International Journal of Interdisciplinary Research in Arts and Humanities (IJIRAH)
Impact Factor: 5.225, ISSN (Online): 2456 - 3145
(www.dvpublication.com) Volume 7, Issue 2, 2022

CAUSES IN GREEN MARKETING

V. Sakunthala* & S. Ramya**
PG & Research Department of Commerce, Srimad Andavan Arts and Science College (Autonomous), Affiliated to Bharathidasan University, Tiruchirappalli, Tamil Nadu, India

Cite This Article: V. Sakunthala & S. Ramya, "Causes in Green Marketing", International Journal of Interdisciplinary Research in Arts and Humanities, Volume 7, Issue 2, Page Number 69-72, 2022.

Abstract:

The emergence and growth of green marketing are driven by a combination of environmental, economic, social, and regulatory factors. Increasing awareness of climate change, pollution, and resource depletion has led consumers to demand more sustainable and eco-friendly products. Businesses, in response, are adapting their strategies to meet this demand while also seeking to improve brand image and gain a competitive edge. Government regulations and international environmental agreements have further pressured companies to adopt greener practices. Additionally, advancements in green technology and the shift in consumer values toward ethical and responsible consumption are reinforcing the trend. This abstract explores the key causes contributing to the rise of green marketing, highlighting its role as both a market response and a driver of sustainable development.

Key Words: Environmental Causes Consumer-Driven Causes Business/Regulatory Causes Technological / Innovative Causes

Introduction: Causes in Green Marketing

Green marketing refers to the promotion of products and services based on their environmental benefits. It has emerged as a crucial strategy for businesses in response to growing environmental concerns and shifting consumer preferences. The primary causes behind the rise of green marketing include increasing environmental awareness, stricter government regulations, corporate social responsibility (CSR) initiatives, and the growing demand for sustainable products. Consumers today are more conscious about the ecological impact of their purchases, prompting companies to adopt eco-friendly practices not just as a trend, but as a long-term business strategy. These causes collectively drive the growth of green marketing, making it an essential part of modern marketing approaches.

Causes of Green Marketing:

Some common factors that drive green marketing include:

- Consumer Demand: More consumers prefer eco-friendly products due to growing environmental awareness.
- Government Regulations: Laws and policies that promote sustainable practices push companies toward green marketing.
- Corporate Social Responsibility (CSR): Companies aim to build a positive image by aligning with environmental values.
- Competitive Advantage: Businesses use green initiatives to stand out in the market.
- Global Environmental Issues: Climate change, pollution, and resource depletion create urgency for sustainable practices.
- Investor & Stakeholder Pressure: Eco-conscious investors influence companies to adopt green strategies.

Literature Review:

A literature review on the causes of green marketing examines the underlying factors that have led businesses to adopt environmentally friendly marketing practices. Green marketing refers to the promotion of products or services based on their environmental benefits, aiming to satisfy consumer demand for sustainable solutions. Here's an overview of key causes driving the adoption of green marketing strategies, supported by insights from various studies and articles:

- **Environmental Concerns and Awareness**

One of the primary drivers of green marketing is growing environmental awareness among consumers. As environmental issues such as climate change, pollution, and resource depletion become more urgent, there is increasing pressure on businesses to adopt more sustainable practices. Studies have shown that consumers are becoming more conscientious about their purchasing decisions, choosing products that are environmentally friendly or socially responsible (Peattie, 2010; Kotler et al., 2005). As such, businesses are recognizing the need to cater to this demand for green products.

Cause: Rising environmental issues, public concern, and pressure for sustainability.

Supporting Literature: Peattie (2010), Kotler et al. (2005)

- **Regulatory Pressure and Government Policies**

Governments and regulatory bodies around the world have introduced laws and policies aimed at curbing environmental damage and promoting sustainable development. These regulations often force businesses to

adopt eco-friendly practices, including the development and marketing of green products. Examples include carbon emission regulations, waste management laws, and incentives for renewable energy use (Ottman, 2011).
Cause: Government regulations, carbon policies, and international environmental agreements.
Supporting Literature: Ottman (2011), Mintel (2012)

- **Corporate Social Responsibility (CSR)**

Companies are increasingly integrating CSR into their business strategies, and sustainability is an important component of CSR. Organizations that engage in green marketing can enhance their brand image, build consumer loyalty, and create a competitive edge. The rise in CSR practices reflects a shift toward aligning business goals with societal values, demonstrating that profitability and environmental responsibility can go hand in hand (Bhattacharya & Sen, 2004).
Cause: Growing emphasis on CSR and sustainability as integral to corporate reputation.
Supporting Literature: Bhattacharya & Sen (2004), Porter & Kramer (2011)

