

Green Marketing Strategies and the Influence of Customer Behaviour on Green Products

R.Shanmugam*¹, Prathamesh Nadkarni² and Manisha Pipariya³

¹Associate Professor, Faculty of Business Management & Commerce, JSPM University, Pune, India

²Assistant Professor, Faculty of Business Management & Commerce, JSPM University, Pune, India

³Assistant Professor, School of Management, ADYPU University, Pune, India

shanmugamramar@gmail.com

Abstract. With the deterioration of our natural surroundings and depleting resources globally, more number of nations are now actively looking out for various avenues to balance and maintain a positive and sustainable environment, industries and business need to be more careful and look for creation of new and disruptive technologies, with these technologies and strategies, they are a pushing for a green economy with the message being loud and clear about adoption and harnessing this new technology and process. One of the critical reasons for this study would be to understand how Green Marketing is affecting businesses globally and its impact on changes in consumer's behavior and also to learn about people's perceptions of green marketing and their level of awareness of the environmental contributions provided by the industries, with more companies being aggressive in its own expansion schemes, the exploitation of natural resources is inevitable, more number of companies are now able to access more advanced technologies and with the development of IT and Technology, competitors are now even more engaged in fierce rivalries, it doesn't help that with more money and resources, the population has been one of the many reasons for quick and drastic decrease in natural resources.

With green house gas emissions and degradation of land, acid rains, there has been active global warming and it has lead to complications in Ozone layer, declining forest cover, there has been an active reduction in the biodiversity and many of the species have now become endangered and many extinct, due to the loss of natural habitat, what's worse is that we all are aware and still choose to look the other way, other than attend summits and talk, we are not taking effective steps to address these pressing challenges, what's heartening is that globally at least there has been outpouring on defending "planet Earth", which has sparked green movements all over and marketers have become environmentally conscious, there has now more demand than ever for green products as more number of consumers are environmentally sensitive. The transformation to green products is not just a company initiative, but all stake holders such as shareholders, partners, employees and the media have played an active

role, in some cases restrictions by the government have had positive impact, we have truly evolved from business friendly to consumer and environmentally friendly.

Keywords: Green Marketing, Strategy, Consumer Behavior, Green Product, Eco-marketing

1 INTRODUCTION

Before we take the journey into understanding what strategies we need to influence consumers, lets quickly first understand what green marketing is? We also know it as eco-marketing or environmental marketing, the emphasis is on creating a strategy which focuses on product and services keeping the positive impact it has on this world and being environment friendly, it's a comprehensive strategy to incorporate various elements such as sustainability, impacting minimally on the environment from the initial production to disposal, the key is to communicate these values and to create a conscious system of thought for the product and service users.

The core around this concept is being favorable to the environment and focusing on longevity which has not just social but various economic implications, the word "green" here alludes to purity; it denotes "fair" or "just" treatment as well as "pure" in quality. Promoting ecologically friendly goods, "green" packaging, "sustainable" company methods, and concentrating marketing efforts on messaging that convey a product's advantages are all part of green marketing.

Need of the study: Due to the rise in green marketing there has been an increase in the businesses aiming to market themselves differently from other competitors, however to do this there has to be investments made in the areas such as operations, accepting new technologies, qualified human resources and effective training systems and a massive campaign to communicate these advantages to the consumer, with more stringent conditions prevalent, more number of companies have now complied to stricter regulations and showing interest to showcase a more ecofriendly image to the world at large.

In spite of this growth green marketing in India still is at a very nascent stage, consumers at a basic level still do not comprehend eco-friendly products and opinions about them still remains largely unknown, also the relationship between consumer understanding and their attitudes towards green products are still ambiguous. The transition from conventional marketing to green marketing requires additional knowledgebase and expertise.

1.1 Objectives

- 1. To develop a green marketing mix of consumers
- 2. To determine the challenges faced by companies puckering green marketing

2 Literature review

- According to Li Cui, Siwei Guo and Hao Zhang. (2020) pointed that considering retailers' green marketing efforts while coordinating a sustainable agrifood supply chain with revenue-sharing agreements
- There has been an increase in sustainable consumption, environmental consumers, and ecological concerns in society, businesses have focused their efforts on providing green products and services to meet environmental needs (Nguyen-Viet, 2022).
- Global green trends are creating new challenges and opportunities for entrepreneurs around the world, as customers become more environmentally conscious and more willing to pay for eco-friendly services and products. (Khan et al., 2020).
- (Walia et al., 2019) seeks to understand the dynamics of consumers' broader attitudes and purchase intentions towards environmentally friendly products in a rapidly changing consumer goods category.
- Currently, Eco-friendly product is one that does not cause anyloss to the biodiversity during manufacture, use, and disposal. According to a study (Pradana&Kartawinata, 2020),
- Companies that are proactively working towards environmental protection through strategic green marketing activities are more likely to address Indonesia's plastic waste problem, especially the single-use plastic packaging waste industry utilized by Fast. It turns out that there will be a special focus on overcoming this. Mobility of Consumer Goods (FMCG), typically applying the concept of implementation of the Triple P (People, Profit, Planet) for sustainable development.

