

GREEN MARKETING AND ITS IMPACT

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ABSTRACT: *Green marketing, also known as Environmental marketing or Ecological marketing, includes all the marketing activities of the firm, starting from conceiving the product idea to the actual sale of the product, which are designed with the objective to either create a positive impact or reduce the negative impact of its products on the environment. This is done in order to cash in on growing customers' concern about environmental degradation. Simply stated, green marketing sells the idea of relatively superior environmental characteristics of a company's product and service offerings.*

KEYWORDS: *Green Marketing, Social Responsibility, Competitive Advantage.*

INTRODUCTION TO GREEN MARKETING:

The term green marketing came first into foray in the late 1980s and early 1990s due to increasing environmental concerns. The companies were compelled to consider the externalities of their products and their eventual negative impact on the planet. The result of such deliberations was the alternative available to the companies to "go green".

Green marketing consists of all activities designed to generate and facilitate any exchanges intended to satisfy human needs and wants, such that the satisfaction of these needs and wants occurs, with minimal detrimental impact on natural environment.

Thus Green marketing should look at minimizing environmental harm, not necessarily eliminating it.

Characteristics of Green Products:

We can define Green products by following measures:

1. Products those are originally grown
2. Products those are recyclable, reusable and bio degradable
3. Products with natural ingredients
4. Products containing recycled contents, non toxic chemical
5. Products content under approved chemical
6. Products that do not harm and pollute the environment
7. Products that will not be tested on animals
8. Products that have eco friendly packaging

Importance of Green marketing:

In market societies where there is “freedom of choice”, it has generally been accepted that individuals and organizations have the right to attempt to have their needs satisfied. As firms face limited natural resources, they must develop new or alternative ways of satisfying those unlimited wants.

Ultimately Green marketing looks at how marketing activities utilize these limited resources, while satisfying consumer wants, both of individuals and industry, as well as achieving the selling organizational objectives.

Need of Green marketing:

The concept of Green marketing has emerged as a viable solution to address environmental issues and market the products of the company at the same time. The following are the factors that impel the organizations to go green are:

Social Responsibility:

Companies have decided to incorporate green marketing in their ambitious corporate social responsibility initiative. It integrates nicely with the strategies of business. Companies have realized the need to behave in a more environment friendly fashion.

Competitive Advantage:

Going green provides a certain degree of competitive advantage to business in sense that its products are ranked favorably among the customers and it can aim to sell them at a price higher than the industrial norm as the consumers are willing to pay more for green products.

Consumer Awareness:

The increasing consumer concern towards green marketing makes it a very lucrative opportunity for the business. More than 25 % of Indian urban consumers prefer eco friendly products. The company may design new products solely to capitalize on consumer conscience.

Government Pressure:

Government wants to “protect” consumers and society .This protection has significant green marketing implications. Government regulations relating to environmental marketing are designed to protect consumers in several ways which includes 1.Reduce production of harmful goods or products; 2.Modify consumer or industry use; 3.Ensure that all type of consumers has the ability to evaluate the environmental composition of goods.

Cost Reduction:

Reduction of harmful waste may lead to substantial cost savings; sometimes many firms develop symbiotic relationship where by waste generated by one company is used as cost effective raw material by another company. Certain firms use green marketing to address cost or profit related issues.

Some Problems with Going Green:

One of the main problem is that firms using green marketing must ensure that their activities or not misleading to consumers or industry, and do not breach any regulations or laws dealing with environmental marketing.For example marketers in United States should ensure their green marketing claims can meet the following set of criteria in order to comply with the Federal Trade Commission’s guidelines. Green Marketing claims must

- Clearly state environmental benefits;

- Explain Environmental characteristics;
- Explain how benefits are achieved;
- Ensure comparative differences are justified
- Ensure negative factors are taken into consideration.
- Only use meaningful terms and pictures

Another problem firm's face is that those who want to modify their products due to increased consumer concern must contend with the fact that consumer's perceptions are sometimes not correct.

GOLDEN RULES OF GREEN MARKETING

- **KNOW YOU'RE CUSTOMER:** Make sure that the consumer is aware of and concerned about the issues that your product attempts to address, (Whirlpool learned the hard way that consumers wouldn't pay a premium for a CFC-free refrigerator because consumers didn't know what CFCs
- **EDUCATING YOUR CUSTOMERS:** Isn't just a matter of letting people know whatever you're doing to protect the environment, but also a matter of letting them know why it matters. Otherwise, for a significant portion of your target market, it's a case of "So what?" and your green marketing campaign goes nowhere.
- **BEING GENUINE & TRANSPARENT:** It means that a) you are actually doing what you claim to be doing in your green marketing campaign and b) the rest of your business policies are consistent with whatever you are doing that's environmentally friendly. Both these conditions have to be met for your business to establish the kind of environmental credentials that will allow a green marketing campaign to succeed.
- **REASSURE THE BUYER:** Consumers must be made to believe that the product performs the job, it's supposed to do-they won't forget the product quality in the name of the environment.
- **GIVING YOUR CUSTOMERS AN OPPORTUNITY TO PARTICIPATE:** It means personalizing the benefits of your environmentally friendly actions, normally through letting the customer take part in positive environmental action.

CONCLUSION

The Environmental problems in India are growing rapidly. The increasing economic development, rapid growth of population and growth of industries in India is putting a strain on the environment, infrastructure and country's natural resources. It must be remembered that it's uncaring customer who chooses to dispose their waste in an inappropriate fashion, while firms has great impact on natural environment, the responsibility should not be theirs alone. . Green Marketing makes drastic change in the business not even in India but save the world from pollution. Corporate should create the awareness among the consumers, what are the benefits of green as compared to non green ones. In green marketing, consumers are willing to pay more to maintain a cleaner and greener environment. Consumers, industrial buyers and suppliers need to pressurize effects on minimize the negative effects on the environment-friendly. Green marketing assumes even more importance and relevance in developing countries like India.

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