

## Green marketing in India

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### Abstract

The term Green Marketing is the catchword used in industry which is used to describe business activities that attempts to reduce the negative effect of the products/services offered by the business to make it environmentally friendly.

Basically, green marketing concerns with three aspects: Promotion of production and consumption of pure/quality products; fair and just dealing with customers and society; and protection of ecological environment. Green marketing emphases on protection of long-term welfare of consumers and society by production and use of pure, useful, and high quality products without any adverse effect on the environment.

This conceptual study discusses the concepts of Green marketing and points out the challenges before green marketing initiators. Further an attempt is made to study the implementation of Green marketing initiatives in India. The study concludes that the business entities necessarily need to change their mind set from traditional marketing strategies to green marketing strategies in order to survive in the green competitive world and to have a positive impact on the environment through green marketing elements.

**Keywords:** environment, green marketing in India, green marketing initiatives in India

### Introduction

Green marketing can be defined as, "All activities designed to generate and facilitate any exchange intended to satisfy human needs or wants such that satisfying of these needs and wants occur with minimal detrimental input on the national environment."

### Evolution of Green Marketing

The term Green Marketing came into prominence in the late 1980s and early 1990s. The green marketing has evolved over this period of time. The evolution of green marketing had three phases.



Fig 1

### Benefits of Green Marketing

Companies that develop new and improved products and services with environment inputs in mind give themselves access to new markets, increase their profit sustainability, and enjoy a competitive advantage over the companies which are not concerned for the environment.

### Advantages of Green Marketing Can Be Listed As Follows

1. It ensures sustained long-term growth along with profitability.
2. It saves money in the long run, although initial cost is more.

3. It helps the companies to market their products and services keeping the environment aspects in mind. It helps in accessing the new markets and enjoying competitive advantage.
4. Most of the employees also feel proud and responsible to be working for an environmentally responsible company.
5. It promotes corporate social responsibility.

### Green Marketing Claims Must

- Clearly state environmental benefits;
- Explain environmental characteristics;
- Explain how benefits are achieved;

- Ensure comparative differences are justified;
- Ensure negative factors are taken into consideration; and
- Only use meaningful terms and pictures.

### **Motives behind Adoption of Green Marketing**

1. Opportunities available and competitive advantage.
2. Corporate social responsibility on the part of companies.
3. Government regulations.
4. Competition with other responsible companies.
5. Goodwill of the company.
6. Environment conscious consumers.
7. For conserving scarce natural resources.

### **Challenges in Green Marketing**

There is large number of challenges in the field of green marketing which may be summed up as follows

#### **i) Need for Standardization of the Products**

It has been observed that very loss proportionate of the marketing message from "Green" campaigns is true to requisite standard and reflect the authenticity which they claim. There is no 'yard stick' currently, from where we could certify that the product as organic. Until or unless some of regularly bodies are involved in providing the certifications, which can be proved helpful to verify the authenticity of the product's characteristics. A standard quality control board needs to be in place for such labeling and licensing.

#### **ii) New Notion**

The consumers of different rural and urban hierarchy are gradually becoming aware of the merits of green products. But it is still new notion or concept for the masses. It is therefore, become imperative to educate the people about growing menace of deteriorating environment. The new green movements and advocacy programs need to reach the masses and that will be a time consuming process.

Long gestation period request patience and perseverance; It has been observed that the inventors and corporate need to view the environment as a long-term investment opportunity. It is because of the projects related to 'Green Marketing' have a long-gestation period. It requires a lot of patience to get the desired results.

#### **iii) MYOPIA**

The first principle of green –marketing is focusing the customer benefits. i.e. that is why consumers buy particular goods and services in their first priority.

### **Strategies to Be Executed For Green Marketing**

Those strategies can be implemented as follows:

#### **i) Product Differentiation**

It is a paramount need to make continuous efforts which can be helpful to differentiate then products and services using

green marketing practices. There is a wide range of markets which includes retailing etc. the manufactures have used Eco-performance to differentiate and to compete. It has been observed that the product with poor Eco-performance can become target for new substitution, as a result of this many organization are products from the competitors.

#### **ii) Value Positioning of Consumer**

The organization can design environmental products to perform as promoting and delivering the customer's desired value of environmental products and target relevant customer market segment can be proved conducive to organization to differentiate.

#### **ii) Designing of Bio-Degrading Prone Packaging**

It has been observed that promotion of green products have been strongly influenced by the design making of the customers. Thus it bio-degradable packing will affect in a strong and moderate on their decision making. It is therefore, an imperative to the personnel's associated with green marketing should modify the product packaging by making use of recycle as well as handmade paper in packaging rather than using more mechanized material. The manufacturers, who are using plastic for packaging, should meet some of requisite standard.

#### **iv) Product Strategy for Green Marketing**

In order to promote marketing for green marketing it is an urgent need to identify customer's environmental necessities and develop the products accordingly. It includes more environmentally responsible packages which ensure that products meet or exceed the quality expectation of the consumers; so that the marketers may charge higher price with highlighting the ecological viability of the products.

#### **v) Distribution Strategy of Green Marketing**

In this strategy of green marketing, it is very essential to take customer support. In this case, the location must be differentiated from the competitors. It can be achieved by promoting the in-store activities like recycling of materials to focusing the environmental and other related benefits.

#### **vi) Life Cycle Analysis of Green Marketing**

Product brand is a vital aspect, which can help to formulate plans for green marketing. It is a best tool for performing life cycle analysis complex assessment which can make available the vital statistics on social, environmental and economic impact of products through the supply chain production process and after the purchase. Life cycle analysis can inform a brand requirement to go before it claims to be sustainable. The consumers do not expect perfection when it shapes to sustainability but they would like to see that brands make out the levels of probe, formulate a plan and in the executing process.

