Cross cultural studies in a case of ethnicity: Green marketing

Moo-yul Huh
Division of International Studies, Kongju National University

Abstract The purpose of this current paper was to investigate into the trends and effects of green marketing in India and China with relations to ethnicity and cross cultural aspects. These two countries are fast developing and looks promising in terms of economic power but lack the green marketing consciousness compared to other well developed countries. Many measures are being taken by various industries for the promotion of green awareness in these countries. The two countries are fast developing in the area of green marketing. Green marketing should improve its methods utilizing the cultural differences that is evident from previous research. In the near future, more active green marketing targeting and informing consumers of environmental benefits will be needed by taking ethnicity into consideration for further heightening of overall environmental awareness and initiative.

Key Words : Green Marketing, China, India, Cultural Differences, Ethnicity, Cross Culture

1. Introduction

The advent of globalization in the 21st century had ushered many technological advances and cultural emulsion on a grand scale. many disciplines across academia has seen growth and development with the change in an era. The world of business was no exception. Now and in many years to come, it will be more imperative than ever to study the relationships between different cultures. Many countries today are
rarely homeogenous and consist of people from all over
the world. This has important implications for many
aspects of business and how we perceive the masses,
especially in the marketing area.

Not only that, it has become an interest to many to
be environmentally friendly and conscious. Consumers
are becoming more interested in the prospect of being
ecologically conscious when they purchase all sorts of
goods. In line with the recent trends dominating the
business world today, this paper strives to discuss the
implications of a growing ecological–friendly consumer
world, and the implications this will have in the
business world.

With the ever-growing importance of studying
different cultures in the business world, this paper
sought to discuss not only the implications of green
marketing for businesses, but also on the perceptions
brought by consumers from different cultural
backgrounds. Thus, this paper will present on how
China and India with different ethnicities react to green
marketing.

A rapidly growing economy of China and India will
be discussed in terms of their perceptions on going
green and the marketing that is implemented and
should be implemented in the future. An important part
of this will be an understanding of the start of green
marketing and also each country’s unique ethnic
backgrounds. This paper starts with a reviews of past
literature on the advent of green marketing and
consciousness, including in China and India, and ends
with implications for such findings, along with
limitations and directions for future research.

2. Green marketing

The rise of globalization has resulted in a surging
growth of opportunities and development in many
areas. The area of business was no exception. With
increased production and consumption all over the
world, it has become glaringly obvious to perceive that
rapid growth of businesses and trade has resulted in an
exhaustion of natural resources. This has drawn
attention for the need of eco-friendly methods of
consuming and producing goods.

The term green marketing is loosely used and
embraces a broad concept. It is a term that is used to
indicate all forms of marketing that is aware of the
impact on the environment and encourage eco-friendly
behaviors of consumers [1]. Awareness for
environment–friendly consumption and concern has
been evident in the last several decades in varying
degrees [2,3]. As of late, the rapid deterioration of the
environment has spurred consumers to be more aware
of their impact and has in turn motivated businesses to
delve into the area of green marketing [4,5].

As such, it has also become imperative that an
understanding of the consumers in eco-friendly
shopping behavior and also perspectives from a
marketing point of view is conducted. Only from an
understanding and analysis of these current trends will
perspective businesses in green marketing gain
insights into the psychology of the consumers. Up until
this time, many researches conducted in the field of
green marketing has been focused mostly in consumers
in developed countries [6]. While it is imperative that
further research is continued in this perspective, it is
also important to delve into the less developed, but
promising countries for future growth. Two countries
that are good examples of this are China and India.
These two countries are still in the developmental
stages in terms of economic stability, but accounts for
a vast majority of the world population. However,
relative to the size and growth of the countries, their
awareness and proliferation in green marketing has
been slow to progress. But, even with ethnic
differences, it was interesting to see consumers
sharing the same thoughts as well. In the future,
significant growth in these countries for green
marketing will inevitably have a global impact on the
environment as a whole and further thrust the business world into innovating more novel forms of green marketing.

3. India and green marketing consumerism

India is one of the most rapidly developing countries in the world. In comparison with its economic growth, its green marketing awareness levels are comparatively not as high. Still, efforts were made as exemplified by the Environment Protection Act in 1986 made by the Indian government. Similar to the Environment Protection Act made by the Indian government, more policies are needed for green marketing and also for companies to adhere to regulations that state businesses should follow environmentally friendly steps in the making of their products [7].

