

Importance of Green marketing and its SWOT analysis in today's Indian marketing environment

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ABSTRACT- Green Marketing is the marketing of products and services based on environmental factors or awareness. Green Marketing companies seek to go above and beyond traditional marketing by promoting environmental core values in the hope that, consumers will associate these values with their company or brand. Engaging in these sustainable activities can lead to creating a new product line that caters to a new target market. Green marketing is one of the popular and upcoming phenomenon which has particularly developed in modern market. The paper tries to highlight the challenges and business opportunities in the area of green marketing and effort is taken by researcher to do SWOT analysis of green marketing in an Indian context.

Keywords- Green Marketing, SWOT analysis, Environmental products.

I. INTRODUCTION

The "Environment" defined as that whole outer physical and biological system in which man and other organisms live is a whole, albeit a complicated one with many interacting components. The wise management of that environment depends upon and understanding of those components. It depends positive and realistic planning that balances human needs against the potential environment has for meeting them. Environment is a matter of concern for each and every country as well as individual as negative impact of human activities over environment is causing a lot of damage to the environment which is of every bodies concern. In today's pandemic environment people become more concerned with the normal environment. Accepting the societies new concerns business houses have began to modify their individual behavior and have incorporated environmental issues in to business activities.

What is Green Marketing?

According to the American Marketing Association, green marketing is the marketing of

products that are presumed to be environmentally safe. Green marketing is typically practiced by companies that are committed to sustainable development to development and corporate social responsibility. More organizations are making an effort to implement sustainable business practices. They recognize they can make their products more attractive to consumers, while also reducing expenses in packaging, transportation, energy and water usage, and more. Furthermore, businesses are increasingly discovering that demonstrating a high level of social responsibility can increase brand loyalty among socially conscious consumers. The key barrier to sustainable business practices, such as green procurement, is the short-term cost. Going green will typically cost more upfront, but generate great rewards in the long run

Evolution of Green Marketing

The term Green Marketing came into prominence in the late 1980s and early 1990s¹ The American Marketing Association (AMA) held the first workshop on "Ecological Marketing" in 1975. The proceedings of this workshop resulted in one of the first books on green marketing entitled "Ecological Marketing".

The Corporate Social Responsibility (CSR) Reports started with the ice cream seller Ben & Jerry's where the financial report was supplemented by a greater view on the company's environmental impact. In 1987 a document prepared by the World Commission on Environment and Development defined sustainable development as meeting "the needs of the present without compromising the ability of future generations to meet their own need", this became known as the Brundtland Report and was another step towards widespread thinking on sustainability in everyday activity. Two tangible milestones for the first wave of green marketing came in the form of published books: Green Marketing by Ken Peattie (1992) in the United Kingdom and Green Marketing: Challenges & Opportunities for the New Marketing Age by Ottman (1993) in the

United States of America. According to Jacquelyn Ottoman, (author of "The New Rules of Green Marketing: Strategies, Tools, and Inspiration for Sustainable Branding" (Greenleaf Publishing and Berrett-Koehler Publishers, February 2011)) from an organizational standpoint, environmental considerations should be integrated into all aspects of marketing new product development and communications and all points in between. The holistic nature of green also suggests that besides suppliers and retailers new stakeholders be enlisted, including educators, members of the community, regulators, and NGOs. Environmental should be balanced with primary customer needs

The "Green Consumerism" movements in the U.S. and other countries have struggled to reach critical mass and influence. However, public opinion polls taken since the late 1980s have shown consistently that a significant percentage of consumers in the U.S. and elsewhere profess a strong willingness to favor environmentally conscious products and companies. One of green marketing's challenges is the lack of standards or public consensus about what constitutes "green," according to Joel Makeover a writer on green marketing This lack of consensus—by consumers, marketers, activists, regulators, and influential people—has slowed the growth of green products, says Makeover, because companies are often reluctant to promote their green attributes, and consumers are often skeptical about claims

Despite these challenges, green marketing has continued to gain adherents, particularly in light of growing global concern about climate change. This concern has led more companies to advertise their commitment to reduce their climate impacts, and the effect this is having on their products and services.

