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## UNVEILING GREEN MARKETING: STRATEGIES, EVOLUTION, CHALLENGES, AND THE PATH TOWARDS SUSTAINABLE DEVELOPMENT

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### *Abstract*

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*This paper delves into the evolution, methodologies, and impacts of green marketing within the global business landscape. It explores the multifaceted dimensions of green marketing, emphasizing its broader scope beyond product promotion. Addressing consumer concerns about environmental degradation, it highlights the benefits, challenges, legal aspects, and government initiatives related to green marketing in India. The paper advocates for transparency, consumer empowerment, regulatory guidelines, affordability initiatives, and holistic CSR integration as crucial elements for successful green marketing implementation. Ultimately, it asserts that green marketing, while still evolving, holds immense potential for driving sustainable development and fostering consumer engagement towards eco-friendly practices.*

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*Keywords: Green Marketing, Marketing Mix, benefits of green marketing*

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### **Introduction**

Continuous evaluation of current marketing trends is crucial for businesses. This involves ongoing research into evolving consumer behaviours within the market landscape. By pinpointing these changes, businesses can adapt their

offerings to align with consumer preferences. Today's consumer's exhibit heightened concern regarding environmental degradation and the adverse impacts of their product and service usage on the environment. This increased awareness might stem from observable

climate shifts, escalating global warming, and rising air and water pollution. Hence, incorporating green marketing strategies not only allows organizations to meet consumer expectations and address environmental worries but also presents an opportunity to secure a competitive edge and foster a robust consumer base.

### **Methodology**

The study is exploratory in nature to provide clear guidance. The doctrinal methodology of research has been followed. Books, research journals, government reports and websites were used as sources of data.

### **Green Marketing**

According to American Marketing Association *"Green marketing is that the marketing of products that are presumed to be environmentally safe."*

According to Polonsky, 1994 - *"Green or Environmental Marketing consists of all activities designed to get and facilitate any exchanges intended to satisfy human needs or wants, such the satisfaction of those needs and needs occurs, with minimal detrimental impact on the natural environment."*

According to the American Marketing Association, green or Environmental Marketing consists of all activities designed to get and facilitate any exchanges intended to satisfy human needs or wants, such that the satisfaction of these needs and wants occurs, with minimal detrimental input on the national environment.

### **Evolution of Green Marketing**

The concept of Green Marketing has undergone an evolutionary process over time. As per Peattie (2001), this

evolution is delineated into three distinct phases:

- First phase: "Ecological" green marketing characterized an era where all marketing efforts were dedicated to tackling environmental issues and offering solutions to environmental problems.
- Second phase: "Environmental" green marketing marked a transition toward clean technology, emphasizing the creation of innovative products that addressed concerns related to pollution and waste management.
- Third phase: "Sustainable" green marketing gained prominence in the late 1990s and early 2000s, signifying a continued evolution in environmental marketing strategies.

### **Green Marketing Mix**

The amalgamation of four environmentally friendly elements or factors, often referred to as the 4 Green P's, constitutes the Green Marketing Mix namely;

#### **Green Product**

During the production of eco-friendly products, companies should integrate environmentally conscious resources or materials. The properties of these resources and the materials used in both the product and its packaging must positively influence environmental aspects.

#### **Green Promotion**

Companies ought to prioritize "Green advertises" to communicate the concept of environmental protection to both their eco-friendly customer base and traditional consumers who might not typically use environmentally friendly products. Additionally, firms should introduce promotional strategies like

schemes, coupons, offers, and premiums to entice consumers to purchase eco-friendly products. For instance, Nike's 'Better World' campaign showcased its commitment to sustainability by launching a 100% recycled television advertisement, repurposing film from its previous campaigns.

### **Green Place**

Efficient distribution of green products, without causing harm to the environment, constitutes the concept of Green Place. This involves optimizing fuel and energy use and organizing logistics with minimal emissions.

### **Green Price**

The production of environmentally friendly products necessitates alterations in production processes, leading to increased costs. Consequently, the higher production expenses result in elevated prices for green products, potentially hindering their market acceptance. The elevated price may discourage consumers who might be unwilling or unable to pay this premium for environmentally friendly items. Lowering production and operating costs would render green products more competitively viable in the market.

### **Benefits of green marketing:**

#### **1. Consumers:**

- **Health and Well-being:**  
Green products often prioritize health and well-being, providing consumers with eco-friendly alternatives that may be safer and healthier.
- **Environmental Consciousness:**  
Green marketing helps raise awareness among consumers about environmental issues and encourages environmentally responsible behavior.

