

Conventional Marketing v/s Green Marketing: Myth and Reality

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Abstract

As we all know that environmentalism has become the point of discussion all over the world. Everyone is considering becoming green and environmental friendly. Everyone is trying to reduce their impact on environment. Everybody wants their environment to be clean and healthy. Business firm have also start considering this issue and have started to respond to the different environmental concerns. They want to satisfy needs and wants of the customer but in an ecologically sustainable manner. This sudden change in behaviour has lead to the inception of green marketing. With this paper I have tried to explain the concept of green marketing and how it is better than conventional marketing. This paper is based on secondary data collected from different sources which includes research paper by different researchers, articles, journals, conference proceedings, periodicals, text books and internet. This paper primarily focuses on the concept of green marketing and secondly discusses the point of difference between conventional and green marketing. It also focuses on production and promotion of eco-labelled products and services. This paper explores the challenges faced by green marketers and suggests different ways to overcome them. This paper help in creating better understanding about present market scenario and help in influencing customers and businessmen to opt green marketing over conventional marketing.

Keywords: Environment, Ecological, Green marketing, Conventional marketing.

JEL Classification: M31.

1. Introduction

The concept of marketing originated in early 20th century and become one of the important points of discussion. Several things have been changed since its inception but marketing keeps on evolving. It is one of the oldest and ever changing concepts of management. Several new concepts in marketing have emerged like service marketing, relationship marketing, international marketing, one-to-one marketing, realistic marketing, symbolic marketing, etc. New theories and models are introduced which lead to the changes in the nature and scope of the marketing. According to Hawker (ecology of commerce, 1995) business has three issues to face. These are what it takes,

what it makes and what it wastes. What it takes is the material; from the environment, (its ecosystem) through extracting, mining, cutting, hunting, and other means. What it makes is the product of commerce, goods and services that are derived from the natural environment through the process of conversion and transformation. What it waste represents eco-costs arising from the garbage, pollution and destruction of natural systems, which are the consequence of taking and making products and these costs are not internalized in the most of the accounting system, The critical importance of the factors that contributes to the large scale environment destruction. Increasing concern of the people towards the environment has lead to the worldwide revolution to become green and environment friendly. People, government, organisation, institutions are taking rigours efforts to encourage production and usage of eco-friendly or eco-labelled products. This has lead to the emergence of the concept of green marketing. Green marketing is a part and parcel of overall corporate marketing strategy (Menon and Menon), but there are difference between these two, and that is, Green Marketing involves production and promotion of environmental friendly products and services. The Chartered Institute of Marketing explains that “Conventional Marketing is the management process that identifies, anticipates, and satisfies consumer requirement profitably.” However “Green Marketing is a holistic process that anticipates, identifies and satisfies the requirement of customers and society in an ecologically sustainable manner. The concept of green marketing was introduced with serious concern for the environment and to reduce the adverse effect of conventional marketing on ecology and consumer habits. For sustainable development, it is necessary to amalgamate management activities with ecological activities. As suggested by authors like Ottaman (1993) and Ken Peattie, (1993) that conventional marketing is out and green Marketing is in.” Presently, green marketing is an emerging concept but gradually it will become mainstream activity because of all the advantages it provides. Green marketing is beneficial for everyone including businessmen, customers and most importantly, environment and nature.

2. Difference between Green Marketing and Conventional Marketing

The concept of green marketing is comes from conventional marketing only. The increasing concern of people for natural environment has lead to the inception of green marketing. Green marketing and traditional marketing are almost similar, but there are some differences between these two, which are disused below:

- 1) Green marketing is a holistic approach which involves identification, anticipation and satisfaction of needs of customers in an ecologically sustainable manner, whereas, Marketing involves identification and satisfaction of needs and wants in a most profitable manner.
- 2) Conventional marketing focuses on economic desires of the company whereas green marketing carefully integrates social and environmental requirement with economic desires.

