# GREEN MARKETING GROUP 1

With an environmental crisis upon us, today's consumers have become more conscious of the environmental impact that they have on the planet. As a result, they are looking for brands that use sustainable practices and are environmentally conscious. To meet this demand, a number of leading organizations in India are adopting these marketing initiatives to ensure that consumers have a positive perception of their brands.

But this is just the tip of the iceberg. Let's dive deeper and understand what exactly green marketing is and its impact on the world...

## WHAT IS GREEN MARKETING?

Green Marketing refers to the practice of developing and promoting products and services that are environmentally sustainable. This involves:

- Eco-Friendly Products: Goods made with sustainable materials and processes.
- Sustainable Practices: Reducing carbon footprints, minimizing waste, and conserving resources.
- Ethical Branding: Marketing strategies that highlight a company's commitment to environmental responsibility

Green marketing aims to meet consumer demand for environmentally conscious products while contributing to the protection and preservation of the planet.





# IMPORTANCE OF GREEN MARKETING

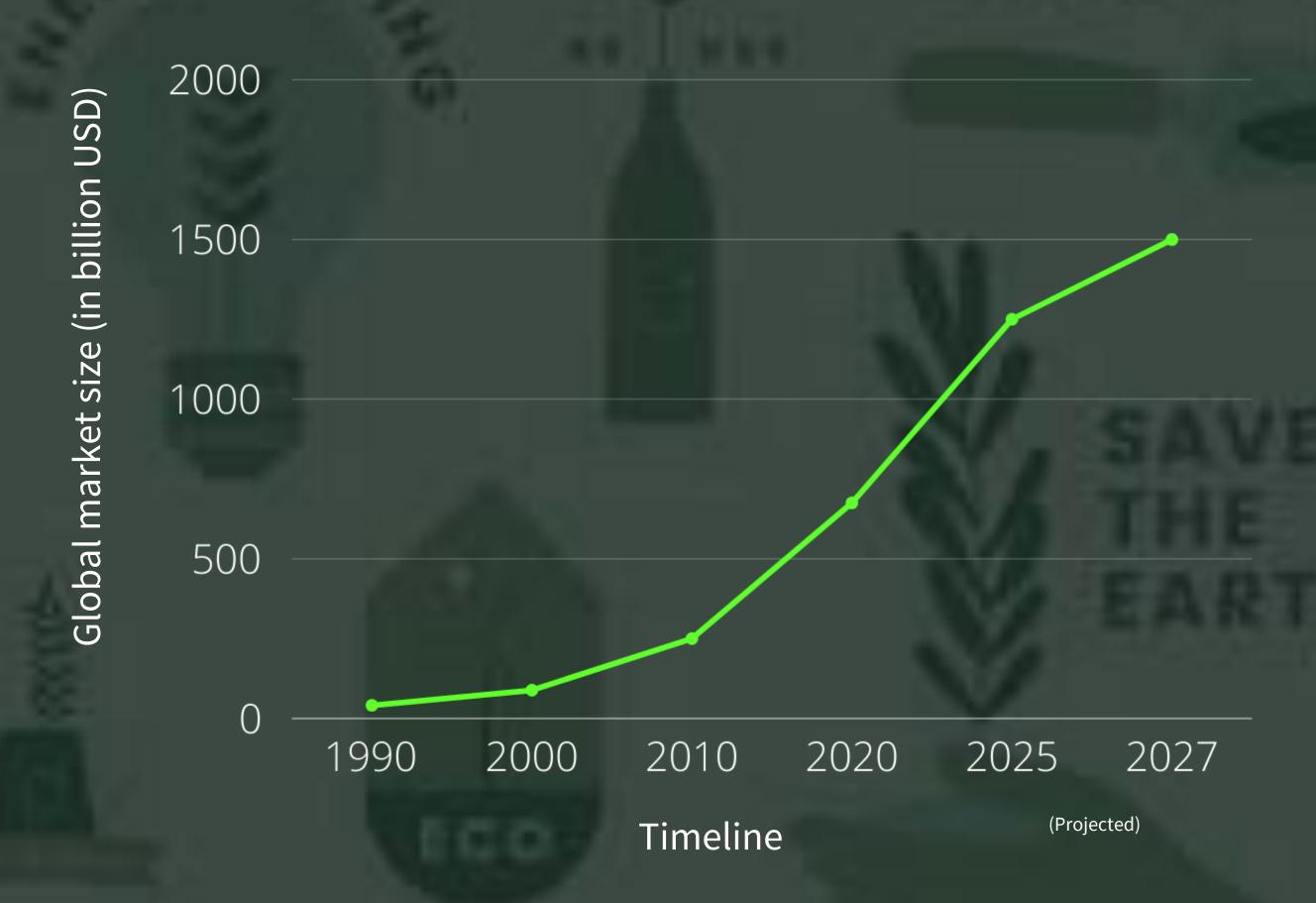
- **Q1.** Raise Awareness: Drive awareness of environmental issues and empower consumers to adopt sustainable lifestyles.
- Reduce Environmental Impact: Lower your carbon footprint and promote the use of recycled materials in your products.
- O2. Stand Out: Differentiate your brand by offering ecofriendly products and implementing green practices.
- O4. Build Customer Loyalty:
  Cultivate strong customer
  relationships by showcasing
  your dedication to
  sustainability.

