

A STUDY ON KEY ISSUES IN GREEN MARKETING VIZ A VIZ GREEN PRODUCTS

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ABSTRACT

Because the customers are getting a lot of and a lot of aware of safeguarding their surroundings, they're exerting a lot of and a lot of pressure to the businesses to supply the merchandise that cause lesser pollution to the surroundings. Because of the multiplied pressure from the society, NGOs and alternative establishments, government is additionally enacting a lot of and a lot of tight laws binding the businesses to visualize the environmental pollution. Within the lightweight of the multiplied pressures from varied quarters, the marketers additionally giving the merchandise and services that cause least injury to the surroundings. Therefore, inexperienced selling is changing into a lot of necessary to businesses thanks to the consumer's real considerations regarding our restricted resources on the planet. By implementing inexperienced selling measures to avoid wasting the earth's resources in production, packaging, and operations, businesses area unit showing shoppers they too share a similar considerations, boosting their credibility.

KEYWORDS: Green Marketing, natural environment, environmental pollution

INTRODUCTION

Unfortunately, a majority of people believe that green marketing refers solely to the promotion or advertising of products with environmental characteristics. Terms like Phosphate Free, Recyclable, Refillable, Ozone Friendly, and Environmentally Friendly are some of the things consumers most often associate with green marketing. While these terms are green marketing claims, in general green marketing is a much broader concept, one that can be applied to consumer goods, industrial goods and even services.

The promotion of environmentally safe or beneficial products, green marketing began in Europe in the early 1980s when specific products were identified as being harmful to the earth's atmosphere. As a result, new "green products" were introduced that were less damaging to the environment. Some businesses have been quick to accept concepts like environmental management systems and waste minimization, and have integrated environmental issues into all organizational activities. Different aspects of green marketing include ecologically safer products, recyclable and biodegradable packaging, energy-efficient operations, and better pollution controls.

WHAT IS GREEN MARKETING

Green marketing, also alternatively known as environmental marketing and sustainable marketing, refers to the marketing the products and services, that cause no or minimum damage to the environment is known as green marketing. Thus green marketing incorporates a broad range of activities, including product modification, changes to the production process, packaging changes, as well as modifying advertising.

Polonsky (1994) defines green marketing as 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. Elkington (1994: 93) defines green consumer as one who avoids products that are likely to put in danger the health of the consumer or others; cause significant damage to the environment during manufacture, use or disposal; consume a disproportionate amount of energy; cause unnecessary waste; use materials derived from threatened species or environments; involve unnecessary use of, or cruelty to animals; adversely affect other countries.

EXAMPLES OF GREEN MARKETING

- Oil companies are marketing lead free oil, which causes less damage to the environment.
- Automobiles companies have started manufacturing its vehicles that conform to the European emission norms.
- Companies are reducing the use of polythene as packaging material as it causes environmental pollution.
- Cement companies are beginning to pack cement in craft paper bags instead of using LDPE bags.
- More and More companies are adopting ISO 14,000 standards, which deal with controlling environmental pollution.

4Ps OF GREEN MARKETING or GREEN MARKETING IN TERMS OF PRICE, PRODUCT, PLACE AND PROMOTION

PRODUCT: Green Marketing begins with 'green design'. Product design constitutes an active interface between demand (consumers) and supply (manufactures).

The product itself has to be made in such a way that it satisfies consumer and manufacture's needs. For ecologically sustainable products to be successful, green branding attributes have to be efficiently communicated. Most buyer decisions are influenced by the labelling, (green labelling) that states all that makes the product green compliant. Attributes such as energy saving, organic etc. That leads to reduction in resource consumption and pollution.

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. Most consumers will pay additional price if there is a perception of extra product value.

PROMOTION: Most buyers are influenced by advertisement that reflects a company's commitment to environment. Companies that do green advertisement that tend to portray an image of environmental friendliness, influences their customer purchase decisions. Consumers love to associate themselves with companies that are environmental stewards. When a company communicates this through their advertisements, promotions, publicity and corporate social responsibilities, they are sure to get many loyal customers.

PLACE: Green distribution is a very delicate operation. Customers must be guaranteed of the 'Ecological nature' of the product. The green environment is a constantly regulated

environment and as such high level of compliance is necessary when carrying out distribution of green products.

CUSTOMER SATISFACTION AND GREEN MARKETING

Customer satisfaction has been defined in two basic ways: as either an outcome or as a process. As an outcome, satisfying the end state resulting from the consumption experience. As a process, it is the perceptual evaluative and psychological process that contributes to satisfaction. The definition is varied with regards to their level of simplicity which includes;

- Product satisfaction
- Satisfaction with the purchase decision experience.
- Satisfaction with the performance attribute.
- Satisfaction with the store or institution
- Satisfaction with pre-purchase experience.

Marketing literature suggests that there is a relationship between customer satisfaction and loyalty. Satisfaction leads to attitudinal loyalty. Satisfaction is an outcome that occurs without comparing expectations. Customer satisfaction could also be defined as an evaluative response to perceived outcome of a particular consumption experience. It is an overall judgment on satisfaction, based on the assumption that satisfaction is the outcome of service quality.

