

GREEN MARKETING

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ABSTRACT

Increasing awareness on the various environmental problems has led a shift in the way consumers go about their life. There has been a change in consumer attitudes towards a green lifestyle. People are actively trying to reduce their impact on the environment. However, this is not widespread and is still evolving. Organizations and business however have seen this change in consumer attitudes and are trying to gain an edge in the competitive market by exploiting the potential in the green market industry. In the modern era of globalization, it has become a challenge to keep the consumers in fold and even keep our natural environment safe and that is the biggest need of the time. Green marketing is a phenomenon which has developed particular importance in the modern market and has emerged as an important concept in India as in other parts of the developing and developed world, and is seen as an important strategy of facilitating sustainable development.

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.

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INTRODUCTION

First of all, environment and environmental problems, one of the reason why the green marketing emerged. 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. Green marketing refers to holistic marketing concept wherein the product, marketing consumption on 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 into green products and services. Many people believe that green marketing refers solely to the promotion and advertising of products with environmental characteristics. Generally terms like phosphate free, recyclable, refillable, ozone friendly and environment friendly are most of the things consumers often associated with green marketing.

Yes, green marketing is a golden goose. As per Mr. J. Polonsky, 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 their needs and wants occur with minimal detrimental input on the national environment." Green marketing is also called environmental marketing/ecological 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 behavior.

As a result of this, green marketing has emerged which speaks for the growing market for sustainable and socially responsible products and services. Now this has become new mantra for marketers to satisfy the needs of consumers and earn better profits.

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.

The negative impact of human activities over environment is a matter of concern today. Governments all over the world making efforts to minimize human impact on environment. Today our society is more concerned with the natural environment. Understanding the society's new concerns businesses have begun to modify their behavior and have integrated environmental issues into organizational activities.

Academic disciplines have integrated green issues in their literature. This is true with marketing subject too, and the terms like "Green Marketing" and "Environmental Marketing" are included in syllabus. Governments all over the world have become so concerned about green marketing that they have attempted to regulate them.



REVIEW OF LITERATURE

Kilbourne W.E. (1998) discussed the failure of green marketing to move beyond the limitations of the prevailing paradigm. The author identified 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.

Prothero A. (1998) introduced several papers discussed in the July 1998 issue of 'Journal of Marketing Management' focusing on green marketing. This included a citation of the need to review existing literature on green marketing, an empirical study of United States and Australian marketing managers, a description of what a green alliance look like in practice in Great Britain, ecotourism and definitions of green marketing.

Prothero, A. & Fitchett, J.A. (2000) argued 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.

Oyewole, P. (2001) in his paper presented 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 consumer's awareness of environmental justice, and their willingness to bear the costs associated with it.

Karna, J., Hansen, E. & Juslin, H. (2003) interpreted that proactive marketers are the most genuine group in implementing environmental marketing voluntarily and seeking competitive advantage through environmental friendliness. The results also give evidence that green values, environmental marketing strategies, structures and functions are logically connected to each other as hypothesized according to the model of environmental marketing used to guide this study.

Sanjay K. Jain & Gurmeet Kaur (2004) in their study of environmentalism which had fast emerged as a worldwide phenomenon discussed business firms too have risen to the occasion and have started responding to environmental challenges by practicing green marketing strategies. Green consumerism has played a catalytic role in ushering corporate environmentalism and making business firms green marketing oriented. Based on the data collected through a field survey, the paper made an assessment of the extent of environmental awareness, attitudes and behaviour prevalent among consumers in India.

Donaldson (2005) in his study realized in the Great Britain 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 behavior referring to the "green" claims, which was the main cause behind the consuming failure to interpret their concerns beyond the environment in their behavior.

Alsmadi (2007) while investigating the environmental behavior of Jordanian consumers reveals a high level of environmental conscience. Unfortunately however this positive tendency and preference in the "green" products did not appear to have any effect on the final decision, obviously because these consumers had a stronger faith in the traditional products and a small confidence in the green statements. The above obstacles were further strengthened by the lack of environmental conscience by a lot of enterprises and the existence of a large scale of prices for the same product, many of which included an impetuous estimate of environmental responsibility. The same phenomenon has been presented in other researches too (Ottman, 2004; Donaldson, 2005; Cleveland et al, 2005).

