

## **A STUDY OF OPPORTUNITIES AND CHALLENGES FOR GREEN MARKETING IN INDIA**

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### **ABSTRACT**

Green marketing is a big thing in the business world these days. Remarketing and packaging of previously-existing products that adhere to these requirements has already started under this approach. Additionally, companies can now co-brand their products on a specific line thanks to green marketing development companies; yet, some individuals have emphasized environmental friendliness while disregarding other factors. Businesses can now co-brand their products on a specific line thanks to green marketing development companies, however some have hailed environmental friendliness while ignoring others. This article delves into the notion of green marketing and examines the obstacles and prospects faced by companies who implement it. The study shows that there is still a growing need for the use of green marketing, and it also explains why businesses choose it.

**Keywords:** Green marketing, environmental friendliness, Environmentally Safe, Recycle.

### **INTRODUCTION**

The products those are manufactured through green technology and that caused no environmental hazards are called green products. Promotion of green technology and green products is necessary for conservation of natural resources and sustainable development. Following are the important features of green products:

- Originally grown
- Recyclable, reusable and biodegradable
- Contain natural, recycled or non-toxic ingredients,
- Do not harm or pollute the environment
- Have eco-friendly packaging i.e. reusable, refillable containers etc.

In the late 1980s and early 1990s, the term "green marketing" gained popularity. The terms "green marketing" and "environmental marketing" are also frequently used synonymously. The first workshop on "Ecological Marketing" was held in 1975 by the American Marketing Association (AMA). One of the first publications on green marketing, "Ecological Marketing," published the workshop's contents. As a result, green marketing encompasses a range of actions, including altering advertising, changing the production process, changing the product, and changing the packaging. Conversely, because there are contradictory and overlapping interpretations, it can be challenging to define the concept of "green marketing." First, there are a few reasons why green marketing has become popular, including environmental concerns. The American Marketing Association defines green marketing as the promotion of environmentally friendly products. A variety of actions fall under the umbrella

of "green marketing," such as altering products, packaging, production processes, and advertising. Green marketing is the process of getting rid of goods, services, and products in a way that has less of an impact on pollution, global warming, non-biodegradable solid waste, and the environment. The increasing consciousness of such matters has made customers and marketers more receptive to the idea of transitioning to environmentally friendly goods and services. Many people think that promoting and advertising products with environmental features is what is meant by "green marketing." Green marketing is typically associated with products that are phosphate-free, recyclable, refillable, ozone-friendly, and eco-friendly.

Farrell & Pride (1993) Green marketing, which is sometimes referred to as sustainable marketing and alternative marketing, describes an organization's initiatives to create, market, charge, and deliver environmentally friendly products.

Green marketing is any activity intended to generate and facilitate any conversion to satisfy human needs or requirements, desires, and needs with the least amount of negative influence on the environment, according to Polonsky (1994).

As a result, the idea of "green marketing" seems plausible. It encompasses actions that support the adoption and execution of laws, plans, and initiatives that promote environmental preservation. It also refers to the general marketing idea of creating, marketing, using, and discarding goods and services that are less detrimental to the environment in terms of pollution, global warming, and non-biodegradable solid waste. Initially, as knowledge grows, consumers and marketers are realizing how important it is to transition to green goods and services. Making the move to "green" may appear expensive at first, but it will ultimately pay off and save money.

## **REVIEW OF LITERATURE**

**Shruti Garg and Vandana Sharma (2017)**, finds that both markets and consumers are becoming increasingly sensitive to the need to switch to green products and services. Therefore, firms are taking action to develop potential ecological approaches in the green market industry. They argued that 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. Green marketing should not neglect the economic aspect of marketing.

**Anjali Chandak (2018)**, finds that recycling of paper, metals, plastics, etc., in a safe and environmentally harmless manner should become much more systematized and universal. Also states that it should become a general norm to use energy-efficient lamps and other electrical goods. Marketers also have the responsibility to make the consumers understand the need for and benefits of green products as compared to non-green ones. She finds that consumers are willing to pay more to maintain a cleaner and greener environment.

