Increasing Brand Effectiveness Through Green Marketing

(With special reference to Cosmetic Industry)

Aditi Batheja

Assistant Professor – Marketing Management
Amity School of Business, Amity University Noida


Global Impact Factor (2013)= 0.326 (By GIF)
The paper covers green marketing trends that enable a company’s brand building, business development, and marketing strategies to have a competitive advantage and how to communicate a green marketing strategy through a cohesive, integrated marketing program. Playing the organic or the natural card can be a bright strategy to enter new distribution channel. By expanding their brand portfolio with organic or natural-positioned products, mainstream manufacturer

Keywords: Green Marketing, Environmental Awareness, Green Product Features, Green Promotion, Green Price, Green Purchasing Behavior

**ABSTRACT**

These days, the hottest color in beauty is green. Whether in their choice of packaging, their treatment of the people who harvest ingredients or their support of external initiatives, many beauty companies are setting an eco-friendly example. Sales of green products have globally increased in the latest years, sales of green products in China has quadrupled in the latest 5 years and analysis predictions show that organic market sales in Asia will grow by 20 % in the next five years. Although multiple retail sales in the United Kingdom which account for 71% of the green market went down 5 %, reasons given for the decline were lack of communication about green benefits as well as reductions of choice in the range of green products.

In the future truly natural products will be preferred by consumers and natural-inspired brands will become dominate in the natural personal care market. The United States is the leading green market globally and shows continuing growth, next to Brazil where the market is increasing by 40 % annually according to Organic Monitor.
Larger cosmetic companies such as Johnson & Johnson have pledged to remove possibly toxic chemicals from products by the end of 2015 and this is caused by a raised awareness from consumers that now have started to look for safer options. Common men’s skincare products revealed to contain toxic chemicals linked to infertility and prostate cancer. The increased awareness of organic cosmetic products shows that consumers are becoming knowledgeable about the benefits.

**Lowering the Consumer perceived risk by Green Marketing Strategies**

Companies must inform the consumers about their products in as much detail as possible to help them compare to other companies’ offers based on the environmental considerations provided by each company.

**GOING GREEN IN COSMETIC MARKET**

Mergers and acquisitions in the last couple of years have demonstrated companies' increased interest in organic and natural-positioned products and brands, as indicated by Shiseido’s acquisition of Bare Essentials, LVMH’s takeover of Nude Skincare and Ole Henriksen, and the French organic brand Kibio’s acquisition by Clarins. Organic products are increasingly gaining momentum in the beauty and personal care market, infiltrating not only the premium but also the mass market, with mainstream players such as Yves Rocher developing their organic range. They have also benefited to the natural trend, pushing consumers to look for natural ingredients. It must be noted that Natural products are not
necessarily organic but are composed of plant-based material lightly modified and produced with the maximum respect for the environment.

Today, even the men’s grooming market has embraced natural ingredients in their formulation, with brands such as BullDog (Little Wing Trading Co Ltd), which saw its sales doubled from 2009 to 2011 in the UK. By creating sustainable partnerships with local producers or by growing their own ingredients, companies like Sanaflore (Group L’Oréal), Natura and Yves Rocher can guarantee to their consumers the origin and the quality of their raw materials.

More companies are adopting a greener approach not only through their sourcing practices but also through their packaging. Manufacturers are increasingly turning to green packaging including packaging made from recycled materials or lighter materials. For example, Bio Beauty by Nuxe uses recyclable packaging printed with vegetable inks. The new BB cream by Origins lays in a FSC (Forest Stewardship Council) approved case made from recycled cardboard produced using renewable energy. Thierry Mugler uses a refillable bottle and a carton made from recycled materials for its fragrance Womanity as it is better for the environment and creates more perceived value for the consumer.

. In order to stay ahead of the game, manufacturers would be wise to emphasize their greener and more genuine approach to cosmetics. However, they need also to be aware of the danger of greenwashing, that is to say, claiming more sustainable or more natural than is really the case. This leads to lack of trust by consumers.

Finally, s could not only meet the demand of eco-conscious consumers but also expand their distribution by entering health and wellness stores, such as Whole Food Market or the
newly opened French supermarket fully dedicated to health and wellness, Coeur de Nature (Auchan Group SA).
GREEN PRODUCT, REALLY?

One of the challenges is the difference between the concern for the environment and translating this concern into actual purchase decisions. Most of the market research carried out would bear testimony to the fact that consumers prefer environment products and they indeed value preserving environment but the purchase decisions of customers would not be solely governed by their concern for the environment. Fundamental to this problem is the growing cynicism with which green products are perceived by customers. Since there has been a polarization of the market with claims of being green, customers have begun to doubt the authenticity of such claims. Lack of trust serves as a major impediment to stimulate purchasing decisions of customers. Some green products are no longer unique since as customers believe that the industry itself has become green. Too much emphasis on green has made the customers aver the preference for them as generic.

