



Green Marketing on the Verge of Becoming the Next Major Trend: A Review

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Abstract

The primary purpose of this article is to develop an understanding of the notion of "green marketing" for businesses and the long-term influence that this strategy has on the profitability of businesses. It has been observed that companies with an optimistic outlook toward green products and marketing benefit from increased sales and a positive brand image. In addition to enhancing the favourable image of the company, "green marketing" brings together the organization's individual and collective concerns about the environment. Businesses that are interested in keeping up with the development of green marketing and satisfying the social expectations of their customers need to learn more about green marketing and the potential it presents in the twenty-first century. Because people currently have a favourable attitude toward green products, many businesses believe that if they make environmentally friendly products available to their customers, it will give them an advantage over their rivals and make them more competitive in the marketplace.

Keywords: *Green Marketing; Green Philosophy; Profitability*

Introduction

Due to the fact that approximately 80 percent of the countries in Europe adopt this notion, the phrase "green marketing" has been around for quite some time. Despite the fact that this idea has only been around for a short time in India, the country's government has historically not placed a strong emphasis on environmental protection (Papadas *et al.*, 2019). However, over the course of the previous decade, the Indian government passed a number of stringent laws that forced businesses within the country to comply with strict regulations regarding the preservation of the environment. Additionally, the knowledge among customers encouraged businesses to provide items that are less harmful to the environment because it was a demand from the customers (Awan, Arnold & Gölgeci, 2021).

Literature Review

It is possible to date the beginning of environmental protection efforts in India to the 1980s and early 1990s. Concern over the effects of consumption and production patterns on the environment was growing at the time. This concern was prompted by worries about the effects of population growth and potential health risks (Hayes *et al.*, 2018). The most significant shifts took place only after customers began to prioritize their own health and the environment, and as a result, businesses were compelled to adopt increasingly eco-friendly business practises and produce goods that were less harmful to the natural world in response to the rising public awareness of these issues (Nguyen & Adomako, 2022). In addition, buyers are willing to shell out additional cash for a product that poses a lower risk to both

the health of consumers as well as the health of the environment. Consumers, who now have a greater capacity for making purchases, are less concerned about the price of a product and more concerned about the quality of the goods. This idea of "green marketing" is gradually but surely gaining traction in India. This is due to the fact that practically all of the businesses that are active in India adhere to "green manufacturing" techniques in order to reduce their negative impact on the environment. The practise of "green marketing", which was still a relatively novel idea when the 1990s rolled around, is experiencing phenomenal expansion in India right now (Masocha, 2021). In order to satisfy clients who have grown more discerning and environmentally conscious, many companies that engaged in "green washing" are now focusing on producing genuine green goods. This is done in order to satisfy customers who have now become more conscious of their impact on the environment (de Freitas Netto *et al.*, 2020). As customers have become more concerned about how they use and dispose of the things they buy, there has been a significant shift in their shopping habits. Most businesses were forced to reevaluate their products as a result of shifting client purchasing patterns, and they eventually succeeded in developing a genuine environmentally friendly option. Now, for businesses to be able to contend in the extremely competitive market, they will need to go through significant transformations in order to incorporate the necessary changes. This will allow them to produce goods that adhere to the stringent regulations imposed by the government and satisfy the needs of their customers. In that case, there will be little chance of winning the clients' acceptance. This is required to create a long-lasting, mutually beneficial relationship between the client and the business. Therefore, continuous innovation aimed at improving our ability to preserve the environment should be the primary focus of future corporate companies (Sdrolia & Zarotiadis, 2019; Szabo & Webster, 2021).

Innovative Points of View

The rise of fierce competition in recent years has considerably hindered firms' capacity to generate sustained revenues from the methods currently used in client connections. Customers have access to a wealth of resources, both online and offline, that allow them to choose from a diverse array of unique and cutting-edge products. These products may or may not be environmentally friendly, depending on the customer's level of awareness regarding green alternatives. Additionally, due to changing consumer buying habits and strict government requirements, businesses are now required to implement and integrate green marketing activities into their systems and 4Ps (Giantari & Sukaatmadja, 2021). Both of these contributing elements have combined to generate this. Everything should be done to protect the environment, from the product's development through its marketing. IKEA, a well-known manufacturer of furniture, has solutions that are completely eco-friendly and have the least negative effects on the environment. Therefore, to successfully execute green marketing strategies within the organization, creative methods, advanced methodologies, and dedication from the highest levels of management are required (Kraus, Rehman & García, 2020). Governments, companies, and individuals will all play a significant role in the preservation of the environment in the not-too-distant future by adopting a green strategy to direct their decision-making in an eco-friendly manner. For the organization to effectively deal with this new buzz phrase, it will need to implement what we can loosely refer to as a "green culture." Customers' lifestyles and purchasing habits have changed as a result of the influence of green marketing, especially for the younger generation, which is better educated and more conscious of digital technology than prior generations (Yong *et al.* 2020; Groening, Sarkis & Zhu, 2018).