# GROWTH OF GREEN MARKETING

- Early Awareness (1960s-1970s): Initial environmental consciousness and regulatory foundations.
- Formal Emergence (1980s): Recognition of the commercial potential of green products.
- Increased Adoption (1990s): Wider acceptance and introduction of eco-labels.
- Integration into Strategy (2000s): Embedding sustainability in corporate strategies and consumer choices.
- Technological Advancements (2010s): Leveraging new technologies for sustainability and enhancing transparency.
- Mainstream Adoption (2020s): Broad integration across industries with a focus on innovation and authenticity.



## EVOLUTION OF GREEN PRODUCTS



PRODUCT PRICE PLACE PROMOTION

The products have to be developed depending on the needs of the customers who prefer environment friendly products. Products can be made from recycled materials or from used goods. Efficient products not only save water, energy and money, but also reduce harmful effects on the environment.

The marketer's role in product management includes providing product designers with marketdriven trends and customer requests for green product attributes such as energy saving, organic, green chemicals, local sourcing, etc...

For example, Nike is the first among the shoe companies to market itself as green. It is marketing its Air Jordan shoes as environment-friendly, as it has significantly reduced the usage of harmful glue adhesives. It has designed this variety of shoes to emphasize that it has reduced wastage and used environment-friendly materials.

**PRODUCT** 

**PRICE** 

PLACE

**PROMOTION** 

Green pricing takes into consideration the people, planet and profit in a way that takes care of the health of employees and communities and ensures efficient productivity.

Value can be added to it by changing its appearance, functionality and through customization, etc. Wal Mart unveiled its first recyclable cloth shopping bag.

IKEA started charging consumers when they opted for plastic bags and encouraged people to shop using its "Big Blue Bag"





PRODUCT PRICE PLACE PROMOTION

Green place is about managing logistics to cut down on transportation emissions, thereby in effect aiming at reducing the carbon footprint.

For example, instead of marketing an imported mango juice in India it can be licensed for local production.

This avoids shipping of the product from far away, thus reducing shipping cost and more importantly, the consequent carbon emission by the ships and other modes of transport.

**PRODUCT** 

**PRICE** 

PLACE

**PROMOTION** 

Green promotion involves configuring the tools of promotion, such as advertising, marketing materials, signage, white papers, web sites, videos and presentations by keeping people, planet and profits in mind.

Indian Tobacco Company has introduced environmental-friendly papers and boards, which are free of elemental chlorine.

Toyota is trying to push gas/electric hybrid technology into much of its product line. It is also making the single largest R&D investment in the every-elusive hydrogen car and promoting itself as the first eco-friendly car company.

IBM has revealed a portfolio of green retail store technologies and services to help retailers improve energy efficiency in their IT operations. The center piece of this portfolio is the IBM SurePOS 700, a point-of-sale system that, according to IBM, reduces power consumption by 36% or more.

**PRODUCT** 

**PRICE** 

PLACE

**PROMOTION** 

We even see the names of retail outlets like "Reliance Fresh", Fresh@Namdhari Fresh and Desi, which while selling fresh vegetables and fruits, transmit an innate communication of green marketing.

Green marketer can attract customers on the basis of performance, money savings, health and convenience, or just plain environmental friendliness, so as to target a wide range of green consumers.

Consumer awareness can be created by spreading the message among consumers about the benefits of environmental-friendly products. Positing of profiles related to green marketing on social networks creates awareness within and across online peer groups. Marketing can also directly target the consumers through advertisements for product such as energy saving compact fluorescent lamps, the battery –powered Reva car, etc.



## PERSPECTIVE OF BUSINESS

(Why do firms/brands do green marketing or Benefits to endorse green marketing)

## Competitive Advantage

Embracing green marketing strategies can differentiate a firm from competitors, leading to a competitive advantage in the market and potentially attracting new customers who prioritize sustainability.

## Cost Savings

Implementing green practices in marketing can result in cost savings through efficiency improvements, waste reduction, and resource optimization, contributing to overall financial performance.

