

Changing Indian Consumer Behavior With Respect To Green Marketing – A Case Study of Consumer Durables

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Abstract— Green marketing has enabled for the re-marketing and packaging of existing products which already adhere to such guidelines. Consumers and manufacturers have directed their attention toward environment friendly like low power consuming (energy efficient) electrical appliances, organic food, recyclable paper, and phosphate free detergents. Consumers through their concern are interested in integrating environmental issues in their purchasing decision through their incorporation into the process and content of the marketing strategy for whatever product may be required. As environmental concerns have increased, consumer's buying behavior related with green products is changing. Now the consumer is aware about environmentally safe products.

This paper discusses how Indian consumer's behavior is changing rapidly towards the usage of green products. Indian consumers are also concern with how they can live a more eco-friendly existence

Index Terms— Changing consumer behavior, Environmentally safe, Green products, Environmental concern

I. INTRODUCTION

According to American Marketing Association(AMA), green marketing is the marketing of products that are presumed to be environmentally safe. As resources are limited and human wants are unlimited, it is important for the marketers to utilize the resources efficiently without waste as well as to achieve the organization's objective. So green marketing is inevitable. There is growing interest among the consumers all over the world regarding protection of environment. Worldwide evidence indicates people are concerned about the environment and are changing their behavior. As a result of this, green marketing has emerged which speaks for growing market for sustainable and socially responsible products and services. People are concerned about the environment and are changing their behavior pattern so as to be less hostile towards it. It is the era of recyclable, non-toxic and environment-friendly goods.

Green marketing was given prominence in the late 1980s and 1990s after the proceedings of the first workshop on Ecological marketing held in Austin, Texas (US), in 1975. Several books on green marketing began to be published thereafter. The evolution of green marketing has three phases. First phase was termed as "Ecological" green marketing, and during this period all marketing activities were concerned to

help environment problems and provide remedies for environmental problems. Second phase was "Environmental" green marketing and the focus shifted on clean technology that involved designing of innovative new products, which take care of pollution and waste issues. Third phase was "Sustainable" green marketing. It involves continuance of existing products & emergence of new techniques. It came into prominence in the late 1990s and early 2000. Green marketing is the process of developing products and services and promoting them to satisfy the customers who prefer products of

good quality, performance and convenience at affordable cost, which at the same time do not have a detrimental impact on the environment. It includes a broad range of activities like product modification, changing the production process, modified advertising, change in packaging, etc., aimed at reducing the detrimental impact of products and their consumption and disposal on the environment.

II. CHARACTERISTICS OF GREEN PRODUCTS

Promotion of green technology and green products is necessary for conservation of natural resources and suitable development. We can define green products by following measures:

- Products those are recyclable, reusable and biodegradable.
- Products with natural ingredients.
- Products containing recycled contents, non-toxic chemical.
- Products contents under approved chemicals.
- Products that will not be tested on animals.
- Products that are no harm and pollute environment.
- Products those are originally grown.

III. OBJECTIVES OF COMPANIES USING GREEN MARKETING

1. Competitors' environmental activities pressure firms to change their environmental marketing activities [NAAG 1990];
2. Organizations believe they have a moral obligation to be more socially responsible [Davis 1992, Freeman and Liedtka 1991, Keller 1987, McIntosh 1990, Shearer 1990]; Governmental bodies are forcing firms to become more responsible [NAAG 1990];
3. Cost factors associated with waste disposal, or reductions in material usage forces firms to modify their behavior [Azzone and Manzini 1994].
4. Organizations perceive environmental marketing to be an opportunity that can be used to achieve its objectives [Keller 1987, Shearer 1990];

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Green Marketing-Reasons for Adopting By the Firms

Companies that develop new and improved products and services with environment inputs in mind give themselves access to new markets, increase their profit sustainability, and enjoy a competitive advantage over the companies which are not concerned for the environment. There are basically five reasons for which a marketer should go for the adoption of green marketing. They are:

