“Identification of green marketing strategies: perspective of a developing country”

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IDENTIFICATION OF GREEN MARKETING STRATEGIES: PERSPECTIVE OF A DEVELOPING COUNTRY

Abstract

Green marketing is becoming a trend, and many companies have implemented it as a strategy for winning the market. However, attention to the importance of green marketing strategies has been relatively limited compared to its importance as a viable strategy, and this happens, particularly, in developing countries. As a result, the green marketing strategies of companies in developing countries are not yet fully recognized. So, this study is intended to explore marketing practices of the selected companies in Indonesia. The research is a case study of three selected companies producing herbal medical drinks, natural spa-related beauty products, and natural coloring fabric. They were selected for several reasons: producing of green products, conducting of green practices, and marketing the products abroad. In-depth interview of the owner or in-charged manager of each company was used to obtain the data about its marketing practices. The data were then classified into four Ps of marketing mix, and interrelationship concepts generated from the data were systematically identified using NVivo to get clear picture of their marketing strategy. The results indicated that the companies undertook only quasi green marketing: dealt with green product and conducted green practices but did not apply green pricing, green distribution, and green promotion. This brings implication for companies marketing a green product to take advantage by differentiating their product based on the green characteristics of the product. This study also contributes to knowledge about green marketing strategy in a developing economy that is still limited.

Keywords green distribution, green marketing, green marketing strategy, green pricing, green product, green promotion, Indonesia

JEL Classification M31, M39

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INTRODUCTION

There is a growing interest in green marketing (Cronin, Smith, Gleim, Ramirez, & Martinez, 2011) and many companies have started to develop green marketing for many reasons, such as preserving the depletion of natural resources (Teo & Yazdanifard, 2014) or responding to competitors (Saha & Darnton, 2005). They recognize importance of being green and realize the appeal of green strategy (Cronin et al., 2011). For some, being green does not only improve corporate image but also fulfill customers' demand (Jone, 2014). Thus, green marketing can be a reason for winning the market and getting benefits from it. In other words, being green can be used as the marketing strategy to tap into market and expand the consumer base (The Center for Green Industries and Sustainable Business Growth of Duquesne University, 2014). Since then, the number of companies that make claims of green marketing process has been increasing (Chen & Lee, 2015).

Being green has become an essential strategy for some large businesses in developed countries. Some of them use green issue to expand their markets to developing countries through, for example, allianc-

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es, licensing, or franchising. Cronin et al. (2011) outlined that these international green multinational companies (MNCs) can possibly play a role in educating local people about green purchasing behavior and can be the role model for local companies to implement similar green marketing strategies. At the same time green marketing strategies of companies in developing countries are not yet fully recognized. Citing Cronin et al. (2011), possibly it is because the attention on the importance of green marketing strategies has been relatively limited compared to its increasing importance as a viable organizational strategy.

This study aims to contribute to the discussion on green marketing strategy of companies in developing countries in order to understand to what extent green marketing strategies are implemented by the companies producing green products. Therefore, it is important to understand and have a clear idea on the green marketing strategy of the company and to promote green behavior of companies in developing countries in terms of their marketing.

1. LITERATURE REVIEW

1.1. Green marketing

Green marketing focuses on marketing activities while protecting the environment (Teo & Yazdanifard, 2014). It is the answer for the misplacement of marketing concepts that predominantly aimed to satisfy customers' needs only and disregard the interests of the community and the environment in the long run (McDaniel & Rylander, 1993).

Even though green marketing becomes an increasingly common practice, it, however, does not have a fixed definition yet (Teo & Yazdanifard, 2014). There are numerous definitions of green marketing since what is meant by 'green' is considerably many (Saha & Darnton, 2005). It may relate to ecological concerns, corporate social responsibility, sustainability, or more specific activities such as reducing waste, minimizing damage to the environment or consumers. It is also because green marketing covers a wide range of activities from modifying a product to be environmentally friendly, modifying the package, and creating and developing the promotion that must be in accordance with the green dimension.

Here are some examples of green marketing definition. Kotler and Keller (2008) define green marketing as production of products that is environmentally responsible or is safe for the environment. McDaniel and Rylander (1993) define it as marketing strategies that use environmental issues to market the products. Other definitions gathered by Saha and Darnton (2005) referred green marketing to activities centering around the marketing mix elements, i.e., modification of product, price, promotion, and distribution to be those that do not harm the environment. The definitions have one thing in common, that is they relate marketing activities to the environment. Yazdanifard and Mercy (2011) stated that green marketing modifies the elements of marketing mix to be green product, green price, green promotion, and green place.

