

# Green Marketing: The Contemporary Business Approach towards Environmental Sustainability

**Amit Kumar**

College of Information Science and Technology, Nanjing Forestry University, Nanjing, Jiangsu, China

MBU, Solan, Himachal Pradesh, India

amitmehta66@gmail.com

**Tanvir Singh**

IET Bhattal Technical Campus, Ropar, Punjab, India

singhtanvir21@gmail.com

**Dr. Yunfei Liu**

College of Information Science and Technology, Nanjing Forestry University, Nanjing, Jiangsu, China

**Dr. Sawtantar Singh Khurmi**

Department of Computer Science & Engg., Bhai Maha Singh College of Engineering, Muktsar, Punjab, India

**Abstract-** Successful marketing has always been about recognizing trends and positioning your products, services and brand in a manner that supports buying variables. Today, "Green" marketing has gone from a trend to a way of doing business. Going "Green" in the business is not only beneficial for the environment; but it directly affects Company's account books. Big businesses are embracing sustainability, not simply for altruism but they've realized that going green can reap significant cost savings. Businesses have begun to modify their behavior in an attempt to address society's "Environmental" concerns. Companies are proactive in their approach, by revealing to its consumers how much more eco-friendly and less toxic their products are, as compared to their competitors. This paper will attempt to introduce the concept of green marketing and briefly discuss why going green is important. Also, the role of companies doing green marketing around the world has been discussed.

**Keywords-** Green Marketing, Environmental Sustainability, Energy Efficiency.

## I. INTRODUCTION

Green marketing is a way to use the environmental benefits of a product or service to promote sales which simply means, marketing of products that are presumed to be environmentally safe. Green marketing incorporates a broad range of activities, including product modification, changes to the production process, packaging changes, as well as modifying advertising. Being a green business has become more than the niche market. Big businesses like Walmart, Nike, and Hewlett-Packard are embracing sustainability, not simply for altruism—they've realized that going green can reap significant cost savings, which impacts their business bottom line. Going green in your business is not only good for the environment; it's good for your bank account. Efficient operation means less energy and raw materials are required, both of which cost money. These days the

consumers are more environmental conscious and socially responsible. Therefore, more companies are responding to consumer's aspirations for environmentally less damaging or neutral products [2,9]. In this paper, we have discussed the concept of green marketing and the importance of going green.

## II. WHY GOING GREEN?

Green marketing incorporates a broad range of activities, including product modification, changes to the production process, packaging changes, as well as modifying advertising. Yet defining green marketing is not a simple task [8]. Although environmental issues influence all human activities, few academic disciplines have integrated green issues into their literature [1,4,7]. This is especially true of marketing. As society becomes more concerned with the natural environment, businesses have begun to modify their behavior in an attempt to address society's "new" concerns [5]. Some businesses have been quick to accept concepts like environmental management systems and waste minimization, and have integrated environmental issues into all organizational activities. Some evidence of this is the development of journals such as "Business Strategy and the Environment" and "Greener Management International," which are specifically designed to disseminate research relating to business' environmental behavior [3,6]. Unfortunately, a majority 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. For example, around the world there are resorts that are beginning to promote themselves as "eco-tourist" facilities, i.e., facilities that "specialize" in

experiencing nature or operating in a fashion that minimizes their environmental impact.

**Table 1:** Different Approaches of Going Green [2]

• Request an energy audit from your local power utility
• Turn off your lights
• Use fewer lights
• Switch to energy efficient lighting
• Program your thermostat
• Turn off office computers when not in use
• Install power strips to cut phantom power usage
• Replace office equipment with more efficient models
• Flush less water down the drain
• Install a water dispenser
• Use passive solar
• Ditch the disposables
• Bring your own lunch
• Use paperless collaboration when possible
• Buy recycled paper products
• Purchase refilled toner/printer cartridges
• Print on the back
• Stop stapling
• Recycle old electronics and equipment
• Choose green power
• Set up a recycle center
• Assign a sustainability manager
• Offer a digital mailing list option
• Send electronic proofs or use bicycle courier
• Use digital coupons
• Offer digital downloads of marketing assets
• Ditch print advertising
• Rethink your packaging
• Choose 100% recycled content paper
• Get green certification for product

### **III. THE FOUR PS' OF GREEN MARKETING**

Like conventional marketers, green marketers must address the 'four Ps' in innovative ways [10].

#### **A. PRODUCT**

Entrepreneurs wanting to exploit emerging green markets will identify customer's environmental needs and develop products to address these needs; or develop environmentally responsible products to have less impact than competitors. The increasingly wide varieties of products on the market that support sustainable development and are good for the triple bottom line include:

1. Products made from recycled goods
2. Products that can be recycled or reused.
3. Efficient products, which save money and reduce environmental impact
4. Products with environmentally responsible packaging.
5. Products with green labels
6. Organic products
7. A service that rents or loans products
8. Certified products

Whatever the product or service, it is vital to ensure that products meet or exceed the quality expectations of customers and is thoroughly tested.

