

Sustaining the Environment Through Green Marketing

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— *Review of* —
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ABSTRACT

Human activities mainly industrialization have resulted into changes in the environment. Environmental degradation affects the fundamental requirements for humans such as safe drinking water, clean air, and sufficient green food among other things. This has become a threat to sustainable human existence. The objective of this paper is to put more light on the theoretical issues about green marketing. The study was descriptive in nature focusing on divergent perspectives of green marketing. There is a great concern for environmental protection the world over. In an endeavor to address this concern, most businesses are now adopting a green marketing strategy. A green strategy complements the business operations, and asset strategies that are already well understood and often well-articulated by the enterprise. A green strategy fundamentally helps an enterprise make decisions that have a positive impact on the environment. Advertising and product packaging are key elements in marketing an environmentally sustainable business. Consumers are motivated to buy from companies that are eco-friendly in their production. Marketers should be responsible for making consumers understand the need for and benefits of green products to maintain a cleaner and greener environment.

Keywords: Green marketing, environmental sustainability, green products, descriptive.

1. INTRODUCTION

The deterioration of the natural environment has become a major global concern. There is great concern about ‘greenhouse gases’ in the atmosphere due to the burning of fossil fuels and depletion of the ozone layer due to certain chemicals (Kotler and Keller, 2009). It has been projected that without any new policy action, there will be about 50% increase in greenhouse gas emissions and a significant worsening of urban air pollution by 2050 (Choudhary and Gokarn, 2013 as in OECD, 2012). This has led the society to become more concerned with natural environment, and as a result, businesses are now modifying their behavior in an endeavor to address societies’ new concerns. Green Marketing is the outcome of these important concerns.

Green marketing has been defined in different ways by different scholars and associations. Choudhary and Gokarn (2013) noted that the American Marketing Association (AMA) defined Green Marketing in three different ways: First, Green marketing is the marketing of products that are presumed to be environmentally safe (Retailing Definition). Second, Green Marketing is the development and marketing of products designed to minimize negative effects on the physical environment or to improve its quality (Social Marketing Definition). Third, Green Marketing is the efforts by organizations to produce, promote, package, and

reclaim products in a manner that it is sensitive or responsive to ecological concerns (Environmental Definition).

Ward (2017) defined green marketing as the process of selling products and/or services based on their environmental benefits. Akter, (2012) has defined green or environmental 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.

Passaro et al (2015) as in Fuller 1999 defined green marketing as “the process of planning, implementing and controlling the development, pricing, promotion, and distribution of products so as to satisfy three criteria: satisfying of consumers’ needs, achievement of business objectives and compatibility with the eco-system”.

Green marketing is used synonymously with words such as Environmental Marketing, Ecological Marketing and Sustainable Marketing. Presently, green marketing includes a broad range of activities, such as; product modification, changes to the production process, sustainable packaging, modifying advertising among other things.

Green marketing also has a close relationship with issues of industrial ecology and environmental sustainability such as extended producers liability, life-cycle analysis, material use and resource flows, and eco-efficiency (Nadaf & Nadaf, 2014).

1.1 OBJECTIVE AND METHODOLOGY

Very many studies have been conducted regarding the concept of green marketing.

The paper attempts to put more light on the theoretical issues about green marketing. The study was descriptive in nature focusing on divergent perspectives. Secondary data was collected through electronic data bases. The search yielded a number of articles that were examined to be relevant for this paper. Published articles in journals were used to obtain information for this study.

2. REVIEW OF PREVIOUS STUDIES

During the past decades, many concepts about the environment emerged such as global warming or greenhouse effect, and green house gases among others. These established a vital concern to respond to critical issues that arose from world-wide climate change and natural resource conservation (Olson, 2008). The challenges of global warming have led nations and people develop high concern for environmental protection and as a result, a new format of business has emerged known as Green Business. The industries who claim that they are environment friendly and have concern for society are known as green industries, their marketing philosophy is termed as green marketing and their environment friendly products are known as green products (Saxena and Khandelwal, 2010).

As human wants and needs become unlimited, resources are becoming limited therefore, it is important for marketers to utilize the resources efficiently without waste so as to achieve organizational objectives. Consumers all over the world are becoming concerned about the environment and are changing their behavior with regard to product purchase, consumption and disposal. As a result of this, green marketing has become inevitable with regard to the growing markets for sustainable and socially responsible products and services (Pathak,

2017). Most industries and public utilities have had to invest a lot of money in pollution-control equipment and more environmentally friendly fuels.

