
GREEN MARKETING: A MEANS FOR SUSTAINABLE DEVELOPMENT

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ABSTRACT

Marketers are continually trying to recognize the new opportunities and risks given by the marketing environment, while also understanding the significance of regularly monitoring and adjusting to it. Marketers must think imaginatively about how to meet the requirements of the global population while promoting sustainable development. Green Marketing has developed as a new idea to capitalize on growing opportunities and ensure a higher standard of living through sustainable development. Green marketing is a philosophy that is primarily concerned with sustainable development. Recognizing the importance of people's concern for a healthy environment to live in and their preference for environmentally friendly products and services to consume, marketers are now attempting to capitalize on this to ensure sustainable development and are incorporating these concepts into their strategy development. This document tries to explain the words and concepts of green marketing. The study attempts to illustrate why green marketing is critical in the current environment. This report attempts to describe the fundamental challenges linked with green marketing and propose solutions. This study also discusses current green marketing trends and how green marketing can be used to promote sustainable development.

INTRODUCTION

As society's concerns about the environment have grown, businesses have adapted their practices to accommodate these issues. Green Marketing is the outcome of these important considerations. Green Marketing originated in the late 1980s and early 1990s. The American Marketing Association (AMA) held the inaugural workshop on "Ecological Marketing" in 1975. The contents of this workshop resulted in one of the first green marketing books, "Ecological

Marketing". Two tangible milestones in green marketing occurred in the form of published books, both titled Green Marketing. They were published by Ken Peattie (1992) in the United Kingdom and Jacquelyn A. Ottoman (1993) in the United States. Green marketing has evolved progressively over time. According to Peattie (2001), the evolution of green marketing started with three long phases. The first stage was known as the ecological phase. During this time, all marketing actions were conducted in order to resist the ever-increasing environmental challenges and provide solutions to these problems. The second phase was dubbed the environmental phase because, following the environmental difficulties, the whole attention switched to the development of cleaner technologies. This period also resulted in the discovery or manufacture of items that would benefit the environment or, at the very least, not exacerbate existing issues. The final step is known as the sustainable phase of green marketing, and it is still in effect today. This period began in the late nineties and early twenties. Today, green marketing encompasses a wide range of actions, including product modifications, adjustments to the manufacturing process, packaging changes, and advertising modifications. Green marketing is also known as Ecological Marketing, Environmental Marketing, and Sustainable Marketing. Various scholars and institutions have characterized green marketing differently: The American Marketing Association (AMA) defines green marketing in three ways: First, green marketing refers to the promotion of products that are assumed to be ecologically safe. Second, Green promotion is the development and promotion of products that have a low negative impact on the physical environment or improve its quality (Social Marketing Definition). Third, Green Marketing refers to organization's attempts to make, promote, package, and reclaim products in a way that is environmentally aware or responsive. Green marketing, according to Charter (1992), is a holistic and responsible strategic management approach that identifies, predicts, fulfils, and fulfils stakeholder needs for a suitable return while having no negative impact on human or natural environmental well-being. According to Pride and Ferrell (1993), green marketing, also known as environmental marketing and sustainable marketing, is an organization's efforts to design, promote, price, and distribute environmentally friendly products. Polanski (1994) defines green marketing as all actions that produce and support any exchanges intended to meet human needs or wants in such a way that these needs and wants are met with minimal negative influence on the natural environment.

IMPORTANCE OF GREEN MARKETING

According to a report prepared for the G20 Summits in Mexico by the Organization for Economic Cooperation and Development (OECD), the World Bank, and the United States, without new policy action, greenhouse gas emissions are expected to increase by about 50% and urban air pollution will worsen significantly by 2050 (OECD, 2012). The environmental situation is anticipated to worsen in the coming years and decades. Despite varying reports and perspectives, most experts continue to forecast that the average temperature will rise by 1.8 to 4.0 degrees Celsius during the twenty-first century due entirely to the use of fossil fuels. By 2030, climate-change-related disasters are expected to cause 500,000 deaths and \$340 billion in damages, up from 315,000 and \$125 billion currently. Global water demand is expected to rise by 55% by