## Risk Mitigation

By adopting green marketing practices, firms can mitigate risks associated with environmental controversies, negative publicity, and consumer backlash, safeguarding their reputation and market position.

## Enhanced Brand Image

Green marketing helps firms improve their brand image by showcasing their commitment to environmental sustainability, which can attract environmentally conscious consumers and enhance brand loyalty.

## Employee Morale

Demonstrating a commitment to sustainability through green marketing can boost employee morale, engagement, and pride in the organization, leading to higher productivity and retention rates.



## PERSPECTIVE OF BUSINESS

(Why do firms/brands do green marketing or Benefits to endorse green marketing)

#### Innovation

Green marketing encourages innovation in product development, leading to the creation of eco-friendly products and services that cater to the growing demand for sustainable solutions.

## Regulatory Compliance

Green marketing initiatives ensure compliance with environmental regulations, reducing the risk of fines or penalties, and enhancing the firm's reputation as a responsible corporate citizen.

## Market Expansion

Green marketing can open up new market opportunities by appealing to environmentally conscious consumers who may not have been traditional target segments, thereby expanding the firm's customer base and revenue streams.

## Positive Impact

Investments in sustainability initiatives can yield positive outcomes for firms without negative repercussions on product-market performance or ROA by enhancing customer satisfaction, loyalty, and overall market share.

## Influence on Industry Standards

Leading the way in green marketing can influence industry standards and practices, setting benchmarks for sustainability, inspiring competitors to follow suit, and driving collective action towards a more environmentally responsible business environment.

## PERSPECTIVE OF BUSINESS

(Some additional green practices and strategies to enhance green brand equity)

- Transparency and Authenticity: Be transparent about environmental efforts and communicate openly with consumers about sustainability initiatives. Authenticity is key to building trust with customers, so companies should avoid greenwashing and ensure that their green marketing claims are backed by tangible actions.
- Educational Campaigns: Launch educational campaigns to raise awareness about environmental issues and promote sustainable behaviors among consumers. Provide information about the environmental benefits of using green products and encourage eco-friendly practices.
- Partnerships and Collaborations: Collaborate with like-minded organizations, NGOs, or sustainability experts to amplify the impact of green initiatives. Partnering with environmental organizations can enhance credibility and expand reach in promoting sustainability efforts.
- Certifications and Standards: Obtain certifications such as eco-labels, green certifications, or carbon footprint certifications to validate the company's environmental credentials. Compliance with recognized sustainability standards can enhance credibility and trust among consumers.



## Socio-Demographic Variables:

#### 01. SEX

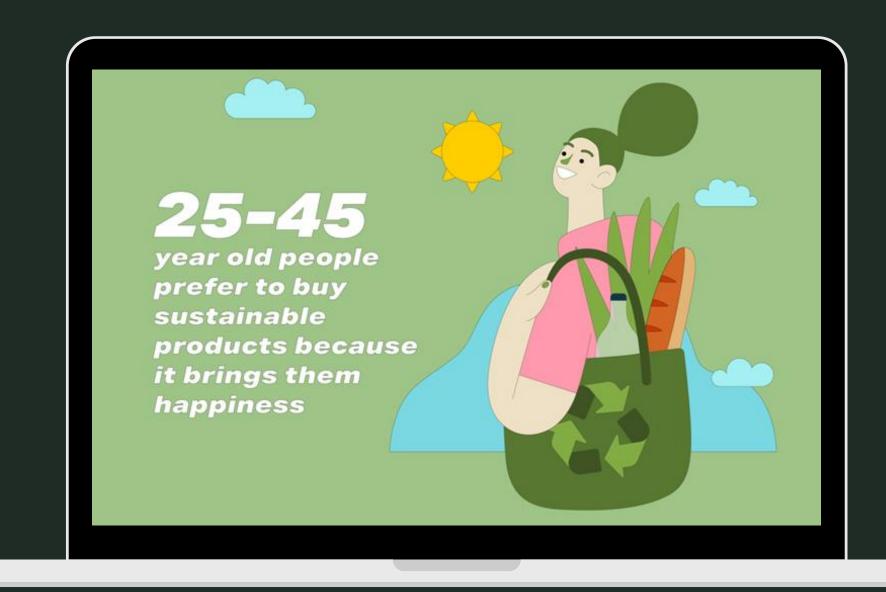
Women are generally found to be more environmentally conscious than men.

#### 02. AGE

Contradictory results have been found, but some studies indicate that older individuals may be more likely to exhibit green behaviors.

#### 03. INCOME & EDUCATION

Green consumers often have a higher socio-economic status and educational background.



