



Grace Marketing: Conceptual Developments of Green Marketing in India

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Abstract: People around the world are becoming more aware of the environmental stresses humans are placing on the planet. Many consumers now display concern about environmental deterioration. This is the major impetus for green products and green marketing. However, green is a relative term and depends on the individual. Green Marketing has emerged as an important concept in India as in other parts of the developing and developed world, and is seen as an important strategy of facilitating sustainable development. Green marketing is an idea which has gained popularity in the last few years. This has become all the more vital when our planet is in threat and everybody is keen to protect it. Going green is in the minds of the business owners and executives now more than ever. Environmentalism has fast emerged as a worldwide phenomenon. Business firms too have risen to the occasion and have started responding to environmental challenges by practising green marketing strategies. Green consumerism has played a catalytic role in ushering corporate environmentalism and making business firms green marketing oriented. In this paper, we requested and recommended the firms to engage their activities in Green Marketing which would be arrive as Grace Marketing for all factors of Business Environment of the organisation.

Keywords: Marketing Strategy, Ecological, Green Consumers, Green washing.

Introduction:

Environmental issues have gained importance in business as well as in public life throughout the world. Marketing strategy in Europe and other parts of the developed world has been shifted from the traditional to the sustainable green marketing strategy after world summit on sustainable development in Johannesburg in 2002. The term green marketing refers 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 (A. Prakash, 2002). Clearly, green marketing is part and parcel of the overall corporate strategy (Menon and Menon, 1997). Along with manipulating the traditional marketing mix (product, price, place and promotion), it requires an

understanding of public policy processes. Green marketing also ties closely with issues of industrial ecology and environmental sustainability such as extended producer's liability, life-cycle analysis, material use and resource flows, and eco-efficiency (A. Prakash, 2002). Thus, the subject of green marketing is vast, having important implications for business strategy and public policy. According to Jacquelyn Ottman, (author of Green Marketing: Opportunity for Innovation) from an organizational standpoint, environmental considerations should be integrated into all aspects of marketing; new product development and communications and all points in between. The holistic nature of green also suggests that besides suppliers and retailers new stakeholders be enlisted, including educators, members of the community, regulators, and NGOs.

Environmental issues should be balanced with primary customer needs.

The concept of Green marketing is the business practice that considers consumers concerns with regards to preservation and conservation of the natural environment (Coddington, 1993). Green marketing that has been previously and primarily focused on the ecological context has been shifted to more sustainability issues in the marketing efforts and main focus now is in socio-economic and environmental context. Whereas, green market is identified as a part of market segments based on the greenness of the consumer (Charter 2002; Simintiras et al., 1994). Therefore, green marketing is now dealing with fair trade of socio-economical benefits as well as environmental responsibilities through the green business. The so-called "green consumer" movements in the U.S. and other countries have struggled to reach critical mass and to remain in the forefront of shoppers' minds (Dodds, John , 2006). One of green marketing's challenges is the lack of standards or public consensus about what constitutes "green," according to Joel Makowr, a writer on green marketing. In essence, there is no definition of "how good is good enough" when it comes to a product or company making green marketing claims. This lack of consensus by consumers, marketers, activists, regulators, and influential people has slowed the growth of green products, says Makower, because companies are often reluctant to promote their green attributes, and consumers are often skeptical about claims. Despite these challenges, green marketing has continued to gain adherents, particularly in light of growing global concern about climate change (Mendleson, Polonsky, 1995). This concern has led more companies to advertise their commitment to reduce their climate impacts, and the effect this is having on their products and services.

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 growing awareness about the implications of global warming, non-biodegradable solid waste, harmful impact of pollutants etc. Both marketers and consumers are becoming increasingly sensitive to the need to switch into green products and services. While the shift to "green" may appear to be expensive in the short term, it will definitely prove to be indispensable and advantageous, cost-wise too, in the long run.

Evolution of Green Marketing

The green marketing has evolved over a period of time. According to Peattie (2001), the evolution of green marketing has three phases. First phase was termed as "Ecological" green marketing, and during this period all marketing activities were concerned to help environment problems and provide remedies 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.

Green Marketing Is not Just a Catchphrase: It is Marketing

It is true that green marketing is a trendy way of gaining more business. It can make you a lot of money if done right. But... This Brings to question the very nature of green marketing and going green all together. The goal is to be environmentally safe and beneficial to both consumers and producers of green products and services.

