

Adopting Green Marketing Approaches that Foster Environmental Sustainability and Contribute to the Growth of a Business

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Abstract:

The notion of ecologically conscious marketing, sometimes referred to as green marketing, has sparked extensive discussions. Companies are always seeking the most efficient ways to convey their environmentally aware message to customers. Customers are increasingly becoming more discerning and have begun to prioritize environmental considerations. The crucial aspect of brands is in the way people perceive them and the overall brand image. This research aims to investigate how companies address strategic issues in the field of green marketing. Green marketing involves several activities, such as enhancing products, modifying manufacturing and distribution techniques, making packaging changes, and adjusting marketing materials. This research seeks to clarify the indispensability and importance of Green Marketing, as well as delineate strategies for its execution. She has also tried to clarify specific strategies to avoid Green Marketing Myopia. Green Marketing tactics have been shown to convincingly demonstrate to readers that Green Marketing is both viable and profitable, as supported by several sources.

Keywords: Business Growth, Environmental, Green Marketing, Strategies, Sustainability.

Introduction:

Green marketing is the advertising and sale of products that are seen to have a minimum detrimental effect on the environment. Green marketing involves a diverse range of activities, including modifying goods, enhancing the manufacturing process, updating packaging, and revising advertising.^[1] However, the work of defining green marketing is complex due to the intersection and contradiction of multiple meanings. For instance, there are different social, environmental, and retail connotations associated with this phrase.^[2] Alternative words that are frequently employed include “Environmental Marketing and Ecological Marketing. In the current global context, corporate entities have incorporated green marketing into their strategic planning to promote products.”^[3] This involves making environmental claims about the attributes of the products or the manufacturing and selling processes of the firm. “Green marketing is an integral component of a company's entire corporate strategy.”^[4] In addition to manipulating the standard marketing mix (product, price, place, and promotion), it necessitates a comprehension of the public policy making process. Green marketing encompasses a wide array of practices.”^[5]

The aggregate term for all endeavors focused on developing and enabling transactions that satisfy human needs and desires while minimizing harm to the environment is known as "green" or "environmental marketing." Green marketing involves developing and advertising goods and services that satisfy consumers' preferences for superior quality, outstanding performance, fair price, and convenience, while simultaneously reducing adverse effects on the environment.^[6]

The progression of Green Marketing:

The concept of “Green Marketing” has developed gradually over time. Peattie outlines that the progression of green marketing may be divided into three distinct stages.^[7]

The First stage "Ecology", the focus of marketing efforts was on promoting environmentally-friendly products and addressing environmental issues by offering solutions.

The second stage of marketing, known as "Environmental" green marketing, emphasized the development of clean technologies and “the creation of creative goods that address pollution and waste concerns.”

The third stage focuses on implementing "sustainable" green marketing strategies. It gained notoriety during the late 1990s and early 2000s.

Green marketing: why is it important?

Considering the fact that “resources are finite and human desires are infinite, it is crucial for marketers to effectively utilize resources without any unnecessary waste in order to accomplish the organization's goals.”^[8] Consumers worldwide are increasingly interested in environmental conservation. Global research suggests that individuals are becoming conscious of the environment and are modifying their actions accordingly. Consequently, “the concept of green marketing has arisen to cater to the expanding demand for sustainable and socially conscious products and services. Since the early 1990s, there has been a significant worry about the ecological impact of industrial housing on the environment.”^[9] Not only is the nature of the link between human organizations and the natural world being rethought but so are the consequences of this rethinking. Environmentally friendly goods, recyclability, waste reduction, pollution costs, and the price-value connection are some of the new attitudes that are emerging as a result of this.

Businesses are subjected to continuous scrutiny and monitoring in their everyday operations due to the pressure exerted by different stakeholders, including the government, environmentalists, NGOs, and consumers. A clear result is seen in both developed and emerging countries, where environmental protection measures are being enforced with greater rigor by governments.^[10] At the same time, people in these nations are starting to make their demands for environmentally friendly items heard, even if it's unclear whether they're prepared to pay more for them.

