



Collaborating Green Marketing with Environment Oriented Business Solutions

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ABSTRACT

Environmental concerns may have circumvented the business operations in some ways but have also paved way to a new form of environment based marketing-Green Marketing. A close shunting between businesses and ecological environment has gained a momentum in recent times. Conceptualizing this evolving marketing concept in the direction of vital P's of marketing to yield manifold benefits to the finance, HR and the ecological domains is the purpose of this paper. Grounded theory approach along with conceptual framework analysis is used to prepare a construct that would establish the vitalities of green marketing with sustainable solutions for the

coming eco-educated generations. An exploratory research design is used to perform the framing operation. A closely knitted construct would not only have impact on the society craving to go green but would also highlight the ways in which green marketing would necessitate a sustainable growth for the organizations implementing them for brand establishment. This paper is also expected to open doors for researchers to further conduct empirical studies in this direction and impart a new way to green corporate stewardship.

Keywords: *Eco-educated generation, Ecological environment, Green marketing, Green corporate stewardship*



1. RESEARCH OBJECTIVES

To conceptualize the evolving concept of green marketing (environment friendly marketing) in the direction of vital P's of marketing to yield manifold benefits to the finance, HR and the ecological domains.

2. INTRODUCTION

Natural resources and capital are the most widely accepted criterion for corporate sustainability aiming at eco-efficiency. This, so termed, 'eco-efficiency' is calculated as the economic worth added by an organization in relation to its holistic ecological impact (Schaltegger, S. & Sturm, A. 1998). DeSimone and Popoff, rightly point out, eco-efficiency to be achievable via delivery of competitively-priced goods and services that quench human needs and bring quality of life, and at the same time mitigating environmental impacts and resource intensity throughout the lifecycle to match up with the earth's carrying capacity. Both eco-efficiency and socio-efficiency work in tandem. They work in orchestration to primarily increase economic sustainability.

Realizing the essence of sustainability, these days one of the key business strategies ensuring sustainable development has taken

the form of Green Marketing. Green marketing concept is an off shoot of societal marketing (Kotler, 1999). Green marketing is an endeavor to characterize a product as being eco-friendly (environmental friendly). It advocates that role of marketing to not just satisfy customers but also take into account the interests of society in general. It encompasses McCarthy's four P's of marketing- Green Product, Green Price, Green Place, Green Promotion. The adoption of a green marketing strategy by an organization is chiefly in response to inflated social pressures for business to meet its comprehensive moral responsibilities, and at the same time adhering to the marketing concept's basic principles as suggested by McCarthy and Perreault (1984) which is meeting customer needs at a 'profit'.

3. LITERATURE REVIEW

Henion and Kinnear (1976) describe ecological marketing as one which is concerned with all marketing activities: (i) that caters to solving eco- problems, and (ii) that offers remedy for environmental issues. Subsequently, it can be said that ecological marketing is the study of the positive and



negative aspects of marketing interventions on non-energy resource depletion, pollution and energy depletion. Green marketing has a more proactive role for marketers. It fosters not only environmental stewardship and sensitivity to minimize the negative impact that marketing activities may have on ecology but also bolsters the practices that reduce or minimize any detrimental impact. Adaption of McNamara's (1972) framework suggest an eco-marketing orientation. It claims that for measuring an organization's degree of marketing orientation, a combination of structural and behavioral indicators is paramount. These indicators may in either form (a) Eco-education programs for employee, supplier, community and customers (to be handled by HR domain); (b) social concern and Eco hotlines of toll free nature (as Corporate Social Responsibility initiative); (c) a specifically designated environmental and social concern marketing staff (both marketing and HR domain); (d) planned product eco-lifecycles (Green Product); (e) considering ecological concerns encompassing strategic and tactical planning (Green HRM); (f) an organized environmental scanning protocol.

Green marketing depends on science and technology and needs a huge investment in research and development. If production and operating costs are lowered, it may generate more buoyant force to green products in the competition intensive market. These cost savings by the organizations can be enabled via eco-friendly products at an affordable and economical price. The business generation of today will only lower prices if it can be done by controlling costs and maintaining margins. It is a perception that sustainability is expensive to implement and ultimately a put a brake on development. Poor countries for their part usually lack the requisite physical infrastructure, ideas and human capacity to integrate sustainability into their development plans.