Green Marketing success involves ensuring that the marketing mix and the company also meet four “S” criteria (Peattie, 1995).

1. Satisfaction of customers needs
2. Safety of products
3. Social acceptability of the product
4. Sustainability of the product

Need of Green Marketing: An Anthropological View

Issues like Global warming and depletion of ozone umbrella are the main for the healthy survival. Every person rich or poor would be interested in quality life with full of health and vigor and so would the corporate class. Financial gain and economic profit is the main aim of any corporate business. But harm to environment cost by sustain business across the globe is realized now though off late. This sense is building corporate citizenship in the business class. So green marketing by the business class is still in the selfish anthropological perspective of long term sustainable business and to please the consumer and obtain the license by the governing body. Industries in Asian countries are catching the need of green marketing from the developed countries but still there is a wide gap between their understanding and implementation.

Eco Friendly Consumer: Green Consumer

The green consumer is generally defined as one who adopts environmentally friendly behaviours and/or who purchases green products over the standard alternatives. Green consumers are more internally-controlled as they believe that an individual consumer can be effective in environmental protection. Thus, they feel that the job of environmental protection should not be left

to the government, business, environmentalists and scientists only; they as consumers can also play a part. They are also less dogmatic and more open-minded or tolerant toward new products & ideas. Their open-mindedness helps them to accept green products and behaviors, more readily. *According to the consumption report of the EU (Consumers in Europe)*, it is found that ten percent of the consumers recognize the ecological product labels or green energy labels on the products sold in the supermarkets. Although the companies in our country progress with significant speed in terms of the environment, it is not possible yet for us to say that they have reached the same level regarding consumer sensitivity.

Some Cases

Interestingly, green marketing continues to be an issue of 5 global interests. In fact, Google Trends reports that, on a relative basis, more searches for “green marketing” originated from India than from any other country.

Table No.1 Countries ranked according to their response level on Green Marketing

Rank	Countries
1	India
2	UK
3	US
4	Thailand
5	Australia
6	Canada
7	China

Source: www.google.com/levelofgreenmarketinginthecountries

Many companies are adopting green for capturing market opportunity of green marketing some cases.

Best Green IT Project: State Bank of India

Green IT@SBI By using eco and power friendly equipment in its 10,000 new ATMs, the banking

giant has not only saved power costs and earned carbon credits, but also set the right example for others to follow. SBI is also entered into green service known as “Green Channel Counter”. SBI is providing many services like; paper less banking, no deposit slip, no withdrawal form, no checks, no money transactions form all these transaction are done through SBI shopping & ATM cards. State Bank of India turns to wind energy to reduce emissions: The State Bank of India became the first Indian bank to harness wind energy through a 15-megawatt wind farm developed by Suzlon Energy. The wind farm located in Coimbatore uses 10 Suzlon wind turbines, each with a capacity of 1.5 MW. The wind farm is spread across three states – Tamil Nadu, with 4.5 MW of wind capacity; Maharashtra, with 9 MW; and Gujarat, with 1.5 MW. The wind project is the first step in the State Bank of India's green banking program dedicated to the reduction of its carbon footprint and promotion of energy efficient processes, especially among the bank's clients.

Lead Free Paints from Kansai Nerolac Kansai Nerolac Paints Ltd. has always been committed to the welfare of society and environment and as a responsible corporate has always taken initiatives in the areas of health, education, community development and environment preservation. Kansai Nerolac has worked on removing hazardous heavy metals from their paints. The hazardous heavy metals like lead, mercury, chromium, arsenic and antimony can have adverse effects on humans. Lead in paints especially poses danger to human health where it can cause damage to Central Nervous System, kidney and reproductive system. Children are more prone to lead poisoning leading to lower intelligence levels and memory loss.

Indian Oil's Green Agenda Green Initiatives • Indian Oil is fully geared to meet the target of

reaching EURO-III compliant fuels to all parts of the country by the year 2010; major cities will upgrade to Euro-IV compliant fuels by that time. • Indian Oil has invested about Rs. 7,000 crore so far in green fuel projects at its refineries; ongoing projects account for a further Rs. 5,000 crore. • Motor Spirit Quality Improvement Unit commissioned at Mathura Refinery; similar units are coming up at three more refineries. • Diesel quality improvement facilities in place at all seven Indian Oil refineries, several more green fuel projects are under implementation or on the anvil. • The R&D Centre of Indian Oil is engaged in the formulations of eco-friendly biodegradable lube formulations. • The Centre has been certified under ISO-14000:1996 for environment management systems.

