

## **Green Marketing: An Emerging Approach to Sustainable Development**

**Shruti Garg<sup>1</sup> and Vandana Sharma\*<sup>2</sup>**

*<sup>2</sup>Assistant Professor, Deen Dayal Upadhyaya College, University of Delhi, India.*

*<sup>1,2</sup>E-mail: [sas14818@gmail.com](mailto:sas14818@gmail.com), [vandana.env@gmail.com](mailto:vandana.env@gmail.com)*

*(\*Corresponding Author)*

### **Abstract**

In the recent times, societies have become more concerned with natural environment and increasingly conscious about eco-friendly products or green products and about their own safety and welfare which has led to the emergence of green practices, and it is in this scenario, that the concept of green marketing has gained worldwide significance. The ideas of green marketing such as designing of green products, implementing a green supply chain, packaging, pricing and advertising are beneficial to society and to the environment as a whole. Environmental or green marketing is perceived to be a tool towards sustainable development as pollution levels are getting worse day by day, which will eventually lead to the perpetual deterioration of human life. Green marketing is a strategy that addresses the concern of promoting and preserving the natural environment which can benefit the firms as well as the consumers. The last decade has witnessed a dramatic increase in environmental degradation. This increase in ecological damage has had a profound effect on consumer behavior, due to which the green product market is expanding at a remarkable rate. The need of the hour is to promote and propagate new decisions and innovations which can lead to green marketing environment and also create a new marketing condition for the potential buyers.

**Keywords:** Green Practices, Green Products, Green Marketing, Sustainable Development.

### **INTRODUCTION**

Degradation of mother earth is happening rapidly and our land is turning into a concrete jungle. We all are facing severe environmental damage which affects one

and all deeply. Efforts are being made globally to mitigate this phenomenon so that our future generations can thrive on. Since ecological issues influence all human activities, societies today have become more concerned with environmental management. It is in this regard that we confront terms such as “green marketing”, “green banking”, “go green” etc. This paper seeks to understand the concept and origin of green marketing and why it is important to implement it especially in today’s era, keeping in mind the needs of the future generations as well. The significance of green marketing relies on the very basic principle of economics: how to use the limited natural resources in order to maximize utility. Owing to scarcity of natural resources, firms must develop alternative ways of satisfying the unlimited wants of consumers. Many firms are beginning to realize that they are members of the wider community and therefore must behave in an environmentally responsible fashion. Green marketing looks at how marketing activities utilize these limited resources, while satisfying the wants of individuals and industry, as well as achieving the selling organization's goals.