The evolution of green marketing has been discussed based on three phases. The first phase termed as “Ecological” green marketing, in which all marketing activities were concerned with environment problems and to provide remedies for environmental problems. The Second phase was “Environmental” Green Marketing with focus on clean technology that involved designing of innovative new products, which take care of pollution and waste issues. Third phase was “Sustainable” green marketing, where it has become essential for companies to produce environmentally friendly products as the awareness for such products is on the rise as customers are demanding eco-friendly products and technologies (Nadaf & Nadaf, 2014; Singh, 2012 as in Peattie, 2001).

2.1 THE GREEN MARKETING MIX

This is a combination of four green P’s that the firm blends to produce the desired response it wants in the target market. The four P’s include; Product, Price, Place and Promotion.

Green Product: While manufacturing green products the firms should include environment friendly resources or materials in the product. The characteristics of the resources or materials used in the product and its packaging should influence environmental elements.

Green Price: Consumers perceive prices of green products to be relatively higher than prices of the traditional products. If production and operating costs are lowered, it would give green products more competitive advantage on the market.

Green Place: Green products which are to be delivered from the point of producers to the point of ultimate green consumers. In this context, the firm should choose a proper channel of distribution considering product characteristics, consumer characteristics and market characteristics.

Green Promotion: Firms should focus more on “Green Advertising” in order to communicate to its green customers (who use eco-friendly products) and as well as traditional customers (who are not green users) about the concept of environmental protection. Firms should have special sales promotion for eco friendly products such as coupons, cash refunds, and offers etc to attract consumers.

2.2 CHARACTERISTICS OF GREEN COMPANIES

These are firms that contribute to conservation of the environment through Biodiversity, producing environment friendly products, conservation of energy, water and natural resources, climate protection, maintenance of schools, roads, parks, providing assistance for uplifting of the rural sector and the underprivileged among others (Nadaf & Nadaf, 2014). They are characterized by the following features:

- Use natural gas for boiler fuel.
- Recycle biodegradable waste.
- Minimum use of plastic material; use recyclable packaging materials.
- Use biomass and solar radiation as sources of renewable energy.
- Generate electricity from hydroelectric plants.
- Reduce toxic emissions, etc.

2.3 CHARACTERISTICS OF GREEN PRODUCTS

These are products that are manufactured through green technology and that cause no environmental hazard. Promotion of green technology and green products is necessary for conservation of natural resources and sustainable development.

Green products can be defined by following measures:

- Not containing toxic materials or ozone-depleting substances
- Able to be recycled and/or produced from recycled materials
- Being made from renewable materials (such as bamboo, etc.)
- Products with natural ingredients
- Products contents under approved chemical
- Products that do not harm or pollute the environment
- Products that will not be tested on animals
- Products that have eco-friendly packaging i.e. reusable, refillable containers etc.

Developing green products is not just creating products that are environmentally friendly, rather creating a system of change in society that includes all the stakeholders; that is the suppliers, producers, consumers and the general commercial structure within which they negotiate (Sarkar, 2012).

2.4 EXAMPLES OF GREEN MARKETING

- Grocers that advertise organic produce. The organic food industry has grown in leaps and bounds as consumers express an increased preference for non-genetically modified foods that are free of pesticides.
- Restaurants that promote "locally sourced" meats, vegetables, fish, wines, etc. Local sourcing is attractive to consumers as it projects an image of sustainability and willingness to invest in the community.
- Resorts that promote themselves as "ecotourism" facilities, i.e., facilities that "specialize" in experiencing nature or operating in a fashion that minimizes their environmental impact.
- Hotels that are now using eco-friendly products for toiletries e.g. herbal soaps, herbal toothpastes.

3. GREEN MARKETING AND ENVIRONMENTAL SUSTAINABILITY

Saxena and Khandelwal (2010), quoting the USA national environmental policy Act (1969) defined sustainability as: "Create and maintain conditions under which [humans] and nature can exist in productive harmony, and fulfill the social, economic and other requirements of present and future generations of Americans". This paper adapted and modified this definition to be: sustainability is the process of creating and maintaining conditions under which humans and nature can exist in productive harmony, and fulfill the social, economic and other requirements of the present and future generations.

Environmental sustainability involves making decisions and taking actions that are in the interests of protecting the natural world, with particular emphasis on preserving the capability of the environment to support human life.