1.2. Green marketing mix-based strategy

Ginsberg and Bloom (2004) wrote that there is no right green marketing strategy for every company. However, a company can answer two basic questions in choosing green marketing strategy. The first question relates to how green the cunsumer segment is. It will have consequences on revenues generated by imposing on perceived greenness. If the consumer segment concerns only day-to-day things and does not care about environmental issues, then it may not work for the company if it imposes greenness in their marketing programs and vice versa. The second question is whether the company can differentiate brand or company on the green dimension. The answer should consider internal capability (resources and top management commitment) and competition. These conditions affect the level of greenness in the marketing. This two-dimension approach can provide basic guidance for a company in creating the green marketing strategy.

Cronin et al. (2011) noted that exposing green aspects of the product or company can be a marketing strategy. It, however, is still difficult to find typologies of green strategies that focus solely on green marketing. Rivera-Camino (2007) stated that most typologies are developed primarily with a strategic management focus on the operations within the companies. They suggested using marketing mix as the basis for creating the green marketing strategy, as marketing mix actions are the operationalization of green marketing concept at the operational level of marketing management (Rivera-Camino, 2007). Each element of the marketing mix is transferred into green marketing mix by manipulating the elements into green product, green price, green promotion, and green distribution (Yazdanifard & Mercy, 2011). Below is the brief review on each element of green marketing mix.

Green marketing should begin with green design of the product (Rivera-Camino, 2007) meaning that the product that is an environmentally friendly product must not only be able to satisfy consumers' needs but at the same time must also support environmental sustainability. Ecological purposes should underlay the designing of green product (Sudhalakshmi & Chinnadorai, 2014). It must be designed to minimize the consumption of natural resources (Solaiman, Osman, & Halim, 2015), decrease the pollution, and increase the survival of scarce resources (Sudhalakshmi & Chinnadorai, 2014), in order to minimize the negative environmental impacts during the whole life cycle of the product. It must not damage the environment during the production, delivery, selling, and consumption (Rahmansyah, 2013). In the production stage, it should use recycled or recyclable materials, should not contain toxic, does not involve animal in product testing, uses simple packaging, does not consume a lot of energy and other resources. It should also use minimal energy and other resources during the delivery and selling. During the consumption of the product, it should be durable and not produce wastes generated from packages. Packaging has been the major source of environmental waste, and concerns have been put on reducing excessive waste significantly by using the recycled materials for packaging and providing product refill. Ecolabel can verify if the product is green compliant and thus it can be certified as an environmentally friendly product (Yazdanifard & Mercy, 2011).

Green price is a set price of a product that includes considerations on the environment (Yazdanifard & Mercy, 2011). The price covers environmental expenses and social expenses that reflect the added costs for modifying the production process, packaging, and the disposal process. Such pricing has typically resulted in higher price of green product than that of conventional products. Higher price may not be the problem if the customers willingly pay that price (Solaiman, Osman, & Halim, 2015). Otherwise, the customers switch to non-green products. Even though in the future price can be an indicator of socially and environmentally responsible business (Li & Tang, 2010), setting reasonable and competitive green price is still a challenge and is considered one of the most difficult aspects of green marketing (Sudhalakshmi & Chinnadorai, 2014).

Green promotion is to promote the product that is environmentally friendly intended to educate and change buyers' view on the product (Yazdanifard & Mercy, 2011). Green promotion needs to communicate substantive environmental information to consumers that has significant relationship with corporate activities (Solaiman, Osman, & Halim, 2015). Green promotion can be an effective strategic tool if it is supported by other corporate activities. Otherwise, consumers may perceive it as green wash and ignore the promotion or even boycott products or complain to the regulators. When a company communicates the activities reflecting its commitment to the environment through advertisements, sales promotions, publicity, and corporate social responsibilities, it is sure to get many loyal customers (Yazdanifard & Mercy, 2011) because consumers typically love to associate themselves with companies that are environmental stewards.

Green distribution is about to place the products to the right consumers, i.e., those who have environmental awareness (Yazdanifard & Mercy, 2011). It includes internal and external aspects (Sudhalakshmi & Chinnadorai, 2014). The internal aspect refers to managers and employees in the company that must be aware of environmental issues in the internal processes of the company.

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Meanwhile, the external aspect refers to places for offering the products and services that have the least harm for the environment. Green distribution goes beyond improving the practicalities of fuel efficiency, shipping packaging and the noise produced by depots. It must guarantee the eco-performance of the products on the market (Rivera-Camino, 2007), since a distribution process starting from manufacture, purchase, and the use of the product can have an impact on the eco-performance of products (Li & Tang, 2010).

Since a marketing strategy integrates the organization's overall goals and marketing objectives into a cohesive plan (Lardbucket.org, 2012), green marketing strategy must focus on the ideal marketing mix to achieve maximum profit potential while preserving the environment.