2050, with competition for water increasing. As a result, it is anticipated that by 2050, nearly 40% of the world's population would be living in places with severe water stress. Over the last 25 years, 60% of the world's major ecosystems have been damaged or used in unsustainable ways, including falling soil quality, land degradation, and deforestation. By 2050, global terrestrial biodiversity is expected to drop by another 10%. Productivity increases in agriculture have helped to reduce natural ecosystem loss in many countries, but poorly managed intensification has exacerbated agrochemical and water pollution, soil fatigue, and salinity (World Bank, 2012). Inaction on these environmental concerns has tremendous costs and implications, both economically and humanly, and may jeopardize future progress in economic development and poverty reduction (OECD, 2008). Future generations may be greatly disadvantaged, putting their entire well-being at risk. The main explanation for these serious challenges is based on the fundamental notion of economics. Economics is the study of how people use their finite resources to satisfy their unlimited desires (McTaggart, Findlay, and Parkin, 1992). Thus, mankind has limited resources on the planet with which to try to meet the world's insatiable desires (Polonsky, 1994). Individuals and organizations in countries with "freedom of choice" have typically embraced the right to try to have their wants met. As natural resources become scarcer, businesses must devise new or alternative ways to meet these insatiable demands. Recognizing this importance, Green Marketing has emerged as one of the primary business strategies for ensuring answers to resource-related concerns (sustainable development). Finally, green marketing examines how marketing operations use these limited resources while meeting the needs of consumers, both individuals and industries, and attaining the goals of the organization. Given these vital issues, governments are more concerned than ever before about environmental conservation. People all throughout the world are more concerned about sustainability than ever before. Various research by environmentalists show that individuals are getting more concerned about the environment and modifying their behavior patterns to be less hostile towards it. Green influences the lives of people all over the world. Businesses serve a wide range of stakeholders, including customers, investors, and employees; therefore, industry leaders who are aware of the new requirements are greening their products and processes. Companies can benefit by displaying a leadership and innovative image, as well as being socially and environmentally conscious. Influential customers prefer to do business with companies that have established their green credentials, so businesses are launching extensive advertising and web campaigns, publishing extensively documented sustainability reports, collaborating with external sources to communicate transparently, and communicating their efforts internally. We now notice that the majority of consumers, whether individual and industrial, are growing increasingly concerned about environmentally friendly items. According to a recent comprehensive global report by Global Industry Analysts, Inc. (GIA, 2011) on the green marketing market, driven by rising consumer, government, and business awareness of environmental issues, the global market for green marketing is expected to reach \$3.5 trillion by 2017. So, in this era where consumers determine a company's fate, green marketing provides a proactive method for these organizations to adapt to the market by offering eco-friendly products or services, or both, that eliminate or minimize any negative influence on the environment. Green marketing is becoming increasingly important as individuals and governments throughout the world become more concerned about

environmental issues. Given the importance of green marketing in our daily lives, we may conclude that green marketing has become unavoidable.

FUNDAMENTAL CHALLENGES IN GREEN MARKETING

There are numerous obstacles related with green marketing. The primary issues in green marketing are how to avoid green marketing myopia and greenwashing. Green marketing must meet two objectives: increased environmental quality and customer pleasure. The term "green marketing myopia" refers to misjudging or overemphasizing one over the other. Many green products have failed due to marketers' narrow focus on their product's "greenness" rather than meeting consumer expectations. Several products failed to achieve success because of green marketing myopia. Whirlpool introduced the "Energy Wise" refrigerator in 1994, the first to eliminate ozone-depleting chlorofluorocarbon (CFC) chemicals and outperform the US Department of Energy's maximum efficiency criteria by 30%. Whirlpool received the "Golden Carrot," a \$30 million package of consumer rebates from the Natural Resources Defense Council's Superefficient Refrigerator Program, which is funded by 24 electric companies. The CFC-free advantage and energy savings could not justify the \$100 to \$150 price increase for Energy Wise refrigerators, especially in non-rebate areas. Additionally, the refrigerators lacked desired features and styling. Ottoman suggests three crucial concepts for avoiding green marketing myopia. These three fundamental principles are: customer value positioning, consumer knowledge calibration, and product claim credibility. The first key premise, "Consumer Value Positioning," states that marketers should create environmental products that perform as well as (or better than) alternatives. Marketers should promote and supply the value that consumers want from environmental products, as well as target relevant consumer market segments. Marketers should widen mainstream appeal by incorporating consumer wanted value into environmental products. The second key principle, "Calibration of Customer Knowledge," states that marketers should educate consumers by using marketing messages that link environmental product attributes with desired consumer value (for example, "pesticide-free product is healthier"; "energy-efficient saves money"; or "solar power is convenient"). Marketers should position environmental product qualities as "solutions" to consumer needs (for instance, "rechargeable batteries offer longer performance"). To increase consumer interest in environmental products, marketers should create informative and engaging websites. For instance, Tide Coldwater's interactive website calculates potential annual savings based on laundry habits, utility source (gas or electricity), and zip code. The third important principle, "Credibility of Product Claims," explains that marketers should use environmental product and consumer benefit statements that are explicit, relevant, unpretentious, and qualified (when compared to similar alternatives or likely usage circumstances). Marketers should obtain product endorsements or eco-certifications from credible third parties, and then educate consumers on the significance of those endorsements and eco-certifications. To encourage consumer evangelism, marketers should provide compelling, interesting, and/or entertaining information about environmental products through social and Internet communication networks. For example, Tide's "Coldwater Challenge" Web site featured a map of the United States that

