



Green Marketing- Its Challenges and Opportunities

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ABSTRACT:

In business as well as public life environmental issues have gained importance throughout the world. Today society becomes more concerned with the natural environment, business have begun to modify their behavior according to address society's "new" concerns. Some businesses have been quick to accept concepts like environmental management system and waste minimization, Eco friendly products and have integrated environmental issues in to all organization activities. Green marketing is a phenomenon which has developed particular important in the modern market and has emerged as an important concept in India likes other parts of the developing and developed countries and is seen as an important strategy of facilitating sustainable development. Green marketing is a tool which is used by many companies in various industries to follow this trend. 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. This paper explores the challenges and opportunities of the green marketing for the businesses. This paper also examines the green product, the present trends of green marketing in India and describes the reason why companies are adopting green marketing

KEYWORDS:

Green marketing, Eco friendly, environmental issues, green product



INTRODUCTION:

Green marketing refers to holistic marketing concepts. Green Marketing incorporates a broad range of activities including, product modification, change to production process, packaging changes, as well as modification of advertising. There are some organizations implementing strategies which aim to solve ecological issues and build up the long term interest towards consumers.

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, mass production with the use of advanced technology, comfortable and luxurious life, style, severe competition, use of unhealthy marketing tactics and techniques to attract customers, exaggeration in advertising, liberalization and globalization, creation of multinational companies, retailing and distribution by giant MNCs, etc. created many problems.

Departmental stores, specialty stores, and shopping malls are flooded with useful as well as useless products. These all factors have threatened welfare of people and ecological balance as well. Particularly, giant factories have become the source of different pollutions. Production, consumption and disposal of many products affect environment adversely. Green marketing is an attempt to protect consumer welfare and environment through production, consumption, and disposal of eco-friendly products.

OBJECTIVES OF THE STUDY:

- 1) To study the meaning of green marketing and green product
- 2) To study the challenges and opportunities for green marketing in India
- 3) To study the companies which take initiatives in green marketing
- 4) To study the present trends of green marketing in India

WHAT IS GREEN MARKETING :



Green 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. It is sorry to say, a greater part of people believe that green marketing refers solely to the promotion or advertising of products with environmental characteristics. Terms like Phosphate Free, Recyclable, Refillable, Ozone Friendly and Environmentally Friendly are some of the things consumers most often associate with green marketing. While these terms are green marketing claims, in general green marketing is a much broader concept, one that can be applied to consumer goods, industrial goods and even services. Thus green marketing incorporates a broad range of activities, including product modification, changes to the production process, packaging changes, as well as modifying advertising. Therefore it ensures that the interests of the organization and all its consumers are protected, as voluntary exchange will not take place unless both the buyer and seller mutually benefit. There are two slogans like "less environmentally harmful" and "Environmentally friendly". Thus green marketing should look at minimizing environmental harm, not necessarily eliminating it.

GREEN PRODUCT:

A green product refers to services or practices that allow for an economic development while conserving for future generations. These products are less hazardous as compared to the conventional products. These products are produced through green technology (techniques for generating energy to non-toxic cleaning products). It includes activities like product modification, improved production process, sustainable packaging and modifying advertising. These products are recyclable, reusable and having natural ingredients. Examples are rechargeable batteries, reusable water bottles, solar phone charger, LED lights etc.

CHALLENGES IN GREEN MARKETING:

STANDARDIZATION:

There is a no regulatory body that standardized the green products. It is very difficult to claim that the product is actually organic due to lack of standardization which can certify the product



authenticity. There is a Lack of credibility by consumers .people have no trust regarding the misleading claims.

COSTLY AFFAIR:

Manufacturing green products is a very costly affair as in it requires renewable and recyclable material, which is very costly, it requires huge investment in R & D, Water treatment technology, which is too costly. So the production cost of making green products becomes very high.

NEW CONCEPT:

Green marketing is a very new concept. People are now learning the meaning of green products. But although the opportunities are several for urban customers, rural customers are still lagging behind due to lack of promotional and communicational activities.

BUYING BHEAVIOUR:

This green marketing is a very new concept only few people know about this. That's why its affect their buying behavior too. They are first inclined towards their conventional products, because they are used to them. It takes time for the customers to change their preferences any showcase a favorable buying behavior towards these green products.

PREMIUM PRICING:

Due to high cost of production, green products are costlier than the conventional products. Customers are more concerned about pricing so they compare the pricing of green products with conventional one any obviously make their pricing driven choices. They are not ready to pay premium for green products.

OPPORTUNITY IN GREEN MARKETING:

As green marketing is a new concept, there underlies lots of opportunities also. It helps in exploring new markets. People are now becoming aware of green marketing and they are now ready to change their preferences.