**Mansi Arora and Akarsh Agarwal (2018)**, finds that in FMCG sector there is a shift in buyer's consumption pattern from unsustainable to sustainable which influences the purchase behaviour of the customers as they have decided to go eco-friendly. This transformation in customer's behaviour has compelled FMCG Companies to adopt green to retain their image in markets. Also states that due to the Green Feature it might be possible that the Price of the Product shoots up but it is seen that consumers are ready to pay high Price but to a certain extent. There is still a class of people who have showed interest for Environmental Protection but are not ready to pay high price for the product. This clearly shows that Consumers are Price- sensitive and hence "Price of the Product" is one of the most important issues.

**Abdal Ahmed And Sumera Qureshi (2019)**, argued that Availability of the environment friendly products and their benefits in the market should be made aware to the customers. . Eco-friendly products and services for greater benefits to economy and society should be advertised by center/local Governments and initiative to promote them. Business firm should

provide encouragement to use eco-friendly products and services by making them educate regarding the availability of products in market.

**P.Anitha & Dr. C.Vijai (2020)** in their study doesn't find a significant relationship between demographic variables ( gender, occupation and awareness) and consumer behaviour towards green products.

**Muhammad Salman Shabbir etal, (2020)** In terms of green marketing, there is rapid ongoing change for companies regarding the re-structuring of their products and their impact on the environment. In both research and business practices, green marketing is observed as an ongoing phenomenon, as it is based on the sustainability of the environment. They find that various green marketing approaches have a positive and significant influence on consumer behavior towards the environment. They propose that companies should consider the findings for the development of eco-friendly strategies and their impact on value creation in the contemporary business environment.

**Yuqing Geng and Mukasar Maimaituerxun (2022)**, finds that research of green marketing in sustainable consumption is comprehensive and intersectional. Also find that the domain, "green," "consumption," "sustainability," and "consumer" are more welcomed and valued research domain and are at the dominating status in the recent studies. They find that research of green marketing in sustainable consumption has significantly increased in recent years, and some new and critical research directions have emerged; research focuses are much more diversified. Therefore, it is needed for future studies to pay more attention to the changing research directions.

## OBJECTIVES OF THE STUDY

The present research is guided by the following objectives:

- To explore the concept of green marketing.
- To explore the challenges and opportunities of green marketing.

## RESEARCH METHODOLOGY

Research is exploratory; it focuses on literature reviews, newspapers, magazines, websites, and other trusted sources. Green marketing is the effort of promoting goods that are better for the environment than others. Green marketing includes a variety of product modifications, process modifications and packaging. Originally introduced at the American Marketing Association (AMA) 'Ecological Marketing' seminar in 1975, "green marketing" eventually made its way into the literature. The late 1980s and early 1990s saw the rise in popularity of the term "green marketing." Petty (2001) identifies three phases in the evolution of green marketing:

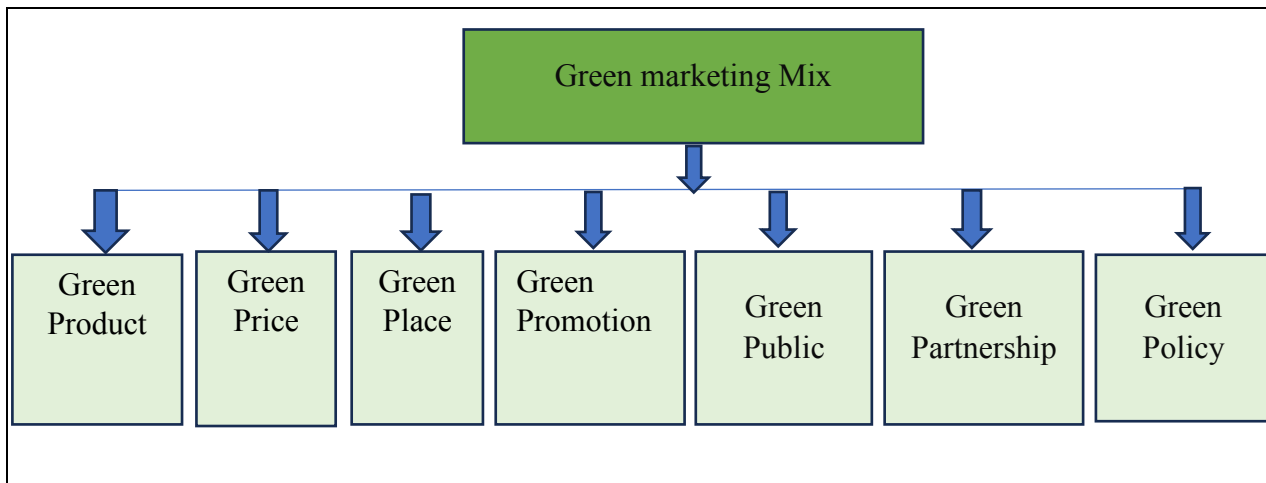
- a) The first phase is called "ecological" green marketing, and all marketing activities during this period help environmental issues and provide solutions to environmental problems.
- b) The second phase focuses on "environmental" green marketing and clean technology, including the design of innovative new products that address pollution and waste issues.
- c) The third step is "sustainable" green marketing. It relates to the development of high-quality products in the late 1990s and early 2000s that consumers' requirements by concentrating on quality, performance, price, and convenience in an environmentally friendly manner.

