Emerging Opportunities and Challenges of Green Marketing – A Study with Reference to Nagapattinam District

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ABSTRACT

Today the concept of sustainability is almost ubiquitous by showing application in corporate strategy, consumer choice, student education and academic research. The need for sustainable business practices by corporations around the world is identified to be a result of overall increase in the consumer awareness of lack of environmental protection and social inequities. Over the last decade environmentalism has emerged to be a vital aspect due to increasing issues related to acid rains, depletion of the ozone layer, and degradation of the land and many more pressing environmental issues. This resulted in increase in consumer concern with regards to restoration of ecological balance by presenting demands for ecofriendly products in countries around the world. The current study introduces the concept of green marketing and looks into the various ways in which the different consumer attributes are related to the concept of green marketing. A conceptual framework is presented and the information is analyzed on the basis of the framework.

INTRODUCTION

“Green Marketing” refers to holistic marketing concept wherein the production, marketing consumption a disposal of products and services happen in a manner 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., both marketers and consumers are becoming increasingly sensitive to the need for switch in to green products and services. While the shift to “green” may appear to be expensive in the short term, it will definitely prove to be indispensable and advantageous, cost-wise too, in the long run.
Green marketing incorporates a broad range of activities, including product modification, changes to the production process, packaging changes, as well as modifying advertising. Green 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.

1.1 Definition

According to the American Marketing Association, “Green marketing is the marketing of products that are presumed to be environmentally safe, involves developing and promoting products and services that satisfy customers want and need for Quality, Performance, Affordable Pricing and Convenience without having a detrimental input on the environment”.

Polonsky, J., green marketing can be defined as, “All activities designed to generate and facilitate any exchange intended to satisfy human needs or wants such that satisfying of these needs and wants occur with minimal detrimental input on the national environment.”

Charter, green marketing is defined as “green marketing is a holistic and responsible strategic management process that identified, anticipates, satisfies and fulfill stakeholder needs, for reasonable reward, that does not adversely affect human or natural environmental wellbeing”.

1.2 Objectives of the Study

The paper titled – Emerging Opportunities and Challenges of Green marketing – A Study with Reference to Nagapattinam District is aimed to cover the following objectives:

- To know the concept of green marketing.
- To know the 4P’s of green marketing mix.
- To know the strategies of green marketing.
- To know the consumer perception of green products.
- To offer suitable suggestions and measures to increase the practices of green marketing.

RESEARCH METHODOLOGY

The survey for the research work was conducted in Nagapattinam District. A sample of 1000 respondents was selected randomly for the survey. Out of which only 560 questionnaires were found completely filled hence considered for the study.

2.1 Green Marketing Mix

Every company has its own favorite marketing mix. Some have 4 P’s and some have 7 P’s of marketing mix. The 4 P’s of green marketing are that of a conventional marketing but the challenge before marketers is to use 4 P’s in an innovative manner.
**Product:** The ecological objectives in planning products are to reduce resource consumption and pollution and to increase conservation of scarce resources.
- Products made from recycled goods.
- Products that can be recycled or reused.
- Efficient products, which save water, energy or gasoline, save money and reduce environmental impact.
- Products with environmentally responsible packaging.
- Products with green labels, as long as they offer substantiation.
- Organic products — many consumers are prepared to pay a premium for organic products, which offer promise of quality.
- Certified products, which meet or exceed environmentally responsible criteria.

**Price:** Price is a critical and important factor of green marketing mix. Most consumers will only be prepared to pay additional value if there is a perception of extra product value. This value may be improved performance, function, design, visual appeal, or taste. Green marketing should take all these facts into consideration while charging a premium price.

**Promotion:** There are three types of green advertising:
- Ads that address a relationship between a product/service and the biophysical environment.
- Those that promote a green lifestyle by highlighting a product or service.
- Ads that present a corporate image of environmental responsibility.

**Place:** The choice of where and when to make a product available will have significant impact on the customers. Very few customers will go out of their way to buy green products.

### 2.2 Paths to Greenness

Green marketing involves focusing on promoting the consumption of green products. Therefore, it becomes the responsibility of the companies to adopt creativity and insight, and be committed to the development of environment-friendly products. This will help the society in the long run. Companies which embark on green marketing should adopt the following principles in their path towards "greenness."

- Adopt new technology/process or modify existing technology/process so as to reduce environmental impact.
- Establish a management and control system that will lead to the adherence of stringent environmental safety norms.
- Using more environment-friendly raw materials at the production stage itself.
- Explore possibilities of recycling of the used products so that it can be used to offer similar or other benefits with less wastage.

