

EVOLUTION OF GREEN MARKETING AND GREEN MARKETING MIX STRATEGIES



Dr.C.Srinivasan, M.Com. M.Phil., Ph.D.

Assistant Professor and Research Supervisor, PG and Research Department of Commerce
K.M.G. College of Arts and Science, Gudiyattam, Vellore District

Abstract

In the industrialised nations around the world, both businesses and consumers are concerned about the environment and the future of our planet. In the business arena this concern has translated into environmental or green marketing (Feldman and Staehler, 1996). In the last few decades' business have become under increasing pressure to reduce the environmental impact resulting from both the production and consumption of goods and services

(Roy, 2000). Around the world there we can find an increasing number of firms that have introduced green products or/and green services (Chavan, 2005). This paper has highlighted Concepts of green marketing, various aspects on evolution of green marketing, green marketing mix strategies and Proactive strategies in green marketing.

Keywords: Green Marketing, Ecological Marketing and Green marketing Mix

Introduction

Marketers viewed this phenomenon as offering business opportunities, and a number of organisations developed and implemented short-term orientated reactive or long-term orientated proactive environmental strategies (Pujari et al., 2003). At the same time companies launched environmentally friendly products (Pujari et al., 2003). Despite the evidence that society is increasingly sympathetic towards the products, green companies have not achieved the level of market success that would have been expected. Many of them have been develop short-period environmental friendly tactics and have not been planning any innovation within the green marketing strategies (Polonsky and Rosenberger, 2001). At the same time there have happened quite few cases where the companies were accused of using green-washing strategy and promoting their products as green even they have not been green at all (Polonsky and Rosenberger, 2001).

Green Marketing

The term "Green Marketing" has been used to describe marketing activities which attempt to reduce the negative social and environmental impacts of existing products and production systems, and which promote less damaging products and services (Peattie, 2001). As the understanding of the interaction between businesses, society and the physical environment has improved, so what the global society understands to be "green" practices and principles for marketing has also evolved (Peattie, 2001). So, nowadays (up to 2010) green marketing includes a wide range of activities related to: product design, the manufacturing process, service delivery processes, packaging, construction and renovation of buildings, recycling, and other areas such as marketing communications (Prakash, 2002). According to Prakash (2002), managers need to identify what ought to be greened: a company (systems, processes), a product or both. Green marketing in services includes service delivery processes. Other known titles for green marketing are: sustainable marketing, environmental marketing, and ecological marketing (Prakash, 2002).

Evolution of Green Marketing

First Stage: Ecologic Marketing

Origin of the ecologic marketing dates to social and environmental concerns which occur at the beginning of the 60s and 70s. Thoughts of that period foresee that no controllable growth will waste natural resources and system that we need and they focus on the earth on which we live will have an end. That stage focuses on some specific problems such as air pollution, petroleum reserves consumption, petroleum waste and ecologic effects of synthetic pesticides. So it has the narrow point of view. It is tried to be specified products, businesses, industries which cause problems or can help for the solutions. In this period, discussions continued in a narrow area such as automotive, petrol and industries which produce synthetic chemicals for agricultural production. It is not seen any significant changes in the behaviors of producers and consumers (Peattie, 2001; Akt. Canım, 2015).

Second Stage: Environmentalist Marketing

The second stage of green marketing has occurred towards to end of the 1980s. This stage is the period that today's modern green marketing principals have occurred and developed. A range of events and discoveries attract the attention of the defencelessness of the people and nature. Bhopal disaster named as the worst chemical disaster in the world in 1984, Chernobyl catastrophe in 1986, environmental pollution caused by Exxon-Valdes tanker in 1989 and discovered ozone layer depletion in 1995 are the events that start the change. Conducted studies in the 90s in the USA reveal that the large part of the consumers are ready for paying to greener products. The thought which is about green marketing is not for only an industry, it is applicable to all forms of production and consumption industries is the name of this second stage (Özata, 2009).

Third Stage: Sustainability marketing

Anticipating the continuous uprising forces of ethical and green consumerism, scholars started to call for "sustainability marketing" in the late-1990s, and that was the *third stage* of green marketing history (Charter and Polonsky, 1999). Sustainability marketing refers to the building and maintaining of sustainable relationships with customers, social environment and the natural environment (Charter and Polonsky, 1999). In the face of these challenges, green marketing entered a "self-adjusting" mode, whereby only corporations with a true intention for long-term sustainable business development continued to stay and improve on their products (Charter and Polonsky, 1999).

Forth Stage: Eco- friendly of going green

Since 2000, green marketing has evolved into a *fourth stage*. According to Simons and others (2006), with the implementation of more advanced technology, stricter state enforcement on deceptive claims, government regulations and incentives as well as closer scrutiny from various environmental organisations and the media, many green products have greatly improved and regained consumer confidence in the green products (Simons et al., 2006). Together, with the continuous rise of growing global concern about the environmental quality, green marketing has gradually picked up a returning again. Some researchers postulate that green marketing is "making a vital comeback" with new concepts as eco-friendly or going green (Simons et al., 2006). Besides, corporations from developed countries will initiate international green marketing in order to expand their market, increase their sales and take advantage of the positive image of their green brands established in their domestic markets (Simons et al., 2006).

