IMPACT OF GREEN MARKETING ON CONSUMER’S BUYING BEHAVIOR

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ABSTRACT

Nation is moving towards higher risk of environmental degradation and is largely affected by global warming. This Rising concern for global warming & corresponding increase in energy costs are causing consumer’s to look for those products which are environment friendly. There has been a change in consumer attitudes towards lifestyle. Today most of the consumers have become environment conscious and the main challenge is to find a way how marketing can fulfill the needs of the most of the world’s population for a better standard of living. To grasp the new emerging opportunities and to ensure better standard of living, the new concept – Green Marketing has emerged. Green Marketing promotes marketing of such products which are safer for the planet & people. This Paper is a way to present how people respond to greener products & what impact does green marketing creates in minds of consumers.

Keywords: Consumer Attitude; Consumer Behavior; Green Campaigns; Green Marketing; Green Products

INTRODUCTION

The concept of green marketing has been emerged since the first earth day in 1970. Also the government of India launched an Eco-mark scheme in 1991 to increase consumer awareness in respect of green products. The aim of the scheme is to encourage the customers to purchase those products which have less harmful environment impact. Today’s consumer is more concerned about its environment and would prefer paying premium for a greener product that could save its planet. Marketers are trying to come up with products that are harmonious with the nature For Example Levis concept of making jeans out of scrap bottles(1 JEANS = 8 BOTTLES) is a way to attract large chunks of market.

The American Marketing Association (AMA) defines green marketing as the marketing of products that are presumed to be environmentally safe; it incorporates several activities such as product modification, changes to production processes, and packaging, advertising strategies and also increases awareness on compliance marketing amongst industries. The American Marketing Association (AMA) organized the first workshop on "Ecological Marketing" in 1975. The proceedings of this workshop resulted in one of the first book on green marketing entitled “Ecological Marketing”. Two tangible milestones for green marketing came in the form of published books, both of which were called Green Marketing. They were by Ken Peattie (1992), in the United Kingdom and by Jacquelyn A. Ottman (1993), in the United States of America.

Green Marketing is the marketing of products which are considered not to be harmful for environment. Various terms like ecofriendly, recyclable, ozone friendly are often associated with green marketing. Green Marketing offers various incentives to business firms & provides growth possibilities.

According to Peattie (2001), the evolution of green marketing has three phases.
First phase: "Ecological" green marketing and during this period all marketing activities were concerned to address environment problems and provide remedies for environmental problems.

Second phase: "Environmental" green marketing and the focus shifted on clean technology that involved designing of innovative new products, which take care of pollution and waste issues.

Third phase: "Sustainable" green marketing. It came into prominence in the late 1990s and early 2000

REVIEW OF LITERATURE

According to Kangis (1992), green marketing must be more than either a green way of marketing, or the marketing of so-called green products. Green has to refer both to the method and to the product. This is why the very idea of green marketing needs considerable development and analysis, with rules and integrity in economic, scientific, academic and ethical terms. Charter (1992), has defined green marketing as a holistic and responsible strategic management process that identifies, anticipates, satisfies and fulfills stakeholder needs, for a reasonable reward, that does not adversely affect human or natural environmental well-being.

Pride and Ferrell (1993), Green marketing, as environmental marketing and sustainable marketing, refers to an organization's efforts at designing, promoting, pricing and distributing products that will not harm the environment. Polanski (1994) has defined 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. Green marketing has been defined 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 by Polanski (2011).

A green consumer can be identified to be one who avoids any product which may harm damage to any living organism, cause deterioration of the environment during process of manufacturing or during process of usage, consume a large amount of non renewable energy, involves unethical testing on animals or human subjects (Ellington, 1994). Prakash (2002), green marketing refer to the strategies to promote products by employing environmental claims either about their attributes or about the systems, policies and processes of the firms that manufacture or sell them, while (Posonsky, 2007), has defined it as "green or environmental marketing consist of all activities designed to generate and facilitate any exchange intended to satisfy human need or wants, such that the satisfaction of these needs and wants occurs, with minimal detrimental impact on the natural environment."

