

Transitioning from Conventional to Sustainable Marketing- An Examination of Challenges in the Shift

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Abstract

In the last decade, both the United Nations and nations worldwide have underscored the significance of environmental protection, prompting the initiation of various remedial measures. Businesses, in response, have adopted environmentally friendly marketing strategies to gain a competitive edge and contribute to the global movement. Green marketing, as a sustainable business approach, has garnered considerable attention as a strategic tool. This paper utilizes a systematic and comprehensive literature review to explore the current practices, challenges, and potential future prospects of 'Green Marketing' in India.

The review indicates that green marketing is still in its early stages, particularly in developing economies like India, influenced by factors such as market demand, production costs, inadequate infrastructure, and insufficient investments. Challenges faced by marketers include limited customer awareness and willingness to purchase green products, lack of government support, and affordability concerns. Despite these hurdles, considering the global emphasis on sustainability, the growing startup culture in this domain, and the supportive measures taken by the government, there is a foreseeable uptick in 'Green Marketing' in the future.

The paper concludes that successful implementation of green marketing initiatives requires collaborative efforts from various stakeholders, including businesses, government entities, environmental agencies, customers, and venture capitalists.

Keywords: Sustainability, Green Marketing, Environmental Protection, Emerging Economies

Introduction

The concept 'GreenMarketing'cameintoexistenceinthelate20thcentury. It was firstly started in the Western part of the world particularly in Europe and USA(Narula&Sabharwal,2016).The prevailing environmental concerns gave further boost to green marketing initiatives across the globe(Polonsky, 2011). Extensive development of technology, industry, and consumption posed great challenges to the environment over the past few decades(Schultz, 2002). According to Simão&Lisboa(2017)world has reached a stage where in this generation has to worry about their own existence, thereby, leaving no scope for future generations to experience healthy environments. As businesses across the world are somewhat responsible for such environmental issues, therefore, sustainable marketing approaches have been adopted by several business firms (Borin and Krishnan, 2011). Green Marketing evolved as holistic marketing approach for marketers to address the needs of customers without damaging or causing any harm to the environment (Awad, 2011).

Despite availability of all probable aids for adopting Green Marketing, progressing countries like India are yet to develop a huge roadmap ahead to contribute to the sustainable development of businesses. Prevailing global circumstances with respect to environmental protection are mounting pressure on respective nations and industry to implement sustainable measures.

It has become imperative for government and industry to devise framework and strategies for sustainable business development.

India has been trying to push the sustainability in business practices through redefined industrial policies in terms of tax rebate and compulsive industry specific norms. Auto sector in India has been a prime target of sustainability move for its ucrative EV segment vehicles. Whilst there have been many such initiatives, still no significant change in the status of sustainable practices has been witnessed in the Indian business sector. In order to understand the insights of Green Marketing, all developing economies need to focus on questions such as: What are the current practices initiated for sustainability in progressing nations? What are the issues to deal-with in order to accelerate sustainability? And what would be the future scope for Green Marketing developing nations? This study aims at addressing all these questions by thoroughly reviewing the existing literature on green practices in India.

Research Methodology

In the words of Transfield, Denyer and Smart (2003), systematic review of literature can be considered as scientific evidence pertaining to its accurate search results, transparent citations and revealing of all the concerned facts of the

published researches (Transfield et al., 2003). Systematic review of literature has been widely accepted since 1990s by several global organizations. It collects the data from all authorized publishing and non-publishing sources and synthesizes it for relevant outcomes of similar areas of other studies (Cook et al., 1997). In the current study, data has been collected from research papers published in peer reviewed, Scopus and UGC-indexed journals. A structural systematic review has been used for data collection and subsequently evaluated for better results using various approaches suggested in different frameworks. Finally, it has been summarized in direction of objectives determined for the study. Firstly, this study aims to understand various green marketing strategies and practices adopted by businesses in the recent years. Secondly, it focuses on the challenges confronted by green marketing practitioners and finally to analyze the future scope and opportunities for green initiative and approaches in developing economies.

Discussion

The concept Green Marketing evolved out of the transformative research thinking. Transformative research thinkers opined that there is an urge to bring in some positive social impact in marketing approaches (Mick et al., 2012). Mankind is an essential sub system of the environment which can't be separated from it. Transformative green marketing augmented this similar thought by incorporating environmental issues into marketing (Messmer & Fisk, 1975). But the ultimate fact is that individual benefits are always dominant on social or environmental benefits. Marketers are just coating the environmental concern to the business in anticipation of their own profits while the vital environmental issues are superficially addressed (van Aarde & Jackson, 2007). Thus, the Green Marketing must focus on transforming current practices in way that it should deliver the greater value to the customers and society at a large (Ginsberg & Bloom, 2004).