Green distribution is a very delicate operation. The green environment is a highly legally regulated environment and as such high level of compliance is imperative when carrying out distribution of green products. Consequently, companies that communicate their 'green product' in their packaging, advertisement or manufacturing process to ensure satisfaction of customers. Green products and services which are to be delivered from the point of producers to the



point of ultimate green consumers fall in the domain of green distribution or green supply chain management. In this context, the firm should choose a proper channel by keeping a vigil on three characteristics- product characteristics, consumer characteristics and market characteristics. The characteristics of the resources or materials used in the product and its packaging should affect environmental elements. Consumers are now better equipped to improve product / brand selection because they have knowledge to identify brands and to draw a line of demarcation between them (Hoyer and Brown 1990). A green product has to be designed in such a way that it quenches both consumer and manufacture's needs.

As a part of green promotion, the firms should launch promotional tools such as schemes, coupons, offers and premium etc. for attracting consumers to buy environment friendly products. For ecologically sustainable products to gain market momentum, green branding attributes have to be efficiently communicated (Pickett, Kangun and Grove, 1995). The price of green product has to be affordable for the customer to encourage purchase. Industrial differentiation works only when products

reduce client's cost. Most buyers are influenced by advertisement that reflects a company's commitment to environment (Polonsky and Ottman, 1998). Companies that opt for green advertisement portray an image of environmental friendliness and may eventually influence their customer purchase decisions. Consumers love to associate themselves with companies that exhibit environmental stewardship. When a company communicates this through their advertisements, publicity, promotions, and corporate social responsibilities, they are bound to generate loyal customers. A growing number of organizations are recording a paradigm shift - from anthropocentric to bio centric (from company centric to eco centric) because it synergistically benefits the bottom line-money. Few organizations like Coca Cola, ConAgra, Du Pont, McDonald's, Mitsubishi, Procter & Gamble, are points in case that speak for the benefits observed via bio centric economic philosophy (Kleiner,1991; Porter,1991).

4. RESEARCH METHODOLOGY

An exploratory social sciences research design is used to deduce vital prescripts



from authentic, exhaustive and reliable management, social sciences environment related secondary data repositories. Systemic search methodology is employed by identifying articles related to green marketing practices by using necessary key words from various data bases. Appropriate mix of conceptual framework analysis coupled with grounded theory approach has been employed to develop key conceptual anchors. Collection of codes of similar content that allows the data to be grouped into individual frames were then utilized. A collection of interlinked qualitative frames that detail the subject of the research were eventually cross linked. A closely knitted nexus is then drawn among the derived frames to draw qualitative inferences. The findings are then interpreted through interpretive structured approach to yield a model that can have implications in business organizations yearning for green sustainable solutions for a better future.

5. FINDINGS

The four P's of marketing described by McCarthy as product, price, place and promotion has never extended to cover environmental realms. Justified

conceptualization from literature review has been qualitatively explored to yield impact of vital P's of green marketing on three domains namely, finance, HR and the ecological environment. See fig.1. Never before has the green marketing mix been qualitatively used to defend finance, HR and environmental gains. This is an addition to the existing knowledge pool and literature in the direction.

6. LIMITATIONS

Limited available literature on the subject stances a major impediment in drawing qualitative deductions. Green marketing is a novel concept that has vision for the future and a promise for organizational sustainability. Lack of awareness of this concept among marketing professionals impair its initial implementation and thereby the extrapolation of marketing mix in line with environmental responsiveness stood as a vital challenge. Scarce organizations have actually begun to put green marketing into practice bringing the scope of this study to a few organizations. An array of multiple organization study might have enabled a better scheming of the proposed model and revealed a better impact continuum.



7. IMPLICATIONS

Green marketing interventions may assist organizations in pushing employers to espouse policies that safeguard and enhance society's health and well-being at large. For academics, it adds to the existing data with a novel knowledge base on green management and for the society it promises reduced carbon footprints. More and more marketers are using environmental claims as a benchmark in their strategies, so that progress in this area can lead to enhanced sales and marketing interventions.

8. CONCLUSION

Green marketing is not merely a catchphrase; it is a marketing strategy that can help to make more customers and to make more money. Marketers should analyze the changing consumer attitudes while recognizing the role that companies can play in protecting the environment to ensure society's well-being. By practicing the philosophy of green marketing, industries can contribute to economic growth, social prosperity and environmental protection. If sustainable development is the need of time then green marketing can fulfill this need

and can become means for sustainable development as green marketing amalgamates people, profit and planet through a common thread.

