

GREEN MARKETING AS A CATALYST FOR SUSTAINABLE CHANGE

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DOI: <https://doi.org/10.64558/bllp/476525pucfez>

ABSTRACT

Given that human demands are limitless, and resources are scarce, it is very important for marketers to make effective and waste-free use and production of resources. This need arose during the last few years when corporate bodies realised the importance of eco-friendly products and how beneficial it would be in terms of sustainable marketing. This phenomenon has gained popularity in modern marketing and is termed as Green Marketing. Companies are now more oriented towards products that are manufactured and distributed in accordance with climate and environmental safety standards. This paper aims at understanding how businesses are pursuing green concepts for environmentally conscious consumers—those who care about the environment and let it affect their purchasing decisions. It further attempts to understand the type and extent of marketing strategies adopted under the umbrella of green. It also critically analyzes the potential and challenges of green marketing and discusses the most recent developments in the Indian context related to green marketing. The study concludes that green marketing has and

will continue to gain popularity among consumers and businesses when used in a holistic manner.

Keywords- *Sustainable Development, Green Marketing, Marketing Strategies, Eco friendly Marketing, Perceived Value, Green Washing*

INTRODUCTION

The need for sustainable development has increased on a massive scale in the last decade with companies focusing more on environmentally friendly products and services. Brundtland report (WCED 1987) explained sustainable development as an approach that meets the needs of the present without compromising the requirements of future generations. The first introduction on sustainability was coined by Sheth and Parvatiyar (1995) which focused on environmental oriented products and service. This was further tweaked and explained as a marketing process for products which meets three primary criteria (i) customer needs (ii) organizational goals and (iii) compatibility of processes with the eco-systems. Sustainability is now becoming a matter of concern for investors too, with 78% of global investors saying that they place more emphasis on ESG

(Environmental, Social & Governance) now, than they did five years ago. 65% of global investors believe that ESG will become a standard practice over the next five years.

To cater to the ESG, companies are adopting the practices of Green Marketing. As per the standards of the American Marketing Association, Green marketing refers to the marketing of the products that are environmentally safe. When the traditional marketing process undergoes massive transformation in terms of product modification, process and production change, advertisements changes and many more different ranges of activities, considering the factors of carbon footprints, then it is referred to as green marketing. According to Pride and Ferrell (1993) Green marketing, is also alternatively known as environmental marketing and sustainable marketing, which refers to an organization's efforts at designing, promoting, pricing, and distributing products that will not harm the environment.

Why Green Marketing

Green Marketing is necessary because there is an increasing worldwide concern in terms of climate protection and environmental preservation. Individuals who are genuinely concerned about climatic conditions are curious and cautious both about safe and ecofriendly products. Considering this, green marketing has surfaced, speaking of expanding the market for environmentally friendly and socially conscious goods and services. As a result, consumers worldwide have become more concerned with protection of the environment and they themselves want to leave a clean earth for their future generations. Environmentalists'

numerous research shows that people are worried about the environment, with consumers and producers both inclined towards environmentally friendly products. Thus, in today's era Green Marketing is inevitable. India urban consumers who are literate are becoming increasingly conscious of the benefits of green products. For the majority, though, it is still a novel idea. The customer must receive education and informed on the dangers to the environment. The new green movements will require a great deal of time and work to spread among the public. Indian customers are aware of the benefits of utilizing natural and herbal beauty products because of their legacy in ayurveda. Indian consumers are exposed to natural food consumption and other healthy living practices like yoga. Customers are already aware of these factors and are likely to embrace environmentally friendly items.

According to a new survey by consulting firm Bain & Company, 20% of consumers in India are environment conscious while 52% in urban India expects to increase spending on planet friendly brands. Progressive companies see this as an opportunity and have the upper hand over those companies that have not taken up green marketing yet. Through a poll conducted in February 2022 on sustainable consumerism in India, Rakuten Insight realized that 69 percent of customers were willing to pay more for goods that were made with environmental considerations. However, 31% of respondents said they would not be able to pay extra (Statistica, 2023).

Green Marketing Practices across the world

Companies in the current era do realize the need to go green. The motivation,

however, could vary including societal pressure, changing customer preferences, government binding or self-consciousness. There were more than 200 new companies across the globe that vowed on September 20, 2023, to reach carbon net-zero emissions by the year 2040, including Twitter, Salesforce, and Procter & Gamble. Microsoft, Starbucks, and Nike are just a few of the hundreds of businesses that have already pledged to meet the 2°C objectives by 2030 and align with the Paris COP21 climate agreement. There are few who are also striving for net-zero carbon footprints (Alexis Benveniste, CNN Business report, 2021).

However, it needs to be clearly understood that only when done correctly, green marketing may be an effective marketing technique. According to business research insight report 2023, the global Green Marketing Market is expected to grow from 49250.7 million in 2021 to USD 60811.48 million by 2027, at a CAGR of 3.58%.

