Green Marketing Revolution in India

Kinjal Kumar Chandrakant Patel

1Asst Professor, Department of Business Administration
1Nar Narayan Shastri Institute of Technology, Jetalpur

Abstract— Polonsky (1994) defines green marketing as, “All activities designed to generate and facilitate any exchanges intended to generate and facilitate any exchanges intended to satisfy human needs or wants, such that the satisfaction of these needs and wants occurs, with minimal detrimental impact on the natural environment”. India is a world leader in green IT potential, according to a recently released global enterprise survey. Among the companies that have succeeded thus far in their green marketing strategies are Apple, HP, Microsoft, IBM, Intel, Sony and Dell. HCL has a comprehensive policy designed to drive its environmental management program ensuring sustainable development. HCL is duty bound to manufacture environmentally responsible products and comply with environmental management processes right from the time products are sourced, manufactured, bought by customers, recovered at their end-of-life and recycled. 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. The paper examines the present trends of green marketing in India and its future.

Key Words: Green Products, Recyclable, Environmentally safe, Eco Friendly, Natural Environment, Sustainable Development, Green Marketing, Employment from small business sector by green producers (Handicraft Khadi)

I. INTRODUCTION

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 to switch into 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.

II. 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. There is growing interest among the consumers all over the world regarding the protection of the environment. Worldwide evidence indicates people are concerned about the environment and are changing their behaviour. As a result of this, green marketing has emerged which speaks for the growing market for sustainable and socially responsible products and services. Thus the 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. Now we see that most of the consumers are becoming more concerned about environment-friendly products.

III. GOLDEN RULES OF GREEN MARKETING

1 Know your Customer: Make sure that the consumer is aware of and concerned about the issues that your product attempts to address.
2 Educating your customers: it is not just a matter of letting people know you're doing whatever you're doing to protect the environment, but also a matter of letting them know why it matters.
3 Being Genuine & Transparent: means that a) you are actually doing what you claim to be doing in your green marketing campaign and b) the rest of your business policies are consistent with whatever you are doing that's environmentally friendly.
4 Reassure the Buyer: 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.
5 Consider Your Pricing: If you're charging a premium for your product-and many environmentally preferable products cost more due to economies of scale and use of higher-quality ingredients-make sure those consumers can afford the premium and feel it's worth it.

IV. SOME CASES

Google Trends reports that, on a relative basis, more searches for “green marketing” originated from India than from any other country. Indian respondents scored over respondents from 10 other countries in expecting to pay 5% or more for green technology if its benefits for the environment and return on investment (ROI) are proven pin a survey conducted by Green Factor, which researches and highlights green marketing opportunities.

<table>
<thead>
<tr>
<th>Rank</th>
<th>Countries</th>
</tr>
</thead>
<tbody>
<tr>
<td>1</td>
<td>India</td>
</tr>
<tr>
<td>2</td>
<td>UK</td>
</tr>
<tr>
<td>3</td>
<td>US</td>
</tr>
<tr>
<td>4</td>
<td>Thailand</td>
</tr>
<tr>
<td>5</td>
<td>Australia</td>
</tr>
<tr>
<td>6</td>
<td>Canada</td>
</tr>
<tr>
<td>7</td>
<td>China</td>
</tr>
</tbody>
</table>

Table 1: Countries ranked according to their response level on Green Marketing
A. Lead Free Paints From Kansai Nerolac
Kansai Nerolac Paints Ltd. has always been committed to the welfare of society and the environment. Kansai Nerolac has worked on removing hazardous heavy metals from their paints. Lead in paints especially poses danger to human health where it can cause damage to Central Nervous System, kidney and reproductive system. Children are more prone to lead poisoning leading to lower intelligence levels and memory loss.

B. Handicraft Khadi Material
Khadi realized that 'education' is the 'foundation' on which the nature of the society can be moulded and it can be used to bring out the desired changes. For making his ideology of rural development with green marketing concept and humanism a successful one, he developed the philosophy of education based on experience and practical applicability known as 'Nai Talim'. Nai-Talim was expected to be the forerunner for establishing the village swaraj by increasing the skill capacities of the rural folk, by developing students as role models to promote the concept of trusteeship and thus improve the overall economy of the village.