Figure 1 represents the most vital characteristics within each decade of green marketing evolution during the recent thirty years

Stage	Decade	The most important activities in green marketing history
1st stage	1980s	Introduction of ecological products; ecological was equivalent to green products; green consumption was very low
2nd stage	Early-1990s	High concern about green issues; still low consumption of green products; companies involve themselves in using less raw material, wasting less; corporate efforts in recycling, energy efficiency, corporate responsibility
3rd stage	Late-1990s	Changes in production processes, technology and resourcing; sustainability marketing; Total quality management involves environmental issues
4th stage	2000s	Green products and services making a comeback; ecofriendliness /going-green become more and more popular between companies and consumers; the term of ‘sustainable green marketing’ is introduced

Green Marketing Strategies

Greening of Marketing Mix

Green marketing strategy can be implemented through the process called as the Greening of Marketing Mix, including External Green 7P, Internal Green 7P, and Green 4S for Success (Peattie, 2001).

According to Peattie (1995), **External Green 7P** consist of the following elements:

- Paying green customer who has a need to buy green product or green service
- Providers or suppliers who already develop green strategies and seek companies that can add more value to the ‘green chain’
- Politicians that promote green issues
- Pressure groups (legal authorities, non-governmental organisations, foundations, voluntary green movements)
- Problems are usually related to the green scepticism, green-harvesting and macro environmental conditions
- Predictions in relation to the tendency of green consumption and green problems
- Partners that perform green strategies or plan to perform in the future

According to Peattie (1995), **Internal Green 7P** include (*will be discusses in more detail later on*) these parts: products or services, promotion, price, place and accessibility, provided information (via green communication), processes & procedures (e.g., eco-labelling), people (staff’s education and involvement into the green matters or green corporate culture, if such exists).

According to Peattie (1995), **Green 4S for Success** stand for the further matters:

- Satisfaction about green strategies and their results
- Safety of green product and service
- Social acceptability of green products and service
- Sustainability in relation to the inner procedure of green company supplying with the green product or green service Sharma (2000) states that classical Marketing Mix 4P, where price, place, promotion plays the most important role, can not fit the greening context where *quality, process, accessibility and reliability* become also significant.

Green Prices

The *price* of environmental friendly products is in some cases higher than the prices of the ordinary alternatives. Sharma (2000) stresses on the idea that the price of environmental friendly products has a large importance for different customer groups when considering to purchase. A higher price compared to the ordinary alternative can be determining factor for some consumers, verifying the accurateness of the products green features. Others do not consider the price at all but choose the environmental friendly alternative.

Green Product Quality

Quality is another determinant factor when considering buying environmental friendly products. Some customers are willing to accept lower quality (such as wash powder that does not remove all stains since it does not contain certain chemicals). Others are not willing to sacrifice their personal comfort and purchase the ordinary alternative in such cases. Ecological food usually has higher quality and taste better (Rex and Baumann, 2007).

Green Place

Accessibility (place) is the third determinant factor when considering purchasing green products or not. Many persons view the effort to actively look for environmental friendly products as an obstacle. Such consumers are not willing to actively search for locations where green products are promoted or scrutinize products on the shelf's which are poorly labelled or not actively promoted (Rex and Baumann, 2007). Such consumers buy environmental friendly products that are easy to access and identify in the store.

Green Promotion

Rex & Baumann (2007) suggest that green marketing could adopt and learn many tools and techniques from traditional marketing, in order to make use of other means than labelling in order to *promote* green products. Such efforts could be to address a broader range of customers, not only targeting green consumers by promoting the environmental friendly features of the product as one of the appeals of many. It could also be to engage more actively in the creation of the market and make strategic use of the traditional positioning strategies of price, place and promotion.

Green Marketing Communication

Green or ecological features signal genuine environmental benefits (Ginsberg Meredith & Bloom Paul, 2004). It is therefore important for customers to be able to trust the dealer's declaration of environmental friendly offers, as well as it is essential that the dealer provides information that enables the customer's trust and confidence (Ginsberg Meredith & Bloom Paul, 2004). Environmental friendly policies should be communicated to the stakeholders, and the most important - to clients - that are the centre of all business process (Ginsberg Meredith & Bloom Paul, 2004). Green communication strategies (GCS) can be carried via newspapers, magazines, brochures, media, Internet, webpage. Environmental rapport can be used as one of the most efficient green communication tool.

Proactive Strategy in Green Marketing

The objective of proactive green marketing strategy would ideally address what is referred to as the "triple bottom line" of *economic, social, and ecological sustainability* (Sharma and

Vredenburg, 1998). In contrast to the reactive green marketing, a proactive green marketing strategy includes the following characteristics (Sharma and Vredenburg, 1998; Peattie and Crane, 2005):

- great resource allocation
- more expensive and risky
- high organisational ecological commitment including an environmental corporate policy which reflects high levels of top management and employee involvement
- long-term orientated
- Proactive green marketing strategies can guide to several constructive consequences (Sharma, 2000):
 - longer-term financial benefits related to competitive advantage (lower total cost,
 - higher ROI)
 - greater product differentiation
 - higher customer brand loyalty
 - enhanced corporate reputation and social image
 - higher R&D support
 - more ecological sustainability for the common good

Conclusion

Green marketing is a natural outgrowth of growing societal concern over the environment and is still in its infancy and likely to be a growth area because of the persistent nature of our world's environmental problems. Commitment by business organizations to improve the environment and consumer support of these efforts through the purchase of green products, are keys to the future of green marketing. When firms view environmental objectives on the same level as other corporate objectives, the green issues are incorporated into the firm's strategy and then integrated into its tactical activities. Companies must consider the environmental impact of a product throughout its complete life cycle. Every aspect of the product: design, production, packaging, use and disposal, provides an opportunity for a company to not only protect the environment but also benefit from positive consumer attitudes towards the environment. In the same way, studies about "Green Marketing" which has come to rise recently are not enough as well. Consequently, within the scope of rapidly-developing technology and changing world, businesses have important responsibilities about protecting the environment and producing eco-friendly green products. The business which fulfils that duty is going to be one that can survive in the future.

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