Many Authors believe that customers have a high level of involvement regarding environmental issues as a consequence of growing environmental consciousness. Studies have 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. Because of the green trend, companies that fail to 'go green' are not failing to fail in their industry. Customers want to associate themselves with companies and products that are eco-friendly.

ECO LABELLING

Eco label is an environmental claim that appears on the packaging of a product, making it easy for the consumers to take environmental concerns into account while shopping.

It is awarded to a manufacturer by an appropriate authority. ISO 14020 is a guide to the award of Eco-Labels.

The government of India launched an Eco-mark Scheme in 1991 to encourage the customers to purchase those products which have less harmful environmental impact.

EVALUATION OF GREEN PRODUCTS

1. The green products market

Green products are healthy, disease free, without harmful residuals and with a balanced content of bioactive and mineral substances. They result from an ecological technology, a technology which doesn't use chemical fertilizers and pesticides and which contributes to preserving the agricultural ecosystem. The efficient functioning of the green products' internal market depends on the implementation of the principles, norms and methods of ecological production imposed at Community level.

The investigations conducted by the traders in order to know the green products market targets getting the information which will be at the basis of setting adequate production and marketing programs. In order to achieve this, the marketing studies contribute to the adjustment of the green products' offer in accordance with the demand's characteristics, by putting at the disposal of the buyers the wanted supply in the asked quantity and quality, without neglecting to optimize the producers and tradesmen's profit.

Stimulating the green products' demand and developing the specific internal market are closely tied to the consumer's perception over the advantages offered by these products and generally to the volume of knowledge owned by the buyers in the ecological field. Consumers often make a serious confusion between green

products, naturist products and diet products and the role of the ecological certification system for food products is not very well known.

2. Collecting information about the green products' demand

In order to identify the definitive elements of the green products' demand it is necessary to organize a marketing research which has at its base a complex statistical observance program of a representative collectively.

The registered data must refer to a large number of statistical variables, among which: the types of bought products, the size of incomes, the preference for green products, the reasons behind buying green products, the favourite characteristics, the frequency with which the population buys these products, observations and suggestions.

The main formulated objectives for the statistical study refer to identifying the trends manifested on the green products market regarding demand and finding out the degree in which the size of the incomes influences the demand for green products.

The data obtained from the sampling are systematized on various criteria in order to know the characteristics of the green products' demand. The questionnaire's content and the results of the investigation are presented in table 1.

Table 1.

Questions	Answers	Responses (%)
1. What food products do you prefer to consume ?	conventional products_ green products_	84 16
2. Do you or another member of your family buy green products?	yes_ no_	05 95
3. If no, which are the reasons your family doesn't eat green products ?	they are too expensive_ I don't trust them_ I don't know which products are green _ they don't look as good as conventional products_	56 08 30 06
4. If yes, which are the reasons your family eats green products?	they are healthier_ they taste better_ growing them doesn't hurt the environment_	77 07 16

5. How often do you buy green products ?	81-120 days	06
	41-80 days	30
	0-40 days	64
6. What type of green products do you buy?	vegetables_	21
	fruits_	25
	cheeses_	15
	milk_	28
	meat_	07
	sausages_	04
7. How do you appreciate the quality of green products?	Very good_	24
	good_	30
	satisfying_	35
	unsatisfying_	11
8. When buying, how much does it influences you the aspect of the product and its presentation?	a lot_	68
	a little_	21
	not at all_	11
9. Do green products contain alimentary additives, conservations or genetically modified organisms?	yes_	05
	no_	20
	I don't know_	75
10. If you appreciate the green products' quality, do you think it's good to recommend them to other people?	yes_	89
	no_	11
11. The incomes of your family can be included in the group of:	reduced incomes_	07
	medium incomes_	27
	large incomes_	65
12. What are your observations regarding green products?	they are hard to identify on the shelf (logo)_	25
	the advantages of eating green products are not known_	42
	the absence of advertising_	25
	they can't be found in small stores_	08

The inquiry shows that food traders target especially the categories of population with big incomes (65%), who frequently buy this type of products at a distance of 40 days the most (64%). Although the consumers' preferences are orientated towards green products too (16%), nevertheless only 5% represent the constant demand for green products, because these products are too expensive (56%) or people don't know how to identify the products (30%). The consumers of green products purchase them because they are aware of their benefits for the health (77%), others think green products can preserve the environment (16%) and a smaller number prefers them for their taste.

The demand is orientated mainly towards milk (28%), and the vegetal green products, like fruits and vegetables, represent 46% of the total. The constant consumers generally appreciate their good and very good quality (54%) and most of them think the products should be recommended to other people.

The knowledge degree regarding the green products' characteristics is low; most people don't know if these products contain or not alimentary additives, conservations or genetically modified organisms (75%) and 05% of the buyers give a wrong answer. The consumers' opinion regarding the improvement of the green products' situation is materialized in recommendations like: taking measures to popularize green products in order to know their characteristics, including commercials; popularizing their identification elements, namely the logo which will help to make a quick selection of the products; extending the commercialization system for green products to smaller shops, not just supermarkets.

