

A STUDY OF ROLE OF GREEN MARKETING MIX IN ACHIEVING GREEN ECONOMY

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ABSTRACT

The reason behind writing this research paper is that every human being wants to live their life in an environment in which they can survive comfortably so that the future of their children would be secure. In the blind race of economic development we have neglect the importance of having a good environment. With the day by day increase in awareness among the society people tends to feel the importance of having a good environment. Just having a good economy is not enough; today we are dreaming of the concept of environment friendly economy i.e., Green economy. The idea behind this study is that economy and environment are interconnected; they are complementary to each other. Keeping the economic development on priority while ignoring the importance of environment is no development at all. The idea of having a sustainable economy has been talked about for decades. In the last few years keeping the environment on priority is the key part of discussion on global economic agenda. Latest scientific studies and increased cases of environmental degradation compel the business concerns to change the economic model. The green economy was the theme of United national conference on sustainable development held in Rio in 2012(Rio+20). Now this is the duty of the business world to bring the change in their business policies in such a way which could be helpful in shaping and achieving the dream of green economy. Marketing is an indispensable part of every business thus incorporating green marketing activities will plays a crucial role in establishment of green economy. The green economy is defined as economy that aims at dealing with the issues of economic development without degrading the environment. Simply green marketing involves the activities of marketing the products or services on the basis of their environmental benefits. The aim of my study is to find out how the application of green marketing strategies will be helpful in achieving green economy. This paper will also help to explain the concept of green marketing, green economy and their relationship.

KEYWORDS: Awareness, Complementary, Sustainable Development, Green Marketing, Green Economy.

Introduction

The term green marketing gains importance in the decade of 1980's. The word green marketing is the combination of two different terms i.e. green and marketing. The word green represents environment while marketing is the process of satisfying the customer needs with a motive of earning profit. Thus green marketing is an environment friendly marketing. The Green marketing is understood as a process in which the goods and services are traded on their environmental benefits. The product and services should be ecofriendly and its packaging and logistics should also be environment friendly. Association, green marketing is the marketing of products that are presumed to be environmentally safe. Therefore, the concept of Green Marketing covers a wide range of diversify activities and it consists the following:

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- Product modification
- Changes in Production Process
- Changes in Packaging, and
- Modifications in Advertisement and Promotional Activities.

There is very clear assumption and concept of the green marketing is that the customer or consumer will consider a product' greenness when its benefits will satisfy the needs and wants of the consumer from that point of view. It satisfies human needs with minimal detrimental impact on the national environment. Green marketing not only includes consumer goods and industrial goods but also the services sector. In the process of distribution of goods and services, both the manufacturing and the services balance contribute towards the ecological imbalance and loss of the ozone layer.

There is a large amount of awareness required with respect to Green marketing not only for customers but the manufacturers are also needed to have such an awareness in order to produce eco-friendly produce. It is quite possible that the cost of produce may hike when the stakeholders will practice the concept of green marketing but we have to be ready for this. Ultimately green marketing requires extra cost but the stakeholders should be ready to bear that cost. Business firms are also supposed to address these environmental threats and challenges in order to protect the broad environmental interests.

The term green marketing is not merely a concept of marketing but it also provides a framework of performing the entire set of activities right from the procurement of material to selling and distributing the produce to the customers or final users of that.

Laws of Green Marketing

The important laws of Green Marketing are as follows:

- There should be awareness among the buyers
- Reassurance must be for the Buyers
- Transparency is required
- Produce must be cost effective
- Active participation of the customers is needed

Objectives of the Study

- To study the role of Green Marketing Mix in achieving the goals of Green Economy.
- To highlight the significance of Green Marketing Mix in Green Economy.
- To figure out the various dimensions or elements of Green Marketing Mix

Importance of green Marketing

• **Environmental Advantages**

It must be a responsible call from each stakeholders to go green because it is entirely environment friendly approach. On the basis of an estimate, around 40 percent greenhouse gases are coming from the excessive use of power, coal and other production processes. It is the high time to reduce such consumption of energy. It is the moral and ethical duty of each stakeholder of the society to take it on serious note and do the needful.

• **Economic Advantages**

The waste in production should be minimized. It is advantageous from economic point of view as well as pollution point of view. The minimum amount of waste will lead to the unpolluted eco-system. There must be policies with regard to water conservation, recycling of waste and fuel efficiency so as to cost effective system can be developed.

• **Sustainability**

Sustainability is utmost requirement in today's time. Green marketing will facilitate and revamp the path of greater sustainability in production, waste management, water conservation, recycling of waste and eventually it will translate into the greater sustainability in profits. The future-safe markets include biomaterials, green buildings, personal transportation, smart grids, mobile applications and water filtration.

- **Efficient Use of Resources**

As we all know about the scarcity of the resources. Therefore, optimum allocation and utilization of resources are very much needed. Efficient allocation and utilization of resources is the demand of today's time otherwise all the natural resources will exhaust soon and nothing will left to utilize further. So a rational approach to distribute and allocate the resources must be followed by the government and big businesses houses.

- **Planned Techniques and Innovations**

Organizational goals can be achieved only when the planned technological process and innovative methodology would be adopted for the process. This is the time of advancements in technology. So we have to be prepared for accepting the changes and to introduce those change in our organization to sustain in the market.