Review of Literature

Green marketing came into prominence in the late 1980s and early 1990s. The first book titled Ecological Marketing was the outcome of first workshop on "Ecological Marketing", held by American Marketing Association (AMA) in 1975. Green marketing acquired an eminent status since early 1990s. There has been occurring about green consumers and green consumerism in 1970s and 1980s. Henion and Kinnear (1976) defined green consumers as environmentally conscious consumers while Antil (1984) described green consumerism as a specific type of socially conscious consumer behavior with prime focus on protection of environment. Green consumerism was described as a form of "pro-social" consumer behavior (Weiner and Doescher, 1991). Michael

Polonsky (1994) defined "green marketing" as the marketing that 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. Various studies support the assertion that consumers today prefer environmentally safe products and have a positive disposition towards companies following such practices. A strong willingness is shown by consumers to favor environmentally conscious products and companies as per various opinion polls taken in US and elsewhere, however action to do so in reality are debatable (Mendleson N, Polonsky M J, 1995). In spite of huge interest in green marketing by researchers and organizations, demand of green products is not as high as expected. Mintel (1995) found a significant gap between consumers concern and actual green purchasing. It is found that still there are considerable barriers towards the diffusion of more ecologically oriented consumption.

Jacquelyn Ottman, (1998) suggests that from an organizational standpoint, all aspects of marketing including new product development and communications should be integrated with environmental considerations. This holistic view of Green Marketing suggests that not only the suppliers and retailers, but the new stakeholders including educators, community members, regulators, and NGOs should also be taken into purview. Environmental issues should not be compromised to satisfy primary customer needs. Organization operating green practices in their processes and products is considered as environmentally friendly by the consumers and they prefer to purchase the products of the organization that are marketing themselves as green organizations. It has been always believed that the actions of individuals can be predicted by their attitudes. Number of studies has been made towards improving the ability to predict an individual's actions. Davidson et al. (1985) found that the consumers' attitude is associated with the knowledge and personal experience they possess. However inconsistencies were found among the relationship between consumers' attitude and their behavior when it comes to green consumerism. Mainieri et al. (1997) found low correlation between consumers' attitude and green behavior. Previous researches also proved low correlation between consumers' attitudes and their green behavior (Tracy and Oskamp, 1984). Spruyt et al. (2007) suggested that the prediction of individual's behavior is dependent on the attitude of the

consumer. In order to predict specific behaviors, the measurement criteria of attitudes should be directed at a specific environmental issue like purchasing of green products (Gadenne et al, 2011; Wulf and Schroder, 2003). Green Gauge Study of Roper Organization (stated by Crispell, 2001) classified the American consumers into True-Blue Greens, Greenback Greens, Sprouts, Grouzers and Basic Browns. True-Blue Greens are the consumers who buy only green products and trying to make up for the deficits, Greenback Greens are the consumers willing to expend money towards protection of natural environment but don't have time and energy for environmental activities, Sprouts are the consumers who can buy green products but are not involved in environmental activities, Grouzers are the consumers who cares about the protection of environment but make excuses for adapting green products, and Basic Browns are the consumers who don't care about the environment protection and are not even ashamed of it

Objectives of the Study

- To understand about green marketing.
- To do a SWOT analysis on Green Marketing in India.
- Green marketing and its future prospectus.
- To study the challenges faced by Green marketers in India.
- To study the present scenario and potential of green marketing in India.

Research Methodology.

The research is exploratory in nature and it highlight the challenges and business opportunities in the area of green marketing and effort is taken by researcher to do SWOT analysis of green marketing in an Indian context on the basis of secondary data collected from various news papers, journals , websites and other reliable sources.

SIGNIFICANCE OF GREEN MARKETING

Economies across the globe are experiencing a new high with changes in the technological, legal and cultural environment. Countries like India are seeing new hopes with multinational companies coming into India, thereby improving the economic stature of a middle class Indian. The Economic growth has bought with it several other challenges like sustaining this economic growth amidst the serious consequences these technologies are having on the environment. Sustainable economy would be a long term reality for the coming generations if every organization

adopted the concept of sustainable development in their agendas. Sustainability means satisfying the needs of the present without compromising the ability of future generations to meet their own needs. Sustainable development focuses on improving the quality of life for all of the Earth's citizens through conservative usage of natural resources. So companies are integrating sustainability with economic development, environment protection and corporate social responsibility (CSR). Concepts like green technologies, green CSR and green marketing are gaining importance in today's business environment.

