

A Study on Green Marketing Orientation and role of SME – Areca Plate Manufacturing Unit in Karnataka

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Abstract:

India is addressing a great issue related to environmental protection, conservation, up gradation and consciousness among its citizens. The progress of any country depends on utilization of available potential resources as main backbone for any country. India being a land of diversity related to availability of abundant rich natural resource is gifted with bio-diversity too. Since ages man has tried to tap the available resources in that particular region, convert it to the best of his knowledge and ability and produce a product out of it to suit the market potential of that region and if abundantly produced exchange the surplus with other scarce region where it is required.

In this regard, this study is undertaken to know the making of eco-friendly areca plates and other products by SME s in Karnataka region, study its market potential, demand among Green Consumers etc as a growing need to address the sustainability issues of green marketing as well as potential market for green products. This study is based on a primary visit to the SME – Areca plate manufacturing unit as well as secondary source of information.

Key Words: Green Products, Areca leaf Plates, Green Marketing, Sustainability, bio-diversity

Introduction

Go Green is the current strategy as environment protection and its up gradation is of prime importance. Green Marketing also known as ecological marketing is not a new term ,need and existence was felt in the late 1980 's and early 1990's. It is one of the most powerful and efficient paths to sell or promote a product.

It doesn't only relate to the use of chemical component in the product or just packaging. It starts from when the product is conceived, its production process, method of packaging and its distribution etc.

Literature Review

Shilpi Katiyar (2015) An overview of Green Marketing for Indian Markets in her paper presents the concept of Green Consumer, Green Products and Green marketing Process with examples and also mentions the importance and challenges in green marketing through cases.

Vineet Kumar Dubey & Ms. Namita Gupta (2016), Indian consumers today are aware of the implications of Green Marketing and also willing to pay a premium price for green products .They also highlighted the marketers responsibility to create awareness amongst consumers about the environmental and social dimension of green marketing.

Aakanksha Singhal ; Puja Singhal(2015) Exploratory Research on Green Marketing in India ,explained the Green Marketing process and also that the consumer is satisfied with the 3 R's of a product. The paper explained the importance of Green Marketing; challenges faced to adopt Green Marketing in India and also quoted the examples of firms which have green marketing practices

Yasmin Begum .R. Nadaf and Shamshuddin .M.Nadaf. (2014) Indian Companies in 21 st century has compared Green Marketing at the global and Indian level, the reasons to be green,

the Green marketing initiatives by Indian Companies, challenges and strategies for green implementation and has concluded that change is imperative given climate realities. **Dr. Shruti .P. Maheshwari (2014)**, presented the beliefs and attitudes of consumers on green products and also the efforts put in by the marketers to help consumer buy Green products. She designed a Questionnaire HEP-NEP to measure it using Mean, Standard Deviation, and Coefficient of variation to analyse consumer behaviour and concluded that consumers awareness on green products has to increase

Objectives:

1. To study the concept of Green marketing and its relevance to manufacturing of Areca leaf plate by the SME.
2. To know the significant contribution of Green Products to the economy.
3. The present study is exploratory in nature.

Research Methodology

Primary source- Visit to SME's manufacturing Areca Paper plate in Peenya, Bangalore, MSME.

Secondary Source- Internet, Journals, Articles in News paper etc.

History –Area Leaf Plate

In India 4 lakhs hectors of areca crop has been cultivated. Near about 5,400 million areca leaves are shredded and treated as an agro waste.

One Areca leaf plate manufacturing unit need 70,000 leaves per year. In this scenario nearly about 80,000 plates manufacturing units can be established all over India. 3 lakhs fresh employments can be given in 80,000 units. This particular project can create “A Rural Employment Revolution” in India.

At Present only 3,000 units are established all over India, in this 2,500 units are established by Eco Green unit for self help groups, small entrepreneurs and farmers in India.