## CONSUMER'S PERSPECTIVE

## Psychographic Variables:

#### **01. Perceived Consumer Effectiveness (PCE):**

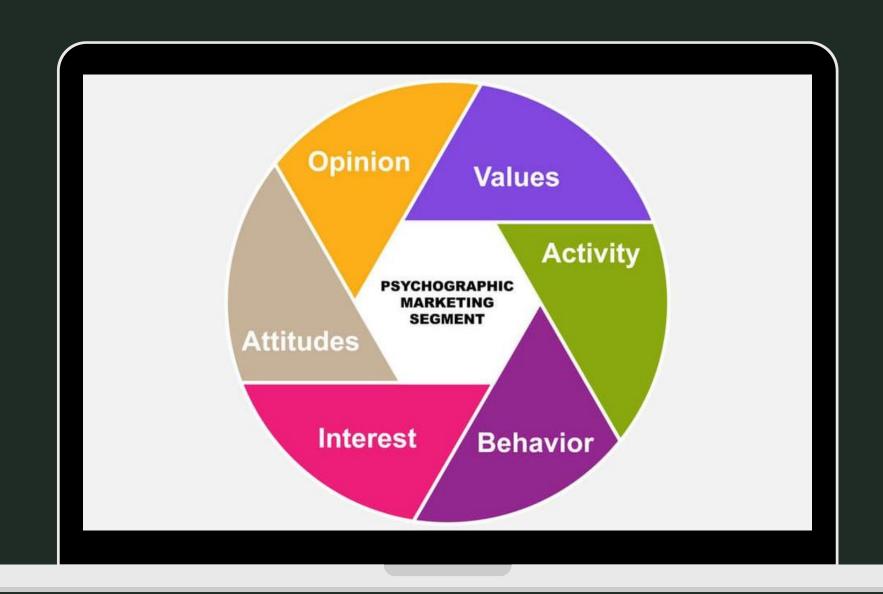
The belief that individual actions can contribute to environmental preservation.

#### 02. Altruism

A selfless concern for the well-being of others, which often correlates with green behaviors (Behavior Towards Green Products).

## **Ecologically Conscious Consumer Behavior (ECCB):**

Consumers with high ECCB are those who actively seek to minimize their environmental impact through their consumption choices. These behaviors include avoiding products harmful to health or the environment, products with excessive packaging, and products from endangered species.



## CONSUMER'S PERSPECTIVE

## Green Purchase Intention (GPI):

Green purchase intention refers to the likelihood that a consumer will consider buying environmentally friendly products.

Consumers with higher ECCB tend to have a higher GPI.

Relations with Green Purchase Behavior

Psychographic variables like PCE and altruism have a more significant impact on ECCB and consequently on GPB than socio-demographic variables.

A strong ecological consciousness (ECCB) reduces the gap between GPI and GPB, making it more likely that consumers with high ECCB will follow through with their intentions to purchase green products.