Green marketing strategy sometimes would be constrained by the finance orientation in marketing. There can be a tendency in a business to embrace green marketing solely as a cost cutting measure since reducing packaging can be touted as a response towards being green. In fact a finance orientation would create short termism and a business may be greedy in its green activities. Instead of developing new products business may be bogged down by cost cutting.

Green marketing suffers from compartmentalization since green marketing strategy is confined to the marketing division and there is little effort if no effort at all in integrating it with the business strategy. As a result green marketing becomes an isolated activity with
less input from other business functions. In such a scenario the strategy may never help the company to gain advantage.

Many business firms have come under criticism for resorting to green marketing since they are perceived to be engaged in a green spinning. Some critics would argue that a business that has been at the end of criticism for damaging the environment may suddenly turn green or propagate being green as a diversionary tactic. Hence a green strategy may be seen as eyewash and subjected to ridicule by pressure groups and media let alone other rivals in the industry.

Public relations exercises carried out under green marketing may turn out to be cosmetic steps unless they are supported by the business activities and practices. If a business cannot control the harmful effects of its suppliers and other business partners then green marketing would turn out to be lacking overall control.

2. **Anything green would sell and must sell !**

Green selling is another phenomena encountered by marketers when implementing a green strategy. A business may be prone to adopt a complacent attitude believing that anything green would sell and must sell. Business may attempt to solely focus on promotional activities without resorting to product development. Customers may not see a difference between the actual product & the claims made through adverts. Business firm implementing a green strategy may be hindered by compliance marketing whereby immediate concern would be to merely comply with the environmental regulations laid
down by regulators. This approach may not encourage a firm to go beyond the average standards and a business cannot be distinguished from other businesses in such a scenario.

A green strategy may create confusions in the minds of customers as to the types of decisions to be made. As the market is flooded with numerous green products customers may be at loss in making choices. This is especially true in the case of recyclable products. Many customers are unaware of the manner in which to deal with recycling process.

Green strategies in general and green marketing strategies in particular are costly and they require long term planning. The outcome of a green marketing strategy cannot be expected in the short run. Most of the benefits of green marketing are not directly related to consumer decision making since they may not clearly identify them.

The success of a green marketing strategy is largely dependent on the contribution made by different stakeholders of a business and different functional divisions of a business. The top management commitment towards a green market strategy would be crucial since in many instances green strategies have failed to deliver the goods owing to the internal dynamics with in the organizations. To overcome these difficulties, a business has to look at the concept of green marketing in an innovative way to reap the benefits. It has to be conceded that green marketing alone would no help a firm to gain competitive advantage in the present business context.
CONCLUSION

The findings suggest that green marketing helps brand building exercise. This Research paper/study is significant for the marketers, academicians, consumers, and others.

The word “eco-friendly” has become a buzzword of today's marketing practices of different companies throughout the world. Green marketing is gaining noteworthy attention from both marketers and consumers. Given that a carefully crafted green marketing strategy can earn credibility with customers and provide a stage for revenue growth, it's an area worthy of additional reflection. Green marketing covers more than a firm's marketing claims. While firms must bear much of the responsibility for environmental degradation, the responsibility should not be theirs single-handedly. Finally, green marketing requires that consumers want a cleaner environment and are willing to "pay" for it, possibly through higher priced goods, modified individual lifestyles, or even governmental involvement. Until this occurs it will be difficult for firms alone to lead the green marketing revolution. It must not be forgotten that the industrial buyer also has the ability to pressure suppliers to modify their activities. Thus an environmentally committed organization may not only produce goods that have reduced their harmful impact on the environment, they may also be able to pressure their suppliers to behave in a more environmentally "responsible" fashion. A smart marketer is one who not only convinces the consumer, but also involves the consumer in marketing his product. Green marketing should not be considered as just one more approach to marketing, but has to be pursued with much greater vigour, as it has an environmental and social dimension to it. With the threat of global warming looming large, it is extremely important that green marketing becomes the norm rather than an
exception or just a fad. Recycling of paper, metals, plastics, etc., in a safe and environmentally safe mode should become much more systematized and widespread. Marketers also have the accountability to make the consumers understand the need for and benefits of green products as compared to non-green ones. In green marketing, consumers are willing to pay more to maintain a cleaner and greener environment. Finally, consumers, industrial buyers and suppliers need to compel effects on minimize the negative effects on the environment-friendly. Green marketing assumes even more significance and weight in developing countries like India. Thus green marketing should look at minimizing environmental harm, not necessarily eliminating it.
BIBLIOGRAPHY