

Problems and Prospects of Green Marketing (With Special Reference to Tirupur Knitwear Industry)

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Abstract: Green marketing refers to the process of selling products and/or services based on their environmental benefits. It consists of all activities designed to generate and facilitate any exchanges intended to satisfy human needs or wants with minimal detrimental impact on the natural environment. From design, production, to sale and after-purchase service all should be green. Green marketing is helpful to establish the enterprise's green image and green brand, and increase consumers' recognition. In ecology clothing, production process of the materials - natural colored cotton, no chemical pesticide or fertilizer is used. This avoided the chemical's destruction to the environment and harm to the human body. Thus many of the exporters intended and involved in green marketing. The study focused on understanding the preference of exporters towards green marketing, problems in adopting green marketing and future prospects of green marketing. A sample of 100 exporters has been contacted in Tirupur. Expenses on R&D, requires high investment in research and development to reduce the cost has been the main challenge for them in adopting green marketing.

I. Introduction

The concept "green marketing" had its origin in Europe in the early 1980s when specific products were identified as being harmful to the earth's atmosphere. Consumers are concentrated in terms like Phosphate Free, Recyclable, Refillable, Ozone Friendly and environmentally friendly while satisfying their needs. These terms are green marketing claims which can be applied to consumer goods, industrial goods and even services. Green marketing integrated with a broad range of activities, including product innovation, changes to the production process and packaging.

The traditional production and consumption fashion has brought the people with great material prosperity, but at the same time, it also brought a lot of new problems: population explosion, the uneven income, the environmental pollution, the waste of resources, energy crisis, and worse ecology. Facing the new challenge, the people realize that they must change the original production and consumption way, and seeks a new sustainable production and consumption way. The sustainable development of garment industry which means satisfying the contemporary needs without sacrificing the future generations' benefit requires their enterprises to pay more attention to the long-time prosperity, not merely satisfied with present benefit which will leads to the ruin to environment. These problems can remove by green marketing.

The development and production of ecology textile and green environmental protection clothing will become the need of the hour. As demand increases it can be assumed that marketing of goods with environmental features will have a competitive advantage for the firm. The development of green marketing could give an assurance to the sustainable development of garment industry. India holds major share in the production of fashionable and comfortable garments. Indian garment industry is using green marketing techniques to develop the green image.

1.2. Review of Literature:

Huanfeng Li and Weimin Cai (2008) have introduced the new ideas how green marketing influences the sustainable development of garment industry and analyzed the cost and profit to employ the green marketing, both in short term and long run. They suggested that in the short run the cost may increase but in the long run the income will compensate the cost. There are five reasons: reduced cost, expanding export by broking down green barriers, establishing the enterprise's green image and avoiding green tax. They concluded that implementing green marketing is crucial to the sustainable development of garment industry. Hebei Jigao (2010) has suggested using tanboocel fiber made out of Bamboo pulp to produce terry towels, underwear, socks, which has strong durability, stability and tenacity. Tanboocel can be spun purely or blended with other materials such as cotton, silk, polyester, spandex, etc which has very good moisture absorption, breathability, softness along with anti-bacteria, anti-uv and deodorization properties that is eco-friendly fibre. He found that the market potential for this fibre is very high in India. Sharon Housley has said that the companies are going green with true care or for cost savings is not a matter. At the end the green business will help in leaving the planet in a healthier manner for future generations. Himadri Ghosh (2010) has suggested using neem to manufacture

antimicrobial yarn instead of using chemicals which is a traditional method that can be produced by using contemporary machines. So that a manufacturer can give consistent quality to the buyers and at the same time give sustainable employment opportunities to the rural areas. Jayanta Gosh(2010) has shared that they have fragrance yarns which are in great demand from Europe and she added that they took fragrance out of onion skins and if the yarn is smelled it doesn't smell of onion as they blend that with many other herbs and aroma which makes the yarn so soothing and refreshing in which the smell remain till 120 washes. Suranjan Lahiri (2010) has said that lot of energy and time is currently going towards green concepts, which helps in reducing environmental pollution. She found that there is innovation and improvements in the area of energy consumption, water consumption, hard waste controlling and hazardous waste disposal in apparel manufacturing units. She opined to use soap nuts in the place of hard detergents for more sustainable and "Green wash". Raman Deep (2010) has stated that yarns are made from bamboo, banana, Pima, Soya silk milk fibres. Some yarns are with anti microbial, moisture, stretch and bio degradable qualities. Among those banana fibre/yarn is getting very good response from the market, which is skin friendly fibre with anti-bacterial properties and great absorbency which dries with in 17-18 minutes and is similar to silk which is also used as a replacement of silk yarn. Rajan menon (2010) has suggested to use iron dust to get black colour yarns, which is one of the method of preparing eco-friendly dye and said that the natural yarns are dyed three times and dried thrice to get the right colours. Mark Ryan (2015) has said that the conservation of environment is done by everyone from individuals and NGO's to Government bodies by doing something towards it. Business across the world has some benefits in implementing environmentally conscious technologies. So he suggests using eco-friendly promotional gifts for promoting their company's name, logo or slogan and adds that this gift helps in improving customer relations and contributes a bit towards protecting the environment from further damage.