### 2.3 Strategies of Green Marketing

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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.

The Government regulations relating to environmental marketing are also designed to protect consumers in several ways,
- To reduce production of harmful goods or by-products;
- To modify consumer and industry's use and/or consumption of harmful goods; or
- To ensure that all types of consumers have the ability to evaluate the environmental composition of goods.

2.4 Green Marketing and India

Interestingly, green marketing continues to be an issue of global interest in India. In fact, Google Trends reports that, on a relative basis, more searches for “green marketing” originated from India than from any other country.

2.5 Rank Country


Many companies are adopting green for capturing market opportunity of green marketing.

DISCUSSION AND ANALYSIS

Table – 1: Gender of the Respondents

<table>
<thead>
<tr>
<th>Gender</th>
<th>Frequency</th>
<th>Percent</th>
</tr>
</thead>
<tbody>
<tr>
<td>Male</td>
<td>336</td>
<td>60</td>
</tr>
<tr>
<td>Female</td>
<td>224</td>
<td>40</td>
</tr>
<tr>
<td>Total</td>
<td>560</td>
<td>100</td>
</tr>
</tbody>
</table>

Source: Primary Data

From the table 1 it is evident that out of total 560 respondents, 60% are male respondents and 40% are female respondents.

Table – 2: Age of the Respondents

<table>
<thead>
<tr>
<th>Age of the Respondents</th>
<th>Frequency</th>
<th>Percent</th>
</tr>
</thead>
<tbody>
<tr>
<td>Up to 25</td>
<td>153</td>
<td>27</td>
</tr>
</tbody>
</table>
Source: Primary Data

From the table 2 it is evident that out of the total 560 respondents, more than 27% are below 25 years of age group, maximum i.e. 38% are from age group of 26 years to 35 years. Nearly 20% are from the age group of 36 years to 45 years and rest of the 15% is from age group of 46 years and above.

Table – 3: Qualification of the Respondents

<table>
<thead>
<tr>
<th>Qualification</th>
<th>Frequency</th>
<th>Percent</th>
</tr>
</thead>
<tbody>
<tr>
<td>SSC</td>
<td>24</td>
<td>04</td>
</tr>
<tr>
<td>HSC</td>
<td>88</td>
<td>16</td>
</tr>
<tr>
<td>Graduate</td>
<td>315</td>
<td>56</td>
</tr>
<tr>
<td>PG and above</td>
<td>133</td>
<td>24</td>
</tr>
<tr>
<td>Total</td>
<td>560</td>
<td>100</td>
</tr>
</tbody>
</table>

Source: Primary Data

From the table 3 it is evident that out of total 560 respondents, 56% are graduate and 24% are post graduate whereas only 20% are SSC and HSC passed which clearly indicates the high literacy ratio in the study area.

Table – 4: Working Status of Respondents

<table>
<thead>
<tr>
<th>Professional Status</th>
<th>Frequency</th>
<th>Percent</th>
</tr>
</thead>
<tbody>
<tr>
<td>Working</td>
<td>408</td>
<td>73</td>
</tr>
<tr>
<td>Nonworking</td>
<td>152</td>
<td>27</td>
</tr>
<tr>
<td>Total</td>
<td>560</td>
<td>100</td>
</tr>
</tbody>
</table>

Source: Primary Data

From the table 4 it is evident that out of total 560 respondents, 73% are working and 27% are nonworking respondents.

Table – 5: Understanding of the Customers for ‘Green Products’ on Following Options

