

GREEN MARKETING AND CONSUMERISM – AN OVERVIEW

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ABSTRACT

The purpose of this study is to analyze the information relating to green marketing on consumer purchasing patterns and their decisions. The concepts like the importance of green marketing, marketing mix and consumer behavior are analyzed. The finding of this study shows the significant need for adoption of green marketing and consumerism practices. Some areas are more developed than others. The present study aims to set a foundation and direction for future studies on this vital issue for the well-being of the environment. The study has shown the significant influence of environmental knowledge and consciousness on consumer environmental attitude. Consequently, companies that communicate their 'green product' in their packaging, advertisement or manufacturing process, gain satisfied customers. Customers want to associate themselves with companies and products that are eco-friendly. Environmental Safety is not an easy task to implement. There is now a real sense that environmental protection is highly necessary. Everyone believes a green life is a better and healthier life for present and future generation. Most consumers' spending pattern shows that they have a desire for brands that 'go green'. Consumers not only want to buy their products but are willing to pay more for it. Consumers are motivated to buy from companies that are eco-friendly in the production.

Key Words: Green marketing, consumer behavior, environment.

INTRODUCTION

The concept of green marketing is a progressive issue in today's marketing field. The Green marketing refers to the process of selling products or services based on the environmental benefits. The term 'green' refers to an indication of purity. Green means pure in quality and fair or just in dealing. For example, green advertising means advertising without adverse impact on society. In other words the society and the environment should not be affected. The reasons for marketing green products is to ensure a safer environment, moral and social responsibility, protect and conserve natural resources, consistency with moral, ethics and personal beliefs, lessen the pressure of competitors and customer satisfaction. Green marketing campaigns highlights the protection of environment in the form of reduced waste in packaging, increased energy efficiency in product use, or decreased release of toxic emissions and other pollutants in production of a company. There are several strategies when trying to evolve and shift a company's focus to a more green approach, such as trying to create innovative as well as creative new products (Cronin et al. 2011). Purchasing decisions are having a greater impact, concerning green consumption, shifting the strategies of companies not only externally but also internally towards its own company structure (Chen & Chang 2013; Cronin et al. 2011). There is also a danger in companies taking consumers for granted, when these individuals are particularly critical towards eco-labeling on products (Mansvelt & Robbins 2010). Today's market place is driven by the emergence of the "Green Consumer" or "Environmentalism" and will become even more responsive to products and services promising environmental responsibility well into the 21st Century.

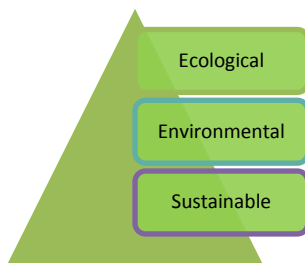
Evolution of Green Marketing

The promotion of environmentally safe or beneficial products, green marketing began in Europe in early 1980s when specific products were identified as harmful to the earth's atmosphere. As a result Green Marketing concept has evolved to make the environment less damage. According to Peattie (2001), the evolution of green marketing has three phases.

First phase: "Ecological" green marketing focus on the addressing of environment problems and provide remedies for environmental problems.

Second phase: "Environmental" green marketing and the focus on clean technology that involved designing of innovative new products, which take care of pollution and waste issues.

Third phase: "Sustainable" green marketing. Focus on preservation of environment through sustainable development. It came into prominence in the late 1990s and early 2000.



Evolution of green marketing

Why green marketing?

1. To protect the environment
2. To utilize the resources efficiently
3. To create opportunity in the market
4. To take competitive advantage
5. To reduce the government pressure
6. To reduce the cost and minimize profit
7. To create customer social responsibility

Green marketing mix

The combination of 4 Green P's or Green factors (Eco-friendly) is known as Green Marketing Mix namely; Green Product, Green Price, Green Place and Green Promotion.

1. Product

While manufacturing green products the firms should incorporate environmentally friendly resources or materials in the product. The characteristics of the resources or materials used in the product and its packaging should influence environmental elements. Green products can be green for a number of reasons, including being manufactured in a green way or products when used make for a greener way of life (Mohanasundaram, 2012). The products those are manufactured through green technology and that cause no environmental hazards are called green products. Promotion of green product and green technology is necessary for sustainable development of environment. Green products are

1. Products that is originally grown.
2. Products those are recyclable, reusable and biodegradable.
3. Products with natural ingredients.
4. Products containing nontoxic.
5. Products that do not harm or pollute the environment.

2. Price

Green marketing is a concept that opens opportunities in new markets or investments by increasing consumers' roles and commitments to saving the environment. The basic notion of green pricing is that the consumers are willing to meet to purchase green products and services. There are numerous pricing strategies for organizations like penetration pricing, skimming pricing, bundle pricing, and premium pricing (Kotler & Armstrong, 2010). Example of potential topics would include whether industrial customers and consumers would be willing to pay premium pricing for green products. Another issue, related to microeconomic pricing strategy, is integration of ecological externalities into pricing. This may also be accomplished through the consideration of life cycle pricing (Grimmer et al., 2015).