Perhaps one of the reasons green marketing has not reached prominence can be because of the relatively high cost of the product from eco-friendly productions compared to its traditional counterpart. This can also be backed by evidence from the Ghanaian consumers as well where there are lower levels of awareness for green marketing that translated into sparse green product purchases as well [8]. The main stance in India regarding green products is positive but not very proliferation. Researchers have commented on high levels of awareness in green products for consumers in India but a lack of marketing outreaches [9]. In addition, consumers in India were concerned about the products’ prices and availability of the green products. As a result, it is suggested that markets focus on conveying the right message and raising awareness of green products, as well as the benefits so that consumers will be more receptive to such businesses in the future.

3.1 Perceptions of green products in India

In regards to the relatively high cost of green products, research has shown that more than other countries, consumers in India can be a little more price sensitive and unwilling to pay [10,11]. Thus, Indian consumers will want to be reassured that the higher prices for green products are as more valuable as the money they pay for them [12]. Consumers could be confused about the value and benefits of green products and could think that the prices are just a marketing ploy [13]. Therefore, it is imperative that marketers raise awareness and inform them on green products [14]. This is based a bit on the ethnicity of the two countries, and their different manner for approaching green goods.

3.2 Quality in green products

It is usually not enough for consumers if marketers convey only green in terms of products in their businesses. It has to have a perceptively different, more premium level of quality compared to the traditional versions for it to be of any marketing value for the consumers.

3.3 Automobiles going green

One of the main areas of prominence in green marketing has been in the automobile industry. It is one of the fastest growing branches in the Indian manufacturing industry and is expected to continue its increase. But, the automobile industry has also been one of the biggest contributors to the harm of the environment. Thus, in this sector, the concept of sustainable, eco-friendly, and green marketing have also gained momentum. Indian consumers are now gradually changing from an awareness phase of the environment to concern and possible implementation in green products [15]. This phenomena can also be traced to other well developed countries, such as Hawaii, where consumers were willing to purchase a hybrid eco-friendly car if the prices are the same as the traditional car. Other research has shown consumers in the US will most likely purchase cheaper traditional...
cars compared to the more expensive eco-friendly cars [16, 17]. Notwithstanding, recent research does indicate a proclivity in Indian companies for proliferating green in automobile industries. With a stronger focus on going green for the automobile industry, several aspects were implemented, such as modifications in design to fit eco-friendly concepts and preventing excess waste [15].

3.4 Lodging industry

With the addition of increased awareness of green marketing in India, this has also permeated other industries such as hotel businesses. It is difficult to find accommodations that are completely eco-friendly [11]. It has to be eco-friendly but at the same time it has to meet consumer needs so that they are willing to stay in the hotels. In addition to this, there has to be a good reason for hotels with extra prices, for it is apparent that hotels that are eco-friendly are bound to be higher in prices as well.

As of late, the lodging industry that is more eco-friendly are not as appealing to the Indian consumers, for their higher prices and exaggerated claims of green products in general. Thus, it is only natural that hotels in India did not flourish and are still well below the level that is the norm for other international hotels in eco-friendly ways. The reason that it is important for hotels to increase their awareness and reflection of eco-friendly aspects in their business is for many reasons. Some of them include the fact that nowadays many consumers are wanting of eco-friendly businesses, even hotels, with their mindset being more geared toward environmental awareness [18]. Thus, it would be feeding of their wants to be helpful to the community and nature by lodging in an eco-friendly hotel. Another will be because of increasing regulations on matters of environmental awareness, which could contribute to regulations for hotels and other services to be more eco-friendly. Many interesting aspects of cultural differences were introduced to you. It is important to note that hotels should fully incorporate this outside.

3.5 Household eco-friendly products

Many forums have been held in India that emphasizes the importance of renewable energy and being eco-friendly as well. As a result, many consumers in India are turning towards eco-friendly products. In anticipation of this possible change in consumer’s needs, many businesses have tried to follow this possible trend. Household appliances are no exception.