C. Going Green: Tata’s New Mantra
Tata Motors is setting up an eco-friendly showroom using natural building material for its flooring and energy efficient lights. The Indian Hotels Company, which runs the Taj chain, is in the process of creating Eco rooms which will have energy efficient mini bars, organic bed linen and napkins made from recycled paper. And when it comes to illumination, the rooms will have CFLs or LEDs.

D. Tata Metaliks Limited (TML)
Every day is Environment Day at TML, one of the top green firms in India. A practical example that made everyone sit up and take notice is the company’s policy to discourage working on Saturdays at the corporate office. Lights are also switched off during the day with the entire office depending on sunlight.

E. Tamil Nadu Newsprint and Papers Limited (TNPL)
Adjudged the best performer in the 2009-2010 Green Business Survey, TNPL was awarded the Green Business Leader and Paper Sector. The initiatives undertaken by this top green firm in India includes two Clean Development Mechanism projects and a wind farm project that helped generate 2,30,323 Carbon Emission Reductions earning Rs. 17.40 Crore.

F. Suzlon Energy
The world’s fourth largest wind-turbine maker is among the greenest and best Indian companies in India. Tulsi Tanti, the visionary behind Suzlon, convinced the world that wind is the energy of the future and built his factory in Pondicherry to run entirely on wind power. Suzlon’s corporate building is the most energy-efficient building ever built in India.

G. Oil and Natural Gas Company (ONGC)
India’s largest oil producer, ONGC, is all set to lead the list of top 10 green Indian companies with energy-efficient, green crematoriums that will soon replace the traditional wooden pyre across the country. ONGC’s Mokshada Green Cremation initiative will save 60 to 70% of wood and a fourth of the burning time per cremation.

H. IndusInd Bank
Green banking has been catching up as among the top Indian green initiatives ever since IndusInd opened the country’s first solar-powered ATM and pioneered an eco-savvy change in the Indian banking sector.
There are many lessons 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. Evidence indicates that successful green products have avoided green marketing myopia by following three important principles:

### A. CONSUMER VALUE POSITIONING

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

### B. CALIBRATION OF CONSUMER KNOWLEDGE

1. Educate consumers with marketing messages that connect environmental attributes with desired consumer values.
2. Frame environmental product attributes as “solutions” for consumer needs.
3. Create engaging and educational internet sites about environmental products desired consumer value.

### C. CREDIBILITY OF PRODUCT CLAIM

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

### D. MARKETING MIX OF GREEN MARKETING

Just as we have 4Ps product prices, place and promotion in marketing, we have 4ps in green marketing too, but they are a bit different. They are buttressed by three additional Ps, namely people, planet and profits.

1. **PRODUCT**
   - The products have to be developed depending on the needs of the customers who prefer environmentally friendly products. Products can be made from recycled materials or from used goods; efficient products not only save water, energy and money, but also reduce harmful effects on the environment. The marketer’s role in product management includes providing product designers with market-driven trends and customer requests for green product attributes such as energy saving, organic, green chemicals, local sourcing, etc., For example, the Sony company has set forth the Sony Group Environmental Vision, the goal of which is a “zero environmental footprint,” that is, reduction of the environmental footprint of their corporate activities and of every Sony product throughout its life cycle to zero, and they continue to pursue a wide range of related initiatives. They will strive to achieve this by 2050; their goals for the first phase, which continues through 2015, are outlined in Green Management 2015.

2. **First Green Marketing Shoe Company**
   - 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. It has designed this variety of shoes to emphasize that it has reduced wastage and used environment-friendly materials.

3. **PRICE**
   - Green pricing takes into consideration the people, planet and profit in a way that takes care of the health of employees and communities and ensures efficient productivity. Value can be added to it by changing its appearance, functionality and through customization, etc. Wall Mart unveiled its first recyclable cloth shopping bag. IKEA started charging consumers when they opted for plastic bags and encouraged people to shop using its “Big Blue Bag”.