SOCIAL-RESPONSIBILITY:



Most of the companies are becoming socially responsible towards the society and has realized that they should behave in an environment-friendly manner. For example the world's first bank which went carbon-neutral is the HSBC Bank.

GOVERNMENT PRESSURE:

The Indian government has also intervened in the market and now they are also taking initiative in socially responsible manner so that ultimately it benefits the society. For example: plastic bags are banned in Mumbai and smoking is not allowed in public areas, etc.

COMPETITIVE-PRESSURE:

Due to increased competition, it is very difficult to survive in the market. Green marketing helps the companies to gain the competitive edge.

COST-REDUCTION:

Green marketing can help in cost reduction too if the waste products are properly utilized because renewable products can be used in the manufacturing of organic products. Initially it costs much but it saves money in the long run.

ENVIRONMENT FRIENDLY:

Green products are environment friendly and it helps the environment manifold. It reduces the wastes and uses the renewable product in their manufacturing.

PROUD WORKERS:

The employees of the companies which are making green products also feels very proud in working for the company who is behaving in a socially responsible manner.

GREEN INITIATIVES:

FORD MOTOR COMPANY:

Automotive manufacturers are one of the heaviest polluters around, but Ford Motor Company is changing its image around with a ten part environmental policy that has been in force for years. Ford Motor mostly uses sustainable fabrics in its vehicles and both the escape and focus vehicles are 80% recyclable.



DISNEY:

Disney uses a zero net direct greenhouse gas emissions policies striving to please the families that have made it the giant it is, at all its facilities and is working to reduce the indirect greenhouse gas emissions by reducing electrical consumption.

FISHER INVESTMENTS:

Fisher, the founder, chairman, and CEO of Fisher Investment, has lived in California all of his life and is very fond of its native Redwoods, calling them “the world’s most spectacular trees”. He initiated the Redwoods and Climate Change Initiative to help preserve these enormous natural beauties and to cut down on gasses and emissions that threaten their existence.

JOHNSON & JOHNSON:

Johnson & Johnson is leading the way in the area of environmentally responsible personal care products and has for more than 20 years. Its initiatives reduce the waste in its manufacturing and distribution practices create and it uses sustainable products and packaging methods whenever possible.

NIKE:

Last but not least, Nike is another company that highlights the importance of green initiatives in its advertising, yet goes one step further by actually putting those great ideas into practice. Nike makes an entire line of sustainable sporting goods and equipment, including a basketball shoe made of "environmentally preferred materials," which includes recycled polyester. Nike also uses renewable energy sources for its manufacturing facilities.

PRESENT TRENDS IN GREEN MARKETING-IN INDIA:

Organizations are Perceive environmental marketing as an opportunity to achieve its objectives. Firms have realized that consumers prefer products that do not harm the natural environment as also the human health. Firms marketing such green products preferred over the others not doing



so and thus develop a competitive advantage simultaneously meeting their business objectives. Organizations believe they have a moral obligation to be more socially responsible. This is in keeping with the philosophy of CSR which has been successfully adopted by many business houses to improve their corporate image. Firms in this situation can take two approaches:

- Use the fact that they are environmentally responsible as a marketing tool.
- Become responsible without prompting this fact.

Governmental Bodies are forcing Firms to Become More Responsible. In most cases the government forces the firm to adopt policy which protects the interests of the consumers. It does so in following ways:

- Reduce production of harmful goods.
- Ensure that all types of consumers have the ability to evaluate the environmental composition of goods.

Competitors' Environmental Activities Pressure Firms to change their Environmental Marketing Activities. In order to get even with competitors claim to being environmentally friendly, firms change over to green marketing. Result is green marketing percolates entire industry. Cost Factors Associated With Waste Disposal or Reductions in Material Usage Forces Firms to Modify their Behavior. With cost cutting becoming part of the strategy of the firms it adopts green marketing in relation to these activities. It may pursue these as follows:

- A Firm develops a technology for reducing waste and sells it to other firms.
- A waste recycling or removal industry develops.

CONCLUSION:

Green marketing is a tool for protecting environment for future generation. It is not to be going easy concept. The firm has to plan and then carry out research to find out how feasible it is going to be. In Indian companies it is still in the stage of infancy. There is lots of opportunities are



available. Now this is the right time to select green marketing globally. It will come with drastic change in the world of business if all Nation will make strict rules for green marketing is essential to save world from pollution. According the point view of business a clever marketer is one who not only convinces the consumer but also involve 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 or just a fad. Indian market Customers too are ready to pay premium price for green products. An environmental committed organization may not only produce goods that have reduced their detrimental impact on the environment, they may also be able to pressure their suppliers to behave in a more environmentally responsible fashion. Final consumers and industrial buyers also have the ability to pressure organizations to integrate the environment into their corporate culture and thus ensure all organizations minimize the detrimental environmental impact of their activities.

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