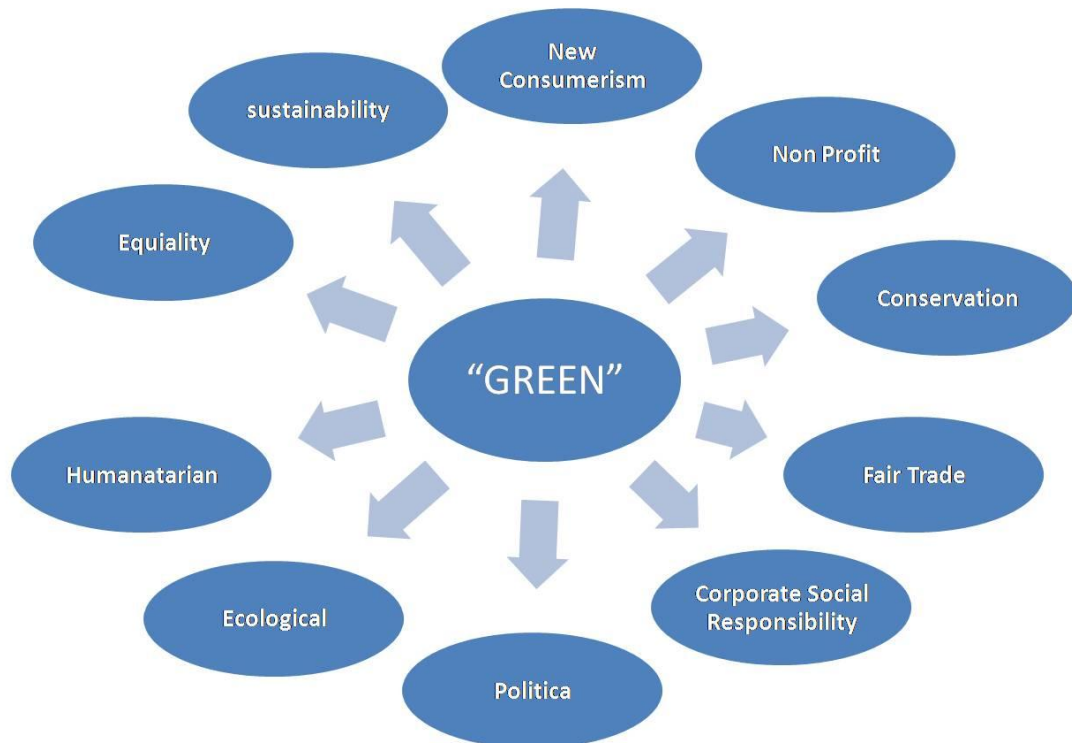
### **CONCEPT OF GREEN MARKETING**

Green marketing comprises all activities designed to satisfy human needs or wants, such that the satisfaction of those wants occurs, with minimal detrimental impact on the natural environment with growing awareness about the implications of global warming, non-biodegradable solid waste, harmful impact of pollutants etc. According to the American Marketing Association, green marketing is the marketing of products that are presumed to be environmentally safe. It is essentially a way to brand your marketing message in order to capture more of the market by appealing to people’s desire to choose products and services that are better for the environment [1]. Defining green marketing is not a simple task where several meanings intersect and contradict each other since it incorporates a broad range of activities, including product modification, changes to the production process, packaging changes, as well as modifying advertising. There are various other labels to green marketing too viz eco marketing, sustainable marketing, environmental marketing, organic marketing, green advertising, all of which point to similar concepts. Successful marketing has always been about identifying trends and positioning products, services and brand in a manner that supports buyer intentions. Today, "Green" marketing has moved from a trend to a way of doing business and businesses that sell should recognize (a) the value of going green and (b) incorporating this message into their marketing program and communicating the green concept to their consumers [2]. Green marketing does not refer solely to the promotion or advertising of products with environmental characteristics. As per a workshop conducted on ecological marketing by the American Marketing Association in 1975, the definition is segmented into three major clusters:

- a) **Retailing Definition:** The marketing of products that are supposed to be environmentally safe.
- b) **Social Marketing Definition:** The development and marketing of products designed to minimize negative effects on the physical environment.

c) Environmental Definition: The attempts and efforts by organizations to produce, promote, package, and retrieve products in a manner that is sensitive or receptive to ecological concerns.

With regards to green marketing, Peattie (1995) said “the holistic management process responsible for identifying and satisfying the requirements of consumers and society, in a profitable and sustainable way” [3].



**Fig 1\_:** Meaning of being green (Source: Peattie,2001[4])

## REVIEW OF LITERATURE

Alsmadi (2007) investigated the consumer behaviour of Jordian consumer's reveals environment consciousness. But positive tendency in “Green Products” does not show have positive impact o buying decisions [5]. According to Simons and others (2006), with the implementation of more advanced technology, stricter state enforcement on deceptive claims, government regulations and incentives as well as closer scrutiny from various environmental organisations and the media, many green products have greatly improved and regained consumer confidence in the green products [6]. Polonsky (2003) concluded that green marketing cover more than firms marketing claims, firms must bear more of the responsibility of environment [7]. According to Bowen (2000), ethical consumerism refers to buyer behaviour that reflects a concern with the problems that arise from unethical and unjust global trades, such as child and low-paid labour, infringement of human rights, animal testing, labour union suppressions, inequalities in trading relations with the Third World and pollution of the environment [8]. Oyewole (2001) presented a conceptual link among green

