

## Role & Challenges of Green Marketing and Its Effect on Consumer Buying Behavior Focusing Retail Outlets with Special Reference to Lucknow, India

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*Customer's attitudes are changing towards the environment to encourage innovation for conservation and the benefits from this source of innovation are certain to outlive our current generation. This research work investigates consumer beliefs and attitude on environment protection and their purchasing behavior of eco-friendly products and also focuses on the success of efforts put by marketers in bringing green brands awareness in consumer's mind. It further reviews consumer behavior and impact of marketing communication to identify how consumers are persuaded to opt for greener products. This paper identifies that consumers are not exposed enough to green product marketing communication and suggests the greater use of marketing and brands to promote and sell products that are environmentally friendly and function effectively. The objective of my research is to find out the challenges being faced by companies pursuing green marketing and to analyze consumer's willingness to pay high for green products. The data which I have collected from the various sources of primary through questionnaire and secondary sources.*

**Key Words:** Green Marketing, Customer buying behavior, attitude, perception.

### INTRODUCTION

Green revolution, going green, environmental protection, sustainable life style, sustainable development, protecting our earth and many more has become a natural phenomenon in our everyday life. Green Marketing also known as ecological marketing or environmental marketing has become a vital topic in today's fastest growing world. Manufacturers across the world are worried about the declining condition of environment and thus heralding the pace of healthy growth of economy. The modern society has become

health conscious and is more concerned with the natural environment, businesses too have begun to modify their behavior in an attempt to address society's "new" concerns. Some of the businesses have been quick to accept and adapt the concepts like environmental management systems and waste minimization, and have integrated environmental issues into all organizational activities. In more detail green, environmental and eco-marketing belong to the group of approaches which seek to address the lack of fit between marketing as it is currently practiced and the ecological and social realities of the wider marketing environment. The modern day consumers want safe and cleaner products that give them maximum satisfaction at a minimum waste. Today's consumers are willing to pay for all those products which assure them health and comfort at a reasonable price and minimum health hazards. Green Marketing is the best answer to the many problems that are

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being created due to mad rush of production and distribution. This paper attempts to find out the best possible implication and importance of green marketing. With the outcome of this paper, the marketing will become safer and the consumers will have a safe and environment friendly access to the products. The result of this research paper will help in minimizing the wastages and making environment neat, clean and safe. Although environmental issues influence all human activities, few academic disciplines have integrated green issues into their literature. This is especially true of marketing. As society becomes more concerned with the natural environment, businesses have begun to modify their behavior in an attempt to address society's "new" concerns. Some businesses have been quick to accept concepts like environmental management systems and waste minimization, and have integrated environmental issues into all organizational activities.

## Marketing Mix



### A. GREEN PRODUCT:

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 the first among the shoe companies to market itself as green. It 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 emphasize that it has reduced wastage and used environment-friendly materials.

### B. GREEN PRICE

Green pricing takes into consideration the people, planet and profit in a way that takes care of the health of employees and communities and ensures efficient productivity. Value can be added to it by changing its appearance, functionality and through customization, etc. Walmart unveiled its first recyclable cloth shopping bag. IKEA started charging consumers when they opted for plastic bags and encouraged people to shop using its "Big Blue Bag".

### C. GREEN PLACE

Green place is about managing logistics to cut down on transportation emissions, thereby in effect aiming at reducing the carbon footprint. For example, instead of marketing an imported mango juice in India it can be licensed for local production. This avoids shipping of the product from far away, thus reducing shipping cost and more importantly, the consequent carbon emission by the ships and other modes of transport.

### D. GREEN PROMOTION

Green promotion involves configuring the tools of promotion, such as advertising, marketing materials, signage, white papers, web sites, videos and presentations by keeping people, planet and profits in mind. British petroleum (BP) displays gas station which its sunflower motif and boasts of putting money into solar power. Indian Tobacco Company has introduced environmental-friendly papers and

boards, which are free of elemental chlorine. Toyota is trying to push gas/electric hybrid technology into much of its product line. It is also making the single largest R&D investment in the every-elusive hydrogen car and promoting itself as the first eco-friendly car company. 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. Green marketer can attract customers on the basis of performance, money savings, health and convenience, or just plain environmental friendliness, so as to target a wide range of green consumers.

## **LITERATURE REVIEW**

Cateora Graham, in *International Marketing*, has drawn a parallel line between green marketing and product development. The author has cited a variety of examples where the importance of green marketing has been laid focus on. Green marketing is a term used to identify concern with the environmental consequences of a variety of marketing activities. It is very evident from the author's research and examples the packaging and solid waste rules are burdensome but there are successful cases of not only meeting local standards but also being able to transfer this approach to other markets.

Philip Kotler and Kevin Lane Keller in *Marketing Management* has initiated the topic by discussing about the relevance of green marketing in the past few decades and has also discussed the explosion of environmentally friendly products. However, according to the author from the branding perspective green marketing programs have not been very successful. Marketers tried and failed with green sales pitches over the last decade because of certain obstacles which the movement encountered. The consumer behavior is such that most consumers appear unwillingly to give up the benefits of other alternatives to choose green products. Along with definitions from different sources, the authors

Debraj Dutta and Mahua Dutta, of *Marketing Management*, has given an explanation of what is green marketing. According to the authors green marketing incorporates a broad range of activities including the modification of product, production process and packaging. The authors have also discussed a few literature sources that have focused on green marketing and its relevance in today's era. It was evident that the possible reasons because of which organizations engage in green marketing.