According to Ottoman (1999) green marketing serves two key objectives as follows:

- To develop the products that incorporate consumers’ needs for convenience, affordable pricing and performance while having a minimal impact on the environment.
- To project an image of high quality, including environmental aspects, both in regards to product attributes and the manufacturer’s track record for environmental fulfillment.

RESEARCH OBJECTIVES

The main objective of the current study is to understand the concept of green marketing and to identify the relationship between various consumer attitudes and green marketing. A questionnaire was developed and on the basis responses were collected from 60 respondents and a brief description of responses has been provided in the paper. Its main purpose is to trigger minds of marketers so that they can evolve new products that are environment friendly. Various cases have also been presented to show the steps taken by big firms to save planet.

Importance of Green Marketing

What to produce? This is the basic question posed in our economy. People are becoming more conscious about their environment due to alarming increase in global warming & growing rate of
ozone depletion. As Human resources are limited having unlimited wants; we must try to consume
such goods which are recyclable, reusable & are eco- friendly. This leads to emergence of so called
concept of green products, also known as eco- friendly products. The only way to save our planet from
turmoil is to go green on a full swing as quickly as possible. Green Marketing is the way out. Green
marketing is the marketing of products which are considered not harmful for the environment.
Consumers are becoming environment friendly and purchase only those products which are safe for
their planet. The marketers should strive to produce only those products which are environment
friendly. Many companies can avail first mover advantage if they are going green. Green Marketing
offers various advantages as follows:-

- It provides sustained long term growth opportunities.
- It saves money in the long run.
- It helps in accessing new markets & gain competitive advantage.
- It makes both consumers and marketers socially responsible.
- It satisfies the customers
- Substantially increases profits.
- Environment Friendly approach

Companies are constantly trying to find best ways to reach customers with their green message. Firms
are coming up with innovative products as for example McDonald’s replaced its clam shell packaging
with waxed paper because of increased concern relating to polystyrene production and ozone
depletion, Voltas have launched various products which are energy efficient and are environment
friendly.

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 corridors of the cabin then the lights are off automatically and vice versa. It has
  already discontinued the use of ozone depleting substances.

- **CNG IN DELHI:** New Delhi was being polluted at a very fast pace until Supreme Court of
  India forced a change to alternative fuels. In 2002 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. This put
  pressure on petroleum companies for launching clean fuels with low sulphur content and leads
  free petrol. This led to Delhi Transport Corporation becoming the largest CNG powered
  transport system in the country. It also spurred development in the automobile sector which
  manufactured vehicles that could run on CNG fuels.

- **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.

- **Kansai Nerolac Paints** has been at the forefront of paint manufacturing for more than 88 years
  pioneering a wide spectrum of quality paints. Kansai Nerolac has worked on removing
  hazardous heavy metals from their paints – among this lead being the most prominent metal.
  Kansai Nerolac does not add any lead or other such heavy metals in its manufacturing process.

- **Dell** has been one of the vendors who focus on producing green IT products. They have a
  strategy called “Go green with Dell” to sell these products in the market. It also comes in an
  eco-friendly packaging with a system recycling kit bundled along.
Nike is the first among the shoe companies to market itself as green. It is marketing its Air Jordan shoes as environment-friendly, as it has significantly reduced the usage of harmful glue adhesives.

In India we have Eco-hotels like Orchid, Rodas, Rain tree etc. believing and practicing green Marketing

Barauni refinery of IOC is taken steps for restricting air and water pollutants

The Taj chain, is in the process of creating eco rooms which have energy efficient mini bars, Organic bed linen and napkins made up of recycled papers

Tuna manufacturers modified their fishing techniques because of the increased concern over driftnet fishing, and the resulting death of dolphins.

Xerox introduced a high quality recycled photocopier paper in an attempt to satisfy the demands of firms for less environmentally harmful products.

HP's promise to cut its global energy use 20 percent by the year 2010. To accomplish this reduction below 2005 levels, The Hewlett-Packard Company announced plans to deliver energy-efficient products and services and institute energy-efficient operating practices in its facilities worldwide.

Van Heusen introduced Eco shirts in Indian Markets.