2. METHODS

This study examines green marketing strategy by centering on marketing mix practices of the companies producing green products. Referring to Sekaran and Bougie (2010), this is an exploratory study intended to gain deeper understanding on the phenomena in green marketing strategy in order to understand to what extent the green marketing strategy was implemented by the companies. Since this is exploratory in nature, the study conducted to only limited number of companies. They were selected based on product, practice, and location, i.e. they produced product that is considerably green product, deliberately conducted green practices, and were located in Indonesia as one of developing country. Taking account that the definition of a green product is broad, this study limited green product to specific criteria that were considerably practical and easy to identify, i.e., a product was produced using natural ingredients and generated less hazardous wastes. With these criteria in mind, a company was put in the list as far as it produced the product that fits the criteria.

The companies were chosen among those located in Semarang City and Semarang Municipality in Central Java in which industrial areas were located. Due to unavailability of the data indicating the green company or green product manufactured by a company, the research applied judgmental sampling in selecting the companies that produce green product for in-depth investigation (Neuman, 2004). Several resources were used for identifying the potential companies, such as newspapers, research reports in the relevant topic, company's website and references from colleagues who had the information about the product and/or the company. The sources were used in combination. For example, information from a colleague about a company that produces a green product was confirmed from other sources, such as the company's website to ensure that its product fits the criteria of green product.

Some alternative companies were then contacted for asking their willingness to participate in the research. Those being in the most favorable position for accessing them were prioritized. This process ended up with three selected companies regardless of the scale and the industry in which they were operating.

In-depth interviews of the owner or manager in charge were to understand their practices in marketing the product, especially, in the activities centering around the marketing mix elements (Yazdanifard & Mercy, 2011). Refering to Burns (1998) who stated that behavior is purposive and expressive of deeper values and beliefs (p. 316), observation to the facilities of each company was undertaken to record the companies' behavior in their relevant practices to green marketing because observation can help in gaining facts in which the subject cannot give verbal reports of their behaviors or feelings. The phenomena observed was used to enrich the analysis.

Data from the interviews were analyzed using the conceptual analysis. It was used to present existence of concepts in a manageable categories (Sekaran & Bougie, 2010). The concept underlying the analysis is marketing mix elements or 4 Ps. This means that the interview transcriptions were interpreted by dividing them into product, price, promotion, and place. Subjectivity of the interpreter in such process is reduced by applying NVivo that enables the interpretation of the participants' statements in more systematical way. NVivo can help uncover interrelationship among the concepts and thus objectivity is considerably higher. A code is assigned for a concept (a mean-

ing embedded in a statement). The interrelationship between the concepts produces the themes from which deeper meaning can then be attained. The single theme resulted from the process should reflect the extent of greenness of the marketing strategy.

3. RESULTS

3.1. Company profile

The companies in this study cover the manufacturers that vary in terms of industry, size, and age. Nevertheless, they had similarity in their commitment to promote and nurture the local wisdoms in terms of their products that have been recognized and used for generations. They had been available on a daily basis and were homemade, produced using the traditional way by local women as they needed. Table 1 summarizes the profile of the selected companies, which are presented in initials for a particular reason.

SDM established in 1951 has been consistently producing the same product lines since the inception, i.e., herbal medicative drinks, or *jamu* as its local name. *Jamu* is a beverage made of local herbs and plants available in the surrounding, which intended to prevent or cure the sickness. *Jamu* has been a traditional healing practice generated for generations. SDM commercialized the *jamus* by producing them using modern pharmaceutical standard technology and selling them in small packages that make them ready to consume. In the beginning, the company used manual and traditional production process before it developed modern facilities for being able to produce massively, as the demand was continuously increasing. The pharmaceutical-standard production system it built made the products can be considered as medicine. The company was a large business employing more than 3,000 people and has marketed the product internationally.

VTH produced spa-related beauty products using natural ingredients since 1997. Similar to SDM, VTH also commercialized the traditional way of local women to beautify themselves. The company wanted to maintain the local wisdom and promoted it widely. Even though it was still medium size company, according to Statistics of Indonesia (Statistics Indonesia, 2018), the company has marketed the products internationally.

BSM was established in 2005 with the initiative to produce the colored designs fabric, called *batik* in local language. *Batik* is a cloth produced using wax-resistant coloring technique practiced for generations. The common practice was to use chemical substances in coloring and this generated the hazardous waste. BSM produced *batik* using natural coloring process in which the colors were produced from parts of plants such as leaves, skin of stem, or roots. Besides that, the company also created specific designs that differentiate it from other similar companies. It explored the city icons and used them as patterns in cloth. This has made its products unique and has become the identity of the region where the company operated.