In the end, green marketing offers chances for company expansion and development. Although they may incur early expenses, changes to business or production processes can result in long-term cost savings. Installing solar power, for instance, is an investment in future energy savings. Companies who develop innovative and superior goods and services with an

emphasis on environmental effects open up new markets, see a rise in earnings, and obtain a competitive edge over companies that promote less ecologically friendly alternatives. Looking through the research reveals a number of hypothesized explanations for why businesses are using green marketing more frequently. The following are five potential explanations:

- Green marketing is considered an opportunity for companies to achieve their goals.
- Companies feel morally obligated to adopt a more socially responsible approach.
- Businesses are being forced to adapt more by government bodies.
- Companies may need to adjust their behavior as cost factors related with trash disposal or decrease in material usage.
- Companies may be under pressure from competitors' environmental initiatives to change their environmental marketing campaigns.

**Green marketing mix:** The Green Marketing-Mix model includes following seven Ps



**Green Product:** Reducing pollution and resource usage while enhancing resource conservation is the environmental aim of product planning.

**Green Price:** Given the superior material quality, these products may carry a little higher price tag than others.

**Green Place:** The decision about the product's availability's time and location greatly affects customers. Very few consumers decide to purchase eco-friendly goods.

**Green Promotion:** There are three types of green advertising: -

- Declarations outlining how a good or service relates to the biophysical environment.
- Highlight a good or service to encourage a green lifestyle.
- Advertising that presents the company's environmental responsibility image.

**Green Public:** The audience for this preview consists of both internal and external participants. The people who are involved in any way with the approval or implementation of the Green Marketing Program are considered internal public, whilst the target audience, secondary audience, policymakers, and gatekeepers are considered external public.

**Green Partnership:** overseeing an individual who implements "green" initiatives can be difficult. Potential is strengthened through interacting with other teams and groups.

**Green Policy:** Social marketing initiatives are effective in changing people's behavior, but they are hard to maintain unless the changes are gradual. Policy reforms are frequently

necessary, and media support initiatives work well in tandem with green marketing initiatives.

### **Important examples of green marketing in India**

Concerns about the effects on the environment have been voiced by environmentalists from a variety of backgrounds as India's industrialization advances quickly. Businesses have chosen the green route to success since they are now more conscious of how their factories frequently impact the ecology.

**LG:** LG India is a frontrunner in producing environmentally friendly electrical devices. For the Indian market, it has introduced the LED E60 and E90 series displays. Its 40% power consumption reduction over conventional LED displays makes it distinctive. Additionally, they make an effort to employ less dangerous materials in their goods by halogen and mercury free manufacturing.

**HCL:** HCL introduced the HCL ME 40 laptops in an effort to bring eco-friendly products to the market. These notebooks have already received a five-star rating from the Bureau of Energy Efficiency and contain no polyvinyl chloride (PVC) or other hazardous materials.

**Haier:** The Eco Life line was introduced by Haier as part of their new Green Initiative, which includes eco branding. These include of split and window air conditioners, automated and semi-automatic refrigerators, washing machines, and more.