ITC has created with the greenest luxury chain of hotels in the world - an identity that helped the company position differently in the market. All its hotel properties are LEED Platinum certified. Leadership in Energy and Environmental Design (LEED) is a rating system developed by Green Building Environment council in the US that sets standards for sustainable buildings.

Top-Ten Green Marketing Campaigns

**Tide Coldwater Challenge:** This landmark marketing campaign addressed the money saved by washing in cold water and the product’s deep cleaning and whitening abilities making green the ancillary benefit. The far-reaching campaign included national advertising, in-store programs, product sampling, a strong Internet presence, consumer promotions and strategic alliances. (2005)

**Jamie Oliver:** Jamie Oliver, the outspoken English Chef and healthy food advocate, is a brand into himself; he uses “disruptive media and public visibility” to communicate and motivate, creating a new kind of “infotainment.” (2006)

**Diesel Clothing “Global Warming Ready”:** In print ads promoting its 2007 spring/summer collection, the Italian-based clothing company depicted landscapes transformed by environmental disaster, thus proving that green marketing and tongue in cheek humor, when done well, resonate with young audiences. (2007)

**GE Eco Imagination:** A massive multi-medium campaign for Eco Imagination established GE’s green position in a competitive marketplace where credibility and believability were paramount to success. The resulting creative was simple, beautiful and compelling and delivered the message in engaging ways. (2008)

**HSBC “No Small Change”:** A highly successful campaign elevated HSBC’s environmental Credentials and consolidated their environmental leadership position; it exceeded all expectations without TV or radio. (2008)

**TOMS Shoes “Project Holiday”:** For the month leading up to Christmas 2008, TOMS Promoted their Project Holiday campaign to sell 30,000 pairs of shoes, so they could give the same number of
protective rubber shoes to kids in Ethiopia. By the end of the campaign, they exceeded their goal by 23% and raised unprecedented awareness for their cause – all without paid media. (2008)

**Toyota Prius “Harmony”**: a fully integrated multi-medium campaign that showed how the Prius delivers extra power, space, safety, advanced technology and superior gas mileage. (2009)

**Timberland “Earth keepers”**: A global campaign showcasing the Earth keepers’ collection of eco-friendly apparel that includes TV, print and retail ads, as well as social media and a micro site that uses 3D technology. (2009)

**Method “Just Say No To Jugs”**: A cheeky campaign typical of Method’s marketing mocks mainstream cleaning products as feeding a household’s “jug” habit. The campaign relied only on print and online ads. (2010)

**BMW Diesel “Ch-ch-changes”**: A winning campaign launched at Super bowl XLV that communicated valuable information and a relevant message to the American audience about the environmental benefits and ch-ch-changes in diesel technology. (2011)

**Green Strategies by Tata**

Tata Metaliks has given a green slant to all of its business and plant operations in a bid to reduce its carbon footprint and mitigate its environmental impact. At Tata Metaliks (TML) every day is Environment Day. While most organizations are still formulating their strategy on climate change, the company has already rolled up its sleeves and begun to tackle the issue. Managing director Harsh Jha encapsulates his company’s strategy on climate change in the simple phrase, ‘Express concern simply’. He says, “The issue of climate change is mired in jargon, so the message gets diffused. The average person finds it difficult to relate to it. We decided to express the message simply so that everyone would feel motivated to do something.” In a striking instance of walk-the-talk, Mr. Jha announced that employees at Tata Centre in Kolkata must work between 9am to 5:30pm. Working on Saturdays is discouraged. This instruction, combined with the practice of keeping the lights switched off during the day and depending solely on sunlight, helped lower the electricity bill by nearly 30 per cent.

A similar approach has inspired the construction of Metaliks House in Kharagpur, which is designed such that 80 per cent of the office space does not require artificial lighting during the day. It is the simplicity of TML’s environmental initiatives that has appealed to employees everywhere. All across the company’s locations, there is a quiet revolution happening as people support the company in its attempt to counter the adverse effects of climate change. The company’s plant in Kharagpur, West Bengal, is seeing dedicated activity at every level. TML has thought of innovative means to reduce its carbon footprint.