- **Transparency:**  
Green marketing often involves providing detailed information about the product's environmental impact, allowing consumers to make informed choices.

#### **2. Companies**

- **Advantage:**  
Companies that adopt green marketing strategies can gain a competitive advantage by appealing to environmentally conscious consumers. This can lead to increased market share and customer loyalty.
- **Cost Savings:**  
Implementing sustainable practices, such as energy efficiency and waste reduction, can lead to cost savings for businesses in the long run.
- **Regulatory Compliance:**  
Green marketing can help companies align with environmental regulations and demonstrate commitment to corporate social responsibility, reducing the risk of legal and regulatory issues.

#### **3. Environment**

- **Reduced Environmental Impact:**  
Green marketing promotes products and services that aim to reduce environmental impact, such as using renewable resources, minimizing waste, and adopting sustainable production practices.
- **Biodiversity Conservation:**  
Companies promoting eco-friendly practices contribute to the conservation of biodiversity by avoiding the use of harmful chemicals and supporting sustainable sourcing.

#### 4. Society at large

- **Global Sustainability:**  
Green marketing contributes to the global sustainability agenda by promoting responsible consumption and production patterns. This has broader implications for the planet's health and the well-being of future generations.
- **Community Development:**  
Businesses engaged in green marketing may support local communities through initiatives like sustainable sourcing, fair trade practices, and community development projects.
- **Research Opportunities:**  
The focus on green marketing encourages innovation in technology, materials, and processes, leading to research opportunities and advancements in sustainable practices.

#### 5. Government

- **Environmental Goals:**  
Green marketing aligns with government initiatives aimed at achieving environmental goals, such as reducing carbon emissions, promoting recycling, and conserving natural resources.
- **Regulatory Compliance:**  
Companies adhering to green marketing principles are more likely to comply with environmental regulations, fostering a more sustainable business environment.
- **Collaboration Opportunities:**  
Non-governmental organizations (NGOs) working on environmental issues can collaborate with businesses

engaged in green marketing to further their common goals.

#### Examples of green marketing:

##### 1. Indusind Bank:

Pioneering eco-friendly practices, this bank in India was among the first to discourage the use of paper for ATM counterfoils and instead adopted electronic messaging. Its efforts have significantly contributed to paper conservation and the reduction of deforestation.

##### 2. MRF Tyres:

MRF has introduced the ZSLK series, focusing on the development of eco-friendly tubeless tires crafted from a distinctive silica-based rubber. These tires not only contribute to environmental sustainability but also provide enhanced fuel efficiency for drivers.

##### 3. Haier:

Haier has introduced the Eco Life Series. This product line encompasses a range of appliances, including semi-automatic and automatic refrigerators, washing machines, split and window air conditioners, and various other offerings.

##### 4. Wipro:

Wipro has introduced environmentally friendly desktops as part of the Wipro Green Ware initiative, with the goal of reducing electronic waste. These systems are devoid of toxins and adhere to a comprehensive recycling policy.

#### Legal aspects of green marketing in India

##### 1. The Environment (Protection) Act, 1986

While the Environment Protection Act doesn't directly regulate green marketing, its overarching goal to protect and enhance the environment indirectly influences and encourages businesses to adopt environmentally responsible practices, which in turn align with the principles of green marketing. Adhering to the Act's provisions helps in fostering genuine and impactful green marketing initiatives in India.

- Green marketing showcases a company's environmentally responsible practices, aligning with the EPA's encouragement for businesses to take responsibility for their environmental impact under CSR initiatives.

## 2. The Biological Diversity Act, 2002

The relationship between green marketing and the Biological Diversity Act (BDA) primarily centres around their shared objective of promoting environmental conservation, sustainable practices, and biodiversity preservation. Green marketing drives businesses towards eco-friendly innovation, aligning with the BDA's objective to reduce negative impacts on biodiversity through sustainable practices in product development and manufacturing.

### Green Marketing Initiatives Taken By Government

Green marketing, in the context of government initiatives, often involves promoting and encouraging businesses and consumers to adopt eco-friendly products, services, and practices. Here

are some examples of green marketing efforts by the Government of India

#### 1. Eco-mark Certification Scheme:

The Bureau of Indian Standards (BIS) operates the Eco-mark Certification Scheme, which encourages the production and consumption of eco-friendly products. Products that meet specific environmental criteria are awarded the Eco-mark, signaling their adherence to environmental standards.