3.2. Green practices

SDM is owned and managed by a family. They hold the value of being environmentally friendly and try to do actions that do not harm it. This belief is reflected in their basic principle of what is taken from the Mother Nature must be returned to it. They induce this value to the management and all employees. One of the action it takes is to comply with the regulations in green industry. For this purpose, they have invested millions of rupiah in installing the systems to manage all wastes (either liquid or solid wastes) resulted from the production process. Even though the wastes are not deliberately harmful to the environment, they want to ensure that the wastes are really safe for the environment once they are disposed. The company helps the farmers who supply herbs in doing good planting and will buy all their productions. The company supported the

Table 1. The companies' profiles

Company (initial)	Year of establishment	Number of employees	Product
SDM	1951	3453	Herbal medicative drinks
VTH	1997	48	Spa-related beauty products
BSM	2005	37	Natural coloring fabric

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government green initiatives. For example, it created an event of distributing paper bag for shoppers to reduce the use of plastic bag; it promoted concerns on cleaning up the contaminated river; it conducted a research to transform water hyacinth grown in a swamp into fuel. The company has been awarded the status of 'green proper,' indicating it is a green company and has received environmental related awards for several years.

Due to the company scale, green practices of VTH and BSM are not as many and comprehensive as those conducted by SDM. Similar to SDM, VTH also cultivates farmers from whom the company buys herbs for producing the products. Since the company uses natural ingredients and no chemical preservatives, they may not produce hazardous wastes. They, however, install liquid waste management system for their water wastes and transform the solid wastes into fertilizer. For such process, VTH received a certificate of eco-friendly product from HACCP. Green practices conducted by BSM cover the installment of liquid waste management system to manage their water wastes resulted from coloring process, recycling wax used in designing fabrics. BSM's product fits the criteria for granting eco-label and they are working on having the label.

3.3. Marketing programs

1. Product

SDM and VTH maintained the natural characteristics of the products by adding no chemical substances for preservatives on the products. They also had concerns on using herbs planted with no chemical fertilizer. To guarantee this, the companies cooperated with farmers from whom they get the materials in natural planting. They taught the farmers how to plant well and when is the best time for harvesting.

BSM differentiated itself by producing natural coloring and city-specific iconic patterns batik. The company also offered class program for local people and foreign tourists to learn how to do batik, in particular, waxing the pattern on a piece of cloth. It has become an international tourist destination in the city for this purpose. It involved historians and cultural observers in creating a pattern in order to ensure that the pattern was really rooted in the city. They already have had hundreds of patterns and most of them were patented.

Three companies used plastic-based package since there had been no other alternatives of package with benefits similar to plastic. For SDM, combination of plastic and small portion of aluminum was considerably the best package for the products because it could protect the product from damages and preserve the product for much longer time than paper package the company used in the beginning. VTH used dominantly plastic package for the products that are powder. Even though liquid items were packed in glass bottle and paper box, plastic wrap was applied as the outer package. BSM used plastic to only wrap the cloth bought by a customer and put it in a paper bag to take away.

Different from the other two that had no green certification for their products, BSM was processing its eco-label to verify that the product is a green product. It received assistance from the Environmental Department in managing the wastes resulted from the production process in fulfilling the requirement for getting eco-label. Even though SDM did not have eco-label to verify its products, but it had green proper certification issued by the Department of Industry verifying that the company had conducted environmentally friendly production process.

2. Price

Price of the products was determined based on costs of production and certain margin. The products price of SDM and VTH was considerably affordable for the target consumers, as their price was relatively cheaper than similar products available in the market. On the contrary, the product price of BSM was more expensive than that of the competitors. The higher price was because natural coloring process needs approximately fifteen times longer than synthetic coloring process to get the desired color.

3. Promotion

Each company had different way to promote their products. SDM promoted each product item differently according to the positioning it builds for the item. It relied more on TV advertisements to promote only product items that were positioned

as the competitive brands for the company. It also conducted public relation, sales promotion, and online ad on YouTube for other product items with specific message such as the environmental issues of river damages, natural ingredient of the product, and product functions (for example, increase stamina, cure cold). The company promoted their green activities using the public relations.

VTH relied on beauty advisors for its promotion programs, since the company targeted beauty professionals as its main customers. Beauty advisors give information about the products in terms of their functions and way to use them effectively. The company also conducted beauty seminars for promoting the products and attracting more customers. To promote the products to foreign markets, the company actively participated in international trade shows.

BSM did not formally conduct promotion programs but relied more on word of mouth. The company's website was particularly to give information about natural coloring and class program it offers rather than to promote the products. It built relationships with tour and travel agencies to bring their clients, especially foreign tourists, to visit the company and to promote its class program.

4. Place (distribution)

Since there were no specific green customers targeted by the companies, the distribution of the products was thus not specific. SDM distributed the products widely so that they were available in as many convenience stores as possible around the country. The subsidiary company undertook the distribution for all product items.

