GREEN MARKETING- BUSINESS IN SUSTAINABLE, INTELLIGENT AND LASTING WAY

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ABSTRACT

Sustainability in marketing is necessary to build good will and corporate social responsibilities among its stakeholders. This paper is about two aspects of the sustainability in marketing, one is the environmental friendly and ecological practices and the other is a complete profit oriented view of saving money by sustaining the brand at the right time so that the aggressive marketing, branding and advertising costs can be saved upon. Using network effect, power of internet to share knowledge, connections, to make profits is an important aspect and direction for the sustainability in marketing. Sustainable marketing gives traditional methods and discipline to entrepreneurs, teaches corporate social responsibilities and green marketing so as to go beyond branding, evolving marketing, understanding customers better, their emotions and buying behavior and hopes for making a sustainable restorative relationship with their communities and earth.

This paper emphasizes upon focusing on promoting products by employing claims about their environmental attributes or about the firms that manufacture and/or sell them. Drawing on multiple literatures, this paper examines issues such as what is needed to be greened (product, systems or processes). Also the consumer’s purchasing interest for the green products and how the firms are or should think about information disclosure strategies on environmental claims. An attempt to discuss about the ways of greening the value-addition processes that could entail redesigning the processes, modifying technologies and/or inducting new technologies all with the objective of reducing the environmental impact for all stages, for example these days brands are making huge improvements towards sustainability as authenticity has become a great deal for the brands such as using organic ingredients and emphasizing to capitalize on it is one of the current tactics undertaken by the firms. Evolution of society and economic activity has created social and environmental consequences threatening the planet’s environmental system. Sustainable approach of development should be acquired and followed regarding both the reasons that is social justice and an anthropocentric or human centeredness that frames the maintenance of a healthy and sustainable environment as necessary for human wellbeing.

Keywords: Green Marketing; Sustainable Marketing; Going Green

INTRODUCTION

It seems like every day another familiar brand claims to have gone green. Companies marketing their green achievements were once a small segment of forward thinking organizations, but have since grown into a group of unlikely advocates that includes an oil company and the world’s largest retailer. Just what is green marketing, and to what extent are companies integrating its principles into their communications, and green thinking into their operations? The objective of this primer is to provide marketing executives with a high level understanding of green marketing and some of the recent developments in this space. Green marketing has been around for longer than one might suspect – in
fact, a workshop on ecological marketing was held by the American Marketing Association in 1975. Since then, the definition has been refined and segmented into three main buckets:

- **Retailing Definition:** The marketing of products that are presumed to be environmentally safe.
- **Social Marketing Definition:** The development and marketing of products designed to minimize negative effects on the physical environment or to improve its quality.
- **Environmental Definition:** The efforts by organizations to produce, promote, package, and reclaim products in a manner that is sensitive or responsive to ecological concerns.

All three of these definitions speak to the fact that green marketing involves informing consumers about initiatives you’ve undertaken that will benefit the environment, with the overall goal of improving sales or reducing costs. The term green marketing is often used loosely and in the wrong context. It’s worth noting that green marketing is actually related to another topic that is gaining visibility in corporate circles – corporate social responsibility (CSR). There are four general buckets encompassed in corporate social responsibility, one of which specifically can be tied to green marketing: Social responsibility (i.e. avoid child labor), Ethical responsibility (i.e. protect whistle blowers, have respectful workplace policies), Environmental responsibility (i.e. adopt business practices that are environmentally friendly), Governance (i.e. fulfilling requirements for a neutral board of directors). This context is important to consider, because it clarifies that every time a company does something that feels nice, it cannot be parlayed into a green marketing campaign – only activities which benefit the environment can.

The normal business operations of every business inevitably have an impact on the environment. With consumers becoming increasingly conscious and critical of any negative environmental impacts, you don’t have to look hard to find examples of companies that have gone green in an effort to persuade consumers that they’re doing all they can for Mother Earth. The challenge consumers take on (with varying levels of diligence) is to identify which companies are authentically green, and which are imposters guilty of green washing. Consider the following examples and place them in the context of the green washing continuum.