Brahma, M. & Dande, R. (2008), The Economic Times, Mumbai, had an article which stated that, Green Ventures India is a subsidiary of New York based asset management firm Green Ventures International. The latter recently announced a \$300 million India focused fund aimed at renewable energy products and supporting trading in carbon credits.

EVOLUTION OF GREEN MARKETING

The green marketing has evolved over a period of time. According to Peattie (2001), 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.



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 behavior. 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.

ADOPTION OF GREEN MARKETING

Mainly five reasons are identified for which a marketer can go for adoption of green marketing.

These are -

- Opportunities or competitive advantage.
- Corporate social responsibilities (CSR).
- Government pressure. Competitive pressure.
- Cost or profit issues.
- Green Marketing Mix.



Characteristics of Green Products

We can define green products by following measures:

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



WHY ARE FIRMS USING GREEN MARKETING?

While looking through the literature there are several suggested reasons for firms increased use of Green Marketing. Five possible reasons cited are:

- Organizations perceive environmental marketing to be an opportunity that can be used to achieve its objectives [Keller, 1987; Shearer, 1990].
- Organizations believe that they have a moral obligation to be more socially responsible [Davis,1992; Freeman and Liedtka,1991; Keller,1987; McIntosh, 1990; Shearer, 1990;]
- Governmental bodies are forcing firms to become more responsible [NAAG, 1990;]
- Competitors environmental activities pressurize firms to change their environmental marketing activities [NAAG,1990;] and
- Cost factors associated with waste disposal or reductions in material usage forces firms to modify their behavior.

Opportunity

- In India, around 25% of the consumers prefer environment friendly products, and around 28% may be considered health conscious. Therefore, green marketers have diversified to fairly sizeable segment of consumers to cater to.

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).

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 consumer's consumption of harmful goods, including those detrimental to the environment; for example, the ban of plastic bags, prohibition of smoking in public areas, etc.

Competitive Pressure

- Another major force in the environmental marketing area has been firms' desire to maintain their competitive position. In many cases firms observe competitors promoting their environmental behaviors and attempt to emulate this behavior. In some instances this competitive pressure has caused an entire industry to modify and thus reduce its detrimental environmental behavior.

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.



RESEARCH METHODOLOGY

Objectives

- To understand the evolution and practice of ethics in marketing area by various companies in India.
- To find out and analyze the ethical measures taken by various companies in marketing area.
- To study the effectiveness of the green marketing in current scenario.
- To find the awareness among Consumers about Green marketing and their view regarding Green Marketing.
- To analyze the benefits of having green marketing strategies from side of both Company and Consumers.
- To understand how the green marketing strategies are developed by different companies.



GOLDEN RULES OF GREEN MARKETING

Know your Customer

Make sure that the consumer is aware of and concerned about the issues that your product attempts to address.

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.

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.

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.

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.



Countries ranked according to their response level

Table No.1 Countries ranked according to their response level on Green Marketing

| Rank | Countries |
|-------------|------------------|
| 1 | India |
| 2 | UK |
| 3 | US |
| 4 | Thailand |
| 5 | Australia |
| 6 | Canada |
| 7 | China |

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 in a survey conducted by Green Factor, which researches and highlights green marketing opportunities.

MARKETING MIX OF GREEN MARKETING

As soon as companies come up with new innovations like eco friendly products, it can access new markets, enhance their market shares, and increase profits. 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.

PRODUCT

The products have to be developed depending on the needs of the customers who prefer environment 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. Green chemistry forms the growing focus of product development. 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, Nike is the first among the shoe companies to market itself as green.

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. Wal-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".

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.

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. British petroleum (BP) displays gas station which its sunflower motif and boasts of putting money into solar power. Indian Tobacco Company has introduced environmental-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 ever-elusive hydrogen car and promoting itself as the first eco-friendly car company. International business machines Corporation (IBM) has revealed a portfolio of green retail store technologies and services to help retailers improve energy efficiency in their IT operations.

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. 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.



Initiatives Taken Up By Business Organizations towards Green Marketing

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.

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.

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.

Tata Metalikes 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.

Tamil Nadu Newsprint and Papers Limited (TNPL)

Adjudged the best performer in the 2009-2010 Green Business Survey, TNPL was awarded the Green Business Leadership Award in the Pulp 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.

