



GREEN MARKETING: IT'S IMPACT ON GLOBAL MARKET

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Abstract

The modern world has led consumers to become gradually concerned about the environment. Green marketing is a phenomenon that has become, for the most part, essential in modern markets and has emerged not only as a fundamental concept in India but also as an important strategy for facilitating sustainable development at a global level. Green marketing is a new phenomenon which has developed in the global market and has become an important concept in India and other countries. During recent times consumers prefer more environmental friendly products over traditional products and their opinion and preferences has been changed towards the green products because of environmental issues. Green marketing means production, promotion and distribution of products and services which are environment friendly in nature and protect the environment from its degradation. Green marketing is a modern concept and it is adopted by companies and business firms due to harmful effect on the environment. This research paper explains the concept of green marketing, evolution of green marketing, green marketing mix, and challenges of green marketing and also explains the companies who are adopting green strategy in the market and also explains the factors which can influence the green marketing. This research paper is descriptive in nature and based on secondary sources which are collected from different sources such as books, websites, articles and research paper.

Keywords: Green marketing, Green strategy, sustainability, Green marketing mix, environmental safety.

Introduction

Green Marketing refers to the promotion of an environmentally sound and beneficial product. People are focused on protecting the environment from the negative effects of product consumption, manufacturing and increasing waste by-products. It is also referred to as environmental marketing or eco-marketing. In the modern world, environmental issues such as global warming, degradation of environment, misuse of natural resources has been increased as a result consumers are preferring more eco-friendly products. Researchers and Scientists investigate different ways to conserve the natural resources and protect the environment by utilizing the minimum use of resources and marketing of eco-friendly products which has ultimately termed as "Green Marketing". Traditional marketing is concerned only with the production of goods and services and earn more profits for the companies, by ignoring the environmental issues. But now time has changed customers are more demanding green products and their opinion about green products have been changed in a positive way. Concept of traditional marketing is changed into green marketing. Green



Marketing refers to the process of green production of goods and services. Green marketing consists of eco-friendly activities. It includes many range of activities such as product modification according to the environment, changes the production process into green process, changes packaging into green packaging and changes advertising into green advertising.

Research Objective

The main objective of the study is to understand the insight about green marketing and its sustainability in the environment and companies. Besides, this paper also focuses on the issues and challenges of green marketing practises and explores the different themes and dimensions and promotional cycles of green marketing.

Research Methodology

The present study is based on secondary data such as Literature from various journals such as EBSCO, Emerald, SAGE, Google Scholar, Research Gate, which also collected different websites, magazines and textbook etc.

Origin & Definition

Green Marketing came into existence in the late 1980s and 1990s. The American Marketing Association (AMA) held the first workshop on “Ecological Marketing” in 1975. The first book on Green Marketing is published with a title of “Ecological Marketing”. The Green Marketing Source dates back to the beginning of the 1990s when an enormous social conscience began to emerge to take more care of the environment. AMA (American Marketing Association) defines Green Marketing as ‘the development and marketing of products designed to minimise negative effects on the physical environment or to improve their quality. "The efforts of the organisations to produce, promote, package and claim products that are sensitive or responsive to ecological concerns" are also highlighted.

Need of the Green Marketing

Green marketing works on certain principles which include the three principles for green marketing. First principle explains that product should be safe for the environment, second principle explains that price of a product should be affordable so that more customers can purchase products and third principle explains that marketing strategy used for the production, promotion and distribution of goods should be environmental oriented. The companies are working on the development of green products and green services. The important factors which can influence the green marketing are – individual income, savings, health benefits, willingness to pay for goods, sustainability, company strategies, and price of goods and packaging of goods. Green marketing helps to reduce environmental damage, improves the image of the company and the sale of the product, sensitises the customer to environmental problems, makes the customer enjoy the benefits of the product or service and thus also contributes to environmental benefits. The company has become more accountable for the production and marketing of products without any adverse environmental impact.



Nine ways of promoting green marketing in business:

Here are simple ways of making small changes to behave more responsibly when it comes to the planet's well-being.

- 1. Recycling:** Recycling internally is perhaps the easiest way to make your company "greener" Spreading around bins that already separate the discarded contents by each material is a good start. The idea may also be extended by the use of these materials for other purposes. Plastic packs, for example, can be used as pencil holders, and paper that is only used on one side and would be discarded can be reused as scratch paper. Also, organic matter can be used to obtain energy through bio-digesters or even as fertilisers which are a good incentive to make a small vegetable garden in your company.
- 2. Renewable energy:** Another way to be more sustainable is through the use of renewable energy, such as wind and solar energy, especially for production purposes. It is worth noting that industrial and agricultural activities consume a lot of drinking water and electricity. Investment in measures to reduce this consumption may therefore represent a significant difference. Don't forget to make sure you can use this kind of energy in the city. If you can't, you can still think of some smart exchanges that we'll show you in the next topic.
- 3. Smart exchanges:** Changing ways to consume energy is not enough; it is also important to worry about reducing it. Smart switching, e.g. using LED lighting, is the most economical and efficient way to do this than conventional lighting. Or, preferring raw materials of plant origin rather than animal origin. Many companies stand out for not testing their animal products.
- 4. Suppliers:** Green marketing is present not only in production but also in relations. That's why investing in this strategy is worthless if your providers don't embrace the cause. Choosing your business partners well is crucial, making sure they adopt values similar to yours. A good example is that of 'green companies' which purchase supplies from local organic producers.
- 5. Organic products:** Many companies stand out in the market by offering only organic products. For example, companies that do not use pesticides or other artificial supplies in their production. In addition to being healthier, these products are highly valued on the market as they pollute less.
- 6. Plastic reduction:** Some companies are reducing the use of plastic materials both internally and externally. This is the case for restaurants that do not use a straw, use paper cups and recycled and reusable packaging.
- 7. Collaborative savings:** Collaborative savings is a business model in which goods are shared. Several companies, such as Uber and Airbnb, have recently stood out as an example of this concept. However, there is little discussion about the reduction of natural resources through the use of this model. After all, if many people use the same service, the cost and environmental impact can also be lower. In addition to having a creative place to develop your ideas and meet new people, you're also helping the environment, because you don't have to leave the light in the office just for you.



