

SUSTAINABLE DEVELOPMENT – AN IMPACT OF GREEN MARKETING

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Abstract :

According to Report of World commission on Environment and Development (UN, 1987), Sustainable development is acknowledged as a pattern of resource use that aims to meet human needs while preserving the environment, so that these needs can be met not only in present, but in the indefinite future. Sustainability is constituted on three dimensions- the environment, the economy and society. Consequently, sustainable development is based on sustainability in environment, economic and socio-political arena. Green industries, green markets, green products as well as green customers play an important role in sustainable development.

This study is concerned with the importance of green marketing. It results in sustainable development of industry, country and countrymen. Green customers play an important role in green marketing but they put on two question marks i.e. how and why. For this they should be properly convinced. This study demonstrates why green products are required and once they are being purchased how it can be rated and how this rating goes on increasing as one product to one customer results in chaining of one product to many customers or many products to many customers. It will be best practice when it will have all products to all customers.

Keywords: Green Marketing, Sustainability, Sustainable Development, green customers, green products, green industries

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1. Introduction

“Sustainable development is development that meets the needs of the present without compromising the needs of future generations to meet their own needs”(Brundtland,1987)

Different types of sustainability are:

1. A sustainable system or process must be based on renewal resources such as water and energy that will not be exhausted over a reasonable period (or the 'long term').
2. A sustainable system or process must not generate unacceptable pollution externally or internally.

Due to challenges of global warming, nations and people have a deep concern for environmental protection, so new avatar of business is Green Business. The industries that are environment friendly and in favour for welfare of society are called green industries. The marketing philosophy of such industries is called as green marketing and their environment friendly productions are called as green products. A number of Industries are participating in this race. So there is a competition among industries to prove itself a better green industries and so are its products. In all this, green marketing can definitely be used as a tool for gaining competitive and sustainable growth.

1.1 Green Marketing

Green marketing came into existence in 1980. It is related to the concept in which production, marketing consumption, disposal of products and services should be done in such a way that is less detrimental to the environment with growing awareness about the implications of global warming, non-biodegradable solid waste, harmful impact of pollutants etc. The shift from non-green to green may appear to be expensive but it will definitely be indispensable and advantageous, cost-wise too, in the long run and results in sustainable development. Green marketing imbibes several activities such as product modification, changes to production processes, packaging, advertising strategies and also increases awareness on compliance marketing amongst industries. Business Dictionary dictates green marketing as promotional

activities aimed at taking advantage of changing consumer attitude towards a brand. These changes are increasingly being influenced by an industry's policies and practices that affect the quality of the environment and reflect the level of its concern for the community.

1.2 P's in Green Marketing

- **Product:** A producer should offer ecological products which not only must not contaminate the environment but should protect it and even liquidate existing environmental damages. The product itself has to be made in such a way that it satisfies consumer and manufacture's needs.
- **Price:** The price of green product has to be affordable for the customer to encourage purchase. Industrial differentiation works only when products reduce client's cost.
- **Place:** Main focus should be on ecological packaging. Marketing local and seasonal products e.g. vegetables from regional farms is easier to be marketed "green" than products imported.
- **Promotion:** Most buyers are influenced by green advertisement and also it improves image of the company
- **Publics--** "Public" is the external and internal groups involved in the program. External publics include the target audience, secondary audiences, policymakers, and gatekeepers, while the internal publics are those who are involved in some way with either approval or implementation of the program.
- **Partnership**—As social change issues are too difficult for one person or group to handle. Association of multiple groups results in pace up these issues
- **Policy--**Social marketing programs can do well in motivating individual behavior change. Policy change is needed but this does not work until or unless peoples' support

1.3 Sustainable Development and Green Marketing

According to the World Commission on Environmental Development (1978), Sustainable Developments "meeting the needs of the present without compromising the ability of the future generations to meet their own needs". In it, economic and ecological considerations are

integrated in decision making by making policies that conserve the quality of agricultural development and environmental protection. Thus, green marketing results in environmental protection for the current and upcoming generation. The development of energy- efficient operations, better pollution controls, recyclable and biodegradable packaging, ecologically safe products are all part of green marketing which also leads to sustainable development.

1.4 Green Products and Its Characteristics

Green products by following measurements:

- Products those are originally grown
- Products those are recyclable, reusable and biodegradable
- Products with natural ingredients
- Products containing recycled contents, non-toxic chemical (under limit)
- Products contents under approved chemical
- Products that do not contaminate the environment
- Products that will not be tested on animals
- Products with eco-friendly packaging i.e. reusable, refillable containers etc.

1.5 Green Certification

Certification is a very brief summary of all green features of the product and it is easy to be understood. Although getting certification sometimes does not mean high cost, only a few companies used this chance. Certifications of independent agencies on one hand can help to prevent deception of customers and also decreasing skeptical feelings in connection with environmental claims.

1.6 Factors to promote green marketing:

Environmental awareness, green product features, green promotion activities and green price affect green purchasing behaviors of the consumers in positive way. Demographic characteristics have moderate affect on model. Understanding of theme ‘Environmentally Friendly’ is required to be integrated into the corporate culture. However, green marketing isn’t limited to terms such as ozone-friendly, environment-friendly and recyclable products but is a much wider concept of

marketing activity which can be applied to consumer goods, industrial goods and even to services.

