ABSTRACT
Today, companies are going green and buying green. ‘Green’ marketing has gone from a trend to a way of doing business. Time has come where businesses that sell to other businesses (B2B) should recognise the value of going green, and incorporate this message into their marketing programme to ensure its perpetual succession.

Customers are conscious about PPP (people, planet and profit), and it has become the social responsibility of the corporates to go green in order to stay in the business with its customers. A clever marketer is one who not only convinces the consumer, but also involves the consumer in marketing his product; as such, green marketing has facilitated many organisations to do so.

This paper attempts to review the emergence and development of green marketing as a concept and also to see its significant applications in today’s business organisations. As environmental issues have gained importance in business as well as in public life throughout the world, it has compelled the business world to take the cognizance of green marketing in designing and developing their business models, strategies and policies. Green marketing should not be considered as just one more approach to marketing; it has to be pursued with much greater vigour as it has environmental and social dimensions to it.

Green marketing has clearly emerged as a part and parcel of overall corporate strategy; along with manipulating the traditional marketing mix (product, price, promotion and place), it require an understanding of public policy process. Just as we have 4Ps in the traditional marketing mix, we also have 4ps in green marketing too, but with a touch of difference. Three additional Ps, namely people, planet and profits, buttress them. With the threat of global warming looming large, it is extremely important that green marketing becomes the norm rather than an exception or just a fad.

Keywords: Green mark, social dimensions, American marketing association, Environmental Marketing and Ecological Marketing.

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INTRODUCTION

Environmental issues have gained importance in business as well as in public life throughout the world. It is not like that a few leaders of different countries or few big renowned business houses are concerned about the day-to-day deterioration of oxygen level in our atmosphere but every common citizen of our country and the world is concerned about this common threat of global warming.

In this scenario of global concern, corporate houses have taken green marketing as a part of their strategy 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. Clearly, green marketing is part and parcel of over all corporate strategy; along with manipulating the traditional marketing mix, it requires an understanding of public policy process. So we can say that green marketing covers a broad range of activities. Different writers have given different definition about green marketing which tried to cover all major components of green marketing. According to Polonsky (1994), “Green or environmental marketing consists of all activities, designed to generate and facilitate any exchange indented to satisfy human needs and wants, such that the satisfaction of these needs and wants occur with minimum detrimental impact on the natural environment.”

Concepts and Applications

According to the American Marketing Association, green marketing is the marketing of products that are presumed to be environmentally safe. Thus, green marketing incorporates a broad range of activities, including product modification, changes to the production process, packaging changes, as well as modifying advertising. Yet, defining green marketing is not a simple task where several meanings intersect and contradict each other; an example of this will be the existence of varying social, environmental and retail definitions attached to this term. Other similar terms used are Environmental Marketing and Ecological Marketing.

Thus, ‘green marketing’ refers to a holistic marketing concept wherein the production, marketing consumption, and disposal of products and services happen in a manner that is less detrimental to the environment. With growing awareness about the implications of global warming, non-biodegradable solid waste, harmful impact of pollutants, etc., both marketers and consumers are becoming increasingly sensitive to the need to switch over to green products and services. While the shift to ‘green’, may appear to be expensive in the short term, it will definitely prove to be indispensable and advantageous cost-wise in the long run.

Green marketing is also a way to use the environmental benefits of a product or service to promote sales. Many consumers will choose products that do not damage the environment over less environmentally friendly products, even if they cost more. With green marketing, advertisers focus on environmental benefits to sell products such as biodegradable diapers, energy-efficient light bulbs, and environmentally safe detergents.

People buy billions of dollars worth of goods and services every year, many of which harm the environment in how they are harvested, made, or used. Environmentalists support green marketing to encourage people to use environmentally preferable alternatives, and to offer incentives to manufacturers that develop more environmentally beneficial products.
The concept of green marketing has been around at least since the first Earth Day in 1970. But the idea did not catch up until the 1980s, when rising public interest in the environment led to a demand for more green products and services. Manufacturers responded to public interest by labelling hundreds of new products ‘environmentally friendly’ – making claims that the products are biodegradable, compostable, energy efficient, or the likes.