Green Marketing refers to the products produced and promoted in environmentally friendly approaches by using bio degradable materials and planet friendly practices (Saleki & Seyedsaleki, 2012). Because of lot of other synonymous marketing concepts are in use, often Green Marketing is narrowly understood as a tool to promote or market the products in environmental friendly way (Hba & Manouar, 2018). Green marketing is being implemented in the field of business with various other names such as organic marketing, eco-friendly marketing, ethically responsible marketing and sustainable marketing (Horne, 2009). Other definition by Tiwari state that green marketing is about offering product and services to the market which are environmentally safer and will not cause any damage to the environment (Tiwari et al., 2011). In anticipation of green marketing, marketers are currently incorporating green practices with respect to innovations in production processes, redesigning packaging, recycling, reuse of product components, sensitive pricing to push the products, ethical standards, inducing advertising and communication. Towards green essence, trust and credibility for green offerings and customer relationship and engagement. In majority of developing economies, industry is not in hurry to bombard market with green products. Many sectors are trying to inculcate green philosophy among the customers with few additions to their existing products which are environment friendly in nature (Mishra and Sharma, 2010). Companies are striving for competitive advantage by adopting sustainability in their marketing strategies (Chitra, 2007). Production process gives an edge to the marketers to implement green practices in their firms. With an innovation in production process, waste reduction, optimal utilization of resources and cost-cutting have become conducive to the marketers in rendering green services (Eltayeb et al., 2011). Innovation also ensures that marketer adopts low energy consuming production process leading to less pollution release into the environment (Huang & Jim Wu, 2010). Packaging is another way of practicing green policies by reducing size, weight and decomposition materials used for packing. Reduction in packing size aids the firms to cut down the cost and space for transportation as well (Nunes & Bennett, 2010).

In order to implement green practices such as less harmful and eco-friendly material, firms have been imposing certain restrictions on their suppliers to follow prescribed norms and standards with respect to usage of raw materials (Hu & Hsu, 2010). Recyclable and reusable components in product can save the resources to a larger extent and protect the environment in multiple ways. Establishing and encouraging local recycling units worked extremely well in this regard. Components which can't be recycled will be separated for reuse by conducting training for the labor and employees associated with it (Kapetanopoulou & Tagaras, 2011). Marketers have to price green products at par with the market prices of the conventional products in initial stages and subsequently shift to value pricing in order to gain customer base for their eco-friendly products (Ingenbleek & van der Lans, 2013). Firms practicing green marketing give lot of importance to ethical values. The soul of green marketing lies in ethical responsibility towards society while satisfying the needs of customers in the market (Clegg et al., 2007).

Green practitioners use communication as powerful catalyst to attract customers in the market. Communicating sustainability associated with their product offerings helps in penetrating into the market and gain the attention of the customers (Rolland & Bazzoni, 2009). This communication pertaining to socially and environmentally responsible approaches serves marketers to gain competitive advantage over the rivals (Benoit-Moreau & Parguel, 2011). Products offered in the name of being green and eco-friendly must deliver value to the customers as promised. Gaining

credibility for green products enhances its essence and builds a strong relationship with conscious customers (Papista & Krystallis, 2013). Green Marketing since its inception has attracted only certain customer groups who are sensitive towards environmental issues. This concerned set of customer is the key driver for green practitioners in strengthening the essence of green products to garner the attention of different consumer groups. Customer engagement becomes an integral part of green marketing strategies (Bauer et al., 2006). Marketers have to carefully manage relationship with all these customer groups to build a strong foundation for their business.

In spite of numerous merits, marketers are not completely keen on adopting green marketing approaches due to complex challenges confronted by practitioners (Ramirez et al., 2014). In support of this view there is another argument that people are not prepared enough to realize the urge to go with green products as there is a difference of opinion by different nations on international platforms to reach consensus on environmental issues (Hale, 2011). Lack of synchronicity between micro and macro environmental marketing factors has led to a frail adoption of green marketing on a larger scale. Transformative green marketing would better work against macro level strategies (Russell & Russell, 2010). Burgeoning synonymous topics in the place of green marketing diluting very essence and importance of green business ideology. This trend is encouraging environmentally friendly approaches such as eco-friendly, plane-friendly, ozone friendly and biodegradable appeals but can't equate the very essence of Green Marketing (Hba & Manouar, 2018). Various green marketing challenges are as follows:

