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**GREEN MARKETING IN INDIA: NEW HOPES,  
CHALLENGES AND OPPORTUNITIES**

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# Green Marketing in India: New Hopes, Challenges and Opportunities

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**Abstract – In the modern era of globalization, it has become a challenge to keep the customers as well as consumers in fold and even keep our natural environment safe and that is the biggest need of the time. The term Green Marketing is the buzzword used in industry which is used to describe business activities which attempt to reduce the negative effect of the products / services offered by the company to make it environmentally friendly.**

**Marketing being an inevitable function of an organization should ideally hold the balance between economic and social goals i.e. it not only has to satisfy customers in particular, but also has to take into account the interests of society in general. To cater with problems of principles, ethics and moral dilemmas, marketing needs to have a broader perspective to serve the society & environment which is being executed by various companies by embracing the new concept of “Green Marketing.”**

**This paper describes concept, need and importance of Green-Marketing. Challenges and opportunities businesses have with green marketing and why companies are adopting it?**

**Data has been collected from multiple sources. Many research papers, journals, websites, newspapers and books have been consulted.**

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## INTRODUCTION

According to the scientists, the world is moving towards an environmental turmoil. The only way to save our planet is to go green on a full swing as quick as possible. Worldwide evidence indicates people are concerned about the environment and are changing their behavior. As a result of this, green marketing has emerged which speaks for the growing market for sustainable and socially responsible products and services. Green or Environmental marketing consists of all activities designed to generate and facilitate any exchange intended to satisfy human needs or wants occurs with minimal detrimental impact on the natural environment. The united Nations Environment Program defines it as “a marketing which encompasses all communication operation undertaken to promote a product on the basis of its environmental properties or all its social qualities it is about selling products on an ethical platform.”

Unfortunately, a majority 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.

## REVIEW OF PREVIOUS LITERATURE

**Philip Kotler and Kevin Lane Keller** in Marketing Management has initiated the topic by discussing about the relevance of green marketing in the past few decades and has also discussed the explosion of environmentally friendly products. However, according to the author from the branding perspective green marketing programs have not been very successful.

**Swachh Bharat Swasth Bharat** (Swachh Bharat Abhiyan i.e Clean India Mission ) is another activity by the Government Of India that put emphasis on environment cleanliness.

**Kilbourne, W.E. & Beckman, S.C.** (1998) traces the development from the early research which focused predominantly on the characterization of the "green" consumer, conceptualization of environmental consciousness, environmentally related behaviour

such as recycling, and attitudes towards environmental problems such as pollution.

**Oyewole, P.** (2001). In his paper presents a conceptual link among green marketing, environmental justice, and industrial ecology. It argues for greater awareness of environmental justice in the practice for green marketing.

Various authors has proposed different models to develop strategy that includes the green Marketing grid and the green marketing strategy matrix (**Ginsberg & Bloom**, 2004). Further, holistic and integrated approach is necessary to implement green marketing strategies in all areas of the marketing mix was emphasized by **Polonsky & Rosenberger** (2001).

**Chaudhary, R., And Bhattacharya, V.** (2007), in their article on Clean Development Mechanism: Strategy for Sustainability and Economic Growth published in Indian Journal for Environmental Protection, state that, The Clean Development Mechanism (CDM), a co-operative mechanism established under the Kyoto protocol, has the potential to assist developing countries in achieving sustainable development by promoting environment friendly investment from industrialised country governments and businesses.

**Uberoi,** (2007) in his book on Environmental Management states that, the Government at the centre and at the State level and their agencies should become proactive vis-à-vis environment. The environmental problems cannot be tackled without a sound proactive policy by the Government. Intervention of the Government is required on continuing basis and not on one-time legislation and its implementation.

A survey by **Mckinsey** and company revealed that: (1) 92% of CEO's believe that environment should be top management priority; (2) 35% CEO's believe that their companies have adopted strategies to anticipate impacts of environment on business.

**Polonsky and Alma** (2008), in their edited book titled Environmental Marketing Strategies, Practice, Theory and Research, discuss the role of marketing in improving our environment

### WHY GREEN MARKETING ????

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. Further the question of why green marketing has increased its importance is quite simple and relies on the facts. More than 12 other studies in the US, Brazil, Europe, Mexico, South Korea and Taiwan have established links between air pollutants and low birth weight premature birth still birth and infant death. People do want to donate a

clean earth to their children. Various studies by environmentalists indicate that people are concerned about the environment and are changing their behavior pattern so as to be less hostile towards it. Now we see that most of the consumers, both individual and industrial, are becoming more concerned about environment-friendly products. Most of them feel that environment-friendly products are safe to use. As a result, green marketing has emerged, which aims at marketing sustainable and socially-responsible products and services.

Over last five years or so, firms have increased use of Green Marketing. There may be several reasons for the same. Some possible reasons are as follows

1. Organizations perceive environmental marketing to be an opportunity that can be used to achieve their objectives.
2. Organizations believe they have a moral obligation to be more socially responsible.
3. Governmental bodies are forcing firms to become more responsible.
4. Competitors' environmental activities pressurizes firms to change their environmental marketing activities.
5. Cost factors associated with waste disposal, or reductions in material usage forces firms to modify their behavior.