---

<table>
<thead>
<tr>
<th>Table 3: Traditional Marketing vs. Green Marketing</th>
</tr>
</thead>
<tbody>
<tr>
<td><strong>Anthropocentric</strong></td>
</tr>
<tr>
<td>Ecosystem an open sink</td>
</tr>
<tr>
<td>Limited product risk</td>
</tr>
<tr>
<td>Local/regional/national</td>
</tr>
<tr>
<td>No/underpaid ecological costs</td>
</tr>
<tr>
<td>Individual organization alone is responsible</td>
</tr>
<tr>
<td>A public sector responsibility</td>
</tr>
</tbody>
</table>

<table>
<thead>
<tr>
<th>Table 4: Organizational Goal</th>
</tr>
</thead>
<tbody>
<tr>
<td><strong>Use Planning To Minimize The Cost Of Local</strong></td>
</tr>
<tr>
<td><strong>Use PLC Assessment &amp; Environmental Waste Disposal, Audits</strong></td>
</tr>
<tr>
<td><strong>Reactive Approach To Waste Management</strong></td>
</tr>
<tr>
<td><strong>Proactive Approach</strong></td>
</tr>
<tr>
<td><strong>Isolated Department Functions</strong></td>
</tr>
<tr>
<td><strong>Use Of Cross Functional Team</strong></td>
</tr>
<tr>
<td><strong>Focus On Industrial Function</strong></td>
</tr>
<tr>
<td><strong>Focus On Processes</strong></td>
</tr>
<tr>
<td><strong>Total Quality Management</strong></td>
</tr>
<tr>
<td><strong>Total Quality Environmental Management</strong></td>
</tr>
<tr>
<td><strong>Use Of Strategic Alliances To Accomplish Traditional Goals</strong></td>
</tr>
<tr>
<td><strong>Use Of Strategic Alliances To Accomplish Sustainable Goals</strong></td>
</tr>
<tr>
<td><strong>Focus On Tangible Goods</strong></td>
</tr>
<tr>
<td><strong>Focus On “Products As Services”</strong></td>
</tr>
</tbody>
</table>

**Table 5: Philosophical Basis**

Ecological accountability/responsibility

---

**V. PRESENT TRENDS IN GREEN MARKETING IN INDIA**

Governmental Bodies are forcing Firms to become more responsible. In most cases the government forces the firm to adopt policy which protects the interests of the consumers. Competitors’ Environmental Activities pressure the firms to change their Environmental Marketing Activities.

**VI. THE FUTURE OF GREEN MARKETING**

There are many lessons 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. Evidence indicates that successful green products have avoided green marketing myopia by following three important principles:
4) PLACE
Green place is about managing logistics to cut down on transportation emissions, thereby in effect aiming at reducing the carbon footprint. For example, instead of marketing an imported mango juice in India it can be licensed for local production. This avoids shipping of the product from far away, thus reducing shipping cost and more importantly, the consequent carbon emission by the ships and other modes of transport.

5) PROMOTION
Green promotion involves configuring the tools of promotion, such as advertising, marketing materials, signage, white papers, web sites, videos and presentations by keeping people, planet and profits in mind. Indian Tobacco Company has introduced environmentally-friendly papers and boards, which are free of elemental chlorine. Toyota is trying to push gas/electric hybrid technology into much of its product line. It is also making the single largest R&D investment in the every-elusive hybrid car and promoting itself as the first eco-friendly car company.

VII. WHY IS GREEN MARKETING CHOSEN BY MOST MARKETERS?
Most of the companies are venturing into green marketing because of the following reasons:

1) Opportunity
   In India, around 25% of the consumers prefer environmental-friendly products, and around 28% may be considered healthy conscious. Therefore, green marketers have diversified and fairly sizeable segments to cater to. The Surf Excel detergent which saves water and the energy-saving LG consumers durable are examples of green marketing.

