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GREEN MARKETING: AN INITIATIVE TAKEN BY BUSINESS ORGANIZATIONS (OPPORTUNITIES & PROBLEMS)

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Abstract— Green marketing is the issues which need broader attention in the shed of industrial, national and ecological benefits. There are many individuals and organizations addressing this need for sustainable development of environment. This study focuses on various problems and solutions regarding awareness, existence and persistence of green marketing across the globe it discusses various initiatives taken by organizations towards making environment green through their product and process. The most important suggestion to sustain this process is, do not make green references or make generalized environmental claims it hampers customer faith instead specific claims about product benefits.

Key Words: *Green Marketing, Environment, Government Policies, Industrial Initiative, Green Campaign*

I. INTRODUCTION

Environmental movement came into prominence due to industrial revolution, this revolution bestowed economic and monetary development to countries but left with fume, air pollution, dust, bad health and many more. Environmental movement is an international movement which encompasses different international organization for seeking green politics, good health and environment .At its broadest the movement includes private participation of citizens, politicians ,NPOs(nonprofit organization's-in India we generally call it sec 25 companies)professional and individuals .For most of the century from 1850 to 1950,however ,the primary environmental cause was the mitigation of air pollution(1) but later it escalated in different domains whom green marketing is one. Green marketing marked its presence in late 80's and early 90's.In 1975 the first ever workshop on green marketing was held by American Marketing Association on "ECOLOGICAL MARKETING", which resulted into a beautiful and knowledge packed book. Two books are

milestone in green marketing development written by Ken Peattie (1992) in the United Kingdom and by Jacquelyn Ottman (1993) in the United States of America. With green marketing world become more concerned about environmental aspects, organizations are now being forced to change their mechanical behavior with go green. Polonsky in 2007 observed that few journals were indication for concern of people for better environment and environment friendly behavior of consume and articles like" Business strategy and the Environment" and 'Greener Management international," are evident for same.

II. WHAT IS GREEN MARKETING?

Green marketing is eclectic term which encompasses not only green products but methodology, process, advertisement, product modifications, packaging, promotion etc. which is environment friendly. It is perseverance of government, non-profit organization and few individuals to make planet green. The main focus under green marketing is on consumer a Gallop poll in US reveals increase of 66 % to 78% green product users in year 2004-06 ,there environmental concerns are so high that as per a survey report in 2002 23% US citizens use product made up of or packaged in recycled material,45% return their cans or bottle,46% recycle their newspapers and above all 58% citizens conserve electricity at home Due to mass awareness of consumer and their demand green marketing is now in vogue. Green Marketing is also popular with names like environmental marketing and ecological marketing. India is one of the countries showing maximum concern on green marketing its on top list following are list of countries as per their response level on green marketing:



RANK	COUNTRIES
1	India
2	UK
3	US
4	Thailand
5	Australia
6	Canada
7	China

Source:www.google.com

III. OBJECTIVE OF STUDY

Study has been conducted in the light of following objectives:

- To provide an insight of green marketing.
- To study organizational relevance and concern on green marketing.
- To Study and chalk out green marketing initiative taken by organizations.
- To observe government initiatives made for green marketing.

IV. RESEARCH METHODOLOGY

Research is based on secondary data collected from various source including books, journals, Magazines Articles, periodicals, government guidelines, online material etc., as research is based on secondary data few limitations are there.

V. LITERATURE REVIEW

Green marketing Intervention Strategies and Sustainable Development: A Conceptual Paper by Mary Wanjiru Kinoti (Dec-2011)

- Rakesh Kumar (2013)** in his paper discussed green marketing as a social and legal phenomena as per his view every organization is equally responsible for maintaining and sustain ecological development. Green marketing is the one of the initiative to support ecology and environment it is a major step to divert attention of consumer towards ecology, many organizations have already initiated different practices to make environment greener, Kumar has also defined and poured light on specific initiative taken by various organization he elaborated their contribution like solar power used by IndusInd bank for running ATMs etc.
- Dr. S.M. Das, Mr. B.M. Dash, Mr. P.C. Padhy (2012)** In this paper author has tried to explain need and importance of green marketing and various strategies for green marketing, they also focused on marketing myopia .they found green marketing

strategies as one of the very vast and of profound significance .it is a profitable business which should be taken to the next level.

