

THE CONCEPT AND REALITY OF GREEN MARKETING IN INDIA: A STUDY OF CORPORATE PRACTICES AND CONSUMER UNDERSTANDING

Dr. Maulik K Rathod*

ABSTRACT

The intent of this exploratory research is to perceive the conceptual understanding of green marketing along with adaptive acceptance among corporate in the contemporary era of Indian market. Green marketing refers to the promotion of eco-friendly products that promote sustainability of profit, people and planet. Indian corporates are focused on offering such products to show their commitment to reducing their environmental impact. However, this study highlights that consumers have limited understanding of the concept and provide suggestive recommendations to overcome. The conclusion outlines potential future research directions and its implications for marketers of eco-friendly products in developing their marketing tactics.

Keywords: Green Marketing, Eco-Friendly Products, Consumer Awareness, Green Practices.

Introduction

Marketing can manage the needs of multiple stakeholders beyond just customer relationships, by being market oriented and considering economic, environmental, and social dimensions such as sustainability. Marketing has the potential to make a significant impact in understanding sustainability, including its limitations, benefits, and feasibility as a focus for organizations' future operations. The convergence of sustainable ideas in marketing has led to an increased focus on addressing environmental concerns in marketing efforts (Hult, 2011). The scarcity of resources on Earth has driven human interest in the environment that led businesses to adopt *Going Green*. Companies that embrace this shift and incorporate sustainability into their marketing strategies stand to benefit from increased customer loyalty and a stronger brand reputation, while also making a positive impact on the environment.

Today in the era of 4R (Refuse, Reuse, Recycle and Reduce) "Green marketing" encompasses a wide range of environmental initiatives, including the use of sustainable materials, energy-efficient production methods, and carbon offset programs. By incorporating these initiatives into their marketing strategies, companies can appeal to environmentally conscious consumers and demonstrate their commitment to sustainability.

Green marketing is a business strategy that incorporates a company's environmental responsibility, values, and beliefs to meet the needs and wants of customers by promoting environmental sound products and services. It involves commercial practices such as modification of product design, process of production, packaging, promotion, distribution and try to reduce costs and wastage.

Research Methodology

This paper explore the conceptual knowledge of green marketing and its practice done by Indian corporates along with through collecting secondary data from reputable research journals, conference proceedings and company's websites. The study aims to achieve following objectives :

- To provide an overview on the concept of green marketing and its importance.
- To explore various green practices implemented by leading Indian companies.
- To identify the challenges that lie ahead for green practices.

* Academician, Ahmedabad.

Literature Review

Green marketing has its roots in the pioneering work of (Lazer, 1969), who recognized the finite nature of environmental resources and the societal & environmental impacts of conventional marketing. Lazer also advocated for the integration of environmental concerns into various aspects of traditional marketing (Feldman, 1971).

The proceedings of American Marketing Association workshop held in Texas in November 1975 were published in the book "Ecological Marketing" (Henion & Kinnear, 1976), defined Eco-friendly marketing as the study of marketing's impact on pollution, energy depletion, and non-energy resource depletion. However, this definition only considered a limited range of environmental issues and viewed ecological marketing as a subset of overall marketing activity but green marketing involves organizational efforts to create, promote, price, and distribute products that do not harm the environment (Pride & Ferrell, 1993) which aimed at meeting human needs and wants (Polonsky, 1994).

As per (Peattie, 2001) the evolution of green marketing in three phases i.e. ecological, environmental, and sustainable. In the first phase, ecological green marketing focused on addressing environmental problems. In the second phase, marketing efforts shifted towards designing innovative products using clean technology to reduce waste and pollution. The third phase of sustainable marketing emphasizes radical changes in lifestyle, consumption patterns, and production processes. The vision of marketing practices is continually reformed over time.

Green marketing involves all commercial efforts to consume, produce, distribute, promote, package, and reclaim products in a manner that is sensitive or responsive to ecological concerns (AMA, 2004). It also involves developing and promoting products that are designed to minimize negative effects on the environment or improve its quality marketing (AMA, 2007). The main objective of green marketing is to educate and encourage people to adopt environmentally friendly behavior and lifestyles.

Green marketing is a holistic approach that aims to minimize the negative impact on the environment in the production, marketing, and disposal of products and services (Sarkar, 2012). It involves companies applying sustainable thinking to balance profit and environmental protection, from production to post-purchase services (Eze & Ndubisi, 2013). By integrating environmental concerns into marketing strategies, green marketing improves overall quality of life (Kardos, Gabor, & Cristache, 2019).

