# GREEN MARKETING IMPACT ON GHANAIAN CUSTOMER SATISFACTION AND ENVIRONMENTAL SAFETY

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## ABSTRACT

Green revolution, going green, environmental protection, sustainable life style, sustainable development, protecting our earth and many more have become a natural phenomenon in our everyday life. Green marketing is a tool used by many companies in various industries to follow this trend. There have been a lot of literature review on green marketing over the years, this paper analyses the impact of green marketing strategies on customer satisfaction and environmental safety using comprehensive literature review. As a result, this paper can be used by researchers who need to find out the impact of green marketing on customer satisfaction and environmental safety.

**Keywords:** Green Marketing, Consumer Satisfaction, Environmental Safety.

## INTRODUCTION

In the last decade, consumers have become more enlightened on environmental issues. Green marketing refers to selling product or rendering services based on environmental benefit. It came into existence in late 1980s and early 1990s. Green marketing is growing rapidly and consumers are willing to pay a lot for green product. There has been little analysis of the impact of this new market on the consumers and the environment so far. Green marketing affects all areas of our economy, it does not just lead to environmental protection but it also creates new market and   job opportunities. Companies that are environmental stewards stand a chance of gaining many satisfied and loyal customers.

### Green Marketing

The American Marketing Association (AMA) held the first workshop on ecological marketing in 1975. 1980 was the first time green marketing came into existence. AMA defines green marketing as the marketing of products that are presumed to be environmentally safe; it incorporates several activities such as product modification, changes to production processes, and packaging, advertising strategies and also increases awareness on compliance marketing amongst industries. Business Dictionary   defines green marketing as promotional activities aimed at taking advantage of changing consumer attitude towards a brand. These changes are increasingly being influenced by a firm's policies and practices that affect the quality of the environment and reflect the level of its concern for the community. It can also be seen as the promotion of environmentally safe or beneficial products.

**Green Marketing and Sustainable Development**

According to the World Commission on Environmental Development (1978), Sustainable Development is "meeting the needs of the present without compromising the ability of the future generations to meet their own needs". The common theme throughout this strategy of sustainable development is the need to integrate economic and ecological considerations in decision making by making policies that conserve the quality of agricultural development and environmental protection. This is what the end product of green marketing is, environmental protection for the present and the future generation. The development of energy- efficient operations, better pollution controls, recyclable and biodegradable packaging, ecologically safe products are all part of green marketing which also leads to sustainable development.

**Green Marketing in terms of Price, Product, Place and Promotion**

Green Marketing begins with 'green design'. Product design constitutes an active interface between demand (consumers) and supply (manufactures) [1]. An example by Ottman and Terry [11]; superconcentrated laundry detergents are associated with energy saving, reduced packaging, space and money. The product itself has to be made in such a way that it satisfies consumer and manufacture's needs. For ecologically sustainable products to be successful, green branding attributes have to be efficiently communicated [23]. Most buyer decisions are influenced by the labeling, (green labeling) that states all that makes the product green compliant. The price of green product has to be affordable for the customer to encourage purchase. Industrial differentiation works only when products reduce client's cost.

Most buyers are influenced by advertisement that reflects a company's commitment to environment [19]. Companies that do green advertisement that tend to portray an image of environmental friendliness, influences their customer purchase decisions. Consumers love to associate themselves with companies that are environmental stewards. When a company communicates this through their advertisements, promotions, publicity and corporate social responsibilities, they are sure to get many loyal customers.

Green distribution is a very delicate operation. Customers must be guaranteed of the 'Ecological nature' of the product. The green environment is a constantly regulated environment and as such high level of compliance is necessary when carrying out distribution of green products. This is a common procedure in the united state [11].

**Stakeholders in Green Marketing Strategy**

Based on marketing literature, stakeholders play one of the most influencing roles in any organization and market [20], [27], [18], [17]. They influence all aspect of green strategy also in areas such as purchase of green product, nature of the product, the packaging, advertisement, promotion and also Green awareness programs. When a particular company wants to 'go green', the stakeholders are at the fore front of their green marketing strategy. Jaime Rivera-Camino [12] said that stakeholders in green marketing include the plant, various animals, plant species and the future generations.