1.3. Need for the Study

As resources are limited and human wants are unrestricted, it is indispensable for the marketers to utilize the resources efficiently. There is growing interest among the consumers all over the world regarding protection of environment. Worldwide evidence indicates people are concerned about the environment and are changing their behavior. As a result of this, green marketing has become known which gives importance for sustainable and socially responsible products and services. Both of the individual and industrial consumers are becoming more concerned with environment-friendly, recyclable and non-toxic products. This has become the new mantra for marketers to satisfy the needs of consumers and to earn better profits. Hence an overview has been made to study the problems and prospects of green marketing in Garment Industry.

1.4. Objectives of the Study:

- ❖ To know the respondents' preference for attributes of green marketing
- ❖ To study the reasons to prefer green marketing.
- ❖ To analyse the opinion of the respondents about the challenges faced in adopting green marketing.
- ❖ To study the future prospects in implementing green marketing.

II. Methodology

The study being descriptive nature, 100 garment exporters of total population have been selected as sample respondents by using convenient sampling technique. A well structured close ended interview schedule with queries relating to reasons for choosing green marketing, proposal for adopting green marketing, challenges faced while adopting green marketing, future prospects in implementing green marketing has been framed. The secondary data for the review were sourced from news bulletin of various textile and research agencies, both official and unofficial newspapers. The study period extended for about 6 months from August 2010 to January 2011. Percentage analysis, Chi square test, Kendall's coefficient of concordance has been used to test the relationship among the variables taken for study.

1.6. Analysis and Interpretation

Table.no.1.Profile of the Exporters

Particulars		Respondents	Percentage
Type of Organization	Sole proprietor	20	20
	Partnership firm	56	56
	Private limited Company	24	24
	Total	100	100
Experience	Below 5 years	6	6
	5-10 years	42	42
	10-15 years	40	40
	Above 15 yrs	12	12
	Total	100	100
	Own capital	22	22

Sources of finance	Borrowed capital	14	14
	Own and borrowed capital	64	64
	Total	100	100
Annual Turnover	Below 5 crore	16	16
	5-10 crore	26	26
	10-15 crore	36	36
	Above 15 crore	22	22
	Total	100	100

The Partnership firm has been chosen by 56% of the respondents as the decisions and the risk is shared among them which is essential for garment business. 20% and 24% of the respondents opted sole trading and company form of organization as their business. There are more number of experienced persons in the business (42%) with 5 -10 years of experience, as compared to those with below 5 years experience (6 %). However, considering the risk involved in the export business, respondents with more than 10 years of experience have constituted only to about 12%. 22% of the exporters invested their own money in the business. 14% of them have taken up the risk of borrowing money from external sources to run the business whereas 64% of the respondents have sourced both own and borrowed capital. 42% of the exporters contacted, have an annual turnover of less than Rs.10 crores, while those exceeding Rs.10 crores turnover target have been 58%.

1.7. Attributes of Green Marketing

Table no.2 shows the respondents preference for the attributes of green marketing. 6 variables has been ranked by the respondents as their preference for the attributes of green marketing. Total score has been calculated by multiplying the points given to each rank. Mean value calculated by dividing the total score and number of respondents.

Table no.2.-Preference for the Attributes of Green Marketing

S. No	Attributes	Total Scores	Mean value	Rank
1.	Recyclable	488	4.88	1
2.	Ozone friendly	460	4.60	2
3.	Energy saving	386	3.86	3
4.	Hazardous chemicals free	304	3.04	4
5.	Environmental protection clothing	240	2.40	5
6.	Value addition	216	2.16	6

It is found that the respondents preferred recyclable attribute as most important as the company can recycle their own product to produce another by-product; Ozone friendly considered as next since the product produced will not affect the ozone layer; Energy saving considered as the next factor as power consumption will be very low when the green product is being produced; Fourth rank had given to hazardous chemical free as the product is safe to use even for children; Environmental protection clothing preferred to be the next important factor as garment production will not cause any damage to the surroundings and it is safe to wear; value addition considered as least important the usage of green products definitely add up the good value to the garment in the market.

Kendall’s Co-efficient of Concordance: Kendall’s Co-efficient of Concordance has been used to find whether the ranks assigned by the respondents have the same order or the ranks assigned by the respondents have any similarities. The Kendall’s (w) has been found to be 0.36, which has indicated that there has been very low similarities of opinion among the respondents of garment companies in assigning ranks for the attributes of green marketing.

1.8. Reason for Choosing Green Marketing

Green marketing is the process of developing products and services and promoting them to satisfy the customers who prefer the products of good quality, performance and convenience at affordable cost and environmental friendly. Table no.3. shows the preference of the respondents for choosing green marketing.

