

# Green Marketing In India: Some Eco-Issues

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## ABSTRACT

Green or Environmental Marketing satisfies human needs with minimal detrimental impact on the natural environment. Green marketing not only includes consumer goods and industrial goods, but also the services sector. In the process of distribution of goods and services, both the manufacturing and the services sector contribute towards the ecological imbalance and loss of the ozone layer. However, the role of the manufacturing sector in this regard is more significant. The process of manufacturing and selling goods and services with the least threat to the environment is a big issue before the business houses. Green marketing requires awareness not only from the consumers (consumers and industrial goods users), but also from the manufacturers of such goods. Ultimately, green marketing requires extra cost, but the stakeholders should be ready to bear that cost. Business firms have also started responding to environmental challenges by adopting and practicing green marketing strategies. The most important advantage of green marketing is that eco-friendly goods have a competitive advantage over other firms selling non-eco featured goods. At the same time, it should be noted that in the era of green marketing, each and every stakeholder should take part in this process as a social responsibility.

Keywords: Green Marketing, Consumer, Production, Marketing, Eco-Friendly, Environmental Marketing

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## INTRODUCTION

It is a fact that the natural environment is the basis of all activity. Natural environment and eco-system services provide us with food, water and material for living. Since the economic activities directly depend upon the natural resources and the environment, the protection of the natural environment is the duty of all stakeholders. We should take utmost care to protect both the renewable and non-renewable energy sources. If we fail to manage the ecosystem and environmental resources in a proper way, the future generations will face severe imbalances in climate and availability of water, food, good air, etc. It is needless to say that the major reason behind the imbalance in the eco-system is the improper management of resources and the population explosion. Hence, the process of selling goods and services in an eco-friendly way is a big issue before the business houses across the globe. Moreover, keeping eco-friendly goods in the hands of the ultimate users is the social responsibility of the manufacturer as the role of wealth creators has been more in damaging the eco-system rather than preserving it.

## MEANING AND DEFINITION OF GREEN MARKETING

The terms like “Green Marketing”, “Ecological Marketing” and “Environmental Marketing” are getting popular in modern days. The American Marketing Association (AMA) conducted its first workshop on “Ecological Marketing” in 1975. The proceedings of the workshop resulted in one of the first books on Green Marketing entitled “Ecological Marketing”.

Green Marketing is defined as : “ Green or Environmental marketing consists of all activities designed to generate and facilitate any exchanges intended to satisfy human needs or wants, such that the satisfaction of these needs and wants occurs, with minimal detrimental impact on the natural environment.”

In this regard, green marketing accepts a wide range of back and front end activities in marketing of goods and services. Thus, green marketing is the consideration of environmental /ecological issues in modifications of a product, changes in production processes, packaging, advertising, transportation and in selling of goods and services. The concept of green marketing is the business practice that considers consumers' concerns with regards to preservation and conservation of the natural environment (Coddington, 1993). Green marketing is identified as a part of the market segment based on the “greenness” of the consumer (Charter et al., 2002: Simintiras et al., 1995).

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## **THE CONCEPT OF “GREEN” IN THE INDIAN CONTEXT**

The concept of keeping the environment clean, using eco-friendly goods and services is not new as far as the Indian context is concerned. India is the Home of the Gods. Indians have considered Land, Nature, Air, Fire, Water and the Environment (*Prithvi, Prakriti, Vayu, Agni and Jal*) as the protectors of human beings and since time immemorial, the elements of nature have been sacred for the Indian people. Any adverse impact on the environment will affect the life of human beings. However, the systematic study on the reasons for ecological imbalance, loss of ozone layer started only after the mass production and consumption of goods and services started across the globe. Research on these issues started only after their adverse effects on the environment came to the forefront.

Economic theory recognizes four kinds of capital: Human, Financial, Manufactured and Natural. Eco-system services are the equivalent of “natural capital” (Chee, 2004). The Millennium Ecosystem Assessment (2005) defined “natural capital” as “the benefits people obtain from ecosystems”. These benefits include food, water, timber, cultural values, etc. and are the outcomes sought through ecosystem management.

## **THE CONCEPT OF “GREEN” IN THE SERVICES SECTOR**

As companies are striving to meet the demands of the growing population across the globe, no nation is free from pollution and ecological imbalance. The firms are putting their efforts in producing greener products and services for the customers. As compared to the manufacturing sector, the services sector also needs to maintain the “Green” concept in marketing of their products. For example, disposal of waste and its management is a big issue before the medical sector. Similarly, adoption of eco-friendly policies is a challenging job in case of marketing of tourism products like eco-tourism, adventure tourism, wilderness tourism, hospitality and catering, etc.