- Polonsky (1994)** defines green marketing as all the activities which satisfies human desire like any other common product or services but unlike them not detriment or erroneous to the environment .This definition carries a though of producing products and services with Zero impact on ecology which indirectly makes organizations responsible for the sustainable development of environment.
- Anirban Sarkar (2012)**Anirban in his paper observed persistence of limited knowledge and information about green marketing in market, he suggested various areas which need to be focused across the world and further discussed different green marketing processes which is significant part of ecology and need to be understood by various concerned person.
- Hemantha y** discussed awareness of green products in Bangalore his research shows highest level of awareness of green marketing amongst residents, the various factors which are discussed in paper are basics of green marketing, level of awareness among consumer, level of liking etc.

VI. DIFFERENT ENTITIES WHO NEED TO UNDERSTAND GREEN MARKETING

Green marketing is the term to be understood by various persons/entities

Firstly it is most important for government to address the need of being green as environmental pollution has already affected a lot to environment if it could not be stopped yet, it would take disastrous form.

Second important entity in pipeline is organizations however organizations have already started taking initiative to improve their product and process thanks to laws for forcing such transformation. Last on the list are consumers and environmental organization. They are beneficiary of this movement unless consumer started taking interest in green product none of the above would have been paid interest in green marketing. Consumers are the motivators who motivated betterment of their lifestyle and in addition to that betterment of environment.

VII. GREEN MARKETING BUSINESS STATISTICS

A study had been conducted by IPSOS in 2012 over nine countries (US, UK, Germany, France, Spain, Mexico, Brazil, India and China) using over 11,000 online interviews and 18 focus groups. Following are the findings as per the observation*



- 79% Chinese and Brazilian consumers prefer purchasing products by companies doing their best to reduce impact on environment; it is least in UK and US.
- 74% consumers think they contribute in environment saving activities; this percentage is high in developed countries and low in developing countries.
- 89% consumers think they will purchase more green product in next coming months.
- 35% subjects were willing to pay a premium for green products.
- 11% respondent thinks their government is doing good enough to tackle climate and environment changes; still 89% has unfaith/unsatisfied.

Factsheet of biggest developed country US

- 34% of US respondents are eco-apatetic – almost six times as many as in Brazil or Mexico. The eco-apatetic do not respond to favorable changes in terms of green environment or marketing.
- US has 23% eco-absorbed respondent in world following UK 17% and Germany 15%. Eco-absorbed people are people who are very focused on climate change.
- 71% US respondent thinks handling environment/climate issue can be made possible by changing the way we live our life.
- 61% US citizens think climate change can affect their life, but only 50% thinks they can contribute into it.
- 51% US respondents would prefer to purchase green products if they are at par to their current brand with reference to price and quality. Only 31% are people willing to pay extra for green products.
- 20% Americans think their government is taking right initiatives to save environment and climate changes.

- Most of the US residents believe oil and gas sector is responsible for climate damage, Media and telecom sector is the least damaging.

*(Source IPSOS survey 2012)

VIII. WHY GREEN MARKETING IS HOT FAVORITE OF ORGANIZATIONS (OPPORTUNITIES)

Following are the facts and figures why organizations venturing into green marketing concepts:

Open Market

- In India 25% of the consumers prefer Eco-friendly products which show 75% of population is still left to spread awareness.
- Moving further 28% people are health conscious. Therefore, green marketers have diverse and fairly sizeable segments to cater to.