1. First challenge is that nowhere in the world, standard common code of conduct is available to define, implement or certify green business practices and its products (Mishra & Sharma, 2010). Lack of standardization leads to distrust among customers about green marketing and has an adverse impact on progress of environmental marketing approaches (Ramirez et al., 2014). In order to deal with customer dilemmas toward green marketing, marketers have to structurally synthesize product, price, quality and performance at par with the conventional offerings (Chen, 2012). Another major concern is that customers have divided opinions on quality of green products and sceptical about paying higher prices just for the tag of green (Singh & Pandey, 2012).
2. Secondly, in continuation to the problem of lack of standardization, uniformity in communicating message to the green communities has become a great difficulty. In order to bring awareness and trust on this novel approach, uniformity in communicating same message with similar spirit is an essential requirement (Smith & Brower, 2012).
3. Thirdly, it became a great deal of task for green practitioners to gain trust and credibility on green offerings (Chatterjee, 2009). In this regard, a concept called 'Green Washing' has come into existence. Green Washing refers to spreading baseless negative attributions about green marketing firms intentionally or unintentionally among the stakeholders (Fernando et al., 2014). Ambitious green marketing firms are suffering from various perils triggered by green washing such as misguiding consumers, endangering credibility, imposing competitive pressure out of illegitimate green offerings in the market, damaging reputation of the brand leading to consumer suspicion on green products. Ultimately green washing seriously damaging the trust on green products thereby spoiling competitive advantage accompanied with this strategy as opposed to the traditional offerings (Delmas and Burbano, 2011).
4. Even after the successful implementation of green practices, firms failed to measure the effectiveness of green initiatives due to lack of consensus on standards of green marketing like what to measure? How to measure? Thus, performance measurement became directionless, making the firms measure via hit and trial approach using any with random parameters as and when available to them. This practice led to ineffective assessment of green marketing performance (Delai & Takahashi, 2011). It has been creating difficulties in measuring and quantifying environmental performance of a specific green initiative (Epstein & Buhovac, 2010).
5. Another serious concern is regarding quality of green products. Some of the non-green products are out doing the green offerings owing to technological flexibility. It has become challenging for green marketers to produce superior quality within the limitations of environment protection (Ramirez et al., 2014). In most of the developing countries green marketing is yet to be grown to a larger volume and need to increase the awareness among customers so that they can be prepared for little higher prices imposed on green products (Kiran, 2012).
6. Developing infrastructure, investing on research and development, training human resource and redesigning organization and technology involve great deal of expenditure for green marketing firms. Mobilizing financial resources in this regard would be challenging for the firms (Dauvergne & Lister, 2012). Return on investment would take a long time for green investors owing to slower customer acceptance in the market (Vermillion & Peart, 2010). Share holder patience and willingness play a vital role in success of green investments owing to its long-term orientation to gain profits and no anticipation in short term returns (Mishra & Sharma, 2014).
7. Green firms alone cannot achieve the intended results. Lot of cooperation and willingness is required received from their supply chain partners so as to effectively push the green motives at ground level (Pawar & Kambale, 2016). Time to time green firms have to evaluate the performance of their supply chains to cope up with unethical ways of procuring raw materials and inputs (Sayed et al., 2017). However, it is a challenging task for green firms to establish effective monitoring system for tracking green supply chain owing to poor commitment of the suppliers and lack of awareness on significance of green motives (Mathiyazhagan et al., 2013).

Future of Green Marketing

Prevailing environmental disasters pose alarming concerns for the protection of environment. Along with numerous causes, business firms stand in frontline owing to their wider scope of releasing pollutants and using massive natural perishable resources (Gobbo et al., 2018). Increase in number of green customers year after year is a positive sign for green practitioners (Nekmahmud& Fekete-Farkas, 2020). Many multinational firms are keeping an eye very closely on the trends and practices of green marketing and parallelly formulating strategies alongside their existing products in the market(Young et al., 2010). Developing economies such as China, India, Brazil and South Africa can take the leverage by investing on green innovation so that they can strongly compete with advanced nations in progressive green ventures (Amoako et al., 2020). Environmental movements not only mounting pressure on the government and industry but also on common people to consider importance of environmental issues. This trend will continue to grow and motivate the people towards green initiatives and inventions in the future to come (Lee et al., 2013).

Studies reveal that customer acceptance towards green marketing has been increasing at an impressive rate over the past decade. Particularly in the past few years, customers are becoming more conscious than before. Sustainable marketing share in store sales have been increasing from 19.7% in 2014 to 22.3% in 2017 and expected to reach around 25% in 2021 (Ward, 2020). Various natural calamities caused by environmental pollution will lead to 500000 deaths and around \$340 billion of property loss. It brings super conscious among all the stakeholders of this domain and spur the 'green ism' gold in near future.

Conclusion

The business world can easily be foreseen as having no way out from implementation of sustainable marketing practices owing to ensuring survival of the human race. Even after substantial initiatives triggered by the business communities towards sustainability, the road ahead is not easy. The initial developments towards sustainable practices led to crossroads directed by multiple challenges such as lack of standardization, lack of clarity in appealing to the market, ambiguity in understanding green marketing concept, investment in infrastructure and R&D, training human resources, redesigning and restructuring the organization and less cooperation from various take holders in the business ecosystem. A few measures which could facilitate hassle free transition are: stringent regulations by all the nations' together, encouraging investments by financial bodies to develop the infrastructure, international collaboration to determine the standards and code of conduct. Further, phenomenal integrated global promotional campaigns to boost awareness about green marketing would facilitate change in consumer attitude. Thus, the constructive and collective measures at global level can yield fruitful, productive outcomes for the success of sustainable business practices in the future.

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