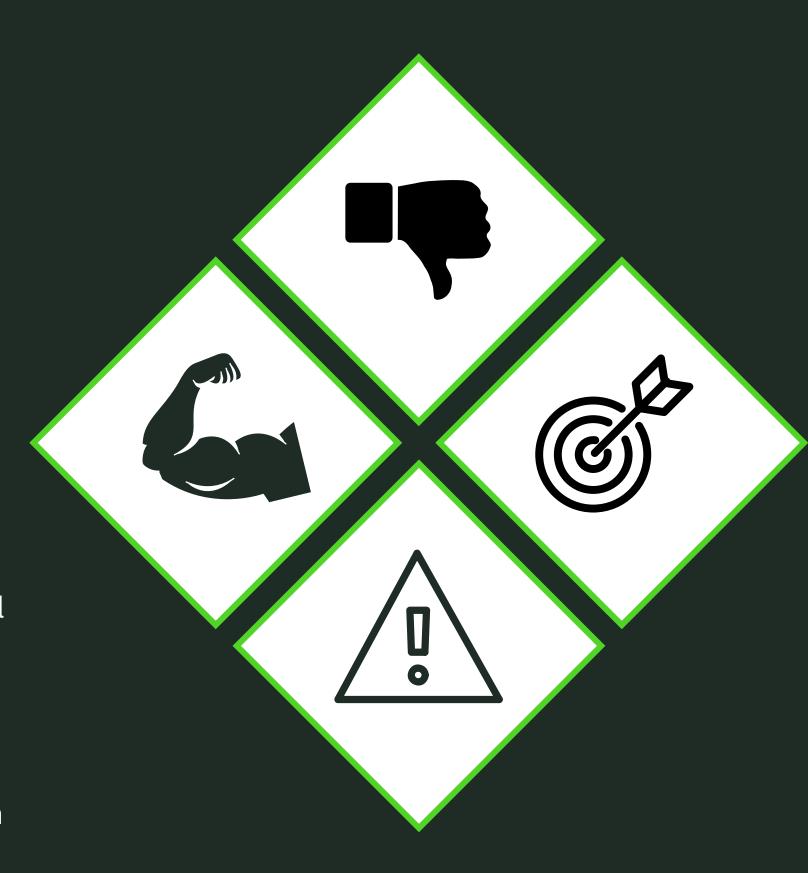
## SWOT ANALYSIS

#### **STRENGTHS**

- Builds strong consumer loyalty through responsible practices.
- Differentiates brands from competitors.
- Positive Social Impact
- Green marketing promotes the efficient use of resources, and improves overall business efficiency.

#### **OPPORTUNITIES**

- Growing Market
- Government Incentives: Potential for subsidies, tax breaks, and grants for sustainable practices.
- Advances in technology
   enabling new, sustainable
   products and product innovation
   and development.



#### **WEAKNESSES**

- Higher initial investments and costs
- Greenwashing Risk
- Limited Consumer Awareness and education on the benefits of green products.
- Supply Chain Challenges

#### **THREATS**

- Entry of large corporations into the green market space.
- Economic recessions may reduce consumer spending on premium green products.
- Uncertainty in environmental regulations that could increase operational costs.



A Volkswagen Golf TDI in 2010, featuring the phrase "clean diesel". The company later faced scrutiny due to an emissions scandal.

In reality, the company may not be making a meaningful commitment to green initiatives.

## WHATIS GREEN-WASHING

- Products that are actually eco-friendly can benefit from green marketing, which highlights the environmental benefits of the product and the company making it. However, if a company's green marketing activities are found to be false, then the company may be accused of greenwashing and be hit with penalties, bad press, and reputational damage, and be forced to clean up the damaged environment.
- Greenwashed products might convey the idea that they're more natural, wholesome, or free of chemicals than competing brands.
- Products are greenwashed through a process of renaming, rebranding, or repackaging them
- In short, companies that make unsubstantiated claims that their products are environmentally safe or provide some green benefit are involved in greenwashing.







# SEVENTH GENERATION CASE STUDY

1988

Foundation

**Annual Revenue** 

Seventh Generation is a well-known brand in the green consumer products market, recognized for its commitment to sustainability and environmentally friendly practices

**Products:** Household cleaning products, personal care products, baby products, and paper productss



SEVENTH GENERATION DERIVED ITS NAME FROM THE GREAT LAW OF THE IROQUOIS THAT STATES, "IN OUR EVERY DELIBERATION, WE MUST CONSIDER THE IMPACT OF OUR DECISIONS ON THE NEXT SEVEN GENERATIONS."



## SEVENTH GENERATION AND ITS GREEN MARKETING PRACTICES

Ingredient Transparency

Seventh Generation is transparent about the ingredients used in their products.

They disclose all ingredients and ensure that they are plant-based, non-toxic, and biodegradable

Eco-Labels

Their products often carry certifications such as USDA Certified Biobased, Leaping Bunny (cruelty-free), and Safer Choice (by the EPA).

Seventh Generation is a certified B Corporation

Sustainable Products

They continuously innovate to create products that are more sustainable. This includes developing concentrated formulas to reduce packaging and transportation emissions

Toxin-Free GenerationCampaign

A campaign to raise awareness about the potential dangers of toxins in everyday products, encouraging consumers to choose safer alternatives.

Ethical Sourcing

They ensure that their raw materials are sourced sustainably and ethically, supporting fair labor practices and minimizing environmental impact.



## **Future Targets:**



With the Climate changes already harming the planet and its people, we're fighting back and, hopefully, inspiring others to join us in a climate revolution.

The Corporate Consciousness Report 2022 is a public accounting of company's 2025 goals.

100% Recycled and Reused Packaging
75%
Eliminating 75% of Virgin Plastic
100%
Products free of Chronic Toxins
100%
Products free of Chronic Toxins

https://www.seventhgeneration.com/blog/corporate-consciousness-2022 Corporate Consciousness Report -2022







## PATAGONIA CASE STUDY

**1973** 

209.1M\$

Foundation

**Annual Revenue** 

Patagonia brand not only equips outdoor enthusiasts with top-notch gear, but also champions environmental responsibility by prioritizing recycled materials and sustainable practices throughout their operations, ensuring exploration goes hand-in-hand with conservation

https://www.patagonia.com/ownership/

Earth is now our only Shareholder



FERDINAND MAGELLAN, THE PORTUGUESE NAVIGATOR WHO LED THE FIRST EUROPEAN EXPEDITION INTO THE AREA, COINED THAT NAME BECAUSE THE APPEARANCE OF THE TEHUELCHE REMINDED HIM OF PATAGON, A DOG-HEADED MONSTER IN THE 16TH-**CENTURY SPANISH ROMANCE AMADÍS OF GAUL** 

