



Impact of Green Marketing on Consumer Satisfaction in Informational Technology Sector

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Abstract:

As per Environmental Development Commission (1978), green marketing is also a facilitator of sustainable development which means fulfilling the needs of present without ignoring the need of future generations. The main and important concept of this strategy of sustainable development is to utilize financial and ecological aspects in decision making with the help of new policies development in order to enhance environmental protection and geographical region. Green marketing strategies help both the present generation and future generation in decision making process. With the increased development of operations of energy development, strategies to control pollution, recycling and packaging of products which are included in green marketing helps in sustainable development (Ernest, Robert, Woodruff, & Roger, 1987). Green deign product begin to give the concept of green marketing. Products are manufactured on demands of customer. Product deigning and customer demand is an interface between green marketing and customer satisfaction (Fuller, 1999). The rule of green marketing is that product should be in that sense which can fulfill the need of costumers and enhance their satisfaction. It is the attribute of green branding that product should speak itself about quality.

Key-Words: GREEN MARKETING, UN, USD, CAGR.

Introduction:

Market Overview:

The green IT services market was valued at USD 11.28 billion in 2020 and expected to reach USD 20.48 billion by 2026 and grow at a CAGR of 10.47% over the forecast period (2021 - 2026). The use of sustainable sources has been a widely adopted trend as the enormous cost-savings and optimization of the resources have proved to be a favoring factor for the industry.



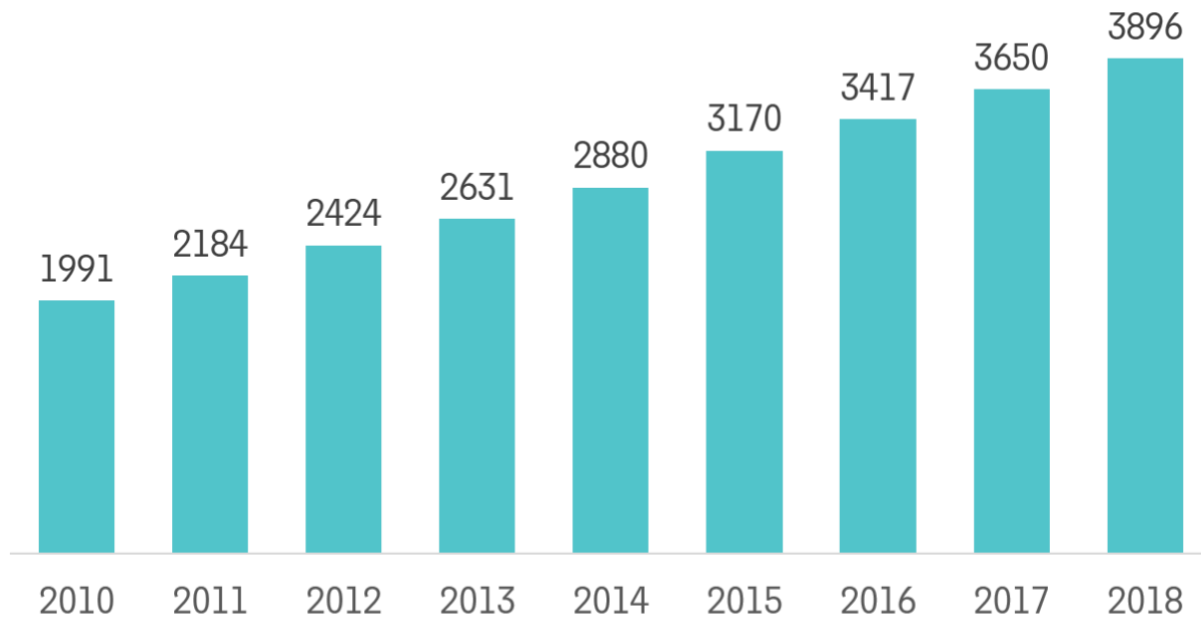
- The growing emphasis on reducing carbon footprints and the growing need for eco-friendly services are pushing the growth of green IT services. Companies around the world have started improving the efficiencies of operations. The need to reduce wastage, efficiently utilize resources, and reduce carbon footprints warrants the deployment of innovative and sustainable solutions.
- Due to the increase in environmental conditions and carbon footprints, the companies and the government have started to control and improve the condition by the deployment of IT solutions, which acts as a driver to the green IT services market.
- However, the high initial costs of such services are limiting the growth of this market. Many companies and organizations have limited or no budgets for green IT resources.

