

CONTEMPORARY GREEN MARKETING STRATEGIES: A PATHWAY TO SUSTAINABLE DEVELOPMENT

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Abstract

The term **Green Marketing** is the marketing of products that are presumed to be environmentally safe. Thus green marketing may incorporate a broad range of marketing activities, including product modification, changes to the production process, packaging changes as well as modifying advertising.

The term **Sustainable Development** as defined by United Nations is "the development that meets the needs of present without compromising the ability of future generations to meet their own needs." Thus sustainability means responsible growth when social and environmental concerns are aligned with people's economic need.

The paper aims to explore the relationship between the two and analyze the extent of efforts made by companies towards marketing their products and services on the basis of Green attributes. This paper examines some key issues to understand the relationship between the strategic marketing discipline and environmental concerns with regards to conservation of natural resources leading to sustainable development. To elaborate on this relationship, the paper focuses on some contemporary green marketing strategies and initiatives which claim to contribute for a sustainable future.

The broad objectives of the study is to explore and get an insight of contemporary green marketing strategies making an attempt towards a sustainable future. At macro level objectives are to focus on the need for sustainable development and Policy initiatives in this direction and to identify the role of green marketing towards sustainable development by analysing various strategies being practised in market place.

Methodology used was collection and analysis of latest secondary data from various sources such as books, websites, research journals, magazines and newspaper.

Findings of the study focuses on the initiatives taken by corporate giants like ITC, Unilever, Walmart, SBI, Maruti Suzuki, Toyota, Bajaj Auto, etc. were studied to deduce on their successful marketing campaigns focussing on sustainable practices and persuading consumers on the same. Further studies can be directed to explore effectiveness of these strategies and level of consumer awareness and acceptance of such products which are marketed on Green claims.

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Introduction

With recent headlines like 'Pure-play carbon credit companies in crisis' as well as the first commitment period of Kyoto Protocol coming to an end in December 2012, the journey of Green Marketing Strategies on a pathway of sustainable development is quite questionable. Meanwhile, since global population touched 7 billion in October 2011, being two to three times higher than the sustainable level, the sustainability issues and Green Marketing Strategies are gaining a lot of attention in academic as well as business world.

The term **Green Marketing** got prominence in the late 1980s and early 1990s. The American Marketing Association (AMA) held the first workshop on "Ecological Marketing" in 1975. The proceedings of this workshop resulted in one of the first books on Green Marketing entitled "Ecological Marketing". According to the American Marketing Association, Green Marketing is the marketing of products that are presumed to be environmentally safe. Thus green marketing may incorporate a broad range of marketing activities, including product modification, changes to the production process, packaging changes as well as modifying advertising.

The United Nations defines **Sustainable Development** as "development that meets the needs of present without compromising the ability of future generations to meet their own needs." Thus sustainability means responsible growth when social and environmental concerns are aligned with people's economic need.

The paper aims to explore the relationship between the two and analyze the extent of efforts made by companies towards marketing their products and services on the basis of Green attributes.

1. Objectives

The broad objective of the paper is to get an insight of contemporary Green Marketing Strategies making an attempt towards a sustainable future.

At macro level objectives can be listed as:

- To focus on the need for sustainable development and Policy initiatives in this direction.
- To identify the role of Green Marketing towards sustainable development by analysing various strategies being practised in market place.
- To identify the role of marketer and consumer in the process.
- To analyse contemporary Green Marketing Strategies implemented by key players in various industries.

2. Methodology

Green Marketing Strategies and the concerned factors which affect the various components of Marketing disciplines viz. consumers, branding, packaging, advertising and promotion of Green products were critically analysed. Secondary data was collected from various

sources such as books, websites, research journals, magazines and newspapers, and was analysed.

3. Literature Review

According to Jacquelyn Ottman, (author of "The New Rules of Green Marketing: Strategies, Tools, and Inspiration for Sustainable Branding" (Greenleaf Publishing and Berrett-Koehler Publishers, February 2011) from an organizational standpoint, environmental considerations should be integrated into all aspects of marketing - new product development and communications and all points in between. The holistic nature of green also suggests that besides suppliers and retailers new stakeholders be enlisted, including educators, members of the community, regulators, and NGOs. Environmental issues should be balanced with primary customer needs.