- **Competitive Advantage**

Green marketing is an emerging concept as compare to the traditional marketing concept. That is why, it has more possibilities to take the competitive advantages among the rivalries. You can gain more competitive advantages by adopting green marketing over traditional marketing.

Elements of Green Marketing Mix

Marketers need to define and design the 4 Ps of marketing mix from the viewpoint of environmental preservation. The green marketing mix elements address the key environmental issues appropriately and effectively.

- **Green Products:** Consider products that consume more energy, use toxic chemicals, cannot be recycled, and use extensive packaging. Such products are a threat to the environment as they lead to environmental degradation and pollution. On the other hand, products that help in saving energy, use natural ingredients, are recycled, or use reduced packaging make contributions to the environment. Therefore, those products that are produced in harmony with the environment are known as 'green products'. Production of green products is based on green technology. Green products help in saving natural resources and subscribe towards sustainable future. Organizations should produce environment-friendly products as they help in saving energy resources and do not affect the environment adversely. The various stages involved in the production of environment-friendly products are efficient in terms of environment protection and conservation. Environment-friendly products use natural and organic ingredients that are sourced from local suppliers and its manufacturing and circulation is done in a manner that has least or no impact on environment. Different governing organizations and certification systems certify the product as green after assessing it against environmental performance criterion.
- **Green Price:** Production of green products requires modification in the production processes and this necessitates expenditure. Cost increase results in increased price point of green products that makes acceptability of the product in the market difficult. The high price may act as a deterrent as consumers may be either unwilling or unable to pay this green premium. The gap between the price of a green product and a non-green product is known as 'pricing gap'. Price impediments can be tackled either by lowering the price point of green products to make it contiguous with the prevailing products in the market or by enhancing the perceived value of the green products in the eyes of the customer (by adding to the benefits derived such as improved packaging, improved attributes, and making the product specific to customers' needs).
- **Green Place:** Green place relates to the distribution of green products without doing any harm to the environment. This is achieved through efficient utilization of fuel and energy and arranging for logistics with the least emissions. Transportation costs constitute a major part of business costs and resources spend in distribution can be saved through local production. This decreases transportation costs and also reduces carbon footprint. Selling over the Internet as compared to a shop also saves business resources.
- **Green Promotion:** Consumers need to be made aware about green products and motivated to purchase them. Therefore, huge amount of money and resources are spent by companies nowadays on advertising and promotion of green products. Green promotion entails increasing the sensitivity of consumers towards green products as well as promoting the products in an environment-friendly manner like using social networking sites to post profiles related to green

marketing. Recently, Nike with its 'Better World' campaign launched its first 100 per cent recycled television advertisement, which was recycled by reusing and remixing film of its earlier campaigns.

Green Economy

A green economy is defined as low carbon, resource efficient and socially inclusive. In a green economy, growth in employment and income are driven by public and private investment into such economic activities, infrastructure and assets that allow reduced carbon emissions and pollution, enhanced energy and resource efficiency, and prevention of the loss of biodiversity and ecosystem services.

A green economy said to be inclusive when it will lead to improve the human well-being and will also build more social equity because it reduces the environmental threats, risks and other crisis like scarcities. The current economic model will not prevail for the last long. We have to think for its alternative and green marketing may be its strong alternative. Green marketing will spread awareness for reducing the waste, conserving water, recycling of waste and eventually it will improve the health of the human beings. A green marketing and economy can be considered and regarded as an alternative vision for growth and development of the nation. As it improves the lives of the human beings and generates more resources for growth and development. Actually, it works on three tier concept that is sustaining and advancing economic, environmental and social well-being.

Over the last fifteen years it (green marketing) has emerged not only as priority strategy but also an alternate for growth and development so that at a lower cost more out can be produced in an eco-friendly environment. By transforming their economies into drivers of sustainability, these countries will be primed to take on the major challenges of the 21st century – from urbanization and resource scarcity to climate change and economic volatility.

Green Economy and its Various Dimensions

- Renewable Energy
- Energy Efficiency
- Recycling and Waste Reduction
- Green Construction
- Environmental Protection
- Agriculture and Forestry
- Water Management

Conclusion

Today, green marketing covers a wide spectrum of the activities of a business firm. Actually, excessive demand for the products compelled to manufacturers and business firms to produce more products at any cost. In all such exercise they are completely avoiding the environmental issues and becoming the greater threats for the environment. One example of this is where McDonald's is often blamed for polluting the environment because much of their packaging finishes up as roadside waste. It must be remembered that it is the uncaring consumer who chooses to dispose of their waste in an inappropriate fashion. But the greater responsibility lies with manufacturers and business firm to consider the environmental issue and they must take care of the natural resources. The concept of green marketing and green economy should be understood in a holistic approach that includes all the stakeholders those are directly or indirectly responsible for improving the environmental scenario. It emphasizes more on cleanliness, health and hygiene and also advocates to improve the working conditions in any organization so that the more productive outcome can be produced in a healthier and more competitive environment.

We need to take that awareness as our guiding principle, as we move gracefully towards an emergent goal of quality, rather than quantity, of prosperity redefined as an abundance of connection rather than accumulation, in the direction of the limitlessness of our imaginations rather than our appetites. The Green Economy can be rich and full and delicious and fun, as long as we keep in mind the fact that we are, all of us, traveling on a great big Spaceship Earth that is subject to laws of nature that must be respected and obeyed. And finally it's in our hands, not to make "A GREEN ECONOMY" a long distant dream, which is based on "GREEN MARKETING".

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