**BRAND TAGLINE: CLIMB MOUNTAINS. PROTECT THEM TOO** 



## **UNIQUE MARKETING STRATEGIES BY PATAGONIA:**

Being at the Forefront of Sustainability

> Patagonia made its first donation to save the Ventura River and its fish habitat from a development plan. Patagonia pledged 10% of company profits to environmental conservation groups. Patagonia debuted the 1% for the Planet effort, where 1% of all sales are given to environmental groups

 Keeping Employees
 A Purpose-Driven Happy

**Employees were encouraged to** take surf breaks, wear whatever they wanted, and work whenever they pleased as long as they got their work done. The Patagonia headquarters featured no private offices but instead healthy, organic food, on-site childcare, and a beach volleyball court.

Marketing Strategy

The company's marketing messages revolve around its commitment to sustainable and environmental efforts. Patagonia marketing campaigns help raise awareness about environmental concerns like climate change and air pollution.

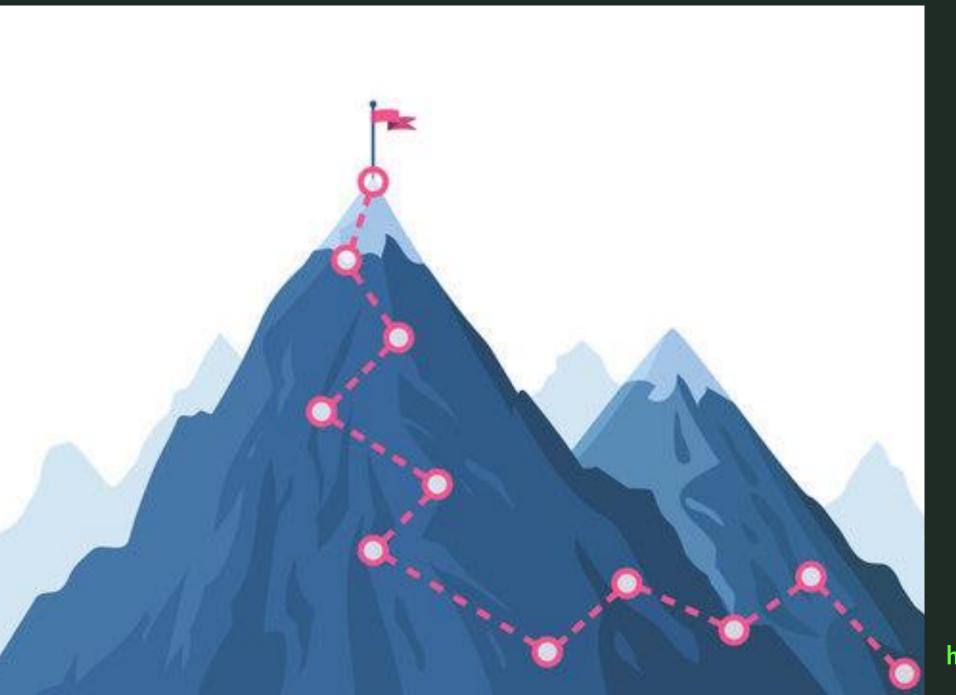
A Founder Who **Resonates With His** Target Audience

Patagonia has adopted mindset:

- Refusing to sell products that aren't environmentally friendly
- Encouraging customers to reuse and recycle products and reduce their consumption
- Enacting other sustainability policies (using 100% organic cotton shirts, renewable energy, recycled fabrics)



# Patagonia's Impact on the Industry



In 2018, Patagonia donated \$10 million from tax cuts to environmental groups committed to fighting the climate crisis. That same year, they changed their mission statement to: "We're in business to save our home planet."

Patagonia is expected to give around \$100 million a year toward climate issues.

