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Research Paper

Green Marketing to Green Myopia

D SHASHI

UGC NET (DECEMBER 2023), INDIA

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EXECUTIVE SUMMARY

In this present world it can be seen that at a very high speed humankind is being overtaken by technology and the artificial intelligence, but it can also be seen that not just individuals and environmentalists but corporate and business owners are also very much showing their concern towards the planet and the damages mankind is causing through its overall lifestyle and business battles. Thus comes into the picture "green marketing", companies and their owners with the ultimate objective to make profits have taken this emotional connect of the individuals with the planet as their advantage. The terms changed from ecological marketing in late 1990s to green marketing today but the objectives of the organisations remain concrete even today.

This was the point of view of the companies but as a customer, any individual would always like to consume a product at a right value irrespective of the harm or benefit it is going to cause to the environment. Therefore, even though green marketing seems ethically right and something that every business should practise because of the customer expectations, mostly businesses either fail or are unable to initiate the practice itself. Sometimes even after a great success at the initial stage, due to higher expectations of consumers businesses have to discontinue or continue with lower profits and disappointment if that's the cost to be on the side of the environment.

This concept of green marketing only practically works out for fewer and the fewest, that's given the support and understanding of the individuals within the corporation and outside the spectrum of profit making motives of the industrialists alongside with the consumers value consumption. Most of the scenarios when green marketing turns out to be green myopia is due to the short sightedness or negligence of the business firms to not genuinely commit to the sustainable practices.

Green marketing must satisfy two objectives: improved environmental quality and customer satisfaction. Misjudging either or over emphasising the former at the expense of the latter can be termed "green marketing myopia". Lets understand this concept of marketing myopia in detail. Green marketing has affected both harmful and beneficial ways to businesses, let's understand this by looking at various real examples as well.

IMPACT OF GREEN MARKETING

When initially introduced the idea of green marketing seems great both to the stakeholders and the customers. But at the later stages while executing the marketing strategies, meeting sales targets and customer expectations, the challenges start to appear. That's when companies start to induce malpractices and other unacceptable tools, bringing them back to zero on their contribution towards the environment.

Pros

• Raise awareness

The primary aim of any business corporation is to raise awareness about their products and services, and in today's scenario mother earth is the best way to grab attention by knitting a story around how the company and its products serve nature or protect the environment from exploitation.

• Competitive Advantage

By embracing green marketing, companies can establish a competitive advantage that resonates with customers, sets them apart from rivals and contributes to long-term success along with sustainability.

• New Markets

By emphasising on the eco-friendly features, companies can differentiate themselves from competitors and even establish a unique selling proposition. Green marketing can build a company's reputation, build trust and customer loyalty which opens the door for new markets through product development or diversification.

Cons

• Costly Green Certifications

The companies have to go through a huge process of inspection and get approvals and green signals through certifications, which are legally and ethically required for their products to be considered as the green products.

• Green washing

Making false environmental claims can lead to consumer scepticism, reputational damage, and regulatory scrutiny. Companies that prioritise image over substance undermine genuine sustainability efforts and risk legal challenges. Authenticity and transparency are crucial to avoid greenwashing and maintain credibility.

Just like a slide there are ups and downs to every concept and green marketing is no different, but still there are companies who pledge to try and serve the society and the nature for a sustainable future through practising green marketing culture.

CASE EXAMPLES

• WHIRLPOOL

In the early 2000s, Whirlpool launched its "Every Day, Care" campaign, highlighting energy-efficient features in its appliances. While this initiative was a step towards sustainability, it was largely focused on marketing and sales.

Evolution towards Genuine Sustainability:

Over time, Whirlpool recognized the importance of integrating sustainability into its core business strategy. Key milestones include:

1. Setting Science-Based Targets: Whirlpool committed to reducing its greenhouse gas emissions by 50% by 2025, aligning with the Paris Agreement.

2. Sustainable Product Design: Whirlpool introduced the "6th Sense" line, featuring smart appliances designed for energy efficiency and reduced water consumption.

3. Supply Chain Optimization: Whirlpool implemented sustainable sourcing practices, reducing packaging waste, and increasing recycling.

4. Employee Engagement and Training: Whirlpool launched internal sustainability programs, educating employees on eco-friendly practices and encouraging innovation.

5. Transparency and Disclosure: Whirlpool publishes annual sustainability reports, detailing progress, challenges, and future goals.

Avoiding Green Myopia:

Whirlpool's evolution demonstrates a shift from superficial green marketing to authentic sustainability efforts by

- 1. Setting ambitious, science-based targets
- 2. Integrating sustainability into product design and operations
- 3. Engaging employees and stakeholders
- 4. Prioritising transparency and disclosure

Whirlpool has avoided green myopia, ensuring its sustainability initiatives drive long-term value for the business, customers, and the environment.