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8. **Inclusion:** Inclusion has recently become a concern among companies, including the creation of legislation that encourages or enforces the practice. It may be a green form of marketing because social development is also a way of being more sustainable.
 9. **Diversity:** It may not have a direct impact on the environment, but ethnic and gender diversity helps to improve the way your business is viewed by the public. You're not just supposed to show that your brand is open to egalitarian values, but that's how it is.

Benefits of Green Marketing

- Green marketing increases the competition in the environment and sustained long term growth with sustainability development
- Green marketing saves time and money in the long term.
- Green marketing manufacturers and provide goods to the customers which are eco-friendly in nature and do not degrade the environment.
- Green marketing helps in the better utilisation of resources and save the resources for future generation.
- Green marketing helps in the saving of energy, reduce use of natural resources and also reduces carbon footprint.
- Green marketing recycles the products into a new product which can be used in future into another form.
- Green marketing reduce the negative impact on the environment.
- Green marketing helps in the implementation of new innovation and technology according to the environment.
- Green marketing also to builds the reputation of a companies and enjoy the goodwill.

Challenges of a Green Marketing

- Green marketing is a new concept and many consumers around the world are still not aware about the green products, it is great challenge for the manufacturers to achieve green marketing successful.
- There is no compulsory rules and regulations for the consumers to purchase the green products
- Renewable resources and recyclable materials that are used in the production of a green product is expensive in nature
- Green marketing requires a new technology which requires lot of investment for the research and development
- Some customers are not aware about the green products and services so they purchase traditional products over green products.
- Customers are not ready to pay premium prices for the green products because products are expensive and everyone can't afford it.
- It is difficult to convince the customers to purchase green products.



Reasons for the Adoption of Green Strategy by Firms

- Customers are now demanding more green products over traditional products because of environment issues. Companies see it like an opportunity to adopt green marketing and market new kinds of products and earn more profits.
- Many firms have started mixing environment issues with the business firm's culture. So companies behave in an eco-friendly nature to achieve both profit and achieved environmental objectives. Firms announce their environmental strategy and they commit their action towards sustainable environment.
- Governments of different countries established different rules and regulations to protect both the consumer and environment. Government established guide lines to control green marketing claims by firms and ensure the consumers to have right information about green products.
- Green marketing increases competition pressure in the global market due to which many companies started adopting green strategy to survive in the market. Green strategy increases profits and goodwill for the company.
- Customers have changed their opinion towards green products and start demanding more green products as a result business firms and companies started practicing green strategy.
- Many companies started practicing green strategy and use alternative resources for the production of goods in order to conserve natural resources from degradation.
- The marketers have limited resources both in raw materials and financial. Adopting green strategy reduces cost of production due to use of recycle materials. The cost of reduction attracts business firms to adopt green marketing.

Common Green Marketing Claims by Firms

- **VOC Free-** VOC stands for Volatile organic compounds. VOC usually found in paints, floor polishing, household cleaning products, charcoal lighter fluid and some hair styling products. VOC emitted gases which are negative for the environment and health of the people.
- **Free from harmful chemicals-** Companies claims that their products are green in nature and free from any harmful chemicals and do not have negative impact on the health of the users.
- **Non-Toxic-** Marketers states that their products are non-toxic in nature and it is safe for both humans and environment.
- **Ozone Friendly-** The ozone layer in the atmosphere prevents harmful radiation from the sun from reaching the earth. Company states that their products are ozone free and their products do not harm the upper ozone layer and the air at ground level.
- **Biodegradable-** Company claims that their products are easily biodegradable in nature and do not pollute the environment and does not cause harm to animals and people.



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- **Recyclable products-** business firms claims that their products are easily recyclable in nature and can be used in another form and used for further manufacturing of products.
 - **Carbon Offset Claims-** companies can make claims to take action in reducing greenhouses gases in the environment like planting of more trees, using green technology which is safe for the environment and reduce carbon footprint.
 - **Renewable resources-** many companies claims to use more renewable resources in place of nonrenewable resources and promote sustainable development by conserving the natural resources or using it in a proper way.

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