Corporate Social-Responsibility

- Corporate social responsibility is term which shows corporate responsibility towards society there are many laws which force corporates to be environment and society friendly. Therefore under CSR its primary responsibility of companies to adapt such processes which are least or not harmful to environment.

Governmental-Pressure

The basic two reasons of adapting green marketing are consumer awareness and government pressure. Certain government regulations relating to green marketing are designed to protect consumers in several ways. Reduction in adaption of non-harmful process of production, adaption of environment friendly product, advertisements and packaging are results of such stringent rules by government in India. There is a set level of emission to air and water pollution in India after that organization will be charged for escalating pollution. We have various acts like Indian water act 1974, Indian Air act 1981 etc. to control pollution spread by organization.

Competitive-Pressure

Many organizations encountered pleasure of success by adapting green strategies in past few couple of years. This is the reason and motivation behind taking initiative by other organization in the field of green marketing. Green marketing is future key of success which slowly and gradually every



organization has realized so for further growth and matching pace with competitors companies are bound to adapt green marketing. The green marketing initiatives by niche companies such as Body Shop and Green & Black have prompted many mainline competitors to follow suit.

Supply-chain Benefits:

Under supply chain, channel flows from procurement of raw material to its ultimate consumption to customer, in order to the same firms adapt green strategies which results in evaluating all the process from truck loading to route planning during delivery of goods. Routing should adapt the methods to eliminate fuel wastage and maximize truck capacity so that services for customers can be improved.

Cost-Reduction

The cost can be reduced by many ways, reduction in wastage may save considerable amount for companies. Now days companies also work for synergic effect where waste of one company becomes raw material of or primary input for others, this way they save and preserve money and contribute to environment too. For example, the fly ash generated by thermal power plants, which would otherwise contributed to a gigantic quantum of solid waste, is used to manufacture fly ash bricks for construction purposes.

IX. INITIATIVES TAKEN BY ORGANIZATIONS IN ORDER TO BECOME GREEN

Following are the steps taken by corporates to catch up pace with world:

a) Philips Light's CFL

Philips first Eco friendly product was fluorescent light bulb which in initial days had difficulty to ground its feet in market later company relaunched the same product with new name called Marathon with all new advertising and launching strategies, it conveyed the real sense of product and its ultimate impact on the environment and benefits to the customers. The advertisement promised to save 26% of energy in five years as compared to its competitors.

b) Hewlett –Packard (HP)

HP promised to deliver product which will conserve energy by 20 % and in order to achieve that HP announced various plans to deliver energy efficient products.

c) Introduction of CNG in Delhi

CNG was the biggest sign of hope for Delhites Earlier Delhi was only of the most polluted city in India but after Supreme

Court's order in 2002 an order issued for mandatory implementation and plantation of CNG in buses

d) ITC

ITC bestowed ecology many ways, it collects /sequestering twice the amount of carbon it emits for consecutive three years, it creating three times more Rainwater Harvesting potential than ITC's net consumption which makes it water positive for six consecutive years. ITC had launched e.Chaupal for farmers which are one of its kind and worlds colossal rural digital infrastructure poring benefits to more than 4million farming families.

e) Fevicol

One of the supreme adhesive company in India FAVICOL introduced two environment friendly products one synthetic resin adhesive and other AC Duct King Eco Fresh, company claimed Synthetic Resin Adhesive is the first eco-friendly adhesive introduced by any company ever it claims that this water based adhesive has extraordinary strength for bonding that's make it all in one adhesive, however Fevicol AC Duct King Eco Fresh is Ideal for AC Duct insulation used in residences and industries

f) Maruth

The company has initiated to develop products using less natural resources and making products which are more eco-friendly and sustainable. The company has adapted 3R system since its beginning so that it helped it to achieve recycle 100 percent of its waste water and diminished fresh water consumption. Company has planted Rain Water Harvesting plant to recharge its aquifers so that they come close to more environment friendly activities.