## **STATEMENT OF THE PROBLEM**

Man has limited resources at his disposal. But his wants are unlimited. Due to increase in population across the globe, mass production is inevitable. The manufacturing concerns have to meet the global demands with limited and exhaustible resources. Therefore, a strategic way of satisfying the consumers' need is the crucial issue today. The modification of businesses or production processes towards green marketing may involve start-up costs, but it will save money in the long run. For example, a high initial investment is needed for solar energy projects with the aim of getting benefits in the long run. Therefore, through green marketing, firms can make use of the limited resources in an efficient and effective manner. Awareness about environment related goods is constantly increasing across the globe. Thus, focusing on green marketing has its relevance in the present context.

## **OBJECTIVES OF THE STUDY**

The following are the objectives of the present study :

- 1) To analyze the concept of green marketing across the globe in general and with special reference to India.
- 2) To identify the obstacles in implementation of the green concept in the production and marketing activities.
- 3) To analyze the legal environment of green marketing across the globe, with special reference to the Indian context.
- 4) To examine the feasibility of implementation of green issues and concepts in the marketing mix components.
- 5) To suggest measures to increase the practice of green marketing.

## **METHODOLOGY**

The study is primarily based on secondary data literature review. Based on the available literature and research material, the present paper makes an assessment of the importance of green marketing, the associated costs and benefits of green marketing. Through this paper, the researcher also intended to draw the attention of traditional customers towards green marketing. The application of Green Marketing through 4P's has been keenly discussed with the help of examples.

The suggestions with regard to implementation of “Green” concepts in production and distribution of goods and services in the Indian context are provided in the concluding section.

## LITERATURE REVIEW

Related studies completed recently in this context have been analyzed in order to verify the developments in green marketing.

Walker et al. (1998) observed the reduction of waste in input & output of production & its usefulness to the society. Prakash (2002) in his study on "Green Marketing, Public Policy & Managerial Strategies" focused on issues germane to promoting greenness of products/firms and also concentrated on the product, pricing & strategy issues. In the study, it has been explained how the market (primarily, consumers) & non-market environments create incentives for firms to adopt green marketing strategies. It was found that green firms/products often create societal benefits (especially, over a product's life cycle), but impose private costs on firms. If firms cannot/don't pass on such costs to the consumers, they hurt their shareholders. However, the study also cautioned that the green marketing strategies may not give competitive advantage to a particular firm because all firms are in the green marketing race and the competitors are forced to adopt green marketing policies. However, the researcher elucidated that exact anticipation and adoption of green policies and gaining the first-mover advantage will help a firm achieve competitive advantage. In the end, the study suggested that firms should share credible information and governmental policies & stakeholders' initiatives would help in reducing information or transaction costs.

Azhagaiah et al. (2006) observed the impact of green marketing and environmental protection. In their study, they found that the environmental issues have a significant impact on the modern society. The environmental problems are the results of mass consumption and production across the globe. The 'buy-use-dispose cycle' for goods and services directly affects the environment. Due to limited resources, an extra caution is needed from both the consumers and the producers. Therefore, an awareness is needed for the protection of the environment. The study also presented a detailed analysis on the role of environmental protection, environmental marketing and green marketing.

Murugesan (2008) observed in his study "Green-Trust and Distrust" that "Green Marketing" is a combination of the "Social Marketing Concept" and the "Ecological Marketing Concept". The concept of green can be used in a broad range of activities - such as product modification, changes in the production process, packaging changes, and also in advertising strategies and promotional methods. Thus, there is a need of popularizing the green concept across the globe.

Thakur et al. (2009) investigated customer awareness with reference to green marketing of automobiles. An empirical study was conducted at Indore, Madhya Pradesh. The study revealed that a significant awareness about green marketing was encouraged among customers. The survey concluded that green marketing of automobiles is encouraging in both urban and rural people, particularly in owners of four wheelers. This indicates that in the Indian context too, the awareness about green goods or services is gradually getting importance. The customers are shifting their attitude from traditional goods to green products.