marketing, environmental justice, and industrial ecology and also argued for greater awareness of environmental justice in the practice for green marketing [9]. Prothero & Fitchett, (2000) argued that greater ecological enlightenment can be secured through capitalism by using the characteristics of commodity culture to further progress environmental goals [10]. Kilbourne (1998) discussed the failure of green marketing to move beyond the limitations of the prevailing paradigm and also examined for their effect in the marketing/environment relationship, namely economic, political and technological dimensions of the cultural frame of reference [11].

### ORIGIN OF GREEN MARKETING

The term Environmental Marketing (popularly known as Green Marketing) came into prominence in the late 1980s and early 1990s. It began in Europe when specific products were recognized as harmful to the earth. Consequently, new “green” products were introduced that were less degrading to the environment. Green marketing is a phenomenon which has developed, particularly important in the modern market and has emerged as an important concept in India as in other parts of the developing and developed world, and is seen as an important strategy of facilitating sustainable development.

**Table 1:** Green Marketing Evolution (Adapted from Solvalier, 2010 [12])

Stages	Decade	Important milestones in Green Marketing history
1 <sup>st</sup> stage	1980s	Introduction of ecological products; ecological was equivalent to green products; green consumption was very low
2 <sup>nd</sup> stage	Early – 1990s	High concern about green issues; still low consumption of green products; companies involve themselves in using less raw material, wasting less; corporate efforts in recycling, energy efficiency, corporate responsibility
3 <sup>rd</sup> stage	Late 1990s	Changes in production processes, technology and resourcing; sustainability marketing; Total quality management involves environmental issues
4 <sup>th</sup> stage	2000	Green products and services making a comeback; eco-friendliness /going-green become more and more popular between companies and consumers; the term of ‘sustainable green marketing’ is introduced

According to Peattie (2001), the evolution of green marketing has three phases. First phase was termed as "Ecological" green marketing, and during this period all marketing activities were concerned to help environment problems and provide remedies for environmental problems. Second phase was "Environmental" green marketing and the focus shifted on clean technology that involved designing of innovative new products, which take care of pollution and waste issues. Third phase was "Sustainable" green marketing. It came into prominence in the late 1990s and early 2000 [4]. Table 1 represents the most vital characteristics within each decade of

green marketing evolution during the recent thirty years.