allowed visitors to track their personal influence spread when friends requested free samples. Another issue that is influencing green marketing is "greenwashing". Corporations are becoming more aware of the benefits of green marketing, albeit the distinction between doing so for personal gain and for social responsibility is sometimes blurred. The phrase "greenwashing" applies to all industries that perform ostensibly green deeds with the intention of increasing profits. The fundamental goal of greenwashing is to give consumers the impression that the organization is taking responsible actions to manage its environmental footprint. In actuality, the firm may be doing little to help the environment. The term "greenwashing" was coined by environmentalist Jay Westerveld in response to hoteliers' habit of hanging signs in hotel rooms asking guests to reuse towels to "save the environment". Westerveld stated that there was little evidence to imply that the hoteliers were interested in decreasing their environmental impact, and that their desire to wash fewer towels appeared to be motivated by price reductions rather than environmental concerns. Since then, greenwashing has been a prominent part of arguments about marketing communications and sustainability, with "awards" for greenwashing established as well as countless initiatives, laws, and recommendations designed to limit or curb it. These two issues should be addressed tastefully so that green marketing can gain its true meaning and achieve its true goals.

RECENT TRENDS IN GREEN MARKETING

All stakeholders who are directly or indirectly affected by a business's operations should be considered when developing an organization's goals and policies. This has already aided in the recent trend of firms "greening". Sofia Ribeiro, the creator and co-owner of Kiwano Marketing, describes green marketing trends. The following are some of the important conclusions from her research on a "Expert Green Marketing Study": Most Marketers Expect to Spend More on Green Marketing: More than 80% of respondents stated that they plan to spend more money on green marketing in the future. Among manufacturers, the figure is even higher. At least half, if not more, of respondents want to continue their internet marketing efforts in the future. Marketers Believe Green Marketing Is More Effective: Not less than 28% of marketers believe green marketing is more effective than other marketing messages, compared to 6% who believe it is ineffective. Management is even more hopeful, with 46% claiming that green marketing is more effective. Only 23% of those in operations believe that green marketing is more effective.

SMALLER FIRMS SPEND MORE:

Companies with lesser marketing budgets are more likely to spend on green marketing. Firms with a marketing budget of less than \$250,000 spend slightly more than 26% on green marketing, while firms with budgets greater than \$50 million spend only 6%.

INTERNET TOPS GREEN MARKETING MEDIA:

The Internet was the most popular channel for green marketing, with 74.2% of respondents spending money online, followed by print (49.8%), direct (40%), outdoor (7%), radio and TV (7%), and mobile (6%). Outdoor was employed by 29% of marketers with budgets ranging from \$10 million to \$50 million, and 25% of companies with budgets greater than \$50 million, compared to 7.3% of all marketers. Mobile was also a popular medium among marketers with the highest budgets: 14% of those with budgets ranging from \$10 million to \$50 million, and 16% with budgets greater than \$50 million, spent money on mobile, compared to 6% for all marketers. Green Marketing is More Effective Than Some Marketers Believe: Companies who employed the most trackable media reported that green marketing performed better than the average marketing message. 48% of respondents who included direct marketing in their media mix believed it was more or much more effective, similar to those who utilized the Internet (43%). In comparison, 25% of those who had used TV reported that it was more effective than the norm. Green marketing is more effective than people who cannot measure results may believe. Larger companies are more likely to target employees rather than customers. Companies with media budgets of more than \$10 million per year were more likely to target their own personnel. Indeed, customers were the most common green marketing objective for those companies, accounting for almost 70% of their efforts. Firms with budgets of less than \$250,000 were around 80% more likely to target customers directly, whereas only roughly half targeted their own employees. Marketers and Management Say Marketers Have Control; Opposition Says No. 50% of marketers claim total or consultative control over green marketing, while 57% of public relations professionals think they have influence over the sustainability program. Sales and operations, on the other hand, are skeptical that marketers have so much control over sustainability programs, with only 41% and 21% saying so, respectively. However, individuals in management tended to agree that marketers have 50% influence over the sustainability program. Companies Already Taking Active Steps to Become Green: In terms of actual green actions, over half of organizations said that they are consciously working to become greener. The most popular actions include energy conservation in operations (59%), and modifying products to reflect greener ideals (54%), which include changing ingredients, packaging, or intended usage. Think Green Marketing Is More Effective Than Larger Companies: Nearly half of respondents said their company's decision-makers hold green marketing in high esteem, while just 15% said they held it in poor regard. Companies with poor regard for green marketing tend to have bigger marketing budgets, particularly those with budgets ranging from \$10 million to \$50 million per year, where more than a quarter reported that their decision-makers held green marketing in low esteem. This suggests that smaller businesses may believe green marketing is more effective than larger enterprises.