Welling & Chavan (2010) analyzed the feasibility of green marketing for medium scale manufacturers. Their study tried to find out whether the small & medium scale manufacturers believed in implementing the green concept (eco-friendly practices) in the manufacturing and marketing stages of their products. The study was based on empirical data, and the data was collected from 114 respondents situated in suburban Mumbai. The study suggested that the state/central government should encourage SMEs involved in manufacturing of green products. The tax holidays, awards & recognition, financial assistance, subsidies for SMEs involved in eco-friendly activities may motivate the firms to go for green concepts. Even the promotional methods - both for consumers & manufacturers - help to enhance eco-friendly goods. The study ended with a conclusion that green marketing in India is at a nascent stage and the Government has to plan ahead with a long-term vision.

Mishra et al. (2010) traced three segments of green consumers and explored the challenges and opportunities that businesses have to deal with in green marketing. The study highlighted the challenges of green marketing like involvement of green myopia, educating the customers, price factors etc. The study also suggested that firms should recognize green marketing as CSR. On the other hand, consumers should prefer such products that are not harmful to the natural environment. The study traced the three important indications for successful implementation of green marketing:

- (1) Consumers' value positioning ;
- (2) Calibration of consumer knowledge ;
- (3) Credibility of the product claim.

Zaman et al. (2010) made a comparative study on consumer's behavior on selected eco and fair trade labeling in Sweden on Green Marketing or Green Wash. The study compared eight selected eco brands which were used in the Swedish Market. Comparison was based on environmental justice & eco-system services perspective. The study showed that most of the eco-brands did not comply with the environmental justice & eco-system services in their label policy initiatives. The survey also disclosed that the environment is an important criterion for consumers while purchasing consumer products. The study identified the loopholes in supply chain coverage as the major reason for failure of most of the eco-labeled products in Sweden. It suggested effective measures in raising consumer awareness about green products, such as information regarding labeling on the products, eco-label initiatives etc.

Joshi et al. (2011) suggested that the corporate houses have to include green marketing as part of their strategy to promote products by explaining environmental claims either about their attributes or about their systems, policies in manufacturing & marketing processes. On the other hand, the study also focused on the dark side of Green Marketing. It highlighted the perils - like over emphasizing on greenness rather than customer needs, availability of raw material for green products, which are costly in nature, huge investment for R & D, lack of awareness about green products, customers' unwillingness to pay an extra premium for green products, etc. At the end, the study placed the responsibility of bringing the customers in to the 'green marketing web' at the doorstep of the marketers.

## **THE LEGAL ENVIRONMENT OF GREEN MARKETING**

Environmental problems like increase in the levels of carbon dioxide, greenhouse gases, mass-scale damage to biodiversity and global warming can be attributed to industrialization on a mass scale. Protection of the environment and conservation of natural resources came to be realized at national and international levels, and a concern for ecology became a watch word. Due to increase in the eco-related problems, the concern for environmental protection increased. The governments across the globe started issuing new regulations and legislations in respect of protecting the environment. International agencies also swung into action. The environmental problems like ozone depletion, global warming are not the concerns of a particular nation. Stringent regulations have to be made by all the countries. Therefore, the next section observes the efforts being made by International Agencies in general, and India in particular, in the direction of protecting the environment.

## **THE GLOBAL CONTEXT**

Let us glance at the initiatives taken to protect the environment and to promote green concepts across the globe.

❖ **The Kyoto Protocol** : The Kyoto Protocol is a protocol to the United Nations Framework Convention on Climate Change (UNFCCC), aimed at fighting global warming. It is an international environmental treaty with the goal of achieving "stabilization of Greenhouse Gas (GHG) concentrations in the atmosphere to a level that would prevent dangerous anthropogenic interface with the climate change."

❖ **About The Protocol** : The protocol was initially adopted on December 11, 1997 in Kyoto, Japan and came into effect on February 16, 2005. As of September 2011, 191 countries had signed and ratified the protocol. Under the protocol, 37 countries committed themselves to the reduction of four greenhouse gases (Carbon dioxide, Methane, Nitrous Oxide, Sulphur Hexafluoride) and two groups of gases (Hydrofluorocarbons (HFCs) and Perfluorocarbons (PFCs)) produced by them, and all member countries gave general commitments. The countries including USA collectively agreed to reduce their greenhouse gas emissions by 5.2% for the period from 2008-2012. While the 5.2% figure is a collective one, individual countries were assigned a higher or a lower figure. For example, USA was expected to reduce emission by 7%.

