



ISSUES AND CHALLENGES OF GREEN MARKETING AS OBSTACLE TOWARDS SUSTAINABLE DEVELOPMENT

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ABSTRACT

Today world marketers are facing a challenge to fulfill requirements and preferences of customers as well as to keep environment safe and hazard free. As concern of customers is increasing day by day regarding their environment and addressing various environmental issues is need of hour. Impact of global warming, environmental pollution etc poses various challenges to environmental demographics that are leading towards increase in world temperature. To facilitate sustainable development, markets of developing and developed nations are coming with new strategies to keep environment safe and pollution free. One of such strategies is green marketing, a new concept in world markets that will help in sustainable development of nations. This research paper will emphasize on various issues related to green marketing and will also highlight several practices of green marketing. Paper will also throw light on current Indian market practices and opportunities from green marketing practices and procedures. This aim of this research paper is also to discuss impact of green marketing practices on performance of companies and why should companies adopt practices of green marketing. Demand of green marketing will increase in future as companies owe towards nature besides achieving profit maximization objective.

Key Words: Green marketing, pollution, safe environment, sustainable development.

INTRODUCTION

Development of the world nowadays is obligatory to its sustainability. Sustainable development regards to developing comprehensible models in order to meet needs and wants of customers without harming natural environment and using optimal resources. Companies which are conscious of environmental concerns carry their business operations and earn their profits adopting various strategies. Green marketing is concerned with preservation and protection of various survival means necessary for existence and growth of humans. Many companies are improving on their profit potential through various green marketing strategies modifying their processes so that societal issues can be addressed. Business houses are very prompt in accepting environmental challenges such as waste management, management of environment etc. Therefore, green marketing is one of the key factors of successful companies for gaining competitive advantage, thus ensuring sustainable development in the long run. This research paper will attempt to analyze the importance of green marketing leading towards sustainable development.

Nowadays societies have become concerned about their surroundings pertaining to natural settings. In order to respond to this immediate concern, marketers have altered their business behaviors. In addition to discharging corporate social responsibility, businesses have integrated environmental concerns into their business activities and have adopted concepts such as minimization of waste, environmental management systems etc. Concept of green marketing is socially responsible, nature friendly and sustainable. As per American Marketing Association, green marketing involves marketing of products which are believed to be environmentally safe. Activities related to green marketing include; alteration of products, modification of production planning & control process, changed packaging and advertising. Defining green marketing includes marketing of products or services on the basis of their environmental benefits manufactured or packaged in environment friendly way. Green marketing process includes creating and promoting products or services that cater to the consumer wants and needs in-terms of performance, quality, accessibility or affordability devoid of any negative effect on natural environment.

GREEN MARKETING

Green or Environmental or Ecological Marketing consists of all activities designed to generate and facilitate any exchange 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.

“Martin Charter considering the strategic aspect defines it as "a holistic and responsible strategic management process that identifies, anticipates, satisfies and fulfills stakeholder needs for a reasonable reward that does not adversely affect human or natural environmental well-being.

Mintu and Lozada define green marketing as "the application of marketing tools to facilitate exchanges that satisfy organizational and individual goals in such a way that the preservation, protection and conservation of the physical environment is upheld."

Walter Codington defines environmental marketing as "marketing activities that recognize environmental stewardship as a business development responsibility and business growth responsibility."

OBJECTIVES

- Need for the companies to adopt green marketing practices,
- Practices followed currently by organizations specially in India,
- To emphasize various issues related to green marketing,
- Impact of green marketing on company performance.

RESEARCH METHODOLOGY

The research paper is a descriptive study in nature. The secondary data and information collected from published books, articles published in different journals, periodicals, conference paper, reports, magazines, working paper and websites.

NEED TO ADOPT GREEN MARKETING PRACTICES

- **Consumer preference**
- **In India, around 25% of the consumers prefer environment-friendly products, and around 28% may be considered health conscious.**
- **Govt. pressure**
- **Competitive pressure**
- **Cost reduction in the long run.**
- Environmental issues have a significant impact on society (Azhagaiah and Ilangovan, 2006)

- Diminishing availability of resources a cause of concern (Brady, 2010)
- Firms need to pay more attention to green culture in order to survive (Ramakrishna, 2012)
- Conventional marketing is outdated (Ottaman, 1993)
- Green products favoured by customers (Thakur, 2009)
- Need to act environmentally responsible felt by consumers (McCarty & Shrum 1994; Jain & Kaur (2004)
- Need to adopt Green Marketing as a part of corporate strategy (Menon and Menon, 1997).

BENEFITS OF GREEN MARKETING

- Environmental benefits
- Strategic benefits
- Grants and concessions

GREEN MARKETING PRACTICES IN INDIA

- Charges for recyclable carry bags
- CFL (Philips)
- Electric equipments with high star rating
- Car pooling
- IBM-green retail store technology reduces power consumption by 36% or more. Eg "Reliance Fresh"
- An ITC initiative; Paper Kraft, a range of eco-friendly paper
- Wipro- Green ware ranges of desktops toxin free & 100% recyclable.
- SBI- paper free transaction, wind-mills
- Taj Green Cove in Kovalam, uses waste generated at the hotel to meet its cooking requirements.
- Eco label- environmental claim that appears on the packaging of a product.
- ISO 14020 is a guide to the award of Eco-labels.
- The government of India launched an Eco-mark Scheme in 1991 to increase consumer awareness.

- public and private vehicles in Agartala run on compressed natural gas (CNG) by 2013, making the capital “India's first green city”
- India is a world leader in green IT potential. e.g. HCL

ISSUES AND CHALLENGES OF GREEN MARKETING

- Consumer ignorance
- Claims of recyclability have potential for deception
- Recyclable material costly
- Price sensitivity. E.g. organic fruits and vegetables
- Green-washing could be misleading
- Lack of consensus b/w environmentalists and corporates on standards about what constitutes green.
- Research and Development for greener options is Capital intensive
- Balance between greening the product and usability.
- Low quality perception

CONCLUSION

Green marketing practices should be followed all over the world. Business houses globally have the responsibility of saving the planet from various changes emerging out of non-green practices. Role of these professionals is also to increase awareness about the benefits of using green products over non-green products. Even consumers are willing to pay extra for green products as they understand their role in maintaining clean and green surroundings. To maintain green and environment friendly surroundings, negative effects of non-green products should be deliberated upon by suppliers, industrialists, consumers, industrial buyers and other stakeholders. In developing countries like India, green marketing assumes major role and relevance.

SUGGESTIONS

- The discipline is yet evolving. Consensus on what is acceptable needs to be evolved by regulatory authorities, civil society, industrialists, etc.
- Green attitude should be adopted by the supply chain vertically.
- Environment friendly products as solutions for consumer needs- Consumer value positioning.

- No single strategy works for all companies, depends on individual objectives, target market, resources etc (Polonsky& Rosenberger, 2001).
- A holistic concept which incorporates
 - i)product modification- recycled, save energy, water,
 - ii) changes to the production process- logistics (cut transportation emission)
 - iii) packaging changes
 - iv) modifying advertising
 - v) disposal
- Reengineering the business process requires time and money. Few companies can take the lead in innovating products and process.

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