A. Opportunity or Competitive Advantage:

In India, around 25% of the consumers prefer environmental-friendly products, and around 28% may be considered healthy conscious. Therefore, green marketers have diverse and fairly sizeable segments to cater to. The Surf Excel detergent which saves water (advertised with the message—"do bucket paanirozbachana") and the energy-saving LG consumers durables are examples of green marketing. We also have green buildings which are efficient in their use of energy, water and construction materials, and which reduce the impact on human health and the environment through better design, construction, operation, maintenance and waste disposal. In India, the green building movement, spearheaded by the Confederation of Indian industry (CII) - Godrej Green business Center, has gained tremendous impetus over the last few years. From 20,000 sqft in 2003, India's green building footprint is now over 25 million sq ft.

B. Corporate Social Responsibilities (CSR):

Many companies have started realizing that they must behave in an environment-friendly fashion. They believe both in achieving environmental objectives as well as profit related objectives. The HSBC became the world's first bank to go carbon-neutral last year. Other examples include Coca-Cola, which has invested in various recycling activities. Walt Disney World in Florida, US, has an extensive waste management program and infrastructure in place.

C. Governmental Pressure:

Various regulations are framed by the government to protect consumers and the society at large. The Indian government too has developed a framework of legislations to reduce the production of harmful goods and by products. These reduce the industry's production and consumers' consumption of harmful goods, including those detrimental to the environment; for example, the ban of plastic bags in Mumbai, prohibition of smoking in public areas, etc.

D. Competitive Pressure

Many companies take up green marketing to maintain their competitive edge. The green marketing initiatives by niche companies such as Body Shop and Green & Black have prompted many mainline competitors to follow suit.

E. Cost Reduction/ Cost of Profit Issues:

Reduction of harmful waste may lead to substantial cost savings. Sometimes, many firms develop symbiotic relationship whereby the waste generated by one company is used by another as a cost-effective raw material. For example, the fly ash generated by thermal power plants, which would otherwise contribute to a gigantic quantum of solid waste, is used to manufacture fly ash bricks for construction purposes.

Recycling of electronic products

Scientific disposal of e-waste reduces the environment pollution. The correct disposal of old product will help prevent potential negative consequences for the environment and human health. There is need to encourage recycling of all useful and valuable material from e-waste so as to conserve the ever depleting natural resources. Recycling end-of-life products is vital if we are to save resources and minimize waste.

LG National Recycling Program as per e-waste

In India, E-Waste (Management and Handling) Rules 2011 have been notified by the Central Government. LG stands committed to implement E-Waste Rules. LG has done tie-up with the PCB (Pollution Control Board) authorized e-Waste recycler for facilitating our customers to enable them to dispose off e-waste products after its end-of-life. In this process, the customer would be interacting directly with the authorized agency meant for handling the e-waste products without involving any 3rd parties.

To maximize resource efficiency through LG Consumer Durable products recycling, LG Electronics works closely with all consumer durable supply chains including authorized service providers, distributors, merchandiser's customers, and the recycling industry. Customers are urged to strictly follow the guidelines as per e-Waste rules as any failure on their part would invite penal action, which may attract imprisonment upto 5 years or with fine upto Rs. 1 Lac or both.

Customer can get their product recycled

1. You may contact LG CIC (Call Center 1800 180 9999) for putting request for recycling of LG electronics products.
2. LG will send its authorized recycler at your home/premise.
3. Authorized recycler will inspect the product and calculate the residual value of electronics product.
4. As per valuation by authorized recycler, you will be offered the price of electronic products. On your acceptance of offer, authorized recycler will lift the sets after giving the offer price to you.
5. Your old LG Product will be recycled as per E-Waste disposal guidelines by the LG Authorized recycler.

