

# Green Marketing Strategies for Sustainable Development

SHANIGARAM GANGADHAR

MCOM, TSSET  
FACULTY OF COMMERCE,  
R.K. DEGREE & P.G. COLLEGE,  
KAMAREDDY

## Abstract

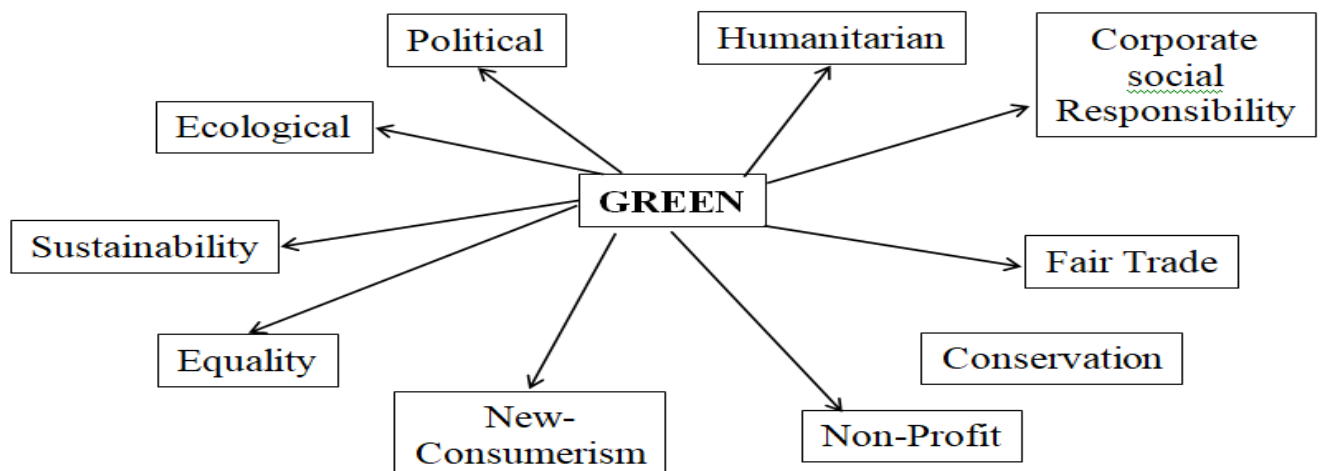
"Green Marketing" refers to holistic marketing concept where in the production, marketing consumption and disposal of products and services happen in a manner that is less detrimental to the environment with growing awareness about the implications of global warming, non-biodegradable solid waste, harmful impact of pollutants etc., both marketers and consumers are becoming increasingly sensitive to the need for switch in to green products and services. While the shift to "green" may appear to be expensive in the short term, it will definitely prove to be indispensable and advantageous, cost-wise too, in the long run. The paper examines the process and importance of green marketing. It also focused on various green marketing Strategies for sustainable development. To achieve the objectives of the study data has been collected from multiple sources of evidence, in addition to books, journals, websites. and news papers. This paper suggests that marketing through green marketing and -specifically green marketing strategies is addressing the challenge with positive outcomes of improved organizational performance, better physical environment which will lead to sustainable development.

**Keywords:** Green Marketing, Global Warming, Sustainable Development. Social acceptability, Green marketing strategies

## INTRODUCTION

Green marketing concept emerges from societal marketing (Kotler, 1999). Green marketing is an attempt to characterize a product as being environmental friendly (eco friendly). It holds the view that marketing which is a part of business not only has to satisfy customers in particular, but also has to take into account the interests of society in general. That is, all those who are affected by the activities of a business should be kept in mind when setting the objectives and the policies of an organization. This has already helped to increase the recent trend towards the "greening" of the companies. Green marketing consists of all activities designed to generate and facilitate any exchanges intended to satisfy human needs or wants, such that the satisfaction of these needs and wants occurs with minimal detrimental impact on the natural environment. It is sorry to say, a greater part of people believe that green marketing refers solely to the promotion or advertising of products with environmental characteristics. Terms like Phosphate Free, Recyclable, Refillable, Ozone Friendly, and Environmentally Friendly are some of the things consumers most often associate with green marketing. While these terms are green marketing claims, in general green marketing is a much broader concept, one that can be applied to consumer goods, industrial goods and even services.