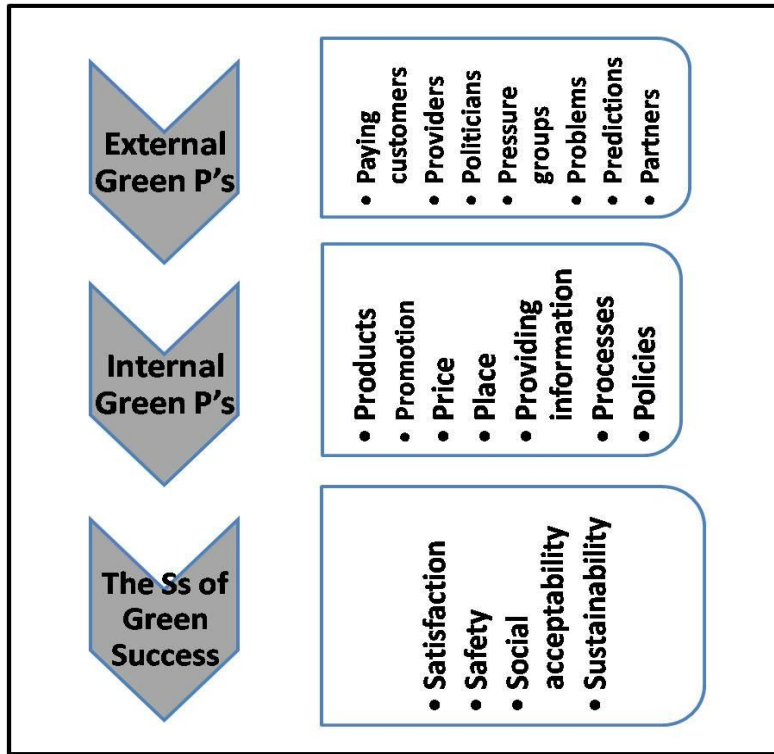
### **Why Green Marketing?**

1. **Corporate Social Responsibility:** An environmentally responsible firm will always try to achieve environmental objectives as well as profit related goals. This can happen only when the board-room decisions progressively incorporate environmental issues into their own.
2. **Government Regulations:** Government across the globe has established regulations and regulatory authorities designed to control the amount of hazardous wastes produced by firms. Their inherent objective is to reduce the overall carbon-footprint. Not only firms, Government try to sensitize their citizens also to become more responsible towards environment
3. **Competition:** Competitors' environmental activities pressure firms to change their environmental marketing activities.
4. **Opportunities:** Cost factors associated with waste disposal, or reductions in material usage forces firms to modify their behavior. As resources are limited and human wants are unlimited, it is important for the marketers to utilize the resources efficiently without waste as well as to achieve the organization's objective. So green marketing is inevitable.

### **Marketing Mix of Green Marketing**

Every company has its own favorite marketing mix. The 4 P's of green marketing are that of a conventional marketing but the challenge before marketers is to use 4 P's in an innovative manner.

1. **Product:** The ecological objectives in planning products are to reduce resource consumption and pollution and to increase conservation of scarce resources.
2. **Price:** Most consumers will only be prepared to pay additional value if there is a perception of extra product value. This value may be improved performance, function, design, visual appeal, or taste. Green marketing should take all these facts into consideration while charging a premium price.
3. **Promotion:** There are three types of green advertising: one that addresses a relationship between a product/service and the biophysical environment, two, that promote a green lifestyle by highlighting a product or service, and three, that present a corporate image of environmental responsibility.
4. **Place:** The choice of where and when to make a product available will have significant impact on the customers as only a few customers will go out of their way to buy green products.



**Fig 2:** The Green Marketing Process (Source: Peattie, 2001 [4])

Green marketing strategy can be implemented through the process called as the Greening of Marketing Mix, including External Green 7P, Internal Green 7P, and Green 4S for Success [4] (Fig 2). .

### Advantages of Green Marketing

- It ensures sustained long-term growth along with profitability.
- It saves money in the long run, though initially the cost is more.
- It helps companies market their products and services keeping the environment aspects in mind.
- It helps in accessing the new markets and enjoying competitive advantage.
- Most of the employees also feel proud and responsible to be working for an environmentally responsible company.
- A strong commitment to environmental sustainability in product design and manufacturing can yield significant opportunities to grow your business, to innovate, and to build brand equity [13].

### CONCLUSION

Both markets and consumers are becoming increasingly sensitive to the need to switch to green products and services. Therefore, firms are taking action to develop potential ecological approaches in the green market industry. The global emphasis on

Green Marketing is primarily due to environmental concerns, climate change, global warming, water management issues, deforestation, etc. As the ecological issues are getting worse, the consumers' concerns about the environmental protection have led to the diversification in consumer buying approach towards a green lifestyle. 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 should not neglect the economic aspect of marketing. Marketers need to understand the implications of green marketing. Green marketing and green product development are useful techniques that are used by firms to increase competitive advantages and gain the satisfaction of consumers in order to achieve the firms' objectives. A good green marketing program is one that has strong linkages to local environmental groups and that achieves broad support from regional and national groups. In sum, companies should be ethical, meaning thereby that green washing should be avoided and they should strive to incorporate green strategies as far as possible, while creating awareness for the consumers also.

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