According to the target consumers, VTH distributed the products by itself to special stores selling beauty products or cosmetics. This had made the products were available only in limited areas and in specific stores. Similar to this, BSM sold their products in their own gallery locating at the same place as the production facility. This was purposively to create one stop shopping for customers. A customer might come to not only buy clothes but also learn about traditional clothes from seeing the process of production and reading the history of traditional cloth in the library provided by the company.

3.4. Greenness of the marketing strategy

Applying NVivo on the interview data based on Pearson's correlation coefficient resulted in 10 clusters. Each cluster contains several codes that relate each other comprising a theme. The interrelationships between codes in a cluster and between clusters are presented in dendrograms (Figure 1). Interpretation of the dendrograms starts from the most similar to the least similar codes in each cluster. Following the interpretation between codes, interpretation between clusters is outlined accordingly. A table is used to show the relationship between codes in a cluster and theme of the cluster is presented at the last column of the table.

Cluster 1

Cluster 1 contains nine codes (see Table 2). The most similar codes exist between code 8 (market education) and 9 (product development). They show that the products were developed not only for selling them but also for educating the market. Market education was intended to increase consumers' awareness on green products that was still considerably low. These codes indicate low consumers' awareness on green product.

Next similar codes are between code 6 (consumers) and 7 (employees). They indicate types of consumers in which employees are presumably the internal consumers. The consumers include either local or foreign consumers, individual or business consumers, and permanent or temporary employees. These codes are linked to code 8 and 9. Thus, they emphasize that low consumers' awareness on green product happened to all types of consumers.

The relationship between code 4 (brand name) and code 5 (competitor) shows that the companies differentiate themselves from the identifiable competitors using brand name. Their relationship to code 3 (target market), which indicates that they can identify their target market clearly, indicates that the companies identify and differentiate themselves to their target market using brand name. Thus, together these codes create the meaning of market positioning.

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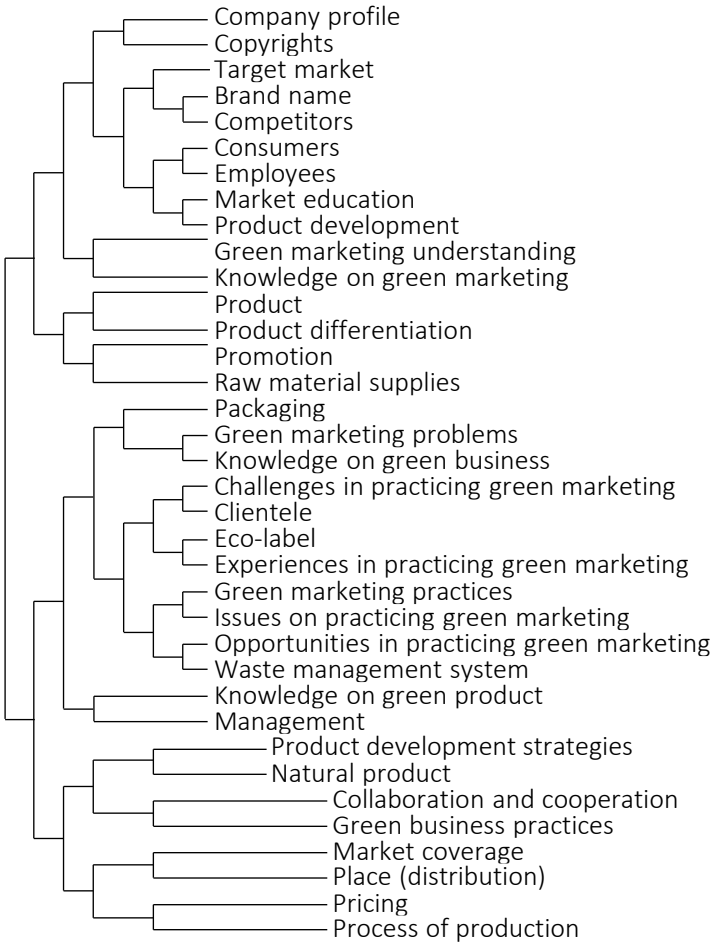

Figure 1. Dendrograms of marketing practices

This meaning is related to low consumers' awareness on green product. Together, they indicate that positioning of the companies in the market does not relate to green product, since awareness of consumers on green product is still low. Thus, they show non-green positioning.

Code 1 (company profile), which indicates the company size in terms of number of employees, and code 2 (copyrights), which shows copyrights (such as intellectual property), owned by the companies, identify the characteristic of the companies. Company's characteristics are thus the meaning related to the codes.

Company's characteristics and non-green positioning compose Cluster 1. The meaning embedded in them is that the companies position themselves according to their characteristics rather than to green positioning. Both create a theme of company-based positioning.

