CHAPTER - 7

CONCLUSION

AND SUGGESTIONS
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CONCLUSIONS, SUGGESTIONS AND DIRECTION FOR FUTURE RESEARCH

7.1 Conclusion

Key findings of the study reflect that Industries these days have high concern for environmental protection and have strong belief that green marketing can definitely be used as a tool for gaining competitive and sustainable growth. Some companies are initiating and implementing these practices as a part of their corporate social responsibility. However environmental strategy formation and implementation are slowly making it to the priority lists of Indian corporate.

Green marketing should not be considered as just one more approach to marketing, instead should be pursued with greater vigour as it has societal and environmental dimensions. With this view organizations are now aware with the fact that without adopting green in the core of their strategy they cannot survive in the present competitive era. Automobile companies are also adopting green to retain their image in the market.

It is quite evident from the findings and discussions that all the three types of Automobile companies i.e. OEM, Tier 1 supplier and Tier 2 supplier have positive attitude for green philosophy and while initiating and implementing green marketing practices. It has been also observed that most of the companies are practicing it from a decade, and some companies have just started a green marketing practice which indicates an increasing focus on green marketing practices in automobile and ancillary industries. They had an opinion that sustainable development through green marketing is the new mantra of success and growth.

The majority of the automobile companies are partially aware about green marketing and they have implemented these green marketing practices in any of the form, including product modification, changes to the production process, packaging changes, which are less detriment to the environment, developing environment friendly suppliers, greening supply chains, use of renewable resources, considering products complete life cycle from raw material extraction to disposal – which is less
harmful to environment.(cradle to grave approach), waste minimization and pollution prevention.

This research has revealed that, due to several reasons – regulatory pressures from government, competitive forces, technological developments, influences the action of automobile and ancillary firms to ensure they are going green in new product development, product modification packaging, product safety throughout production, use and post-consumption. These government regulations as well as globalization are forcing the firms to be particular forcing to automobile and ancillary industries to find new ways to consolidate their platforms; thereby reducing, harmful impact on the environment.

The competitors in the market have strong influence on the activities of the firm, they facing increasing competitive pressure to indulge green-ness at every stage from choosing the raw material, in production process, in selling and marketing to end of product life cycle. In this regard firms must proactively monitor the action and performance of their competition. Moreover these firms can establish a source of competitive advantage if they raise industry expectations for the environmental standards.

There are huge opportunities in the Indian market for companies that establish their green credentials early. Being Eco-friendly gives the firm a USP (Unique Selling Proposition, which competitor may find difficult to match, hence being eco-friendly makes a firm competitive and customer friendly as well. Managers must start to recognise environmental important as an economic and competitive opportunity, not as an annoying cost or an inevitable threat. Environmental progress demands that the companies innovate to raise resource productivity-precisely the new challenge of global competition. It is the time to build on the underlying economic logic that links the environment, resource productivity, innovation and competitiveness.

In harmony with above external forces there are some internal forces which are compelling companies to initiate and implement green marketing practices in their organisation. Those are corporate social responsibility (organizations believe that, they have moral obligation, cost and profit issues-cost factor associated with waste disposal or reduction in material usage forces firms to modify their behaviour and sustainability in business.
The study also revealed that green marketing practices have positive impact on market performance. This impact is analysed through relationship between green marketing practices and various market performance indicators as below:

There is positive relationship between the green marketing practices like developing environment friendly products, waste minimization and pollution prevention eco-friendly modification in product design, use of renewable resources, considering products complete life cycle from raw material extraction to disposal – which is less harmful to environment. (Cradle to Grave approach) and market performance indicators like positive company image, competitive advantage, profitability, sales volume, business sustainability increased market share.

Although there are huge opportunities for green marketing, Indian auto industry has to battle major challenges such as emission, energy safety, and climate change, lack of renewable resources, sustainable manufacturing will demand new equipments and process which will be costly affair. However despite of the challenges, auto industry has devised solution like set waste reduction goals contract with eco-friendly vendors, implementation of green marketing strategies (Environment friendly product, price, promotion, logistics strategies), waste management programmes, employee awareness for environment friendly practises, 3R practises- Reduce, Reuse, Recycle, sustainability developments through carbon credits.