It is not simply about reducing the amount of waste businesses produce or using less energy, but developing processes that will lead to businesses becoming completely sustainable in the future. Businesses are expected to lead in the area of environmental sustainability as they are considered to be the biggest contributors to environmental activities and are expected to make a significant difference.

Advertising and product packaging are key elements in marketing an environmentally sustainable business. Advertising and promotional campaigns need to establish a commitment to protecting the environment; however, it shouldn't be the only message conveyed to customers. Consumers will not buy solely because a business is green. There is need to offer products and services that meet the customers' needs in terms of quality, price, and functionality.

Green advertising, which is; advertising that, emphasizes the environmental friendliness of the product. For example, the use of attributes such as degradability, recyclability, lower pollution is considered to be environmentally friendly (Akter, 2012).

The strength of a green claim, for example, the extent of pollution reduction claimed in an advertisement for a new automobile can affect the product evaluation more favourably in terms of its greenness and company image in terms of its green consciousness.

Most organizations- public or private, government or commercial, have adopted a green strategy in their operations. A green strategy is one that complements the business, operations, and asset strategies that are already well understood and often well articulated by the enterprise. A green strategy fundamentally helps an enterprise make decisions that have a positive impact on the environment (Olson, 2008).

A 'green certification' strategy can be used as a marketing activity to support environmental sustainability. A green certification is a registered stamp of approval on a company's website or used in advertising to show consumers that a business has been independently assessed and certified as environmentally sustainable.

Expert third parties with respected standards for environmental testing for example independent laboratories, government agencies, private consultants, or nonprofit advocacy organizations can provide green product endorsements/ "seals of approval" to help clarify and strengthen the believability of product claims (Ottman et. al, 2006).

Businesses can help consumers choose and use their goods and services sustainably. This can be done by creating sustainable value for consumers by supplying products and services that meet their functional and emotional needs for the present and future generations while respecting the environment (Saxena and Khandelwal 2010).

4. ADVANTAGES OF GREEN MARKETING

- It saves money in the long run when it is done right.
- It helps companies satisfy consumer needs and wants in a way that preserves the environment.
- Companies gain competitive advantage as consumers will prefer those products that are eco-friendly.

- It creates a positive relationship with the organization's stakeholders as they will feel proud being associated with an environmentally responsible company.
- It improves employee health. By improving indoor air quality and avoiding strong chemical cleaning agents can help those who suffer from respiratory illnesses or skin conditions. This results in less absenteeism and greater productivity.
- It ensures sustained long term growth which leads to profitability.

5. CHALLENGES OF GREEN MARKETING

Green marketing myopia. Many green products have failed because of marketers' myopic focus on their product' "greenness" over the broader expectation of consumers or other market players. Most companies tend to focus on profits rather than on the benefits achieved from using the green products.

Green washing; which refers to presenting a product or service as green when it is not. It also refers to all industries that adopt superficial green acts with an underlying purpose to increase profits. The primary objective of green washing is to provide consumers with the feeling that the organization is taking the necessary steps to responsibly manage its ecological footprint. The public tends to be skeptical of green claims and companies can seriously damage their brands and their sales if a green claim is discovered to be false or contradicted by a company's other products or practices.

Costly. Green products require renewable and recyclable materials which are costly. It also requires modern technology which involves huge investment in Research and Development.

Lack of awareness. Most consumers are not aware of green products and their uses. In order to inculcate the 'Concept of Green Marketing' in to the masses, it requires a systematic advocacy and campaigning programs, so that the people may be ready to pay a premium for green products. Most customers will only be prepared to pay a premium if there is a perception of additional product value.

6. RECOMMENDATIONS FOR SUSTAINABLE ENVIRONMENTAL MANAGEMENT

- Consumers should be assisted to become environmentally responsible in their purchase and consumption behavior by providing them information that takes into account environmental factors.
- To provide manufacturers and importers with incentives to reduce adverse environmental impact on products.
- To reward companies which are involved in genuinely implementing green strategies.
- Marketers should take the responsibility of making consumers understand the need for and benefits of green products to maintain a cleaner and greener environment.

7. CONCLUSION

As global warming continues to be a major environmental threat, many nations and people have developed high concern for environmental protection. Businesses have also adopted better methods of production that embrace the concept of green marketing. By practicing the Philosophy of Green marketing, industries can contribute to economic growth, social prosperity and environment protection. Environmental sustainability has become an important issue as people are realizing the full impact that businesses and individuals can have on the environment.

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