Information about many appliances and various products can be found in a lot of sources. Magazines, newspapers, and the internet all offer great sales and new products to entice the consumers. Especially for household goods such as appliances, the attitude of the consumers is one that like the idea of prices that are cheap and great offers, as well as easy comparison to match prices with other companies.

In tandem with the current trends of the consumer world, those in India are also starting to recognize the potential importance of eco-friendly appliances throughout their homes. There is great value in using things that are saving energy and potentially helping the environment. Even more so for consumers that are environmentally aware. It will be a task for future marketers to think about appealing more and offering better choices to a range of consumers that are becoming more and more eco-conscious. India will be no exception. Comprising of a healthy portion of the world’s population, their changes in insights into the need for eco-friendly products will greatly increase the development of green marketing on an international scale.

3.6 Appealing to a greater audience for green marketing

With the awareness of green marketing and products emerging in current times, it is important also to think about the younger generation. They are the
ones that will ultimately lead this society and it is important to see how they perceive green products. According to research conducted, younger generations in India had the perception that green products were indeed environmentally friendly products and some understood it as an energy saving product [19]. Males more than females were more aware about green products and on average they were all willing to spend around 10% more for green products. One of the things that still need to be instilled in the younger generation was an awareness of what exactly were environmentally friendly products and how they were helping the environment in general.

Like the younger generation of India, many are still confused as to the nature of environmentally friendly products and what exactly they entail. Therefore, it will be imperative that marketers instill an exact sense of what eco-friendly products are. Based on surveys conducted on the younger generations, many are receptive to the problems of abuse to the environment and believe that measures should be taken to prevent further damage. But, they also were not willing to sacrifice their own freedom and lifestyle for such reasons, which shows that individuals believe environment concerns should be enacted by the will of the government or society as a whole. The importance of eco-friendliness was not as prominent from a viewpoint of individuals.

In addition, many younger generations are not making the correlation between buying green products and helping the environment in their own way by contributing. Green product purchases were also not seen as a method for protecting the environment [19, 20]. This is a factor that will have to be worked harder from a marketing perspective to increase the awareness levels of consumers in younger generations.

3.7 Going green: Marketing perspective

Compared to other more developed countries, India is less developed in terms of green marketing. The amount of research conducted about India in this context also reflects this [21]. But it is no doubt that green marketing is an important concept for businesses in the future. It has showed positive correlations with company’s productivity and overall competitive advantage [22]. In the long term, it will be imperative for companies to implement some form of ecological awareness. India is one of the fastest growing economies in the world, and that has left behind a trail of waste and environmental concerns for all.

For the future of companies and the good of the environment, it will be a task for businesses to include some forms of environmentally conscious backing in marketing and industry. Indeed, it is only beneficial if companies embrace the new paradigm in marketing, as future consumers will seek more and more for environmentally friendly goods [21]. Thus, it can be obvious to presume that businesses that embrace green marketing will also be able to sustain longer in the business world [22].

As shown in Figure 3, the six categories of green marketing innovations are shown: marketing compliance, marketing strategic partnership, marketing green team, marketing ethical behavior, marketing environmental commitment, and marketing benchmarking [23]. In the long run, marketing innovations will be important for executives to become more competitive in the green marketing area and get a wider view of the possible things that are needed for such substantiality. As much as green marketing and industry is a unique field, innovations will have to be made to tailor to those unique needs and executives should keep that in mind. More than ever, it will be important to reach out to other partner firms and educate the public on the importance of working proactive together to reach a common goal.
4. China and green marketing consumerism

China boasts one of the fastest developing economies in the world. Its population also amounts for a large portion of the world and has seen many advances in various aspects of business and other disciplines. But, it is interesting to note that despite its exponential growth in many areas, green marketing and consumerism is not as vibrant and developed compared to other well developed countries.

It is worth noting that while Chinese consumers might not be all on aboard the green product theme, they are strongly attached to the environment [4]. This can be attributed to the fact that culturally, they were always one with nature and thought it an important part of their lives.

Similar to India, China will have to step the level up for more green consumerism and more raised awareness for environment friendly industries. China is one of the top leading economies, but they are also accountable for a huge number of pollutions as well. Thus, it would be advisable to all sides for China to develop green marketing and instigate the awareness that consumers need in this time.

