IMPACT OF FINANCE BEHAVIOUR ON ENVIRONMENTAL CONCERNS & GREEN MARKRTING

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Abstract

Green marketing is the marketing of products that are presumed to be environmentally preferable to others. Thus, green marketing incorporates a broad range of activities, including product modification, changes to the production process, sustainable packaging, as well as modifying advertising. Yet defining green marketing is not a simple task where several meanings intersect and contradict each other; an example of this will be the existence of varying social, So on combing of both the words green marketing means selling of the products and services those are environment friendly. But for green marketing we need to spread awareness in the market as well as in customers because if green marketing is accepted widely than our problem of global warming etc. were automatically reduced and the ecosystem should be in its proper cycle. The study found that green finance and technological innovations effectively reduce the ecological footprint by 0.38,% and 0.95%, respectively, and could help achieve a sustainable environment. However, economic complexity and political risk upsurge the ecological footprint by 0.95% and 0.98%, respectively, in the selected countries. Finally, depending on the empirical outputs, this paper suggested that governments should take action to reduce carbon footprints and protect the environment by investing in green finance projects, promoting economic diversity and technological sophistication, and creating a stable political environment.

In green marketing there are many different activities and efforts were performed to making a product which was completely environment friendly. Also because of awareness about green marketing our society and are customer both were having a positive attitude towards a green lifestyle.

Keywords: Green, Production, Marketing, Environment

Introduction

Banks can play a crucial role in maintaining sustainability by becoming a promoter of sustainability. Sustainable development tends to shift the focus of the business fraternity from their traditional bottom line approach of profit to the approach of triple bottom line where the focus lies on three Ps i.e. People (society), Planet (environment) and Profit (economy) and the decision point is the point of intersection of the three considerations Banks and all the financial institutions are focusing on the environmental protection with the purpose of fulfilling the dual role. The first role is to work towards ethically and socially responsible banking and second as an important role of their corporate social responsibility. Banks have realized the importance of triple bottom line in their day to day functioning and so its main motive of profit has now shifted towards three Ps. And this theme has worked as a drive towards 'Green Banking' concept. Other similar terms used are Environmental Marketing and Ecological Marketing. Thus "Green Marketing" refers to holistic marketing concept wherein the production, marketing consumption an disposal of products and services happen in a manner that is less detrimental to the environment with growing awareness about the implications of global warming, non-biodegradable solid waste, harmful impact of pollutants etc., both marketers and consumers are becoming increasingly sensitive to the need for switch in to green products and services. While the shift to "green" may appear to be expensive in the short term, it will definitely prove to be indispensable and advantageous, cost-wise too, in the long run.

Objectives

The study mainly aims at understanding the green banking philosophy adoption by the banks. The paper attempts to review various guidelines for environmental conservation and sustainability along with the initiatives taken by the State Bank of India and the ICICI Bank.

Literature review

This section presents existing literature that explored the economic complexity index-environment, green finance - environment, technological innovations - environment, and political risk – environment nexuses.

Research Methodology

The study mainly includes literature review from secondary data. The secondary data sources include reports of the respective banks and other relative information published on the banks and other internet sites. The study also includes the primary data collection through personal visit to the bank and in-depth interviews of the branch managers. The present study is an explanatory descriptive and analytical in nature and based upon secondary sources. For the collection of data we have mainly relied upon the report of Business organizations, books, journal magazines and newspapers etc.

Rules of Investing

• Attack manageable but material problems

• Technologies that can achieve unsubsidized market competitiveness quickly

• Technologies that scale - If it isn't cheaper it doesn't scale

• Technologies that have manageable startup costs and short innovation cycles

• Technologies that have declining cost with scale – trajectory matters

GREEN MARKETING

Marketing means 'working in the market', with the aim that completing transactions will satisfy the needs and desires of a human being. Green marketing is currently not achieving its potential for improving the quality of life of consumers, whilst improving the natural ecosystem. Green marketing has substantial coverage within the media. It seems that many personal and industrial consumers are more conscious about the environment and increasingly interested in its preservation.