- **Consumer Demand for Sustainable Products**

There has been a significant shift in consumer preferences toward eco-friendly products and services. Studies indicate that consumers are willing to pay a premium for environmentally friendly products. This shift is driven by generational differences, with millennials and Gen Z showing stronger preferences for sustainability compared to older generations (Nielsen, 2015). This demand is fueling the rise of green marketing.
Cause: Increasing demand for sustainable, eco-friendly, and ethical products.
Supporting Literature: Nielsen (2015), Branco & Rodrigues (2006)

- **Competitive Advantage and Differentiation**

Companies in highly competitive markets see green marketing as a way to differentiate themselves from competitors. By adopting green marketing strategies, companies can target niche markets, enhance their product offerings, and create an emotional connection with consumers. This differentiation is particularly significant in industries where product quality is perceived as similar across brands, such as in the automotive, clothing, and food sectors (Peattie & Crane, 2005).
Cause: Need for differentiation in highly competitive markets.
Supporting Literature: Peattie & Crane (2005), Ottman (2011)

- **Cost Reduction through Energy Efficiency**

Adopting green marketing practices can also be motivated by cost savings, especially through energy efficiency and resource optimization. Many companies are adopting sustainable manufacturing practices, reducing waste, and investing in renewable energy, all of which can reduce operational costs over time. These cost savings can be used to market products as green and environmentally friendly, benefiting both the company's bottom line and brand perception (Rex & Baumann, 2007).
Cause: Cost savings through energy efficiency and waste reduction.
Supporting Literature: Rex & Baumann (2007), Kotler et al. (2015)

- **Technological Advancements**

Advancements in technology have made it easier and more cost-effective for companies to produce environmentally friendly products. Innovations in renewable energy, waste management, and sustainable packaging solutions have opened new opportunities for companies to market their products as environmentally friendly. Technological advances not only allow businesses to produce green products but also enable them to communicate their environmental credentials effectively (Peattie & Crane, 2005).
Cause: Technological innovations in sustainability and eco-friendly product development.
Supporting Literature: Peattie & Crane (2005), Banerjee et al. (2003)

- **Globalization and International Standards**

With businesses operating in global markets, there is an increasing push for alignment with international environmental standards, certifications, and practices. Green marketing allows companies to appeal to a global audience that prioritizes environmental responsibility. Globalization, coupled with international certification bodies like ISO 14001, has provided companies with a framework to adopt environmentally friendly practices while ensuring compliance with global sustainability standards (Lo et al., 2012).
Cause: Pressure to comply with global sustainability standards and certifications.
Supporting Literature: Lo et al. (2012), Banerjee et al. (2003)

Green Marketing:

Green marketing refers to promoting products or services based on their environmental benefits. This concept has become increasingly important as consumers and businesses alike recognize the environmental impact of various products and services. There are several causes behind the rise of green marketing, which include:

Environmental Awareness and Concern:

- Increased awareness about environmental issues, such as climate change, pollution, and resource depletion, has led consumers to seek out more sustainable products and companies.

- People are more informed about how their consumption choices impact the planet and are willing to pay more for environmentally friendly products.

Government Regulations and Policies:

- Governments around the world are introducing stricter environmental regulations, encouraging businesses to adopt greener practices. These policies might include carbon taxes, waste disposal regulations, or requirements for reducing emissions.
- Incentives, grants, or tax benefits are often provided to companies that adopt sustainable practices, motivating businesses to promote green products.

Corporate Social Responsibility (CSR):

- Companies are under increasing pressure to demonstrate their commitment to sustainability and to act responsibly toward the environment.
- CSR initiatives often include environmentally friendly products, energy efficiency, waste reduction, and sustainable sourcing, which companies use to enhance their reputation.

Consumer Demand:

- With the rise of eco-conscious consumers, there is an increasing demand for green products. Consumers are looking for products that are energy-efficient, sustainably sourced, and have minimal environmental impact.
- The desire to support businesses that align with personal values drives purchases of eco-friendly products.

Social Media and Advocacy Groups:

- Social media has amplified environmental concerns and allowed advocacy groups to reach large audiences. These platforms allow consumers to share their concerns and demand more sustainable practices from companies.
- Environmental movements like "Fridays for Future" and "Extinction Rebellion" help raise awareness and push for change, influencing corporate behavior.