Marketing people generally take strategic decision for business development responsibility and business growth responsibility but green marketing mainly exercise on environmental concerns and follows the concept of social marketing where the main motive to aware and promote social goals of an individual as well society. There are several factors which prompt us to use "eco-and earth friendly products". Green consumers prefer products made from recycled material or products whose use entails reduced environmental impact but the concept of pricing make it more crucial because of premium pricing policy. In spite of several "if "And "but" acceptability and adaptability for such product is increasing day by day Health friendly for human beings and animals

- People using green products are more confident because they are reducing the chances to harm themselves.
- People are not spending money on green products rather they are investing on health and these expensive products will pay them in long-run.
- Using green products in household also educates the society, family members and other about the issues related to health.
- People can keep them away from the hazards of chemicals and toxins.
- Green products are basically based on the concept "reuse, reduce and recycle.
- Helps in reducing pollution, decreasing the destruction of forest and helps in nurturing the eco-system in a desired way.
- It saves money in long run, though initially the cost is more.

MAIN REASONS FOR ADOPTING THE CONCEPT OF GREEN MARKETING BY INDIAN FIRMS.

- **GOVERNMENTAL PRESSURE-** Overall governments want to "protect" consumers and marketers both. For the same, Governmental regulations relating to environmental marketing are designed to protect overall environment in several ways 1) Reduction in the production of harmful goods or by-products. 2) Modification in consumer and industry's use and/or consumption of harmful goods. 3) Ensuring that all types of consumers have the ability to evaluate the environmental composition of goods. Many by-products of production are controlled through the issuing of various environmental licenses. In some cases governments try to "induce" final consumers to become more responsible. For example, some governments have introduced voluntary curb-side recycling programs, making it easier for consumers to act responsibly. In other cases governments tax individuals who act in an irresponsible fashion. For example in Australia there is a higher gas tax associated with leaded petrol.
- **CORPORATE SOCIAL RESPONSIBILITY AND GREEN MARKETING-:** CSR is a highly popularized agenda in today's competitive scenario. Not only big companies like Tata, Birla, Reliance are associated for the social good in their operations rather every well established company is trying their best for the development of society and for the betterment of social set up, CSR is "doing social good" concept based. CSR always ensures the safety of the consumer which has a similar motive of using green product. CSR always take precautionary step to all the environmental changes and also promote socio-economic rights of the consumers. Implementation and enforcement of adopting the green concept is speeding up day by day and also the Indian government is installing economic stimulation to adopt environmental friendly measures.

Green Marketing Mix.

Price-Price of green products may be a little higher than other products, because of higher quality of ingredients. **Product:** The ecological objectives in planning products are to reduce resource consumption and pollution and to increase effective utilization of scarce resources.

Promotion- A communication with the market should put stress on environmental aspects.

Place-The choice of where and when to make a product available will have significant impact on the customers. Very few customers will go out of their way to buy green products

Green Companies of India

With India making rapid progress in the field of industrialization, concerns have also been made by various sections of environmentalists regarding the repercussions on the environment. The companies themselves are now more aware about the ways in which their factories often affect the ecosystem and have taken a greener path to success.

1. **LG:** LG India has been a pioneer in making electronic gadgets that are eco-friendly. Recently, it has launched a LED E60 and E90 series monitor for the Indian market. Its USP is that it consumes 40% less energy than conventional LED monitors. Also, they hardly used halogen or mercury, trying to keep down the use of hazardous materials in their products.
2. **HCL:** HCL is another brand that is trying to introduce eco-friendly products in the market and it has recently launched the HCL ME 40 notebooks. These notebooks do not use any polyvinyl chloride (PVC) material or other harmful chemicals and the Bureau of Energy Efficiency already given it a five star rating.
3. **Haier:** Eco branding is a part of Haier's new green initiative and they have launched the Eco Life Series. They have semi automatic and automatic refrigerators and washing machines, split and window air conditioners and a lot more.
4. **Samsung:** Samsung India has always had a roaring range of LED TV screens and now they have come up with eco-friendly LED backlight. They use 40% less electricity and have also no harmful chemicals like mercury and lead.
5. **Tata Consultancy Services:** TCS has a globally recognized Sustainability practice and has already topped the Newsweek's top World's Greenest Company title. It also has a global green score of 80.4% and this has mainly happened due to their initiative of creating technology for agricultural and community benefits.
6. **Oil and Natural Gas Company:** ONGC, India's largest oil producer is all set to change the way with the invention of green crematoriums that would serve as a perfect replacement for the funeral pyres that emit so much smoke and uses up excess oxygen.
7. **IndusInd Bank:** One of the first banks in India to discourage the use of paper for the counterfoils in ATMs, and sending electronic messages, it has contributed a lot towards saving paper and reducing deforestation.