Change in consumer preference and consciousness to lessen the environmental effect is also emerging as a driving factor for companies to go green. 48% of consumers in the United States have displayed a change in their consumption habits. A whopping 73% of millennials are willing to pay more for sustainable items, as opposed to the 66% of worldwide customers who are willing to pay for sustainable brands (Consumers International Report, 2025).

Companies are even altering their marketing approach by boosting their sustainable marketing expenses to stand out in the net-zero discussion area and keep sustainability as a market differentiation. According to a recent poll

conducted by Environmental Leader, 82% of businesses intend to increase their green marketing spending.

One recent example of green marketing is the announcement by IKEA that they will begin selling renewable energy from solar and wind sources to individuals and families soon. The news was taken with lots of positivity from green consumers around the world. Similarly, Patagonia is a prime example of a brand that encourages green marketing without falling into the trap of attempting to convince clients that every part of their business is sustainable

There are a few retail brands which do communicate with customers about the materials they use for packaging and delivery. However, an integrated use of green strategies is yet to be achieved. Concerns like ozone depletion and global warming are critical to human health and survival. Everyone wants to live a good life, regardless of wealth. Both the business class and I would be in excellent health and vitality. The primary goal of every corporate firm is to make both economic and financial profit. However, the damage that global capitalism has done to the environment is just now becoming apparent. The business class is developing corporate citizenship in this sense. Therefore, the business class's use of green marketing is still based on the self-serving historical perspective of long-term sustainability in company, customer satisfaction, and obtaining the necessary licenses from the relevant authorities. Asian nations are realizing how important green marketing is to the developed world, but there is still a significant disconnect between their comprehension and execution.

Greening Of the Organization

Greening Champion

An organization can only be genuinely green if it embraces the motto and completely incorporates green efforts into all facets of operations. This change, though, usually doesn't happen overnight. Rather, the execution of the program is led by a single person or group of people. They are referred to as "green champions." Previous studies indicate that an organization's members are essential to its performance and its green initiatives. Therefore, before embarking on a green transformation, businesses should do well to determine who the most logical advocate is. Research possibilities exist since there is a dearth of information on strategies for boosting organizational buy-in to new environmental policies.

Green Processes

The J. of the Acad. Mark. Sci. procedures and practices that the company uses are linked to another part of guiding the business toward a green orientation (Kassinis and Soteriou 2003; Montabon et al. 2007). In keeping with this, the literature has addressed two primary subjects in great detail. Specifically, prior study has concentrated on how waste might be decreased to get better environmental performance (when considered non-green activities). Environmental management systems (EMS) are the subject of the other major body of process literature, with a focus on EMS certification.

Green Alliance

Managers are looking for partners based on green efforts as environmental management techniques receive more attention (Kumar and Mandelet, 2006). Companies looking to step up their green initiatives could find it helpful to

collaborate with other businesses through informal partnerships or alliances. Research on partnerships is prevalent in cause-related marketing (e.g., Lichtenstein et al. 2004; Ellen et al. 2006), and it indicates that selecting the appropriate partner is critical to the success of both businesses. Social alliances haven't gotten the same attention as strategic partnerships, which are nevertheless widely used in business. A social alliance is defined as a long-term, mutually beneficial cooperation for both businesses, rather than just cause-related marketing, between a corporation and a non-profit (Berger et al. 2006). According to Berger et al. (2006), social partnerships are long-term investments connected to expanding or changing a business. They offer a fantastic chance for companies looking to step up their green initiatives.

Green Consumer

Implementation of Green Marketing in India

More than 25% of Indian customers say they prefer environmentally friendly items, while about 28% say they are concerned about their health. Green marketers may thus target a variety of sizable and varied consumer niches.

Examples of green marketing include the water-saving Surf Excel detergent (marketed with the slogan "do bucket paani roz bachana") and the energy-efficient LG consumer durables. We also have green buildings, which use less energy, water, and building materials and have better design, construction, operation, maintenance, and waste disposal practices, all of which have a positive influence on human health and the environment. In India, the Confederation of Indian Industry. The

Confederation of Indian Industry (CII) - Godrej Green Business Centre is leading the green construction movement in India, which has acquired a lot of momentum in the previous few years. India's green building footprint has grown from 20,000 square feet in 2003 to over 25 million square feet now.