2. Study based on different views

2.1 By the Customer's perspective:

Customer satisfaction has been defined in two basic ways: as either an outcome (After usage) or as a convincement (Before usage). As an outcome, satisfying the end state resulting from the consumption experience. As a convincement, it is the perceptual evaluative and psychological process that contributes to satisfaction. Marketing literature suggests that there is a relationship between customer satisfaction and loyalty

The customer satisfaction can be done with following parameters:

- Product satisfaction
- Satisfaction comes after the purchase decision experience
- Satisfaction with the performance attribute
- Satisfaction with the brand
- Satisfaction with convincement

2.1.1 Green Customer

The green consumer is the one who adopts environmentally friendly behaviors and/or who purchases green products over the standard alternatives. Green consumers are more internally-controlled as they believe that an individual consumer can be effective in environmental protection. Not only government, business, environmentalists and scientists can protect the environment, it is consumers who also play an important role. Their open-mindedness helps them to accept green products and behaviors, more readily.

According to Hallin (1995) and McCarty and Shrum (2001), eco-friendly people engage in environmental behavior as a result of their desire to solve environmental problem, to become role models and a hope that they can help to preserve the environment. But only positive attitude towards environmental issues do not necessarily results in actual environmentally friendly purchasing behavior. Majority of consumers do not purchase products based on the

environmental concern alone and they will not trade-off other product attributes for a better environment.

2.1.2 Green for the Fashionable Youth

In general, fashion is blamed for its resource-wasting consequence as it convinces people to change their material goods (e.g. clothes, cars, accessories, gadgets) to newer ones- even if the older one is still able to function, but they will be outdated by the new seasonal fashion design. It can be collaborated with “wealthy” and “eco superior” trends”. Wealthy trend means that “products such as mobile health monitoring devices, as well as online health apps and health-dedicated social networks, will serve the multichannel wellness needs of consumers”. Eco-superior trend means that customers want more from a green product. A perfect brand should be a combination of eco-friendly, superior functionality, superior design, and/or superior savings. This can help to change attitude of younger generation more easily. Eco-fashion shows can also contribute a lot in this journey.

2.2 By the Industries Perspective:

The primary objective of companies is profitability but it is too hard for companies with the sole objective of making profit to obtain sustainability. Companies should be aware of their responsibilities towards the environment and the society in the same way as towards clients, shareholders and employees. Climate change, environmental issues and social problems will challenge the leaders of future generation for taking efficient and comprehensive decisions. In the process of taking these decisions, the priority of business people should be based on the principal of protecting the environment rather than profitability of the business.

Industries can have four perspectives on behalf of literature review:

- 1: Companies feel that more consumers will prefer green products in future
- 2: Companies having a green image will have distinctive advantages in the market place.
- 3: Companies selling green products will be able to sustain for a longer period of time in the market in comparison to non-green products sellers.

4: Sustainable development will be feasible if all the companies start making green products.

All the three types of companies' i.e. Durable, Non- durable and Services have positive attitude for green philosophy and green practices and of the opinion that sustainable development through green marketing is the new mantra of success and growth.

It is observed that green industries 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 non-green industries but in adopting green marketing policies, firms may encounter many challenges such as a disconnect between consumers' attitudes and actual behaviors, and their unwillingness to pay premiums for green products. Thus, regulatory and policy issues on environmental claims (such as labeling or advertising) that arise in the nonmarket arenas may have bearing on industries' market strategies. Awareness about real developments, such as usage of more natural fibers such as organic cotton and promote information about resource use, labour conditions, pollution, and waste. This involves working with suppliers and developing a culture of trust and knowledge sharing.

3. Green marketing cases

- Phillips's "Marathon" CFL light bulb results in rising utility costs and electricity shortages
- Car sharing services address the longer-term solutions to consumer needs for better fuel savings and fewer traffic tie-ups and parking nightmares, to complement the environmental benefit of more open space and reduction of greenhouse gases
- In Electronics sector, The Hewlett-Packard Company announced plans to deliver energy-efficient products and services and institute energy-efficient operating practices in its facilities worldwide
- Products & Services: E-commerce business and office supply company Shop let which offers a web tool that allows you to replace similar items in your shopping cart with greener products.
- Introduction of CNG in Delhi: In 2002, a dopted CNG in all public transport systems to curb pollution.

4. Conclusion

Thus, it is observed that having a green product does not result necessarily in a market success. Finding the right target group with efficient market research techniques, taking advantage of existing trends, giving consumers information about green certification and right and credible communication will help to build a real green business. Also, Green marketing should not neglect the economic aspect of marketing and Marketers need to understand the implications of green marketing. Recycling of paper, metals, plastics, etc., in a safe and environmentally harmless manner should become much more systematized and universal. Energy-efficient lamps and other electrical goods should be used. In green marketing, consumers are willing to pay more to maintain a cleaner and greener environment.

5. Future Perspective

Green marketing is still in its infancy and a lot of research is to be done on green marketing to fully explore its potential. It will grow by leaps and bounds in the world of business if all nations will make strict roles. Following can be the possible researches:

1. A deep study on rural Indian Consumers to know their attitude towards green marketing
2. Intensive research on Indian Automobile Industry in relation to green marketing issues.
3. Research on Indian Power Sector to have awareness on Green Power
4. Research on Indian Housing Sector to develop Green Houses or Green Building
5. Research can be done on Indian Tourism Industry to develop Green Tourism
6. Research can be undertaken in financial sector with Green Investment over Non Green.

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