Key Market Trends

Application in IT and Telecom to Drive the Green IT Service Market

- The use of green IT services is expected to increase in the IT and telecom industry as the number of start-ups and organizations is growing rapidly. Information technology and the telecom industry are among the leading industries utilizing the green IT services in the recent past.
- Since there is a large presence of users on social media platforms the internet traffic has elevated with significant growth, storage and cloud space has to be updated with the installation of high capacity powerful servers replacing the old outdated servers. Green IT services come into the role by utilizing the same old disposing of computers products and using them in an environmentally friendly manner.
- The telecom industry has recorded strong growth over the last few decades, aided by the growing adoption in developing regions. They provide support for telephone systems, cabling, installation and repair, fault tracing, and survey services. Also, they make sure that the quality of the wiring installation will be long lasting and less hazardous and also replace the old ones.

Number of Internet Users, in million Units, Global, 2010 - 2018



Source: ITU



For some time now, **environmental sustainability** has been one of the most relevant issues at a global level and it is involving governments, companies, and consumers.

Consumers have never been as environmentally aware as they are today, and this is impacting the organizational and commercial processes of companies. The importance of communicating sustainability for a company is increasing dramatically on a global scale.

The idea that **respect for the environment must also be a corporate responsibility** and not just an individual one is increasingly shared. In fact, according to Ipsos research, **60% of Italians** expect to see **a concrete commitment from companies to solve social and environmental problems**. In the last six years, the %age of those who claim to be familiar with the concept of sustainability has tripled, rising from 12% in 2014 to 36% in 2019. Consequently, the attention towards the actions that each person can implement every day to protect and respect the community and the environment is also growing. In particular, **66 Italians out of 100 perceive themselves to be very**



attentive to environmental issues, and 64 out of 100 say that their sensitivity in this area has grown in recent years.

Companies can no longer worry only about their product, but must **take a stand** on important issues outside of business. Consumers, likewise, are more likely to buy from environmentally conscious companies.

In fact, companies are increasingly designing new solutions to meet the **new environmentally conscious trends** within the vast majority of markets.

Environmental **sustainability** is a precise corporate strategy that was created both to **meet the needs of increasingly attentive consumers** and **for ethical reasons**, in addition to a progressively stringent regulatory framework on these aspects.

The worsening of environmental problems worldwide, starting from the high presence of plastic in the seas and oceans of the world, global warming, the consumption of raw materials, and waste disposal, have pushed international bodies and, as a cascade, companies and individual consumers, to review their habits, particularly in the production field.

It is no coincidence that the **UN has defined 17 Sustainable Development Goals** that must be achieved **by 2030** on a global level by all member countries. This means that every country on the planet is called upon to make its contribution to tackling these major challenges together.

Today, the resources consumed by the global population are greater than those that the ecosystems can provide. In order for social and economic development to take place within a framework of sustainability, our society must drastically change its way of producing and consuming goods.

Specifically, **Goal 12 defined by the UN** promotes the implementation of the 10-year program for a **model of sustainable consumption and production**. The goal is to use an environmentally friendly approach to chemicals and waste. The volume of waste will have to be significantly decreased, among other things through recovery. Food waste will



have to be halved. Businesses will need to be spurred on to more sustainable business management.

The level of greening—strategic, quasi-strategic, or tactical—dictates what activities should be undertaken by a company. Strategic greening in one area may or may not be leveraged effectively in others. A firm could make substantial changes in production processes but opt not to leverage them by positioning itself as an environmental leader. So although strategic greening is not necessarily strategically integrated into all marketing activities, it is nevertheless strategic in the product area.

What is green marketing?

As never before in this socio-economic context, **every brand has an ever-increasing need to communicate sustainability and direct its actions under a banner of “green,”** thus communicating its values through concrete choices, creating solutions that look at the global welfare and, through concrete actions to reduce expenses, showing an eco-sustainable image and enhancing **green marketing strategies.**

In the economic context, **green marketing** refers to all activities that contribute to the development, marketing, and promotion of products and services capable of generating a lower environmental impact compared to the alternatives offered on the market.

The objective is to set the stages of production, marketing, and use of a product in such a way as to convince consumers to opt for a conscious and environmentally sustainable consumption.

Green marketing is used by companies to build or strengthen their image as ecologically sensitive, but also and above all to spread and make normal new lifestyles and consumption habits that make the environment and social concerns the primary drivers of choice, both shared and accepted (Grant, 2007). Green marketing, in fact, has the long-term objective of **changing lifestyles and upgrading consumption, making the ecological alternative perceived as normal and acceptable and, consequently, the offer of green products and services as attractive and preferable.** This is exactly the opposite of greenwashing, which tries to make normal business activities seem “green.”



Green washing means promoting using positive environmental ideals without these ideals really being part of the company's values. It involves building a falsified image of the company, often to hide the very negative impact it has on the environment.

This type of promotion is very risky. It is true that consumers expect companies to be environmentally sustainable, but it is also true that they tend to be reluctant to believe in the total truth of their claims. That's why it takes constancy and, above all, consistency to build a company's image. Attributing an attention to the environment that does not actually exist can be very risky for a company's reputation.