Businesses that create innovative and enhanced goods and services with consideration for the environment open up new markets, boost their profitability over time, and get a competitive edge over those that don't care about the environment. Many businesses desire to be among the first to adopt green practices because they will soon need to do so. Green marketing offers several benefits that companies want to take advantage of, including: It guarantees consistent, long-term growth in addition to profitability. Even though the initial cost is higher, in the long run it saves money. It assists businesses in marketing their goods and services with consideration for the environment. It also helps them get access to new markets and gain a competitive edge. The majority of workers also experience a sense of pride and accountability in being employed by an environmentally conscious organization. Encouraging environmental sustainability in product design and manufacture may lead to big corporate growth, innovation, and brand equity potential. The lack of public agreement on what defines "green" and the lack of standards provide several difficulties for green marketers. Essentially, when it comes to a product or firm making green marketing claims, there is no standard for "how good is good enough". The need for more agreement among customers, marketers, activists, regulators, and

powerful individuals has hindered the expansion of environmentally friendly products as consumers are frequently dubious of claims made by firms and businesses alike. A further difficulty that new and old green marketers may have as green messaging and goods proliferate is misunderstanding in the marketplace.

LITERATURE REVIEW

Green marketing strategy encourages firms to use environmental inputs to create new, better goods and services, which helps them expand into new markets and earn more money while also giving them a competitive edge over those firms that do not care about the environment. The concept of green marketing encompasses concepts of green at all stages of value creation. These products are more desirable than ever before. But the concern about green products has ceased to be the same as the previous theories, as consumers are not just looking for traditional tangible products. Businesses overestimate the green attributes of traditional products, leading to consumer refusal or even a negative reaction. Most of the markets, however, have failed to implement the concept in an integrated manner and are left with strategizing at only one or few areas of marketing which has led to a gap between perceived value and actual value of the product.

Empirical findings also indicated that marketers of green products have stated the gap between pro- environmental attitudes and green purchasing behavior (Fazin et al 2020; Ferraz et al 2017). In a recent study (Kardos et al 2019; Bhaskaran 2006), it was found that consumers have a lack of trust towards the plethora of eco-labeling on products. According to a report (Volkswagen's

Emissions & Vos L), use of false communication of green by Volkswagen in 2015, led not only to losses of €7 billion in profits but also to a decrease in investments and reputational losses (the value of the company's shares decreased by 25%). The chain reaction to this scandal provoked a decline in consumer confidence in the brand "Made in Germany", as well as the investment attractiveness of the car market. In 2015, the value of the shares of all automobile companies decreased by 3–14% (Toyota—by 3.24%, BMW—88%, Honda—13.73%, Ford—12.42%, General Motors—4.32%, Mercedes—6.51%, Fiat—5.97%). Such practices of green marketing myopia is termed as green washing, and has a detrimental impact not only on the brand but also on the trust of consumers regarding green products (timesofindia.indiatimes.com). Many other organizations were found to use the green washing concepts in the past including BMW in automobile industry (theguardian.com), which advertised a zero-carbon electric car that had gasoline engines; Tarte Cosmetics and The Body Shop in cosmetics industry. This kind of greenwashing tactics, is leading to denial of consumer conviction and increased in dissonance (Szilagyi et.al, 2022).

Few of the most applied green practices used by companies in the present scenario is green advertising, eco-labels and focus on continuous improvements, associated with sustainability, which increases the perceived value of the product and positively impacts consumer purchasing decisions (Yoon et al, 2017). A business that wants to launch a green marketing campaign must start with a green design. This is mainly because of the inputs,

manufacturing procedures, distribution, methods of use and disposal, etc. that are made during the design phase (Garg,2015). Though a few organizations are also focusing on adopting practices related to the production and distribution process of green products, unlike the previous cases, they are not easily perceived by the consumers. This leads to a gap in perception regarding the value of the green product (Touboullic, 2015). According to a recent study conducted by the European Commission, green claims like "green" or "friendly to nature" are commonly practiced by more than 80% of e-commerce stores, websites, and advertisements that were searched. Of these, 35% were explicit (logos and labels), 21% were vague or general environmental claims, and 55.45% were implicit (images, design, and color suggesting environmental benefits) (European Commission report 2022).

Many studies show that green marketing can improve a company's performance (Hasan & Ali, 2015), customer satisfaction (Tripathi, 2014), competitive advantage (T. B. Chen & Chai, 2010; Prakash, 2002), and has many other advantages. In a study conducted by Govender and Govender (Govender & Govender, 2016) on consumers regarding goods that are more environmentally friendly, it shows that consumers do tend to choose to buy goods that are more environmentally friendly. Green marketing thus becomes part of the strategy of the business to satisfy client, investor, regulatory, and organizational requirements (Dangelico & Vocalelli, 2017). Companies now focus on a green marketing mix that includes product, price, place and promotion (Kotler and Armstrong, 2014). These four Green Ps

helps the organization to analyze the relationship between consumer perception and their reaction towards sustainable brands (Davari and Strutton, 2014)

RESEARCH METHODOLOGY

This paper used a literature review approach to gather relevant information and critically analyse various facets of green marketing for creating sustainable businesses. The literature review involved, analyzing and synthesizing existing studies, theories, and empirical evidence to develop a comprehensive understanding of the subject matter. An extensive literature review was conducted using popular databases such as Web of Science, Scopus, Google Scholar, EBSCO host, etc. where research papers from reputed journals were considered for review from the year 2017-2025 and included seminal work. Several blogs, articles, and survey reports from authentic sources were reviewed to strengthen the discussion. The keywords used for the search included sustainable development, green marketing, perceived value, marketing strategies and ecofriendly marketing.

