

Effect Of Green Marketing Practices on Consumer Behaviour in India

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Abstract

In today's dynamic world of Globalization, the most pressing necessity is to protect not just the interests of Customers and Consumers, but also the environment. The growing evidence of environmental issues has caused a rise in global environmental awareness during the past three decades. Consumer concerns regarding environmental preservation and conservation are taken into consideration in environmentally reasonable or "Green" marketing

Keywords: Marketing, Consumer Behaviour, Environmental Preservation, Green, Globalization.

Introduction

According to the American Marketing Association, green marketing is the marketing of products that are presumed to be environmentally safe. Thus green marketing incorporates a broad range of activities, including product modification, change to the production process, packaging changes, as well as modifying advertising. Yet defining green marketing is not a simple task where several meanings intersect and contradict each other: an example of this will be the existence of varying social, environmental and retail definitions attached to this term. Other similar terms used are Environmental Marketing and Ecological Marketing.

Green, environmental and eco-marketing are part of the new marketing approaches which do not just refocus, adjust or enhance existing marketing thinking and practice, but seek to challenge those approaches and provide a substantially different perspective. In more detail green, environmental and eco-marketing belong to the group of approaches which seek to address the lack of fit between marketing as it is currently practiced and the ecological and social realities of the wider marketing environment.

The legal implications of marketing claims call for caution. Misleading or overstated claims can lead to regulatory or civil challenges. In the USA, the [federal Trade Commission] provides some guidance on environmental marketing claims. This commission is expected to do an overall review of this guidance, and the legal standards it contains, in 2011.

Why is green marketing chosen by most marketers?

Most of the companies are venturing into green marketing because of the following reasons:

a. opportunity

In India, around 25% of the consumers prefer environmental-friendly products, and around 28% may be considered healthy conscious. Therefore, green marketers have diverse and fairly sizeable

segments to cater to. The Surf Excel detergent which saves water (advertised with the message –“ do bucket paani roz bachana”) and the energy –saving LG consumers durables are examples of green marketing. We also have green buildings which are efficient in their use of energy, water and construction materials, and which reduce the impact on human health and the environment through better design, construction, operation, maintenance and waste disposal. In India, the green building movement, spearheaded by the confederation of Indian industry (CII) –Godrej Green business Center, has gained tremendous impetus over the last few years. From 20,000 sq in 2003, India’s green building footprint is now over 25 million sq ft.

b. Social Responsibility

Many companies have started realizing that they must behave in an environment friendly fashion. They believe both in achieving environmental objectives as well as profit related objectives. The HSBC became the world’s first bank to go carbon-neutral last year. Other examples include Coca-Cola, which has invested in various recycling activities. Walt Disney World in Florida, US, has an extensive waste management program and infrastructure in place.

c. Governmental pressure

Various regulations are framed by the government to protect consumers and the society at large. The Indian government too has developed a framework of legislations to reduce the production of harmful goods and by products. These reduce the industry’s production and consumers consumption of harmful goods, including those detrimental to the environment: for example, the ban of plastic bags in Mumbai, prohibition of smoking in public areas, etc.

d. Competitive Pressure

Many companies take up green marketing to maintain their competitive edge. The green marketing initiatives by niche companies such as Body Shop and Green & Black have prompted many mainline competitors to follow suit.

e. Cost Reduction

Reduction of harmful waste may lead to substantial cost savings. Sometimes, many firms develop symbiotic relationship whereby the waste generated by one company is used by another as a cost-effective raw material. For example, the fly ash generated by thermal power plants, which would otherwise contribute to a gigantic quantum of solid waste, is used to manufacture fly ash bricks for construction purposes.

Benefits of Green Marketing

Today’s consumers are becoming more and more conscious about the environment and are also becoming socially responsible. Therefore, more companies are responsible to consumer’s aspirations for environmentally less damaging or neutral products. Many companies want to have an early-mover advantage as they have to eventually move towards becoming green. Some of the advantages of green marketing are,

- 1) It ensures sustained long-term growth along with profitability.
- 2) It saves money in the long run, though initially the cost is more.

- 3) It helps companies market their products and services keeping the environment concept in the mind.
- 4) It helps in accessing the new markets and enjoying competitive advantage.

Most of the employees also feel proud and responsible to be working for an environmentally responsible company.

Problems of Green Marketing

Many organizations want to turn green, as an increasing number of consumers and to associate themselves with environmental-friendly products. Alongside, one also witnesses confusion among the consumers regarding the products. In particular, one often finds distrust regarding the credibility of green product. Therefore, to ensure consumer confidence, marketers of green products need to be much more transparent, and refrain from breaching any law or standard relating to products or business practices.

Paths to Greenness

Green marketing involves focusing on promoting the consumption of green products. Therefore, it becomes the responsibility of the companies to adopt creativity and insight, and be committed to the development of environment-friendly products. This will help the society in the long run. Companies which embark on green marketing should adopt the following principles in their path towards “greenness.”

- Adopt new technology/process or modify existing technology/process so as to reduce environmental impact.
- Establish a management and control system that will lead to the adherence of stringent environmental safety norms.
- Using more environment-friendly raw materials at the production stage itself.
- Explore possibilities of recycling of the used products so that it can be used to offer similar or other benefits with less wastage.

Marketing 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 4P's
- Implement marketing strategies plan results evaluation

Conclusion

A clever marketer is one who not only convinces the consumer, but also involves the consumer in marketing his product. 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.