

## **Sustainable Development Through Green Marketing- Opportunities And Challenges**

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### **Abstract**

The major challenge in modern era of globalization is to keep the natural environment safe as well as satisfy and retain the consumers. With the ever increasing environmental problems all over the world there is a need to protect the natural environment of the earth. Consumers today are aware of various environmental issues and problems and they are actively participating to reduce their impact on environment by going for green products. Green Marketing is an emerging branch of marketing which focuses on environmental protection along with the customer satisfaction. Green marketing has developed very important concept in modern market. The paper describes the current Scenario of Indian market and explores the major challenges and opportunities businesses have with green marketing. Why green marketing is gaining so much attention among the companies. The paper focuses on how green marketing plays a dual role of environmental protection on one hand and customer satisfaction and retention on other hand.

**Keywords:** Green Marketing, Sustainable Development, challenges faced.

### **Introduction**

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. Yet defining green marketing is not a simple task where several meanings intersect and contradict each other; an example of this will be the existence of varying social, environmental and retail definitions attached to this term. 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.

### **Research Objective And Methodology**

One of the biggest problems with the green marketing area is that there has been little attempt to

academically examine environmental or green marketing. While some literature does exist, it comes from divergent perspectives. This paper attempts to throw light on the conceptual issues associated with green marketing. The present study is exploratory in nature to provide a clear guidance for empirical research. It is also descriptive where the focus is on fact finding investigation with adequate interpretation. For this purpose secondary data were collected. The secondary data were collected through newspapers, magazines, books, journals, conference proceedings, Government reports and websites.

### **Literature Review**

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. A research agenda is finally suggested to determine consumers' awareness of environmental justice, and their willingness to bear the costs associated with it.

Prothero, A. & Fitchett, J.A. (2000) argue that greater ecological enlightenment can be secured through capitalism by using the characteristics of commodity culture to further progress environmental goals. Marketing not only has the potential to contribute to the establishment of more sustainable forms of society but, as a principle agent in the operation and proliferation of commodity discourse, also has a considerable responsibility to do so. Kilbourne, W.E. (1998) discusses the failure of green marketing to move beyond the limitations of the prevailing paradigm. The author identifies areas that must be examined for their effect in the marketing/environment relationship, namely economic, political and technological dimensions of the cultural frame of reference.

Karna, J., Hansen, E. & Juslin, H. (2003) interpret that proactive marketers are the most group in implementing environmental marketing voluntarily and seeking competitive advantage through environmental friendliness.

Donaldson (2005) in his study realized in the Great Britain initially concluded that in general the ecological attitude of consumers changed positively. This study reported the strong faith of consumers in the known commercial brands and in the feeble behaviour referring to the "green" claims, which was the main cause behind the consuming failure to interpret their concerns beyond the environment in their behavior.

### **What Is Green Marketing?**

Green Marketing is the marketing or promotion of a product based on its environmental performance or an improvement thereof or we can say that it is the holistic management process responsible for identifying, anticipating and satisfying the requirements of customers and society, in a profitable and sustainable way. Thus Green marketing is the holistic and responsible strategic management process that identifies, anticipates, satisfies and fulfils stakeholder needs, for a reasonable reward, that does not adversely affect human or natural environmental well-being.

Green marketing consists of all activities designed 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. It is sorry to say, a greater part 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. For example, around the world there are resorts that are beginning to promote themselves as "ecotourist" facilities, i.e., facilities that "specialize" in experiencing nature or operating in a fashion that minimizes their environmental impact. Thus green marketing incorporates a broad range of activities, including product modification, changes to the production process, packaging changes, as well as modifying advertising. Yet defining green marketing is not a simple task. Indeed the terminology used in this area has varied, it includes: Green Marketing, Environmental Marketing and Ecological Marketing. This early definition has three key components, such as it is a subset of the overall marketing activity; it examines both the positive and negative activities; and narrow ranges of environmental issues are examined.

### **Importance Of Green Marketing In Any Business**

Green marketing offers business bottom line incentives and top line growth possibilities. While modification of business or production processes may involve start-up costs, it will save money in the long term. For example the cost of installing solar energy is an investment in future energy cost savings. Companies that develop new and improved products and services with environmental impacts in mind give themselves access to new markets, substantially increase profits and enjoy competitive advantages over those marketing no environmentally responsible alternatives.