Table 2. Codes comprising Cluster 1

Cluster 1				
1	Company profile	Company's characteristics		Company-based positioning
2	Copyrights			
3	Target market	Market positioning	Non-green positioning	
4	Brand name			
5	Competitors			
6	Consumers	Low consumers' awareness on green product		
7	Employees			
8	Market education			
9	Product development			

Cluster 2

Cluster 2 consists of code 10 and 11 that, respectively, relate to understanding and knowledge of green marketing. This possibly means that particular understanding can come from particular knowledge. Since it was identified that the companies know about green product but might not have enough knowledge about green price, green promotion, and green distribution, it thus can be stated that the companies have limited understanding of green marketing.

Table 3. Codes comprising Cluster 2

Cluster 2		
10	Green marketing understanding	Limited understanding of green marketing
11	Knowledge of green marketing	

Cluster 3

Cluster 3 contains code 12 and 13, which, respectively, identify the products manufactured by the companies and differentiation of products made by each company. The theme of Cluster 3 is thus product uniqueness.

Table 4. Codes comprising Cluster 3

Cluster 3		
12	Product	Product uniqueness
13	Product differentiation	

Cluster 4

Cluster 4 consists of code 14 (promotion) and 15 (raw material supplies). Code 14 refers to promotion activities conducted by the companies and code 15 refers to issues on materials supplies that came from external suppliers. Similarity in both codes is that they refer to forward and backward external entities, i.e., consumers and suppliers, respectively. Cluster 4 carries the theme of forward and backward relationships.

Table 5. Codes comprising Cluster 4

Cluster 4		
14	Promotion	Forward and backward relationships
15	Raw material supplies	

Cluster 5

The cluster contains 11 codes ranging from code 16 to 26 (Table 6). Code 16 relates to packaging that was predominantly plastic package. This was not green packaging, since plastic is a non-degradable material. This code is related to the meaning embedded in code 17 and 18.

Code 17 refers to problems encountered in marketing the products. This more specifically refers to company 1 that received complaints regarding the poisonous ingredient that might be in one of its products. Code 18 is about knowledge of the management on green business. The knowledge

Table 6. Codes comprising Cluster 5

Cluster 5					
16	Packaging		Regulations on green practices		Government enforcements on green marketing
17	Green marketing problems	Relevant regulations			
18	Knowledge of green business				
19	Challenges in practicing green marketing	Dealing with green marketing challenges	Government roles	Government assistances in green marketing practices	
20	Clientele				
21	Eco-label	Government supports			
22	Experiences in practicing green marketing				
23	Green marketing practices	Barriers in green marketing practices	Limitations in practicing green marketing		
24	Issues on practicing green marketing				
25	Opportunities in practicing green marketing	Green marketing practices			
26	Waste management system				

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particularly refers to green proper that indicates the commitment level of a business to the environment and this specifically refers to the case of company 1. Both codes relate to regulation about product safety (code 17) and business conduct (code 18). The meaning covering both codes is thus relevant regulations. Together with code 16, they carry a meaning of regulations on green practice.

Next relationship is between code 19 (challenges in practicing green marketing) and 20 (clientele). The challenges cover maintaining the product quality and complying the waste management regulation. The first relates to challenge in maintaining the quality of the raw materials that are naturally sensitive to season. The later refers to the erection of the regulation that will be more rigid in the future. Clientele shows the companies' efforts in supervising the farmers from which they get the raw materials in practicing organic farming and effective harvesting. The relationship indicates that clientele was the way the companies did in dealing with maintaining the product quality. The meaning embedded in these codes therefore relates to dealing with green marketing challenges.

Code 21 is about eco-label as the identification of green product that is issued by the government. Code 22 refers to the companies' experiences in relation to supports and assistances provided by the government in protecting their intellectual property rights, building waste management system, applying green business, and dealing with negative claims. Code 21 and 22 cover the meaning of government support. This is related to dealing with green marketing challenges (code 19 and 20). This relationship indicates that the government can play a role in giving supports to companies to apply green marketing practices. Thus, the relationship carries the meaning of government roles.

Code 23 (green marketing practices) and code 24 (issues on practicing green marketing) relate to each other. The practices were the activities intended to educate the consumers about green products, maintain the company image, express the commitment to the environment, and comply with the regulation in the target country. Code 24 refers to the limited laboratory facilities that can support green product development and the obligation to maintain compliance on green practices (green proper). The relationship indicates that the companies were facing barriers in practicing the green marketing. The meaning embedded in both codes is barriers in green marketing practices.

The relationship between code 25 (opportunities in practicing green marketing) and 26 (waste management system) indicates that the companies recognized opportunities of being green, and managing the wastes was a green marketing activity they applied. These codes carry the meaning of green marketing practices. This meaning connects to barriers in green marketing practices (code 23 and 24). Together they indicate that the practices are not yet fully green due to some barriers. However, the companies were heading toward practicing green marketing. The meaning that related them together is thus limitation in applying green marketing.

