

**AN EXPLORATORY RESEARCH ON ENVIRONMENTAL MARKETING
WITH SPECIAL REFERENCE IN INDORE CITY'S CONSUMERS**

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ABSTRACT

Now a day's consumers showed their concerns towards the environment friendly products that are presumed to be "GO-GREEN". The term Environmental marketing is the jargon used in market which means it is an attempt to trim down the downbeat effect of the products, to make it environmentally friendly. As society becomes more concerned with the natural environment, businesses have begun to modify their process in an attempt to address society's new issues such as responsibility for successful marketing which is environmental friendly. Green revolution, going green, environmental safety, sustainable life style, sustainable growth, protecting our earth and many more has become a natural observable fact in our everyday life. For a company to become market leader, it is noticeable that they must consider the consumer attitude towards environmental marketing. This paper made an attempt to know the consumers awareness towards environmental marketing and also explore the mindset of marketer to give a consideration for adopting the appropriate strategies which will give them an approach to conquer major problems faced in conventional marketing techniques and make a shift to environmental marketing techniques.

Keywords: Environmental marketing, Marketing techniques, Consumer attitude, Green products, etc.

Introduction

Over the precedent decades, not only the society becomes more concern about the environmental issues, but also a vital area in scholastic research. A sharp rise in green politics has emerged in the India and also in whole world. An encouraging change noticed in consumer's behavior towards eco-friendly products due to the increased level of environmental awareness. These changes contributed to the start of the green revolt to prevent further damage to the atmosphere. According to the American Marketing Association, green marketing is the marketing of products that are presumed to be environmentally safe. Thus environmental marketing incorporates a broad range of activities, including product modification, changes to the production process, packaging changes, as well as modifying advertising also. With regards to this consumers are also take accountability and doing the right things. Consumer awareness and motivation carry on forcing change in the marketplace, particularly through the launch of more eco-friendly products. Successful promotion has always been about recognizing trends and positioning products, services and brand in a manner that supports buyer's interest. Today, "Green" marketing has moved from a trend to a way of doing business and businesses that sell should recognize (a) the importance of going green and (b) incorporating this significance into their promotional course and communicating the green concept to their consumers.

Concept of environmental marketing and theoretical background

"Environmental marketing" also known as "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 increasing consciousness about the implications of global warming, non-biodegradable solid waste, unsafe impact of pollutants etc., both marketers and consumers are becoming more and more sensitive to the need for switch in to green products and services. While the shift to "go-green" may come into view to be luxurious in the very short period, it will positively prove to be essential and beneficial, cost-wise too, in the long run.

We can say that environmental marketing accommodates a broad variety of activities, including product modification, improvements to the production process, packaging enhancements, as well

as modifying advertising to suit the concept. While environmental marketing came into prominence in the late 1980s and near the beginning of 90s, it was first discussed much earlier. The American Marketing Association (AMA) held the first workshop on “Ecological Marketing” in 1975. The events of this workshop resulted in one of the first books on green marketing entitled “Ecological Marketing” [Henion and Kinnear 1976a]. Since then a number of other books on the title have been published [Charter 1992, Coddington 1993, Ottman 1993]. The AMA workshop attempted to bring together academics, practitioners, and public policy makers to examine marketing’s impact on the natural environment. At this workshop ecological marketing was defined as: “the study of the positive and negative aspects of marketing activities on pollution, energy depletion and non energy resource depletion.” [Henion and Kinnear 1976b,] This definition has three key components,

1. Green marketing is a subset of the overall marketing activity;
2. Green marketing investigates both the positive and negative activities; and
3. Green marketing encompasses a narrow range of environmental issues.

The environmental marketing has evolved over a period of time. As per Peattie (2001), the evolution of green marketing has three phases. First phase was called as “Ecological” green marketing, and this is the phase where all marketing activities were concerned to help environment problems and provide solution 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.