Green marketing strategies

Sharma, A. P. (2021) through his research paper based on systematic literature review gave a framework of green marketing strategies. He proposed a green purchase model which included aspects of Green Marketing Mix, Green consumption process and factors affecting Green Purchase. Considering the holistic green approach, organizations must formulate strategies for offering sustainable products by utilizing sustainable resources. A responsible supply chain and trash management system that is conscious of emissions is

also the need of the hour. Further on implementing electronic marketing practices and green alliance would further expand the green horizon for the organizations. A comprehensive approach must also incorporate green marketing objectives into business plans (Lendel, V. and Soviar, J; 2015). Ginsberg and Bloom claim that by varying the extent of green practices, a business can adopt four ecological marketing strategies.

Lean green strategy - when a company tries to be socially responsible but does not prioritize educating the public about these efforts. The focus is on lowering expenses and raising productivity through environmental initiatives, creating a low-cost competitive edge. The lean-green approach is developed to address the three pillars of sustainability - economic, environmental and social unlike lean manufacturing.

Defensive green marketing strategy - when a business fends off competitors or a crisis by promoting environmental activities. Such activities are irregular and transient, despite the fact that they are sustainable and promising. This is because the organization does not intend going green to set as a differentiating factor with competitors.

Shared green strategy - refers to an organization's long-term investment in ecologically friendly operations that demand substantial non-financial and financial resources. The corporation views green marketing as a chance to develop cutting-edge technology and products that satisfy consumer demands and provide it a competitive edge.

Extreme green strategies - are completely included into the life cycle of a product and business activity. The business

frequently uses specialized stores and distribution networks to service niche markets who are conscious of green aspects (Esmaeili, A et al., 2017).

Green Alliance - Businesses now engage in consumer -environment solidarity and are also involved in the green marketing environment. Companies can join a green alliance by committing to donate to certain charity or activist organizations that are working to protect the environment in some capacity

Green Pricing - The fundamental idea behind green pricing is the price ranges that customers are ready to pay for environmentally friendly goods and services. Customers love ecofriendly goods and services, and buying recycled paper, unbleached coffee filters, and renewed energy services may increase the market for eco-friendly prices. Consumers will frequently pay more for environmentally friendly products (Ahammad, 2012).

RESULTS

The paper clearly states that across the world, the concept of Green Marketing has gained momentum, and many companies are successfully applying the Green Marketing strategies to their products and services. Though acceptability towards green products consumption has substantially risen globally including India. Lack of consumer awareness, high priced products, issues of green protection, pricing and product promotion are also some of the challenges faced by the companies. Consumers today are also aware of such marketing gimmicks and as a result are facing difficulty in developing trust regarding the perceived value of green products. Several deceptive marketing practices used under the

umbrella of green like green washing, green squashing, and green sheen. This can be overcome only by adopting the holistic green marketing approach.

DISCUSSION

Green products are ones that are produced using environmentally friendly technologies and pose no threat to the environment. Major climatic issues like depletion of Ozone layer and Global warming are of much concern and there is constant requirement of monitoring to prevent any climatic hazard. From the point of an organization, financial gain and economic profit are key aspects of growth but with due course of time organizations have realized there is a necessity of building a greener environment. Green marketing offers business bottom line incentives and top line growth possibilities. While modification of business or production processes may involve start-up costs, it will save money in the long term. Companies that develop new and improved products and services with environmental impacts in mind give themselves access to new markets, substantially increase profits, and enjoy competitive advantages over those marketing non environmentally responsible alternatives. Business is adopting more sustainable practices and moral approaches to delivering their goods and services. In report of Deolitte's 2021 'Rethink.Reshape. Rewire' study, 50% respondents have considered climate change as a risky factor that can impact business growth and, in that survey, it was further explored that 31% consumers have perceived to switch to renewable products and prefer to do business with those companies who produce renewable products.

CONCLUSION

The moment is ideal to choose 'Green Marketing' internationally right now. If all nations adopt stringent policies, there will be significant changes in the business sector worldwide and it is the need of the hour to produce sustainable products. From a commercial standpoint, a skilled marketer is one who not only persuades customers but also actively includes them in promotion of their goods. Green Marketing includes an environmental and social component; therefore, it should not be seen as just another marketing strategy. Instead, it needs to be pushed with much more zeal. It is crucial that green marketing become the rule rather than the exception or merely a trend given the grave threat posed by climate change.

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