(Chen & Chai, 2010) noted that the world has grown significantly in the past decade, while resources have declined. As consumers have become more environmentally conscious, they have started adopting various green practices, such as recycling, saving energy, and using eco-friendly products. This responsible behavior is crucial because, as (Grunert, 1993) warns, unplanned buying can irreparably damage the environment. (Pickett-Baker & Ozaki, 2008) also found a connection between consumers' environmental beliefs and their trust in the effectiveness of green products. In 2012, (Singh & Pandey) observed that Indian consumers were exhibiting a growing interest in eco-friendly products. They suggested that if consumers were made aware of the price, quality, features, performance, and other benefits of different green products through green marketing, the use of such products would increase. According to (Mishra & Sharma, 2010), Indian customers have confidence in herbal and ayurvedic products, which they have been using for health and beauty purposes for many years. Many other studies have confirmed the existence of significant differences between consumers' beliefs and actions. However, (Rokka & Uusitalo, 2008) argued that consumers with very high awareness of green marketing do not purchase these products.

Environmental concerns have prompted the development of green marketing, which involves producing and promoting eco-friendly goods and services that meet consumer needs without harming the environment. Companies are taking action to address issues like global warming and ozone depletion, while also addressing socio-economic concerns. Consumers increasingly seek eco-friendly products to live a healthier and more fulfilling life, and feel satisfied knowing they're contributing to the environment. The criteria for eco-friendly goods include:

- Free of toxic materials
- Element of R's (reduce, reuse, recycle)
- Do not pollute the environment
- Manufactured naturally without harming flora and fauna

(Chauhan & Chaturvedi, 2015) emphasized the importance of being genuine and practicing what is preached in green marketing, with no gap between words and actions. Transparency is also crucial in building legitimacy.

Green Initiatives in India

Green initiatives are taken by not only agricultural, manufacturing and service organizations but also put in practice by government and social organization also. For the sake of environmental protection and sustainability of development some known initiatives of corporate are mentioned below in the context of India.

Name of Company	Green Initiatives
ArEco Green	Manufactures and exports biodegradable products such as palm leaf dinnerware, Bamboo straws, Coir pots, Edible spoons etc.
Greenport Fashion Export	Uses jute, cotton and juco fabric to design different type of bags including basic promotional bags to bags for shopping, wine, and conference.
Grenove Services	Supplies natural, organic, biodegradable, green household and industrial/commercial solutions.
LG, HCL, Videocon, Haier India	Household electronic product that consumes 40% less energy than conventional one. These companies hardly used hazardous materials in their products and use eco labeling / BEE star label.
Wipro	Creation of energy saving and waste preventing technology by the most Eco-friendly headquarter building.
ACC	Concrete+ - high durable cement which uses fly ash to protect environment from waste landfill and to help conserve natural resources.
MRFTyres	ZSLK - tubeless tyres made from unique silica- based rubber and also offers extra fuel efficiency.
HUL, P&G, Dabur, Marico	Use of Eco-friendly material, waste disposal, green supply & distribution, minimal packaging, energy efficient infrastructure.
Parle, Amul, Nestle, ITC	Use of organic ingredients, green supply & distribution, minimal packaging, minimum use of water and conventional energy.
Cont.	

Name of Company	Green Initiatives
Public transport & logistics	Public bicycle sharing schemes, use of solar / electric / battery / CNG in public transport like BRT, railway, sea and air ports
Banking sector	The practice of green banking in India such as online banking, mobile banking, internet banking and green channel counters, e-statement, green loans, solar ATMs, etc.
Source : https://iinnovationblogs.wordpress.com/2016/02/29/top-10-green-companies-of-india/ , https://industry.siliconindia.com/ranking/green-products-companies-2019-rid-800.html	

Scope of Green Marketing

Sustainability has become a globally recognized concept, and green marketing is expected to have a promising future. While it was previously believed that companies only engaged in green marketing due to government regulations, people worldwide are now more concerned about the environment and appreciate businesses that take eco-friendly initiatives. Consumers now prefer eco-friendly products, which often come at lower prices, and this shift is apparent in various industries such as automobiles, hotels, manufacturing, and other sectors. Companies are therefore promoting activities, goods, and services that help reduce their impact on the environment.