The American Marketing Association workshop attempted to bring together academics, practitioners, and public policy makers to examine marketing's impact on the natural environment. At this workshop ecological marketing was defined as: the study of the positive and negative aspects of marketing activities on pollution, energy depletion and non-energy resource depletion. Green marketing has passed different stages during the course of its development. Each stage has specific characteristics and changing situational and environmental needs. Green marketing has passed three eras, the first, ecological green marketing, lasted from the 1960s into the early 1970s. Characteristics of this era concentrated on external problems of the environment, such as air pollution.13 The second era, green environmental marketing, this process began in the late 80s and it consisted of new concepts, such as clean technology, sustainability, consumer and competitive advantage emerged. The significant difference between the first and second eras was that the first era was focused on effective industries on the environment, but the second era, environmental marketing, included all services and manufacturing methods, such as tourism.

Clean Technology Investment Trajectory Is Accelerating

The investment opportunities are immense. World energy demand is rising. Renewable energy mandates are proliferating in the United States, the European Union (EU), China, and India. The "Kyoto Factor" arrived in 2008, and the need for carbon credits for the industrialized world is accelerating, as well as the need for less carbon-intensive technology. It is estimated that the carbon credit-trading market may reach $3 trillion by 2020. It has doubled in the past two years, reaching $60 billion for 2007, according the carbon market analyst firm Point Carbon. Most of that trade was dominated by the EU, but the United States has the largest carbon footprint at over 6 billion tons of carbon dioxide equivalent (CO2e) and it is now moving on carbon trading and finance mostly in the voluntary markets. EcoSystem Marketplace reported the voluntary market may be 150 million to 200 million tons last year (2007) with a market valuation of $200 million. It is now estimated from informal discussions by Global Change

Associates with large U.S. carbon market providers that the voluntary carbon market will at least quintuple in 2008 as U.S. firms prepare for a coming mandatory carbon reduction regime in 2015.

Hypothesis:

Thus, in this study we have a main hypothesis and three sub-hypotheses that are as follows: The main hypothesis: A significant and positive relationship exists between green marketing tools and customer's purchase behavior.

Sub-H1: A significant and positive relationship exists between eco-label and customer's purchase Behavior

Sub-H2: A significant and positive relationship exists between eco-brand and customer's purchase Behavior

Sub-H3: A significant and positive relationship exists between environmental advertisement and Customer's purchase behavior

The Role of Policy

It's worth acknowledging the role that public policy has in creating and defining markets (for better or for worse at times) – and our investments reflect that belief to a degree. Politics can create markets through mandates. It can make technologies cost effective (through incentives, subsidies, and production and investment tax credits). It can be used for good and bad purposes and generate business profitability or foreclosures. For example, we believe a Renewable Fuels Standard (RFS) of some level is needed (and likely), along with the likely passage of higher CAFE standards and the eventual adoption of some sort of carbon taxation scheme. Another important regulation is the implementation of a federal renewable electric power standard (RPS), similar to the various statewide programs and a complement to the RFS liquid fuel standard. This will have the effect of encouraging further investment in renewable energy sources. A federal RPS would also act as a market signal and guarantee of market size, helping all renewable power generation technologies. At a macro level, one significant problem for all of these energy technologies (especially newer, less capitalized ones) is the inability to take energy from alternative energy sites to load centers where the power is used. Our proposal is a high voltage DC grid akin to the national highway system; with government capital to throw open the doors to private initiative. DC grids have significant advantages – they can carry higher power loads and reduced line losses and costs. Similar to the concept of toll roads, such a grid could in effect, rent out its capacity to the various power solutions while not subjecting any one source to the complete capital risk, and without being accused of "picking winners." Such a grid is a national imperative and a boon to all (renewable and conventional) power generation technologies.

Conclusion

Our faith in the innovation ecosystem is an important reason for our belief in the eventuality of an environmentally friendlier and yet cost effective future – and the transition period has already begun. There are lots of new areas and the best and brightest scientists, technologists, and entrepreneurs are being attracted to the field. We do make an effort to separate good investments from climate change solutions – clearly, the latter set is a subset of the former. We are constantly funding a wide variety of ideas and principles – and are attracted to the idea of technology disrupting comfortable, cozy markets that have failed to innovate. Our role is less as exit-seeking investors and more as company builders and mentors (we wish to be to entrepreneurs what McKinsey is to the Fortune 500 companies), nurturing the brilliant ideas into workable, economically viable, and genuinely material solutions.

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