Challenges for Green Marketing in India

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Green Marketing is a phenomenon which has developed particular important in the modern market. In the emerging world the concept of pollution free activity is given more importance in all the sectors and in all stages. The environmentalists are targeting the industrial sectors as the major contributors for depleting natural resources and environmental destruction. Hence, both production and marketing divisions of industries are stressed more to take utmost care in these areas along with fulfilling the market demands. To overcome these difficulties a new concept has born in the present globalized world where production, consumption and also marketing of the products can be carried effectively ensuring environmental safety. This concept is named as ‘Green Marketing’. But the question still remains “how safe can it be in the Indian scenario?” Hence this paper highlights who are concerned about the environment can be convinced and support their purchasing decisions.

The paper explores the challenges and opportunities businesses have with green marketing. The paper also describe the reason why companies are adopting it and concludes that green marketing is something that will continuously grow in both practice and demand.

Keywords: - Green Products, Environmental Safe, Eco-Friendly

1. Introduction

The evolution of concept of Green Marketing dates back to 1980s-1990s. Though the concept was formalized in mid 1990s but its present form is more elaborate and structured. 1990s is called the “decade of environment” as major developments and revolutions took place in the concept of green marketing. Many environmental disasters took place in this period including the Minamata disease, mercury poising in Japan; Bhopal Disaster of India, leak of methyl isocyanate; Dust Bowl in Canada and US; Release of CFCs resulting in ozone depletion etc. (Wikipedia, List of environmental disasters). This caught the attention of the consumers worldwide. It led to a turn of events and consumers became more sensitive to the environmental needs and felt the desire to integrate the environmental concerns into their
buying habits. The realization to protect the environment necessitates the use of products that are environment friendly and do not cause any harm to the environment in its production, usage/consumption or in its decomposition.

2. Green Consumer

A consumer who buys products that are environment friendly is termed as a green consumer. A green consumer does not buy any product that has a direct or an indirect adverse effect on the environment.

3. Green Marketing Definition

**Green Marketing** refers to the process of selling products and/or services based on their environmental benefits. Such a product or service may be environmentally friendly in itself or produced in an environmentally friendly way, including:

- Being manufactured in a sustainable fashion.
- Not containing toxic materials or ozone-depleting substances.
- Able to be recycled and/or is produced from recycled materials.
- Being made from renewable materials (such as bamboo, etc.).
- Not making use of excessive packaging.
- Being designed to be repairable and not "throwaway"

**Green Marketing and Sustainable Development**

Green marketing is typically practiced by companies that are committed to sustainable development and corporate social responsibility. More organizations are making an effort to implement sustainable business practices as they recognize that in doing so they can make their products more attractive to consumers and also reduce expenses, including packaging, transportation, energy/water usage, etc. Businesses are increasingly discovering that demonstrating a high level of social responsibility can increase brand loyalty among socially conscious consumers.

4. Ongoing Debate

**1. Just being Green is not Enough**

The purists look for green products. But the majority of people don't make decisions purely...
on green. Although many consumers think green is nice, when given a choice they select the brand they like or the lowest-priced product.

For many green brands that leave them nowhere, since they are not the cheapest and own a weaker brand position.

2. Why does the Consumer Find Green a Weaker Offering?
Consumers perceive that green is not as good as the regular stuff.
It is the same problem when "diet" is put on a product. The brand owners want consumers to think of diet products as healthier and with fewer calories. But people instantly think the diet product must taste disgusting.

With a "green" label, consumers think that the product is over-priced, that it's not going to work, or doesn't taste as good.

That is a huge problem facing green products. For a green product to move beyond the green enthusiasts and cross-over to the mainstream, the consumer will need to think of the brand in a different way. To do that, work green into the message, but also remember to build a strong brand.