**Going green**

One of these initiatives has to do with increasing the green cover around the plant. The Ministry of Environment and Forests mandates that 33 per cent of the area around a plant should consist of greenery. TML’s 197-acre plot has already achieved a green cover of 33.46 per cent. The green cover provides several benefits: the plants absorb carbon dioxide, give out oxygen and also helps suppress noise and reduce dust. The goal for 2010-11 is to increase the green cover to 35 per cent. As of 2009-10, there were nearly 40,000 varieties of plants in the TML and Tata Metaliks Kubota Pipes (TMKPL) plantations. The vegetation includes indigenous plant species, flowering plants, foliages, herbaceous annuals, biannual, perennials and ornamental shrubs that provide both environmental and aesthetic value.

**Using nature**

TML has also adopted the use of natural fertilizer made with compost and vermiculture; in this it has taken the help of ladies of a local self-help group. Furthermore, TML has constructed 16 houses in Kharagpur for its employees that have a unique environment friendly feature — they remain cool in summer and warm in winter. The roof terraces of these buildings are filled with a layer of upturned
kulhads (small clay pots), topped with an inch of cement. The kulhads entrap air, which expands in summer but blocks heat. In the winter, the air contracts, leaving a vacuum that acts as an insulating layer.

Through all these initiatives, TML has clearly expressed its commitment to the planet. The company deserves commendation for pursuing economic development in tandem with environment protection.

The Green Machine Case

The Tata Motors facility near Pune is dotted with woods and lakes, but this is no gift of nature. Rather, it has taken years of determined effort and dedication to transform what was 800 acres of wasteland into a naturalist’s delight.

Go Green: Energy-Efficient Devices A Top Priority among Indians

The increasing drive all over the world to promote great eco-awareness and environmentally friendly efforts now hits among the Indians. Most of the Indians today favor activities that targets saving the earth and reducing energy consumption. As such, they prefer more energy-efficient device overlooking how expensive it is, revealed GfK report. As per the recent study conducted by GfK, among 1000 respondents in the country revealed positive beliefs and attitudes from over 80 percent towards green behaviors ranging from buying low energy consumption devices, to supporting climate-friendly public transport, and carrying out energy saving renovation measures.

So, From above research made out we can conclude that people are more concerned about their environment & are making a full swing shift towards the green products. Also the data has been collected from 60 respondents on the basis of a questionnaire which is represented as follows:

Source: on Field Survey

Consumer Attitudes towards Green Products

Green Marketing depends on the consumer’s attitude towards the environment. If there is no strong demand for such a shift in consumer attitude, businesses will not put in the extra effort to move towards introducing green products and services. Green Marketing is done by businesses to increase awareness levels and to show that people worried about the environment can do something to solve
some of the issues. Businesses have started to understand consumer attitude towards environmental problems and have therefore started to provide green products that provide an alternative to consumers. Consumers are becoming more demanding and have started to pay more attention to the environment. So, in this era where consumers determine the fate of a company, green marketing imparts a proactive strategy for these companies to cater the market by imparting nature friendly products which otherwise reduce or minimize any detrimental impact on environment.

The segmentation of consumer according to their concern towards environment has been represented as follows:

**Source:** Green Guage Report

**Figure 2.**

**Challenges Ahead**

1. It requires renewable & recyclable material which is costly.
2. It requires huge investment in R & D.
3. Majority of people are not ready to pay an extra premium for green products.
4. Initial Profits are low.
5. Firms have to strive hard in convincing the stakeholders

**CONCLUSION**

Green Marketing is a tool for protecting the environment though it is not easy to adopt it in short run but in the long run it will have a positive impact on the firm. Green marketing is in its initial stage, a lot of effort is required to gain its full acceptance. It protects our planet from looming global warming crisis, ozone depletion, and deforestation. Green Products as the name suggests are eco friendly products and positively influence the purchasing behavior of consumers. Marketers are trying to come up with new innovative products in the market which are energy efficient and free from various toxic substances. Going Green can save our planet, so let us all try to make our planet a one free from pollution, global warming & threat of ozone depletion. This research paper is a study of various aspects related to green marketing and consumer attitudes towards green products. For this purpose a study is carried out involving a survey of 60 respondents. These respondents were asked a series of
questions about their preferences and related responses has been presented in the paper with the help of pie charts.

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