Nowadays, customers really do have a say in how a company turns out. To combat this, many businesses are turning to green marketing as a proactive strategy to cater to customer demand for eco-friendly goods and services.

Factors driving the use of green marketing include:^[12-14]

- Corporate Social Responsibility (CSR)
- Opportunities or Competitive Advantage
- Intense competition
- Heightened customer awareness
- Government coercion
- The degradation of climatic conditions.
- Cost or profit issues.
- Heightened customer awareness

Organizations that prioritize environmental considerations while developing new and enhanced products and services gain “access to new markets, enhance their long-term profitability, and gain a competitive edge over enterprises that do not prioritize environmental concerns.”^[15]

A New Approach to Green Marketing for Corporations:

Each organization has its own preferred marketing mix. Certain marketing strategies utilize a framework consisting of four fundamental elements, while others employ a more comprehensive approach that incorporates seven essential components known as the “Marketing Mix.”^[16] “The 4 Ps of green marketing mirror those of traditional marketing, however the task for marketers is in employing these 4 Ps in a creative and inventive manner.”^[17]

Product

Product planners should aim to maximize resource conservation while minimizing pollution and resource usage. Customers who value eco-friendly products should have their preferences taken into account throughout product development. Recycled materials or commodities may be used in product manufacturing. In addition to reducing financial, energy, and water expenditures, efficient goods lessen negative effects on the natural world. Green chemistry is becoming more and more important in product development. In product management, it is the marketer's job to inform product designers of consumer preferences and market trends about eco-friendly product features, including low energy consumption, organic materials, green chemicals, and regional production. For instance, Nike was the first sneaker brand to advertise itself as eco-friendly. Since the usage of harmful glue adhesives has been significantly reduced, the corporation is marketing the Air Jordan sneakers as being environmentally friendly.^[18] This line of shoes is an example of the company's commitment to sustainability and its use of eco-friendly materials.

Price

Price is a crucial and essential component of the “green marketing mix.” The majority of buyers will only be willing to spend a higher amount if they perceive an added value in the goods. This value can be enhanced in terms of performance, functionality, design, visual attractiveness, or taste. When setting a higher price, green marketing should carefully evaluate all of these facts. Green pricing incorporates the well-being of employees and communities, as well as effective productivity, while considering the aspects of people, planet, and profit. Value can be enhanced by modifying its visual presentation, improving its functionality, and implementing customization options, among other methods. Wal Mart introduced its inaugural reusable fabric shopping bag, designed to be recycled. IKEA implemented a policy of charging customers for plastic bags and promoted the use of their “Big Blue Bag” as an alternative.^[19]

Promotion

Green promotion entails the strategic alignment of promotional resources, including “advertising, marketing materials, signage, white papers, websites, films, and presentations,” with a focus on considering the interests of people, the environment, and financial gains. BP showcases gas stations adorned with a sunflower design and proudly emphasizes its investment in “solar power.” “The Indian Tobacco Company has just launched eco-friendly sheets and boards that are completely chlorine-free. Toyota is endeavoring to integrate gas/electric hybrid technology over a significant portion of its product range.” Additionally, it is allocating the most substantial research and development funds to the pursuit of hydrogen-powered vehicles, while positioning itself as the pioneering environmentally conscious automotive firm. IBM has unveiled a collection of environmentally-friendly solutions and services for retail stores, aimed at “enhancing energy efficiency in their IT operations. The focal point of this portfolio is the IBM SurePOS 700, a point-of-sale system that, as stated by IBM, decreases power consumption by 36% or greater.”^[20] Even “the names of retail stores such as “Reliance Fresh”, Fresh[at]Namdhari Fresh, and Desi convey” a strong message of green marketing as they sell fresh vegetables and fruits.