Furthermore, this meaning relates to government roles (code 19 and 20). This relation possibly indicates that the government can give support to companies in practicing green marketing through relevant assistance enabling companies to practice green marketing comprehensively. The meaning covering code 19 to 26 is thus government assistances in green marketing practices.

This meaning correlates to the meaning covering code 16 to 18 (regulations on green practices). Similarity between them relates to government. It is the government obligation to give assistance and its job to make regulations. Thus, the theme carried by them is government enforcements on green marketing.

Cluster 6

The cluster comprises code 27 (knowledge on green product) and 28 (management). Knowledge on green product varied among the companies. For them, green product was either having eco-label or complying with green proper. Management covers organization structure, management commitment, and management initiative for conducting green business. These indicate the management characteristics and so does knowledge of green product. Cluster 6 thus carries the theme of the management characteristics.

Table 7. Codes comprising Cluster 6

Cluster 6		
27	Knowledge of green product	The management characteristics
28	Management	

Cluster 7

It comprises code 29 and 30. Code 29 refers to product development strategies in which product was produced using the process that was different from common practices and applying the process that complied with the environmental regulations. Code 30 (natural product) addresses natural materials/ingredients used in the product that made the production comply with the environment. Thus, the theme of cluster 7 is compliance with the environment.

Table 8. Codes comprising Cluster 7

Cluster 7		
29	Product development strategies	Compliance with the environment
30	Natural product	

Cluster 8

The cluster consists of two codes (code 31 and 32). Code 31 addresses specifically collaboration and cooperation the company 3 had with entities in supporting its business activities. The company cooperated with the local government in developing a way to increase the access to the company's location. It also collaborated with universities in conducting the research and development for developing the products, materials, or waste management system. Furthermore, it built the relationship with tour and travel agents in directing foreign tourists to visit the companies. Code 32 is about green business practices, which cover practices in managing the waste in a way that makes them safe for the environment; producing the products that were green; and maintaining commitments not to harm the environment. Since the collaborations and cooperation were to support their green practices, the theme covering the codes is possibly commitment to green practices.

Table 9. Codes comprising Cluster 8

Cluster 8		
31	Collaboration and cooperation	Commitment to green practices
32	Green business practices	

Cluster 9

It consists of code 33 and 34. Code 33 refers to the companies' markets that cover national and international markets. Code 34 is about how the companies distribute their products to the targeted markets (national and international), which is undertaken by either the companies or other entities. The theme of Cluster 9 is product distribution.

Table 10. Codes comprising Cluster 9

Cluster 9		
33	Market coverage	Product distribution
34	Place (distribution)	

Cluster 10

Cluster comprises two codes. Code 35 is about pricing the products that was cost-based method and did not include green issues. Code 36 focuses on the process of production that comprises the way, place, time, and steps in production process. The relationship between the codes indicates that cost-based pricing relates to process of production in such a way that longer time and higher difficulties in production result in higher price. Cluster 10 carries the theme of production-based pricing method.

Table 11. Codes comprising Cluster 10

Cluster 10		
35	Pricing	Production-based pricing method
36	Process of production	

3.5. Themes between clusters

Table 12 presents the themes of all clusters for identifying the inter-cluster themes that directs to a single theme. The relationship between Cluster 1 and 2 indicates that the companies did not take advantage of using green for positioning their product or company. This was possibly because of

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Table 12. Themes between clusters

Cluster	Substantive meaning	Sub-theme	Theme	
Cluster 1	Company-based positioning	Non-green positioning	Regular marketing	Quasi green marketing
Cluster 2	Limited understanding of green marketing			
Cluster 3	Product uniqueness	Marketing communication		
Cluster 4	Forward and backward relationships			
Cluster 5	Government enforcements on green marketing	Green marketing enforcement	Direction toward green	
Cluster 6	The management characteristics			
Cluster 7	Compliance with the environment	Green orientation		
Cluster 8	Commitment to green practices			
Cluster 9	Product distribution	Non-green distribution and pricing		
Cluster 10	Production-based pricing method			

their limited understanding of green marketing. It is more specifically stated that Cluster 1 and 2 carry the theme of non-green positioning.

Cluster 3 is related to Cluster 4. The relationship identifies that consumers recognize the uniqueness of the products and the suppliers support with specific materials. The theme embedded in both clusters is possibly marketing communication. This meaning is related to the meaning embedded between Cluster 1 and 2. The relationship possibly indicates that the companies communicated their products as a unique product and not as a green product. They also did not communicate their company as a green company, even though some of their activities indicated it. In other words, their marketing had no relationship with green and thus regular marketing is the appropriate theme bonded in the relationship.

Cluster 5 and 6 are related each other. Government enforcements on green marketing can possibly direct the management of the companies to adjust their characteristics for being able to apply green marketing. The theme embedded in Cluster 5 and 6 is therefore green marketing enforcement.

