

Green Marketing: Marketing Products and Services: A Review

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ABSTRACT

“Marketing products and services based on environmental factors or awareness. Companies involved in green marketing make decisions concerning the whole process of the company's products, like methods of processing, packaging and distribution”. Green marketing refers to the method of selling products and/or services supported their environmental benefits. Such a product or service could also be environmentally friendly in it or produced and/or packaged in an environmentally friendly way. The obvious assumption of green marketing is that potential consumers will view a product or service's "greenness" as a benefit and base their buying decision accordingly. The not-so-obvious assumption of green marketing is that consumers will be willing to pay more for green products than they would for a less-green comparable alternative product - an assumption. There are many environmental issues impacted by the assembly of products and rendering of services, and thus there also are some ways a corporation can market their eco-friendly offerings. Green marketing can appeal to a good sort of these issues: an item can save water, reduce greenhouse emission emissions, cut toxic pollution, clean indoor air, and/or be easily recyclable. When put side by side with the competition, the more environmental marketing claims your product or service can make, the more likely it's the buyer will select it, provided the worth point isn't an excessive amount of above the choice .

Keywords: Marketing products, Green marketing, packaging and distribution.

I. INTRODUCTION

The current period is characterized by the destructive waste of natural resources, unstable economic development and, especially, global climate change. This is a state that shows changes in consumer behavior changing the responses of business entities. This is the art of marketing [1]. Surveys show that six

out of 10 enterprises would invest in sustainable initiatives albeit there have been to be an initial increase in costs. Some businesses have very quickly adopted the Environmental Management System (EMS) and have begun to apply an eco-friendly approach to all corporate activities. Many businesses have begun to require sustainable initiatives to require on a win-win approach that saves on the prices of the enterprise while demonstrating awareness among customers who are increasingly trying to find promises from responsible businesses because they're aware that environmental themes affect all activities concerning human existence [2]. Incorporating the principles of green marketing into business systems is increasingly being mentioned within the globalization process of the economy, given the big potential in obtaining a viable competitive advantage [3].

Corporate Social Responsibility

The environment has become a neighborhood of a company's responsible approach to commercial activity and, at an equivalent time, a chance for entrepreneurial growth [4]. These ideas combine the concept of corporate social responsibility, which has been and is that the main topic discussed at several annual meetings of the planet Economic Forum. Environmental activities within the framework of enterprise strategy development provide the ecu Union with a report during which CSR defines the voluntary integration of social and environmental aspects into day-to-day business activities and interactions with stakeholders (stakeholders). Under this idea , companies voluntarily plan to contribute to a far better society and a cleaner environment [5]. This definition is predicated on so-called the principle of triple-bottom-line (people, profit, planet), that is, the measurement of positive and negative impacts of the enterprise on the social, economic and environmental spheres of society as an entire , taking under consideration other CSR priciples, like sustainable development and

volunteering [6]. 1.2. Defining Green Marketing as a CSR Tool at the present, concepts like green, sustainable or organic marketing are getting more widely used, reflecting the growing interest of society in the impact of growing consumption on the environment [7]. Organic marketing is the study of the positive and negative aspects of marketing activities on pollution, energy consumption and non-energy consumption [8]. This definition includes the following features: green marketing as a subset of the overall marketing activity examines positive and negative activities, and only a limited range of environmental issues. It follows that green marketing is predicated on the CSR of the triple-bottom-line principle, which characterizes green marketing because the marketing of products that are alleged to be environmentally friendly and environmentally sound [9]. Social marketing is geared towards developing a supply of products that mitigate and supply minimal negative environmental impacts while increasing their quality. From an environmental point of view, it's defined because the effort of an enterprise to supply, promote, package, innovate and reuse the merchandise so on responsibly address environmental issues [10]. Green marketing consists of multiple activities designed to make sure the key aspect of marketing-product exchange with minimal negative environmental impact [11]. Peattie defines green marketing as a holistic management process liable for identifying, anticipating and meeting the requirements of consumers and corporations in an efficient and sustainable way [12]. However, several sources means that a more complete definition of green marketing is predicated on the method of designing, implementing and managing the event, pricing, promotion and distribution of products during a way that meets the standards of meeting customer needs, achieving organizational goals of the business, and linking these processes to the ecosystem [13]. The absence of a generally recognized definition thus gives businesses the power to make their own, supported their goals, risks and opportunities, competencies. The main goal of green marketing is to present consumers with the importance of protecting the environment in the context of product consumption, placing an emphasis on building

long-term relationships supported each side of communication, not only with customers but also with other stakeholders and creating the natural got to be environmentally responsible. 1.2.1. Green Marketing and Business Competitiveness Competitive business environments vary counting on the wants and demands of consumers, regulations and opportunities to realize a truism advantage [14]. Businesses face positive pressure to become environmentally efficient, contributing to their higher profitability, but also their overall economic stability [15]. Many businesses implement green marketing, especially for reasons of opportunity, social and environmental responsibility, pressure from government and competition, and price reduction. Getting a competitive advantage are often achieved through seven green marketing strategies for understanding the deeper connections between customer and stakeholder, environmental and social values, branding, and proactive business [16]. Once the business wants to realize a sustainable competitive advantage, it must integrate environmental thinking into all aspects of selling [17]. This will only be achieved through the implementation of the green marketing strategy, as the basic prerequisite for future competitive struggle has become the solution of environmental issues and the level of implementation of the principles of green marketing, which can enjoy higher profitability, competitive advantage, improved stakeholder relations and better environmental performance [18]. 1.2.2. Green Marketing Strategy and Its Appropriate Choice A holistically conceived strategy must also implementation of green marketing goals into business plans [19]. Green marketing, also as traditional marketing, carries two great themes—marketing mix and marketing strategy. Marketing strategy may be a continuous cycle during which individual STP process sequences—demand measurement, segmentation, target market selection, and positioning—are conducive to competitive advantage [20]. Based on the STP process, an enterprise approaches the creation and selection of an appropriate strategy. According to Ginsberg and Bloom, a corporation has the power to ecologize products and therefore the overall economy of green market segments by choosing from the four strategies outlined. The vertical axis illustrates the power of the