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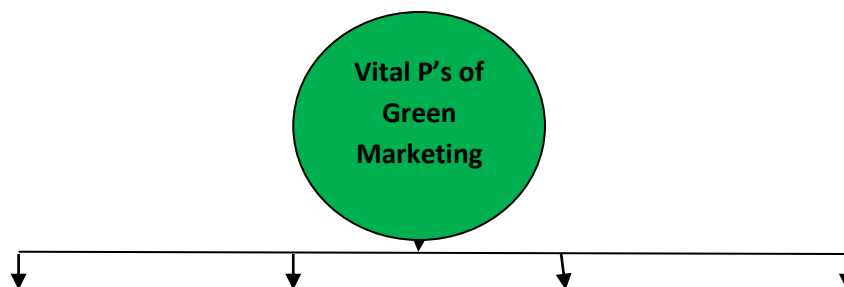
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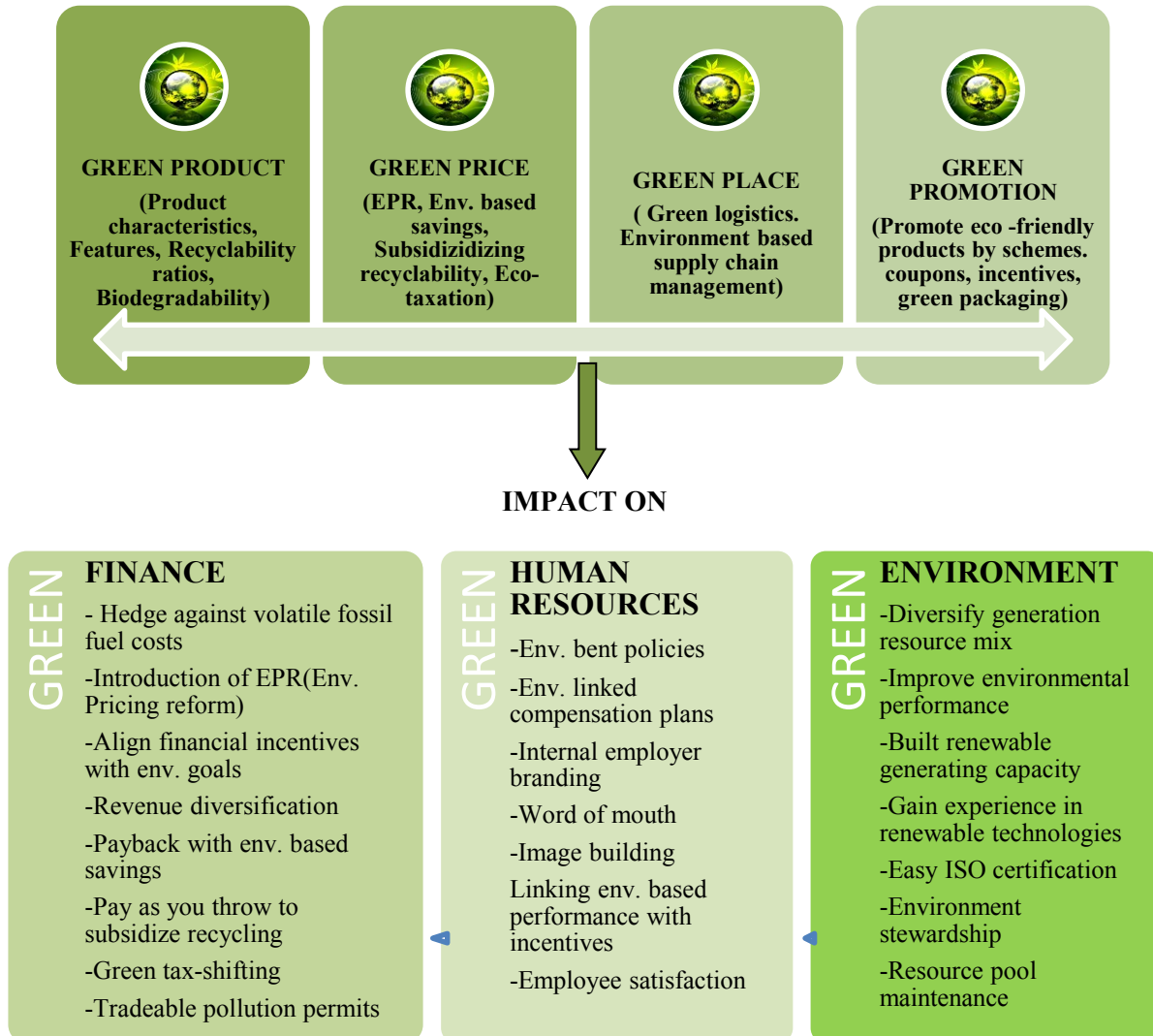


Fig.1 Construct signifying the impact of vital P's of Green Marketing on Finance, HR and the Environment.