#### **Environmental-Social Impact Initiatives:**

**OI. 1% for the Planet** 

02. Worn Wear Program

- Repair Services
- Used Gear Sales
- Trade-In Program

https://www.forbes.com/sites/eshachhabra/2015/09/09/patagonia-rallies-for-an-earth-

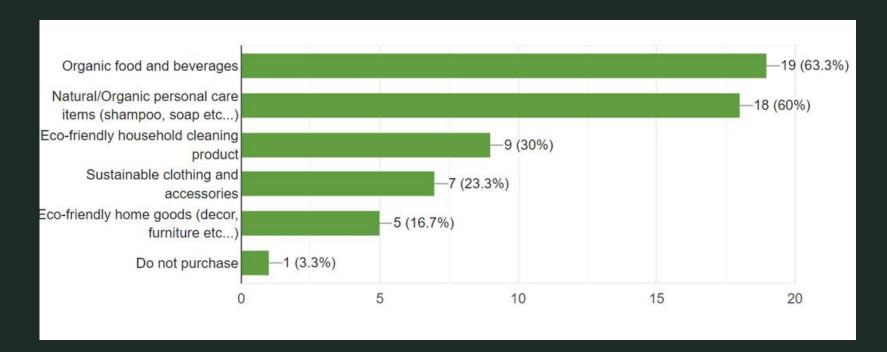


## SURVEY SAYS

#### **AWARENESS ABOUT GREEN**



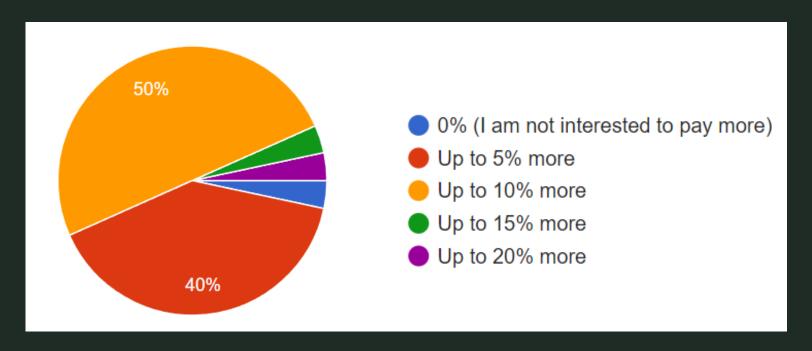
#### **VARIETY OF GREEN PRODUCTS BOUGHT**



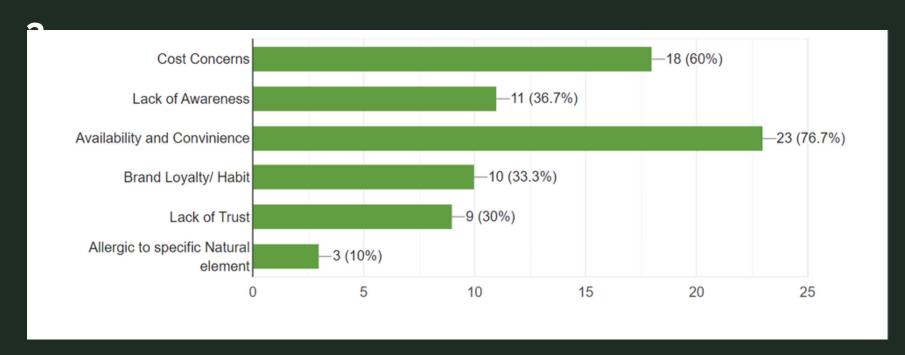
### HOW WELL DO GREEN PRODUCTS FIT IN YOUR DAY



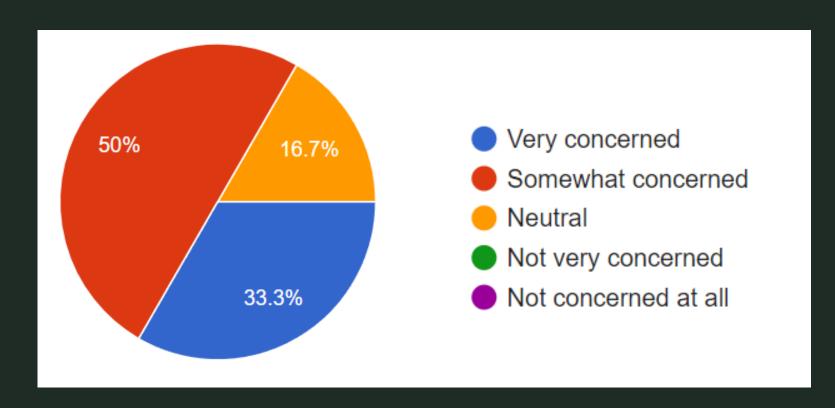
#### WILLINGNESS TO PAY MORE?