Figure 1: Many Meanings of Green Ecological



Source: Peattie, K. (1995), Environmental Marketing Management, P.26

Figure 1: Many Meanings of Green Ecological

## IMPORTANCE OF GREEN MARKETING

Green marketing offers business bottom line incentives and top line growth possibilities. While modification of business or production processes may involve start-up costs, it will save money in the long term. For example the cost of installing solar energy is an investment in future energy cost savings. Companies that develop new and improved products and services with environmental impacts in mind give themselves access to new markets, substantially, increase profits and enjoy competitive advantages over those marketing non- environmentally responsible alternatives.

## GREEN MARKETING AND SUSTAINABLE DEVELOPMENT

According to the World Commission on Environmental Development (1978), Sustainable Development is "meeting the needs of the present without compromising the ability of the future generations to meet their own needs". The common theme throughout this strategy of sustainable development is the need to integrate economic and ecological considerations in decision making by making policies that conserve the quality of agricultural development and environmental protection. This is what the end product of green marketing is, environmental protection for the present and the future generation. The development of energy - efficient operations, better pollution controls, recyclable and biodegradable packaging, ecologically safe products are all part of green marketing which also leads to sustainable development.

## REVIEW OF PREVIOUS STUDIES

Anirban Sarkar (2012) made a study on Green Marketing and Sustainable development-Challenges and Opportunities. This study attempts to throw light on the conceptual issues associated with green marketing. The paper is concluded that green marketing should not be considered as just one more approach to marketing, but has to be pursued with much greater vigor, as it has an environmental and social dimension to it. With the threat of global warming looming large, it is extremely important that green marketing becomes the norm rather than an exception or just a fad. Recycling of paper, metals, plastics, etc., in a safe and environmentally harmless manner should become much more systematized and universal. It has to become the general norm to use energy-efficient lamps and other electrical goods. A study by Elham Rahbar (et al, 2011) proposes to determine the effect of green marketing tools on consumer's actual purchase behavior in case of Penang (Malaysia). A survey was carried out on 250 Chinese, Malay, Indian and other races that represent the Penang population. Factor analysis, Cronbach alpha and multiple regression were used to identify factors impact on Penang consumers actual purchase behavior. The result revealed that customer's trust in eco-label and eco-brand and their perception of eco-brand show positive and significant impact on their actual purchase behavior. Alsmadi (2007) investigating the environmental behaviour of Jordanian consumers reveals a high level of environmental conscience. Unfortunately however this positive tendency and preference in the "green" products does not appear to have any effect on the final decision, obviously because these consumers have a stronger faith in the traditional products and a small confidence in the green statements. The above obstacles are further strengthened by the lack of environmental conscience by a lot of enterprises and the existence of a large scale of prices for the same product, many of which included an impetuous estimate of environmental responsibility. The same phenomenon has been presented in other researches too (Ottman, 2004; Donaldson, 2005; Cleveland et al, 2005). Sanjay K. Jain & Gurmeet Kaur (2004) in their study environmentalism has fast emerged as a worldwide phenomenon. Business firms too have risen to the occasion and have started responding to environmental challenges by practicing green marketing strategies. Green consumerism has played a catalytic role in ushering corporate environmentalism and making business firms green marketing oriented. Based on the data collected through a field survey, the paper makes an assessment of the extent of environmental awareness, attitudes and behavior prevalent among consumers in India.

## RESEARCH METHODOLOGY

The current research paper is a conceptual study in to green marketing. Therefore the researcher adopted a qualitative research strategy. According to (Ader et al., 2008), there are no independent or dependant variables involved in a qualitative study as a qualitative strategy is not experimental in nature. (Saunders, M, et.al 2003), states that when it comes to conceptual research, it is important to review previously done researches on the same subject matter. A qualitative approach allows for an elastic process during which changes can be made and incorporated into the research.