❖ **India And The Kyoto Protocol** : India insisted to the global community to make equal progress on negotiations to extend the Kyoto protocol emission reduction commitment by the US and large developing nations such as India and China as well (The Hindu, July 20, 2011). One of the decisions taken at the UN Summit in Cancun in December 2010 was to create the Green Climate Fund (GCF). In the context of sustainable development, the Fund aims to promote the paradigm shift towards low-emission and climate-resilient development pathways by providing support to developing countries to limit or reduce their greenhouse gas emissions and to adapt to the impacts of climate change, taking into

account the needs of those developing countries particularly vulnerable to the adverse effects of climate change (<http://gcfund.net/home.html> accessed on April 15, 2012).

India gave its commitment in this direction, however, India clearly stated that it would not accept any further legally binding emission framework (Business Standard, September 16, 2011). Mrs. Jayanthi Natrajan, Hon'ble Minister of State for Environment and Forests said that, "*India has done voluntary efforts to cut back on greenhouse gas emissions and even reported about this to its own Parliament.*"

In late March 2001, US President George W. Bush announced that the US would withdraw from the Kyoto Protocol. He suggested in his June 11, 2001 statement that instead of committing to the Kyoto Protocol standards, the US would combat global warming in other ways. In fact, the US alone was responsible for about 25% of the global carbon dioxide emission in 1990. However, in July 2001, the EU, Japan, Canada, Russia, Australia and 170 other nations reached an agreement to proceed with the Treaty. As a way forward, substantial concessions to the industries and obtaining confidence of the industries will only resolve such conflicting issues.

The UN also took drastic steps to monitor global warming and to promote the importance of green marketing across the globe. The initiatives taken by the UN are as follows:

**1)** The United Nation's Conference on Human Environment was held in 1972 at Stockholm with the aim to safeguard the environment and to promote economic development.

**2)** Global NGOs like Greenpeace, World Wildlife Fund (WWF), Friends of Earth etc., are functioning to protect the environment under the aegis of the UN.

**3)** Establishment of two important institutions of the UN - the Food and Agriculture Organization (FAO) and the WHO (World Health Organization), to address the issues concerning the relationship between environment & food and between environment & human health respectively.

**4)** Establishment of the International Labor Organization (ILO) – a UN institution functioning on the issues relating to environmental hazards and workers' safety.

**5)** Establishment of International Maritime Organization in 1954 to address concerns related to pollution of the oceans from oil tankers.

**6)** In 1980, World Commission on Environment and Development addressed the serious problems of global warming, deforestation, loss of bio- diversity, alarming increase in pollution levels and increase in hazardous wastes.

**7)** United Nations Framework Convention on Climate Change (popularly known as Earth Summit) 1992 prepared a blue print for governments on population strategy, management of hazardous wastes, recycling, energy conservation, renewable energy and the role of women in environmental protection.

**8)** Earth Summit+5, 1997 : A Conference was organized to assess the progress made in 5 years since the Earth Summit of 1992. The Summit+5 addressed political commitment on sustainable development from all members of the international community.

**9)** Earth Summit, 2002 : The Johannesburg Summit focused on the agenda of protecting the environment and fighting poverty. The linkage between poverty and environment/ resource use was reexamined to strengthen this relationship.

**10)** The Earth Summit meetings are called the Conference of the Parties (COP) to assess the progress in dealing with climate change. A list of COPs completed so far is as follows :

- ❖ 1996 - COP2, Geneva, Switzerland
- ❖ 1998 - COP4, Buenos Aires, Argentina
- ❖ 2000 - COP6, The Hague, Netherlands
- ❖ 2001 - COP6, Bonn, Germany
- ❖ 2003 - COP7, Marrakech, Morocco
- ❖ 2003 - COP9, Milan, Italy
- ❖ 2005 - COP11, Montreal, Canada
- ❖ 2006 - COP12, Nairobi, Kenya



- ❖ 2007 - COP 13, Bali, Indonesia
- ❖ 2008 - COP 14, Poznan, Poland
- ❖ 2009 - COP 15, Copenhagen, Denmark
- ❖ 2010 - COP 16, Cancun, Mexico
- ❖ 2012 - COP-18, two countries - Qatar and South Korea are currently bidding to host the 2012 COP 18.

