

## A Study on Green Marketing in India: Challenges and Opportunities

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### **Abstract**

*The practice of "green marketing" has grown in significance in the contemporary market place. The emergence of green marketing has provided businesses with the chance to co-brand their goods under distinct product lines, praising some for being environmentally friendly while disregarding others. Such a marketing strategy will be explicated as a direct result of consumer market movement. Due to this, businesses now target consumers more frequently who are worried about the environment. Through their concerns, consumers are interested in incorporating environmental concerns into their purchasing decisions by incorporating them into the method and elements of the marketing strategy for any necessary goods. The study looks at the current trends, problems, and opportunities in green marketing in India, explains why businesses are adopting it, and predicts green marketing's future. It comes to the conclusion that green marketing will continue to increase in popularity and use.*

### **Keywords**

*Green Marketing, Green products, Environmental friendly, Consumer, Benefits, Indian Industries.*

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## **Introduction**

First, environmental issues were a contributing factor in the development of green marketing. Green marketing, according to the American Marketing Association, is the promotion of goods that are thought to be safe for the environment. As a result, green marketing encompasses a wide range of actions, such as product modification, changes to the manufacturing process, packaging improvements, and advertising adjustments. With growing awareness of the effects of global warming, non-biodegradable solid waste, the harmful effects of pollutants, etc., both marketers and consumers are becoming more sensitive to the need for a switch to green products and services. Green marketing refers to a holistic marketing concept wherein the product, marketing consumption, and disposal of products and services happen in a manner that is less detrimental to the environment. Many people mistakenly think that “green marketing” only relates to the advertising and promotion of goods with environmental features. Consumers typically identify green marketing with terms like phosphate-free, recyclable, and refillable, ozone-friendly, and environment-friendly.

Yes, green marketing is a golden goose. As per Mr. J. Polonsky, green marketing can be defined as, “All activities designed to generate and facilitate any exchange intended to satisfy human needs or wants such that satisfying of their needs and wants occur with minimal detrimental input on the national environment.” Environmental marketing and ecological marketing are other names for green marketing. Because human wants are limitless and resources are scarce, marketers must make effective, waste-free use of resources to meet organizational goals. Green marketing is therefore necessary. Around the world, customers are becoming more and more interested in environmental conservation. There is evidence that people are changing their behavior and are concerned about the environment. This has led to the development of green marketing, which represents the expanding market for environmentally and socially conscious goods and services. To meet consumer requirements and increase revenues, this is now the new motto for marketers.

## **Evolution of Green Marketing**

The term “green marketing” first appeared in the literature in 1975 during a conference on “Ecological Marketing” hosted by the American Marketing Association (AMA). The late 1980s and early 1990s saw the emergence of the term “green marketing.” The 1980s saw the emergence of the first green marketing trend. The two published publications, both of which were titled Green Marketing,

served as the concrete milestone for the initial wave of green marketing. They were written by Jacquelyn Ottman (1993) in the United States of America and Ken Peattie (1992) in the United Kingdom. Peattie (2001) identified three stages in the development of green marketing.

The first stage was known as “Ecological” green marketing, and all marketing operations during this time were focused on addressing environmental issues and offering solutions.

The second phase was “Environmental” green marketing, when the emphasis turned to clean technology and the creation of novel new goods to address difficulties with waste and pollution.

“Sustainable” green marketing was the third phase. It gained popularity in the late 1990s and early 2000s because of its concern for creating high-quality products that can satisfy consumer needs while emphasizing convenience, affordability, and environmental friendliness. Characteristics of Green Products

By taking the following actions, we can define green products:

1. Products that were first grown.
2. Goods that are biodegradable, recyclable, and reusable.
3. Goods made with natural components.
4. Goods are made with nontoxic chemicals and recycled materials.
5. Product ingredients that contain permitted substances.
6. Items that don't damage or contaminate the environment.
7. Goods that won't be put through animal testing.
8. Goods with environmentally friendly packaging, such as reusable, refillable containers.

#### **Four's of Green Marketing**

**Product** For a business to outperform rivals and influence consumers more than others, it must create environmentally friendly products. To do this, it must recognize the environmental demands of its customers and design goods that meet those needs.

**Price** The environmental benefit is typically a bonus, but it frequently distinguishes between goods of similar value and quality. The majority of clients will only be willing to spend more if they believe the product has more value.

**Place** Green items are typically widely available on the market, but relatively few consumers will make an extra effort to purchase them just because they are green. In-store marketing, eye-catching displays, or the use of recycled materials can highlight the environmental and other benefits of this. Promotion

**Promotion** involves on-site promotions, direct marketing, paid advertising, public relations, and sales promotions. By utilizing sustainable marketing and communications strategies and technologies, green marketers will be able to increase their environmental reputation.