3 Green Marketing Mix

Green marketing refers to using the traditional concepts of marketing mix (product, price, place, and promotion) and using them to understand the same in environmental considerations, basically we look at each stage along with its implications, and it begins from the conceptions of the product or service till the ultimate disposal.

3.1 Green Product

The design of the product must be developed with sustainability in mind. Environmental friendliness should permeate every part of a green product, from conception to manufacturing to consumption. It might make use of sustainable or repurposed materials and manufacturing techniques. Green products typically save money, energy, and water while having little to no negative environmental effects. One example of a product having an eco-friendly design is the Nike Air Jordan line. It is produced using environmentally friendly production techniques and sustainable resources, utilizing fewer hazardous glue adhesives. Nike produces a wide range of goods by recycling plastic bottles, manufacturing leftovers, and discarded goods into new materials, including basketball courts, yarn, and soles.

3.2 Green Price:

One crucial and significant component of the green marketing mix is price. Simply said, the idea of superior quality is what draws many consumers to greener products: nontoxic garden supplies are safer for kids, concentrated laundry detergents are easier to transport and store and water-saving showerheads reduce energy costs. Customers desire high-quality goods at affordable prices that are healthy for both the environment and themselves. The majority of customers won't be readily spending more unless they believe the goods are worth more. Improved performance, functionality, design, aesthetic appeal, or taste could constitute this value. All these facts should be taken into account when charging a premium for green marketing. Businesses can adopt eco-friendly practices in a number of ways to help conserve resources, lessen pollution, and safeguard the environment. They can also assist companies in cutting costs and increasing their profitability. By adopting clean energy sources, such as solar, wind, hydropower, or geothermal electricity, businesses can reduce their manufacturing costs and have a positive environmental impact. Access to renewable energy sources has improved recently, and as more countries invest in it over the coming decades, the market for harvesting renewable energy is anticipated to grow.

3.3 Green Place:

Reducing transportation emissions contributes to green logistics by lowering carbon footprints. For instance, licenses for local production could be obtained rather than marketing any imported goods in India. By doing this, the goods won't have to be shipped from a distant distance, which will save on shipping costs and—more importantly—the carbon emissions that come from ships and other forms of transportation. Green packaging is also a part of it. The best example of a product with

eco-friendly and creative packaging is the KFC edible cup. The coffee Cup, created by Robin Collective for the fast-food restaurant chain KFC, is a biscuit shaped like a cup that is double-wrapped in sugar paper and covered in a layer of white chocolate. Its texture allows it to hold the fire of espresso and, best of all, it may be consumed later

3.4 Green Promotion:

The promotion of environmentally friendly items helps consumers become more aware of their greener options. These components make it easier for customers to locate environmentally friendly products. Green marketing is an approach that focuses on protecting and enhancing the environment, which is advantageous for both businesses and customers. Businesses that want to enhance the way that consumers view their brand's environmental activities frequently use this green marketing tactic as a springboard for other sustainability initiatives. Customers see sustainability as advantageous. Choosing to be green demonstrates to the world that you have goals beyond profit. When a business produces its goods in an ecofriendly manner, it can concentrate on green marketing to inform the public that it is trying to protect the environment.

3.5 Environmentally Sustainable Products

Representation of natural resources has a very wide scope. In real sense, there isn't any such product that is guaranteed to be a green product. Because every product that is sold, stored, used and shipped in our daily lives contributes to ecological damage at every stage of the product life cycle That is, as this research indicates, refers to cases where the products made by the company are not 100%, but customers see them as green, the company says it is good for the environment.

However, things can be classified based on these measures of effectiveness, and the edges of quality can be mentioned (Cooper, 2000). (Maheshwari, 2014). If an item barely impacts the environment, it is considered sustainable. The alternative meaning of this term is that this item contains items that should only be available for purchase and offered by organizations known for reducing the environmental impacts of their event processes. However, the green market is on the rise and companies are running advertisements and campaigns to increase consumer awareness of green marketing.



