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# GREEN MARKETING - A HOLISTIC MARKETING CONCEPT

**Dr. Prashant S. Salve**
Dept. of Commerce,
Babuji Avhad Mahavidhyalaya,
Pathardi, Dist. Ahmednagar.(M.S.)

## RESEARCH PAPER - COMMERCE

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**ABSTRACT**

*Green marketing incorporates a broad range of activities, including product modification, changes to the production process, packaging changes, as well as modifying advertising. It refers to holistic marketing concept wherein the production, marketing consumption and disposal of products and services happen in a manner that is less detrimental to the environment. Green marketing has emerged and speaks for growing market for sustainable and socially responsible products and services. This has become the new mantra for marketers to satisfy the needs of consumers and earn better profits. However, green today is still largely viewed as a personal virtue, rather than a societal norm. One can also witness confusion among the consumers regarding the products. In particular, distrust regarding the credibility of green products still exists. The visionaries of various industrial houses have to think of how to inspire their consumers for these green products & services? What technology and partners do we need to gain access to? Is it all about striving for an ideal goal of "Zero" environmental impact?*

## INTRODUCTION :-

Being green isn't rocket science, but it does require a significant change in thinking. 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 broad range of activities, including product modification, changes to the production process, packaging changes, as well as modifying advertising. Other similar terms used are Environmental Marketing and Ecological Marketing. Thus "Green Marketing" refers to holistic marketing concept wherein the production, marketing consumption and 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. Businesses in almost every industry are touting the "green" aspects of their products and service every chance they get.

In fact, green marketing is the process of developing products and services and promoting them to satisfy the customers who prefer products of good quality, performance and convenience at affordable cost, which at the same time do not have a detrimental impact on the environment. It includes a broad range of activities like product modification, changing the production process, modified advertising, change in packaging, etc., aimed at reducing the detrimental impact of products and their consumption and disposal on the environment.

### Green Marketing - the new mantra

Green marketing is basically about the way to improve consumer appeal for environmentally preferable products. 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. There is growing interest among the consumers all over the world regarding protection of environment. 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 growing market for sustainable and socially responsible products and services. Thus there is a growing awareness among the consumers all over the world regarding protection of the environment in which they live. People do want to bequeath a clean earth to their offspring. 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. Now is the era of recyclable, non-toxic and environment-friendly goods. This has become the new mantra for marketers to satisfy the needs of consumers and earn better profits.

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.

When it comes to shining a spotlight on specific sustainability issues, NGOs and consumer groups will target the most respected and trusted brands in the world. It's the reason why Home Depot was targeted for sustainable harvested wood, Nike for child labor practices, McDonalds for Styrofoam clamshells and now obesity, and why Coke is similarly a target for sugar and packaging. What does this all mean for your business? Simply stated, if you don't manage your business with respect to environmental and social sustainability, your business will not be sustained! But the converse is true, too: A strong commitment to environmental sustainability in product design and manufacture can yield significant opportunities to grow your business, to innovate, and to build brand equity.

**Basic Parameters of Green Marketing**

Green marketing is a vital constituent of the holistic marketing concept. It is particularly applicable to businesses that are directly dependent on the physical environment; for example, industries like fishing, processed foods, and tourism and adventure sports. Changes in the physical environment may pose a threat to such industries. Many global players in diverse businesses are now successfully implementing green marketing practices. Just as we have 4P's called product, prices, place and promotion in marketing, we have these 4P's in green marketing too, but they are a bit different. They are buttressed by three additional P's, namely people, planet and profits. Green marketer can attract customers on the basis of performance, money savings, health and convenience, or just plain environmental friendliness, so as to target a wide range of green consumers. The 3 R's (Reduce, Reuse, and Recycle) are the nerve of this concept.

Green marketing refers to the development and distribution of ecologically-safe products. It refers to products and packages that have one or more of the following characteristics:

* Are less toxic;
* Are more durable;
* Contain reusable materials;
* Are made of recyclable material.

In short, these are products considered "environmentally responsible".

In the early to mid 1960s environmentalists created concern about the social responsibility of businesses and their impact on the natural environment ultimately trying to judge the health and welfare of the planet. This concern was heightened during the early 1970s and resulted in the emergence of both the 'societal marketing concept' and the 'ecological marketing concept'. In response to the new green challenge that emerged during the early 1980s, these early concepts have amalgamated to create an environmental marketing concept. Green marketing is thus a form of socio-ecological marketing whereby the goods and services sold, and the marketing practices involved in their sale take into account the environmental ramifications of society as a whole. The marketing process essentially involves matching the controllable internal variables of the marketing mix with the demands of the marketing environment. Environmental marketing is no different, in

principle, although the internal variables and external demands that must be reconciled are a little different.

Green marketing takes account of the wider relationship of the organization and its products to the surroundings. It is about a more aware, open, targeted and sensitive approach that integrates the strategic link between the company, the environment, and marketing, rather than being primarily concerned with tactical communications opportunities. The prime emphasis is on, developing relationships and satisfying separate Stakeholders needs in an environmentally and socially responsible manner. The key stakeholders are customers, investors, parent company, directors, employees, the community, legislators, pressure groups, suppliers, and the media.