The origins of green washing stem from the popular political term, whitewashing a coordinated attempt to hide unpleasant facts, especially in a political context. Companies guilty of green washing are the ones that have publicly made vague, misleading, unrepresentative, unsubstantial or irrelevant claims about their green initiatives. Authentic Green – to achieve this status, a company would have launched legitimate green initiatives that generally stand up to scrutiny from consumers or 3rd party accreditation bodies. What the companies should not do while going green is another important issue. The companies should not ask the marketing team to paint them green or they should go green where it actually matters. That means the green activities should be actually incorporated rather than just painting the company logo in green color.

Ecological marketing was based on the idea that environmental protection and resource conservation can be better advanced through less regulation by the public sector and more enterprise in the private sector. This idea, in turn, is based on the premise that the ecologically concerned consumer is a legitimate but largely unused market segment one that is identifiable, accessible and measurable. In the 1970s the importance of a small number of environmental issues like oil use or pollution for a narrow range of industries (for example cars and chemicals) was framed as something that was relevant to engineers, lawyers and marketers within companies.

**LITERATURE SURVEY**

Various companies in India and abroad are going green, such as:

- Suzlon Energy The world’s fourth largest wind-turbine maker is among the greenest and best Indian companies in India. Tulsi Tanti, the visionary behind Suzlon, convinced the world that
wind is the energy of the future and built his factory in Pondicherry to run entirely on wind power. Suzlon’s corporate building is the most energy-efficient building ever built in India.

- ITC Limited ITC strengthened their commitment to green technologies by introducing ozone-treated elemental chlorine free bleaching technology for the first time in India. The result is an entire new range of top green products and solutions: the environmentally friendly multi-purpose paper that is less polluting than its traditional counterpart.

- Tata Metaliks Limited (TML) Every day is Environment Day at TML, one of the top green firms in India. A practical example that made everyone sit up and take notice is the company’s policy to discourage working on Saturdays at the corporate office. Lights are also switched off during the day with the entire office depending on sunlight.

- Tamil Nadu Newsprint and Papers Limited (TNPL)
  - Adjudged the best performer in the 2009-2010 Green Business Survey, TNPL was awarded the Green Business Leadership Award in the Pulp and Paper Sector. The initiatives undertaken by this green firm in India includes two Clean Development Mechanism projects and a wind farm project that helped generate 2, 30,323 Carbon Emission Reductions earning Rs17.40 Crore.

- Wipro Technologies Wipro has climbed to the top five brand league in Greenpeace’s ‘Guide to Greener Electronics’ ranking. Despite the global financial crisis, Wipro held fast to its commitment towards energy efficiency and was lauded for launching energy star compliant products in the market.

- Oil and Natural Gas Company (ONGC) India’s largest oil producer, ONGC, is coming up with energy-efficient, green crematoriums that will soon replace the traditional wooden pyre across the country. ONGC’s Mokshada Green Cremation initiative will save 60 to 70% of wood and a fourth of the burning time per cremation.

- IndusInd Bank Green banking has been catching up as among the green initiatives ever since IndusInd opened the country’s first solar-powered ATM and pioneered an eco-savvy change in the Indian banking sector. The bank is planning for more such initiatives in addressing the challenges of climate change.

- IDEA Cellular One of the best Indian companies, IDEA, paints India green with its national Use Mobile, Save Paper campaign. The company had organized Green Pledge campaigns at Indian cities where thousands came forward and pledged to save paper and trees. IDEA has also set up bus shelters with potted plants and tendril climbers to convey the green message.

Apart from the Indian companies many of the foreign based companies such as:

- Wal-Mart- The company launched it’s highly visible environmental strategy in 2004. Since then, their goals have encompassed everything from:
  - Cutting energy usage at stores by 30% to reduce greenhouse gas emissions
  - Spending $500 million per year to improve truck fleet fuel economy and Working towards monitoring overseas suppliers to ensure they meet environmental standards.

- British Petroleum In 2000, British Petroleum rebranded to BP and adopted the slogan beyond petroleum. According to BP, this positioning captures their goals of finding cleaner ways to produce and supply oil, as well as researching and developing new types of fuels.