Fig.1.Challenges in Green Marketing.

4 Challenges

Green marketing is not a new idea and a new idea is not easy to accept. There are several challenges in the area of green marketing:

Green Washing: with more number of companies and industries readily accepting and jumping into the green bandwagon, it is bound to create exaggerated and false products and services, which we know as "Green washing", this can leads to false green claims and overall damage the reputation of the brands and create an atmosphere of mistrust.

High Costs: with the implementation of sustainable investments especially in the Green economy, companies will have to share the burden of additional costs, such as recycling materials and to adopt energy efficient systems and technology, this will have a direct impact on the production and economization of costs would definitely not be possible, with huge alternatives available the consumer always opts for cheaper and more easily available services and products

Consumer dilemma: most consumers are not aware and largely don't care about emergence of green products for most of them the cost and quality justifies purchase, smart marketing tactics and employing these gimmicks might actually hamper the overall sales or growth of the product; however with genuine and honest approaches the companies can leverage green marketing.

Standardization: with the lack of a universal policy or regulations, it basically means whichever standard works best for each nation, this ambiguity can hamper the overall growth of the green economy, unless more nations, governments and businesses adopted a common agenda to further this, we won't be able to promote or harness the power of green marketing.

Balance Needs: Consumers around the globe are more aware than aware with internet and immediate information availability; companies need to strike a balance between benefits to the environment and what the consumer expects? Just for sustainability will the consumer be ready to differ in product quality, price and function etc, is something the proponents of this need to evaluate .A fine balance between sustainable green economy and consumer happiness is what we should aspire for.

Educating the buyer: it's obvious without huge spending on marketing and promotions of the impact of green products and its acceptance as a norm, every buyer will always see any new attempts at changing the product as a marketing gimmick and not as a difference he/she makes to the environment.

Green Marketing requires change and a change which is sustainable and heavy in investment, right from research and development, product design to adoption of new and faster technology. Productions process and the sourcing of raw materials all have to be revamped keeping the ultimate goal of saving the environment and in a price sensitive economy such as India, we are potentially looking up taking risks at the behest of loosing markets, with a large population of 1.4 Billion we are looking at very limited disposable income, in economies such as ours, there will be high price sensitivity and many consumers cannot simply afford these commodities and would not think twice to buy a cheaper alternative.

5 Discussion

Green marketing is a marketing strategy that can influence consumer behavior (Burhan, 2020). The goal of an eco-conscious marketing approach is to provide environmentally friendly consumers with the satisfaction of environmentally friendly behavior. Green marketing is employed to create successful marketing approaches dedicated to environmentally conscious buying habits. (Sharma et al., 2013). The trend of eco-friendly marketing is growing rapidly within retail businesses. Companies are using this approach to not only enhance their public image but also to boost their overall success (Mukonza and Swarts, 2019). This study found that green marketing strategies and activity positively affects the attractiveness of geocultural products and the effectiveness of marketing. Theoretically, this

study and its results will help address the research gaps in the relationship between green marketing strategies and marketing activities (Munir Abdul Razak et al., 2020).

When implementing green marketing, green products should make consumers aware of environmentally friendly products. This is done by labeling the product with an environmental label. Adding to that the success and failure of companies in implementing green marketing strategies, we can see green products, premium prices and green distribution systems (Abdul et al., 2020; (Ali Asghar et al., 2020; Yadav and Sharma 2020) Anwaruddin, 2020; Burhan, 2020; Sanker and Janani, 2020).

6 Conclusion

Green marketing (GM) is marketing that takes environmental issues into account. Green marketing explains the regularity of all its efforts to create services and facilities to meet people's needs and wants without affecting the environment. However, despite the creation of laws by governments to improve consumer decision-making and inspire consumers to be eco-friendly, there is a mismatch between market and consumer considerations and competitive market pressures. It is always a challenge to make policies that cover all areas. Finally, consumers' ignorance of environmental issues causes companies to promote products or services in markets where consumer'sdon't believe that the products or services being promoted are eco-friendly. Through our literature review, we know that a significant relationship between green marketing characteristics for brand image, consumer behavior, brand equity, purchase intent, and purchase decisions. In conclusion, this study confirms the significant impact of green marketing on brand image and influences consumers' purchase decision behavior.

