



GREEN MARKETING AS AN OBJECTIVE OF CORPORATE SOCIAL RESPONSIBILITY

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ABSTRACT

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; 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. Green marketing refers to the process of selling products and/or services based on their environmental benefits. Such a product or service may be environmentally friendly in it or produced and/or packaged in an environmentally friendly way.

This article focuses on what is Green Marketing? Along with the Green initiatives taken by some companies in India and Corporate Social Responsibility towards Green marketing

INTRODUCTION:

Green marketing satisfies human needs with minimal detrimental impact on the natural environment. Green marketing not only includes consumer goods and industrial goods, but also the service sector. In the process of distribution of goods and services, both the manufacturing and the service sector contribute towards the ecological imbalance and loss of ozone layer. However, the role of the manufacturing sector in this regard is more significant. The process of manufacturing and selling goods and services with the least threat to the environment is a big issue before the business houses. A number of forces are driving companies to practice a higher level of corporate social responsibility. Some of the forces are rising customer expectations, evolving employee goals and ambitions, tighter government legislation and pressure, develop investor interest in social criteria, relentless media scrutiny, and changing business procurement practices.

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changes, as well as modifying advertising. Yet defining green marketing is not a simple task where several meanings intersect and contradict each other; 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. Green marketing refers to the process of selling products and/or services based on their environmental benefits. Such a product or service may be environmentally friendly in it or produced and/or packaged in an environmentally friendly way. The term Green Marketing came into prominence in the late 1980s and early 1990s. The American Marketing Association (AMA) held the first workshop on “Ecological Marketing” in 1975.

WHAT IS GREEN MARKETING?

The terms like ‘green marketing’, ‘Ecological marketing’, and ‘Environmental marketing’ are getting popular in modern days.

Green marketing is defined as: “Green or Environmental marketing consists of 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 is marketing of products and services which have essentially low impact on the environment. This has become a new trend with more and more companies opting for making products which are environment friendly, however, they have to be made more affordable to achieve wider marketing acceptance. It includes specific development, pricing, promotion, and distribution of products that do not harm the natural environment. Many products have been certified as green by environmental organizations such as green seal and carry a special logo identifying them as such. Green marketing requires awareness from the consumers and manufacturers of such goods.

It is a fact that natural environment is the basis of all activity. Natural environment and eco system services provide us with food, water and material for living. Since the economic activities directly depend upon the natural resources and the environment, the protection of the natural environment is the duty of all stakeholders. We should take utmost care to protect both the renewable and non- renewable energy sources. If we fail to manage the ecosystem and environmental resources in a proper way, the future generations will face severe imbalances in climate and availability of water, food, good air, etc. It is needless to say that major reason behind the imbalance in the eco-system is the improper management of resources and population explosion. Hence, the process of selling goods and services in an eco –friendly way is a big issue before business houses across the globe. Moreover, keeping eco-friendly goods in the hands of the ultimate users is the corporate social responsibility of the manufacturer as the role of wealth creators has been more in damaging the eco-system rather than preserving it.

Green marketing accepts a wide range of back and front end activities in marketing of goods and services. Thus, green marketing is the consideration of ecological issues in modifications of a product, changes in production, processes, packaging, advertising, transportation and in selling of goods and services.

Companies prefer not to break even, but sustain themselves with a higher margin of safety. Similarly we can see human beings sustain them for many many years to come. Unfortunately, we are not leading ourselves towards that path. The declining state of our environment has become a global epidemic, centered on consumer- focused countries like United States of America. It is essential that –as educated and responsible citizens- take action now in order to save the sacred place which we thrive upon.

The most important thing is to draw the attention of corporate stake holders who may be able and motivated to identify ways of reducing or avoiding those costs while, at the same time, improving environmental quality. As companies are striving to meet the demands of the growing population across the globe, no nation is free from pollution and ecological imbalance. The firms are putting their efforts in producing greener products and services for the consumers.

Both manufacturing and services sector also needs to maintain the “Green” concept in marketing of their products. For example, disposal of waste management is a big issue before the medical care. Similarly, adoption of eco-friendly policies is a challenging job in case of marketing of tourism products like eco-tourism, adventure tourism, wilderness tourism, hospitality and catering, etc.

GREEN INITIATIVES TAKEN BY SOME COMPANIES IN INDIA

There are many companies who are now become more conscious about to be environmentally safe and eco friendly with respect to their products and products utility (in case of technically sound products) and the reason for going to be green of the industries are, by doing this they are helping to make the world more Greener and safer for future and up to some extent they are delivering their CSR (Corporate Social Responsibility) by producing Green products for welfare of the environment and the for the customers as a whole. The best example of green marketing issues that helping to make environment safe and eco friendly can be drawn from “PRINTING MACHINES INDUSTRIES” that are trying to be more Greener



by reducing emissions of VOCs (Volatile Organic Compounds), handling of contaminated water and toxic waste as well as tracking of inks, solvents and other chemicals.