Company is also helping its suppliers and vendors with training and other development activities to keep the ecology intact and named it Environment Management System. They provide close training program to implement the same.

g) HCL's Environment Management Policy under HCL eco Safe

In order to maintain sustainable ecological system HCL had launched ecoSafe program, which was an initiative to identify, develop and maintain a structure at corporate grounds. This programme targeted to generate awareness and take suitable measures at corporate level addressing environmental problems persisting across the world. They extracted problems found solutions and implemented it in their operational processes to make their product and services more eco-friendly and less harmful.



HCL ecoSafe encompassed environmental management procedure into business process to protect health and safety of its consumer and other connected parties.

HCL ecoSafe program ensures that products since its beginning till its death be produced in such a way that either after exhaustion of its life tenure it can be further recycled and used for other purposes without harming environment.

h) McDonald's restaurants

The small initiative but having big impact was done by McDonalds they started using, napkins, bags which are made-up of recycled paper.

i) NTPC

Badarpur Thermal Power station of NTPC in Delhi is devising ways to utilize coal-ash that has been a major source of air and water pollution and Barauni refinery of IOC is taken steps for restricting air and water pollutants.

j) Surf Excel detergent

Surf excel detergent which led their campaign with slogan "Do bucket Pani" is one of the great examples of green advertisement. Here company in disguise communicating message to conserve water.

k) Amul

Amul has been world known for its green initiative. Company has won many honors in order to make itself greener and environment friendly. Few of the awards are:

- Top Indian Green Brand by Global Green Brands survey.
- The International Dairy federation has also awarded AMUL Green movement as the best Environment Initiative in the —Sustainability Category in 2010.
- Srishtils good green Governance award for four consecutive years since 2011.

l) Mahindra and Mahindra

M&M designed Mahindra Reva "e20" electric vehicle which runs on electricity and saves petrol.it has also introduced earth and farmer friendly tractors.

m) Wipro

Wipro IT products and solutions helped customers achieving high productivity in energy they provide products which are recyclable.

n) Vivanta (By Taj)

Claims they use ecofriendly cloth, use organic cotton, etc.

X. TOP-TEN GREEN MARKETING CAMPAIGNS

1. Tide Coldwater Challenge:

One of the famous advertisements showcased by Tide India, where consumers are suggested to use cold water for washing and the products ability to give its best result in plain cold water. It also added few more benefits of the same .This campaign reached using various medium including TV advertisement, print media, free sample distribution etc.

2. Jamie Oliver:

Jamie Oliver who is a chef and a food advocate, advocates healthy food through disruptive media and public visibility to Conway his environment and health friendly thoughts

3. Diesel Clothing "Global Warming Ready":

Diesel the Italian Based Apparel company launched a GLOBAL WARMING READY campaign depicting landscapes transformed by environmental disaster campaign was big success in print media in year 2007.

4. GE EcoImagination:

Eco Imagination a campaign by GE, established GE as environment pro company in market .whereas consumers started believing more on the process and products than ever before and it turned out positive for company .It was a multimedia campaign gained grounds in all possible felids.

5. HSBC "No Small Change":

HSBC launched a campaign No small Changes related to environment which brought ample benefit to the company in terms of market leading .It made it environmental leader and enhanced its market goodwill.



6. TOMS Shoes “Project Holiday”:

In the year 2008 TOMS shoes started a campaign “Project Holiday” during Christmas holidays to sell thirty thousand pair of shoes so that they can provide similar number protective rubber shoes to the Ethiopian Kids. The campaign was big success and accumulated 23% more amount as expected from original target and without involving paid media.

7. Toyota Prius “Harmony”:

Toyota in order to promote Prius I n year 2009 initiated campaign harmony ,showcasing various features ,which includes in itself more advanced safety measures, ample space, adaption of advanced technology and superior gas mileage which is supportive to environment measures .