Ecologically sustainable products will not be commercially successful if green brand attributes are not effectively communicated (Pickett *et al.*, 1995). Coddington (1993) and Meffert and Kirchgeorg (1993) suggest that green positioning as an essential factor in the success of green branding strategies.

Green Marketing must satisfy two objectives: improved environmental quality and customer satisfaction. Misjudging either or overemphasizing the former at the expense of the latter can be termed "Green Marketing Myopia." In 1960, Harvard business professor Theodore Levitt introduced the concept of "marketing myopia" in a famous and influential article in the *Harvard Business Review*.

During the late 1980s, new instruments such as life cycle assessment (short: LCA) were invented which allowed ecological considerations to be introduced into marketing decisions. The life cycle assessment model seeks to identify the main types of environmental impact throughout the life cycle of a product. LCA was developed according to ISO 14040. The main goal of the LCA is to define the energy and environmental profile of the finished products.

Green Marketing Strategies

Best Green IT Project: State Bank of India - Green IT@SBI

By using eco and power friendly equipment in its 10,000 new ATMs, the banking giant has not only saved power costs and earned carbon credits, but also set the right example for others to follow.

SBI has also entered into green service known as "Green Channel Counter" by providing many services like paper less banking, no deposit slip, no withdrawal form, no checks, no money transaction form. All these transactions are done through SBI shopping & ATM cards.

State Bank of India turns to wind energy to reduce emissions by becoming the first Indian bank to harness wind energy through a 15-megawatt wind farm developed by Suzlon Energy located in Coimbatore using 10 Suzlon wind turbines, each with a capacity of 1.5 MW. This

wind project is the first step in the State Bank of India's green banking program dedicated to the reduction of its carbon footprint and promotion of energy efficient processes, especially among the Bank's clients.

Kissan urges consumers to plant and grow tomatoes

Kissan has launched a unique Green Marketing campaign, Kissanpur, which encourages children to plant and grow tomatoes and participate in an online contest. The campaign is aimed to bring alive the proposition of Kissan ketchup of '100% Real Tomatoes' while also engaging the kids in a fun and interesting manner.

The first step in this campaign is to make children part of a real tomato seed's journey to growing into a plant bearing red and pulpy tomatoes. Kissan begins this exciting journey with the distribution of these tomato seeds to mothers and children. Tomato seed packets were attached to Kissan print advertisements in Mumbai and Delhi. Children could also register on website www.kissanpur.co.in to request for seeds and the seeds would be delivered to their homes. The kids are then encouraged to upload pictures on the Kissanpur site. What's more, if the tomatoes grown by a participant get selected among the top 100 entries, they will be used in the making of Kissan ketchup, and their stories will be showcased on Kissan bottles.

Biomass Boilers in HUL units help reduce CO₂ emissions

Unilever has set three big goals under Sustainable Living Plan to achieve by 2020 and these are:

- Halve the environmental footprint of its products.
- Help more than 1 billion people take action to improve their health and well-being.
- Source 100% of agricultural raw materials sustainably.

The HUL Supply Chain team has come up with a number of unique initiatives across units to reduce CO₂ emissions thereby reducing environmental footprint in their manufacturing operations. One such initiative is setting up of Biomass Boilers that help reduce CO₂ emissions from factories. The biomass boilers have been set up across Chiplun, Puducherry, Goa, Nashik and Mysore. Some of the other units where it is expected to rollout shortly are Haridwar, Hosur and Kandla. With the biomass boilers in place, the manufacturing operations at the Chiplun and Puducherry units saw a remarkable reduction of 11,000 tonnes and 10,000 tonnes per annum in the CO₂ emissions respectively.

This reduction in CO₂ emission levels spurred further implementation of the boilers in other HUL units. The first fully integrated and automated Multimedia boiler and biomass briquettes which could burn spent coffee waste and ETP (Effluent Treatment Plants) waste was carried into the Goa, Mysore and Nashik factories in 2011. The Mysore factory added impetus to the project by utilizing in-house generated wet coffee and ETP sludge as fuels for the boilers.