertising, on-site promotions. It should ensure environmental credibility by using sustainable marketing communications tools and practices.

Impact of green marketing:

Green marketing affects positively the health of people and the ecological environment. It encourages integral efforts for purity in production and consumption as well. Some of the impacts of green marketing are;

- ✓ People insisting on pure products like fruits and vegetables based on organic farming.
- ✓ Reducing use of plastics and plastic based products.
- ✓ Increased consumption of herbal products instead of processed products.
- ✓ Recommending use of leaves instead of plastic pieces, jute and clothe bags instead of plastic carry bags.
- ✓ Increasing use of bio-fertilizers.
- ✓ Worldwide efforts to recycle wastes of consumer and industrial products.
- ✓ Use of herbal medicines, natural therapy and yoga.
- ✓ Protection of rivers and lakes from pollution.

Conclusion

Green initiatives have gained prominence in the recent years. Saving the environment from toxic contents and encouraging pure products should be practiced. Government should restructure strategies to bring awareness of green marketing to the society, apart from business promotions. Making green initiatives and green products more affordable could be sourced as a quick replacement to the usage of products that are increasingly deteriorating environmental effectiveness. Reducing the wastage is not only needed for the hour but each individual should aim at contributing for rejuvenating the planet.

It is highly important to note that green marketing shouldn't be looked as a profitable strategy only but it should gain word wide acceptance as an individual responsibility especially all major business concerns should consider it as a corporate social responsibility. Customers should basically aim at retrieving a qualitative benefit, not only gaining economical advantage but also develop more consciousness to environmental safety and thus we could save environment for our next generations as well and aim for better sustainability.

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