

**A Study on Green Marketing:
An Emerging Practice of Indian Entrepreneurs**

Dr. S. Rani

=====

Abstract

Environmental sustainability is not simply a matter of compliance or risk management. Business is increasingly recognising the many competitive advantages and business opportunities to be gained from eco-sustainability. World-wide evidence indicate that people are concerned about the environment and are changing their behaviour accordingly. As a result there is a growing market for sustainable and socially responsible products and services. The types of businesses that exist, the products they produce and their approaches to marketing are changing.

Key Words: Green Marketing, Environmental Sustainability, Risk Management

Introduction

Green marketing involves developing and promoting products and services that satisfy customers' wants and needs for quality, performance, affordable pricing and convenience without having a detrimental impact on the environment. People generally want to do the right thing, so the challenge and opportunity for the green marketer is to make it easy for people to do so. When all else is equal – quality, price, performance and availability – environmental benefit will most likely tip the balance in favour of a product. The marketing industry can 'walk the talk' and become the new corporate champions of the environment. Successful green marketers will reap the rewards of healthy profits and improved shareholder value, as well as help to make the world a better place in the future.

Significance of Green Marketing

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.

Socially Responsible Investment (SRI) in Australia is no longer a niche investment. Potential investors increasingly look to companies to demonstrate their social and environmental responsibility as well as traditional financial objectives and outcomes. Competitive businesses with an eye to emerging market forces address their triple bottom line performance. For example, to support its aim of being a sustainable business, The Body Shop produces a social and environmental performance report, 'The New Bottom Line', every two years.

The Four P's of Green Marketing

Like conventional marketers, green marketers must address the 'four P's' in innovative ways.

Product

Green Marketing begins with 'green design'. Product design constitutes an active interface between demand (consumers) and supply (manufactures). The product itself has to be made in such a way that it satisfies consumer and manufacture's needs. For ecologically sustainable products to be successful, green branding attributes have to be efficiently communicated. Most buyer decisions are influenced by the labeling, (green labeling) that states all that makes the product green compliant

Entrepreneurs wanting to exploit emerging green markets will either:

Engineering & Technology in India www.engineeringandtechnologyinindia.com

ISSN 2472-8640 1:5 December 2016

Dr. C. Swarnalatha, Ph.D. (Ed.) Entrepreneurship and Management:

Innovative Construction Techniques and Ecological Development. *Vol. 1 Management*

Dr. S. Rani

A Study on Green Marketing: An Emerging Practice of Indian Entrepreneurs

- Identify customers' environmental needs and develop products to address these needs; or
- Develop environmentally responsible products to have less impact than competitors.

The increasingly wide varieties of products on the market that support sustainable development and are good for the triple bottom line include:

- Products made from recycled goods,
- Products that can be recycled or reused.
- Efficient products, which save water, energy or gasoline, save money and reduce environmental impact. For example waterless printer and Print point, reduces operating costs by using less water than conventional printers and is able to pass the savings on to customers.
- Products with environmentally responsible packaging. For example, McDonalds, changed their packaging from polystyrene clamshells to paper.
- Products with green labels, as long as they offer substantiation.
- Organic products — many consumers are prepared to pay a premium for organic products, which offer promise of quality. For example, Organic butchers promote the added qualities such as taste and tenderness.
- A service that rents or loans products – such as toy libraries.
- Certified products, which meet or exceed environmentally responsible criteria.
- Whatever the product or service, it is vital to ensure that products meet or exceed the quality expectations of customers and is thoroughly tested.

Price

Pricing is a critical element of the marketing mix. Most customers will only be prepared to pay a premium if there is a perception of additional product value. This value may be improved performance, function, design, visual appeal or taste. Environmental benefits are usually an added bonus but will often be the deciding factor between products of equal value and quality. Environmentally responsible products, however, are often less expensive when product life cycle costs are taken into consideration, for example, fuel-efficient vehicles, water-efficient

Engineering & Technology in India www.engineeringandtechnologyinindia.com

ISSN 2472-8640 1:5 December 2016

Dr. C. Swarnalatha, Ph.D. (Ed.) Entrepreneurship and Management:

Innovative Construction Techniques and Ecological Development. *Vol. 1 Management*

Dr. S. Rani

A Study on Green Marketing: An Emerging Practice of Indian Entrepreneurs

printing and non-hazardous products. The price of green product has to be affordable for the customer to encourage purchase. Industrial differentiation works only when products reduce client's cost.

Place

The choice of where and when to make a product available will have significant impact in attracting the customers. Very few customers will go out of their way to buy green products merely for the sake of it. Marketers looking to successfully introduce new green products should, in most cases, position them broadly in the market place so they are not just appealing to a small green niche market.

The location must also be consistent with the image you want to project and allow you to project your own image rather than being dominated or compromised by the image of the venue. The location must differentiate you from your competitors. This can be achieved by in-store promotions and visually appealing displays or using recycled materials to emphasise the environmental and other benefits. Green distribution is a very delicate operation. Customers must be guaranteed of the 'Ecological nature' of the product. The green environment is a constantly regulated environment and as such high level of compliance is necessary when carrying out distribution of green products. This is a common procedure in the united state.