An average green company can be described by using the models and experiences reported by John Elkington, Peter Knight and Julia Hailes in their book *The Green Business Guide* (Elkington et al., 1992). A company which is concerned about environmental issues makes our commercial vision and functioning according to “Go-Green concept”. This simply means that the company realizes the requirements of the ecosystem with which it interacts. Environmental marketing might be a result of realistic guiding principle, referring to the changes of preferences of the customers and /or to follow the major development of the industry. However, there are companies, which are really centered on green values and try to realize their ecological worldview in their business activities (e.g. the Body Shop, Ben and Jerry’s, Tom’s of Main,

Interface). Polonsky (1994) defines environmental marketing as “all activities designed to generate and facilitate any exchanges intended to satisfy human needs or wants, such that the satisfaction of these needs and wants occurs, with minimal detrimental impact on the natural environment”. The basic ideas behind environmentalism dictate that corporations have responsibilities that go beyond the production of goods and services. These responsibilities involve helping to solve important social problems, especially those they have helped create (Buchholz 1991; Porter & Van der Linde 1995; Peattie, 1995). Prakash (2002), pointed out that he employed the term environmental marketing in his survey "to refer to the strategies to promote products by employing environmental claims either about their attributes or about the systems, policies and processes of the firms that manufacture or sell them", while (Posonsky,2007), has defined it as " green or environmental marketing consist of all activities designed to generate and facilitate any exchange intended to satisfy human need or wants, such that the satisfaction of these needs and wants occurs, with minimal detrimental impact on the natural environment ." Other researchers have defined environmental marketing as " the holistic management process responsible for identifying, anticipating and satisfying the requirement of customers and society, in a profitable and sustainable way" (Karna et al, 2001) While Prakash (2002) give results that the companies can themselves become eco- friendly through make a plan of action at two levels: first at firm’s level by management systems, second at product level by value addition procedure. In order to green the value-addition, the companies may start by redesigning the structure and eliminating some of them and this may necessitate by modifying or upgrading the existing technology or switch over to the newer one, all of these aiming at reducing the environmental impact aggregated for all stages, such as the hybrid cars that reduce the fuel consumption and environment polluting (Lopez, 2009).

Review of literature

The literature included different arguments, that required actions from organizational to be green, **Polonsky and Philip (2001)** argued that organizations who want to be green must understand the nature of consumer transaction, even questioning how to create values, and this may needs to assumptions and ways of thinking by asking: are consumers actually need to own the products ?

Or are there other ways to deliver the capabilities that satisfy their needs? **Philip Kotler and Kevin Lane Keller** in Marketing Management has initiated the topic by discussing about the relevance of environmental marketing in the past few decades and has also discussed the explosion of environmentally friendly products. Marketers tried and failed with green sales pitches over the last decade because of certain obstacles which the movement encountered. The consumer behavior is such that most consumers appear unwillingly to give up the benefits of other alternatives to choose green products. Along with definitions from different sources. **K.K. Shrivastava & Sujata Khandai**, the author of Consumer Behavior in Indian Context, has discussed environmental marketing legislation in association with the multinational corporations. These face a growing variety of legislation designed to address environmental issues. Global concern for the environment extends beyond Industrial pollution, hazardous waste disposal and rampant deforestation to include issues that focus directly on consumer products. According to the **Ottaman, (1993)** and **Ken Peattie, (1993)** conventional marketing is outdated now a days and environmental marketing is in trend. In the developed countries, the surge of environmental consciousness that followed Earth Day in 1990 washed over the marketplace rapidly. In poll after poll, consumers claim they are willing to change their buying habits – and even pay more for products – to protect the environment (**Pearce, 1990; Consumer Reports, 1991;** According to an audit by the advertising agency **J. Walter Thompson (Consumer Reports, 1991)** Manufacturers got the message that the Marketing Intelligence Service (Consumer Reports, 1991), which tracks new product introductions, reports that the percentage of new packaged products making some kind of green claim more than doubled between 1989 and 1990, rising from 4.5% to 11.4% of the total. During the same year, the number of green advertisements appearing on television and in major print outlets more than quadrupled, **Elkington (1994: 93)** defines green consumer as one who avoids products that are likely to endanger the health of the consumer or others; cause significant damage to the environment during manufacture, use or disposal; consume a disproportionate amount of energy; cause unnecessary waste; use materials derived from threatened species or environments; involve unnecessary use of, or cruelty to animals; adversely affect other countries.