Consequences of disposal of product if not done in scientific way

1. Burning of rubber & Plastic in open area causes air pollution.
2. Oil & Gases which is present in some of e-waste like compressor and CRT causes environment pollution.
3. Toxic material present in e-waste get mixed with earth, air, water etc and causes health issues.
4. Batteries contains highly hazardous element.

Some of India's leading 'green' companies.....

LG India

South Korean consumer durables major LG Electronics recently introduced LG LED E60 and E90 series monitors in the Indian market. The LED E60 and E90 series monitors are packed with the eco-friendly features such as 40 per cent less energy consumption than the traditional LCD monitors, Also,

the use of hazardous materials such as halogen or mercury is kept to minimal in this range.

HCL

HCL launched its range of eco-friendly notebooks, HCL ME 40. HCL claims that this was India's first PVC free and eco-friendly notebook. This notebook is completely free from polyvinyl chloride (PVC) material and other harmful chemicals. Bureau of Energy Efficiency has given HCL eco-friendly products a five-star rating, and they also meet REACH (REACH is the European Community Regulation on chemicals and their safe use) standards and are 100 per cent recyclable and toxin free.

Haier

Haier India launches the green initiative with its 'Eco-Life' series, as a part of its global rebranding exercise. This is aimed at designing smart products which not only meet customer needs, but also adhere to environmental norms. The company's eco-friendly offerings include refrigerators, semi and fully automatic washing machines, split and windows air conditioners, a wide range of LED & LCD TVs and the Spa range of water heaters.

Samsung

Samsung products have eco-friendly LED backlight, which contain few or no environmentally hazardous substances, such as mercury or lead. Additionally, it uses about 40 per cent less energy. Also, Samsung's Touch of Color (ToC) technology doesn't use paints, sprays or glues, ensuring they contain no Volatile Organic Compounds (VOCs), making recycling simpler and safer. Samsung has also launched its advanced range of Split ACs, which claim to save up to 60 per cent energy.

Voltas

In 2007, Voltas initiated the 'Green' range of air-conditioners, following which the government made it mandatory for home appliances to have energy star ratings.

Energy Star is an international standard for energy efficient consumer products that originated in the US.

Panasonic

Panasonic is aiming to become top green innovation company in the electronics industry by 2018 and is laying a lot of emphasis on eco-friendly products. Econavi home appliances use sensor and control technologies to minimize energy consumption, based on a family's lifestyle.

For instance, a door-opening sensor and lighting sensor allows the refrigerator to learn the time periods when the family typically doesn't use - when they're sleeping or away from home. The refrigerator goes into sleep mode accordingly.

Nokia

Nokia has always takes steps to develop eco-friendly initiatives. It has also won the

Greenpeace Award. It has launched a Nokia Bicycle Charger Kit (DC-14) in India. The

Bicycle charger kit works at walking speed (6 km/h) and when the speed reaches 50 km/h it stops charging. The charger is compatible with Nokia phones that have a 2mm charging interface, which includes most mid-range Nokia phones. The

Nokia bicycle charger has an ergonomic design to make installation easier to suit different types of bicycles. The phone holder also has a rubberized design to hold the phone securely and protect it from shocks and vibrations.

MRF Tyres

The premium eco-friendly tubeless tyres MRF ZSLK are made from unique silica-based rubber compounds and promises to offer fuel efficiency for vehicle owners. At present, the ZSLK series are available for models including Honda City/Civic, Ford Fiesta, Hyundai Santro, Maruti SX4, Wagon R, Skoda Octavia, Tata Indica, Nissan Micra.

CONCLUSION

Today our society is more concerned with the natural environment. Understanding the society's new concerns businesses have begun to modify their behavior and have integrated environmental issues into organizational activities. Green marketing focuses on satisfaction of customer needs and there should be no or minimum harm to the natural environment.

Recycling is one of the best ways for you to have a positive impact on the world in which we live. Recycling is important to both the natural environment and us. In green marketing, consumers are even willing to pay more to maintain greener environment. Consumer durable industries are producing eco-friendly products for the customers for their safe uses.

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