#### **B. PRICE**

Pricing is a critical element of the marketing process. Most customers will only be prepared to pay a premium price if they are getting extra product value in terms of improved performance, function, design, visual appeal or taste. Environmental benefits are usually an added bonus but will often be the deciding factor between products of equal value and quality. Environmentally responsible products, however, are often less expensive when product life cycle costs are taken into consideration.

#### **C. PLACE**

The choice of where and when to make a product available will have significant impact on the customers you attract. Very

few customers will go out of their way to buy green products merely for the sake of it. Marketers looking to successfully introduce new green products should, position them broadly in the market place so they are not just appealing to a small green niche market. The location must also be consistent with the image you want to project and must differentiate you from your competitors, which can be achieved by in-store promotions and visually appealing displays or using recycled materials to emphasise the environmental and other benefits.

#### **D. PROMOTION**

Promoting products and services to target markets includes paid advertising, public relations, sales promotions, direct marketing and on-site promotions. Smart green marketers will be able to reinforce environmental credibility by using sustainable marketing and communications tools and practices. The key to successful green marketing is credibility. Never overstate environmental claims or establish unrealistic expectations, and communicate simply and through sources that people trust. Green credentials and achievements of a business must be promoted including stories of the company's and employees' green initiatives. A business should enter environmental awards programs to profile environmental credentials to customers and stakeholders.

### **IV. WHY ARE FIRMS USING GREEN MARKETING?**

Green marketing offers business bottom line incentives and top line growth possibilities. There are several suggested reasons for firms increased use of Green Marketing. Five possible reasons cited are [3,10]:

- Organizations perceive environmental marketing to be an opportunity that can be used to achieve its objectives
- Organizations believe they have a moral obligation to be more socially responsible

- Governmental bodies are forcing firms to become more responsible
- Competitors' environmental activities pressure firms to change their environmental marketing activities
- Cost factors associated with waste disposal, or reductions in material usage forces firms to modify their behavior.

## **V. SUSTAINABLE DEVELOPMENT AND GREEN MARKETING**

According to World Commission on Environment and Development (1987), "Sustainable development is development that meets the needs of the present without compromising the ability of future generations to meet their own needs. Satisfying the needs of customers in a profitable way is the core of marketing ideology and in turn is a core of the market economy. Environmental or green marketing has been seen as a tool towards sustainable development and satisfaction of different stakeholders. Green marketing is the holistic management process responsible for identifying, anticipating and satisfying the requirements of customers and society, in a profitable and sustainable way [11]. Majority of people believe that green marketing refers solely to the promotion or advertising of products with environmental characteristics. Terms like Phosphate Free, Recyclable, Refillable, and Ozone friendly and environmental 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 broader concept, one that can be applied to consumer goods and industrial goods and services. According to [12], green marketing is defined as "consisting of all activities designed to generate and facilitate any exchanges intended to satisfy human needs, such that the satisfaction of these needs and wants occurs, with minimal detrimental impact on the natural environment". This definition is much broader and incorporates much of the traditional components of the conventional marketing definition and also

includes the protection of natural environment. Sustainable development requires "sustainable marketing" that is marketing efforts that are not only competitively sustainable but are also ecologically sustainable. In response to the challenge of advancing simultaneously in economic development and environmental protection as the sustainable development demand companies and academicians have developed and/or adopted green marketing strategies and other corporate strategies. Among the key strategies are; green product strategies, green logistic strategies, green pricing strategies, green promotion strategies, changing consumers from consumption culture to ecologically concerned consumers, adoption of eco-marketing orientation as a business philosophy, Government intervention, lifecycle inventory analysis and teaming up for success. Green marketing is focussed on undertaking all marketing activities while protecting the environment. On the other hand sustainable development demands that the future generations inherit the natural environment in the same state or better as inherited by the previous generations. This calls for the protection and improvement of the environment. Therefore, sustainable development is a dependent variable of green marketing [12-15].

## **VI. CONCLUSION**

As society becomes more concerned with the natural environment, businesses have risen to the occasion and have started responding to environmental challenges by practicing green marketing strategies by accepting concepts like environmental management systems and waste minimization, and have integrated environmental issues into all organizational activities. Green marketing incorporates a broad range of activities, including product modification, changes to the production process, packaging changes, as well as modifying advertising. Environmental or green marketing has been seen as a tool towards sustainable development and satisfaction of different

stakeholders. In this paper, we have discussed the concept of green marketing and the importance of going green. Also, the importance of Green Marketing for sustainable development has been discussed.

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