K.K. Shrivastava & Sujata Khandai, the author of *Consumer Behavior in Indian Context*, has discussed green marketing legislation in association with the multinational corporations. These face a growing variety of legislation designed to address environmental issues. Global concern for the environment extends beyond industrial pollution, hazardous waste disposal and rampant deforestation to include issues that focus directly on consumer products.

A study by Peter Kangis (1992), proposes that the challenges both for marketing specialists and for consumers, raised by the concept of green marketing, are due to several issues, such as the lack of an acceptable definition for green marketing, the absence of a clear understanding of cause-and-effect relationships in matters affecting the environment, and the overt and covert reasons for concern about such issues. Suggested that, in the hands of unscrupulous marketers, green marketing can turn into green gold.

An important study by Vasanth kumar N. Bhat (1993) suggests since inputs, manufacturing processes, distribution, use and disposal methods are decided during the design stage, any company venturing out with a green marketing program must start with green design. Presents source reduction and waste management strategies to cut down wastes, and also presents a method to compare green design alternatives which can provide designers with guidance to select superior designs.

According to Hallin (1995) and McCarty and Shrum (2001), people engage in environmental behavior as a result of their desire to solve environmental problem, to become role models and a belief that they can help to preserve the environment. However, consumers indications of positive attitude towards environmental issues do not necessarily lead to actual environmentally friendly purchasing behavior (Laroche et al., 2002). Majority of consumers do not purchase products based on the environmental concern alone and they will not trade-off other product attributes for a better environment. Businesses and consumers today confront one of the biggest challenges – to protect and preserve the earth resources and the environment. They have become more concerned with the natural environment and are realizing that their production and consumption purchasing behavior will have direct impact on the environment (Laroche, Bergeron, and Barbaro-Forleo, 2001).

## RESEARCH OBJECTIVE

- The aim of this study is to find out, how consumer behavior is influenced by Green Marketing?
- To exhibit the challenges being faced by companies pursuing green marketing.
- To study the relationship between consumers attitude and perception towards green marketing.
- To analyze consumer's willingness to pay high for green products.

## RESEARCH METHODOLOGY

On the study of my research the data have been collected through the following resources as below:

### 1. Primary Data

- Questionnaires

### 2. Secondary Data

- Books
- Journals
- Articles
- Newspapers
- Magazines
- Websites

1. **Sample:** The fieldwork for the study was conducted in Lucknow city and based on survey of 50 respondents; questionnaires were distributed among employees of different shopping mall and retail outlets in the above said city.
2. **Sampling Size:** There were 50 Respondents in my research study and the sample size of the respondents were 50 in various retail outlets like Big Bazaar, Pantaloons, Woodland etc at Lucknow malls.
3. **Sampling Technique-** I have used Stratified Sampling technique on my sample between the respondents. Questionnaire are filled by the respondents that how much consumers are aware towards the green marketing and what impact falls on them to use green products or eco- logical products.

## Findings

Research findings reveal that Indian customers have adequate exposure to print and broadcast media but television advertising is preferred. Indian populations have concern about their environment and are intending to buy green products. Indian customers are pragmatic and advertisers should include maximum information about the product while devising green advertising strategies. The retail sector can make a difference to the way the business is done. Customers with high level of awareness can drive the world to the better place to stay. The future generations will benefit and the mother earth will be saved of the ill effects. The role of the stake holders is crucial



for this movement. Such a movement is required by all aspects of businesses. Consumers are looking for and buying green products in ever-increasing numbers. And companies around the globe are finding they can gain an edge over competitors by developing green products and becoming greener companies. Adopting the sustainable initiatives can definitely provide an advantage for the retailers of this country. Green marketing is relatively a new notion to the most of the consumers. Respondents seems to be mystified as they were unable to agree or disagree with the statements related to attractiveness of advertisements, relevancy of advertisements with their daily life, exaggeration in advertisements, credibility of claim, image of the country and image of the product used in advertisements. High importance is given to the use of information regarding the advertised product. Most of the respondents want to purchase green products which show their concern about the environment.

## CONCLUSION

All these result in uncertain whether experiences such as seasons are not as in the past. It is raining all over the year. Summer is experienced all the time. The summer temperatures are constantly on rise. Products that do not decompose, non biodegradable harm environment as the decomposition is not possible and dangerous gases are exhaled. Decomposition of such materials sets out the gases that are dangerous. In view of above, operations should be such that it does not harm environment. The business processes should be designed in manner that will take care of the environment not only today but in future also. The cycle of such activities may be depicted in the following way as shown in the figure ahead. Customers demand the green products, as per their demand the mechanism starts to innovate, and invent the processes that are sustainable, eco friendly. The manufacturers manufacture and supply such products. Media government and

non government organizations create awareness and monitor such implementation of policies made by government. The role of retailer can be of facilitation, making efforts for such products, promoting such products to customers, demanding such products from manufacturers. Giving additional facilities to the products that are supplied by the manufacturers that are having eco friendly practices. Bundling of products to promote the eco friendliness to the customers. By practicing themselves they can demonstrate the eco friendly ways. The organization of the retail outlet is such that it reduces energy consumption, the space is utilized in such a way that illumination, air circulation is in a natural way that will make it energy efficient. Reducing the waste material to significant extent, saving on the packaging material and using the eco friendly packaging etc. Biodegradable material, material in its natural form, minimal use of the chemicals and preservatives etc. can reduce the carbon foot prints and water footprints also.

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