## OBJECTIVES OF THE STUDY

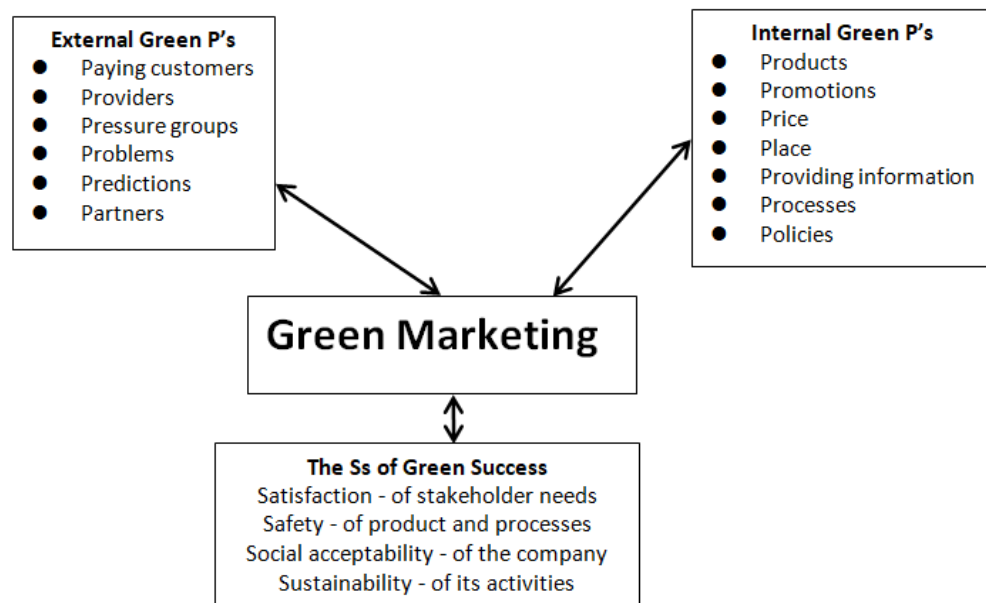
- To study the process of green marketing.
- To examine the green Marketing Strategies for sustainable development and benefits associated with green marketing.

## GREEN MARKETING PROCESS

Green marketing process comprises with external and internal Ps. After integrating external and internal Ps, green success will automatically come through four Ss. Here external 7 Ps consists of Paying customers, Providers, Politicians, Pressure groups, Problems, Predictions and Partners; internal 7Ps consists of Products, Promotion, Price, Place, Providing information, Processes

and Policies. After integrating external and internal 7Ps, we can find out the green successes through 4 Ss such as Satisfaction - of stakeholder needs, Safety of products and processes, Social acceptability of the company and Sustainability of its activities.

**Figure 2: The Green Marketing Process**



## GREEN MARKETING STRATEGIES FOR SUSTAINABLE DEVELOPMENT

Green marketing strategies that have been or can be used by organizations to solve environmental concerns facing the world today of pollution, acid precipitation, threat to earth ozone layer, accumulation of greenhouses gases, deserts consuming agricultural land, fast depletion of vital habitual resources, the disappearance of rain forests and loss of species with an aim of achieving sustainable development (Chandler, 1990). The challenge of achieving sustainability over the next few decades according to some experts requires a radical change in entire production and consumption in industrial societies (Ottman, 1997). Academicians and practitioners have suggested green marketing strategies to deal with the challenge of sustainability.

### Green marketing mix based strategies

Green marketing mix strategies include developing green-based products, green logistics, green promotion, green pricing and green consumption. The general strategies are not limited to marketing discipline but may be used by marketing as well as other functional areas of organization in dealing with problem of sustainability. They include adoption of eco-marketing orientation as a business philosophy, government intervention, undertaking life-cycle analysis and teaming up for success (Polonsky et al. 1997; Ottman, 1997; Willum, 1998).

