

## STRATEGIC GREEN MARKETING NEED OF THE HOUR

Dr. A. MUTHUSAMY\*

### ABSTRACT:

Now-a-days Corporate Houses are becoming more concern about their social responsibilities. They have taken social responsibilities as a good strategic move to build up an image in the heart of consumers. Now marketers utilize the resources efficiently without waste as well as to achieve the organization's objectives. Green marketing should not neglect the economic aspect of marketing. Marketers and consumers need to understand the implications of green marketing. This is an opportunity to enhance the product's performance and strengthen the customer's loyalty and command a higher price. Green marketing is still in its infancy and a lot of research is to be done on green marketing to fully explore its potential. There is growing interest among the manufacturers and consumers all over the world regarding protection of environment through green products. Worldwide evidence indicates that people are concerned about the environment protection and are changing their buying behavior. Green marketing is a strategy to build up its image rather than inculcate it as a part of policy and work silence. Companies that develop new and improved products and services with environment inputs in mind give themselves access to new markets, increase their profit sustainability, and enjoy a competitive advantage over the companies which are not concerned for the environment. This paper attempt to highlights concept of green-marketing, importance of green marketing; examine some reasons that make the Corporate Houses interested to adopt green marketing; it also highlights some problems that organization may face to implement green marketing.

\* Department of International Business and Commerce, Assistant professor, Alagappa University, Karaikudi. TAMILNADU.

## **INTRODUCTION:**

Environmental issues have gained importance in business as well as in public life throughout the world. It is not like that a few leaders of different countries or few big renowned business houses are concerned about the day to day deterioration of oxygen level in our atmosphere but every common citizen of our country and the world is concerned about this common threat of global warming. Corporate houses has taken green-marketing as a part of their strategy to promote products by employing environmental claims either about their attributes or about the systems, policies and processes of the firms that manufacture or sell them. Clearly green marketing is part and parcel of overall corporate strategy; along with manipulating the traditional marketing mix (product, price, promotion and place. Green or environmental market consists of all activities, designed to generate and facilitate any exchange indented to satisfy human needs and wants, such that the satisfaction of these needs and wants occur with minimum detrimental impact on the natural environment. Green marketing as the application of marketing tools to facilitate exchanges that satisfy organizational and individual goals in such a way that the preservation, protection and conservation of the physical environment is upheld to generate and facilitate satisfy organizational and individual goals.

## **NEED FOR GREEN MARKETING:**

The industrial houses have recognized that the entire system of production and consumption determines environmental quality. Environmental impacts are a function of the way services are provided and the way goods are produced, delivered, used and disposed off. Production and consumption are considered together because gains made by controlling, reducing or minimizing pollution from production can be soon overshadowed by the impacts from concurrent increases in the scale of demand for those services and goods from growing consumer base.

Green marketing encompasses a broad range of activities which including product modification, change to production process, packaging change as well as modifying advertising. So in this era where consumers determine the fate of a company, green marketing imparts a proactive strategy for

these companies to cater the market by imparting nature- friendly products/ services which otherwise reduce or minimize any detrimental impact on environment.

A green- marketing approach in the product area promotes the integration of environmental issues into all aspects of the corporate activities; from strategy formulation, planning, re-engineering in production process and dealing with consumers. So to remain competitive within the challenge thrown by the environment protectionists, the corporate will have to find answer through their marketing strategies, product and service redesign, customer handling etc. in this endeavor the corporate may go for new technologies for handling waste, sewage and air pollution; it can go for product standardization to ensure environmentally safe products; by providing truly natural products. In this regard the companies should be concerned with what happens to a product during and after its useful life. Companies may manifest this concern through experimentation with ways to reassess and redesign the product life stages. Life cycle reassessment focuses on environmental consideration in product development and design, including energy and material inputs and out-puts in production, consumption and disposal of products.

Companies that develop new and improved products and services with environment inputs in mind give themselves access to new markets, increase their profit sustainability, and enjoy a competitive advantage over the companies which are not concerned for the environment.

### **THE LIFE STAGE OF PRODUCT:**

**Stage - I: Development stage:** The manufacturers at the time of acquisition of raw materials, component parts, and subassemblies. The alternative approach advocated encouraging manufacturer to check the environmental programs of suppliers, to require minimal packaging of inputs, and to consider sources of materials that could be easily replenished or are recyclable.

**Stage - II: Production stage:** Corporate encourage to reduce emission, toxicity and waste, and to conserve water and energy. They are also encourage to seek and develop alternative uses



for waste products, to revise the manufacturing process, to minimize waste generation, to minimize energy use or to attempt to find alternative sources of energy.

**Stage - III: Consumption stage:** Companies encourage minimization of packaging, conservation of energy and minimization of waste from product maintenance and. service are strongly urged

**Stage - IV Disposal:** Green marketing introduced the concepts of reuse, recyclability and waste reduction.

**GREEN PRODUCTS AND USES:**

The following are the green products such as Hand Made paper, paper products, Eco friendly paints, Solar products, Handicraft products, Electronic products manufactured by leading companies such as HLL, ITC, NIKE, COCO-COLA, WIRLPOOL etc.