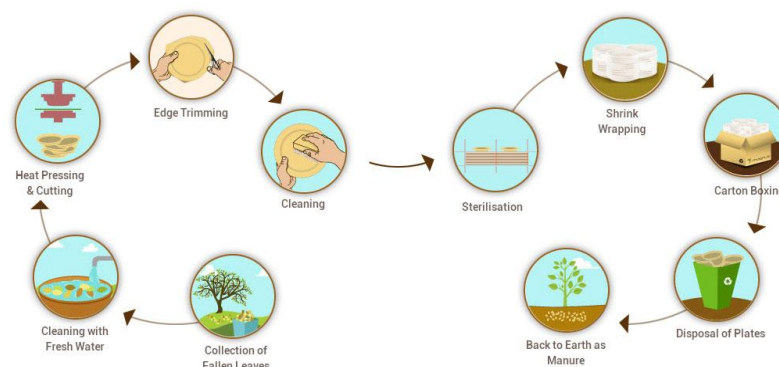
Due to plastic pollution and awareness of this kind of Eco friendly Bio degradable items there is a growing demand for leaf plates and cups in global level.

The Beneficiaries are:

1. Areca Nut farmers (An Extra Income through wasted leaves).
2. Leaf collection laborers.
3. Transporters
4. Entrepreneurs
5. Consumers

This “Wealth from waste concept” is an ongoing process by Eco Green Unit. In order to promote Self-Help Groups, Unemployed Youth, Entrepreneurs by training, supply of raw material, technical know-how and buy back the finished products.

Chart depicting the process of manufacture of Areca leaf Plate-



Success Story – from an article www.ecogreenunit.org/arecaleaf.htm(source)

“Case examine 1:

Dhriiti - The braveness within, is a non-earnings, development employer with its venture “to stimulate a tradition and mind-set of agency and entrepreneurship, by using creating a pool of subsequent technology entrepreneurs, promoting and developing micro enterprises and growing the efficiency of existing small scale industries main toward a higher condition of life and living”. As a part of its Endeavour for North East India, Dhriiti has been implementing the “Areca nut Leaf Plate production Cluster improvement assignment” because the closing 5 years in Assam. Dhriiti is running to installation small production gadgets of disposable plates and bowls made from the sheath of areca nut vegetation. every areca nut leaf plate production unit offers employment to extra than 20 rural youths. The company no longer simplest has a high quality effect on the employability of the vicinity but also lead to manufacturing of an f6ba901c5019ebe39975adc2eb223bef product from a aid which is usually a waste in these regions.

Case observe 2:

Tamul Plate advertising Pvt. Ltd. (TPMC) is an institution created under Areca nut Leaf Plate Initiative of Dhriiti to control the whole operations in a commercially sustainable way. it's far an institution promoted via the humans of North East. TPMC changed into installed via the rural producers of Areca nut Leaf plates on this place and the personnel of Dhriiti to together marketplace the high satisfactory, f6ba901c5019ebe39975adc2eb223bef, disposable, plates and bowls synthetic in rural North East India at a national and international level. today aside from advertising aid, TPMC gives many extra services to the rural producers and entrepreneurs. It's far the point of interest through which the rural entrepreneurs engage with the arena. It is the mechanism via which the agricultural negative are selling suitable economics, ecology and peace concurrently.

Source: **Success Story – from an article www.ecogreenunit.org/arecaleaf.htm(source)**

Table showing the Production Capacity of 2 Units (10 Die) Per Month Per Shift (24 Days):

Inches	No of Plates	Agreement Price/Plate	Current Market Price per Plate	Total Agreement Price	Total Current Market Price
10 SQ	10,000	2.60	4	26,000	40,000
8 SQ BL	10,000	1.85	4	18,500	40,000
6 SQ BL	10,000	1.10	2.3	11,000	23,000
6SQ DT	10,000	0.75	1.4	7,500	14,000
6 SQ PL	10,000	0.30	1.4	3,000	14,000
OVERALL TOTAL FOR 50000 Pieces				Rs. 66,000	Rs. 1,31,000

Table showing the cost and the net profit.

