

A STUDY OF GREEN MARKETING MIX OF THE SELECT PHARMA COMPANIES IN MAHARASHTRA

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ABSTRACT

Green Marketing is looked as a tool towards sustainable development in the recent times. The green marketing mix describes the practices of the organisations in initiating, practicing and evolving green and environment friendly practices with reference to the Product, Price, Place Promotion, Process, People and Physical Evidences mix. The state of Maharashtra is the hub of Pharma companies with large number of pharma companies being located in Maharashtra. The state is the future for Pharmaceutical Production for India and the world. It is due to the nature of the activities of the Pharma companies that their activities are detrimental to the environment. There have been many regulations enforced on the pharma companies to take efforts in reducing the ill-effect on the environment. Hence, it is interesting to find if the pharma companies in Maharashtra are having green marketing mix thereby creating a path towards environmental conservation. This paper attempts to find the practices followed by the Pharma companies in Maharashtra with regard to the seven P's of green marketing mix.

KEYWORDS: *Green Marketing, Green Marketing Mix, Environmental Conservation.*

Introduction

In today's day, we are experiencing the numerous issues like drastic changing climatic conditions, rising temperature, pollution, ozone depletion, melting glaciers and many others. It is well known fact now that these issues are the result of the unplanned and limitless use of the natural resources for fulfilling human needs. Industrial Development at the cost of the disturbed and devastated environment is what we are observing in our country. The environmental conservation is of prime importance these days. Be it production, distribution, marketing, after sales services, inventory management, each business activity needs to integrate environmental conservation within it. Hence, Green marketing is one such philosophy which includes production, distribution, consumption and disposal of products in a way which is not/less harmful to the environment. There have been various cases showing the ill-effect of pharmaceuticals on the environment. In a recent study conducted, the testing of water samples collected adjacent to pharma factories and some of the city's water bodies shows the occurrence of heavy metals and industrial solvents used in pharmaceutical manufacturing commonly. (Hyderabad's Pharmaceutical Pollution crisis, 2017). The ill-effect of the pharmaceutical products on the environment globally has been noticed by the international organizations and the pharmaceutical industry over the past years. It is observed that pharmaceutical products enter the environment at various stages of their life-cycle and during the production phase particularly. So, pharma industry must find ways to reduce bad impact of their activities on the environment. Green marketing is the tool which can help the pharma companies to do this. Pharmaceutical industry in the state of Maharashtra results in approximately 18.4 % of country's pharmaceutical output by value (*Magnetic Maharashtra 2014...*). Major pharmaceutical companies like Pfizer, Johnson and Johnson, Sun Pharma, Cipla, Emcure have their presence in the state. These Pharma companies cannot neglect the impact of their activities on the natural environment on the grounds of supervisions and audits conducted by the regulatory bodies. Green Marketing mix is the mixture of the various p's of marketing through which the organization's actions/decisions to inculcate green marketing into its marketing activities can be studied.

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Objectives

- To study the Green Marketing Mix of Pharma companies in Maharashtra
- To find the practices of the Pharma Companies under each of the 7P's of the green marketing mix

Research Methodology

- **Sample Size:** 50 Selected Pharma Companies from Maharashtra
- **Sampling Method:** Convenience and Purposive Sampling
- **Primary Data:** Interaction with the company representatives
- **Secondary data:** Websites, Annual Reports and Business responsibility reports

Working Definitions

- **Green Marketing**

According to the American Marketing Association, Green Marketing includes all activities which are performed to help the exchange of goods and/or services to satisfy human needs or wants with a view of lessening the bad impact on the natural environment while the needs and wants are satisfied.

- **Green Marketing Mix**

A blend of decisions relating to the seven P's namely- Green Product and Production, Green Price, Green Place, Green Promotion, Green People, Green Process and Green Physical Evidences resulting into green practices by the organisation.

- **The Green Marketing Mix of the Pharma Companies**

The interaction with the representatives and the reference of the annual reports and Business Responsibility Reports of the Pharma Companies helped in understanding the green marketing mix of the Pharma Companies in Maharashtra as below:

- **Green Product/ Production Mix:** A product is green when its performance has least impact on the environment. A product may not be 100% green, but may have such features which can reduce the ill-effect on the environment substantially. Green Production mix is the production process which results in lesser defectives, least wastage, consumes less energy, recycles the waste and reuses it in production, conserves resources and disposes waste in an environment friendly manner.

For e.g. green chemistry principles if followed by a pharma company can help in reducing the release of hazardous substances into the water and air.

