

Strengths, Weakness, Opportunities and Threats of Green Marketing

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Abstract

My interest is the future, because I am going to spend the rest of my life there.

- Charles F. Kettering

Every social and global issue is a business opportunity just waiting for the right kind of inventive entrepreneurship, the right kind of investment, the right kind of collective action.

- Peter Drucker Consumers now have worries about the future of the world and as results of this mostly prefer environment friendly products. In return to these attitudes of the consumers, companies have started to form their marketing strategies so as to appeal increasing awareness of this environment-friendliness. These marketing strategies, named as green marketing. Green Marketing also known as ecological marketing or environmental marketing has become a vital topic in today's fastest growing world. Green marketing is an attempt to characterize a product as being environmental friendly (eco-friendly). The definition has been refined and segmented into three main brackets: i) Retailing Definition ii) Social Marketing Definition iii) Environmental Definition. Green marketing should not neglect the economic aspect of marketing. Marketers need to understand the implications of green marketing. Green marketing should not be considered as just one more approach to marketing, instead should be pursued with greater vigor as it has societal and environmental dimensions. Marketers also have the responsibility to make the stakeholders aware about the need and the advantages of green products.

This paper has highlighted various aspects on evolution of green marketing, different phases of green marketing, reasons for green marketing, golden rules of green marketing and SWOT analysis.

Key Words: *Marketing, Environment, eco-friendly, Stakeholders.*

INTRODUCTION

While globalization process continues in its full speed across the world, this process has also brought some problems with it. Leading one of these problems is environmental problems that affect all living beings negatively. These aforementioned environmental problems have started to come to the agenda more and more in the recent years and people have started to talk

these negativities. Consumers now have worries about the future of the world and as results of this mostly prefer environment friendly products. In return to these attitudes of the consumers, companies have started to form their marketing strategies so as to appeal increasing awareness of this environment-friendliness. These marketing strategies, named as green marketing. Green Marketing also known as ecological marketing or

environmental marketing has become a vital topic in today's fastest growing world.

EVOLUTION OF GREEN MARKETING

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. Two tangible milestones for wave of green marketing came in the form of published books, both of which were called Green Marketing. They were by Ken Peattie (1992) in the United Kingdom and by Jacquelyn Ottman (1993) in the United States of America.

Green marketing is an attempt to characterize a product as being environmental friendly (ecofriendly). The definition has been refined and segmented into three main brackets: **Retailing Definition:** The marketing of products that are presumed to be environmentally safe. **Social Marketing Definition:** The development and Marketing of products designed to minimize the negative effects on the physical environment or to improve its quality. **Environmental Definition:** The efforts by organizations to produce, promote, package and reclaim products in a manner that is sensitive or responsive to ecological concerns.

OBJECTIVE

1. To identify the different phases , reasons for growth and golden rules of green marketing
2. To study the SWOT and challenges of green marketing

DIFFERENT PHASES OF GREEN MARKETING

The green marketing has evolved over a period of time. According to Peattie (2001), the evolution of green marketing has three phases. **First phase** was termed as "Ecological" green marketing, and during this period all marketing activities were concerned to help environment problems and provide remedies for environmental problems. **Second phase** was "Environmental" green marketing and the focus shifted on clean technology that involved designing of innovative new products, which take care of pollution and

waste issues. **Third phase** was "Sustainable" green marketing.

GROWTH OF GREEN MARKETING

1. Opportunities available and competitive advantage.
2. Corporate social responsibility on the part of companies.
3. Government regulations.
4. Competition with other responsible companies.
5. Goodwill of the company.
6. Environment conscious consumers.
7. For conserving scarce natural resources

GOLDEN RULES OF GREEN MARKETING

1. **Know you're Customer:** Make sure that the consumer is aware of and concerned about the issues that your product attempts to address, (Whirlpool learned the hard way that consumers wouldn't pay a premium for a CFC-free refrigerator because consumers didn't know what CFCs were.
2. **Educating your customers:** isn't just a matter of letting people know you're doing whatever you're doing to protect the environment, but also a matter of letting them know why it matters. Otherwise, for a significant portion of your target market, it's a case of "So what?" and your green marketing campaign goes nowhere.
3. **Being Genuine & Transparent:** means that a) you are actually doing what you claim to be doing in your green marketing campaign and b) the rest of your business policies are consistent with whatever you are doing that's environmentally friendly. Both these conditions have to be met for your business to establish the kind of environmental credentials that will allow a green marketing campaign to succeed.
4. **Reassure the Buyer:** Consumers must be made to believe that the product performs the job it's supposed to do-they won't forego product quality in the name of the environment.
5. **Consider Your Pricing:** If you're charging a premium for your product-and many environmentally preferable products cost more due to economies of scale and use of higher-quality ingredients-make sure those consumers can afford the premium and feel it's worth it.
6. **Giving your customers an opportunity to participate:** means personalizing the benefits of your environmentally friendly actions, normally through letting the customer take part in positive environmental action.

7. Thus leading brands should recognize that consumer expectations have changed:

It is not enough for a company to green its products; consumers expect the products that they purchase pocket friendly and also to help reduce the environmental impact in their own lives too.

GREEN MARKETING: SWOT ANALYSIS

As in formulation of green strategy, a firm may evolve it from a SWOT analysis Environmental Audit

Strengths

1. Marketers get access to new markets and gain an advantage over competitors that are not focusing on “greenness.”
2. Marketers can charge a premium on products that are seen as more eco-responsible.
3. Organizations that adopt green marketing are perceived to be more socially responsible.
4. Green marketing builds brand equity and wins brand loyalty among customers

Weakness

1. Most customers choose to satisfy their personal needs before caring for environment.
2. Overemphasizing greenness rather than customer needs can prove devastating for a product.
3. Many customers keep away from products labelled “Green” because they see such labeling as a marketing gimmick, and they may lose trust in an organization that suddenly claims to be green.

Opportunities

1. Marketing to segment which are becoming more environmentally aware and concerned. These consumers are demanding products that conform to these new attitudes.
2. Organizations perceive green marketing to be a competitive advantage, relative to the competitors. Firms, therefore, strive to improve upon their societal awareness. This complements the increase in consumers’ socially conscious behavior and will therefore give them an advantage over competitors who do not address these issues

Threats

1. Uncertainty as to the environmental impact of present activities, including that is perceived to be less environmentally harmful.
2. Uncertainty as to which green marketing activities are acceptable from a government perspective.
3. The possibility of a backlash from consumers or government based on existing green marketing claims, threat one and two above may cause backlash to arise

CONCLUSION

Green marketing in India is still in its infancy and a lot of research is to be done on green marketing to explore its full potential. Green marketing should not neglect the economic aspect of marketing. Marketers need to understand the implications of green marketing. Green marketing should not be considered as just one more approach to marketing, instead should be pursued with greater vigor as it has societal and environmental dimensions. Marketers also have the responsibility to make the stakeholders aware about the need and the advantages of green products.

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