The relationship between Cluster 7 and 8 is about practices and commitment to comply with the environment. The theme covering these clusters can be green orientation.

The relationship between Cluster 9 and 10 indicate the similarity in distribution and pricing that did not relate to green. The distribution did not target the green consumers and did not consider green distribution. Pricing also did not include green aspect. They thus carry the theme of non-green distribution and pricing.

The last three themes are related to each other. Green enforcement indicates that the companies had not yet applied green marketing fully, even though they had orientation to do it. Their distribution and pricing strategies that were not green indicate this. The theme indicating this is possibly direction toward green.

Overall, the interrelationships between the themes indicate that the companies undertook regular marketing and they were heading toward applying green on their marketing strategy. The theme suitable for describing this condition is quasi-green marketing. This theme summarizes the extent of green marketing mix applying by the studied companies. As indicated from the single theme, the studied companies dealt with green product but did not apply green pricing and green distribution (theme relating Cluster 9 and 10), and green promotion (in terms of marketing communication, the theme relating Cluster 3 and 4).

4. DISCUSSION

Based on the marketing practices, it is apparent that the studied companies produced green product in terms of natural materials that were planted naturally. Company 3 was processing the eco-label to verify its product as green compliant (Yazdanifard & Mercy, 2011) and company 1 used green proper to confirm its environmentally friendly process. Referring to Sudhalakshmi and Chinnadorai (2014), it is not apparent if there were ecological purposes in designing the green product. The companies simply commercialized the traditional products known for generations using the modern process and machineries. However,

the packages are still the issue, since they used plastic-based package that has no alternative for replacement yet.

The studied companies did not apply green properties on other element of marketing mix other than product. It can be stated that the price of the studied companies is not green. Green price should consider environmental expenses in pricing (Yazdanifard & Mercy, 2011), while the studied companies set the price based on cost of production and did not consider environmental and social costs. As an example, the company assigned costs for buying and installing the machines for processing the waste as an investment rather than as costs that must be burdened to consumers. One consideration by the management was to come up with an affordable price for their consumers.

In promotion programs, not all of the studied companies used green promotion, which means that they did not promote green properties of the product in their promotion programs. Even though company 3 used class program for educating the consumers about natural coloring in producing the product, it, however, did not explicitly promote its purposes. Company 1 used green issue in promoting its particular product only, while the other products were promoted as regular product. The other two companies also did not promote the product as green product. Citing to Solaiman, Osman, and Halim (2015), they have not communicated substantive environmental information to consumers that has significant relationship to corporate activities.

Their distribution is not green distribution, since they did not address green consumer particularly (Yazdanifard & Mercy, 2011) and used regular transportation modes and regular channel of distribution. However, they consider shipping packaging to protect the performance of product to consumers (Li & Tang, 2010) as a business should normally do.

The marketing practices indicate that the studied companies have not fully implemented green marketing. Even though they produced green product, they did not set green price, did not fully promote the product as green, and did not practice green distribution. The result of NVivo emphasizes this phenomena labeled as quasi-green marketing. The term quasi is to indicate the practices that are not fully green. In general, the studied companies practiced regular marketing in which they positioned themselves as a non-green company, and marketing communication was intended to promote the product itself and not the green properties of the product. They, however, were heading toward green marketing. They had green orientation to comply with the environment by applying eco-label or green proper. Enforcement coming from the governmental regulations, in particular, green proper is the enabler toward green marketing. This indicates that the government plays a role in enforcing green marketing.

CONCLUSION

The study found out that the studied companies apply quasi-green marketing. Even though they produce green product, they do not take advantage of green characteristics of the product or their green practices in their pricing, distribution, and promotion programs. It thus can be concluded that the greenness of their marketing strategies is low. One reason underlying such position is limited numbers of green consumers that has enforced the studied companies to target the regular consumers and positioned their products as traditional products. Non-green pricing, distribution, and promotion are presumably the right strategies according to the market condition.

In the future, the companies can apply green marketing strategy, as green market potency increases. They can raise green claim in their marketing activities because their products have already been green but they had no intention to expose green properties of the products and their practices. However, referring to Ginsberg and Bloom (2004), strategy cannot be generalized, since there is no single green marketing strategy that is fit for every company. The companies must thus create its best-suited strategy according to the internal capabilities and external conditions.

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The study is limited by the number of sample that may not represent the whole condition, and thus generalization of the results is possibly low. Future research with more samples can be conducted to increase the generalizability of the results. Moreover, results can be directed to generate green measurement of company's marketing practices. The study also did not address the particular sector so that it may not be able to capture marketing practices that are specific to a sector or industry. The research on certain sector or industry can possibly represent the sectorial phenomena.

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