Promotion

Promoting products and services to target markets includes paid advertising, public relations, sales promotions, direct marketing and on-site promotions. Smart green marketers will be able to reinforce environmental credibility by using sustainable marketing and communications tools and practices. For example, many companies in the financial industry are providing electronic statements by email, e-marketing is rapidly replacing more traditional marketing methods, and printed materials can be produced using recycled materials and efficient processes, such as waterless printing. Retailers, for example, are recognising the value of alliances with other companies, environmental groups and research organisations when

Engineering & Technology in India www.engineeringandtechnologyinindia.com

ISSN 2472-8640 1:5 December 2016

Dr. C. Swarnalatha, Ph.D. (Ed.) Entrepreneurship and Management:

Innovative Construction Techniques and Ecological Development. *Vol. 1 Management*

Dr. S. Rani

A Study on Green Marketing: An Emerging Practice of Indian Entrepreneurs

promoting their environmental commitment. To reduce the use of plastic bags and promote their green commitment, some retailers sell shopping bags, for example those produced by Land care Australia, Clean up Australia and Planet Ark, under the banner of the Go Green Environment Fund. The key to successful green marketing is credibility. Never overstate environmental claims or establish unrealistic expectations, and communicate simply and through sources that people trust.

Promote your green credentials and achievements. Publicise stories of the company's and employees' green initiatives. Enter environmental awards programs to profile environmental credentials to customers and stakeholders. Most buyers are influenced by advertisement that reflects a company's commitment to environment . Companies that do green advertisement that tend to portray an image of environmental friendliness, influences their customer purchase decisions. Consumers love to associate themselves with companies that are environmental stewards. When a company communicates this through their advertisements, promotions, publicity and corporate social responsibilities, they are sure to get many loyal customers.

Green Marketing and Customer's Satisfaction

Customer satisfaction has been defined in two basic ways: as either an outcome or as a process. As an outcome, satisfying the end state resulting from the consumption experience . As a process, it is the perceptual evaluative and psychological process that contributes to satisfaction. The definition is varied with regards to their level of simplicity which includes;

- Product satisfaction
- Satisfaction with the purchase decision experience.
- Satisfaction with the performance attribute
- Satisfaction with the store or institution
- Satisfaction with pre-purchase experience.

Marketing literature suggests that there is a relationship between customer satisfaction and loyalty. Satisfaction leads to attitudinal loyalty. It could be seen as the intension to purchase. Satisfaction is an outcome that occurs without comparing expectations. Customer satisfaction

Engineering & Technology in India www.engineeringandtechnologyinindia.com

ISSN 2472-8640 1:5 December 2016

Dr. C. Swarnalatha, Ph.D. (Ed.) Entrepreneurship and Management:

Innovative Construction Techniques and Ecological Development. *Vol. 1 Management*

Dr. S. Rani

A Study on Green Marketing: An Emerging Practice of Indian Entrepreneurs

could also be defined as an evaluative response to perceived outcome of a particular consumption experience.

Challenges of Green Marketing

Green Marketing strategies provide more benefits to consumers as well the society. It also helps to create green environment by adopting eco – friendly marketing practices. Even though getting more benefits from green marketing, there are lot of challenges or hurdles also available for its development.

- Green products require renewable and recyclable material, which is costly
- Requires a technology, which requires huge investment in R & D
- Water treatment technology, which is too costly
- Majority of the people are not aware of green products and their uses

Conclusion

Green marketing is a tool for protecting the environment for the future generation. It has a positive impact on environmental safety. Because of the growing concern of environmental protection, there is an emergence of a new market which is the green market. For companies to survive in this market, they need to go green in all aspect of their business. Consumers want to identify themselves with companies that are green compliance and the premium to pay for a greener life style. As such, green marketing is not just an environmental protection tool but also, a marketing strategy.

=====

References

- <https://hbswk.hbs.edu/item/what-is-managements-role-in-innovation>
- <https://www.worldscientific.com> › All Publications › All Journals
- <https://icc.oxfordjournals.org> › ... › Social Sciences › Industrial and Corporate Change
- <https://citycollege.sheffield.eu/.../articles.php?...Business-Management-Technology...Innovat...>

Engineering & Technology in India www.engineeringandtechnologyinindia.com

ISSN 2472-8640 1:5 December 2016

Dr. C. Swarnalatha, Ph.D. (Ed.) Entrepreneurship and Management:

Innovative Construction Techniques and Ecological Development. *Vol. 1 Management*

Dr. S. Rani

A Study on Green Marketing: An Emerging Practice of Indian Entrepreneurs

Dr. S. Rani
Head of the Department of Commerce
Department of Commerce
Kalasalingam University
Krishnankoil 626126
Tamilnadu
India
hodcommerce@klu.ac.in

Engineering & Technology in India www.engineeringandtechnologyinindia.com

ISSN 2472-8640 1:5 December 2016

**Dr. C. Swarnalatha, Ph.D. (Ed.) Entrepreneurship and Management:
Innovative Construction Techniques and Ecological Development. *Vol. 1 Management***

Dr. S. Rani

A Study on Green Marketing: An Emerging Practice of Indian Entrepreneurs