### CHALLENGES / PROBLEMS IN GREEN MARKETING

1. It is found that only 5% of the marketing messages from Green campaigns are entirely true and there is a lack of standardization to authenticate these claims.
2. Indian literate and urban consumer is getting more aware about the merits of Green products. But it is still a new concept for the masses. The consumer needs to be educated and made aware of the environmental threats. The new green movements need to reach the masses and that will take a lot of time and effort.
3. Since it is a new concept and idea, it will have its own acceptance period. The investors and corporate need to sit back and view this as a major long-term investment opportunity i.e it require a lot of patience and immediate results cannot be seen.
4. If the product is absolutely green in various aspects but does not pass the customer satisfaction criteria then it will lead to green myopia. Also if the green products are priced

very high then again they will lose their market acceptability.

## **HOW TO MAKE GREEN MARKETING EFFECTIVE**

1. The firms using Green Marketing must ensure that their activities are not misleading to customers or industry, and also they have to make sure that all regulations or laws dealing with environmental marketing must be complied with.
2. A standard quality control board is required who can certify a product as Organic one. Further, certification is also required for labeling and licensing of green products / services.
3. Both environmental as well as social concerns have to be considered. As both are equally Important to the ethical consumer. Consumers must be made to believe that the product performs the job it's supposed to do, they won't forego product quality in the name of the environment.
4. The firm using green marketing have to make sure (i) the firm is doing what it claims to do in its green marketing campaign and (ii) rest business policies are consistent with whatever the firm is doing as eco-friendly.
5. Activeness about green marketing by government, companies, customer & society as a whole should be amplified as environment should be top management priority.
6. Make sure that the consumer is aware of and concerned about the issues that your product attempts to address. Information is the key, the more you can inform your customers about the environmental or social benefits the more likely they will be to justify using your product or service.
7. Corporate should create awareness among the consumers, what are the benefits of green products as compared to non-green ones.
8. The government should take initiative to make available the recycling booths within the reach of the people. An easy picking system for quick disposal for recycling

## **GREEN MARKETING INITIATIVES BY SOME COMPANIES**

- Suzlon Energy manufactures and markets wind turbines, which provide an alternative source of energy based on wind power. This green initiative taken by the company is extremely important for reducing the carbon footprint.
- Tata Metalikes Ltd (TML) has initiated the use of only sunlight during in its offices.
- ITC has introduced Paperkraft, a premium range of eco- friendly business paper. The company's social and farm forestry initiative has greened over 80000 hectares of arid land.
- Maruti and Hyundai have come up with LPG and CNG based variants for WagonR and Santro respectively.
- Mahindra Group had launched project Mahindra Hariyali in which 1 million trees would be planted nation-wide by Mahindra employees and other stakeholders including customers, vendors and dealers.
- McDonald's restaurants use napkins and bags made of recycled paper.
- Accenture is focusing on green buildings and data centers at all global offices
- Panasonic is associated with manufacturing of Eco-Friendly refrigerators, air conditioners, washing machines etc.
- IndusInd Bank installed the country's first solar-powered ATM and thus brought about an eco-savvy change in the Indian Banking sector.
- The Government of Himachal Pradesh has given significant importance for the development of renewable energy sources in the State, through **HIMURJA**.
- Gujarat Power Corporation Limited (GPCL) is the Nodal Agency for the development of "**Solar Park**" in Gujarat.
- Big brands like Addidas, Reebok, Lotto, Nike and many more are using cotton tags on their products.

## **FUTURE OF GREEN MARKETING**

In the modern era of globalization, it has become a challenge to keep our natural environment safe. Now is the era of recyclable, non-toxic and environment-friendly goods. This has become the new tune for

marketers to satisfy the needs of consumers and earn better profits. Organizations perceive Environmental Marketing as an opportunity to achieve their objectives.

Firms have realized that consumers prefer products that do not harm the natural environment as well as the human health. Green marketing affects all areas of our economy, it does not just lead to environmental protection but it also creates new market and job opportunities. Companies that are environmental stewards stand a chance of gaining many satisfied and loyal customers.

But the fact is that majority of Indian companies and government agencies are not concerned about the Green marketing and environmental protection. Thus we can say that Green marketing is still in its infancy and a lot of research is to be done on green marketing to fully explore its potential. A lot still need to be done to make green products truly viable and workable in India.

## CONCLUSION

The Environmental problems in India are growing rapidly. The increasing economic development, rapid growth of population and growth of industries in India is putting a lot of strain on the environment, infrastructure and the natural resources of the country. Industrial pollution, soil erosion, deforestation, rapid industrialization, urbanization, and land degradation are all worsening problems. So it is the right time to select Green Marketing as it is a tool for protecting the environment for the future generation and it has a positive impact on environmental safety.

Green marketing should not be considered as just one more approach to marketing, but has to be pursued with much greater vigor, as it has an environmental and social dimension to it. It is extremely important that green marketing should become the norm rather than an exception or just a fad.

Business firms need to change their mind set from traditional marketing strategies to green strategies with a huge investment in technology, R & D and through Green marketing elements such as eco-design of product, eco-labeling, eco-packaging, green logo in order to survive in the green competitive world and to have a positive impact on the environment.

Green marketing helps in the effective outcomes like cost cutting, employee satisfaction, waste minimization, society welfare for the companies as well for society also. Only thing required is the determination and commitment from all the stakeholders of the companies. Marketers also have the responsibility to make the consumers understand the need for and benefits of green products as compared to non-green ones and the benefits they can reap in the future. Finally, consumers, industrial buyers and suppliers need to promote the positive effects of

Green marketing on the environment. Green marketing assumes even more importance and relevance in developing countries in the world like India which should be path breakers and trendsetters for all others to follow.

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