## THE INDIAN CONTEXT

The Indian government has developed a number of legislations to reduce the production and marketing of harmful goods and by-products. Such legislations put restrictions on the production of environment threatening goods. Many provisions dealing with the environment are scattered in pieces and are found in different enactments of the country. The general enactments which provide for the Prevention and Control of Pollution are: The Factories Act, 1948; the Motor Vehicle Act, 1988; Environment (Protection) Act, 1986; Air Prevention and Control of Pollution Act, 1987; The Water (Prevention and Control of Pollution) Act, 1974.

These stringent Acts have prevented the use of plastic bags, smoking in public places etc. In a major environment-friendly move, this year (2012), the Delhi government has decided to impose a blanket ban on the usage and manufacturing of plastic bags. This ban is being imposed under the Environment (Protection) Act, 1986.

❖ **Environmental Standards** : International standards called ISO 14001 and European Union Eco-Management and Audit System (EMAS) and earlier British Standard for environment are being adopted. The ISO took up the responsibility for drawing up a new environmental standard series. ISO 14000, with the help of Bureau of Indian Standards (BIS) (formerly known as Indian Standard Institute (ISI)) has developed environmental standards for India. In India, more than 600 companies have certified for ISO 14001. The ISO 14000 Series comprises of standards or EMS. The organizations who want to improve their EMS use the ISO14000 guidelines. Other standards in the 14001 series that are concerned with specific areas of environmental audit are:

- ❖ ISO 14000 - General guidelines on principles of EMS
- ❖ ISO 14001 – Specifications and Guidance for EMS
- ❖ ISO 14010 – Guidelines for Environmental Auditing
- ❖ ISO 14012 – Guidelines for Environmental Auditing- Qualifications for Auditors
- ❖ ISO 14015 - Environmental site assessment
- ❖ ISO 14020 – Environmental Labeling (Eco-Labeling)
- ❖ ISO 14021 – Environmental Labels and declarations
- ❖ ISO 14040 – Life Cycle Assessment

❖ **Eco-Labeling** : It is an environmental claim that appears on the packaging of a product. It is awarded to a manufacturer by an appropriate authority. ISO 14020 is a guide to the award of eco-labeling works like an instructor for the firms who indulge in the production of goods and services that cause damage both to the health of humans and the environment. The Government of India launched an eco-mark scheme in 1991 to increase consumer awareness with respect to environment-friendly products. The products that require eco-marketing are textiles, toilet soaps, detergent cakes, paints, packages, pesticides and insecticides, cosmetics, batteries and pharmaceutical products. The eco labeled goods naturally spur the demand for green products and in turn, aim to increase green consumerism.

❖ **Eco-mark Scheme** : The Government of India launched an eco-mark scheme in 1991 to increase consumer awareness towards environmental friendly products. Another aim of the eco-mark scheme is to stimulate the consumers to go for pro-environmental products. The eco-mark is needed for products like cosmetics, leather goods, paints, lubricant oil, plastic products, batteries, etc.

❖ **Environmental Accounting** : Environmental Accounting is required to measure the environmental impact of economic activities by the corporate sector. Environmental accounting needs to work as a tool to measure the economic efficiency of environmental conservation activities and the environmental efficiency of the business

activities of a company as a whole. The Management seldom tries to make proper arrangements to save the environment, unless it is required as per law, as there is no direct relationship between investment and benefits. There is a correlation between the loss of the natural environment and the growth of the economy. In many contexts, environmental accounting is taken to mean the identification and reporting of environment specific costs such as the liability cost and waste disposal costs. It is accounting for any costs and benefits that arise from change to a firm's products and processes, where the change also involves a change in environmental impact. However, the major problem in environmental accounting is the identification of the cost factors, and the shifting of such costs to the consumers ([http://www.icaai.org/resource\\_file/10355720-726.pdf](http://www.icaai.org/resource_file/10355720-726.pdf) accessed on April 15, 2012).

## BENEFITS OF GREEN MARKETING

Due to increase in consumerism across the globe, the sensitivity in accepting pollution free, harmless and green products is also increasing tremendously. Therefore, the manufacturers are being pressurized for manufacturing such goods. As discussed in the earlier sections, both the manufacturers as well as the consumers are equal partners in bringing eco-friendly goods to the society. Hence, the manufacturers and the consumers can benefit out of green marketing in the following ways :

### ❖ Benefits Available For Firms And Industries:

- 1) Helps to access new markets.
- 2) Can help to achieve competitive advantage over other competitors.
- 3) Protects the company in the long run.
- 4) Aids in long term growth.
- 5) Improves the quality of the environment.
- 6) Environmentally responsible company will hold a unique status in the society.