By highlighting performance, cost savings, health advantages, convenience, or general environmental friendliness, green marketers may appeal to a varied spectrum of customers who are environmentally sensitive. Sharing information about the benefits of eco-friendly goods with customers will help raise their level of awareness. Sharing information on eco-friendly advertising on social media platforms raises awareness both inside and between online communities. Using customized marketing, companies can contact customers directly with messages about items like the Reva electric car and energy-efficient compact fluorescent lights.

Place

The selection of the specific location and timing for product availability will exert a substantial influence on customers. Only a small number of buyers will make an extra effort to purchase environmentally-friendly products. Green location focuses on logistics management to minimize transportation emissions, ultimately seeking to decrease the carbon footprint. For instance, rather than promoting the sale of “imported mango juice

in India,” it can be authorized for domestic manufacturing. This strategy circumvents the need to transfer the goods over long distances, so diminishing shipping expenses and, more significantly, mitigating the subsequent release of carbon emissions by ships and other means of transportation.

Marketing strategies that promote environmentally friendly products and services and their impact on customer satisfaction:

There are three methods to ensure customer satisfaction remains at the same level or increases while implementing Green Marketing Strategies.^[21] Let us now examine the techniques for preventing "Green Marketing Myopia".

1. Consumer value positioning

- To create goods that are environmentally sustainable and efficient in their performance.
- The goals are to focus on specific consumer market segments, such as health-conscious customers who value health benefits, and to improve and provide the environmental goods that consumers want.
- Raise awareness and buy-in from the public by including features that appeal to consumers in eco-friendly goods (such as providing consistent pricing for renewable energy subscribers).

2. Consumer knowledge calibration

- Informing consumers through marketing communications that establish a connection between the environmental characteristics of products and the values that consumers desire (e.g. "a product free from pesticides promotes better health", "energy-efficient products lead to cost savings", or "solar power offers convenience").
- Presenting “environmental product” features as "solutions" to meet “consumer” wants (e.g. "rechargeable batteries provide extended performance").
- Plans are afoot to create educational websites that highlight the intended consumer value of eco-friendly items. The Tide cold water detergent website, for example, lets users input their washing habits, energy source (gas or electricity), and zip code to get an idea of how much money they may save each year.

3. Reliability of product assertions

- Making specific, substantial, moderate, and qualified claims about environmental product and consumer benefits (i.e., in comparison to comparable alternatives or likely usage scenarios)
- Acquire third-party endorsements or eco-certifications for products and educate buyers on the value of these credentials.
- Fostering consumer advocacy through drawing on consumers' online networks to disseminate interesting, educational, and entertaining content regarding eco-friendly products (for instance, on Tide's "coldwater challenge" website, users can see their personal impact grow as their friends ask for free samples as they share the site across the country).

Obstacles to Confront:

- Green goods need the use of renewable & recyclable resources, which may be rather costly.
- Demands a technological solution that necessitates substantial expenditure in research and development.
- Water treatment technology is very costly.
- Most people are not aware of green goods and how they may be used.
- Most customers are reluctant to pay a premium for ecologically sustainable items.

Several Examples of Efficient Environmental Marketing Campaigns:

1. Odisha State Cooperative Milk Producers' Federation (OMFED)

- “OMFED, the Orissa State Cooperative Milk Producers' Federation,” introduced “milk cartons featuring a message promoting energy efficiency. Given that the milk producers cooperative body sells” around 800,000

packages every day, this project will effectively communicate an important message to the public, particularly youngsters.

2. Surf Excel

- A group of children residing in the Bainganwadi slums of Mumbai express their gratitude towards Surf Excel, a business worth 485 crore rupees, for launching a positive marketing campaign called "The Surf Excel 10/10 drive."
- It has been discovered that consumers of "Surf Excel in the cities of Mumbai, Delhi, Bangalore, and Kolkata" are sending text messages with a specific amount to HLL (now HUL).
- The corporation thereafter contributes that sum to a non-governmental organization (NGO) that was engaged in providing education to disadvantaged youngsters.