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.

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.

Idea Cellular

Idea Cellular implemented its national campaign 'Use Mobile Save Paper'. The company organized Green Pledge campaigns to save paper and trees. Idea decorated bus shelters with potted plants and tendil climbers to communicate the green message.

Samsung

Samsung offers a host of eco-friendly products. It was the first to launch eco-friendly mobile handsets (made of renewable materials)- W510 and F268- in India.

Nokia

Nokia's policy is to reduce the environment impact of its products. It has taken the initiative to take back, recover useful materials and dispose of waste in a manner that causes least harm to the environment.

Hero Honda Motor's

Hero Honda motor's philosophy of continuous innovation in green products and solutions has enabled it to strike a balance between business, consumers and nature.

Honda India

Honda India introduced its civic Hybrid car. However, initially it was unable to sell the same due to the high price. The price was reduced by 8 lakh, and within a day, 98 civic Hybrids were sold, which was more than what Honda had been able to sell during the previous five months since its launch.

Maruti and Hyundai

Maruti and Hyundai have come up with LPG and CNG based variants for WagonR and Santro respectively.

Reva

Reva India's very-own Bangalore-based Company was the first in the world to commercially release an electric car. Reva is being sold in countries like UK, Ireland, Belgium, Spain, Cyprus, Greece and Norway.

Mahindra Group

Mahindra Group had launched project Mahindra Hariyali in which 1 million trees would be planted nation-wide by Mahindra employees and other stakeholders including customers, vendors and dealers.

McDonald's

McDonald restaurants use napkins and bags made of recycled paper.

Apple

Apple has adopted the philosophy that going green streams. It recycles e-waste and also generates revenues.

IBM

IBM is selling green solutions to corporate data centers where energy constraints and costs are limiting their ability to grow, with the promise that the energy costs would be reduced by half.

PROBLEMS OF GREEN MARKETING

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. The negative aspects of environmental marketing are:

- Green power at a mark-up that would have been produced anyway with the cost shared by all. An example of this would be renewable power that is already included or would be included in a utility's rate base without the green program. These types of programs sell nothing as if it is something, which is worse than doing no green marketing at all, because these programs are fundamentally unfair and breed consumer cynicism. If we permit these types of programs to occur, they will undermine the market for those marketers who are actually making a difference.
- Programs that do not in some way directly benefit the renewable generator. An example of this would be a utility that has an existing power purchase contract with a renewable generator, but does not flow any benefit through to the generator.
- Programs that make false claims and do not adequately inform consumers about the nature of their product. For example, selling "nuclear and coal free" power when consumer dollars are sent to a nuclear- and coal-owning utility. This is a recipe for creating cynicism, once the anti-nuclear consumers find out their dollars have been channeled to the owners of plants they dislike. Electrons and dollars are fungible, so, in these kinds cases, unless the marketer can prove to the public that the consumer dollars they are collecting do not in any way support the nuclear and coal plants, and support only the resources claimed as "green," such claims should not be made. This is not to say that portfolios necessarily need to be nuclear- and coal-free for marketers to make green claims, but marketers should not misrepresent their portfolio.
- Collecting premiums in exchange for vague promises to build renewable in the future. Consumers should not be asked to pay for someone else's investment when they get nothing in return, and when no tangible benefit to society results.



| Traditional marketing | Green marketing |
|--|--|
| Goals 1. Customer satisfaction 2. Organizational goals | Goals 1. Customer satisfaction 2. Organizational goals 3. Ecosystem compatibility |
| Decision making Frame of Reference 1. Fragmented thinking 2. Non-boundary spanning 3. Short term orientation | Decision making Frame of Reference 1. Integrated thinking 2. Boundary spanning 3. Long term orientation |
| Philosophical basis 1. Anthropocentric 2. Ecosystem an open sink | Philosophical basis 1. Biocentric 2. Ecosystem a physical limiting factor, eco cost must be paid |
| Ecological Accountability/Responsibility 1. Limited product risk 2. Local/Regional/National 3. No/underpaid ecological costs | Ecological Accountability/Responsibility 1. Product risk 2. Global/International 3. Full accounting of ecological costs |
| General tools/approaches 1. Use planning to minimize cost of local waste disposal 2. Reactive approach to waste management 3. Focus on industrial functions 4. Total quality management | General tools/approaches 1. Use life cycle assessment and environmental audits to minimize and redirect waste management 2. Proactive approach to waste management 3. Focus on industrial processes 4. Total quality environmental management |

