



**GREEN MARKETING AND THE EVOLUTION OF GREEN PRODUCTS IN THE  
GLOBAL SCENARIO: A CONCEPTUAL OVERVIEW**

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**ABSTRACT**

*Green marketing, with Earth Day celebrated in 1970, picked its pace by early 1980s, the rising public interest towards environment has increased the demand for green products, and services. The “environmentally friendly” products are expected to be economical, biodegradable, waste-efficient, energy efficient, and sustainable too. Meanwhile, the green economy’s focus has also been changed from not just in producing clean energy, but, technologies for cleaner production processes that reduces environmental impact and improves the use of natural resources. This initiative do also has its setback with false claims made by organizations globally. In this work one of the core objective is to assess the green marketing initiatives initiated and exhibited by organizations globally. The focus would be to identify the extent of results obtained, so is the effectiveness and the wide array of activities triggered by the process resulting in: changes in the product, changes incorporated in the production process, changes in labelling and packaging, and the ever-changing advertising process of environment friendly commodities.*

**Key words:** Green marketing, Eco-Friendly, Green Products, Go-Green, Sustainability

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## I. INTRODUCTION

The concept of green marketing is based on the common mantra that is focused on the objective, that if organizations need masses to buy their products, organizations have to focus on the traditional attributes price, quality or service. The “greenness” of a product is a secondary concern for many mainstream consumers or masses in developing nations.

In this scenario, green marketers may explore the potential of the market by offering products that are competitive in dimensions traditional and eco-friendly dimensions that result in large quantity of products sold and the great impact it creates on the environment.

In today’s environment the concept of green product paradox has been found to be a challenge for the marketers, of individual organizations. The products they exhibit are considered to be profitable and socially accepted. Today, the perspective of looking at the forest from the trees and into the future does seem to be apparent. Hence, such products are expected to be paradoxical and may have a negative influence.

Similarly, the focus on the sustainable forest management measures may result in identifying the means and ways with processes of managing the various resources derived from forests to meet society’s varied needs, for times ahead. It is also to be done without compromising on the ecological capacity and understanding the renewal potential of the forest resources.

Today, the concept of green marketing, focuses on incorporating a broad range of initiatives and actions that focus on product modification, diversified production process, change in packaging, and the aspect of advanced and economical means of advertising environment friendly supplies.

The role of sustainable forest management with respect to green marketing focuses on the means and methods of managing forest resources to meet the society’s changing requirements for times ahead, by understanding the ecological capacity, and understanding the potential of the existing forest resources that are available, in large. Some of the examples of environmentally-beneficial products and services are as follows [1][10][11]:

1. Paper containing post-consumer wastepaper
2. Cereals sold without excess packaging
3. Shade-grown coffee beans
4. Cleaning supplies that do not harm humans or environment
5. Wood harvested from sustainable forests
6. Energy-efficient light bulbs

7. Energy-efficient cars
8. Energy from renewable sources of energy such as windmills and solar power

## **II. THE EMERGING TREND OF GREEN CONSUMERISM (SUSTAINABLE CONSUMERISM)**

In today's context it is observed that, green products are priced highly, and found to be the most expensive one when compared to similar non-green products. They are found to be priced around 16% to 100% more than the traditional product available in the market.

These green products are found to be normally more expensive as the expenses made for inputs are found to be higher. Similarly, the process adopted for production would be tougher and so are the specialized technologies adopted that are complicated and need more spending too.

Transportation of these green products is another key factor that is to be considered and the quantity of goods produced is minimal in quantities and results to be more expensive.

There are different studies carried out globally and it has raised a huge question or doubt on whether the concept of green consumerism exists or does it not. It was analysed with respect to the monthly sales for the time period beginning from March 2006 and ending by March 2011. Over 4,300 items belonging to over 22 different categories were studied and observed. It was conducted by Sanford C. Bernstein & Co., to assess the market share of green products and it was identified that the total market share for green products was down, even though they had a good time.

Another study by Ogilvy Earth, meanwhile stated that the downward trend would be a temporary, as the potential for these goods is high and there is a strong demand for such products increasing on a day-to-day basis. In the study it was observed that 77% of the public in the USA (US Americans) preferred sustainable products, meanwhile it was observed among 89% Chinese citizens (in the US), during the same time period stated that a green lifestyle is important to them.

The brand giant L'Oréal, USA, associating with a leading marketing research organization ORC International, conducted a survey on the purchases of green products in the USA and they also revealed that 43% of the respondents who addressed the study preferred to purchase environment-friendly and also did predict that they would also prefer socially responsible products and natural products, if they were offered at the same price with respect to the

regularly consumed brands. Similarly, the study also highlighted the aspect that, consumers if they were given a change to choose between two equally performing products/goods, 38% respondents said they would prefer to choose the eco-friendly option, rather than the other option.