- Fairmont -Fairmont has attempted to position their brand as an industry leader in green practices through several approaches, including:
  - Hiring a full time director of environmental affairs
Launching a 200-ton per year recycling program
- Offering free parking for guests with hybrid cars
- Retrofitting lighting with energy efficient bulbs

- General Electric- In 2005, GE launched their Ecomagination campaign. Clarifying how the green positioning is integrated with their overall business strategy, CEO Jeffrey Immelt notes that the campaign is primarily a way to sell more products and services. To this end, GE has pledged to:
  - Double investments in clean R&D by 2010
  - Increase revenues from Ecomagination products to $20 billion by 2010
  - Reduce their own greenhouse gas emissions by 1% over 7 years (when they would have increased by 40%)

- Loblaws- In 2007, CEO Gaelen Weston appeared in company advertisements touting their promise to reduce waste through the introduction of reusable shopping bags.

From all the literary survey we can predict and say that going green is the most accepted policy of the companies apart from the corporate social responsibilities and governance activities.

OBJECTIVES
1. To understand the pace by which the companies are going green.
2. To compare Indian and foreign companies which are going green.
3. To study the reasons that why companies are going green.
4. To understand the advantages and disadvantages due to sustainable or green marketing.

RESEARCH DESIGN AND METHODOLOGY
The source for the research is secondary data from various research papers and company websites revealing their updated technologies. Various advertisements both commercial and print media were used for gathering the data and analyzing it so as to get a clear idea about the green and sustainable ideas undertaken by various companies.

ANALYSIS
For example, apart from the companies mentioned in the literature survey various brands such as

1. Panasonic (eco ideas),
2. Nerolac (ecofriendly paints),
3. Kirloskar (green way of energy),
4. Tupperware (ecofriendly plastic),
5. Navneet publications (ecofriendly notebooks).

All these companies give us a vision of the sustainable way of business. From a researched case of power consumption, Nicholas Carr, a business writer and, recently worked out that each of the 15,000 or so residents logged in at any one time consumes electricity as a result of their activities in the virtual world almost as fast as the average inhabitant of Brazil does in real life. It is just one example of the growing concern over the increasing power consumption and environmental impact of computers, and in particular the warehouses full of corporate machines known as data centers. A study by the Lawrence Berkeley National Laboratory, released last month, found that the power consumption of data centers doubled between 2009 and 2011, and now accounts for 1.2% of American electricity consumption, though other estimates put the figure at 4%. Companies now spend as much as 10% of
their technology budgets on energy, says Rakesh Kumar of Gartner, a consultancy. (Only around half of this is used to run computers; much of it goes on cooling.) IDC, a market-research firm, says power consumption is now one of systems managers' top five concerns.

Power consumption has increased because of the rise of the internet, of course, but also because of the way in which computers have historically been designed: to maximize performance at all costs. Between 1996 and 2006, says Jed Scaramella of IDC, the number of servers in use went from 6m to 28m and the average power consumption of each server grew from 150 watts to 400 watts. But things are now starting to change and the computer industry has been seized with enthusiasm for —green computing]. As mentioned above Kirloskar, an Indian origin company has taken a step forward with the concept of _green way of energy also Dell, a big PC-maker, recently launched a scheme that allows its customers to plant trees to offset the carbon emissions generated by their computers. DigiPlex, a Scandinavian data-center firm, boasts that locating servers in its Oslo facility is greener than elsewhere in Europe, since Norway generates 99% of its electricity from hydropower. And this week several of the industry's main firms, including AMD, Dell, HP, IBM, Intel, Microsoft and Sun, launched a Green Grid] consortium dedicated to reducing data-center power consumption.

In the next couple of years, Data Centers are likely to release as much carbon in the atmosphere as the entire airline industry. This often makes Data Centers a target of environmentalists. However, it is important to note that over the long run, the byproducts resulting from a Data Center are far less damaging than the alternative. Wipro technologies has taken a major step in this regards. Some researchers also claim that due to the trend of going green the state of economic downturn has come.

CONCLUSION

So both positive and negative results can be seen from the above analysis.

