

# Green Marketing Myopia: What organisations can do in order to tackle it

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## Abstract

The purpose of this article is to understand Green Marketing Myopia and the various principles that can be followed by organisations to tackle Green Marketing Myopia. Green marketing is considered as the marketing of products and services which are safe to the environment. When organisations focus on green requirements of products and fail to understand the requirements of the customer, it leads to Green Marketing Myopia. As a result of Green marketing myopia, consumers lose faith towards the company's products. Consumer Value Positioning, Calibration of Consumer knowledge, and Credibility of Product Claims are the 3 important principles that organisations have taken in order to tackle Green Marketing Myopia. Credibility in communication and delivery of consumer desired value have to be practiced by companies to attain product dematerialisation and more sustainable service which shall help to avoid Green Marketing Myopia.

**Keywords:** Green Marketing Myopia; Principles of Green Marketing; Credible Communication; Delivery of Consumer Desired Value; Product Dematerialisation; Sustainable Service.

## Introduction

The term Marketing Myopia was introduced by Theodore C Levitt in the year 1960 in an influential article in the Harvard Business Review. He pointed out the "tunnel vision" which is a major drawback of organisations in which various aspects of the product such as Product features, functions and efficient production are managed instead of meeting the needs of the consumer. The lesson to be learned from Marketing Myopia is that organisations should focus more on the

customer instead of the product. The important aspect of Green marketing is to improve the quality of the environment and ensure that the customer satisfaction is achieved. When companies focus on green requirements only without understanding the customer tastes and requirements, the resulting situation is called Green Marketing Myopia which could seriously affect the prospective growth of the company. Green Marketing Myopia also occurs when green products fail to provide credible and environmental benefits to the consumers. Plenty of Green products are available in the market which offer convenience and better performance to the consumer, but these products are not marketed in the right way with their green benefits. As a result of Green Marketing Myopia, consumers begin to have a misunderstanding about the benefits of the product or service and may lack trust towards the company. Green Marketing Myopia results in decreased environmental quality and customer dissatisfaction.

## Statement of the Problem

The present paper tries to address Green Marketing Myopia and the various principles that can be initiated by organisations in order to tackle Green Marketing Myopia.

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### Objectives of the Study

1. To understand the concept of Green Marketing Myopia
2. To identify the various principles that can be taken by organisations in order to tackle Green marketing myopia.

### Research Methodology

The study is descriptive in nature. The data is collected from secondary sources such as research articles, books, etc.

### What is Green Marketing?

According to Polonsky (1994) Green or environmental marketing consists of all activities, designed to generate and facilitate any exchange intended to satisfy human needs and wants, such that the satisfaction of these needs and wants occur with minimum detrimental impact on the natural environment.

Mintu and Lozada (1993) defined green marketing as the application of marketing tools to facilitate exchanges that satisfy organisational and individual goals in such a way that the preservation, protection, and conservation of the physical environment is upheld".

According to Stanton and Futrell (1987) - all activities designed to generate and facilitate any exchanges intended to satisfy human needs and wants; therefore it ensures that the interest of the organization and all its consumers are protected, as voluntary exchange will not take place unless the buyers and sellers are mutually benefited.

### What is Green Marketing Myopia?

The main objective of Green Marketing is to satisfy 2 aspects such as improving the quality of the environment and attaining the satisfaction of the customers. When either of the 2 aspects mentioned above is misjudged or environmental quality is overemphasized at the expense of attaining customer satisfaction, the resulting situation leads to a phenomenon known as Green Marketing Myopia. Green Marketing Myopia also occurs when organisations become preoccupied with products' greenness rather than understanding the needs of the consumer.

#### *Examples of Green Products which have Failed*

- (i) In the year 1994, Whirlpool introduced the "Energy wise" refrigerator considered to be a

Chlorofluoro Carbon free cooler as a measure to completely eliminate CFC. Whirlpool also won the Golden Carrot Award from the Super Efficient Refrigerator program. The sales of the refrigerator lost vigour because the energy-savings and CFC-free benefit did not make up for the price premium in markets outside the rebate program. Moreover, the refrigerators were not able to provide additional features and benefits that consumers wanted.

- (ii) General Motors introduced the electrical vehicle EV-1, and Ford introduced the Think Mobility Electric vehicles between 1990 and 2000 in response to the Zero emission vehicle regulations adopted in California. Both the companies came up with a new electric vehicle that offered a 2 seater facility. Consumers felt that these electric vehicles had to be constantly recharged and there were few recharging locations. It was also found that most of the users of electric cars were not ready to change their driving habits to accommodate electric cars. As a result, the vehicles had to be excluded from the market.
- (iii) Mobil's Hefty photodegradable plastic bag was introduced in the year 1989. The term "degradable" was used in the packaging. The company stated that a special ingredient helped in the decomposition into harmless particles in landfills which was activated after exposed by sun, wind, and rain. Degradation becomes impossible when garbage is dumped into landfills that facilitate in limited exposure to sun, wind and rain. The claim stated by the company made the environmentalists angry. Mobil was sued in connection with false advertising and consumer fraud. The company removed the claim from its packaging and decided to take extreme care in making environmental claims in the future.