Listed below are examples of some which have taken a green initiative in India. This shows the commitment of Indian companies, either as a part of their corporate social responsibility or otherwise, to do something worthwhile in this direction.

Today more and more of the global corporations issue corporate responsibility reports, and the public expects visible CSR initiatives from businesses of all sizes. Many companies use CSR as a way to burnish their image, generate brand equity, increase employee loyalty, promote wide-ranging policies, and labor rights.

- Suzlon Energy manufactures and market wind turbines, which provide an alternative source of energy based on wind power. This green initiative taken by the company is extremely important for reducing the carbon footprint.
- Tamil Nadu Newsprint and Papers Limited (TNPL) was awarded the Green Business Leadership Award in the pulp and paper sector for the year 2009-10, based on the EVI Green Business Survey conducted by the Financial Express and Emergent Ventures India. This was given in recognition of two clean development mechanism projects implemented by the company generating biogas from bagasse wash water, and using the same as a substitute for furnace oil.
- Tata Metaliks Ltd (TML) has initiated the use of only sunlight during daytime in its offices.
- ITC has introduced Papercraft, a premium range of eco-friendly business paper. The company's social and form forestry initiative has greened over 80,000 hectares of arid land.
- Wipro's computers division has launched energy star compliant products in the market.
- HCL Technologies is moving towards phasing out hazardous vinyl plastic and brominated flame retardants from its products.
- Apple has adopted the philosophy that going green translates into alternative revenue streams. It recycles e-waste and also generates revenue therefrom.
- IBM is selling green solutions to corporate data centers where energy constraints and costs are limiting their ability to grow, with the promise that the energy cost would be reduced by half.
- Oil and Natural Gas Corporation Ltd (ONGC), India's largest oil company, has introduced energy-efficient Mokshada Green Crematorium, which saves 60 to 70% of wood and a fourth of the burning time per cremation.
- IndusInd Bank installed the country's first solar-powered ATM and thus brought about an eco-savvy change in the Indian banking sector (Exhibit 1)
- Idea Cellular implemented its national campaign 'Use Mobile Save Paper'. The company organized Green Pledge campaigns to save paper and trees. Idea decorated bus shelters with potted plants and tendrils climbers to communicate the green message.
- Samsung, in fact, offers a host of eco-friendly mobile handsets (made of renewable materials) – W510 and F268 – in India (Exhibit 2).
- Nokia's Policy is to reduce the environmental impact of its products. It has taken the initiative to take back, recover useful materials and dispose of waste in a manner that causes least harm to the environment.
- Hero Honda Motor's philosophy of continuous innovation in green products and solutions has enabled it to strike a balance between business, consumers and nature.
- Honda India introduced its Civic Hybrid Car. However, initially it was unable to sell the same due to the high price. The price was reduced by Rs.8 lakh, and within a day, 98 Civic Hybrid were sold, which was more than what Honda had been able to sell during the previous five months since its launch.



CORPORATE SOCIAL RESPONSIBILITY TOWARDS GREEN MARKETING

Many companies today have at least a basic approach to corporate responsibility and sustainability. However, it typically lives in a separate world from investor relations. But as corporate leaders are showing, discussing their approaches to major environmental, social and governance (ESG) issues as part of the IR information flow can be an opportunity to differentiate their investment story, management quality, innovative solutions and prospects for sustainable growth and value creation. The megatrends shaping today's business landscape are increasingly driven by ESG-related risks and opportunities. This includes environmental, energy and water issues; obesity and health care trends; urbanization and infrastructure issues; labor and supply chain risks; safety and privacy concerns; and of course, ethical business conduct. In fact, a 2011 survey by Institutional Shareholder Services (ISS) found that 83% of investors believe ESG factors have a significant impact on long-term shareholder value. More companies are viewing corporate responsibility and sustainability as critical to the "three Rs"—risk, returns and reputation with stakeholders—and tackling material ESG impacts in their strategies in ways that ought to resonate with investors.

These days' consumers become more aware about to make their surroundings more safer and healthier to live in. So they become more conscious about their purchasing in respect with all the products that they are use in their day to day life. That is why they prefer that type of products that are eco friendly and not harmful for global environment any way

Conclusion:

As the tendency of healthy living is becoming more expressed when consumers start to treat environmental consideration as the consideration for oneself, coordination of environmental, economic, and social community goals with company goals becomes relevant for business enterprises. Current theoretical as well as practical scientific researches confirm the topicality of

The development of the corporate social responsibility concept and the importance of its integration into various areas of company activities. From the point of view of marketing such changes determine the need for the application and development of the theory of the new, so called green marketing. The concept of Corporate Social Responsibility (CSR) allows companies to position their brands stronger, to strengthen their image, increase market share and increase their ability to attract and retain employees.

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