In spite of its growing popularity, the green marketing movement faced serious setbacks in the late 1980s because many industries made false claims about their products and services. For instance, the environmental organisation CorpWatch, which issues annually a list of the top ten ‘greenwashing’ companies, included BP Amoco for advertising its ‘Plug in the Sun’ programme, in which the company installed solar panels in two hundred gas stations, while continuing to aggressively lobby to drill for oil in the Arctic National Wildlife Refuge.

Without environmental labelling standards, consumers could not tell which products and services were truly beneficial. Consumers ended up paying extra for mis-represented products. The media came up with the term ‘greenwashing’ to describe cases where organisations misrepresented themselves as environmentally responsible.

Green marketing was given prominence in the late 1980s and 1990s after the proceedings of the first workshop on Ecological marketing held in Austin, Texas (US), in 1975. Several books on green marketing began to be published thereafter. According to the Joel makeover (a writer, speaker and strategist on clean technology and green marketing), green marketing faces a lot of challenges because of lack of standards and public consensus to what constitutes ‘green’. The green marketing has evolved over a period of time. According to Peattie (2001), the evolution of green marketing has three phases – the first phase was termed ‘Ecological’ green marketing, and during this period all marketing activities were concerned to help environment problems and provide remedies for environmental problems; The second phase was termed ‘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, and the third phase was termed ‘Sustainable’ green marketing; it came into prominence in the late 1990s and early 2000.

In 1992, the Federal Trade Commission (FTC) in the U.S. stepped in to prevent deception. The FTC created guidelines for the use of environmental marketing claims such as ‘recyclable’, ‘biodegradable’, ‘compostable’, and the likes. The FTC and the U.S. Environmental Protection Agency defined ‘environmentally preferable products’ as products and services that have a lesser or reduced effect on human health and the environment when compared to other products and services that serve the same purpose. The label ‘environmentally preferable’ considers how raw materials are acquired, produced, manufactured, packaged, distributed, reused, operated, maintained, or how the product or service is disposed.

Today, special labels help the public identify legitimate environmentally preferable products and services. Several environmental groups evaluate and certify products and services that meet FTC standards or their own tougher standards. One popular product that has received certification is shade-grown coffee, an alternative to coffee beans that are grown on deforested land in the tropics.
Products and Services

- Paper containing post-consumer wastepaper
- Cereals sold without excess packaging
- Shade-grown coffee beans
- Cleaning supplies that do not harm humans or environment
- Wood harvested from sustainable forests
- Energy-efficient lightbulbs
- Energy-efficient cars
- Energy from renewable sources of energy such as windmills

B2B Green Marketing

Successful marketing has always been about recognising trends and positioning the products, services and brand in a manner that supports buying variables.

Today, ‘green’ marketing has gone from a trend to a way of doing business, and businesses that sell to other businesses (B2B) should recognise (1) the value of going green, and (2) incorporating this message into their marketing programmes.

Today, companies are going green and buying green. Major companies like PepsiCo and many others have mandated buying green products. These may include products that save energy, conserve resources, reduce emissions, eliminate pollutants, minimise environmental impact, or a combination thereof. For those B2B companies that have seized or are embracing ‘green initiatives’ to attract customers like PepsiCo and many others, B2B green marketing should be an essential part of their marketing strategy.

Today more and more companies including giants like PepsiCo are mandating the purchase of green products for their manufacturing and related facilities, which is why it makes sense to find out just ‘how Green Is the B2B Business’.

International Business Machines Corporation (IBM) has revealed a portfolio of green retail store technologies and services to help retailers improve energy efficiency in their IT operations. The centerpiece of this portfolio is the IBM SurePOS 700, a point-of-sale system that, according to IBM, reduces power consumption by 36 percent or more. We even see the names of retail outlets like ‘Reliance Fresh’, Fresh@Namdhari Fresh and Desi, which while selling fresh vegetables and fruits, transmit an innate communication of green marketing.