Sustainability is now a recognized global concept, and green marketing is promising. People worldwide appreciate eco-friendly initiatives, and companies are promoting products that reduce their environmental impact. This trend is visible in various industries, and consumers prefer eco-friendly products at lower prices. The shift from conventional marketing to green marketing presents both challenges and opportunities for companies. When planning green marketing strategies, companies must be mindful of challenges such as :

- Lack of credibility or trust with consumers and end-users
- Customer confusion about green or sustainable product claims
- Risk to a company's reputation from misleading claims

- Liability risk from greenwashing, which violates the Federal Trade Commission's (FTC) Green Guides designed to prevent environmental claims that mislead consumers.
- Effective management decision-making is crucial in addressing these challenges and turning them into opportunities for sustainable growth.

Conclusion

Green marketing has the potential to create significant business opportunities worldwide and promote peace, friendship, and growth among nations. However, it is crucial to establish global agreements on the implementation of green initiatives and environmental standards and norms to avoid impeding the development agenda of faster-growing developing countries and emerging market economies. Without such consideration for their development concerns, there may be backlash and setbacks to the entire concept of green marketing. Overall, green marketing is still in its infancy, and there is a long way to go.

References

1. AMA. (2004, March). *American Marketing Association*.
2. AMA. (2007, November 12). *Definitions of Marketing*. Retrieved from American Marketing Association : <https://www.ama.org/the-definition-of-marketing-what-is-marketing/>
3. Chauhan, H. S., & Chaturvedi, R. (2015). Green Marketing Initiatives in India: An Overview. *International Journal of Management Research & Review*, 10(5), 834-844.
4. Chen, T. B., & Chai, L. T. (2010). Attitude towards the Environment and Green Products: Consumers' Perspective. *Management Science and Engineering*, 4(2), 27 - 39.
5. Eze, U. C., & Ndubisi, N. O. (2013). Green Buyer Behavior : Evidence from Asia Consumers. *Journal of Asian and African Studies*, 48(4), 413 - 426.
6. Feldman, L. P. (1971). Societal Adaptation : A New Challenge. *Journal of Marketing*, 35(3), 54–60. doi:<https://doi.org/10.1177/002224297103500309>
7. Grunert, S. C. (1993). Everybody seems Concerned about the Environment: But is this Concern Reflected in (danish) Consumers' Food Choice? *E - European Advances in Consumer Research*, 1, 428-433.
8. Henion, K. E., & Kinnear, T. C. (1976). Ecological Marketing. *National Workshop on Ecological Marketing (Austin, Tex) (1975)*. Chicago : American Marketing Association.
9. Hult, G. M. (2011, February). Market-focused Sustainability : Market Orientation Plus ! *Journal of the Academy of Marketing Science*, 39(1), 1-6. doi:10.1007/s11747-010-0223-4
10. Kardos, M., Gabor, M. R., & Cristache, N. (2019, February 7). Green Marketing's Roles in Sustainability and Ecopreneurship. Case Study: Green Packaging's Impact on Romanian Young Consumers' Environmental Responsibility. *Sustainability*, 11(3), 1 - 12. doi:10.3390/su11030873
11. Lazer, W. (1969). Marketing's changing social. *Journal of Marketing*, 33(1), 3–9. doi:<https://doi.org/10.1177/002224296903300102>
12. Mishra, P., & Sharma, P. (2010). Green Marketing in India : Emerging Opportunities and Challenges. *Journal of Engineering, Science and Management Education*, 3, 9-14.
13. Peattie, K. (2001). Golden Goose or Wild Goose ? The Hunt for the Green Consumer. *Business Strategy and the Environment*, 10(4), 187.
14. Pickett-Baker, J., & Ozaki, R. (2008). Pro-environmental Products : Marketing Influence on Consumer Purchase Decision. *Journal of Consumer Marketing*, 25(5), 281-293.
15. Polonsky, M. J. (1994). An Introduction to Green Marketing. *Electronic Green Journal*, 1(II), 2-3.
16. Pride, W. M., & Ferrell, O. C. (1993). *Marketing Concepts and Strategies* (8 ed.). Boston, MA: Houghton Mifflin.
17. Rokka, J., & Uusitalo, L. (2008). Preference for Green Packaging in Consumer Product Choices—Do Consumers Care? *International Journal of Consumer Studies*, 32(5), 516-525.
18. Sarkar, A. (2012). Green Branding & Eco-innovation for Evolving a Sustainable Green Marketing Strategy. *Asian Pacific Journal of Management Research & Innovation*, 8(1), 39 - 58.
19. Singh, P. B., & Pandey, K. K. (2012). Green Marketing Policies and Practices for Sustainable Development. *Integral Review*, 5(1), 22-30.