Detail	Quantity	Price	Amount
Raw Materials (Areca Leaf)	19,500	2.6	50,700
Work Shed Rent (House Rent)	1	5000	5,000
Staff	3	5000	15,000
Employee Refreshment(26/Men)	4	624	2,496
Unit Electricity Charges (2 Units)	2,400	3.5	8,400
Utility Electric Charges (Units)	150	3.5	525
Packing Charges			3,000
Transport Expenses			3,000
Telephone Charge	1	600	600
Petrol Charge	1	700	700
Machine Maintenance Charges			1,000
Total			90,421

Net Profit per month Rs. 1,31,000 -90,421 =Rs. 40,579

Findings-

I. **Employment Opportunity:** It is analysed from the above that each manufacturing unit provides an employment of 5 persons approximately, 3 directly employed and 2 indirectly employed. It provides job for many illiterate and unskilled workers.

II. **Areca Leaf Procurement:** The raw material for areca leaf plates is leaves of areca plants and trees. These leaves are available abundantly from trees and can be converted in value added product.

III. **Future Scope:** At present only 1500 units are established all over India. In that around 1000 units are in south India. The major suppliers of raw materials for south Indian units are Tamilnadu (Salem, Coimbatore), Kerala and Karnataka (Tumkur, Shimoga). There are lot of scope for future as it is estimated that 27,700 units can be established and which can generate an employment of 1.5 lakhs.

Major markets For Areca Leaf Plates

1. International market receives the First quality plates.
2. Local markets like dealers, super market, restaurants and caterer will receive the Second quality plates.

Areca Plates can be used for any occasion like parties, buffets, picnics, outdoor catering, functions, food-joint, temples. This product is having a good market in Maharashtra, Delhi, Madhya Pradesh and Tamilnadu.

These plates act as the best alternative for plastics and because of this reason it has a good market in international market.

Waste Disposal:

1. Food plates thrown after eating will be naturally degraded within 60 days of time like any plant matter.
2. Manufacturing waste of Areca sheaths will be used for vermin compost, dry fodder for animals, bio-fuel bricks.

Creation of a Collection Centre:

Additional unit or allied ancillary unit can be started which can collect the plates sold back for composting.

Table showing the SWOC Analysis:

Strength: Eco friendly Product Bio degradable Potential opportunities for growth	Weakness: Lack of awareness Since it is not reusable beyond 2 times many find steel and plastic plates as a replacement
Opportunities: Provides employment to rural women. Availability of natural resources in abundance	Challenges: Technology Finance Competition

Suggestions:

1. Training and skill building- NABARD is sponsoring a 5 day training and workshop under the rural EDP programme but more awareness has to be created in this regard as still this project is an untapped market in rural Karnataka.
2. MSME should fund cluster projects of Areca leaf plate manufacturing units in Karnataka purely for women entrepreneurs who are unemployed in the rural area.
3. Though resource i.e., Areca leaf Sheath is available in plenty in Karnataka its potential into conversion is still untapped like in other state. It is used as a burning fuel for cooking and heating water.
4. More innovative and environmental friendly design products have to be designed to cater to various occasions and demand.
5. Tapping the foreign markets is another alternative to increase the demand for such eco-friendly green products as consumers in those countries are aware about the need for bio-degradable, environmentally friendly compostable products which can replace plastic and other cheaper products available in the market, since it has a competitive edge over them.

Challenges in Implementation –

1. Lack of financial resources in setting new units, though MSME has come out with various schemes.
2. Lack of providing collateral security by the entrepreneur is another challenge faced by them.
3. The rural entrepreneurs have to change their mindset while implementing this project and contribute by converting the fossil fuel into a green product.
4. The cost of green product like the areca-nut leaf plate when compared to a plastic plate is high as a result prefer the alternative. Another drawback is the reuse of leaf plate is twice while the plastic and steel plates can be reused several times.
5. Procurement cost of raw material i.e areca sheath is high as it is natural and available only in few regions of Karnataka.

Conclusion-

1. Rapid industrialization is the backbone for the development of any region, micro, medium and small and large scale industries helps in realizing the dreams of any region.

2. The manufacturing of a green product provides wide employment opportunities for the unemployed rural population as well as promotes entrepreneurship development among them.

3. Green Products and Green marketing through SME has a great potential in the domestic as well as foreign market as the product is environmentally friendly ,which can be achieved if and only if the cost of production is reduced.

4. More training, research and financial schemes related to Green Products and marketing goes a long way in development of SME's.

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