

## GREEN MARKETING STRATEGIES FOR SUSTAINABLE BUSINESS GROWTH

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### **Abstract**

*Environment friendly, so called green marketing has become a discussed subject and companies are constantly trying to find the best ways to reach the customers with their green message. Customers are becoming more demanding and they have started to pay more attention to the environment. The aim of this study is to find out how strategic issues in green marketing are addressed by Companies. Green marketing incorporates a variety of activities, including modifications to products, changes to the production and distribution processes, packaging, and modifications to marketing communications. In this paper, the authors have tried to explain the need and importance of Green Marketing and strategies for Green Marketing. They have also tried to explain some strategies to avoid Green Marketing Myopia. At last some Green Marketing practices have been shared to convince the readers that, Green Marketing is not only possible but also it is sustainable as well as profitable from various quarters.*

**Key Words:** Green Marketing, Customer satisfaction, Environmental segments, Myopia

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### Introduction

Green marketing is the marketing of products that are presumed to be environmentally safe. Thus green marketing incorporates a broad range of activities, including product modification, changes to the production process, packaging changes, as well as modifying advertising. Other similar terms used are Environmental Marketing and Ecological Marketing. So, in this scenario of global concern, corporate houses have taken green marketing as a visible part of their strategic planning to promote products by employing environmental claims either about their attributes or about their systems, policies and processes of the firm that manufacture or sell them. "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 occurred with minimal detrimental impact on the natural environment." (Mr. J Polonkey)

Green marketing involves developing and promoting products and services that satisfy customers' wants and desires for Quality, Performance, Affordable Pricing and Convenience without having a detrimental input on the environment.

### Green Marketing and Customer Satisfaction:

Three ways to keep the customers satisfied as before or even more while adopting Green Marketing Strategies. In other words let's have look at the strategies for avoiding "Green Marketing Myopia".

#### 1. Consumer value positioning

- To design environmental friendly products to perform.
- To promote and deliver the consumer desired value of environmental products and target relevant consumer market segments (such as market health benefits among health-conscious consumers).
- To broaden mainstream appeal by bundling (or adding) consumer desired value into environmental products (such as fixed pricing for subscribers of renewable energy).

#### 2. Calibration of consumer Knowledge

- Educating consumers with marketing messages that connect environmental products attributes with desired consumers' value (e.g. "pesticide free product is healthier", "energy-efficiency saves money", or "solar power is convenient").

- To frame environmental product attributes as “solutions” for consumer needs (e.g. “rechargeable batteries offer longer performance”).
- Creating educational internet sites about environmental product’s desired consumer value (e.g. Tide cold water’s interactive website allows visitors to calculate their likely annual money savings based on their laundry habits, utility source [gas or electricity], and zip code location).

### 3. Credibility of product claims

- Employing environmental product and consumer benefit claims that are specific, meaningful, unpretentious, and qualified (i.e. compared with comparable alternatives or likely usage scenarios).
- To procure product endorsements or eco-certifications from trustworthy third parties, and educate consumers about the meaning behind those endorsements and eco-certifications.
- Encouraging consumer evangelism via consumers’ social and internet communication networks with compelling, interesting, and/or entertaining information about environmental products (e.g. Tide’s “coldwater challenge” website includes a map of the United States so visitors could track and watch their personal influence spread when their friends request a free sample).

#### Some Cases of Successful Green Marketing strategies:

✚ **L&T:** The cabins of all the executives are with *sensor electricity facility* i.e. if someone walks out of the corridor of the cabin then the lights are off automatically and vice versa. It has already discontinued the use of *ozone depleting* substances. The company saves over more than *350,000 liters of water a day* through “*zero discharge approach*” which basically involves water treatment and recycling for no potable purposes like gardening, horticulture etc. New product development is entirely focused on *innovation from an environment perspective*. It has adapted the *top-down as well as bottom- up approach* where an employee even in a lower position can **suggest for environment protection.**

✚ **OMFED:** OMFED (Orissa State Cooperative Milk Producers’ Federation) launched packets of milk with a message on energy conservation. Since, the milk producers cooperative body sells about 8lakh packets per day, the initiative will convey a great message to the people including the children.