### How to avoid Green Marketing Myopia?

Ottman, Stafford and Hartman (2006) have suggested three important principles in order to avoid Green Marketing Myopia. These are also regarded as the three C's.

- (i) Consumer value positioning
- (ii) Calibration of consumer knowledge
- (iii) Credibility of product claims

#### 1. Consumer Value Positioning

There are 5 desirable benefits associated with

green products such as Efficiency and Cost Effectiveness, Health and Safety, Performance, Symbolism and Status, and Convenience.

#### *Efficiency and Cost Effectiveness*

Potential energy and resource efficiency were found to be some of the common benefits of green products. The long-term savings associated with green products have influenced cost-conscious customers to buy green.

For example- The price of Whirlpool's Duet front-loading washer and dryer is more than \$ 2000. The price of the machine is quite high when compared to price of conventional units. The major advantage of Whirlpool's Duet Front-loading washer is that it can save upto 12000 gallons of water and \$110 on annual electricity compared to the other models.

Procter and Gamble introduced Tide Cold Water laundry detergent in order to enable consumers to clean clothes very well in cold water. It was also found that consumers could save an average energy of \$63 per year by using cold water. Opportunities for products offering efficiency and cost savings are very important for market growth as the prices of resource and energy seem to increase rapidly.

#### *Health and Safety*

Health and safety is considered as an important aspect among consumers such as pregnant women, children, and the elderly. Market positioning on health and safety can achieve a wider appeal among consumers who are health-conscious. If a product is able to provide greater performance by keeping the environment safe, the consumers will have a favourable opinion towards the product. Fumes from paints, furniture may cause headache or vomiting sensation among residents. Some companies have come up with some green products in order to tackle air pollution.

For example- Sherwin Williams offers an interior paint named "Harmony" that is silica-free, low odour, and zero volatile organic compounds.

Mohawk sells Everset fibers, a carpet that is designed in such a way that most of the stains are removed with water. Through the usage of such a carpet, the need of using a chemical cleaner is totally eliminated.

#### *Performance*

Green products are prepared to perform better than non-green products.

Eco-friendly tubeless tyres were launched by MRF which are made from unique silica-based rubber compounds. These tyres provide greater fuel efficiency to users of vehicles.

#### *Symbolism and Status*

The product "Amul Butter" owned by the Gujarat Cooperative Milk Marketing Federation occupies a distinct position in the minds of the consumers. The picture of a girl holding a loaf of bread comes to the attention of the consumer when asked about Amul brand. Utterly butterly delicious Amul has got a unique status among the various brands of butter in the Indian market.

#### *Convenience*

Many green products offer convenience which can play a very important role in achieving competitive advantage. LED's can be used instead of electric bulbs and fluroscent tube lights. Electric bulbs consume a very high voltage. Tubelights also may contain toxic chemicals. LED's have a higher lifetime and emit a brighter light compared to tubelights and electric bulbs. Due to their convenience, LED's are also used in traffic lights nowadays.

## **2. Calibration of Consumer Knowledge**

Organisations should ensure that the consumers are communicated about the benefits of going green along with the benefits offered by the product.

*Example-* Electric buses and cars introduced by companies ensure that there is zero emission and there is no harm to the environment. The only aspect is that these vehicles have to be recharged at convenient locations. Consumers can save a lot of expenses associated with the purchase of fuel while opting for electric vehicles. So the organisations have to care that performance of the product as well as its environmental impact is properly communicated to the consumers. In Kerala, KSRTC had started a trial run of electric buses to cut down air and sound pollution and offer convenience to customers with air-conditioning facility inside the vehicle.

Bajaj, is planning to launch an electric autorickshaw for the first time in India by the year 2020 to reduce sound pollution.

## **3. Credibility of Product Claims**

Credibility is one of the important aspects of

effective green marketing. Consumers do not have the ability to judge whether the products they buy are green products. If the products do not provide the required performance and environmental benefits, the consumers shall have a negative attitude towards the product and the company. Previous research studies indicate that green claims given by the organisations should be specific and meaningful. Third party endorsements and eco-certifications can be done in order to increase the acceptability of product claims among consumers. Word of mouth marketing can also be practiced by companies in order to ensure that the information about the product reaches the consumers.

Procter and Gamble used all these 3 principles which set the platform for the successful launching of the laundry detergent named "Tide Coldwater".

### Conclusion

#### *Stance for Sustainability*

The drive for innovation towards healthier, more efficient, high performance products was a creation of rising energy prices, growing pollution, resources consumption, political pressure to address climatic change which will eventually compel all marketing

to incorporate elements of green marketing. Credible communication and delivery of consumer desired value are indispensable for product dematerialization and sustainable service which can be practiced by organisations in order to avoid Green Marketing Myopia.

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