Therefore, in order to avoid the risk of greenwashing, there must always be **transparency and consistency** between a company's objectives and its actions, and all the objectives achieved must be demonstrable with certifications.

The attention that the **media** is giving to these issues is increasingly influencing more consumers, who are now looking for companies and products that are able to **respect the principles of environmental sustainability in terms of green marketing**.

Green marketing and Corporate Social Responsibility:

Corporate social responsibility has an economic return, according to **the Nielsen Global Survey of Corporate Social Responsibility and Sustainability**, a study conducted by interviewing 30,000 internet users in 60 countries, including Italy to analyze consumer behavior regarding the social responsibility of consumer goods manufacturers.

Globally, sales of products from brands that are active in being socially and ethically responsible grew by more than 4%* in the last year, compared to other brands that grew by less than 1%. **Sixty-six % of consumers say they are willing to pay more for a "responsible" brand**, an upward trend from 55% in 2014 and 50% in 2013.

Significant differences can be seen between North America and Europe, where only 44% and 51% respectively are willing to pay more for a responsible brand, compared to other areas where growth or urbanization rates are much higher, resulting in stress on the environment and people. In South America, the percentage rises to 71%, in Africa and the



Middle East/Pakistan to 75%, to reach the highest among consumers in Asia Pacific and Southeast Asia (76% and 80% respectively).

Italians are aligned with the rest of Europe, with **52% of consumers recognizing a higher price for so-called “green” products**. It should be noted that this is a growing trend, starting with 32% in 2013, a trend shared at the European level.

In a vast panorama of choices, the reasons why people buy one product over another stem from a number of factors. As environmental and social concerns grow, understanding how much consumers' feelings are reflected in their actions is crucial. Therefore, the analysis assessed the importance of factors such as the social or environmental commitment of companies and products on purchase motivations.

There are great opportunities for companies that adopt a green marketing strategy and thus manage to combine environmental and economic sustainability, combined with efficiency.

Consumers are willing to spend up to 15% more for the same product to choose one that meets the dictates of **environmental sustainability**.

It is also true that it is no longer enough to talk about sustainability and state that you believe in these values to win the favor of the public.

Today, we need **real data on the brand's concrete commitment** to create a solid and credible image, based on sustainable aspects through the construction of a healthy business not in the short term, but in the long term, through dedicated investments.

The other key factor, in addition to transparency, is to be able to **effectively communicate** this commitment to environmental sustainability, because even today these aspects allow access to new and fruitful markets.

The best examples of Green Marketing:

Now, we'd like to mention some of the best examples of sustainable marketing, i.e. companies that are socially responsible and actively considering the long-term



environmental impacts of their business practices. Some companies have used green marketing campaigns to promote sustainable core values.

Starbucks, the North American coffee giant, is committed to engaging its community in environmental sustainability issues. It has issued a **\$1 billion Sustainability Bond** intended both to support more ethical coffee growing at its locations and the **Greener Stores** initiative, through which the company also plans to reduce waste. Starbucks uses 30% less water and 25% less energy during its production processes. It also uses eco-friendly materials to produce, package and deliver your product to consumers.

Both aim to make both products and stores more social and environmentally friendly. But it has gone further by planning to eliminate all plastic straws by 2020 and opening 10,000 green stores by 2025.

Ikea, on the other hand, uses many tactics and sources to manage waste and renew energy: 90% of its buildings have solar panels, it uses wind farms to generate power, it has planted millions of trees, and the company sends only 15% of its waste to landfills.

Ikea has received **many awards** for its environmental sustainability efforts. It is recognized by Impact Company for demonstrating respect for human and economic rights, as well as for its contribution to the environment through regenerative efforts. Ikea doesn't plan to stop there; it is currently working towards 100% renewable energy.

Instead, **Nestlé** has focused its environmental strategy on **packaging**. The company is committed to **making 100% of its containers reusable or recyclable** by 2025. Nestlé's main goal is to help its consumers reduce greenhouse gas emissions by at least 20 million tons by 2030 by offering more and more green solutions, from fuels for highway and air transportation (which are currently able to reduce greenhouse gas emissions by 90% compared to fossil fuels, rising to 80% for aviation fuel), from the production of polymers and other plastic material from renewable sources to the recycling of organic materials (such as waste oil and animal fats) to be transformed into new energy. By 2025, the intention is to recycle 100% of organic waste (currently at 80%); from 2030 onward, Nestlé aims to process more than one million tons of plastic.

Conclusion:



The large companies have put green marketing as a top priority. To conclude, we can say that **environmental responsibility and sustainability** must be seriously considered and included within a company's **green marketing strategy**, both to respect our ecosystem that is asking us for help and to take advantage of the enormous opportunities that the market offers.

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