✚ **CNG IN DELHI:** The need to be eco friendly is across the entire spectrum of activities. This need is greatly influenced by consumer forums and judiciary. To take an example when Hon'ble Supreme Court of India ordered the Delhi Government to examine ways and means to reduce pollution in Delhi, Hon'ble Court asked the Government to introduce clean fuel like **CNG in public transport system.**

✚ **INDRAPRASTHA GAS LTD** had to increase its supply. The vehicles had to be made with required alterations. This led to Delhi Transport Corporation becoming the largest CNG powered transport system in the country. This growing concern for the environment leads to the development in oil and gas exploration, refining and marketing. It also spurred development in the automobile sector which manufactured vehicles that could run on CNG fuels. Also the vehicles have to conform to pollution control norms as laid down by the government like **Bharat -III, Ero-II.**

✚ **Surf Excel:** Some kids in Mumbai's Bainganwadi slums are grateful to Surf Excel, the Rs 485Cr brand which introduces a feel good marketing campaign-The Surf Excel 10/10 drive. It is found that, the Surf Excel buyers in the four cities of Mumbai, Delhi, Bangalore and Kolkata SMSing an amount to HLL (now HUL). The company in turn donates that amount to an NGO that was involved in educating under privileged children.

✚ **Ponds Cold Cream:** The Rs.355Cr brand Ponds of HLL, tied up with United Nations Development fund for women. For every flap of ponds cold cream mailed by the consumers, the company would contribute Rs 2 to the fund to fight domestic violence. Even though the proportion ad spends from its Rs 1000Cr advertising and promotion budget have been minimal, HLL says most of its brands will look for long term strategic linkage with social causes.

✚ **ITC:** Here another difference to note, Corporate Social Responsibility (CSR) is being used to build individual brands rather than the corporate brand. A case in point is the Rs 16,000 Cr ITC, that ran their CSR campaigns, about putting India first for its e-choupal initiative two years back. Cut to the present the company has linked the **Sunfeast brand** to its **social forestry campaign**, where the company chips in with 25paise for every pack of Sun feast biscuit and Pasta sold and consumers to buy the Atta brand, Aashirvaad, contributed towards **ITC's rain harvesting campaign.** Divisional Chief Executive of ITC Mr.Ravi Naware says "consumers like to connect with the brand, if the brand is seen socially responsible brand then consumer get an

emotional connect that far beyond just usage of the brand and consuming it. It is this higher level of connect that we are attempting to create through this campaign.”

+ **TATA Salt:** Very recently Tata has launched a campaign through T.V. advertising that if one will purchase Tata salt, a significant percent of profit per pack would be contributed towards the education of unprivileged children of the slams.

+ **McDonald:** McDonald's restaurant's *napkins, bags are made of recycled paper.*

+ **COCACOLA:** Coca-Cola pumped syrup directly from tank instead of plastic which saved 68 million pound/year.

+ **NTPC:** Badarpur Thermal Power Station of NTPC in Delhi is devising ways to utilize coal-ash that has been a major source of air and water pollution.

+ **Indian Oil Corporation:** Barauni refinery of IOC has taken steps for restricting air and water pollutants.

+ **PHILIPS:** PHILIPS developed Compact Fluorescent Light (CFL) that consume less electricity and radiate less heat as well.

+ **Maruti:** Maruti has reduced its electricity consumption per vehicle by 20 per cent in the last 9 years, water consumption by 46 per cent, and land fill waste by 67 per cent.

## Conclusion

Green marketing should not neglect the economic aspect of marketing. Marketers need to understand the implications of green marketing. If marketers think customers are not concerned about environmental issues or will not pay a premium for products that are more eco-responsible, then they should think again. Marketers must find an opportunity to enhance their products. Although, Green Marketing Myopia is another challenge before the marketers, it is the fundamental responsibility of the Marketers to innovate and adopt new marketing strategies those would safeguard our eco system as well as satisfy the customers.

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