**Table 1:** Green Marketing Initiatives in India

S. No.	Name of Business Firm	Green Marketing Initiatives
1	Indian oil	<ul style="list-style-type: none"> <li>▪ Indian Oil has invested about 7,000 crore so far in green fuel projects at its refineries; ongoing projects account for a further 5,000 crore.</li> <li>▪ Motor Spirit Quality Improvement Unit commissioned at Mathura Refinery; similar units are coming up at three more refineries.</li> <li>▪ Diesel quality improvement facilities in place at all seven Indian Oil refineries, several more green fuel projects are under implementation or on the anvil.</li> <li>▪ The R&amp;D Centre of Indian Oil is engaged in the formulations of eco-friendly biodegradable lube formulations.</li> <li>▪ The Centre has been certified under ISO- 14000:1996 for environment management systems.</li> <li>▪ Indian Oil is focusing on CNG (compressed natural gas), Auto gas (LPG), ethanol blended petrol, bio-diesel, and Hydrogen energy.</li> </ul>
2	Wipro	<ul style="list-style-type: none"> <li>▪ Launched environment friendly computer peripherals.</li> <li>▪ Launched a new range of desktops and laptops called Wipro Greenware. These products are RoHS (Restriction of Hazardous Substances) compliant thus reducing e-waste in the environment.</li> </ul>
3	Indian railways.	<ul style="list-style-type: none"> <li>▪ IRCTC has allowed its customers to carry PNR no. of their E-Tickets on their laptop and mobiles. Customers do not need to carry the printed version of their ticket anymore.</li> </ul>
4	Forest & Environmental Ministry of India	<ul style="list-style-type: none"> <li>▪ No Polythene carries bags for free.</li> <li>▪ Retail outlets could provide polythene carry bags to customers only if customers are ready for pay for it</li> </ul>
5	Oil and Natural Gas Company (ONGC)	<ul style="list-style-type: none"> <li>▪ Mokshada Green Cremation initiative will save 60 to 70% of wood and a fourth of the burning time per cremation.</li> </ul>
6	ITC limited	<ul style="list-style-type: none"> <li>▪ Commitment to green technologies by introducing „ozone-treated elemental chlorine free“ bleaching technology for the first time in India. The result is an entire new range of top green products and solutions: the environmentally friendly multi-purpose paper that is less polluting than its traditional counterpart.</li> </ul>
7	McDonald Restaurant	<ul style="list-style-type: none"> <li>▪ McDonald restaurant’s napkins, bags are made of recycled paper.</li> </ul>
8	Kansai Nerolac	<ul style="list-style-type: none"> <li>▪ Lead Free Paints</li> </ul>
9	Infosys technologies Ltd.	<ul style="list-style-type: none"> <li>▪ Focused on green buildings, water harvesting and conservation, better transport management by encouraging car pool for its employees and increasing bio-diversity in its campuses.</li> <li>▪ Focused on „green engineering“. The unit works on new products as well as on refurbishing existing products to make them more energy efficient.</li> </ul>
10	State Bank of India:	<ul style="list-style-type: none"> <li>▪ Eco and power friendly equipment in its 10,000 new ATMs.</li> <li>▪ SBI is also entered into green service known as “Green Channel Counter”.</li> <li>▪ paper less banking, no deposit slip, no withdrawal form, no checks, no money transactions form all these transaction are done through SBI shopping &amp; ATM cards.</li> <li>▪ State Bank of India turns to wind energy to reduce emissions:</li> <li>▪ The State Bank of India became the first Indian bank to harness wind energy through a 15-megawatt wind farm developed by Suzlong Energy. The wind farm located in Coimbatore uses 10 Suzlon wind turbines, each with a capacity of 1.5 MW. The wind farm is spread across three states – Tamil Nadu, with 4.5 MW of wind capacity; Maharashtra, with 9 MW; and Gujarat, with 1.5 MW. The wind project is the first step in the State Bank of India's green banking program dedicated to the reduction of its carbon footprint and promotion of energy efficient processes, especially among the bank's clients.</li> </ul>
11	ICICI bank	<ul style="list-style-type: none"> <li>▪ <b>Instabanking</b>: It is the platform that brings together all our alternate channels under one umbrella and gives customers the convenience of banking anytime anywhere through Internet banking, i-Mobile banking, Tab banking and IVR banking.</li> <li>▪ <b>Electronic Branches</b>: Fully electronic branches have also been set up where customers can conduct all their banking transactions.</li> <li>▪ <b>E- Drive</b>: They have sent nearly 200 thousand annual reports in electronic form. Saved more than 60 tons of paper by sending e-statements to over 6.5 million Bank accounts and 300 thousand credit card customers.</li> <li>▪ <b>Vehicle Finance</b>: They are offering 50% waiver on processing fee of auto loans on the car models which uses alternate sources of energy.</li> </ul>

**Source:** Internet (Website of respective companies.)

### Conclusion

Green marketing is a relatively contemporary occurrence and it is growing awareness amongst consumers and businesses about lessening the adverse impact on the environment. Environmental issues are given vital significance these days. This paper helps us to know the concepts of Green Products; green marketing mix and points out the challenges before green marketing initiators.

Well in this consequence, many corporate has taken green marketing further and as a part of their company strategy just to create brand image, gain the attention of the consumers.

Business firms need to change their mind set from traditional marketing strategies to green marketing strategies with a huge investment in technology, R and D and through Green marketing elements such as eco-design of a 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. 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.

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