**Samsung:** The company's LED TV screens in India have long had an impressive viewing range, and they now offer an environmentally friendly LED backlight. They don't contain lead or mercury, and they consume 40% less electricity.

**Hindustan Unilever:** HUL has collaborated with Banyan Nation to make recyclable packaging g for its liquid detergent brand Surf Excel Matic. As a result, HUL's Surf Excel has transitioned to using 50% recycled plastic in their bottles since Aug 2019. With the help of Banyan Nation, HUL has recovered and recycled more than 1,000 tonnes of plastic waste into packaging by manufacturing over 100 million bottles. Riding on this success, HUL now aims to reduce their plastic footprint by at least 50% through the eradication of 1,00,000 tonnes of plastic and using at least 25% recycled plastic by 2025.

**Apple:** In 2019, when Apple introduced updated versions of the MacBook Air and the MacBook Mini, they made the declaration that these goods were produced from aluminum that was 100% recyclable. For this particular year, their tagline was "Truly Innovative products leave their mark on the world but not on the planet."

**Tata Metaliks Limited:** This deals in mining and metal sector. It has given a green view to reduce its carbon foot prints. The objective of Tata Metaliks Limited is to increase the green cover through plantation, ground water, power generation and use of natural fertilizers etc. The major green initiatives of this company is related to water utilization. It depends entirely on the ground water or no municipal supply and it will perform a complete water neutral operation.

**Suzlon energy:** Suzlon is the world's 4th largest wind power company among the greenest and best company in India. It is a renewable company manufacturer and produce wind Turbines, now Suzlon 30% power of renewable energy in India. It meets the need of present without compromising the capacity of future generation.

**TCS:** With a well-known sustainability program, TCS is now the top-ranked World Green Company according to Newsweek. Its efforts to develop technologies for the benefit of society and agriculture have largely contributed to its 80.4% worldwide green score.

**State Bank of India:** By using eco and power friendly equipment in its 10,000 new ATMs, the banking giant has not only saved power costs and earned carbon credits, but also set the right example for others to follow. SBI is also entered into green service known as "Green



Channel Counter". SBI is providing many services like; paper less banking, no deposit slip, no withdrawal form, no checks, no money transactions form all these transaction are done through SBI shopping & ATM cards. State Bank of India turns to wind energy to reduce emissions. 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.

**Lead Free Paints from Kansai Nerolac:** Kansai Nerolac has worked on removing hazardous heavy metals from their paints. The hazardous heavy metals like lead, mercury, chromium, arsenic and antimony can have adverse effects on humans. 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.

**Wipro's Green Machines:** Wipro Infotech was India's first company to launch environment friendly computer peripherals. For the Indian market, Wipro has 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.

## Golden Rules of Green Marketing

**Learn about your customer:** Ascertain that the person is aware of and concerned about the problems that your product is intended to address.

**Educate your customers:** It is vital to enlighten individuals about your environmental conservation efforts and the reasons behind their significance.

### Being honest and practical:

- You are carrying out your green marketing strategy as promised, and
- The remaining policies in your company are designed with the environment in mind.

**Give the consumer peace of mind:** Customers should feel confident that the product will perform as intended and that its quality won't be compromised for the sake of the environment.

**Take into account your prices:** Make sure to employ economies of scale and premium materials if you are charging a premium for your product, since many eco-friendly items have a high price. These clients believe the premium is worthwhile and can pay it.

**You are making it possible for your customers to take part:** highlighting the advantages of your environmentally friendly actions and, often, empowering the client to take constructive environmental action.

## Challenges for green marketing

**Novel Idea:** Urban and literate Indian customers are becoming increasingly aware of the advantages of eco-friendly goods. For most people, though, it is a novel idea. It takes time and effort to spread new green initiatives among people.

**Cost Factors:** Green marketing comprises green products or services, green technology, green energy, or energy marketing, which needs spending considerable money on Research and Development programs and subsequent promotions, eventually leading to cost overruns.

**Convincing Customers:** It's important for the business to take all reasonable measures to persuade customers about their environmentally friendly goods, since they could not believe the organization's green marketing plan.