### **Literature Review**

**Kilburn, W.E. (1998)** addressed how green marketing falls short of overcoming the limitations of the dominant worldview. The economic, political, and technological dimensions of the culture frame of reference were mentioned by the author as areas that need to be investigated for their impact on the interaction between marketing and the environment.

**Sanjay K. Jain & Gourmet Kaur (2004)** Business firms have responded to the situation and begun using green marketing methods to address environmental issues in their study of environmentalism, which has quickly become a global phenomenon. Green consumerism has aided in the advancement of business.

**Singh and Pandey(2012)**, If Indian consumers are made aware of the quality, pricing, performance, and characteristics of a product through green marketing and the sales of that particular product improve, it is proof that there is increased interest in their thoughts.

**Rahul Singal, Anuradha Garg and Sanjay Singla (2013)** This study came to the conclusion that companies engaged in green marketing in India also had a duty to educate consumers about the advantages of green products over non-green ones. Consumers are eager to spend more for a cleaner, greener environment, according to green marketing. Finally, pressure from consumers, business customers, and suppliers is needed to reduce harmful effects on the environment. In emerging nations like India, green marketing has an even greater significance and relevance.

**Ram balak and Govind Swaroop Pathak (2013)** The issue with small businesses adopting green practises is that they are worried about making short-termpr of its; yet, adopting green practises has a high initial cost and is only profitable in the long run. The government must enforce the law firmly against such organizations. Becauseitaddressessocialandenvironmentalissuesinaddition to concerns about profitability, green marketing is not just another marketing concept and needs to be handled with greater care and attention.

**Babita Saini (2014)** It is proof that green marketing must become the rule rather than the exception with the threat of global warming looming big. The safe and environmentally friendly recycling of materials like paper, metals, and plastics

needs to be much more institutionalized and widespread. The usage of energy-efficient lights and other electrical items needs to become the standard.

**Neeraj Kumar Sharma (2015)** in this paper author explains Environment issues like Global Warming, waste disposal, etc. Has led to the usage of Green Marketing practices but there is still hesitation in the minds of firms that the green marketing practices may increase production costs and reduce profits.

**R. Mayakkannan (2019)** It is proof that as industrialization picks up speed, there will be more environmental problems in the future. In the modern era, green marketing is more than just a marketing strategy. with an underlying social and environmental component. Currently, green marketing is more powerful than regular marketing. Realize that green marketing encompasses much more than straightforward marketing tactics.

### **Research Methodology**

The research is exploratory in nature; it focuses on a Literature review, News Papers, Journals, websites and the other reliable sources.

### **Objectives of the Study**

1. To know the concept of green marketing.
2. To study the challenges and future of green marketing.
3. To know the benefit and opportunities of green marketing strategy.
4. To know the strategy being a green is either helpful or not.

### **Challenges of Green Marketing**

The things which have benefits must have challenges with them. The more benefits, the more challenges to adopt it. Green marketing has challenges to adopt in India because of the following reasons:

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

The first issue is consumer ignorance of green products, which is the fundamental problem with green marketing. Many members of the general public might not even be aware of the cases mentioned above. Consumers may not be interested in consuming green products due to lack of awareness. With the aid of the media, awareness raising is necessary. It is necessary to raise awareness of the items' potential benefits and potential hazards to the environment.

#### **2. Encouragement**

Even while consumers are aware of green products, they might not be eager to buy them. Once more, campaigns and the media are the tools that may inspire and enlighten the masses. Although the impact of using green products may not be apparent right away, it will undoubtedly have an impact on the environment in the

long run. To inspire them, the future's mirror must be visible.

### **3. Lack of Demand**

There is a belief that in this period, the consumer is king. It implies that businesses must concentrate on client demand. For this, companies must manufacture the product at a low cost and make it readily available. As a result, many small businesses do not believe that going green is more profitable.

### **4. Do not Willing to Pay for the Premium**

Materials that can be recycled are relatively pricey. However, consumers are unwilling to pay more for that. For instance, many shops, including large bazaars, shopping stops, etc., give paper or jute bags for very little money to carry the goods. However, few people are willing to pay for that.

### **5. Require Huge Investment on Research and Development**

Due to the high expense of research and development and the need for new ideas and technologies, the cost of the final product is ultimately increased. The major issue that some businesses have is that they choose to introduce non-green items rather than investing a lot of time, money, and effort in R&D.

### **6. Require Huge Investment on Promotion**

As many consumers are not aware of the green products and its importance, so, then the company which is planning to adopt the green marketing concept has to make huge investments in promotional activities to make the consumers aware and make them interested to buy the products.