GREEN MARKETING AND SUSTAINABLE DEVELOPMENT

Environmental restrictions constrain the economy and society. Our economic and social activities should be designed to maximize the use of natural resources while protecting the environment. All cultures around the world have taught us to appreciate our natural surroundings. Today, we use our natural resources to satisfy our greed rather than our needs. As a result, many social,

economic, and environmental issues have become deterrents to our way of life. These present issues can be addressed if we pursue sustainable growth. According to the "Report of the World Commission on Environment and Development (United Nations, 1987)," sustainable development can be defined as a pattern of resource use that aims to meet human needs while preserving the environment so that these needs can be met not only now, but in the future. Sustainable development is a type of development that seeks to promote long-term consumption and economic growth while also protecting the environment. Sustainable development is conceptually divided into three parts: environmental sustainability, sociopolitical sustainability, and economic sustainability. The concepts "sustainable development" and "sustainable consumption" are synonymous. Sustainable development is the preservation of economic, social, and environmental capital across time. Meanwhile, sustainable consumerism becomes the norm. Sustainable consumption is the use of resources in a way that minimizes environmental impact while promoting human well-being. A decade ago, the words "green marketing" or "green business strategy" conjured up images of fringe environmentalism and increasing the cost of existing standard items. Most industries believe that consumers are willing to acquire products at the most competitive costs and place no importance on environmentally friendly products. They believed that the drive to make the business environment greener and more responsible stemmed mostly from the government and its legislation, with consumers having no say. However, as the traditional picture of firms shifts, they have begun to notice changes in consumer beliefs and behavior. As a result, green marketing is becoming one of the important business strategies of firms in order to acquire a competitive edge, ensure sustainable consumption of their products in the marketplaces, and enjoy long-term development. Marketers must recognize that green marketing is not solely altruistic; it can also be a successful venture for sustainable development. Green marketing is an attempt to describe a product as environmentally friendly (eco-friendly). It believes that marketing, as a part of business, must not only please clients in particular, but also consider societal interests in general. Green Marketing can be thought of as both a marketing strategy and a philosophy. It is similar to industrial or service marketing in that it focuses on marketing green products and promoting them as green brands. Green marketing, as a philosophy, is similar to the societal marketing notion in that it believes that delighting customers is insufficient and that marketers should consider the ecological interests of society as a whole. Green marketing originated in societal marketing (Kotler, Keller, Koshy, & Jha, 2009). It is a component of corporate social responsibility (CSR). "Green marketing" is more than a buzzword; it is a marketing approach that can help you gain consumers and make more money. To ensure societal well-being, marketers should consider influencing consumer attitudes and companies' responsibility in environmental protection. Industries that practice Green Marketing can contribute to economic progress, social prosperity, and environmental conservation. They will help to resolve the conflict between the numerous conflicting goals and the simultaneous pursuit of economic prosperity, environmental quality, and social equality, which are the three dimensions of sustainability.

CONCLUSION

To ensure long-term success, marketers must address and implement answers to emerging environmental concerns. The necessity to incorporate economic and ecological considerations in decision making by implementing policies that preserve the quality of agricultural development and environmental protection is a recurring issue throughout the sustainable development approach. The end result of green marketing is environmental conservation for both current and future generations. Green marketing includes the creation of energy-efficient operations, better pollution controls, recyclable and biodegradable packaging, and ecologically safe products, all of which contribute to sustainable development. In this approach, green marketing contributes to the overarching goal of sustainable development. It refers to a medium to long-term policy strategy that recognizes and addresses potential poverty and resource scarcity gaps; provides opportunities for fostering alternative economic, production, and livelihood models; and intends to protect development and growth prospects, as well as the effects of environmental degradation. The key to successful green marketing is trustworthiness. Never exaggerate environmental claims or set excessive expectations, and always communicate clearly and through credible sources. Given recent trends in green marketing and its growing importance around the world, it can be argued that if sustainable development is a pressing need, green marketing can meet it and become a means of achieving it because green marketing incorporates people, profit, and the environment all at once.

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