These study have exhibited that there is a need to create awareness among customers and there is a great potential for green consumerism, if the awareness of such product and services are raised adequately [3][4].

### **III. GREEN MARKETING AND IT IMPORTANCE**

Today, Green marketing offers business bottom line incentives and top line growth possibilities. While modification of business or production processes may involve start-up costs, it will save money in the long term. For example the cost of installing solar energy is an investment in future energy cost savings. Companies that develop new and improved products and services with environmental impacts in mind give themselves access to new markets, substantially increase profits and enjoy competitive advantages over those marketing non-environmentally responsible alternatives [2][5][9].

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

1. Organization perceive environmental marketing to be an opportunity that can be used to achieve its objectives.
2. Organizations believe they have a moral obligation to be more socially responsible.
3. Governmental bodies are forcing firms to become more responsible.
4. Competitors' environmental activities pressure firms to change their environmental marketing activities.
5. Cost factors associated with waste disposal, or reductions in material usage forces firms to modify their behavior.

### **IV. PHASES OF GREEN MARKETING**

There are mainly three phases in the evolution of Green Marketing, and it has been an idea that has been brought into existence over a period of time. The evolution of green marketing has been classified into three phases, namely [5][8][9]:

1. Phase One: It is the 'Ecology/ Ecological' phase where more importance in green marketing was emphasised focusing on the marketing activities, it was a time line when the main objective was to address environmental issues and problems and also provide remedies for these issues.
2. Phase Two: This is the 'Environmental' phase that is mainly focused towards the activities of green marketing, the prime focus in this phase is towards clean technology that involves the process of designing of innovative new products, that may help in reducing pollution and reducing waste.
3. Phase Three: This is the current phase where the focus is towards 'Sustainability', which got its importance in the late 1990s and early 2000, uplifting the focus of green marketing.

## **V.THE DIFFERENCE BETWEEN GREEN MARKETING AND TRADITIONAL MARKETING**

Green marketing is derived from conventional marketing, but has been accepted based on the increasing concern of people towards the protection nature and the environment. Both, green marketing and traditional marketing are nearly similar, and their differences are stated as follows [6] [7]:

1. Green marketing is a general tactic that involves various actions such as: a. identification, b. anticipation, and c. satisfaction of the customers need, with a sustainable manner, focusing on the ecosystem and the process of marketing involves identification and satisfaction of such requirements while maintaining the level of profitability.
2. Traditional marketing is focused on economic and financial desires. But, green marketing is based on integrating social and environmental requirement with economic objectives being considered.
3. Traditional marketing focuses on the direct paybacks of products, and green marketing focuses in offering long term environmental welfare actions.
4. Traditional marketing do not focus on considering the impact of products and services and its influence towards the nature and environment, meanwhile green marketing focuses and promotes the production of eco-labelled or green products and services.
5. Organizations that prefer green marketing initiatives than traditional marketing initiative are considered to be highly reliable for the focus customers.
6. Green marketing guarantees that maximum utilisation of natural resources, in a much more effective manner that would be favourable to the customers and the organisation.

## **VI. WHY ARE ORGANIZATIONS TODAY OPTING FOR GREEN MARKETING?**

There are various reasons observed in today's context why organizations are focusing on green marketing but some of the prime reasons are [6] [7]:

1. The opportunity – today organizations have stated perceiving that environmental marketing holds great potential and has a large opportunity;
2. The trend of Moral Obligation – Similarly, organizations today believe that they have to be socially responsible for their activities and have also made it as a moral obligation;
3. The Government Norms – The evolving norms being enforced by environmental welfare bodies and the Governmental bodies have enforced organizations to adapt eco-friendly norms and act with social responsibility;
4. The Emerging Competitors: the initiatives undertaken by competitors to have an higher edge and attract target market exhibiting themselves as environmental friendly and to attract the good will of customers exhibiting better morale; and
5. The cost factor - today cost and cost reduction aspects are considered to be highly focused. It is associated with better practices, waste clearance, efficient and maximum utilization of resources with reduce wastage

## **VII. GREEN PRODUCTS AND THEIR CHARACTERISTICS**

Green products are classified based on their characteristics and they are as follows [6] [8]:

1. They are considered to be products that are grown originally.
2. They are products that can be recycled, reused and at time they are biodegradable, in nature.
3. They are products meant to be made or produced with natural ingredients.
4. They are observed to have recycled contents and nontoxic chemical's in them.
5. They are assured products in which all the contents used in them are approved chemicals and resources.
6. They are products that is not expected to do any harm to the users, as well as do not pollute, or affect the eco system.
7. They are considered to be products that shall not be experimented or tested on animals, and other living beings.