### ❖ Benefits For The Consumers:

- 1) Health benefits.
- 2) The network of green users expands.
- 3) Less threat to the eco-system by the consumers.
- 4) The Earth will be protected from hazardous goods.

## ANALYSIS OF ECO-ISSUES IN GREEN MARKETING

Green marketing is a response to the demand for ecologically sound products like recycled products, biodegradable products, energy-efficient systems or products. Marketing management represents an important functional area of business management efforts for the flow of goods and services from the producer to the consumers. No area in the process of marketing is free from the adoption of the "Green" concept. We can claim environmental recognition in all areas of marketing. Let us focus on the major areas that require an environmental touch-up. Since the marketing mix is a profitable formula for any businessman, naturally, the inputs or sub mixes need to be given an environmental status.

**Table 1 : The Concept Of Product Mix In Green Marketing**

Sl.no	4 Ps	Treatment Under Traditional Concept	New Concept In Green Marketing
01	First P- PRODUCT	Raw material is procured to transform it into a product. The waste in the manufacturing process is disposed off.	<ul style="list-style-type: none"> <li>• Eco-friendly.</li> <li>• Waste is minimized.</li> <li>• Effective use of non-renewable energy sources.</li> <li>• Waste of one process should serve as the raw material need of another.</li> </ul>

Source: Author's Research

Table 2 : The Concept Of Price Mix In Green Marketing			
Sl.no	4 Ps	Treatment Under Traditional Concept	New Concept In Green Marketing
01	Second P- PRICE	Expecting profit at all levels at the cost of the environment.	<ul style="list-style-type: none"> <li>• Price is spread throughout the Life Cycle of the product.</li> <li>• Fixed on purchase power parity mode.</li> <li>• Environmental safety.</li> <li>• Health of the employees and the community is protected.</li> </ul>
Source: Author's Research			

Table 3 : The Concept Of Promotion Mix In Green Marketing			
Sl.no	4 Ps	Treatment Under Traditional Concept	New Concept In Green Marketing
01	Third P- PROMOTION	Promotional strategies are rather more important to hold the customers than educating them on green marketing through promotional methods.	Environmental responsibility and commitment should be a part of the corporate culture and their mission statement.
Source: Author's Research			

Table 4 : The Concept Of Place Mix In Green Marketing			
Sl.no	4 Ps	Treatment Under Traditional Concept	New Concept In Green Marketing
01	Fourth P- PLACE	Concentration of production plants	<ul style="list-style-type: none"> <li>• Decentralization of manufacturing plants to avoid unnecessary transportation costs of raw material.</li> <li>• Skilled HR.</li> <li>• Availability of green products nearer to the residential places.</li> </ul>
Source: Author's Research			

The traditional sub mixes of the marketing mix like the 4P's i.e., Product, Price, Place and Physical distribution need to be nurtured with environmental contents.

**1) The Green Product:** The wide variety of products available in the market should meet the environmental norms. The products with green characteristics automatically demand an extra premium. Thus, the manufacturer should take utmost care at the time of manufacturing the goods. The green product concept is explained in the Table 1.

❖ **Examples:**

**a) Technological Advancement:** Due to mass consumption, production and technological advancement, use and throw products increase environmental pollution. Examples of such products are : computers, mobile phones, cameras , pens, metal containers, paper plates and cups etc.

**2) Green Price:** Fixation of price is a critical and the most important factor in green marketing. When a product fetches green features, it is eco-friendly, and naturally, the product needs an extra premium from the users. Therefore, apart from meeting the regular expenses incurred on the product, the consumers are prepared to meet the additional price for extra premium on the quality of the product. The treatment of price mix under green marketing is explained in the Table 2. E.g., for energy saving bulbs like CFL, the consumers need to pay more for CFL bulbs than what they pay for the traditional bulbs.

**3) Green Promotion:** Promotional techniques and policies are the strongest strategies which hold and turn the consumers. Holding the customers for long duration is the crucial issue in the present context. Therefore, in the promotional activities like advertising, sales promotional activities, print and non-print medias, the environmental issues need to be passed on to the ultimate users. The best implementation of the promotional methods by considering the green concepts is explained in the Table 3.