References

- Al-Salaymeh, M. (2013). "The Application of the Concept of Green Marketing in the Productive Companies from the Perspective of Worker's. Interdisciplinary journal of contemporary research in business, 4(12), 634-641
- Ali AsgharTabavar, HamedAramesh, NimaVakili& Nadia Vakili. (2020). Effects of green marketing strategies on entrepreneurship in medicinal herbs in Sistan and Baluchestan Province. Asia Pacific Journal of Tourism Research, DOI:10.1080/10941665.2020.1792955/A.
- 3. A study on Evolution of Green Products and Green Marketing". Quest Journals, Journal of Research in Business and Management. Retrieved from https://www.questjournals.org/jrbm/papers/vol3-issue5/ D353538.pdf
- 4. Delafrooz, N., Taleghani, M., &Nouri, B. (2014). "Effect of green marketing on consumer purchase behavior". Retrieved from http://www.qscience.com/doi/pdf/10.5339/connect.2014.5

- Domazet, I., &Simović, V. (2015). "Creation of Green Jobs: Opportunity to Reduce High Unemployment in Western Balkans, In Monograph Toward Green Economy: Opportunities and Obstacles for Western Balkan Countries". Ed.: RadovićMarković M et al. Xlibris LLC: USA
- Fan, H., & Zeng, L. (2011). "Ecological Marketing, Green Marketing, Sustainable Marketing: Synonyms or an Evolution of Ideas?" Economic Alternatives, American Marketing Association, p. 71-82
- Karl, E., & Kinnear, T. C. (1976). "Ecological Marketing", American Marketing Association, p.168 Karen Page Winterich (2021). "Three Ways to Engage Consumers for Sustainable Consumption". Retrieved from https://www.ama.org/2021/09/23/three-ways-to-engage-consumers-for-sustainable-consumption/ SendPulse (2022).
- 8. Catherine, S., Rani, M. N., & Suresh, N. V. (2024). The Metaverse Economy: Transforming Money With Digital Currency. In Creator's Economy in Metaverse Platforms: Empowering Stakeholders Through Omnichannel Approach (pp. 202-209). IGI Global.
- 9. China Katrandjiev, H. (2016)."Implementation of Green Marketing Strategy in China: A study of the green Food Industry". M.Sc. Thesis, University of GAVLE,
- 10. Li Cui, SiweiGuo and Hao Zhang. (2020). Coordinating a Green Agri-Food Supply Chain with Revenue-Sharing Contracts Considering Retailers' Green Marketing E. Sustainability, 12, 1289; doi:10.3390/su1204128/www.mdpi.com/journal/sustainability
- 11. Nguyen-Viet, B. (2023). The impact of green marketing mix elements on green customer based brand equity in an emerging market. Asia-Pacific Journal of Business
- 12. Pradana, M., &Kartawinata, B. R. (2020). Indonesian Private University Students' Entrepreneurial Intention. APMBA (Asia Pacific Management and Business Application), 9(2), 111-122. https://doi.org/10.21776/ub.apmba.2020.009.02.3.
- 13. Suresh, N. V., & Rexy, V. A. M. (2024, February). An Empirical Study on Empowering Women through Self Help Groups. In 3rd International Conference on Reinventing Business Practices, Start-ups and Sustainability (ICRBSS 2023) (pp. 957-964). Atlantis Press.
- Suganya, V., & Suresh, N. V. (2024). Potential Mental and Physical Health Impacts of Spending Extended Periods in the Metaverse: An Analysis. In Creator's Economy in Metaverse Platforms: Empowering Stakeholders Through Omnichannel Approach (pp. 225-232). IGI Global.
- Walia, S. B., Kumar, H., &Negi, N. (2019). Consumers' attitude and purchase intention towards' green'products: a study of selected FMCGs.International Journal of Green Economics,13(3-4), 202-217.https://doi.org/10.1504/IJGE.2019.104507.
- 16. Wang, W., Aradhna, K., &McFerran, B. (2017). "Turning off the Lights: Consumers' Environmental Efforts Depend on Visible Efforts of Firms". Journal of Marketing Research, 54 (3), 478–494.

Open Access This chapter is licensed under the terms of the Creative Commons Attribution-NonCommercial 4.0 International License (http://creativecommons.org/licenses/by-nc/4.0/), which permits any noncommercial use, sharing, adaptation, distribution and reproduction in any medium or format, as long as you give appropriate credit to the original author(s) and the source, provide a link to the Creative Commons license and indicate if changes were made.

The images or other third party material in this chapter are included in the chapter's Creative Commons license, unless indicated otherwise in a credit line to the material. If material is not included in the chapter's Creative Commons license and your intended use is not permitted by statutory regulation or exceeds the permitted use, you will need to obtain permission directly from the copyright holder.