8. They are products that mandatorily use eco-friendly packaging solutions, that may be reusable, refillable, and in times sustainable.

## **VIII. THE BIG TWO FACTORS THAT DRIVES GREEN MARKETING**

There are mainly two factors that influence and drives green marketing today, they are namely:

### **1. The Influence Of Government Regulations**

The role of Government with respect to the welfare of the public and their civil rights focusing to 'protect' the consumers and society, focusing on eco-friendly and green marketing. Three key ways of how government can regulate environmental marketing to protect the public are [12] [13]:

- a. to reduce the production of dangerous and harmful goods and those that have un acceptable by-products, or waste generated;
- b. To alter the patterns of consumer or public and industry's means of consumption pattern especially for the usage of harmful or toxic products; and
- c. To guarantee to the public that they are able to identify and evaluate the environmental composition of various products and services used by them.

The role of Government also include the introduction and implementation of regulations/ protocol that are designed with a core objective to regulate the quantity of hazardous or toxic by-product and waste produced by organizations.

The production of various by-products can be controlled, with the help of measures such as issuing environmental licenses that would totally modify the organizational behavior. There are instances that in which the governments takes initiative and ensure that the final consumers of products and services are more responsible.

### **2. The Influence Of Competitors Pressure**

In this aspect the focus is on the alternate force with respect to environmental marketing, where the main objective is to hold a strong hold and maintain a competitive position. In this aspect the firms perceive what are their immediate rivals or competitors endorsing, and also they observe their results and impact on the environment. They also immediately try to duplicate or come out with an alternate solution to compete. There are various events and occurrences that has increased competitive pressure that has resulted in altering the existing

technology or capacity or process and result in modifying the entire industry as a whole and focuses on reducing the unfavourable environmental actions.

## **IX. THE ADAPTATION OF GREEN MARKETING**

With reference to green marketing there are main five reasons, that a marketer has to focus in adopting and they are:

1. Opportunities or competitive advantage
2. Social Responsibility
3. Governmental Pressure
4. Competitive Pressure
5. Cost Reduction

## **X. THE STRENGTHS AND BENEFITS OF GREEN MARKETING**

The strength and benefits of green marketing are stated as follows:

1. Green marketing should result in the optimum utilisation of scarce resources, by focusing on effectiveness and efficiency too.
2. Green marketing helps organization ensure that they deliver maximum satisfaction for the general publics need, wants and desires, by delivering the products or rendering the services in a profitable and sustainable manner, considering the environmental factors and outcomes.
3. Green marketing inspires the production and effective distribution of reusable/recyclable products and services that are non-toxic and environmentally friendly too.
4. Green marketing has a greater focus on the development and growth sustainable initiatives.
5. Green marketing focuses in helping reduce the depletion and exploitation of natural resources available.
6. Green marketing has a prime goal of educating the customers and keep them informed on eco-friendly initiatives as well as offer them have an opportunity to be part of eco-friendly activities and make them participate in these environmental friendly activities voluntarily.



7. Green marketing also focuses in promoting value-added services, that focuses on saving energy as well as improve the performance and also uplift the health, improve safety, social status and the lifestyle.

## **XI. FACTORS THAT CHALLENGE GREEN MARKETING**

1. Ambiguous credibility: The fake or ambiguous green marketing statements published and the claims made by business houses, which also do not maintain or adhere or possess adequate certification. Meanwhile, claim to be eco-friendly to the consumers, shall destroy the reputation and credibility of the whole sector. In the process the consumers have a tough time classifying and identifying the differences between simple green advertisements that have valid, and certified claims.
2. Deceiving information: The process of green marketing, has to potential to consumer awareness, meanwhile, it also has to potential to mislead or misguide the consumers with flawed or inaccurate information. Similarly, when it comes to the marketing of these product and services there is a danger that persists within the actions of marketing of these products or services. It may spread the news or message that is expected to mislead which result in behavioural change, and it would create a substantial adverse effect on the existing environment and also affect the society in the future.
3. Existing Gap amidst Sustainable Targets and Behaviour Patterns: The claims made by consumers or public on their intentions to carry out a sustainable lifestyle, which includes the purchase of green products or eco-friendly products. But, in reality they to bring this into practice only a mere percentage of the population are willing to do it as well as are willing to follow such actions. In a study carried out by EcoAlign, from the USA it was identified that 90% of the American citizens, were informed and are aware of the need and importance of eco-efficiency and the need to save the environment, But, only 3% of them adhere to the need by at-least turning of their computers during the night hours.
4. The concept of Premium Price: It is identified that the consumers or public, who are interested in purchasing sustainable products or availing sustainable services, are habitually not interested or not willing to pay the a high price for green products or services. This eventually results in the internalization of environmental costs, and as an outcome only a very small fraction of the population is willing to compromise the performance, the quality or the price in exchange for the environmental performance relevant to their purchasing decisions. This, further diminishes the motivation for