#### 2. Star Labelling Programme:

The Bureau of Energy Efficiency (BEE) runs the star labeling program for appliances such as air conditioners, refrigerators, and LED lamps. The program encourages the manufacturing and purchase of energy-efficient appliances by providing star ratings, making it easier for consumers to choose environmentally friendly products.

#### 3. Fame India Scheme 2023:

The Faster Adoption and Manufacturing of Hybrid and Electric Vehicles in India (FAME India) scheme promote the adoption of electric and hybrid vehicles. It provides incentives to manufacturers and consumers to encourage the use of environmentally friendly transportation options. As of December 5, 2023, electric vehicle manufacturers have received a subsidy of Rs. 5,248.00 crore under Phase-II of the FAME India Scheme for the sale of 11,61,350 electric vehicles.

#### 4. UJALA (Unnat Jyoti by Affordable Leds for All)

Under the UJALA scheme, the government promotes the use of

energy-efficient LED bulbs to reduce energy consumption. The program involves distributing LED bulbs at subsidized rates, encouraging consumers to adopt energy-saving lighting solutions.

### **Challenges in implementation of green marketing:**

#### **1. Lack of Awareness:**

In 1991, the Ministry of Environment and Forest (MOEF), Government of India, introduced the 'Eco-Mark,' a voluntary labelling scheme for certifying environmentally friendly products by the Bureau of Indian Standards (BIS). Unfortunately, the industry response to this initiative was limited, with only a few companies obtaining licenses from the Eco-Mark, BIS. Furthermore, there was a lack of efforts by organizations to raise awareness among consumers, resulting in low consumer awareness about the Eco-Mark.

#### **2. High Initial Cost:**

Initially, the implementation cost of green practices in organizations, particularly for small-scale enterprises, is perceived as high. Consequently, many organizations tend to avoid adopting green practices due to concerns about immediate profitability. Nevertheless, embracing green practices in the long term not only ensures sustained profitability but also facilitates overall growth.

#### **3. Green Washing or Green Sheen:**

Green washing, also known as green sheen, refers to the deceptive practice of marketers or organizations making

false environmental claims about their products and services. In many instances of green marketing, these claims are used misleadingly to create the impression that an organization is environmentally friendly, often with the primary goal of boosting profits or gaining political support. This practice fosters a negative perception among consumers regarding the authenticity of these products and services.

#### **4. Lack of Standardization:**

Studies have revealed that only a mere 5% of marketing claims from green campaigns hold complete authenticity, lacking standardized authentication (Mohansundaram, 2012). Marketers should rigorously verify any green claims regarding their products or services, ensuring clarity on their eco-friendly attributes, packaging, and processes. Given consumers' heightened awareness, false claims may generate negative perceptions, impacting both the organization and its green practices adversely.

#### **5. Consumer Price Sensitivity:**

Consumers often find green products more expensive, as they entail paying premium prices. The cost factor is a significant consideration for consumers when making purchasing decisions.

#### **6. Global variations:**

Different regions have diverse environmental concerns and consumer preferences. Adapting green marketing strategies to suit varied markets can be complex.

#### **Way Forward:**

##### **1. Transparency and Authenticity:**



Encourage and enforce accurate and transparent information about the environmental attributes of products. Companies should substantiate their green claims through certifications, third-party verifications, and transparent reporting of their sustainable practices.

## 2. Consumer Empowerment:

Invest in consumer education initiatives to raise awareness about the actual environmental impact of products. This can include campaigns, labels, and educational materials that inform consumers about the genuine green attributes of products.

## 3. Regulatory Guidelines and Standardization:

Develop and enforce industry-wide standards and regulations for green marketing claims. Establish guidelines that define what constitutes eco-friendly products and ensure compliance through regulatory bodies.

## 4. Affordability Initiatives:

Explore ways to reduce the initial cost of adopting green practices. This could involve government incentives, subsidies, or technological advancements that make eco-friendly alternatives more affordable.

## 5. Holistic CSR Integration:

Integrate sustainability into corporate social responsibility initiatives. Show commitment to environmental stewardship beyond marketing claims by engaging in community projects or initiatives that benefit the environment.

## Conclusion

Green marketing should not disregard the economic aspect of

marketing; it is crucial for marketers to comprehend the ramifications of adopting green practices. If marketers assume that customers are not concerned about environmental issues or unwilling to pay a premium for eco-friendly products, they are mistaken. Marketers must seize opportunities to improve product performance, enhance customer loyalty, and command higher prices. Although green marketing is still in its early stages, there is a need for extensive research to unlock its full potential. The current juncture presents an opportune time for the global adoption of "Green products," which could bring about significant changes in the business landscape if nations enforce stringent regulations.

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