The businesses must, however, implement green marketing in the future to stress a relationship-focused strategy to provide value and boost profitability, including customer pleasure and loyalty. Green marketing has grown in popularity recently, despite the fact that for many Indian enterprises, the switch from non-green to green marketing may be challenging (Cankaya & Sezen, 2018).

Development of Green Marketing

Businesses became more pro-active in their approach to environmental protection during this time, which is what led to the development of "green marketing". The primary goal of integrating green marketing into their 4Ps was to ensure compliance with the newly enacted rules and regulations of the

government as well as meet the ever-evolving requirements and preferences of the target audience (Yusiana, Widodo & Hidayat, 2020). The primary objective of "green marketing" is to lessen society's reliance on the natural world and to investigate potential replacements that are friendlier to the planet's ecosystem. The items should be designed in a way that makes recycling and proper disposal of used products simple and kind to the environment. The introduction of compact fluorescent light bulbs (CFLs) and the strategies used by Nokia to streamline their processes for disposing of old mobile phones are two examples of green marketing (Roy, 2018).

During the 1980s, people talked a lot about sustainability, environmentally responsible consumption, environmentally responsible technology, and clean technology (Bibri, 2020).

As the next evolution of green marketing, sustainable marketing takes a more comprehensive strategy that takes into account the effects of products on future generations, equity between countries, sexes, and ages, and places more of an emphasis on necessities as opposed to luxuries. According to Borenstein *et al.* (2019), environmental marketing is characterised by the practise of incorporating considerations of the environment into a variety of aspects of a business's operations, including its products, marketing places, promotion activities, pricing strategy, and choices regarding which customers to serve (market selection). As a type of collaborative green marketing, environmental concerns may also be incorporated into the overall positioning of the company or the brand, as well as the company's ties with its various stakeholders.

Results

The vast majority of the published research on green marketing views it in the context of an environmental plan developed by businesses. The practise of green marketing is seen as something that extends beyond the simple promotion of products using various marketing strategies. It is a marketing strategy that takes a broader perspective and addresses concerns of a more general nature, such as the kinds of products that are made available to consumers and even the way a product's disposal or take-back is arranged. When compared to other approaches, which regard product development, logistics, and disposal as three distinct organisational actions, this holistic concept of green marketing may seem confusing. On the other hand, experts in green marketing argue that these issues fall under the broad category of marketing (Amberg & Fogarassy, 2019). The most crucial lesson to take away from reading about marketing is that for a green marketing strategy to be credible and effective, the company's product portfolio must be strategically examined from the perspective of the environment, and the environmental strategies and their implementation must be acceptable in terms of the product's entire life cycle. The main lesson to be learned from reading about marketing is this. Several academics discuss the factors that motivate businesses to implement environmentally friendly marketing practises and the motives for doing so. Green marketing, as suggested by Sharma & Choubey (2022), has the potential to have a beneficial impact on the response of customers as well as the financial performance of the company. Green marketing has the potential to improve the image of the brand, boost levels of consumer loyalty, provide a positive image of the firm, and assist in mitigating the effects of unfavourable publicity. In addition, it has the potential to increase market share as well as the return on investment. Based on their empirical research, Krizanova *et al.* (2019) draw the conclusion that there is a favourable correlation between the new product and the company's environmental marketing strategy. The authors' findings lend credibility to this conclusion.

However, even though a great number of academics extol the virtues of green marketing, there are also a number of voices in the marketing literature who discuss how ineffective this marketing technique has been. Both Nekmahmud & Fekete-Farkas (2020) and Zahid *et al.* (2018) talk about how there was a boom in green marketing in the early 1990s and then a reaction after that. Nekmahmud & Fekete-Farkas (2020) proposed a variety of tactical solutions to marketing because green marketing operations were widely regarded as being detrimental to the development of the market in the late 1990s. Passive greening (in response to pressure from important stakeholders), muted greening (working on environmental issues in the background), niche greening (targeting a certain consumer category that is environmentally conscious), and collaborative greening were these responses

(collaboration with stakeholders, i.e., suppliers and environmental NGOs, to achieve environmental improvements).



Figure 1: The Formula for Successful Green Marketing Strategy Mix

Heck and Yidan (2013) assert that differences between the four green marketing strategies may also be seen in the sequence in which they implement the four Ps of the conventional marketing mix (Heck & Yidan, 2013). These four Ps are product, price, place, and promotion. These Ps stand for product, price, place, and promotion (refer to Figure 1 & Figure 2). The lean green strategy places the majority of its emphasis on product-related aspects, such as product design, product development, and the manufacturing process. The defensive green strategy makes use of promotions as a tool for responding to threats, defends itself with public relations, and includes the element of promotion in addition to the product. When it comes to seeking greenness, the shaded green strategy continues to place an emphasis not just on pricing difficulties but also on products and promotions. The extremely environmentally friendly strategy integrates eco-friendliness into each and every component of the marketing mix, and it features a carefully curated selection of distribution channels and distributors (Heck & Yidan, 2013; Rust, 2020).