Table no.3 -Reason for Choosing Green Marketing

S. No	Reason	Point analysis	Mean value	Rank
1.	Buyer’s insistence	542	5.42	1
2.	Increases consumers recognition	446	4.46	2
3.	To maintain corporate social responsibility	442	4.42	3
4.	To gain competitive advantage	424	4.24	4
5.	To realize continuous thriving	328	3.28	5
6.	Sustainable development	320	3.20	6
7.	To avoid clothing that is injurious to health	296	2.96	7

Buyer’s insistence ranked as the most preferable reason, the buyers now a days are more environment conscious ; Increases consumers recognition considered as next since awareness has been increased among the consumers all over the world regarding protection of the environment in which they live, People do want to bequeath a clean earth to their offspring; To maintain corporate social responsibility regarded as the next reason as the regulation of the government reduces the industry's production and consumers' consumption of harmful goods, including those detrimental to the environment;; Fourth rank has been given to gain competitive advantage; To realize continuous thriving considered as the next preferable factor ; Sixth rank had given to sustainable development as the growing interest among the manufacturers and retailers and consumers concern towards sustainable clothing.; to avoid clothing that is injurious to health regarded as the least factor.

1.9. Challenges Faced While Adopting Green Marketing

The production of green product required new technology in product line which is a challenge to the manufacturers who enter into the green marketing. Table no.4 shows the challenges faced by the respondents while adopting green marketing

Table no.4 -Challenges Faced While Adopting Green Marketing

S.No	Contents	Respondents	Percentage
1.	Expenses on R&D	38	38
2.	High input cost involved	36	36
3.	Lower sales volume due to high price	16	16
4.	High promotional charges	4	4
5.	Lack of consumer awareness	6	6
	TOTAL	100	100

38% of the respondents says expenses on R&D has been the main challenge for them in adopting green marketing , 36% of the respondents says high input cost involved has been the main challenge faced while adopting green marketing ,16% of the respondents says that it leads to lower sales volume because the enterprise has no choice to enhance the price as they have to incur high cost from design to production of green clothing, 6% of the respondents says it is lack of consumer awareness and 4% of the respondents says that it involves high promotional charges.

1.10. Future Prospects in Implementing Green Marketing

Creating green image and green brand, can make the enterprise more competitive, increase its market share and promote its product sales in turn lead to enterprise’s long-term growth. Table no.5 shows the respondents preference for the future prospects in implementing green marketing

Table –no.5 Future Prospects in Implementing Green Marketing

S. No	Prospects	Total score	Mean value	Rank
1.	Reduction in cost by minimizing waste	280	2.80	2
2.	Increase of exports	296	2.96	1
3.	Enhances the green image of the enterprise	248	2.48	3
4.	Avoidance of green tax	176	1.76	4

Increase of exports has been the preferable factor by most of the respondents since companies come up with new innovations like eco friendly products, they can access new markets; look up their market shares and profits and the buyers also insisting nowadays for green products. Reduction in cost has been considered as the next factor as they often develop more effective production processes that not only reduce waste, but reduce the need for some raw materials. This serves as a double cost savings, since both waste and raw material are reduced by using the waste as an input for other product production. As the consumers are becoming conscious about the environment, the green marketing improves the green image of the garment company; Avoidance of green tax which is a kind of tax imposed on .n behavior or contaminations by the government preferred as least one.

Chi-Square Test: To establish the relationship between experience and change in turnover, a **chi-square test** was applied with a hypothesis

Hypothesis: There has been no significant difference between the number of years of experience and changes in turnover.

Table no.6.No of Years of Experience Vs Change in Turnover

Change in turnover	No. of year of Experience				Total
	Below 5 years	5-10 years	10-15 years	Above 15 years	
Increased	1	34	36	12	83
Not increased	5	8	4	-	17
Total	6	42	40	12	100

It is found that the calculated value of χ^2 is greater than Table value. Thus it can be concluded that there is a significant relationship between the number of year of experience and increase in turnover i.e. with the years of experience he can learn the green marketing technique which in turn increases or makes change in turnover.

III. Suggestions

Exporter can make an appeal to the Government to provide subsidy to make investment in for research and development. New methods can be identified to reduce the waste. Awareness programme to be arranged about environmental conscious which will induce other exporters to engage in green marketing. Garment exporters may not only aim for profit but has to keep in mind about sustainable development for future generations. Every exporter has to take necessary steps to get National environment sign product Authentication.

IV. Conclusion

An intelligent marketer is one who not only persuades the consumer, but also involves the consumer in marketing his product. As consumers are more concerned about the environment and their health, green marketing of garment enterprise has become essential. It makes sure the interests of the organization and all its consumers at the same time both the buyer and seller mutually benefitted.. The exporters must adopt new green marketing thinking and pursue the persistent environmental protection profit. Only by doing this, they can stand firm in the international market competition and realize continuous flourishing and finally can achieve the sustainable development of garment industry.

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