### Green based product strategies

The activities associated with sustainable development may be construed by business either as a potential threat or as an opportunity. Green products represent a substantial product opportunity, the opening of a provocative strategic window (Polonsky et al, 1997). Green products are typically durable, non-toxic, made from recycled materials, or minimally packaged (Ottman, 1997). Green based product strategies comprise any or a combination of recycling, reduction of packaging materials, reconsumption, dematerializing the products; using sustainable source of raw materials, making more durable products; designing products that are repairable, making products that are safe for disposal, making products and packaging's that are compostable, and making products that are safer or more leasant to use (Bhat, 1993; Ashley, 1993; Polonsky et al, 1997; Ottman, 1998 and Charter et al, 1999).

### Green Logistics strategies

The most common form of greening logistics is reverse channel system. Reverse channel systems deal with the issue of post-consumer recycling. The term recycle mean to extract and reuse useful substances found in waste? (American Heritage Dictionary, 1985) while the traditional approach to product disposal can be described as linear in which waste materials are indiscriminately dumped (Neace, 1990 as quoted by Fuller, 1997).

The definition of recycle clearly demonstrates that the goal is to reverse this result by achieving a circular flow that effects a reintegration of materials with markets (Fuller et al, 1997). The reverse channel systems possess the following characteristics. Firstly, the consumer becomes the seller and manufacturer the buyer (Zikmund and Stanton, 1971 as quoted by Fuller, 1997). Secondly, they emphasize on the function of sorting and accumulation (Fuller, 1997). Thirdly, the recyclable materials can flow backwards through reverse channels to any of three generalized industrial markets: (1) original manufacturer, (2) firms in the raw materials producing industry; or (3) other industries that can use recyclables as virgin material substitutes (Guibinah and Nwokoye, 1974 as quoted by Fuller, 1997), and finally the consumers (sellers) tend to play a more passive role rather than proactive role of the typical seller in conventional channel (Ginter and Starling, 1978 as quoted by Fuller, 1997).

The modified reverse channel system proposes that consumer waste sources are individual consumers and households. The remaining recyclable materials after individual consumers/ household own consumption moves through Jua kali\* artisans or micro enterprises, manufacturer own system, local authorities, agents/wholesalers and street "children" to industrial user markets: original manufacturers, firm in raw materials industries and micro enterprises. Table 3 shows the functions performed by consumer waste sources, reverse channel types and industrial user market (Fuller, 1997). Other components of green logistics strategies include reduction of packaging material to directly or indirectly lower distribution costs, use of integrated transportation systems and the Internet. However, more emphasis has been given to reverse channel systems (Willums, 1998; Polonsky, 2001).

**Table: Functions of channel members of reverse channel systems**

Channel members	Functions
Consumer waste sources individual households	Collection and sorting
Reverse channel types	Collection, processing, accumulation and transportation
Industrial user market	Reintegration into production consumption cycle.

\*Jua kali literally means "harsh sun " and is a Kiswahili word for micro enterprises it is a common terminology for Kenya informal sector.

### Green pricing strategies

Many consumers assume that green products are often priced higher than conventional products (Peattic, 1999; Polonsky, 2001). While their assumption may be true Peattic (1999) argues that these products are not unusually expensive, but the conventional products are unrealistically cheap because they exclude socio-environmental costs of production, product use and disposal. He suggests that one way to deal with the high price controversy is to ask the consumer "whether they want to continue buying inexpensive products that damage the environment?" The implication of the above is that consumers need more information on benefits of green products in order to judge their value more objectively.

### Green promotion strategies

Green promotion is an activity of promoting products as having characteristics that do not harm the natural environment (Polonsky et al, 1997). According to Benerjee et al (1995) it should meet one or more of the following criteria:

- i) Explicitly or implicitly addresses the relation between a product/service and the bio-physical environment.
- ii) Promotes a green lifestyle with or without highlighting a product/service.
- iii) Presents a corporate image of environmental responsibility.

According to Scholossberg (1993) as quoted by Polonsky (1997), green promotion helps consumers to overcome the "greatest environmental hazard", that is, the lack of environmental information. Scholossberg sentiments are shared by Ottman (1997) and Zint and Frederick (2001) who argue that green companies should not assume that consumers are knowledgeable about environmental issues or actions they engage in.