PRODUCT CATEGORY	CONSUMER BENEFITS
CFL Light Bulbs	Save money and last longer period
Solar Cars	Quid ride, Fewer fill-ups status
Natural Cleaners	Safety, Peace of mind
Organic Produce	Safety, Better taste
Recycled Paper	Save money and environment
Solar Powered Cell phones	Extended use

**PROBLEMS FACED BY THE GREEN MARKETERS:**

1. The state government and central government not clearly state environmental benefits given to the green products manufactures.

2. The government not educates the environmental characteristics such as cost benefit and need for environmental protection.
3. The exporters not aware about tax benefits provide by the government at the time of export of green products.
4. Green products manufacturers' perceptions about the marketing of products some time not correct.
5. Another problem the firm may face is that, those who modify their products due to increase customers concern must aware about the fact that customer's perceptions are some time not correct.
6. Requires a technology, which requires huge investment in R & D
7. Water treatment technology, which is too costly
8. Majority of the people are not aware of green products and their uses
9. Majority of the consumers are not willing to pay a premium for green products
10. Green products require renewable and recyclable material, which is costly

### **CHALLENGE OF GREEN MARKETING:**

Challenge of green marketing is to meet the unlimited wants of consumers within the constraint of limited resources by introducing modern management tools like TQM, 6-Sigma, 4Rs (Reduce, Reuse, Recycle, Recovery) principles in production processes of companies.

Greening strategy pertains to products in the following ways:

#### **SIX Rs**

- (i) **Repair** – extend the life of a product by repairing its parts;
- (ii) **Recondition** – extend the life of a product by significantly overhauling it;
- (iii) **Remanufacture** – the new product is based on old ones;
- (iv) **Reuse** – design a product so that it can be used multiple times;
- (v) **Recycle** – products can be reprocessed and converted into raw material to be used in another or the same product – and
- (vi) **Reduce** – even though

the product uses less raw material or generates less disposable waste, it delivers benefits comparable to its former version or to competing products.

### **ADOPTION OF GREEN MARKETING:**

There are basically five reasons for which a marketer should go for the adoption of green marketing. They are -

- Opportunities or competitive advantage
- Corporate social responsibilities (CSR)
- Government pressure
- Competitive pressure
- Cost or profit issues

### **GREEN MARKETING MIX:**

Every corporate has its own favorite marketing mix. Some have 4 P's and some have 7 P's of marketing mix. The 4 P's of green marketing are that of a conventional marketing but the challenge before marketers is to use 4 P's in an innovative manner.

#### **Product**

The ecological objectives in planning products are to reduce resource consumption and pollution and to increase conservation of scarce resources.

#### **Price**

Price is a critical and important factor of green marketing mix. Most consumers will only be prepared to pay additional value if there is a perception of extra product value. This value may be improved performance, function, design, visual appeal, or taste. Green marketing should take all these facts into consideration while charging a premium price.



### **Promotion**

There are three types of green advertising: -

1. Ads that address a relationship between a product/service and the biophysical environment
2. Those that promote a green lifestyle by highlighting a product or service
3. Ads that present a corporate image of environmental responsibility

### **Place**

Where and when to make a product available in the market, Very few customers will go out of their way to buy green products.

### **STRATEGIES:**

The marketing strategies for green marketing include: -

- Marketing Audit (including internal and external situation analysis)
- Develop a marketing plan outlining strategies with regard to 4 P's
- Implement marketing strategies
- Plan results evaluation

### **SUGGESTIONS:**

1. Corporate Houses provide clear, comprehensive and credible information must ensure that consumers have low –cost access it.
2. Corporate houses conveying importance of green products through advertising, direct mailing, brand labels, in- store displays and pamphlets.
3. Educate consumers with marketing message that connect environmental products attributes with desired consumer value (Organic product, Eco- friendly product )
4. In-depth research should be need for green products.
5. Avoid green marketing myopia among the small business enterperneurers and consumers.
6. Change in consumer attitude towards green policies and green products.

7. The government strictly formulated and implementation of laws related to green products.
8. The government established new infrastructure to facilitate recycling and prevention of pollution control technologies.
9. The government provided more subsidies, one who is establishing green products technologies.
10. Green marketing campaign should be conducted by the Corporate Houses.
11. The government encourages production and export of green products through incentives.

### **CONCLUSION:**

Green marketing is still in its infancy, perhaps due to the multidisciplinary nature of the enterprises. Green marketing involves developing and promoting products and services that satisfy customers want and need for Quality, Performance, Affordable Pricing and Convenience without having a detrimental input on the environment. While green marketing is growing greatly as increasing numbers of consumers are willing to back their environmental consciousnesses. As resources are limited and human wants are unlimited, it is important for the marketers to utilize the resources efficiently without waste as well as to achieve the organization's objective. So green marketing is inevitable. There is growing interest among the consumers all over the world regarding protection of environment. Worldwide evidence indicates people are concerned about the environment and are changing their behavior. As a result of this, green marketing has emerged and growing market for sustainable and socially responsible products and services.