green market segments to soak up and on the horizontal axis the power of an enterprise to differentiate the merchandise by greening [21]. The negative impact of human activities over environment may be a matter of concern today. Governments everywhere the planet making efforts to attenuate human impact on environment. Today our society is more concerned with the natural environment. Understanding the society's new concerns businesses have begun to switch their behavior and have integrated environmental issues into organizational activities. Academic disciplines have integrated green issues in their literature. This is true with marketing subject too, and therefore the terms like "Green Marketing" and "Environmental Marketing" are included in syllabus. Governments everywhere the planet became so concerned about green marketing that they need attempted to manage them. Green marketing definitions are often a touch confusing, since green marketing can ask anything from greening development to the particular ad campaign itself. Going by alternative names like sustainable marketing, environmental marketing, green advertising, eco marketing, organic marketing, all of which point to similar concepts though perhaps during a more specific fashion, green marketing is actually how to brand your marketing message so as to capture more of the market by appealing to people's desire to settle on products and services that are better for the environment. Sustainability 2017, 9, 2218 3 of 13 implementation of the green marketing strategy, because the basic prerequisite for future competitive struggle has become the answer of environmental issues and the level of implementation of the principles of green marketing, which can enjoy higher profitability, competitive advantage, improved stakeholder relations and better environmental performance [18].

Benefits of Green Marketing

Companies that develop new and improved products and services with environment inputs in mind give themselves access to new markets, increase their profit sustainability, and enjoy a competitive advantage over the companies which are not concerned for the environment.

Some of the advantages of green marketing are,

- It ensures sustained long-term growth along with profitability.

- It saves money in the long run, though initially the cost is more.
- It helps companies market their products and services keeping the environment aspects in mind. It helps in accessing the new markets and enjoying competitive advantage.
- Most of the employees also feel proud and responsible to be working for an environmentally responsible company.

Adoption of Green Marketing

There are basically five reasons for which a marketer should go for the adoption of green marketing. They are:

Opportunities or Competitive Advantage

In India, around 25% of the consumers prefer environmental-friendly products, and around 28% may be considered healthy conscious. Therefore, green marketers have diverse and fairly sizeable segments to cater to. The Surf Excel detergent which saves water (advertised with the message—"do bucket paaniroz bachana") and the energy-saving LG consumers durables are examples of green marketing. We also have green buildings which are efficient in their use of energy, water and construction materials, and which reduce the impact on human health and the environment through better design, construction, operation, maintenance and waste disposal.

Social Responsibility

Many companies have started realizing that they must behave in an environment-friendly fashion. They believe both in achieving environmental objectives as well as profit related objectives. The HSBC became the world's first bank to go carbon-neutral. Other examples include Coca-Cola, which has invested in various recycling activities. Walt Disney World in Florida, US, has an extensive waste management program and infrastructure in place.

Governmental Pressure

Various regulations are framed by the government to protect consumers and the society at large. The Indian government too has developed a framework of legislations to reduce the production of harmful goods and by products. These reduce the industry's production and consumers' consumption of harmful goods, including those detrimental to the environment; for example, the ban of plastic bags in Mumbai, prohibition of smoking in public areas, etc.

Competitive Pressure

Many companies take up green marketing to maintain their competitive edge. The green

marketing initiatives by niche companies such as Body Shop and Green &Black have prompted many mainline competitors to follow suit.

Cost Reduction

Reduction of harmful waste may lead to substantial cost savings. Sometimes, many firms develop symbiotic relationship whereby the waste generated by one company is used by another as a cost-effective raw material. For example, the fly ash generated by thermal power plants, which would otherwise contributed to a gigantic quantum of solid waste, is used to manufacture fly ash bricks for construction purposes.

Strategies

The marketing strategies for green marketing include: -

- Marketing Audit (including internal and external situation analysis)
- Develop a marketing plan outlining strategies with regard to 4 P's
- Implement marketing strategies.
- Plan results evaluation

Challenges Ahead

- 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.

Some Cases

- ◆ McDonald's restaurant's napkins, bags are made of recycled paper.
- ◆ Coca-Cola pumped syrup directly from tank instead of plastic which saved 68Million pound/year.

II. CONCLUSION

- Green marketing should not neglect the economic aspect of marketing. Marketers need to understand the implications of green marketing.
- If we think customers are not concerned about environmental issues or will not pay a premium for products that are more eco-responsible, then we should think again. We must find an opportunity to enhance you product's performance and strengthen your customer's loyalty and command a higher price.

- Green marketing is still in its infancy and a lot of research is to be done on green marketing to fully explore its potential.
- Marketers also have the responsibility to make the consumers understand the need for and benefits of green products as compared to non-green ones. In green marketing, consumers are willing to pay more to maintain a cleaner and greener environment.

Finally, consumers, industrial buyers and suppliers need to pressurize the minimizing of the negative effects on the environment. Green marketing assumes even more importance and relevance in developing countries like India.

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