### **7. Risk for the Companies**

Related to the risk for the companies, there is no 100% assurance that the product will grab the huge market, cover the cost and will make a profit if the company promotes its product with the green marketing concept. So there will be more risk involved with it.

### **8. Long term Process**

This challenge is related to the length of the process. Although Green marketing is an old concept but due to lack of awareness it needs time to accept the green products by the consumers. Thus, it is not a short term process and the company has to face this fact to be in the market with green marketing concept.

### **The Future of Green Marketing**

The short version of all this is that effective green marketing demands the application of sound marketing principles to make green products desirable for consumers. There are many lessons to be learned to avoid green marketing myopia.

What is green marketing's future, though, is still an open topic. Given that environmentalism's acceptance of boundaries and conservation does not fit well with marketing's traditional axioms of "give the customer what they want" and "sell as much as you can," business researchers have seen it as a "fringe" topic. Evidence indicates that successful green products have avoided green marketing myopia by following three important principles:

#### **Positioning Consumer Value**

- Create environmentally friendly products that outperform (or even surpass) competitive products.
- Promote environmental products, give their desired value to consumers, and focus on key consumer market segments.
- Increase consumer demand by incorporating targeted consumer values into environmental products.

#### **Assessment of Consumer Knowledge**

- Use marketing communications to inform consumers by tying environmental characteristics to intended consumer value.
- Present environmentally friendly product features as "solutions" to customer problems.
- Develop websites regarding environmental products with a strong emphasis on education and consumer value.

#### **Trust Worthiness of Product Claim**

- Use explicit and substantial assertions about consumer and environmental product benefits.
- Obtain product endorsements or eco-certifications from reliable third parties, and inform customers about the significance of these certifications.
- Promote customer evangelism through online and social media communication

#### **Opportunities of Green Marketing**

##### **Improves Credibility**

The organization's increased credibility is the first and most significant benefit. For an organization to generate long-term profitability, its reputation must be excellent. A business with a strong market vision will not only draw in more clients, but also business partners that value its reputation. The ideal alternative for us as a company is to use green marketing if we're seeking for ways to raise our organization's credibility.

### **An Opportunity to Enter a New Market**

It allows the company to enter a new market. Companies must make adjustments to their production processes, substitute environmentally friendly materials for those used in production, and use environmentally friendly packaging for their products in order to develop and market green products. The green market is a relatively new one with little rivalry. By using green marketing strategies, we have the chance to join a new market.

### **Long-term Growth**

The initial cost of choosing environmentally friendly practices may be high, but it will pay off in the long run. Sustainable marketing is a wonderful choice for business expansion. Because eco-friendly items are becoming more and more popular in today's society and will continue to do so in the future.

### **Offer Competitive Advantage**

Note very business has the option to adapt its operations and become an eco-friendly organisation. If we choose the approaches, our company will have a competitive advantage over all other companies.

### **More Room for Innovation**

When we decide to use green marketing, we must redesign our production process and swap out our raw materials for eco-friendly ones. This gives us the chance to innovate our product. In addition to supplying eco-friendly products, we can also give our clients the advantages, which would be the icing on the cake.

### **More Profit**

Since using eco-friendly practices is expensive, it is OK for us to raise the price of our items. As long as they are getting a high-quality product and the satisfaction of contributing to environmental protection, people don't mind paying a little bit more. We can recoup the initial costs associated with adopting green marketing within the first several years.

### **Conclusion**

The time is ideal to choose "Green Marketing" globally right now. If all nations adopt tight policies, it will bring about a significant change in the business world because green marketing is crucial to preventing pollution. From a commercial standpoint, a skilled marketer is one who not only persuades customers but also actively involves them in the promotion of their goods. Green marketing includes an environmental and social component, thus it shouldn't be seen as just another marketing strategy. Instead, it needs to be pursued with much more vigor. Green marketing must become the rule rather than the exception or just a fad given the



grave threat posed by global warming. Recycling of paper, metals, plastics, etc., in a safe and environmentally harmless manner should become much more systematized and universal. The usage of energy-efficient lights and other electrical items needs to become the standard. Marketers must also educate consumers about the advantages of green products over non-green ones and the reasons why they are necessary. Consumers are eager to spend more for a cleaner, greener environment, according to green marketing. Finally, pressure from consumers, business customers, and suppliers is needed to reduce harmful effects on the environment. In emerging nations like India, green marketing has an even greater significance and relevance.

### **Scope for Further Research**

Organizations in India have embraced the idea of green marketing. Indian consumers are also responding favourably to eco-friendly goods and services. Future research studies may explore the many aspects and processes that influence customers' purchasing behavior towards green products in light of the interest among consumers in such products.

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