THE GREEN CONSUMER

The green consumers are the driving forces behind the green marketing process. It is they who drive consumer demand, which in turn encourages improvements in the environmental performance of many products and companies. Thus, for a marketer it is important to identify the types of green consumers. Many organizations have found that two out of every three consumer is green in developed country but country like Bangladesh and its organization has

found that one out of every six consumer is green, but their environmental commitments vary because of their different standards, expectation from producers, demand and buying power. It is thus not efficient to say that the green consumer is one who engages in green consumption, specifically, consumes in a more sustainable and socially responsible way. A consumer acquires bundle of wants and needs and this is also true for the green consumer. To satisfy those needs businesses have to break down the market into different groups of consumers that differ in their responses to the firm's marketing mix program. The segments arrived at should preferably have the following features:

- 1) Measurable
- 2) Sizeable
- 3) Accessible
- 4) Actionable
- 5) Competitive intensity
- 6) Growth potential

A great deal of market research has been concerned with identifying the green consumer. A clear picture has not yet been established and it differs a lot between markets. But some generalizations about the green consumer can be made on the basis of the research done so far. The green consumer:

- 1) Is inconsistent
- 2) Is confused
- 3) Is generally a woman
- 4) Is adults who are likely to be more concerned about the environment
- 5) Is sophisticated in wants and need .