This example illustrates how a company can transition from green marketing to genuine sustainability, avoiding the pitfalls of green myopia.

• MAMAEARTH

Mama Earth, a popular Indian baby care products company, marketed its products as "natural" and "organic". However, an investigation by the Indian government's regulatory body found the following discrepancies -

1. Misleading Labels

Mama Earth's products contained synthetic ingredients, contradicting their "natural" and "organic" claims.

2. Lack of Transparency

The company didn't disclose the exact composition of its products, making it difficult for consumers to make informed choices.

3. Inadequate Certification

Mama Earth's products didn't have adequate certification from recognized authorities, casting doubt on their "organic" claims.

Mama Earth's actions demonstrated green myopia in following ways -

1. Prioritising Marketing over Authenticity

The company focused on creating a "natural" and "organic" image rather than ensuring the actual quality and composition of its products.

2. Ignoring Consumer Trust

Mama Earth's misleading claims and lack of transparency eroded consumer trust and loyalty.

Mama Earth faced following consequences :

1. Regulatory Action

The company was fined and ordered to change its labelling and marketing practices.

2. Reputation Damage

Mama Earth's brand reputation suffered, leading to a loss of customer trust and loyalty.

3. Loss of Competitive Advantage

The company's green myopia compromised its competitive advantage in the market.

This example highlights how green myopia can lead to severe consequences for companies, including regulatory action, reputation damage, and loss of competitive advantage.

• FABINDIA

An Indian textile and apparel company, has evolved from green marketing to genuine sustainability efforts, avoiding green myopia:

Early Green Marketing Efforts:

Fabindia initially highlighted its use of natural dyes, organic cotton, and traditional craft techniques as a unique selling proposition. While this resonated with customers, it was largely a marketing-focused approach.

Evolution towards Genuine Sustainability:

Over time, Fabindia integrated sustainability into its core business strategy, going beyond mere marketing:

1. Supply Chain Transparency: Fabindia established direct relationships with farmers, ensuring fair prices and promoting organic farming practices.

2. Water Conservation: Fabindia implemented water-saving measures in its manufacturing processes, reducing consumption by 50%.

3. Waste Reduction and Recycling: Fabindia introduced recycling programs for fabric scraps, reducing waste and creating new products.

4. Employee Engagement and Training: Fabindia educated employees on sustainable practices, encouraging innovation and ownership.

5. Community Development: Fabindia invested in community programs, supporting artisans, farmers, and local economies.

6. Certifications and Standards: Fabindia obtained certifications like GOTS (Global Organic Textile Standard) and Fair Trade, ensuring accountability.

Avoiding Green Myopia:

A shift from superficial green marketing to authentic sustainability efforts by -

- 1. Integrating sustainability into supply chain and operations
- 2. Engaging employees and communities
- 3. Prioritising transparency and accountability
- 4. Embracing certifications and standards

Fabindia has avoided green myopia, ensuring its sustainability initiatives drive long-term value for the business, customers, and the environment.

This example illustrates how a company can transition from green marketing to genuine sustainability, avoiding the pitfalls of green myopia.

• H&M

H&M, a fast-fashion retailer, launched its "Conscious" collection in 2011, marketing it as a sustainable fashion line. The collection featured organic cotton, recycled materials, and environmentally-friendly production methods.

However, H&M's sustainability efforts were criticised for being superficial and not addressing the root causes of fast fashion's environmental impact.

The company faced accusations of:

1. Greenwashing

H&M was accused of exaggerating the environmental benefits of the Conscious collection.

2. Lack of Transparency

H&M didn't disclose enough information about its supply chain, making it difficult to verify the collection's sustainability claims.

3. Inadequate Recycling

The company's garment collecting initiative was criticised for not providing clear guidelines on recycling and reuse.

4. Business-as-Usual Approach

H&M continued to prioritise fast fashion's "take, make, dispose" model, contradicting the principles of sustainability.

H&M's green myopia led to:

1. Loss of Credibility

The company faced criticism from environmental groups, media, and customers.

2. Reputation Damage

H&M's sustainability efforts were seen as superficial, harming the brand's reputation.

3. Missed Opportunities

By not addressing the root causes of fast fashion's environmental impact, H&M missed chances to innovate and lead the industry towards sustainability.

This example illustrates how a company can struggle with green myopia, prioritising short-term marketing gains over genuine sustainability efforts, ultimately damaging its reputation and missing opportunities for meaningful change.

• VOLKSWAGEN

Volkswagen (VW) launched its "Clean Diesel" campaign in the early 2000s, marketing its diesel engines as environmentally friendly and compliant with emissions regulations.

However, VW's sustainability efforts were revealed to be a sham in 2015, when the company admitted to installing software that cheated on emissions tests. The scandal showed that VW had:

1. Misled Consumers

VW's marketing campaign was built on false claims about the environmental benefits of its diesel engines.