Green marketing differs from its societal and ecological predecessors in it are intertwining of ecological and social concerns, in the breadth of the ecological agenda that it tackles, and in its potential application across all types and sectors of business. Green marketing goes beyond societal marketing in four key ways:

* It is an open-ended rather than a long-term perspective.
* It focuses more strongly on the natural environment.
* It treats the environment as something which has an intrinsic value over and above its usefulness to society.
* It focuses on global concerns rather than those of particular societies.

Consumer awareness can be created by spreading the message among consumers about the benefits of environmental-friendly products. Positioning of profiles related to green marketing on social networks creates awareness within and across online peer groups. Marketing can also directly target the consumers through advertisements for product such as energy saving compact fluorescent lamps, the battery -powered Reva car, etc.

Green marketing involves focusing on promoting the consumption of green products. Therefore, it becomes the responsibility of the companies to adopt creativity and insight, and be committed to the development of environment-friendly products. This will help the society in the long run. Companies which embark on green marketing should adopt the following principles in their path towards "greenness."

* Adopt new technology/process or modify existing technology/process so as to reduce environmental impact.
* Establish a management and control system that will lead to the adherence of stringent environmental safety norms.
* Using more environment-friendly raw materials at the production stage itself.
* Explore possibilities of recycling of the used products so that it can be used to offer similar other benefits with less wastage

**Why green marketing?**

Today's consumers are becoming more and more conscious about the environment and are also becoming socially responsible. Therefore, more companies are responsible to consumers' aspirations for environmentally less damaging or neutral products. Many companies want to have an early-mover advantage as they have to eventually move towards becoming green. Some of the advantages of green marketing are:

* It ensures sustained long-term growth along with profitability.
* It saves money in the long run, thought 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.

Colgate-Palmolive, (representing just one of many "deep green" brands that are increasingly being purchased by mainstream marketers) puts the messages on the sides of the toothpaste as a list of all the ingredients in the toothpaste - all natural spearmint oil for instance, and next to each ingredient is the role each of the ingredients plays in the toothpaste. There's even a third column that lists from where each ingredient is sourced.

**Problems encountered in Green Marketing**

Green today is still largely viewed as a personal virtue, rather than a societal norm. As such, consumers have yet to translate their concern into sustained changes in purchase behavior. Moreover, standards for green products (not to mention marketing communications) have yet to be adopted in most categories, leaving consumers to their

own devices to comparison shop. Many organizations want to turn green, as an increasing number of consumers' want to associate themselves with environmental-friendly products. Alongside, one also witnesses confusion among the consumers regarding the products. In particular, one often finds distrust regarding the credibility of green products. Therefore, to ensure consumer confidence, marketers of green products need to be much more transparent, and refrain from breaching any law or standards relating to products or business practices.

**Summing-up**

In green marketing, consumers are willing to pay more to maintain a cleaner and greener environment. Finally, consumers, industrial buyers and suppliers need to pressurize effects on minimize the negative effects on the environment-friendly. Green marketing assumes even more importance and relevance in developing countries like India. Marketers also have the responsibility to make the consumers understand the need for and benefits of green products as compared to non-green ones. Consumer attitudes on green continue to evolve.

The marketing strategies popularly used today for green marketing include:

* Marketing Audit (including internal and external situation analysis);
* Develop a marketing plan outlining strategies with regard to 4 P's ;
* Implement marketing strategies;
* Plan results evaluation.

It is now widely accepted that societies, economies, and the businesses within them need to find a more sustainable path to for future development. In the business world the vocabulary of management was suddenly expanded by the discussion of 'green consumers', 'green markets' and 'green products' and the practice of 'environmental' or 'green marketing'.

Companies are increasingly pursuing competitive advantage and product differentiation by increasing investment in environmental marketing, green design and improving overall corporate eco-performance. In addition to these externally motivated changes, the realization is dawning within industry that sustainability will not be reached simply by demand-pull from the market and compliance-push from the regulators. The

changes that are needed to safeguard the future of the environment and the economy must partly be driven from the business community, which means they must proactively integrate eco-performance into the strategies, systems and cultures of the organization.

* A balanced approach to the social, technological, economic and physical aspects of businesses and societies;
* An emphasis on long term sustainable qualitative development rather than short-term unsustainable quantitative growth;
* A holistic approach aimed at fragmented approach of previous business theory and practice;
* A consideration of consumers as real human beings rather than as hypothetical 'rational economic entities;
* An emphasis on meeting the genuine needs of consumers, rather than on stimulating superficial desires;
* A recognition that consumers and society have multiple and sometimes conflicting wants and needs;
* A view of the company and all its activities as part of the 'product' that is consumed;
* A recognition that the large scale long distance nature of the current economy is not sustainable, and that in the future small and local will be beautiful;
* Embracing the concept of eco-performance which incorporates the non-market outputs of the company, with performance of the product during and after use and the environmental impact of companies which contribute to the creation and marketing of the product elsewhere in the supply chain;
* The pursuit of added socio-environmental value as well as added techno-economic value.

Eco-innovation represents new ways to grow top line sales. One has to think of how can we inspire consumers? What technology and partners do we need to gain access to? Strive for an ideal goal of "Zero" environmental impact. Strive to eco-innovate rather than simply eco-design. What would it take to achieve zero environmental impact and still meet our consumers' needs? Can we make consumers more "responsible"? It's one thing to design better products and technologies. But at some point, industry's efforts

will only go so far. Achieving "zero" environmental impact will only come about if changes in consumer behavior can be made; thus the genius of Toyota's dashboard, and engaging websites that engage consumers in more responsible forms of behavior.

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