8. **ITC:** ITC has adopted a Low Carbon Growth Path and a Cleaner Environment Approach and has already introduced ozone treated elemental chlorine free bleaching technology that has improved the lives of millions worldwide.
9. **Wipro:** Wipro, has not only helped in the creation of technology that helps in saving energy and preventing wastes, but its corporate headquarters in Pune is the most eco friendly building in this sector all over India.
10. **MRF Tires:** MRF has launched the ZSLK series and this is all about creating eco-friendly tubeless tyres made from unique silica-based rubber and also offers extra fuel efficiency to those who drive their vehicles.

SWOT Analysis- (Strength Weakness Opportunity Threats) of Green Marketing in Indian context.

Get access to new markets Customers give more preference to their personal needs than environment Increase in the demand for eco-friendly products Uncertainty as to the environmental impact of present activities. Gain an advantage over competitor and builds brand equity and wins brand loyalty Green labeling as becoming a marketing gimmick Companies can improve their social awareness Uncertainty which green marketing activities are acceptable from a government perspective. Can charge a premium on more eco- responsible products Overemphasizing greenness rather than customer needs can prove devastating for a product. Others are forced to move on eco-friendly products Possibility of a backlash from consumers or government based on existing green marketing.

Strength

- Green marketing is one of the factor which builds brand equity and help to boost brand loyalty amongst customers.
- Company can charge a premium on products that are seen as eco responsible.
- Green marketing is an important element to gain an advantage over competitors.

Weaknesses

- There is possibility that the customers keep away green labeled products as a marketing trick.
- Too much focus on green market rather than customer needs can harmful for product.
- Most of the customers choose to satisfy their personal needs than caring for environment.
- It will take more time and energy for inculcating habits amongst consumers to buy only green.

Opportunities

- Green marketing is important segment of marketing due to efforts taken by companies, it

helps to create positive attitude to create change amongst consumers that's why consumers demand is increased towards environmentally aware products.

- Companies perceive green marketing to be a competitive advantage relative to the competitors.

Threats

- Uncertainty as to the environment impact of present activities including that is perceived to be less environmentally harmful.
- It is one of the uncertainties as to which green marketing activity is applicable as per government perspective.
- Green marketing have to strive in convincing the stakeholders and many times it may fail to convince them about the long term benefits of green marketing as compared to short term expenses.
- Indian population that is rural and urban is become more aware about importance of green products.
- Challenges in Green Marketing.
- Avoiding Green Myopia- The first rule of green marketing is focusing on customer benefits. It is not going to help if a product is developed which is absolutely green in various aspects but does not pass the customer satisfaction criteria. This will lead to green myopia
- Patience and Perseverance- The investors and corporate need to view the environment as a major long-term investment opportunity, the marketers need to look at the long-term benefits from this new green movement. Since it is a new concept and idea, it will have its own acceptance period.

II. FINDINGS AND SUGGESTION.

The most interesting findings are Adoption of Green marketing may not be easy in the short run, but in the long run it will definitely have a positive impact on the firm. Green Marketing is still in the stage of childhood in the Indian companies. Lots of opportunities are available. 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 rules because green marketing is essential to save world from pollution.

III. CONCLUSION

Pollution of environment is in one sense, a commonly occurring phenomenon. Pollution refers to the contamination of our living environment e.g. air, water and earth. The concern for the human and

natural environment has been growing now days. People become aware of damage to wild life and their habitat, resulting from human activities. It is one of the attempts to prevent the various types of environmental pollution. It is one type of social drive which creates awareness about the environment among the masses of the society. The responsibility for environment protection falls equally on individuals as well as on communities and organizations. Green marketing is one type of social activity for preservation of natural resources. It creates awareness about the environment in the society as well as creates ecological friendly atmosphere in the society.

Green marketing should not neglect because it has positive impacts not only on environment but on consumers, general public and economies as well. This paper helps us to know the various practices made by companies for promoting green environment so that more and more companies need to emerge green marketing in order to provide healthy environment.”

New Concept Indian literate and urban consumer is getting more aware about the merits of Green products. But it is still a new concept for the masses. The consumer needs to be educated and made aware of the environmental threats.

Need for Standardization- There is no standardization currently in place to certify a product as organic. Unless some regulatory bodies are involved in providing the certifications there will not be any verifiable means. A standard quality control board needs to be in place for such labeling and licensing.

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