

# Green Marketing: Benefits and Challenges

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## **Abstract**

*Green products usually defined as products that are Environmental or Eco friendly and can be recycled. However, each person may have different opinions about green products. This paper explains about traditional marketing and green marketing, green marketing methods, and golden rules of green marketing. As a consequence, the appearance of green products has created a new market known as the green market. Lastly, explains the Benefits and Challenges of green marketing and examines the nature of green marketing and sustainable development.*

**Keywords:** *Eco friendly, Green product, Green marketing, Traditional market, Sustainable development.*

## **Introduction**

Green revolutions, going green, environmental protection, sustainable lifestyle, sustainable development, protecting our earth and many more have become a natural phenomenon in our everyday life. Green marketing is a tool used by many companies in various industries to follow this trend(Bhaskar, H. L,2016) Green marketing is a phenomenon which has developed particular importance in the modern market (<http://www.ignited.in>) This concept has enabled re-marketing and packaging of existing products (Bhattacharjee, S., & Mukherjee, S. .2016) Green marketing is the marketing of products that are presumed to be environmentally preferable to others. Thus green marketing incorporates a broad range of activities, including product modification, changes to the production process, sustainable packaging, as well as modifying advertising (Sharma, D. M,2014)

Environmental issues have always been a challenge since the creation of the term environmental sustainability which has increased the sensitivity of consumers towards purchasing greener products (Kumar Phookan et al,2020) and many consumers are environmentally conscious,

seeking eco-friendly products and services from organizations that are socially responsible. Nowadays, many organizations or companies are cognizant about the contribution of green marketing to sustainable development(Wandhe P,2018) Green Marketing ensures long run sustainability and profitability. It is multi beneficial with reduced cost, encourages accessibility to new markets with competitive advantage, increases morale of employees for being a part of environmental cause, satisfies the customer with health products and services(M.D., P., & Akhil, A,2017)

## **Literature Review**

Priyadharshini, J., & Muthusamy, S.(2017) Green marketing is a very powerful marketing strategy. It refers to the process of selling products and services based on their environmental benefits. Manjunath, G., & Manjunath, D. G (2017) Green marketing refers to a holistic marketing concept wherein the production, marketing, consumption and disposal of products and services happen in a manner that is less detrimental to the environment. Over the years, a majority of consumers have realized that their behavior had a direct impact on the environment. **Baral, S** (2019) Green marketing is a phenomenon which has developed particularly important in the modern market and has emerged as an important concept in India as in other parts of the developing and developed world, and is seen as an important strategy of facilitating sustainable development. **Patel, C., & Chugan, P. K** (2016) Green consumerism has played a catalytic role in making business firms green marketing oriented. The infrastructure and construction industry in India is the second largest rapidly growing industry and the single largest contributor to global greenhouse gas emissions. To keep a check on environmental harm caused by this industry, the concept of Green Buildings has been evolved.

## **Green Marketing**

In the last few years the environmental movement has gained attention in the corporate world, and companies are trying to keep up with the recent trends in green marketing (<https://sproutworld.com>)

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” ([/www.businessmanagementideas.com](http://www.businessmanagementideas.com))

Green marketing refers to the practice of developing and advertising products based on their real or perceived environmental sustainability (Fernando. J, 2020)

Here, term ‘green’ is indicative of purity. Green means pure in quality and fair or just in dealing. For example, green advertising means advertising without adverse impact on society (<https://www.yourarticlelibrary.com>)

**Alternate name:** Eco-marketing, environmental marketing (Ward, S. )

Green marketing, along with greening the product and the firm by converting the 4Ps (price, product, promotion and place) of marketing into 4Ps of green marketing, involves a careful understanding of consumer preferences and purchase decision process.

### Traditional Marketing Vs Green Marketing

<b>Traditional Marketing</b>	<b>Green Marketing</b>
<b>Goals</b> 1. Customer satisfaction 2. Organizational goals	<b>Goals</b> 1. Customer satisfaction 2. Organizational goals 3. Ecosystem compatibility
<b>Decision-making Frame of Reference</b> 1. Fragmented thinking 2. Non-boundary spanning 3. Short term orientation	<b>Decision-making Frame of Reference</b> 1. Integrated thinking 2. Boundary spanning 3. Long term orientation
<b>Philosophical basis</b> 1. Anthropocentric 2. Ecosystem an open sink	<b>Philosophical basis</b> 1. Biocentric 2. Ecosystem a physical limiting factor, eco cost must be paid
<b>General tools/approaches</b> 1. Use planning to minimize cost of local waste disposal 2. Reactive approach to waste management 3. Focus on industrial functions 4. Total quality management	<b>General tools/approaches</b> 1. Use life cycle assessment and environmental audits to minimize and redirect waste management 2. Proactive approach to waste management 3. Focus on industrial processes 4. Total quality environmental management
<b>Ecological Accountability/Responsibility</b> 1. Limited product risk 2. Local/Regional/National 3. No/underpaid ecological costs	<b>Ecological Accountability/Responsibility</b> 1. Product risk 2. Global/International 3. Full accounting of ecological costs

### **Importance of Green Marketing in India** (<https://commercemates.com>)

- It reduces the use of plastic and plastic-based products.
- It increases the consumption of natural products and reduces chemical products.
- It creates a demand for herbal medicines, natural therapy, and Yoga.
- It aware the reuse of the consumer and industrial products.
- It makes nature healthy.

### **Green Marketing Methods** ([www.shopify.in](http://www.shopify.in))

Beyond making an environmentally friendly product, business owners can do other things as part of their green marketing efforts. The following can all be part of a green marketing strategy:

- Using eco-friendly paper and inks for print marketing materials
- Skipping the printed materials altogether and option for electronic marketing
- Having a recycling program and responsible waste disposal practices
- Using eco-friendly product packaging
- Using efficient packing and shipping methods
- Using eco-friendly power sources
- Taking steps to offset environmental impact

### **Golden Rules of Green Marketing**

**Know your 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 dint know what CFCs were.) (<http://www.ignited.in>)

**Empower consumers.** Make sure that consumers feel, by themselves or in concert with all the other users of your product, that they can make a difference. This is the main reason green products sell ([www.mediapost.com](http://www.mediapost.com))

**Reassure the buyer** Consumers need to believe that your product performs the job it's supposed to perform—they won't forgo product quality in the name of the environment. (Besides, products that don't work will likely wind up in the trash bin, and that's not very kind to the environment.) (Ottman, J. A, 2007)

**Educating your customers:** Isn't just a matter of letting people know you're doing 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 ([www.ukessays.com](http://www.ukessays.com))

## Green marketing – Benefits and Challenges

### Benefits of Green marketing (<https://jgdb.com>)

Green marketing campaigns allow companies to get the following benefits:

- This will enhance the image of the company in society;
- This will promote the renewal of the products, its improvement, and ecologization;
- This will increase the chances of entering the premium segment and its further expansion;
- This will form friendly relations with public organizations and with state and local government bodies;
- This will give an opportunity to enter foreign markets.

### Challenges of Green Marketing (Miles Media., 2017)

- Green products require renewable and recyclable material, which is costly
- Requires a technology, which requires huge investment in R & D
- Water treatment technology, which is too costly
- Majority of the people are not aware of green products and their uses
- Majority of the consumers are not willing to pay a premium for green products

## Conclusion

In conclusion, all the aspects that have been discussed, each aspect are correlated with others. So the green market may have to take wider consideration before carrying out the actual moves. The green product and it's important started creating awareness and help for sustainable development, which is required for future generations. Green marketing or green products are protecting the environment as well as educating the society on how to protect the environment.

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