organizations and business houses to further invest or venture into segment of green production, as well as green marketing.

5. The process of Information gap: It has become very evident that even though there is an increase in the level awareness among public/consumers towards the concept of green purchasing alternatives and options, the ratio or the quantity of people who are very well familiarized with the available green products and their wide range, the result in-terms of benefits towards the environment is found to be very, very low.

## **XII. THE STRATEGIC MOVES TO BE ADOPTED FOR GREEN MARKETING**

The marketing strategies for green marketing include, the following [1][5]:

- a. Marketing Audit (including internal and external situation analysis)
- b. Develop a marketing plan outlining strategies with regard to 4 P's
- c. Implement marketing strategies
- d. Plan results evaluation

## **XIII. KEY GREEN MARKETING AND SUSTAINABLE BUSINESS PROSPECTS**

Some of the prospects for green marketing and sustainable business prospects, in today's emerging green world are as follows:

1. Effective energy auditing may help entrepreneurs and domestic or residential users reduce their monthly invoices and also may help reduce their dependency on traditional energy or power grids. At present this trend has been witnessing an increase in demand, and the efficiency auditors or experts are involved in helping redesign/modernize and make the existing structures into green.
2. Redesigning and remodelling specialists can now focus on decreasing the quantity of pesticides and chemical fertilizers, replacing them with organic material to the soil through proper composting and insulating.
3. The Installation of Solar based products and services has been shooting-up/ increasing as the demand for them have been increasing as well as their specification have become more simpler and user friendly especially their sizes have been turning out to be smaller day to day with a greater increase in efficiency.
4. When it comes to home improvement, the focus is on a series of combinations or focus is on a series of several services that has a larger level of energy efficiency

and also found to use eco-friendly/environmentally-friendly, materials that are also sustainable in nature.

5. The role of cleaning services offer the traditional services more focus and up-lift by converting the usage of eco-friendly products and processes. At present the opportunities for pet cleaners, maids, car washes, and has been witnessing a growth and the demand has been found to be increasing on a day to day perspective.
6. When it comes to food and dining the focus on restaurants has also exhibited an greater change where the service providers have started to use fresh organic produce's that are found to be high in nutrition to make their meal more nutritious as well as are grown in environmentally efficient surroundings, as a result it has helped them to pull in larger crowd of customers especially the health conscious ones.
7. The production of organic food are found to take place in both large and small quantities. Similarly, it results in larger number of franchisees focus and the installation and cultivation of organic food not only by farmers but within homes, schools and businesses houses.

#### **XIV. CONCLUSION**

Today, any organizations that commit themselves to the environment have to not only produce goods that have reduced their negative impact on the environment and eco-system. But, they should also be able to force and stress their suppliers to give more emphasis and make them behave in a much more, acceptable and environmentally 'friendly' and 'responsible' manner.

Similarly, when it comes to Green marketing, the manufacturers and service providers are not expected to discard or neglect the economic aspect of marketing to be initiated. The marketers, have to focus on understanding their implications towards green marketing.

Again marketers are advised that, if they perceive that customers are not focusing on environment friendly or eco-friendly issues, or they would not be able to pay the premium for the products that are identified to be more eco-friendly, then we should think again.

Marketers are also expected to find new arenas or methods or opportunities to enhance the product's performance or service delivery method that may strengthen the loyalty of customer's even-though the product may be overpriced. At present the concept and process of

Green marketing is in its early stages and there are lot of potential on research to be done in this domain especially exploring all the aspects of the market with reference to it.

With respect to the concept of green marketing, marketers have a greater level of responsibility educate the consumers and make them understand the outcomes of using green products focusing on their need and benefits, when compared to non-green ones.

Finally, the public or consumers and manufacturers or industrial buyers are also expected to have the ability to pressurize or influence organizations to incorporate the various focused environmental measures with their corporate culture and ensure that all the manufactures or service providers minimize the unfavourable and negatively impacting activities towards the environment.

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