2. Prioritised Short-Term Gains

The company chose to cheat on emissions tests rather than invest in genuine sustainability efforts.

3. Ignored Systemic Issues

VW failed to address the fundamental environmental impact of its diesel engines, instead relying on a quick fix.

VW's green myopia led to:

1. Massive Fines and Penalties

VW faced billions of dollars in fines and penalties.

2. Reputation Damage

The company's brand reputation was severely damaged, leading to a loss of customer trust.

3. Long-Term Consequences

VW's actions set back the adoption of sustainable automotive technologies and damaged the industry's reputation as a whole.

This example illustrates how a company can prioritise short-term gains over genuine sustainability efforts, leading to severe consequences for the environment, customers, and the company itself.

SUGGESTIONS

• Given the global challenges such as climate change we face today, any company that is making a positive impact needs to have a green marketing strategy. Even companies that weren't necessarily sustainable before can make important changes within their organisation to become better.

• Instead of just making initial plans to attract consumers, businesses should focus on long term sustainability and make plans accordingly. By this way they would definitely survive in the market for long and if implemented effectively they can capture a huge market share and make huge profits.

• Customer is the king, therefore awareness programs should be built to inform the consumers how their buying habits and tastes and preferences directly and indirectly both affect the success of the green marketing strategies.

• Any set-up can be successful with a supervisor making it impossible to take a wrong step, and here comes the government or authorities into the picture who can keep an eye on both the ends of the river. To not let either the corporations nor the customers off the boat.

• Companies should make sure that the claims about the sustainability of the products delivered are not in any way false or misleading. Avoiding overpromising and underdelivering on the name of sustainability is one way to stay away from the trouble of green myopia, that often companies create for themselves.

• Sustainability should be integrated at the core business level and not just the front-end. Companies and marketers should go beyond surface levels at green marketing. Also encourage consumers, investors and stakeholders to foster discussions about sustainability and their expectations from the businesses around this social responsibility and concern.

• Developing tools to identify and prevent greenwashing and creating guidelines for authentic sustainability communication. By this companies can earn the trust of the consumers for a long term and this will ensure their survival in the industry.

• By conducting regular sustainability assessments, companies can monitor progress, identify areas for improvement, and adjust strategies. This will ensure their success over the long term.

• Consider the environmental and social impacts of products throughout their entire life cycle. By doing this companies can : Identify areas for improvement, Reduce environmental impacts, Optimise resource efficiency, Develop more sustainable products and Enhance brand reputation.

The holistic perspective helps companies move beyond green myopia, addressing the full spectrum of sustainability challenges and opportunities.

CONCLUSION

In conclusion, this article has explored the phenomenon of green marketing leading to green myopia, where companies prioritise short-term market gains over long-term sustainability. Through various examples, we have seen how organisations initially embrace green marketing strategies to capitalise on the growing demand for eco-friendly products, but ultimately succumb to green myopia by neglecting to integrate sustainability into their core business models. This myopia can result in reputational damage, decreased customer trust, and missed opportunities for innovation and growth.

To avoid this trap, companies must adopt a far-sighted approach, embedding sustainability into their DNA and continually assessing their environmental and social impacts. By doing so, they can transition from mere green marketing to genuine sustainability leadership, ensuring a resilient and thriving business for the long term. Ultimately, this shift requires a fundamental transformation in corporate mindset, prioritising transparency, accountability, and responsible practices that benefit both the planet and the bottom line.

By embracing green marketing and genuinely committing to sustainability, companies can differentiate themselves as responsible leaders in their industry. This approach allows businesses to stand out in a crowded marketplace, attracting customers who share similar values and are willing to pay a premium for eco-friendly products. Moreover, authentic green marketing can foster brand loyalty, drive employee engagement, and even influence supplier and partner relationships.

As consumers increasingly prioritise sustainability, companies that demonstrate a genuine commitment to environmental and social responsibility will reap the benefits of enhanced reputation, improved customer retention, and increased market share. By integrating sustainability into their core identity, businesses can transform green marketing from a tactical tool into a strategic asset, setting them apart as a force for good and a leader in their field.

The paradox of green marketing leading to green myopia underscores the need for a more nuanced understanding of sustainability in business. Companies must move beyond superficial greenwashing and embrace a holistic approach that integrates environmental, social, and governance (ESG) considerations into every aspect of their operations.

This requires a long-term perspective, investing in sustainable technologies, and fostering a culture of transparency and accountability. By doing so, organisations can avoid the pitfalls of green myopia and instead harness the power of sustainability to drive innovation, build brand loyalty, and create lasting value for both shareholders and society. Ultimately, the future of business depends on recognizing that sustainability is not just a marketing strategy, but a fundamental driver of success in an increasingly complex and interconnected world.

With or without realising the customers are the ones who sabotage the whole idea and execution around this concept by their unfulfilled and extreme expectations from the limited resources of the environment.

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