India's 1st Green Stadium the Thyagaraja Stadium stands tall in the quiet residential colony behind the Capital's famous INA Market. It was jointly dedicated by Union Sports Minister MS Gill and Chief Minister Sheila Dikshit on Friday. Dikshit said that the stadium is going to be the first green stadium in India, which has taken a series of steps to ensure energy conservation and this stadium has been constructed as per the green building concept with eco-friendly materials.

Wipro Green It. Wipro can do for you in your quest for a sustainable tomorrow - reduce costs, reduce your carbon footprints and become more efficient - all while saving the environment. Wipro's Green Machines (In India Only) Wipro Infotech was India's first company to launch environment friendly computer peripherals. For the Indian market, Wipro has launched a new range of desktops and laptops called Wipro Green ware. These products are ROHS (Restriction of Hazardous Substances) compliant thus reducing e-waste in the environment.

Going Green: Tata's New Mantra

Tata Motors is setting up an eco-friendly showroom using natural building material for its flooring and energy efficient lights. The Indian Hotels Company, which runs the Taj chain, is in the process of creating Eco rooms which will have energy efficient mini bars, organic bed linen and napkins made from recycled paper. And when it comes to illumination, the rooms will have CFLs or LEDs.

Suzlon Energy

The world's fourth largest wind-turbine maker is among the greenest and best Indian companies in India. Tulsi Tanti, the visionary behind Suzlon, convinced the world that wind is the energy of the future and built his factory in Pondicherry to run entirely on wind power. Suzlon's corporate building is the most energy-efficient building ever built in India.

Tata Metaliks Limited (TML)

Every day is Environment Day at TML, one of the top green firms in India. A practical example that made everyone sit up and take notice is the company's policy to discourage working on Saturdays at the corporate office. Lights are also switched off during the day with the entire office depending on sunlight.

Tamil Nadu Newsprint and Papers Limited (TNPL)

Adjudged the best performer in the 2009-2010 Green Business Survey, TNPL was awarded the Green Business Leadership Award in the Pulp and Paper Sector. The initiatives undertaken by this top green firm in India includes two Clean Development Mechanism projects and a wind farm

project that helped generate 2,30,323 Carbon Emission Reductions earning Rs. 17.40 Crore.

Oil and Natural Gas Company (ONGC)

India's largest oil producer, ONGC, is all set to lead the list of top 10 green Indian companies with energy-efficient, green crematoriums that willsoon replace the traditional wooden pyre across the country. ONGC's Mokshada Green Cremation initiative will save 60 to 70% of wood and a fourth of the burning time per cremation.

IndusInd Bank

Green banking has been catching up as among the top Indian green initiatives ever since IndusInd opened the country's first solar-powered ATM and pioneered an eco-savvy change in the Indian banking sector.

Table 2: Traditional Marketing Vs Green Marketing

Organisational Goal	
Immediate Channel Network	PSLC Cradle Grave
Fragmented Thinking	Integrated Thinking
Non-Boundary Spanning	Boundary Spanning
Short Term Orientation	Long Term Orientation
Philosophical Basis	
Anthropocentric	Bio-centric
Ecosystem an open sink	Ecosystem Physical limiting factor
Ecological accountability/responsibility	
Limited product risk	Product risk
Local/regional/national	Global/international
No/underpaid ecological costs	Full accounting of ecological cost
Individual organisation alone is responsible	PSLC members are mutually responsible
A public sector responsibility	Both PSU & private sector
General tools/ approaches	
Use Planning to minimize the cost of Local	Use PLC Assessment & Environmental Waste Disposal. Audits
Reactive Approach To Waste Management	Proactive Approach
Isolated Department Functions	Use of Cross Functional Team

Focus on Industrial Function	Focus on Processes
Total Quality Management	Total Quality Environmental Management
Use of Strategic Alliances to accomplish Traditional Goals	Use of Strategic Alliances to accomplish on “Products as Services”

Pre-requisites for Effective Greenmarkets

Green marketing mirrors the goals of traditional marketing, which is to “facilitate exchanges intended to satisfy human needs or wants.” The point of difference is that green marketing seeks to accomplish that with minimal detrimental impact on the natural environment. As companies face limited natural resources, they must also develop new or alternative ways of satisfying their customers’ needs. So green marketing is also a way of looking at how marketing activities can make the best use of these limited resources while meeting corporate objectives.