**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 labelling and licensing.

**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.

**Sustainability:** There are little immediate advantages since green technology and renewable goods are costly. Long-term success is the only possible outcome for green marketing. Hence, instead of focusing on short-term strategies, firms should plan and prepare for the long term and resist the urge to use immoral tactics in order to generate profits quickly. Businesses that use non-cooperation to green marketing have to work very hard to convince shareholders, and frequently they fall short in convincing them of the long-term advantages of green marketing as opposed to the immediate costs.

**Preventing 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.

## What makes businesses to use green marketing strategies?

**Opportunities:** Many businesses view shifts in demand as chances to take advantage of them and obtain a competitive edge over businesses that provide ecologically friendly alternatives. Companies attempting to better meet the requirements of their consumers by becoming more environmentally conscious. For example, Xerox introduced a "high quality" recycled photocopier paper in an attempt to satisfy the demands of firms for less environmentally harmful products

**Pressure from the government:** Governments, as in any marketing activity, want to "protect" society and customers. Following are some ways in which government regulations are designed to protect society and consumers

- Reducing the production of harmful goods or by-products, modifying consumer and industry consumption and consumption of harmful products.
- All types of consumers can assess the environmental composition of goods. The government establishes rules designed to control hazardous waste generated by companies.

**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.

**Corporate Social Responsibility:** A growing number of businesses are realizing that, as members of the community, they have a responsibility to act in an ecologically responsible manner. This translates into businesses that think they have to meet both profit-and-environment-related goals. The corporate culture of the company is thereafter included with regard to environmental problems.

**Profit-Cost issues:** Businesses may also employ green marketing to solve difficulties pertaining to costs or profits. The cost and complexity of disposing of ecologically hazardous byproducts, such soil tainted with polychlorinated biphenyls (PCBs), are rising.

Consequently, businesses that can cut hazardous waste will need to make significant cost savings. When businesses strive to cut waste, they frequently have to reevaluate their manufacturing methods. In other situations, businesses look for pipe solutions rather than ways to save waste. In these circumstances, businesses look for markets or applications for their waste products, turning the trash of one business into the production of another. An Australian firm that sells its acidic wastewater, a by-product of manufacturing, to a company that neutralizes raw materials is an example of this.

## SUGGESTIONS

Since green marketing is still in its infancy, much more study is required to fully realize its potential. Here are some tips for looking for green marketing prospects about the difficulties associated with green marketing. Ensure that the consumer understands and is concerned about the problems that your solution is intended to address. It is important to encourage consumers to switch brands or pay more for environmentally friendly options. In order to successfully and efficiently implement the concept of green marketing, government intervention is essential. Without particular, strict regulations that the government uses its power to enforce, the idea cannot even be formed. Assume that governments, businesses, and consumers collaborate to reduce the negative effects that their actions have on the environment. Under such circumstances, they can surely preserve the environment and make the world a better place to live.

## CONCLUSION

One way to protect the environment for coming generations is through green marketing. It's not a simple idea. The company have to make plans before finding out how feasible this is. Since green marketing is still in its infancy, it needs to be improved. While implementing green marketing may not be feasible in the near future, it will benefit the company in the long run. In Indian businesses, green marketing is still relatively new. Given that green marketing incorporates social and environmental concerns, it should be vigorously pursued rather than being seen as just another marketing strategy. Recycling needs to be more organized and widespread in order to be safe and ecologically beneficial for materials like paper, metal, plastic, etc. Energy-efficient lightbulbs and other electrical gadgets are already standard. Additionally, buyers in the Indian market are prepared to pay more for environmentally friendly goods. It's important to highlight that current consumption levels are high and erratic. Thus, there is a need for green marketing as well as for customer attitudes and behavior toward eco-friendly living to shift. In the end, customers should be prepared to pay for green products even though they are expensive and may bring a change in personal habit, if they want a better world. Until this occurs, it will be challenging for lone enterprises to spearhead the green marketing revolution. A business that cares about the environment may manufacture goods that have fewer negative environmental consequences and can compel its suppliers to act more sustainably. In order to guarantee that all businesses reduce the negative environmental effects of their operations, end users and industrial purchasers can also compel companies to include environmental considerations into their corporate cultures.

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