3. Maruti

- Maruti has achieved a 20% reduction in electricity use per vehicle over the past 9 years. Additionally, they have decreased "water consumption by 46% and land fill trash by 67%."

The Indian Oil Corporation

- The "Barauni refinery of IOC" has implemented measures to limit the emission of air and water pollutants.

5. The Ponds Cold Cream

- The brand Ponds, valued at Rs. 355 crore, has formed a partnership with the United Nations Development Fund for Women. Each time a consumer sends a flap of Ponds Cold Cream by mail, the corporation will donate Rs 2 to the fund dedicated to combating domestic abuse. Despite the relatively small allocation of ad spends from its Rs 1000Cr advertising and promotion budget, HLL asserts that the majority of its brands would seek enduring strategic associations with social issues.

6. Compressed Natural Gas (CNG) in Delhi

- The imperative to adopt environmentally friendly practices is applicable to all areas of human activity. Consumer forums & the courts have a substantial influence on this need. For example, when "the Supreme Court of India" ordered the Delhi Government to investigate ways to reduce pollution in Delhi, the Court specifically asked the Government to use clean fuel, such as Compressed Natural Gas (CNG), in the public transit system. This placed pressure on petroleum firms to implement clean fuels with decreased amounts of sulfur, as well as unleaded gasoline. Additionally, the only distributor of "Compressed Natural Gas (CNG), INDRAPRASTHA GAS LTD," was obligated to increase its supply. The autos had to be built with essential alterations. Consequently, "the Delhi Transport Corporation" emerged as the biggest transit system in the nation that runs on Compressed Natural Gas (CNG).
- The increasing awareness of environmental issues has prompted advancements in the exploration, refining, and marketing of oil and gas. Furthermore, it stimulated progress in the automotive industry, leading to the production of automobiles capable of operating on compressed natural gas (CNG) fuels. Additionally, the vehicles must adhere to the pollution control regulations established by the government, such as Bharat-III and Ero-II.

7. Larsen & Toubro

- Power systems based on sensors are installed in the cabins of every executive. This means that when someone exits the cabin corridor, the lights automatically turn out, and vice versa.
- The use of ozone-depleting chemicals has already been discontinued.
- The company employs a "zero discharge approach" to conserve water, treating and reusing it for non-drinking applications like as gardening and horticulture. This results in a daily water savings of over 350,000 liters.
- The primary focus of new product development is solely on innovation from an environmental standpoint.

- The organization has used both top-down and bottom-up approaches, allowing employees at all levels to contribute suggestions for environmental protection.

8. McDonald

- McDonald's restaurant use recycled paper to produce their napkins and bags.^[22]

9. TATA Salt

- Tata has recently started a television advertising campaign promoting the purchase of Tata salt. The campaign states that a substantial percentage of the revenues from each pack of salt will be donated to support the education of underprivileged children living in slums.

10. Coca-Cola

- Coca-Cola opted to extract syrup directly from tanks instead of using plastic containers, resulting in an annual savings of 68 million pounds.

11. NTPC

- The Delhi-based NTPC Badarpur Thermal Power Station is figuring out how to use coal ash, which has been a significant cause of pollution in the air and water.^[24]

Conclusion:

The monetary aspect of marketing cannot be disregarded in environmentally conscious efforts. Marketers need to be aware of the consequences of environmentally conscious advertising. Marketers should reevaluate their assumptions if they think consumers are either unconcerned about environmental issues or reluctant to pay a premium for products with a lower environmental impact. Marketers need to choose a good time to upgrade their goods. Marketers face the challenge of green marketing myopia.^[24] However, it is the primary duty of marketers to develop and implement innovative marketing tactics that protect the environment and provide client satisfaction.

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