

The Issue with Green Marketing: Is Green a Good idea?

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I. Introduction

Green marketing is relatively new focus in business endeavors and came into prominence in the late 1980s and early 1990s (Ottman 1998) began in Europe in the early 1980s when certain products were found to be harmful to the environment and society as a whole.

Green marketing subsumes greening products as well as greening firms. In addition to manipulating the 4Ps (product, price, place and promotion) of the traditional marketing mix, it requires a careful understanding of public policy processes. 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. 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.

Example: A five star resort property called Spice Village; Thekkady (a cgh earth experience hotels India pvt ltd) by following environment practices has won several national and international awards on eco-tourism. It is important for the marketers to utilize the resources effectively and efficiently without waste as well as to achieve the organization's objective. So green marketing is inevitable.

II. What Is Green Marketing?

According to the American marketing Association, Green Marketing is the marketing of products that are presumed to be environment friendly and 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.

III. Growing Concern With The Earth And People

As per Report published in Times recently "Air pollution damage to people, crops and wildlife in The US totals tens of billions of dollars each year". "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".

Green marketing is fundamentally and fatally flawed. By focusing on the superficial product features, green marketing ignores the real environmental impacts embedded in the sourcing, manufacture, and distribution of the product.

Said another way: no product can claim to be "green" if the corporation behind it is not actively pursuing a sustainability strategy. It also opens the door to charges of greenwash, undermining consumer confidence in claims and ensuring that mainstream consumers avoid products.

IV. The Issues In Green Marketing

Organic produce, eco-friendly cars, reusable grocery bags, and celebrity documentaries about global warming are inescapable in everyday life. It is impossible to ignore that there has been a growing concern with the Earth and people are very preoccupied with environmental issues. Every company seems to be jumping on the green bandwagon and coming out with an eco-friendly product or donating some of their proceeds to reducing greenhouse gas emissions.

But is green really what companies want to do?

Better yet, is green what companies *should* do?

Instinctively the answer is of course yes; however, from a marketing and business perspective the correct answer is no.

- Indian literate and urban consumer is getting more aware about the merits of Green products.
- The investors and corporate companies need to view the environment as a major long-term investment opportunity;
- If the green products are priced very high then again it will lose its market acceptability

V. Challenges In Green Marketing

Many organizations want to turn green, as an increasing number of consumers 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.

- Need for Standardization
- Requires a technology, which requires huge investment in R & D
- Lack of awareness among people on green products
- Reputational risk from "misleading claims"
- Lack of credibility or trust by consumers and end-users
- Green products require costlier renewable and recyclable materials.

VI. Reasons Why Green Marketing Is A New World

Unlike the physically bounded geographic world, the "new frontiers" of marketing are continually emerging for the next great advertising explorers. However, overly audacious marketing adventures can be fatal; if not to your life then to your product. The combination of ethical circumspection, smaller budgets, and divergent markets for green products necessitate the abandonment of old forms of marketing, while still playing it safe enough to avoid potentially lethal detours.

As with the emergence of any new enterprise, the flexibility of undefined practices has put a penumbra over the efficacy and relevance of green marketing. To succeed in making green marketing a reputable undertaking, boldly going where no marketer has gone before is not only a prerogative, but an obligation.

VII. Attributes Of Green Products

- Products those are originally grown
- Products that do not harm or pollute the environment
- Products that will not be tested on animals
- Products those are recyclable, reusable and biodegradable,
- Products with natural ingredients
- Products contents under approved chemical
- Products that have eco-friendly packaging i.e. reusable, refillable containers, etc.

VIII. Benefits Of 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, 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.

IX. Green Marketing: Indian Company Initiatives

Some scholars claim that green policies/products are profitable, green policies can reduce costs; green firms can shape future regulations and reap first-mover advantages (Porter and van der Linde, 1995; for a critique, see Rugman and Verbeke, 2000).

- ITC's Social and Farm Forestry initiative has greened over 80,000 hectares creating an estimated 35 million person days of employment among the disadvantaged. All Environment, Health and Safety Management Systems in ITC conform to the best international standards.

- Lifeboy (a brand of soap from Unilever in India) had an advertising campaign encouraging children to keep their streets clean and not worry about germs as Lifeboy protects them
- Introduction of CNG in all public transport systems to curb pollution in Delhi
- The refrigerator industry has shifted from chlorofluorocarbon (CFC) gases to more environmentally friendly gases.
- HCL's Environment Management Policy under HCL eco-Safe.
- In India, the green building movement, spearheaded by the Confederation of Indian industry (CII) - Godrej Green business Center
- Digital Tickets by Indian railways
- Green IT Project by State Bank of India by using eco and power friendly equipment in its 10,000 new ATMs.

X. Suggestions For 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.**

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

XI. Conclusion

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. Recycling of paper, metals, plastics, etc., in a safe and environmentally harmless manner should become much more systematized and universal. Green marketing in India is still in its infancy and a lot of research is to be done on green marketing to explore its full potential. Marketers need to understand the implications of green marketing. But greening one's business is no small feat. While clear opportunities abound in this new economy, business leaders pursuing a green strategy are finding few roadmaps and established rules and plenty of hidden twists and turns.

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