

Assessing the Prospects of Green Marketing in India

Dr. Rouf Ahmad Rather

Lecturer Department of Commerce and Management Gandhi Memorial College Srinagar , J & K
Email id: rouf.au1@gmail.com

Abstract

The word “eco-friendly” has become a slogan of today’s marketing practices of different companies throughout the world. Green marketing is gaining noteworthy attention from both marketers and consumers. Given that a cautiously crafted green marketing strategy can earn trustworthiness with customers and provide a stage for revenue growth, it’s an area worthy of additional reflection. This paper is an effort to present a picture of green marketing prospects in India.

Key words: Green marketing, Environmentally friendly product, Awareness, India

Introduction

Green marketing generally aims to promote eco-friendly products and a safe environment where people could stay. Right now green marketing is widely becoming a phenomenon throughout the world as concerns on our environment have begun to escalate in the past few decades. Every year, the population of people who are turning towards green brands or environmental friendly products are increasing, so, magnifying the phenomenon exponentially. Thus, businesses in almost every industry nowadays are flaunting the “green” features of their products and services in every chance they get. The success, however, of any green marketing strategy is heavily reliant on the consumers it would like to target.

According to the American Marketing Association, green marketing is the marketing of products that are presumed

to be environmentally safe. Thus green marketing incorporates a wide range of activities, including product modification, changes to the production process, packaging modifications, as well as changing advertising. Still defining green marketing is not a simple task where several meanings intersect and contradict each other; an example of this will be the existence of varying social, environmental and retail definitions attached to this term. Other similar terms used are Environmental Marketing and Ecological Marketing.

According to Polonsky (1995)’s definition, “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 occur, with minimal detrimental impact on the natural environment”. Thus "Green Marketing" refers to holistic marketing concept wherein the production, marketing consumption an disposal of products and services happen in a manner that is less detrimental to the environment with growing awareness about the implications of global warming, non-biodegradable solid waste, harmful impact of pollutants etc., both marketers and consumers are becoming increasingly sensitive to the need for switch in to green products and services. While the shift to "green" may appear to be expensive in the short term, it will definitely prove to be indispensable and advantageous, cost-wise too, in the long run.

Green Marketing Practices in India

Nike is the first among the shoe companies to market itself as green. It is marketing its Air Jordan shoes as environment-friendly, as it has significantly reduced the usage of harmful glue adhesives. Kansai Nerolac Paints has been at the forefront of paint manufacturing for more than 88 years pioneering a wide spectrum of quality paints. Kansai Nerolac has worked on removing hazardous heavy metals from their paints – among this lead being the most prominent metal. Kansai Nerolac does not add any lead or other such heavy metals in its manufacturing process.

Dell has been one of the vendors who focus on producing green IT products. They have a strategy called "Go green with Dell" to sell these products in the market. It also comes in an eco-friendly packaging with a system recycling kit bundled along. Talking about the green commitments of the company, Sameer Garde, Country GM, Dell India, says, "Dell is also actively pursuing green innovations that will be of value in 2009 from data-center efficiency to the use of eco-friendly materials for everything from chassis design to product packaging.

Eco Hotels (Ecotels) is a certification system promoted by Hospitality Valuation Services (HVS) International. This system is based on 5 main criteria: environmental commitment, solid waste management, energy efficiency, water conservation, and employee education/community involvement. In India we have Eco-hotels like Orchid, Rodas, Raintree etc. believing and practicing *green marketing*. According to Harish Tiwari of Infinity Infomatic Pvt Ltd, a well known

distributor, who says, "We don't find any difficulty in selling green products because the knowledge for these products has increased in us as well in customer. They are ready to pay higher for these products once they convinced." In May 2007, IBM launched Project Big Green to help clients around the world improve the efficiency of IT and better optimize their data center resources. IBM has software and services technologies to help businesses reduce data center energy consumption and cut energy costs by more than 40 percent.

The Introduction of CNG in New Delhi, the Capital of India, as it was being polluted at a very fast pace until Supreme Court of India forced a change to alternative fuels. In 2002, a directive was issued to completely adopt CNG in all public transport systems to curb pollution. The Gas Tech Electronic Products (Pvt) Ltd. has invented LPG Kit for motorcycles/scooters (4 stroke and 2 stroke). Can be fitted in 50 cc to 375 cc air cooled , single cylinder 2 stroke as well 4 stroke vehicles with cent % fuel efficiency, with clean exhaust and zero pollution.