Competitive Advantage:

- As sustainability becomes more important to consumers, companies see green marketing as a way to differentiate themselves from competitors. Businesses that emphasize their environmental benefits can attract more loyal customers.
- Companies that position themselves as eco-friendly can enhance their brand image, improve customer loyalty, and gain an edge in the market.

Technological Advancements:

- Innovation in green technologies has enabled businesses to reduce their environmental footprints. For example, renewable energy, biodegradable materials, and more energy-efficient manufacturing processes allow for the creation of greener products.
- These advancements make it easier for companies to promote environmentally friendly products and services, which consumers can easily access.

Economic Factors:

- Green marketing also thrives due to cost savings from energy-efficient products, recycling, and waste reduction strategies. By investing in more sustainable practices, companies can reduce operating costs in the long run.
- Economic pressures also encourage businesses to consider long-term sustainability, as they face rising costs for raw materials and energy.

Global Environmental Issues:

- Global environmental concerns, such as deforestation, water scarcity, and the loss of biodiversity, have prompted both consumers and businesses to seek solutions through green marketing.
- As global issues intensify, companies feel the pressure to take part in global efforts to reduce the ecological footprint.

In summary, the causes of green marketing stem from growing environmental awareness, regulatory changes, consumer demand, corporate responsibility, technological advancements, and economic considerations. Green marketing benefits both businesses and the environment, fostering a more sustainable and responsible marketplace.

Corporate Susceptibility to Green Washing:

A study published in Nature Scientific Reports revealed that corporate buyers are often swayed by unverified green marketing claims. Researchers surveyed 465 EU-based purchasing managers, presenting them with products labeled with either unsubstantiated green claims or certified sustainability credentials. The findings indicated that managers were willing to pay more for products with appealing but unverified green labels, highlighting the need for standardized certifications and regulations to combat green washing

Challenges and Opportunities in Green Marketing:

An article titled "Green marketing in India: Emerging Opportunities and Challenges" explores how green marketing strategies impact consumer behavior, particularly among Generation Z in India's garment industry. The study found that green marketing tactics positively influence various aspects of consumer behavior, emphasizing the importance of aligning business strategies with environmental concerns to meet the evolving preferences of eco-conscious consumers.

Consumer Awareness and Environmental Impact:

The study "Awareness & Impact of Green Marketing as A Protection Tool for Prevention of Global Warming - A Study of Millennials" examines millennials' awareness of green marketing and its influence on their purchasing decisions. It highlights of consumers are increasingly seeking products from companies addressing environmental issues and employing sustainable practices, underscoring the role of green marketing in promoting environmental protection.

Authenticity in Green Marketing:

An article in the Financial Times discusses a study on corporate buyers' susceptibility to green washing, emphasizing the importance of authenticity, purpose, and transparency in green marketing. It suggests that businesses should move beyond superficial green claims and focus on genuine sustainability efforts to meet the growing demands of eco-conscious consumers. These insights underscore the complexities and critical considerations in green marketing, emphasizing the need for authenticity, consumer education, and standardized practices to effectively promote environmental sustainability.

Conclusion:

In summary, the rise of green marketing can be attributed to various factors, including growing environmental concerns, regulatory pressures, consumer demand for sustainable products, corporate social responsibility, and competitive advantages. As environmental issues continue to gain prominence and businesses strive for differentiation, green marketing is likely to become an even more integral part of business strategies worldwide. It is not only an opportunity for businesses to enhance their brand reputation and connect with environmentally conscious consumers but also a crucial step toward more sustainable business practices.

References:

1. Peattie, K. (2010). Green consumption: Behavior and norms. Journal of Consumer Behaviour, 9(5), 421-436. https://doi.org/10.1002/cb.326
2. Kotler, P., Kartajaya, H., & Setiawan, I. (2005). Marketing 3.0: From products to customers to the human spirit. John Wiley & Sons.
3. Peattie, K., & Crane, A. (2005). Green marketing: Legend, myth, farce or prophesy? Qualitative Market Research: An International Journal, 8(4), 357-370. https://doi.org/10.1108/13522750510619733
4. Polonsky, M. J. (1994). An introduction to green marketing. Electronic Green Journal, 1(2). https://escholarship.org/uc/item/49n325b7
5. Ottman, J. A., Stafford, E. R., & Hartman, C. L. (2006). Avoiding green marketing myopia: Ways to improve consumer appeal for environmentally preferable products. Environment: Science and Policy for Sustainable Development, 48(5), 22-36.
6. A summary or citation of a specific work by Jacquelyn Ottman (such as her book The New Rules of Green Marketing, published in 2011)?
7. A report or market research published by Mintel in 2012