### **Five Possible Reasons For The Firms Inclination Towards Green Marketing**

1. Organizations perceives environmental marketing to be an opportunity that can be used to achieve its 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 pressure 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 in Green Marketing**

#### **There is A Need for Standardization**

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. There is no standardization to authenticate these claims. There is no standardization currently in place to certify a product as organic. Unless some regulatory bodies are involved in providing the certifications there will not

be any verifiable means. A standard quality control board needs to be in place for such labeling and licensing.

### **Green Marketing Is A New Concept**

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. By India's ayurvedic heritage, Indian consumers do appreciate the importance of using natural and herbal beauty products. Indian consumer is exposed to healthy living lifestyles such as yoga and natural food consumption. In those aspects the consumer is already aware and will be inclined to accept the green products.

### **Patience And Perseverance**

The investors and corporate need to view the environment as a major long-term investment opportunity, the marketers need to look at the long-term benefits from this new green movement. It will require a lot of patience and no immediate results. Since it is a new concept and idea, it will have its own acceptance period.

### **Avoiding Green Myopia**

The first rule of green marketing is focusing on customer benefits i.e. the primary reason why consumers buy certain products in the first place. Do this right, and motivate consumers to switch brands or even pay a premium for the greener alternative. It is not going to help if a product is developed which is absolutely green in various aspects but does not pass the customer satisfaction criteria. This will lead to green myopia.

### **Essential Rules Of Green Marketing**

**Understanding The Customer Psychology:** A marketer must make sure that the consumer is aware of and concerned about the issues that the product attempts to address.

**Educating The Customers:** isn't 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.

**Being Genuine & Transparent Towards The Customer :** It means that we are actually doing what we claim to be doing in our green marketing campaign.

**Reassuring 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.

**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.

**Giving Your Customers An Opportunity To Participate:** It means personalizing the benefits of your environmentally friendly actions, normally through letting the customer take part in positive environmental action.

**Thus Leading Brands Should Recognize That Consumer Expectations Have Changed:** It is not enough for a company to green its products; consumers expect the products that they

purchase pocket friendly and also to help reduce the environmental impact in their own lives too.

### **Sustainable Development**

Sustainable development has become an important topic in the last decade. Quite simply, it means meeting people's needs without destroying the environment. Sustainable development can be viewed as a pattern of resource use that aims to meet human needs while preserving the environment so that these needs can be met not only in the present, but in the indefinite future. The field of sustainable development can be conceptually broken into three constituent parts: environmental sustainability, economic sustainability and sociopolitical sustainability. Sustainability is a process which tells of a development of all aspects of human life affecting sustenance. It means resolving the conflict between the various competing goals, and involves the simultaneous pursuit of economic prosperity, environmental quality and social equity famously known as three dimensions of Sustainability.

Sustainable development has continued to evolve as that of protecting the world's resources while its true agenda is to control the world's resources. Realizing this importance, these days one of the key business strategies ensuring sustainable development has taken the shape of Green Marketing. Green marketing concept emerges from societal marketing . Green marketing is an attempt to characterize a product as being environmental friendly. It holds the view that marketing which is a part of business not only has to satisfy customers in particular, but also has to take into account the interests of society in general. That is, all those who are affected by the activities of a business should be kept in mind when setting the objectives and the policies of an organization. This has already helped to increase the recent trend towards the “greening” of the companies.

### **Some Examples For Sustainable Development**

Dell allows customers to return any Dell-branded product back to the company for free, Through its “no computer should go to waste” recycling program. The company has even gone so far as to establish programs that accept computers, monitors, or printers *from other companies* for safe disposal, as well.

While Coca-Cola has narrowed down 3 environmental goals on which to focus their efforts: water stewardship, sustainable packaging, and climate & energy protection.

Cairn India: With forward looking approach, Cairn India is also investing in low carbon infrastructure, to accrue benefits over a longer run. Cairn has invested in building infrastructure to switch to cleaner fuel, renewable installations, LED and Solar lights (which generated 42,860 kWh of electricity).

Tata Consultancy Services (TCS): TCS spent USD 5.47 million (INR 35.97 Crore) in incorporating green building concepts (such as zero discharge, energy efficient systems, rain water harvesting systems and integrated building management systems) in all of its new buildings (e.g. Indore campus). This has helped TCS to reduce electricity consumption and hence their Scope 2 carbon footprint.

### **Findings And Conclusion**

Green marketing offers business bottom line incentives and top line growth possibilities. While modification of business or production processes may involve startup costs, it will save money in the long term. 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 roles because green marketing is essential to save 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. 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. With the threat of global warming looming large, it is extremely important that green marketing becomes the norm rather than an exception or just a fad.

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