8. Timberland “Earth keepers”:

Timberland a global apparel company had launched a “Earth keeper” campaign in year 2009 showcasing eco-friendly apparels .This has gained popularity on virtual and print media and left impact worldwide.

9. Method “Just Say No To Jugs”:

A cheeky campaign typical of Method’s marketing mocks mainstream cleaning products as feeding a household’s “jug” habit. The campaign relied only on print and online ads. (2010)

10. BMW Diesel “Ch-ch-changes”:

In Year 2011 BMW launched a campaign at Superbowl XLV where it promoted and created awareness about environmental advantages and ch-ch changes in diesel technology amongst Americans. It was indeed a winning campaign.

XI. PROBLEMS IN ORDER TO BE GREEN

Following are the factors which are holding green marketing back

- The key factor is price 63% consumers thinks that green products are expensive

- Rest 36% is skeptical about its claims that products make.
- Stringent rules are hard to be followed
- It has been found that only 5% claim to be green is true rest of the scenario is fact or having no base or authentication behind that
- Investors and corporates don’t see environment as long term investment opportunity
- Most of the green products are suffering from green myopia where consumer thinks product is not worth paying price mentioned on its label .An industry has to clear such doubts then only they can position their product in their minds.

XII. GOVERNMENT INITIATIVES

- The Indian Government has taken may strides sustainable development of ecology .the primary movement was banning plastic bags which was harmful for humans as well as animals.
- Government was big help to automotive industry to develop greener vehicles .With the help of subsidies and relaxed laws automobile industry has developed many ecofriendly vehicles which are environment friendly and cheap to maintain like electric bikes.
- Initiative to invest in greener Cars by Government of India not only help environment to grow but it will also help underutilized segment s in ordure to generate economic growth and reduce pollution.
- The government is also promoting green buildings construction, usage of alternate sources of energy by companies.
- Government is forcing firms to follow rules meant for them they force industries to eliminate use of harmful chemicals in product and use customer friendly raw materials.

XIII. FINDING & SUGGESTION

Communication

- The key to green marketing is communication that is in benefit of customer. escape from messages like Save Trees, save environment etc. focus on consumer gain like how compatible this product is for them,



how much cheap you can make this product for them, how this product will make their life better etc.

Remove misconception about green products

- Mostly consumer thinks product that has been offered to them are fake and of no use organization should try to remove this misconception
- Take few authentication /Approvals from renowned Health organization which would be base for consumers to count on your product

Credibility

- Establish credibility /faith among customers do whatever you have promised in your advertisement to be done.
- Arrange Fairs /Exhibitions to promote green product and to communicate its benefit to consumer and environment.

Greenwashing

- Company should try to eradicate practices which promotes greenwashing.it is a term in which organization pretends they are doing or selling products which are green and on the pretext of that they promote their private benefits

Limitations of green product

- Green products require renewable and recyclable material, which is costly and Requires a technology, which requires huge investment in R & D ,company should try to establish these issues at the beginning of production for the sure success in future

XIV. CONCLUSION

- As Responsible nationals every individual should try to promote and use green products as much as they can.
- Organizations should come out of perception that customers wouldn't buy green product they should work on realizing the benefits of green marketing.
- If products are expensive and consumer knows it's good for health and environment they should buy it.
- Green marketing is still in its infancy and a lot of research is to be done on green marketing to fully explore its potential.

- Organizations should work on finding attributes that are most important to your customer and emphasize these.
- Do not make green references or make generalized environmental claims. Do not make general claims; rather make specific claims about product benefits.
- Make environment impact statement that show what is being saved or conserved.
- Essentially make the intangible tangible

A good Market has a flavor of capturing attention of customer and using it in their own marketing strategy and development. Green marketing is a comprehensive topic which should not be considered as temporary debate or fad rather it should be made mandatory to all the industries and services to adapt the same up to level and government should make it mandatory to all fields.

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