To lessen the gap on environmental information through promotion Ottman (1997) has suggested several green promotion strategies. Thus the green companies should:

- i. Educate consumers on the environmental problems that a green product solves.
- ii. Empower consumers with solutions by demonstrating to consumers how environmentally sound products and services can help consumers protect health, preserve the environment for future generations.
- iii. Provide performance reassurance of green-based products, as many consumers perceive them to be inferior to conventional products.

iv. Consider a suitable mix of media. For instance environmental consumers are more receptive to messages conveyed through direct marketing, community programs, public relations and packaging and

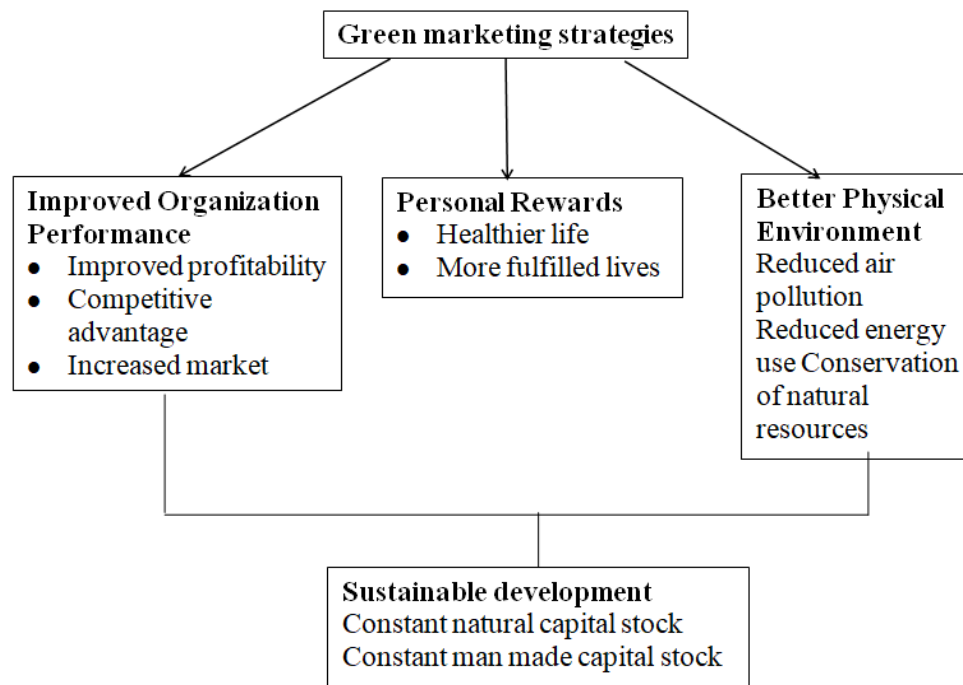
v. Appeal to consumer self-interest by bringing out the benefits of green products to both actual consumers and potential consumers.

Change of consumer behaviour from consumption culture to ecologically concerned consumers or encourage green consumption. It is the task of the marketer to redirect the needs of This redirection can be the consumer towards consumption that is ecologically least harmful. This redirection achieved through market research, and promotion. According to Our Common Future, a publication of World Commission for Environment and Development (WCED) (1987), sustainable development requires the promotion of values that encourage consumption standards that are within the bounds of the ecological environment. The fact that marketing during the past few decades has been so successful in increasing societal consumption and in meeting human needs, make us confident that it will also be successful in redirecting consumption (Polonsky et al. 1997).

## BENEFITS OF USING GREEN MARKETING

Environmental concerns present both challenges and opportunities. Enlightened Chief Executive Officers have taken advantage of opportunities by using green marketing strategies which has resulted in various benefits (Ottman, 1997):

**Fig 5: Benefits accruing from Green marketing strategies**



## CONCLUSIONS

Green marketing is a tool for protecting the environment for the future generation. it has a positive impact on environmental safety. Because of the growing concern of environmental protection, there is an emergence of a new market which is the green market. Now this is the right time to select Green marketing globally. It will come with drastic change in the world of business if all nations will make strict roles because green marketing is essential to save world from pollution. The paper further suggests that marketing through green marketing and specifically green marketing strategies is addressing the challenge with positive outcomes of improved organizational performance, better physical environment which will lead to sustainable development.

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