Research Methodology

Researcher has used Primary and Secondary data for the study of present topic. Structured questionnaire and a five point balanced likert scale is used for measuring consumer’s attitude, beliefs and opinions towards environmental marketing. Primary data was collected from respondents of Indore city through a questionnaire for a sample of 150 respondents. Random sampling method was adopted. Samples from Indore region representing the genders, different age groups, occupation and monthly income. The data collected from the respondents are coded, tabulated and analyzed into logical statements using mean and percentage analysis. Secondary data was collected from the available literature, journals and web search as required.

Objectives of the study

The primary objective of the present study is, “To understand the awareness of consumers towards environmental marketing.”

Data analysis and interpretation

Table 1. Demographic Profile of Respondents with mean scores (N=150)

Age	%	Gender		Occupation
		Male	Female	
20-30	65	72	28	Part Time employees/ Students
30-40	22			Employees
Above 40	13			Sr. Executive/Entrepreneur
	100			
Monthly Income	%			
0-5K	15			
6-10K	36			

	25		
10-20K	25		
25-30K	17		
>40K	7		

Table 1 depicts the demographic information about the respondents which reveals that 65% of the respondents were under the age group of 20-30 .22% of the respondents come under 30-40 and 13% of respondents were above 40 years of age.

Consumer’s awareness towards environment marketing is high

Table 2. Ratings given by respondents about the concept of environment marketing and mean scores

Question No.	% of Respondents						Yes	No	Mean Score
	Strongly Agree	Agree	Neither Agree nor Disagree	Disagree	Strongly Disagree				
	5	4	3	2	1				
1	68	23	3	4	2			4.51(>4.5 considered the next higher value)	
2	71	22	1	5	1			4.55(>4.5=5)	
3	48	30	12	4	6			4.09(4)	
4	73	17	3	5	2			4.53	
5	48	35	5	9	3			4.16(4)	
6						65	35		
7	74	20	2	2	2			4.63(5)	
8	46	31	13.	4	6			4.08(4)	

9	71	23	3	2	2			4.59(5)
10	40	37	10	4	9			3.96(4)
11	69	28	1	1	1			4.6(>4.5 considered as 5)
12	74	19	4	2	1			4.63(5)
13	8	20	40	22	10			2.94(3)

Table 2 clearly signifies the following:-

- Respondents *strongly agree* that they believe in the concept of environment marketing as also inferred from the computed mean.
- Respondents *strongly agree* about the awareness of companies going eco-friendly which can be inferred from the computed mean.
- Respondents agree that green products in an organization are advantageous.
- Respondents *strongly agree* that the regular marketing techniques may harm the environment
- Respondents Agree that employee in any organization feel that their work schedule gets affected by implementing green concept.
- 65% of the Respondents said that green marketing concept existed for long time but it is not implemented by many companies in India. 35% of the Respondents said *no*. Respondents have realized that environment marketing existed for long time due to lack of a range of factors it is not implemented in many companies in Indian context.
- Respondents strongly agree that productivity can be improved drastically by using environment marketing.
- Respondents agree that companies are reluctant in implementing environment marketing.
- Respondents Strongly agree that it is difficult for all the companies to implement environment marketing.
- Respondents agree that huge investment is required to develop green products.
- Respondents Strongly Agree that government should take initiative in making companies go green and environment friendly

- Respondents Strongly Agree that everyone is responsible for successful environment marketing concept.
- Respondents indicated that they neither agree nor disagree that environment marketing is just an old concept.

Conclusion

As present study looking at into environmental marketing or eco-friendly marketing is an encouraging symbol for transition from conventional marketing practices to eco-friendly marketing practices. Marketers also have the liability to make the consumers understand the need for and benefits of green products as compared to non-green ones. In green marketing, consumers are willing to pay more to maintain a cleaner and greener environment. Finally, consumers, industrial buyers and suppliers need to pressurize to minimize the negative effects on the environment-friendly. Green marketing assumes even more importance and relevance in developing countries like India. Further Research can be carried out in implementation of hypothesis and advanced statistical tools can be used to attain accuracy or results.

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