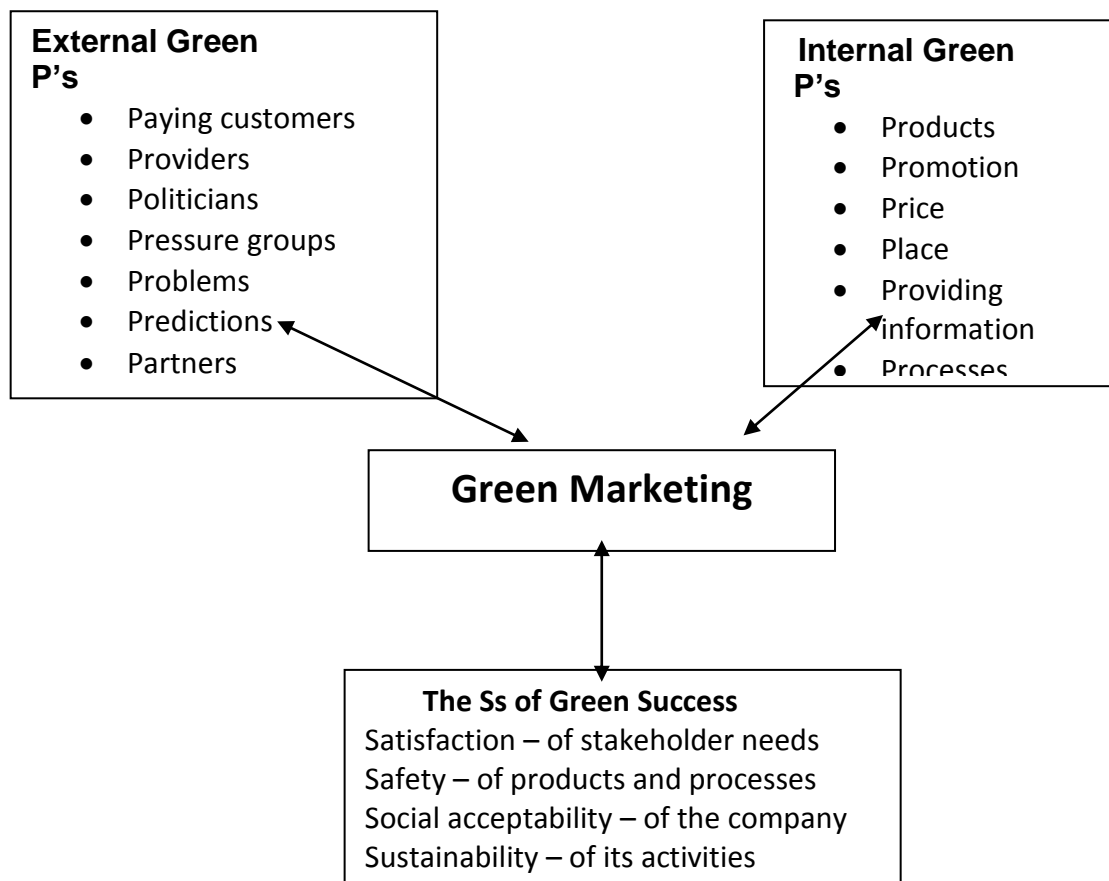
GREEN PRODUCT

Green product stresses the straight and tangible benefits provided by greener design, such as energy efficiency or recycled content, rather than stressing the environmental attributes them. Reducing the environmental impact of a product improves the product's overall performance and quality in ways that are important, not just the most dedicated and loyal green consumer, but to all consumers. For example, CNG (Converted Natural Gas) use in the vehicles, super concentrated laundry detergents not only save energy and packaging, they save end space, money and effort. Organically grown food not only better preserves soil and reduces the amount of toxins in the water supply; they have superior taste and health benefits compared to their counterparts. Therefore green product means any product, which is not hazardous for environment and customer as well, and it also work as a future remedy of negative impact of a product.



GREEN MARKETING PROCESS

Green marketing process comprises with external and internal Ps. After integrating external and internal Ps, green success will automatically come through four Ss. Here external 7 Ps consists of Paying customers, Providers, Politicians, Pressure groups, Problems, Predictions and Partners; internal 7Ps consists of Products, Promotion, Price, Place, Providing information, Processes and Policies. After integrating external and internal 7Ps, we can find out the green successes through 4 Ss such as Satisfaction – of stakeholder needs, Safety – of products and processes, Social acceptability –of the company and Sustainability – of its activities.



Eco-Labeling: Eco-labeling schemes offer environmentally less harmless label program. It was initiated by Germany in 1978. Eco label is an environmental claim that appears on the packaging of product. It is awarded to a manufacturer by an appropriate authority. The government of India launched an Eco mark scheme in 1991 to increase consumer awareness in respect of environment friendly product. The aim of the scheme is to encourage the customers to purchase those products which have less harmful environmental impact. ISO 14020 is a guide to the awards of eco- labels.



Green Marketing- Challenges

Although a large number of firms are practicing green marketing, it is not an easy job as there are a number of problems which need to be addressed while implementing Green marketing. The major challenges which Green marketing have to be faced are:

NEED FOR STANDARDIZATION

It is found that only 5% of the marketing messages from —Greenl 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.

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. Also if the green products are priced very high then again it will lose its market acceptability.



Problems Associated With Green Marketing

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.

Don't Follow Consumer's Perception Blindly:

Another problem firms 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.

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.

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.

Don't Follow the Competition Blindly

Reacting to competitive pressures can cause all "followers" to make the same mistake as the "leader."

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.

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 product. 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 or other benefits with less wastage



CONCLUSION

Green marketing is a tool for protecting the environment for future generation. It is not going to be an easy concept. The firm has to plan and then carry out research to find out how feasible it is going to be. Green marketing has to evolve since it is still at its infancy stage. Adoption of Green marketing may not be easy in the short run, but in the long run it will definitely have a positive impact on the firm. Green Marketing is still in the stage of childhood in the Indian companies. Lots of opportunities are available. 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 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. Recycling of paper, metals, plastics, etc., in a safe and environmentally harmless manner should become much more systematized and universal. It has to become the general norm to use energy efficient lamps and other electrical goods. Indian market Customers too are ready to pay premium price for green products. One thing that is being reiterated is that the current consumption

levels are too high and are unsustainable. Therefore there is a need for green marketing and a need for a shift in the consumer's behavior and attitude towards more environment friendly life styles. Ultimately green marketing requires that consumers want a cleaner environment and are willing to pay for it, possibly through higher priced goods, modified individual lifestyles, or even governmental intervention. Until this occurs it will be difficult for firms alone to lead the green marketing revolution. An environmental committed organization may not only produce goods that have reduced their detrimental impact on the environment, they may also be able to pressure their suppliers to behave in a more environmentally responsible fashion. Final consumers and industrial buyers also have the ability to pressure organizations to integrate the environment into their corporate culture and thus ensure all organizations minimize the detrimental environmental impact of their activities.