4.1 Green-labeled foods in China

The food industry plays an important role in the Chinese economy and consumerism as well. Ever since many controversies regarding the food safety regulations for illegally grown GMO produces, along with other violations, many consumers have opted for green food [24, 25, 26]. Green food is basically certified by the CGFDC (China Green Food Development Center) which controls and oversees all the regulations and processes of food production [27]. While China is in the top five for the most prolific producers of genetically modified crops, the occurrence of many illegal transactions has made the consumers wary of purchasing food from traditional markets.

Indeed, those that are affluent enough to purchase better things are inclined to foods that are GMO free and are organic. Thus, many Chinese consumers prefer to buy green food, and more than other countries, they are ready to pay more for it [28]. China is unique in that they have their own certification scheme that is normal for their country but not well understood in other aspects in the literature. The foods with their own certification scheme differ from organic foods. Green food is the limitations of things such as growth...
regulators and additives, while organic foods refer to an international standard of certification.

A study conducted on the attitudes and the adoptions of green food and certified organic food ideals in Chinese consumers was conducted. It showed that interestingly, gender also played a role in preferences. Males preferred green food while females preferred organic foods. Affluent, middle class consumers were more likely to be inclined to buy environmentally safe foods [29].

Unlike other countries, the green marketing for food in China is surprisingly simpler, as Chinese consumers will always be more inclined to those that are GMO free. With Chinese consumers’ intent to be willing to pay a higher sum of money for better quality, it can be assumed that marketing strategies should center around Chinese consumers’ motivations behind buying organic or green food.

Green and organic foods in China are also seemed to be more receptive mainly due to the high quality of the foods. An additional quirk is that they are able to be perceived to reduce environmental problems as well. The especially high price of the GMO free foods, yet the Chinese consumer’s willingness to purchase these foods can be seen. According to [30], consumers have this belief that higher prices must mean higher quality and lower prices for lower quality. It can be used to an extent to predict the patterns of consumer’s buying behaviors and price-quality inference.

4.2 Electric vehicles

Nowadays, the concept of going green does not only refer to food or products. It has also been extended to include cars as well. Consumers with a high environmental awareness and thoughts to it are more inclined to purchase electric cars. It shows their extent to what they would go to protect and support their environment [31]. But purchase of electric cars are not only a show of concern for the environment.

Consumers can feel less guilty when they are driving electric cars because they believe that they are not contributing too much to air pollution. In addition, this also has connotations for social values as well. Those that own electric cars might seem to be more informed and smarter as a result, showing signs of maturity and consideration for thinking about the environment in a big way. Thus, electric cars can also be a sign of outward appearance in the personality of people and be seen to be something that is valued in society.

According to studies, it showed that Chinese consumers were still lower for purchase intention of electric vehicles [32]. The prospect of buying a car has more things to consider than a simple product or food, so it is understandable. There are also risks involved, where the consumers are not 100% sure in the efficiency of the electric cars in comparison with their air-polluting but good working cars. Thus, the higher the risk for buying something, the less inclined, or the more throughout the purchases will be.

5. Discussion

Green marketing would be a valuable area in the business world and it is important that consumers are well informed of the benefits of it. However, there are still many challenges that plague the businesses for going green. Some include a lack of awareness on the part of the consumers on the environment, but also on the marketers for not portraying a clear message across on the benefits of green products.

Some presenting challenges to the implementation of green marketing include aspects such as high costs for sustaining eco-friendly manufacturing, competitors on the market, and consumers’ disinclination to pay higher prices for such productions [15].

One of the many reasons that green marketing has not yet fully blossomed can also be thought as the early failures of marketing for green products early on
Going green may have more implications for consumers than marketers originally thought. It is possible that the eco-friendly marketing was not fully fledged because while consumers want to be more environmentally conscious, they are not fully willing to pay such heavy prices for such items, especially when they are not sure now the eco-friendly products are any different from other cheaper products. So it is safe to say that while consumers are not adverse to the idea of going green, they also want to maintain their level of lifestyle and leisure and financial freedom as well.

Contrary to the belief of marketers, it is also important to sell eco products just like any other normal products. Consumers will approach eco products with some degree of skeptics and wariness as they have encountered many eco friendly products that were just on the label to use as an excuse for higher prices.