3. Place

Green products are the products that are to be delivered from the point of producers to the point of ultimate green consumers. In this context, the firm should choose a proper channel

considering product characteristics, consumer characteristics and market characteristics. In marketing, place pays a vital role and is typically associated with distribution channels. Place refers to providing the product for easy access and includes intensive distribution, selective distribution,

exclusive distribution and franchising (Kim, 2002). Research can be refined on how firms' decisions depend on where green consumers live, the relationship between green consumerism and the green retailing system, and the size management of the retail outlets in terms of geographic regions. Industrial green distribution strategies, other than logistics and movement materials, require further investigation.

4. Promotion

The firms should focus more on "Green Advertising" in order to communicate to its green customers (who use eco-friendly products) about the concept of environmental protection. Apart from this, the firms should also launch promotional tools such as schemes, coupons, offers and premium etc; in order to attract consumers to buy ecofriendly products. In fact, green advertising claims grew so rapidly during the late 1980s that the Federal Trade Commission (FTC) issued guidelines to help reduce consumer confusion and prevent the false or misleading use of terms such as "recyclable," "degradable," and "environmentally friendly" in environmental advertising.

Reactions to "green consumerism"

Many industries incorporated environmental ethics into their operations because of growing public awareness about the environmental issues which has brought a corresponding change in the buying decisions of the consumers. Businesses took heed of this growth in "green consumerism," and new marketing campaigns were devised to reflect this new strain of thought among consumers. Companies with product lines that were created in an environmentally friendly fashion (i.e., with recycled products, comparatively low pollutant emissions, and so on) quickly learned to shape their marketing message to highlight such efforts and to reach those customers most likely to appreciate those efforts.

Green purchasing behavior

Green purchasing behavior can be translated to the act of consuming products that are conservable, beneficial for the environment, and responding to environmental concern (Lee, 2009). Webster (1975) found that the socially conscious customer feels strongly that he/she can do something about pollution and tries to consider the social impact of his/her buying behavior. A green consumer can be identified to be one who avoids any product which may harm damage to any living organism, cause deterioration of the environment during process of manufacturing or during process of usage, consume a large amount of non renewable energy , involves unethical testing on animals or human subjects (Elkington, 1994). He also states that "According to Wiener and Sukhdial (1990), one of the main reasons that stop individuals from engaging in ecologically favorable actions is their perceived level of self-involvement toward the protection of the environment". As the authors point out, many individuals may have high ecological concern, but feel that the preservation of the environment is the responsibility of the government and/or big corporations. We might expect this attitude to impact the willingness of consumers to spend more for environmentally friendly packaged products. There have been a number of different factors which are instrumental in promoting green consumers to purchase green products. Extensive research over the years identify that heightened awareness of green issues; increased level of information availability on environmental sustenance; green advertising by corporations; increased concern for the environment; increase in popularity of green products by social and environmental charities as some factors.

Green as an Added Value

The core of the modern marketing practice is to understand and respond to consumers' values and needs. In order to succeed on the modern market, businesses mainly focus on their customers and invest the majority of their resources into marketing activities. The main goal of the modern business is to understand and satisfy the needs of its buyers in well-defined target markets Hence, green marketing from a business perspective should not be viewed as a way to support the environment but as a way to strengthen business position on the market by satisfying the needs of the growing amount of "green customers", providing them with the "extra ecological value" they expect and, by doing so, reinvigorating the customer relationship. At the same time, understanding customers' needs is only one pillars of modern marketing. Kotler et al. state (2008 p. 461). Kotler et al. (2008 p. 96) continue: "Many things marketers do—one-short sales promotions, minor packaging changes, direct-response advertising—may raise sales in the short run, but add less value than would actual improvements in the product's quality, features or convenience".

Eco-labeling

Eco- labeling is an environmental claim on any product signifying that it is an environmental friendly. It has been under eco marketing scheme 1991 by the Government of India to increase the

consumer awareness and encourage them to purchase products with less environmental effects. Eco label is an environmental claim that appears on the packaging of the product. Eco-labeling programs increase awareness of environmental issues, set high standards for firms to work towards, and help reduce consumer uncertainty regarding a product's environmental benefits.

CONCLUSION

Green marketing and consumerism are very essential for the sustainability of an organization these days. The field of green marketing and consumerism is vital and research on this topic is even more prominent. Though there are literature reviews, there are a lot more to do in this subject. Consumers who feel man must live in balance with nature choose products that create less pollution, make efforts to recycle, limit their use of products made from scarce resources, an attempt is made to choose the products and activities that has less impact on the environment. Consumerism, Customer satisfaction and consumer behavior are broad issues in which researchers lack in making of researches. Whether green marketing or marketing as a general concept, the customers 'point of view should be surveyed and considered attentively. Obviously the improvement of firms is directly depending on customer satisfaction. Purchasing decision and advertising products by customers are the instant outcomes of customer satisfaction which might either be positive or negative depend on their point of view.

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