The positive aspect is that most of the companies worldwide are going green and are able to have a successful impact on the customers and are able to establish their even more stronger. For example the Indian companies such as Navneet publications had taken an initiative way back by proposing and working out the eco ideas of notebooks prepared from recycling so as to save trees, this was a huge success and these lead Navneet publications to a new position and a demanded brand. Also as we mentioned in the paper, IDEA cellular promoted themselves in a greener way by saying’ use cell phones and save trees’, they also decorated the bus stands in a greener and ecofriendly way.

- Saving Money: Green practices can save money. The EPA recommends shutting down your computer if it will be inactive for more than a day. According to Microsoft, turning off your machine every night, or putting it into "hibernate" mode so that the screen uses no energy, can save $90 per computer over the course of a year.
- Cost Effectiveness: The upfront cost of going green can be steep. Solar cells have become more efficient over the last 20 years, but still take around three years to pay back their upfront costs in the form of lower power bills, according to the Brookhaven National Laboratory.
- Customer Preferences: Many companies make a virtue of their environmental awareness, building advertising campaigns around it in the belief that customers prefer dealing with socially responsible businesses. Ben & Jerry's ice cream is a prominent example.
- Market Size: A recent article in Harvard Business Review argued that "brands that truly appeal to the environmentalist consumer can't reach the mainstream." It cites research showing that protecting the environment is rarely the key reason why people choose to buy a product.
- Tax Benefits: The 2009 federal stimulus bill contained approximately $50 billion in funding to promote clean energy. Among the incentives are tax deductions for businesses that can cut their building’s energy consumption by 50 percent.
The negative impact though not so strongly proved as only a few literary proofs were able to be analyzed, says that the economic downturn is due to the sustainable marketing or because of the fact that companies are going green at a relatively faster rate. The definition of going green means to respect and help save the earth’s resources by recycling products, reducing the use of products that aren't earth friendly and using nontoxic, organic products. Arguments can be made for and against going green. While the concept has been accepted by many individuals and organizations, going green has its disadvantages.

- Assortment of Receptacles: Instead of a single bin to place refuse, you'll need one for garbage and others for each type of recyclable item. This can mean placing several containers around your home or office to accommodate paper recyclables, aluminum, glass and plastic.

- Recycled Paper: Recycled paper currently doesn't have the same texture as the original paper. Toilet paper that has been made of recycled paper is likely to be scratchy and rough, according to "The Downside of Going Green" on the Classes and Careers website. Another issue is that many of the paper products that are being used for recycling are dwindling, since much of the publishing industry is moving toward electronic formats.

- Bamboo Furniture: One of the most popular materials for furniture with ecologists is the fast-growing bamboo. Some offices have switched to bamboo office chairs that are designed for ecology rather than comfort. Since bamboo grows so quickly, it makes sense to use it if you're looking for ways to go green. The problem with bamboo is that it generally isn't comfortable.

- Organic Meats and Produce: Going green with organic food can deplete the green in your wallet, since organic meat and produce tends to cost more than other meats, vegetables and fruits. As more farmers meet the demands for chemical- and hormone-free foods, their costs will rise in order to raise the animals and grow gardens that are pest free.

- Biodegradable Containers: According to Class and Careers, biodegradable containers made of sugar cane waste break down much more quickly than traditional plastic and Styrofoam containers. This can create a mess if the containers start to collapse from coming into contact with fats and moisture in the foods and other items they're designed to hold.

- Solar Power: Although solar power makes sense since the sun is a constant energy source, the solar panels and solar cells tend to be initially expensive. Another disadvantage is that solar power can't be accessed on completely overcast days, during a storm or at night, according to Alternate Power. Certain areas have less sun than others, making it necessary to have an alternate energy source.

- Paperless Office: The concept of a paperless office makes sense to those who don't want stacks of paper piling up, creating clutter and forming a recycling nightmare. There are still some disadvantages of a completely paperless office, according to Super Green Me. These include the initial cost of the electronic storage equipment, regulations that may currently require paper documentation, some readers' lack of ability to read electronic material and the fear of electronic crashes.

All this above facts help us to conclude that both the positive and the negative impacts of going green are to be considered and should be thought upon to have a balance between ecology and economy considering the environmental friendliness and profitability of a company.

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