2) Social Responsibility
   Many companies have started realizing that they must behave in an environment-friendly fashion. They believe both in achieving environmental objectives as well as profit related objectives. Respecting the principle of extended producer responsibility (EPR), the Sony Company will continue to promote the development and efficient operation of low-environmental-impact recycling systems suited to the needs of local communities. With the aim of reducing resource use, the Sony Company has planned to step up efforts to design products that are easy to recycle, as well as to promote the establishment of legislation that enshrines the concept of individual producer responsibility (IPR) and the building of an infrastructure for recycling Sony products.

3) Governmental Pressure
   Various regulations are framed by the government to protect consumers and the society at large. The Indian government too has developed a framework of legislations to reduce the production of harmful goods and by-products. These reduce the industry's production and consumers' consumption of harmful goods, including those detrimental to the environment; for example, the ban of plastic bags, prohibition of smoking in public areas, etc.

4) Competitive Pressure
   Another major force in the environmental marketing area has been a firm's desire to maintain its competitive position. It is only in some instances that this competitive pressure causes an entire industry to modify and thus reduce its detrimental environmental behaviour. For example, it could be argued that Xerox's "Revive 100% Recycled paper" was introduced a few years ago in an attempt to address the introduction of recycled photocopier paper by other manufacturers.

5) Cost Reduction
   Reduction of harmful waste may lead to substantial cost savings. Sometimes, many firms develop a symbiotic relationship whereby the waste generated by one company is used by another as a cost-effective raw material. For example, the fly ash generated by thermal power plants, which would otherwise contribute to a gigantic quantum of solid waste, is used to manufacture fly ash bricks for construction purposes.

VIII. BENEFITS OF GREEN MARKETING
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:

1) It ensures sustained long-term growth along with profitability.
2) It saves money in the long run, though initially the cost is more.
3) It helps companies market their products and services keeping the environmental 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.

IX. PROBLEMS ASSOCIATED WITH GREEN MARKETING
A. Credibility
   One of the main problems is that firms using green marketing must ensure that their activities are not misleading to consumers or industry, and do not breach any of the regulations or laws dealing with environmental marketing.

B. Don’t Follow Consumer’s Perception Blindly:
   Another problem firm’s face is that those who modify their products due to increased consumer concern must contend with the fact that consumers’ perceptions are sometimes not correct. Take for example the McDonald’s case where it has replaced its clamshells with plastic coated paper.

C. Back Up Your Marketing with Good Technical Assistance
   When firms attempt to become socially responsible, they may face the risk that the environmentally responsible action of today will be found to be harmful in the future.

D. Lack of Policies
   While governmental regulation is designed to give consumers the opportunity to make better decisions or to motivate them to be more environmentally responsible, there is difficulty in establishing policies that will address all environmental issues.

E. Don’t Follow the Competition Blindly
   Reacting to competitive pressures can cause all “followers” to make the same mistake as the "leader."
F. Try To Minimize the Waste, Rather Than Find Appropriate Uses For It
Most waste produced will enter the waste stream, therefore to be environmentally responsible organizations should attempt to minimize their waste, rather than find “appropriate” uses for it.

X. PATHS TO GREENNESS
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.”

1. Adopt new technology/process or modify existing technology/process so as to reduce environmental impact.
2. Establish a management and control system that will lead to the adherence of stringent environmental safety norms.
4. Explore possibilities of recycling of the used products so that it can be used to offer similar or other benefits with less wastage.

XI. CONCLUSION:
Now this is the right time to select “Green Marketing” globally. It will come with drastic change in the world of business if all nations will make strict rules because green marketing is essential to save the world from pollution. From the business point of view because a clever marketer is one who not only convinces the consumer, but also involves the consumer in marketing his product. With the threat of global warming looming large, it is extremely important that green marketing becomes the norm. Finally, consumers, industrial buyers and suppliers need to pressurize effects on minimizing the negative effects on the environment. Green marketing assumes even more importance and relevance in developing countries like India.

REFERENCES
[7] BMP TEXTILS MILLS PVT LTD