Significance of Awareness in purchasing of green products

Generally speaking awareness comprises a human's perception and cognitive reaction to a condition or event. Awareness does not necessarily imply understanding, just an ability to be conscious of, feel or perceive. To create more awareness for the consumers, many companies can be involved in programmes that support the environmentally friendly products. The consumers with respect to high to average level of green product awareness

show high to medium level of green buying behavior and consumers having awareness to small degree and not at all show low green buying behavior. Hence there is an urgent need to make consumers aware about green products in order to speed up the green buying behavior among all consumers. **(Rouf & Rajendran 2014)**

The media are playing a significant role in creating awareness and educating people about the benefits of environment conservation to the society **(Lalit & Kanokthip, 1998)**. In developing awareness of a green product, companies attempt to augment consumer knowledge of the product and its environmental attributes in the hope of bringing about purchase behaviour. But still now the exact nature of the relationship between environmental knowledge and environmentally sensitive behaviour is still to be established **(Arbuthnott & Lingg, 1975)**. Consumer awareness might be useful when the manufacturer's objective is to overcome resistance to new environmentally safe packages. Advertising of the new advantages and benefits of such products helps its consumers become more aware of the damage to the environment and they tend to change their buying habits. Unless consumers are aware of the advantages of green products, manufacturers' effort to introduce this product to the market will be wasted efforts **(Kassaye & Dharmada 1992)**.

Challenges in adopting Green Marketing

Implementing Green marketing is not going to be an easy job. The firm has to face many problems while treading the way of Green marketing. Challenges which have to be faced are listed as under:

- ❖ Green marketing encourages green products/services, green technology, green power/energy; a lot of money has to be spent on R&D programmes. So practicing green marketing initially will be a difficult and costly affair.
- ❖ The customers may not believe in the firm's strategy of Green marketing, the firm therefore should ensure that they convince the customer about their green product, this can be done by implementing Eco-labeling schemes. Eco-labeling schemes offer its "approval" to "environmentally less harmless" products have been very popular in Japan and Europe. In fact the first eco-label programme was initiated by Germany in 1978.
- ❖ in the beginning the profits will be very low since renewable and recyclable products and green technologies are more expensive. So Green marketing will prosper only in long run.
- ❖ Many customers may not be willing to pay a higher price for green products which may affect the sales of the company.
- ❖ The firms practicing Green marketing have to strive hard in convincing the stakeholders and many a times there may be some who simply may not believe and co-operate.

The Future of Green Marketing

There are many things to be learned to avoid green marketing myopia, the short version of all this is that effective green marketing requires applying good marketing

principles to make green products desirable for consumers. The question that remains, however, is, what is green marketing's future? Business scholars have viewed it as a "fringe" topic, given that environmentalism's acceptance of limits and conservation does not mesh well with marketing's traditional axioms of "give customer what they want" and "sell as much as you can". Evidence indicates that successful green products have avoided green marketing myopia by following three important principles:

Consumer Value Positioning

- ❖ Design environmental products to perform as well as (or better than) alternatives.
- ❖ Promote and deliver the consumer desired value of environmental products and target relevant consumer market segments.
- ❖ Broaden mainstream appeal by bundling consumer desired value into environmental products.

Calibration of Consumer Knowledge

- ❖ Educate consumers with marketing messages that connect environmental attributes with desired consumer value.
- ❖ Frame environmental product attributes as "solutions" for consumer needs.
- ❖ Create engaging and educational internet sites about environmental products desired consumer value.

Credibility of Product Claim

- ❖ Employ environmental product and consumer benefit claims that are specific and meaningful.
- ❖ Procure product endorsements or eco-certifications from trustworthy third

parties and educate consumers about the meaning behind those endorsements and eco-certifications.

- ❖ Encourage consumer evangelism via consumers social and internet communication network with compelling, interesting and entertaining information about environmental products.

Conclusion

Green marketing covers more than a firm's marketing claims. While firms must bear much of the responsibility for environmental degradation, the responsibility should not be theirs single-handedly. Green marketing requires that consumers want a cleaner environment and are willing to "pay" for it, possibly through higher priced goods, modified individual lifestyles, or even governmental involvement. Until this occurs it will be difficult for firms alone to lead the green marketing revolution. It must not be forgotten that the industrial buyer also has the ability to pressure suppliers to modify their activities. Thus an environmental committed organization may not only produce goods that have reduced their harmful impact on the environment, they may also be able to pressure their suppliers to behave in a more environmentally "responsible" fashion.

Green marketing should not be considered as just one more approach to marketing, but has to be pursued with much greater vigour, as it has an environmental and social dimension to it. And thus green marketing assumes even more prospects and relevance in developing countries like India.

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