- 3) Conventional marketing deals with the direct benefits of the products while green marketing deals with providing long term environmental benefits.
- 4) Conventional marketing does not consider the impact of goods and services on natural environment whereas green marketing encourage production and promotion of eco-labelled products and services only.
- 5) Companies who give preference to green marketing practices over conventional marketing practices prove to be more credible to their targeted customers.
- 6) Green marketing ensures optimum utilisation of natural resources in most effective manner which will be beneficial for the customers as well as for the organisation.

3. Objective of the Study

The main objectives of this research study are given below:

- 1) To compare conventional marketing with green marketing.
- 2) To understand the advantages of green marketing over conventional marketing
- 3) To make people aware about the availability and benefits of the eco-labelled products.
- 4) To encourage the production and distribution of eco-friendly products and services.

4. Literature Review

The overview of literature represents the available theories and models developed to explain the concept of conventional marketing and green marketing. For this purpose the review of literature is divided into two sections, in which section one will address the concept of conventional marketing and section two will address the concept of green marketing.

5. Conventional Marketing

Marketing is one of the most discussed topics. Several researchers have given numerous theories and models on this topic. Among different scholars Dr. Philip Kotler, Prof Theodore C. Levitt, Peter Drucker, Starton and Futrell, Jon Jantsch, are some of the prominent contributors. As suggested by American Marketing Association (1976), "Marketing is the activity, set of institutions and processes for creating, communicating, delivering, and exchanging offering that have value for customers, clients and society at large." Dr. Philip Kotler in his book on marketing (1994) states that "Marketing is a social process by which an individual and groups obtain what they need and want through creating and exchanging products and values with others." Similarly, retired Prof. of Havard Business School, Theodore C. Levitt (1960, Havard Business Review) explain marketing as the entire business process consisting of a tightly integrated effort to discover, create, arouse and satisfy customers needs. Mr. Peter Drucker in his research study, states that, "Marketing is not only much broader than selling. It is not a specialized activity at all. It encompasses the entire

business. It is the whole business seen from the point of view of the final result, that is, from the customer's point of view. Concern and responsibility for marketing must therefore permeate all areas of the enterprise." Stanton and Futrell 1987, (fundamentals of marketing) define marketing as "all activities designed to generate and facilitate any exchange intended to satisfy human needs and wants." In the word of Jon Jantsch, "Marketing is getting someone who has a need to know, like and trust you." Marketing is very old and ever changing concept, whose main motive is to earn maximum profit by providing maximum satisfaction to the consumers.

6. Green Marketing

Green marketing was introduced in the workshop organised by the American Marketing Association in 1975 with the name 'Ecological Marketing'. Since then different theories and models have been developed by various researchers. Among whom they are Mr. J. Polonsky, Henion and Kinnear, Mc Taggart Findlay and Parkin, Prothero A. And Fitchell, Sanjay K. Jain and Gurmeet Kaur, are some of the prominent contributors.

In the workshop organised by the AMA (1975), Green or Ecological Marketing is explained as, "Marketing of products that are presumed to be environmentally safe. It incorporates several activities such as product modification, changes in production process and packaging, advertising strategies and also increases awareness compliance marketing among industries." As per Mr. J. Polonsky(1999, in Green Marketing: A Global Perspective on Greening Marketing Practices), Green marketing refers to "all the activities designed to generate and facilitate any exchange intended to satisfy human needs and wants such that satisfying occurs with the minimal detrimental input on the natural environment." Henion and Kinnear (1976) say Green Marketing is, "the study of positive and negative aspects of the marketing activities on pollution, energy depletion and non-energy resource depletion." Mc. Taggart, Findlay and parker (1993) explain the importance of the Green Marketing with the help of basic definition of economics, "Economics is the study of how people use their limited resources to try to satisfy unlimited resources." Prothero A. And Fitchell argued that greater ecological enlightenment can be secured through capitalism by using the characteristics of commodity culture to further progress environmental goods.

World Commission on Environment Development (1978) states that, "sustainable development is meeting the needs of the present without compromising the ability of the future generations to meet their needs." Sanjay K. Jain and Gurmeet Kaur(2007) in their study discussed that business firm too have risen to the occasion and started responding to the environmental challenges by practicing green marketing strategies.