<table>
<thead>
<tr>
<th>Statements</th>
<th>Strongly Agree</th>
<th>Agree</th>
<th>No Opinion</th>
<th>Disagree</th>
<th>Strongly Disagree</th>
<th>Weighted Total</th>
<th>Weighted Average</th>
<th>Rank</th>
</tr>
</thead>
<tbody>
<tr>
<td>Natural/organic products</td>
<td>1290</td>
<td>672</td>
<td>297</td>
<td>40</td>
<td>15</td>
<td>2314</td>
<td>4.1</td>
<td>I</td>
</tr>
<tr>
<td>Recycled/recyclable products</td>
<td>1080</td>
<td>680</td>
<td>291</td>
<td>116</td>
<td>19</td>
<td>2186</td>
<td>3.9</td>
<td>VI</td>
</tr>
<tr>
<td>Biodegradable products</td>
<td>1210</td>
<td>688</td>
<td>210</td>
<td>108</td>
<td>22</td>
<td>2238</td>
<td>3.9</td>
<td>III</td>
</tr>
</tbody>
</table>
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<table>
<thead>
<tr>
<th>Vegetarian products</th>
<th>1275</th>
<th>656</th>
<th>174</th>
<th>96</th>
<th>45</th>
<th>2155</th>
<th>3.8</th>
<th>VII</th>
</tr>
</thead>
<tbody>
<tr>
<td>Fresh products</td>
<td>1330</td>
<td>552</td>
<td>210</td>
<td>96</td>
<td>48</td>
<td>2236</td>
<td>3.9</td>
<td>IV</td>
</tr>
<tr>
<td>Ayurvedic / Herbal products</td>
<td>830</td>
<td>940</td>
<td>240</td>
<td>92</td>
<td>33</td>
<td>2135</td>
<td>3.8</td>
<td>VIII</td>
</tr>
<tr>
<td>Healthy products</td>
<td>1255</td>
<td>636</td>
<td>180</td>
<td>94</td>
<td>43</td>
<td>2208</td>
<td>3.9</td>
<td>V</td>
</tr>
<tr>
<td>Good quality products</td>
<td>875</td>
<td>460</td>
<td>342</td>
<td>186</td>
<td>63</td>
<td>1926</td>
<td>3.4</td>
<td>IX</td>
</tr>
<tr>
<td>Energy saving products</td>
<td>1420</td>
<td>576</td>
<td>261</td>
<td>32</td>
<td>19</td>
<td>2308</td>
<td>4.1</td>
<td>II</td>
</tr>
</tbody>
</table>

Source: Primary Data

From the above table 5 inferred that ‘Natural / organic products’ holds the first rank, ‘Energy saving products’ ranks second, ‘Bio-degradable products’ is considered to be in third place by the customers, fourth rank is given to the ‘Fresh products’ and other options’.

SUGGESTIONS AND MEASURES

Following are some suggestions and measures to be taken by organizations/marketers to increase the practices of green marketing:

- Use sustainable source of raw material because the prospect of rapidly depleting stock of natural resources and resulting reality of price increases create opportunities for alternative technology and new efficiency with product design.
- Use innovative technologies to conserve the natural resources e.g. less water consuming techniques for agriculture, washing etc.
- Make products more durable as long product life will increasingly become a source of added value and an indicator for quality and convenience in many other industries as well.
- Make products safe for disposal as non-bio-degradable ingredients cause algal balloons, robbing the water oxygen, blocking sunlight and ultimately killing fish and other marine life.
- Forests are the valuable assets of every country gifted by nature, it is essential for every government to protect this natural gift which is very potential factor to protect the natural climate of its region.
- Minimize the excessive use of pesticide and chemical fertilizers in crops potentially pollute soil, water and atmosphere and also pose a potential threat to health and humans and wild life.
- Reduce packaging as less packaging also means less energy required for manufacturing and transportation and less pollution from the production of packaging itself.
✓ Use recycled content in manufacturing as recycling cuts pollution and conserves natural resource, conserves energy, cost-competitive and creates jobs and reduces cost in manufacturing section that are an important part of our economy.

✓ Make products and packaging compostable as waste for one organism becomes food for another and that can also be effectively use to enrich gardens and agriculture soils.

✓ Make products and packaging reusable or refilling as the throwaway convenience culture is making way for reuse and refilling as alternatives to land filling, incineration and even recycling.

✓ Build a website to provide more information about firm and products rather than on a piece of paper, to avoid wasting of paper.

✓ Make products energy efficient as better balanced use of energy is equally essential.

✓ Sending an occasional marketing email gives a green strategy for staying in front of customers.

✓ Create a blog to educate and persuade customers and to know your customers about your capabilities and progress.

✓ Rather than wasting paper to send updates, use Face book, Twitter and other online social media tools to keep people informed about changes in your business.

CONCLUSION

Now this is the right time to select “Green Marketing” globally. It will come with drastic change in the world of business if all nations will make strict roles because green marketing is essential to save world from pollution. From the business point of view because a clever marketer is one who not only convinces the consumer, but also involves the consumer in marketing his product. Green marketing should not be considered as just one more approach to marketing, but has to be pursued with much greater vigor, as it has an environmental and social dimension to it. With the threat of global warming looming large, it is extremely important that green marketing becomes the norm rather than an exception or just a fad. Recycling of paper, metals, plastics, etc., in a safe and environmentally harmless manner should become much more systematized and universal.

REFERENCE


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