**Customer Satisfaction and Green Marketing**

Customer satisfaction has been defined in two basic ways: as either an outcome or as a process

[25]. As an outcome, satisfying   the end state resulting from the consumption experience [6]. As a process, it is the perceptual evaluative and psychological process that contributes to satisfaction. The definition is varied with regards to their level of simplicity which includes;

- Product satisfaction
- Satisfaction with the purchase decision experience.
- Satisfaction with the performance attributes
- Satisfaction with the   store or institution
- Satisfaction with pre-purchase experience. [29]

Marketing literature suggests that there is a relationship between customer satisfaction and loyalty.   Satisfaction leads to attitudinal loyalty. It could be seen as the intension to purchase. [21], [15], [18], and [17]. Satisfaction is an outcome that occurs without comparing expectations [15]. Customer satisfaction could also be defined as an evaluative response to perceived outcome of a particular consumption experience. [3], [2], [9]. It is an overall judgment on satisfaction, based on the assumption that satisfaction is the outcome of service quality [5], [26]. Many Authors believe that customers have a high level of involvement regarding environmental issues as a consequence of growing environmental consciousness. [14], [4], [10], [25]. Studies have shown the significant influence of environmental knowledge and consciousness on consumer environmental attitude [9], [24]. Consequently, companies that communicate their 'green product' in their packaging, advertisement or manufacturing process, gain satisfied customers. Because of the green trend, companies that fail to 'go green' are not failing to fail in their industry. Customers want to associate themselves with companies and products that are eco-friendly.

**Environmental Safety**

Environment is simply our surrounding. The increased awareness on   environmental issues is as a result of increased publicity on the media on issues such as, the warring off of the ozone layer and increased pollution of the environment by industries. Customers have become concern about their everyday habit and the impact it has on their environment.

Managing environmental safety issue is highly challenging, time consuming and expensive. There are many laws on environmental safety that have made companies liable to any wrongdoings. These laws cover areas such as, harmful pollution, managing of hazardous materials and so on. As a result, several hazard control, pollution control and prevention programs are held in different parts of the world on emergency procedures, contingency planning and employee training. Similarly, many regulatory bodies   and acts are set to ensure environmental safety and protection, some of which include, OSHA (Occupational Safety and health Act), CERCLA ( Comprehensive environmental Respond Compensation liability Act), TSCA (Toxic Substance Control Act), HMTA ( the Hazardous Material Transportation Act), FIFRA  ( Federal Insecticide, Fungicide and Rodenticide Act), FFDCA  (Federal food, Drug and Cosmetic Act, Clean Air Act, Clean Water Act, GHS (Globally Harmonized System of Classification and labeling of Chemicals).

Environmental Safety is not an easy task to implement. Implementing the GHS standardization policies of a single frame work of the classification and labeling of chemicals so hazards are consistently defined across different national jurisdiction is beneficial but highly challenging, especially in   countries like U.S, Japan and Korea that have multiple regulatory authorities. EH&S (Environmental Health and Safety) regulatory compliance and CSR (Cooperate Social

Responsibility) initiative throughout the supply chain can help promote and sustain ongoing improvement within an organization. These improvements will help the company achieve regulatory compliance and position itself as a socially responsible company.

## DISCUSSION

There is now a real sense that environmental protection is highly necessary. Everyone believes a green life is a better and healthier life for present and future generation. Most consumers' spending pattern shows that they have a desire for brands that 'go green'. Consumers not only want to buy their products but are willing to pay more for it. Based on research, 70 percent of some 2000 people in US, UK, Germany, the Netherlands, Australia and Japan are willing to pay a premium for energy alternatives such as, wind and solar power. Consumers are motivated to buy from companies that are eco-friendly in the production. When a company display's the green logo on their product, it shows that their product or services stands out from the crowd and this gives them a competitive edge. Consequently, most customer buying decisions are influenced by green product label like the US energy star logo, Green label in Thailand, Korea Eco label and much more.

## CONCLUSION

Green marketing is a tool for protecting the environment for the future generation. It has a positive impact on environmental safety. Because of the growing concern of environmental protection, there is an emergence of a new market which is the green market. For companies to survive in this market, they need to go green in all aspect of their business. Consumers want to identify themselves with companies that are green compliant and are willing to pay a premium for a greener life style. As such, green marketing is not just an environmental protection tool but also, a marketing strategy.

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