The only way forward is to achieve growth through innovative technologies and promote sustainable mobility. Study also revealed that, auto manufacturers have continued to invest in R&D dedicated to ‘green innovation.’ These green initiatives are expected to address issues of fuel emissions and efficiency – reducing fuel consumption and greenhouse gas emissions.

This study indicates noticeable use of various green branding practices are the strongest enablers to get competitive advantage.

The insights from this study can indeed be used to formulate marketing strategies especially for green products by OEMs as well as ancillary industries for business sustainability with brighter today and greener tomorrow. It would ultimately give rise to sustainable development and preservation of environment. Green marketing helps in the effective outcomes like they could get a first-mover advantage, firms can also
develop a competitive edge by creating a brand-image as an environment conscious body.

Government and NGO are also supporting to the firms. Industry associations such as the CII actively encourage their members to be more sustainable. Central Government and state government of India is funding for environment friendly project cost from ten crore to 20crores for Cluster program.(information source is Industrial officer: Office of the joint Director of Industries, Pune Region.

In India along with automobile sector there are various sectors like Banking, FMCG, Pharmacy, Consumer Electronics, IT, Telecommunications, Oil and Gas, Energy, Housing and construction are the leading sectors which have an environmental strategy in place. The companies from these sectors are taking intense efforts to implement green marketing through various initiatives like green innovation, green operations, waste management, green supply chain management, energy conservation, biodiversity, practising 3R Reduce, Reuse and Recycle. It has been also observed that most of the Indian companies from above sectors are practicing green marketing practices from a decade.

Finally, consumers, industrial buyers and suppliers need to intensify the efforts to minimize the negative effects of the environment-friendly marketing in the context of green marketing assuming even more importance and relevance in developing countries like India. This study concludes with a call to the other sectors other than automobile sector also to pursue eco friendly initiatives to foster long term growth in the economy.

7.2 Suggestions From The Study

- Marketers should play crucial role since they have the responsibility to make the consumers understand the need for and benefits of green products as compared to non-green ones. In these times, Green marketing assumes even more importance and relevance in developing countries like India.

- Along with Private sector, Government initiatives are most important, intense efforts should be made by Government for following these practices for wellbeing of next generations.
• An environmental issue becomes a key issue in vendor conference. Each OEM should conduct as much as possible vendor (Tier 1 and Tier 2 suppliers) conference through which they can create awareness regarding crucial environment issues as well as should take an endeavour for vendor up gradations regarding eco friendly technologies and practices.

• Firms should give best vendor award for initiation and implementation of green marketing practices.

• Study reveals that government regulations and competitors forces plays crucial role in green endeavours, so government should spend some more amount on research and development for innovating eco friendly technologies, and should give subsidies those who are practising.

• There is close association between green marketing practices and market performance. Hence, Companies should focus more on to develop environment friendly products and put an endeavour for eco-friendly modification in product design which will increase market share and give competitive advantage.

• The Ministry of Road Transport and Highways, a branch of the Government of India, is the apex body for formulation and administration of the rules, regulations should give more exemption in Taxation for non polluting vehicles.

• Since the bigger challenge will be in the public sector, voluntary efforts alone will not solve the country's environmental problems. The efforts of leading businesses need to be complemented with enforcement to improve laggards, and a firm commitment to the rule of law.

• Companies should follow a more holistic approach. They should not just focus on being energy efficient, but they should shine when it comes to social responsibility and sustainability.

• There should be more institutes established for the assessment of green activities its outcomes in respect to automobile as well as other sectors.
7.3 Direction for Future Research

The researcher during his study and investigation came across certain areas which still remain unexplored. Hence the researcher has felt that further studies can be undertaken on the following areas:

- Automobile dealers role in creating awareness for eco-friendly products and ultimately for environment protection.

Along with above there lies immense scope of further research on green marketing in emerging economies like India, as people in these nations are highly aware of green issues and have positive attitude to go for green. There is not much research done on green philosophy in developing nations like India and many types of researches can be performed in the context of green; such as:

- An in-depth study on rural Indian consumers can be performed to know their awareness, concern and attitude towards green marketing.
- Research can be done on Indian Power Sector with respect to green power.
- Indian housing sector with reference to green houses or green buildings.
- Indian Tourism Industry with respect to green tourism.
- Financial sector with green investment versus Non Green.