Older generations are more aware of the essence of green products, as they believed that green products will decrease the harm to the environment, compared to younger generations’ stance in this area.

In China, green and organic food industry is a large part of the green marketing business. With the scandals of illegal growth of GMO product foods, Chinese consumers are more wiling than any other country to purchase GMO free foods. Thus it is that more than any other area, it will be easier to conduct green marketing in the food area.

This has shown that Chinese consumers are largely concerned with food safety, and this highly correlates with the attitudes they foster for purchasing and thinking about organic or green foods. It has come to a point where consumers correlate positively to non GMO foods and associate the high quality with high prices as well. Therefore, Chinese consumers believe that the GMO free foods do deserve a place as a high price food as well.

Also, it is important to note the cultural aspects of this phenomenon. In 1978, China had enacted a one child policy, which naturally implies a preference for the parents of the child to give him or her the best of everything [34]. In accordance with this, the state of income for the family, social status, and education influence these factors as well. In this perspective, it is safe to assume that Chinese consumers are more in alignment with Western countries and their way of thought. Mostly the motivations for the purchase of green foods is due to health concerns. It shows the importance the Chinese consumers put in the health and well-being of the people. The one-child act, along with more distribution of eco-friendly foods than most of the countries can be pointed to political and cultural aspects in total.

In terms of electric cars in Chinese consumers, there was still hesitation at buying them for the consumers. It is a relatively new concept, and a big purchase as a car can lead people to think more about it and buy it when they have concluded all the aspects of it are just and sound. In addition, many don’t still drive electric cars, so that could have lead to a hesitation about taking the initiative and freely buying electric cars. Consumers want to also make sure that the things they are buying are validated by outside sources, and at this point it is safe to say that electric cars are not hyped enough to deem an instant purchase by the consumers, even those in China or India.

6. Conclusion

6.1.1 Summary

The current paper investigated the trends of green marketing in China and India. These two countries are fast developing countries and have grown exponentially in the last decade. However, compared with the other countries of similar economic status, the two countries were sorely in need of better environmental awareness. Many of these factors could have stemmed from various sources. Nowadays, more consumers from both countries are warming to the idea of many green
products and show inclination for it. It can be shown by the fever with which organic foods and green foods are met with by Chinese consumers, and an overall increase in the awareness for the environment by Indian consumers. There are all the fine points that have to be taken into consideration, even for businesses just starting up the company.

Notwithstanding, it will mainly be a job for marketers as well to promote and foster a sense of interest in eco-friendly products and environmental protection. Many in China and India are still not fully sure about the eco-friendly products, because of the high cost and not enough worth in terms of quality for it. In addition, the hype for going green was labeled by many companies just for higher prices and unclear environmental benefits. With a past of shady sales from eco-friendly posing companies and products, it is understandable that many will still be wary of products that promote environmental protection.

An understanding of the consumers' viewpoint and their needs in advance will be one of the ways green marketing can be successful. It will need to cater to the needs of the consumers but also run a fine balance between the cost for production of products, sales, and profits from them as well. With stricter and more active regulations on the government's part as well as businesses, green marketing will be also to flourish and make an impact.

6.1.2 Limitations and directions for future research

The current study came across some limitations as well. Some of them include an investigation into only two countries, China and India, in terms of green marketing. It is suggested that countries with a high level of environmental awareness and businesses is compared to countries with lower environmental awareness and marketing strategies. In addition, a comparison of only a select few topics in green marketing can be digged deeper by comparing several countries at once and seeing how they are affected differently based on the country and its affiliating cultural values that result from it.

Other suggestions include investigating the actual impact eco-friendly acts in businesses has had on the economy and environment as a whole and consumers as well. More research should be conducted in areas to boost green marketing so that consumers will be more inclined to show their support for green environmental protection.

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허 무 열(Huh, Moo yul)

- 1991년 8월 : 루이지애나 주립대 교육학 박사
- 1996년 8월 : 동경대 경제학 박사
- 2012년 3월 ~ 현재 : 국립 공주대 국제학부 교수
- 관심분야 : 융합경제학, 국제마케팅, 통계, 교육 등
- E-Mail : hmyag@kongju.ac.kr