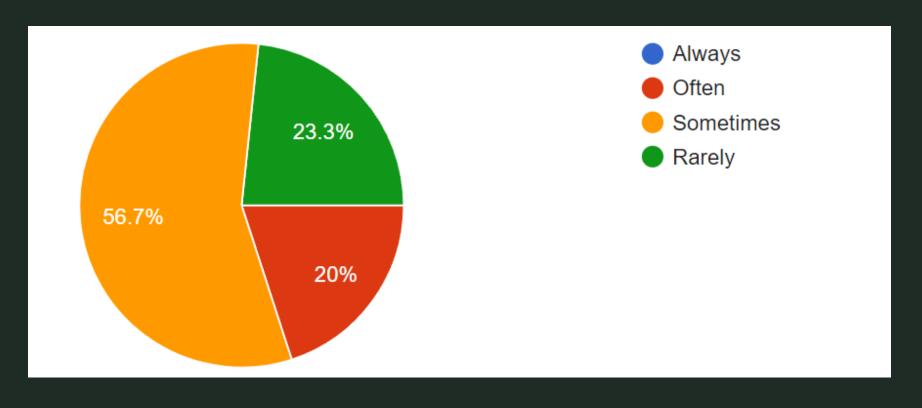
#### **REASONS REFRAINING YOU TO BUY**



#### YOUR CONCERN TOWARDS ENVIRONMENTAL ISSUES

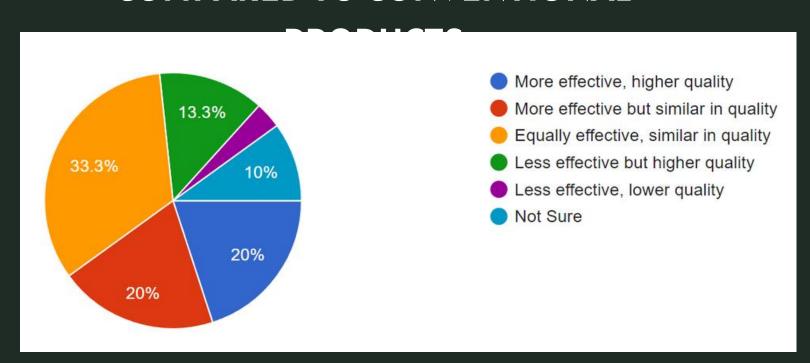


#### PURCHASE OF GREEN PRODUCTS?

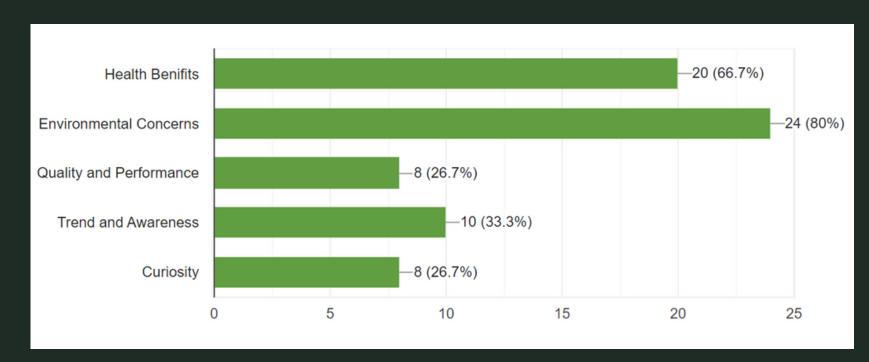


## SURVEY SAYS

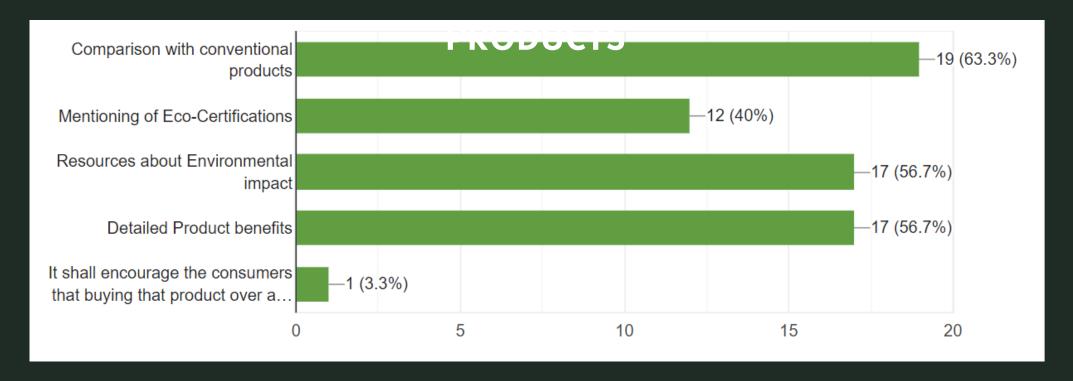
#### **COMPARED TO CONVENTIONAL**



#### **REASONS TO TRY GREEN-PRODUCTS**



#### INFORMATIONS TENDING TO MAKE YOU PURCHHASE





## Let us Live