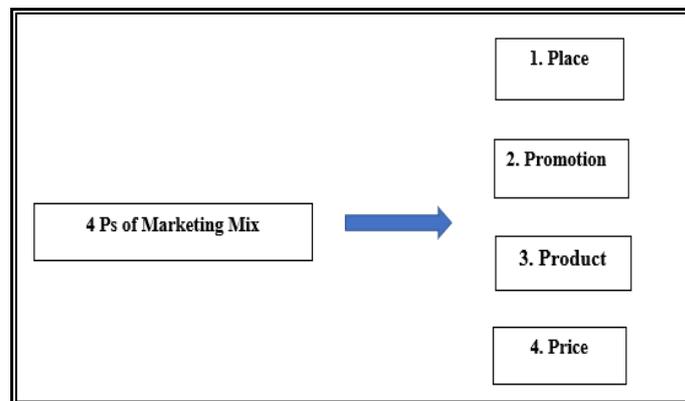


Figure 2: 4 Ps of Marketing Mix

Discussion

What kinds of research questions need to be understood in relation to this trend and why are businesses using green marketing?

- What does it mean to use green marketing strategies?
- Is it connected to eco-friendly marketing procedures that encompass the full marketing system, which includes segmentation, targeting, and positioning, as well as the 4Ps?
- Is it necessary to understand it from the standpoint of the interaction between STP and the 4Ps and the other components of an organization's supply chain management system?

- Or is it just connected to the marketing practice of being environmentally conscious while explicitly concentrating on the components of the 4Ps?
- What do they mean when they talk about "green marketing strategies," and how do they put such plans into action?
- How do they characterize the performance of the business?
- What would the criteria of the link be between green marketing strategies, as described by the companies, and the presentation of the business?
- How do they determine the strength of the previously mentioned relationship?

Opportunities

When nearly all of Europe's businesses are already utilizing green marketing strategies, there is a tremendous amount of potential for success that may be exploited through this strategy. However, the most significant obstacle confronting Indian businesses is the need to educate Indian customers on the fundamentals of green marketing. This is the primary obstacle faced by Indian enterprises (Mukonza & Swarts, 2020).

Businesses that are taking advantage of green marketing, like the Body Shop, extensively promote the fact that they are environmentally conscious. These are some examples of multinational corporations (MNCs) that are adopting green marketing. Even while this behaviour provides the company with a competitive edge, the company was founded for the express purpose of providing consumers with ecologically friendly alternatives to traditional cosmetic items (D'Souza *et al.*, 2020). Coca-Cola is yet another company that does not highlight its positive contributions to the environment. They have invested enormous quantities of money in a variety of recycling operations, and they have also redesigned their packaging in order to reduce the negative influence it has on the environment. Walt Disney is another company that demonstrates environmental responsibility; nevertheless, the company does not publicise this policy beyond the confines of the corporation. Despite the fact that Walt Disney World has an excellent waste management programme as well as the infrastructure to support it, none of these facilities are promoted in any of the company's efforts designed to attract tourists (Jozef *et al.*, 2019; Peng, Xin & Xie, 2022).

In the not-too-distant future, green marketing will be all the rage because of government restrictions and increased consumer awareness, which will cause more businesses to pursue green marketing initiatives. The environmental damage caused by polluting industries can only be mitigated to some degree by combined efforts on the part of the government and the polluting companies themselves (Lam & Li, 2019). Although businesses have the potential to have a significant influence on the natural environment, the liability for doing so should not fall solely on the shoulders of those businesses. Instead, the onus should fall on consumers as well, who should adjust their patterns of consumption as well as how they get rid of waste products (Chin, Chin & Wong, 2018).

Conclusion

In a nutshell, "green product development" does not only refer to the creation of items that are kind to the environment; rather, it refers to a systemic shift in society that encompasses both customers and producers in addition to the broad commercial structure within which they negotiate. If we broaden and deepen the importance of green, then the appropriate actors will have a financial motivation to follow the creation of environmentally friendly products. It is possible for final consumers and industrial buyers to exert pressure on businesses to include environmental considerations into their corporate cultures. This would ensure that all businesses limit the negative effects their operations have on the environment. Utilizing the market forces that are favourable to the creation of environmentally friendly products is the path that will take the lead to mainstream green.

Limitations

The core issue is that firms' approaches to green marketing techniques and strategies vary widely, which makes it difficult for them to reach all clients, which makes it an important area for further study. The creation of client confidence, trust, and value is therefore the common denominator as there

is a dearth of literature specifically on green marketing and no literature connecting the two marketing concepts together. To acquire a more complete view of the topic's good, contentious, and independent aspects, more investigation would be required. In the market, first movers typically get an advantage over subsequent entrants, albeit it is not clear to what extent these benefits are significant.

Conflict of Interest

The authors declare that they have no conflict of interest.

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