3. If Green Alone is not a Good Position, what's a More Workable Solution?
1. In a crowded category, just remaking the product into something that is green is unlikely to be compelling. A better approach is to create a new category.
2. No one wanted a better soap that killed more germs, but a new category of hand sanitizers was a big hit.
3. Potential new categories should combine green with another strong attribute.
4. Green + convenience -- With our busy lives, convenience is sought out.
5. Green + highest performance -- You may want to spend even more to make your green product the premium category.
7. Green + feel-good -- Most consumers are not just self-centered. They want to put some green into their life, if easy.
8. People are a bit hesitant on green. So provide that extra motivating factor, that extra push into green.
5. Confusion

One challenge green marketers – old and new – are likely to face as green products and messages become more common is confusion in the marketplace. "Consumers do not really understand a lot about these issues, and there's a lot of confusion out there," says Jacquelyn Ottman (founder of J. Ottman Consulting and author of "Green Marketing: Opportunity for Innovation.") Marketers sometimes take advantage of this confusion, and purposely make false or exaggerated "green" claims. Critics refer to this practice as "green washing".

Green Washing

Corporations are increasingly recognizing the benefits of green marketing, although there is often a thin line between doing so for its own benefit and for social responsibility reasons. The term “green washing” refers to all industries that adopt outwardly green acts with an underlying purpose to increase profits. The primary objective of green washing is to provide consumers with the feeling that the organization is taking the necessary steps to responsibly manage its ecological footprint. In reality, the company may be doing very little that is environmentally beneficial. The term green washing was first used by environmentalist Jay Westerveld when objecting to hotelier's practice of placing notices in hotel rooms which asked their guests to reuse towels to “save the environment”. Westerveld noted that there was little else to suggest that the hoteliers were interested in reducing their environmental impacts, and that their interest in washing fewer towels seemed to be motivated by a concern to save costs rather than the environment. Since then green washing has become a central feature of debates about marketing communications and sustainability, with “awards” for green washing established and numerous campaigns, law and advices developed in an attempt to reduce or curb it.

Statistics

According to market researcher Mintel, about 12% of the U.S. population can be identified as True Greens, consumers who seek out and regularly buy so-called green products. Another 68% can be classified as Light Greens, consumers who buy green sometimes. "What chief marketing officers are always looking for is touch points with consumers, and this is just a big, big, big touch point that's not being served," says Mintel Research Director David Lockwood. "All the corporate executives that we talk to are extremely convinced that being
able to make some sort of strong case about the environment is going to work down to their bottom line.

6. Adoptability

In 1989, 67 percent of Americans stated that they were willing to pay 5-10 percent more for ecologically compatible products. By 1991, environmentally conscious individuals were willing to pay between 15-20 percent more for green products. Today, more than one-third of Americans say they would pay a little extra for green products.

An important challenge facing marketers is to identify which consumers are willing to pay more for environmentally friendly products. It is apparent that an enhanced knowledge of the profile of this segment of consumers would be extremely useful.

Everett Rogers, communication scholar and author of “Diffusion of Innovations”, claims that the following five factors can help determine whether a new idea will be adopted or not, including the idealism of the shift towards “green”

1. Relative Advantage: is the degree to which the new behavior is believed to accrue more beneficial outcomes than current practice.
2. Observability: is how easy it is to witness the outcomes of the new behavior.
3. Trialability: is the ease with which the new behavior can be tested by an individual without making a full commitment.
4. Compatibility: is the degree to which the new behavior is consistent with current practice.
5. Complexity: is how difficult the new behavior is to implement.

7. LOHAS

Consumers who prefer to purchase green products even though they might be more expensive fall into the ‘LOHAS’ category. LOHAS stands for Lifestyles of Health and Sustainability. According to Wikipedia: “LOHAS describes an integrated, rapidly growing market for goods and services that appeal to consumers whose sense of environmental and social responsibility influences their purchase decisions.”

These consumers are active supporters of environmental health and are the heaviest purchasers of green and socially responsible products. They also have the power to influence other consumers.
8. Conclusion

From the foregoing, it may conclude that Green Marketing is on its developmental stage in India. The market is growing as the consumers are getting more and more aware and sensitive to the needs of the environment protection. Certain challenges exist in Indian markets with respect to green products but the producers are coming up with new strategies and ways to overcome these challenges. Further, it can be said that great potential exists for green products in Indian markets, provided the producer understands the buying behaviour and attributes of the Indian consumers.

9. References

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