Eight Keys to Successful Green Marketing

Show potential customers that you follow green business practices and you could reap more green on your bottom line. Green Marketing isn’t just a catchphrase; it’s a marketing strategy that can help you get more customers and make more money. But only if you do it right. For green marketing to be effective, you have to do three things; be genuine, educate your customers, and give them the opportunity to participate.

(i) Being genuine means that (a) that you are actually doing what you claim to be doing in your green marketing campaign and (b) that the rest of your business policies are consistent with whatever you are doing that’s environmentally friendly. Both these conditions have to be met for your business to establish the kind of environmental credentials that will allow a green marketing campaign to succeed.

(ii) Educating your customers isn’t just a matter of letting people know whatever you’re doing to protect the environment; but also a matter of letting them know why it matters. Otherwise, for a significant portion of your target market, it’s a case of “So what?” and your green marketing campaign goes nowhere.

(iii) Giving your customers an opportunity to participate means personalizing the benefits of your environmentally friendly actions, normally through letting the customer take part in positive environmental action.

(iv) Know your customer: If you want to sell a greener product to consumers, you first need to make sure that the consumer is aware of and concerned about the issues that your product attempts to address. (Whirlpool learned the hard way that consumers wouldn’t pay a premium for a CFC-free refrigerator because consumers didn’t know what CFCs were!).

(v) Empower consumers: Make sure that consumers feel, by themselves or in concert with all the other users of your product, that they can make a difference. This is called “empowerment” and it’s the main reason why consumers buy greener products.

(vi) Be transparent: Consumers must believe in the legitimacy of your product and the specific claims you are making. Caution: There’s a lot of scepticism out there that is fuelled by the raft of spurious claims made in the “go-go” era of green marketing that occurred during the late 80s to early 90s- one brand of household cleaner claimed to have been “environmentally friendly since 1884!

(vii) Reassure the buyer: Consumers need to believe that your product performs the job it’s supposed to do — they won’t forego product

quality in the name of the environment. (Besides, products that don't work will likely wind up in the trash bin, and that's not very kind to the environment.)

(viii) Consider your pricing: If you're charging a premium for your product –and many environmentally preferable products cost more due to economies of scale and use of higher-quality ingredients–make sure those consumers can afford the premium and feel it's worth it. Many consumers, of course, cannot afford premiums for any type of product these days, much less greener ones, so keep this in mind as you develop your target audience and product specifications.

Green washing

A survey into green marketing in Australia has found almost all products carrying environmentally friendly claims are guilty of green washing. Terra Choice, an environmental marketing firm, has released its Seven Sins of Green washing report, which scrutinises the environmental claims companies put on products to see if they are misleading. It shows that more companies are using environmental claims but that 98 per cent have committed at least one of the seven sins. Most were guilty of the "sin of no proof", or making claims unsupported by third-party verification.

Recommendations for Green Marketing

To avoid marketing myopia

The analysis of past research and marketing strategies finds that successful green products have avoided green marketing myopia by following three important principles: "The Three Cs" of consumer value positioning, calibration of consumer knowledge, and credibility of product claims.

Make It Easy for Customers to Be Green

Experience indicates that consumers and business customers are increasingly concerned about the environment and are changing their purchasing behaviour. That means there is a growing market for sustainable and socially responsible products and services. The challenge for green marketing is to make it easy for customers to become green themselves. Commentators believe that when other factors such as quality, price, performance, and availability are equal, environmental considerations may tip the balance in favour of a green product.

Conclusion

Green marketing is a continuous process that requires constant inputs from the suppliers, government legislations and policies and the people. This is required so that the businesses green marketing strategy can be aligned to the target markets and so it can gain a sustainable competitive advantage. It is important that strategies and policies in relation to green products be developed and implemented so as to guide and help the retailers and customers towards a green change. Businesses should concentrate on focusing on developing a green product that have a demand from the general public and which also aligns to the company's core positioning. Further more businesses should also present efforts in a manner that reduces the risk related to costs. In conclusion, creating and implementing a green marketing strategy is not straight forward because it is not only complex, but also a relative concept that continuously varies over time.

Marketers also have the responsibility 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 effects on minimize the negative effects on the environment-friendly. Green marketing assumes even more importance and relevance in developing countries like India.

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