Corporate Social Responsibility

In India, around 25 percent of the consumers prefer environmental-friendly products, and around 28 percent may be considered health conscious. Therefore, green marketers have diverse and fairly sizeable segments to cater to. The Surf Excel detergent that saves water (advertised with the message ‘do bucket paani roz bachana’) and the energy-saving LG consumer durables are examples of green marketing. We also have green buildings which are efficient in their use of energy, water and construction materials, and which reduce the impact on human health and the environment through better design, construction, operation, maintenance and waste disposal. In India, the green building movement, spearheaded by the Confederation of Indian industry (CII) –
Godrej Green business Center, has gained tremendous impetus over the last few years. From 20,000 sq ft in 2003, India’s green building footprint is now over 25 million sq ft.

Many companies have started realising that they must behave in an environment-friendly fashion as part of their CSR. They believe both in achieving environmental objectives as well as profit related objectives. The HSBC became the world’s first bank to go carbon-neutral last year. Other examples include Coca-Cola, which has invested in various recycling activities. Walt Disney World in Florida, U.S., has an extensive waste management programme and infrastructure in place.

CONCLUSIONS

A clever marketer is one who not only convinces the consumer, but also involves the consumer in marketing his product. Green marketing should not be considered as just one more approach to marketing, but has to be pursued with much greater vigour as it has an environmental and social dimension to it. With the threat of global warming looming large, it is extremely important that green marketing becomes the norm rather than an exception or just a fad. Recycling of paper, metals, plastics, etc. in a safe and environmentally harmless manner should become much more systematised and universal. It has to become the general norm to use energy-efficient lamps and other electrical goods.

Marketers also have the responsibility to make the consumers understand the need for and benefits of green products as compared to non-green ones. In green marketing, consumers are willing to pay more to maintain a cleaner and greener environment. The consumers, industrial buyers and suppliers need to work together in minimising the negative effects on the environment. Green marketing assumes even more importance and relevance in developing countries like India.

When companies come up with new innovations like eco-friendly products, they can access new markets, enhance their market shares, and increase profits. Just as we have 4Ps in the traditional market mix, we have 4ps in green marketing too, but with a touch of difference. Three additional Ps, namely people, planet and profits, buttresses them.

The products have to be developed depending on the needs of the customers who prefer environment friendly products. Products can be made from recycled materials or from used goods. Efficient products not only save water, energy and money, but also reduce harmful effects on the environment. Green chemistry forms the growing focus of product development. The marketer’s role in product management includes providing product designers with market-driven trends and customer requests for green product attributes such as energy saving, organic, green chemicals, local sourcing, etc., For example, Nike is marketing its Air Jordan shoes as environment-friendly, as it has significantly reduced the usage of harmful glue adhesives. It has designed this variety of shoes to emphasise that it has reduced wastage and used environment-friendly materials.

The majority of green products have one or more of the following health or environmental attributes:

- They promote clean air quality (typically through reduced emissions).
- They are durable and have low maintenance requirements.
• They are recyclable and reusable.
• They are made using natural, renewable or environment friendly resources.
• They do not contain any ozone-depleting substances like greenhouse gases.
• They do not contain highly toxic compounds, and their production does not result in highly toxic by-products or waste products harmful to society and environment.
• For wood or bio-based products, they employ ‘sustainable harvesting’ practices.
• They are biodegradable.

To make it short, answering these 5 questions can help you make that determination to go green.

1. Are the components you use recyclable and/or biodegradable?
2. In what areas does your product reduce energy consumption: manufacturing, distribution, or product usage?
3. What steps have you taken to conserve natural resources?
4. What steps have you taken to reduce pollution and toxic emissions?
5. What steps have you taken to effectively market your green benefits?

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