### Examples:

- a) Surf Excel's advertisement slogan “*Do bucket paani roz bachao*” (Save two buckets of water daily by using Surf Excel).
- b) Through the names of the retail outlets like Reliance Fresh and Fresh@Namdhari, the companies strive to promote “Green Marketing”.
- c) Luminous brand of home inverters. The Sticker on the inverter depicts 'Keep your city clean and green', which is a way of spreading the green message as a CSR activity.
- d) Spreading eco-friendly messages among peer groups online and by using Social Networking Sites.
- e) Strengthening the network of green consumer forums.

**4) The Green Place:** The Green Place is about managing logistics to cut down transportation costs. Logistics may relate to the procurement of raw materials, concentration or dispersion of production plants in a particular region. The arrangement of a place mix in green marketing is explained in the Table 4.

### Examples:

- a) Tata McGraw Hill has its offices in many countries. A book is available at different prices across the globe. Due to purchasing power parity reasons, the book “International Business” authored by Charles and Jain is marketed for the same price in India, Pakistan, Sri Lanka and Bhutan.
- b) Prentice Hall Publication's book “Organizational Behavior” authored by Stephen Robbins is available in India for ₹ 450, whereas, the original cost of the book is ₹ 7332.

The strategy of price discrimination can be analyzed in two ways :

- a) Price discrimination is essential because the purchasing power parity of a nation varies from country to country.
- b) Due to decentralization of publication centers, the cost with respect of transportation, procuring of raw material, promotion and distribution can be saved.

## SUGGESTIONS

In order to achieve environmental and profit related objectives, the firms can consider the following suggestions:

- ❖ Zero paper consumption (Seminar/conference proceedings to be distributed in the digital format instead of hard copy or in the book format).
- ❖ A firm can aim to achieve carbon neutrality.
- ❖ Adopt mechanisms to evaluate the level of damage a product can cause to the environment.
- ❖ Bring about transparency in the ethical environment.
- ❖ Use resources judiciously.
- ❖ The industry should not mislead the consumers in the name of green marketing.
- ❖ Instead of making plans to reprocess/recycle the waste, make strategies to reduce the wastes in the production stage itself.
- ❖ Consumers are to be well educated about green marketing and the importance of protecting the planet from polluted goods and services should be emphasized.
- ❖ Consumer forums are to be strengthened from the grass root level. The consumers are to be educated through awareness programs like seminars, symposiums etc.
- ❖ Environmental awareness programs for the youth are needed because they are the major consumers of FMCGs.
- ❖ All educational institutions should introduce a subject on “Environmental Studies” in the academic curriculum.

## INDUSTRY CASES

**1) Wal-mart :** Wal-Mart launched its highly visible environmental strategy in 2004, since then, their goals have encompassed everything from:

- ❖ Cutting energy usage at stores by 30% to reduce greenhouse gas emissions.
- ❖ Working towards monitoring overseas suppliers to ensure that they meet environmental standards.

**2) British Petroleum:** In 2000, British Petroleum rebranded to “BP” and adopted the slogan “Beyond Petroleum”. According to BP, this positioning captures their goals of finding cleaner ways to produce and supply oil, as well as researching and developing new types of environment friendly fuels.

**3) General Electric :** In 2005, GE launched their eco-goods campaign. Clarifying how the green positioning is integrated with their overall business strategy, GE has pledged to:

- ❖ Double investments in clean R&D.
- ❖ Increase revenues from Eco products.
- ❖ Reduce their own greenhouse gas emissions by 1% over 7 years.

**4) State Bank of Mysore :** The commitment of State Bank of Mysore towards the protection of the environment is highlighted on their website :

- ❖ Replacement of all fused GSL bulbs into CFL bulbs throughout its branches.
- ❖ A feasibility study has been undertaken on rainwater harvesting.
- ❖ Adoption of Clean Development Mechanism (conversion of bank branches into zero carbon zones).

## CONCLUSION

In the present era, a firm without green concepts cannot survive in the market. But the central theme is that the “Consumer” needs to be educated in this regard. A lack of information or keeping the consumers in the dark about the utility of green products is another way of cheating the consumers. A proper legislation in Consumer Protection Act is the need of the hour. The role of the media & the stakeholders should be to play an informative role in educating the consumers. Now-a-days, the consumers are getting quite aware about the importance of the protection of the earth, protecting the ozone layer, pollution of air, water & environment from print and non-print media. Therefore, in order to survive in the present era of cut-throat competition, firms need to go greener than their competitors.

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