- **Green Price Mix:** These are the practices which are related to the price mix of the marketing mix. It includes variety of discounts, pricing policy, terms of credit, government regulations with pricing, etc. Green marketing price mix includes things like formulating pricing policy by focusing on the green aspect of the product.
- **Green Place Mix:** In terms of green marketing, the place mix relate to the activities like reduction of transportation, using greener fuels, reducing the transportation distance by buying and selling locally, etc.
- **Green Promotion Mix:** These are the practices taken by the company in promoting themselves or their products. Sales promotion, publicity, personal selling, advertisements are the elements of promotion practices. In case of the green marketing, promotion mix include participating in the campaigns for environmental awareness, promotion through social media/ digital media for promotion of the green initiatives of the company, etc
- **Green Process Mix:** The process mix relates to the processes followed by the Pharma Companies in their daily operations and activities which create enriching experiences to the customers of these companies. In relation to the environmental conservation, these processes can be made green with various initiatives like use of automation and technology advancements like AI, use of alternative production methods, having regular repairs and maintenance, training and development, activities for spreading awareness regarding greening of processes, etc.
- **Green People Mix:** These are the practices related to the involvement and participation of the employees (people) of the organization in creating and maintaining the green business. These practices may be like selection of employees who show a greater interest in the environmental conservation, training people to adopt the environmentally conscious behaviour.

- **Green Physical Evidence Mix:** Basically, physical evidence means all that the customer notices and sees when the company and the customer meets or interacts. It includes the interior of the company, store, the trees planted within the premises, the display boards about vision and mission statement, the dress code of the employees of the company, packaging, etc. The physical evidence practices here means the creation of physical evidences and their use to convey the environmentally conscious culture of the company like at the prime place in the company the environment related policy of the company being put up in the form of a written statement, lot of airy and lit rooms and spaces in the company creating a low usage of electricity, etc.

Findings

The study of the green marketing mix of the selected pharma companies helped to deduce the below mentioned practices under each P of the marketing mix:

Green Product and Production Mix

- Use of recycled materials in production- Water being the most recycled material
- Use of Green energy- Solar, Wind and Natural Gas
- Reduction of Consumption of energy, water and materials
- Energy Efficient Practices & Waste Reduction Initiatives
- Taking up local buying and selling
- Reuse of materials which are recovered from the drugs
- Introduction of new specifically for concerned with energy efficiency, waste reduction, sustainability and climate control- Serum's green vaccine
- Regular use of waste treatments- Effluent treatment and Solid Waste Management Plants
- Use of Biodegradable material for packaging and Proper Packaging material disposal methods
- Efforts with product labeling like printing of the instructions for proper usage, storage and disposal, mark of GMP certification
- Branding the products as green brands conveying the firms consciousness to green practices

Green Price

- Allocation of part of product price towards fulfilling environmental requirements
- Having customers willing to pay extra for the product for its greenness

Green Promotion

- Use of environmentally safe promotional material
- Partnering in events/activities which are concerned with environment protection,
- Use of metrics for the efficient use of resources,
- Use promotional literature about green practices through social media,
- Allocation of special funds for promoting environmental protection,
- Making environmental protection a part of day-to-day activities,
- Promoting the culture of saving energy, water and resources in company's operational activities.
- Work closely with the suppliers, vendors, and intermediaries to make them adopt environmentally responsible behavior
- Memberships of associations involved in creating awareness about green practices

Green Place

- Avoid spoilage and wastage by delivering their products as per the schedule
- Store their products in such manner that the quality of the products is maintained before and while under the distribution.
- Recall the stale, expired, unwanted and waste products for disposal in an environmental friendly manner
- Outsource transportation so as to take benefit from those firms who have expertise in transportation
- Outsourcing the warehousing - access to the best of the practices in storage, improved market reach, access to warehousing solutions using the ecommerce or direct delivery to clients

Green Process

- Use of the improved technology in production and other processes
- Using the alternative production methods and techniques like green chemistry, supercritical fluid technology and Fluid cell technology
- Carry out regular repairs and maintenance
- Spread awareness about the greening of process within their work places
- Paperless work in their company

Green People

- Select employees as per the bench mark where environmental aspects carry great focus
- Conduct training and development activities for their employees to equip them with the skills needed to execute the green practices
- Having employees who help companies achieving it's environmental objectives
- Pay more salary to employees who show greater environmental concern

Green Physical Evidence

- Clearly stated environmental objectives
- Use of various ways to exhibit their environmental concern- having GMP certification, green ambience with lot of trees planted, arrangement of scientific disposal of waste created and display of the standard operating procedures
- Have their trade names exhibiting their environmental concerns
- Reporting to the Sustainability Reporting Frameworks
- Increasing number of customers willing to buy green products

Conclusions

- Many pharma companies in Maharashtra carry out many green practices with respect to each P of the marketing mix. This shows that there is a wide presence of the Green Marketing Mix in the Pharma Companies in Maharashtra.
- This also shows that the Pharma Companies are aware about the Green Marketing Philosophy. They are fulfilling their responsibility towards the environment conservation using green marketing.

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