7. Research Methodology

This research paper is solely based on secondary data, collected from numerous sources like text books, articles, journals, conference proceedings, periodicals, newspaper, magazines and internet.

8. Findings and Results

This research work gives an opportunity to understand the concept of green marketing and conventional marketing. This research work clearly defines the concept of green marketing and help in understanding the advantages of the green marketing over traditional marketing. Though green marketing still considered as an emerging concept, but the benefits provided by it can't be ignored. Green marketing also known as ecological or environmental marketing helps business firms in earning maximum profit without causing any damage to the natural environment. Green marketing is better than conventional marketing. Benefits of green marketing are discussed below:

- 1) Green marketing help in optimum utilisation of optimum utilisation of scare resources.
- 2) Green marketing ensures maximum satisfaction of human needs and wants in most profitable and environmentally sustainable manner.
- 3) Green marketing encourages production and distribution of recyclable, non-toxic and environmental friendly goods and services.
- 4) Green marketing focuses on sustainable development and growth.
- 5) It helps in reducing depletion and exploitation of natural resources.
- 6) Green marketing educates customers and provide them with the opportunity to participate in environmental friendly activities.
- 7) Green marketing promotes value-addition, energy saving, better performance, health and safety, social status and convenience.

9. Problems and Challenges of Green Marketing

Now-a-days many organisations are there who want to associate themselves with green marketing, to get benefits from the several advantages of the green marketing. But they have to overcome number of problems associated with green marketing, which are as follows:

- 1) Organisation face problem in ensuring that their actions are not misleading customers or does not violate any regulations.
- 2) Organisation faces problem in clearly stating environment benefits.

- 3) Organisation faces difficulty in establishing policies which will deal with all environmental issues.
- 4) Organisation face risk that may be the current environmentally responsible actions can have adverse future effects.
- 5) Higher costs are involved in the production and promotion of eco-labelled products and services.
- 6) Customers are not fully aware about the availability, usage and benefits of eco-labelled products.
- 7) Eco-labelled products are not within the accessibility of general public, as they are very expensive.
- 8) Customer lacks confidence on eco-labelled products and services, as they hesitate in using something new.
- 9) Green marketing practices involve lengthy and complicated process.
- 10) Green marketing requires huge capital investment.
- 11) Green marketing needs high-tech tools and techniques of production and distribution.

10. Suggestions and Recommendations

People, organisation, institutions are becoming more and more concerned about their environment. The organisations which are adopting green marketing strategy must consider these following recommendations:

- 1) Before adopting green marketing strategy, organisation must analyse which strategy is best suited for their products and services.
- 2) Better marketing techniques must be adopted.
- 3) Customers must make aware about the availability and benefits of the eco-labelled products.
- 4) Government must take initiative to promote the production and promotion of environmental friendly products and services.
- 5) Eco-labelled goods must be made available at cheaper prices so that general public can afford them.
- 6) A careful balance of social, ecological, technological and financial gain must be created by the business firms.
- 7) Customers must be educated and encouraged to use environmental friendly products and services.
- 8) Organisation must offer high quality eco-labelled products at affordable prices.
- 9) Organisation must ensure better functionality of the products.
- 10) Products must believably label and attractively packaged.

11. Conclusion

After exploring the concept of green marketing and conventional marketing I have come to this conclusion that though green marketing is an emerging concept but it is more beneficial than traditional marketing. As Paul Hawker (1995) states that business is the only mechanism on the planet today powerful enough to produce the changes necessary to reverse global environmental and social degradation.

It has become essential to encourage the production and distribution of the eco-labelled products and services. Green marketing practices has ability to meet present needs and wants of the customers without compromising the ability of future customers to meet their needs and wants. With green marketing practices human needs and wants can be satisfied without destructing the environment.

Green marketing involves products modification and production process and packaging which will be beneficial for the environment and help in fulfilling the economic desires of the organisation. With the production and promotion of eco- centric products, it is the time to say good bye to traditional or conventional marketing and promote the ecological marketing approach.

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