The analysis and interpretation of the results obtained from the marketing research lead to the identification of specific aspects which can be considered current features of the green products' market :

- The buyers of green products are a part of the population with large incomes, this being an essential factor for the demand;
- The internal demand for green products has a small dimension;
- The buyers which are constant have a small weight per ensemble;
- The main reason for the weak sales of green products is their high price;
- There isn't enough knowledge about the differences between conventional and green products;

- The stores specialized in green products are not well known;
- Most green products' consumers live in big towns where the supermarket network is also placed;
- Quality of the product is the top most priority factor, then price, place, promotion respectively in influencing the purchase of green products.
- Most green products' consumers buy fruits, vegetables and milk;
- For the green products' consumers the consequences of these products over the health and the environment are important;
- Most consumers are poorly informed and are not fully aware about ecological problems;
- Buyers don't know the identification logos for green products

WHY IS GREEN MARKETING IMPORTANT

Man cannot afford to continue the pollution of the environment. Already, a lot of damage has been done to the air, water, soil, etc., which is causing a lot of health related problems. Many people in metro cities are suffering from Asthma and other bronchial diseases because of the air pollution. The effluents from various factories are percolating down to the ground water and polluting it. There are increased incidents of water borne diseases such as Hepatitis, Cholera, Food poisoning etc. Due to these problems, more and more people are voicing their concern over the issue of environmental pollution. Green marketing will reduce the environmental pollution and thus the problems related to it.

PROBLEMS WITH GOING GREEN

1. One of the main problems is that firms using green marketing must ensure that their activities are not misleading to consumers or industry, and do not breach any of the regulations or laws dealing with environmental marketing.
2. Another problem firms face is that those who modify their products due to increased consumer concern must contend with the fact that consumers' perceptions are sometimes not correct like in McDonald's case where it has replaced its clam shells with plastic coated paper. When firms attempt to become socially responsible, they may face the risk that the environmentally responsible action of today will be found to be harmful in the future.

3. It is not possible to implement green marketing without increasing the cost of the product. Some of the customers, who are aware of the environmental problems are willing to pay for the increased cost, but most of them resist the increased price. In the light of increased competition, it is not practically feasible for the marketers to charge higher prices from their customers. So, they face a problem in implementing green marketing.
4. Another big problem is implementing the laws made by the government as the enforcement machinery is often not tuned up to implement the laws made by the government.

ROLE OF GOVERNMENT IN GREEN MARKETING

It is also increasing the safety standards e.g. it has enforced European standards for various products such as vehicular effluents, food products, soft drinks, etc. The marketers are being forced to implement them. There is a need for public interest litigation for the government to force the implementation of the laws. For example, although the use of polythene as packing material is banned in many states of our country, the law is not enforced strictly.

In abroad, Governments establish regulations designed to control the amount of hazardous wastes produced by firms. Many by-products of production are controlled through the issuing of various environmental licenses, thus modifying organizational behaviour. In some cases governments try to "induce" final consumers to become more responsible. For example in Australia there is a higher gas tax associated with leaded petrol.

FUTURE OF GREEN MARKETING

Marketers can play a key role in creating a better future. Green marketing needs to be universal. Marketers can shape green consumption behaviour by shifting green marketing from a niche strategy to a mass marketing one.

Consumer's are the other factor in the green marketing success equation. Consumers are unwilling to change their consumption behaviours unless they see the tangible benefits of buying green products.

Consumers should also demand for green products and support companies that offers green product options as this is the only way for companies to innovate.

For green marketing to gain public acceptance, marketers need to change the way green marketing is being managed.

CONCLUSION

Green marketing is a tool for protecting the environment for the future generation. It has a positive impact on environmental safety. Because of the growing concern of environmental protection, there is an emergence of a new market which is the green market. For companies to survive in this market, they need to go green in all aspect of their business. Consumers want to identify themselves with companies that are green compliant and are willing to pay a premium for a greener life style. As such, green marketing is not just an environmental protection tool but also, a marketing strategy.

Green marketing covers more than a firm's marketing claims. While firms must bear much of the responsibility for environmental degradation, the responsibility should not be theirs alone. Ultimately green marketing requires that consumers want a cleaner environment and are willing to "pay" for it, possibly through higher priced goods, modified individual lifestyles, or even governmental intervention. Until this occurs it will be difficult for firms alone to lead the green marketing revolution.

Having said this, it must not be forgotten that the industrial buyer also has the ability to pressure suppliers to modify their activities. Thus an environmental committed organization may not only produce goods that have reduced their detrimental impact on the environment, they may also be able to pressure their suppliers to behave in a more environmentally "responsible" fashion. Final consumers and industrial buyers also have the ability to pressure organizations to integrate the environment into their corporate culture and thus ensure all organizations minimize the detrimental environmental impact of their activities. Thus green marketing should look at minimizing environmental harm, not necessarily eliminating it.

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