

# Aligning Environmental Policy and Green Marketing: A Critical Review from the Indian Context

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## **Abstract**

*As emerging economies pursue rapid industrial growth, balancing economic development with environmental sustainability has become increasingly critical for millions of businesses and consumers. India's green marketing landscape presents a compelling case study of both challenges and opportunities in this balance. This paper critically examines Indian policy frameworks—including national bans on single-use plastics, Extended Producer Responsibility, the Ecomark eco-labelling scheme, and Corporate Social Responsibility mandates—that directly influence how businesses approach environmental marketing and how consumers respond to green products.*

*Drawing on systematic secondary data analysis and comparative policy evaluation, this study applies institutional theory and stakeholder theory to examine how these policy instruments drive corporate environmental responsibility while shaping stakeholder perceptions and market dynamics. The findings reveal that despite strong regulatory intentions, institutional gaps, implementation challenges, and disconnects between consumer expectations and business capabilities significantly limit the effectiveness of green marketing as a sustainable business strategy in India.*

*The research contributes theoretically-grounded recommendations for institutional strengthening, enhanced multi-stakeholder engagement, and innovative policy mechanisms that address the real-world constraints faced by businesses of different sizes and consumers across diverse socioeconomic contexts. By addressing the institutional and market failures identified in this analysis, India can develop a more robust green marketing ecosystem that delivers measurable environmental outcomes while providing sustainable competitive advantages for businesses.*

**Keywords:** Environmental Policy; Green Marketing; Extended Producer Responsibility; Eco-labelling; Circular Economy; India; Sustainability Strategy; Institutional Theory; Policy Implementation

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## 1. INTRODUCTION

Environmental sustainability has become an urgent imperative worldwide, with developing economies facing particularly difficult challenges in balancing rapid development with ecological preservation. Rapid industrialization, urbanization, and changing consumption habits are putting India, the most populous country in the world and the fifth-largest economy, under unprecedented environmental pressure. These pressures manifest in pollution challenges, increasingly complex waste management requirements, and resource depletion, that impact the daily lives of over 1.4 billion people (Ministry of Environment, Forest and Climate Change (MoEFCC), 2022; NITI Aayog, 2021).

Businesses in India, ranging from small family businesses to multinational corporations, are under growing pressure to implement sustainable practices as strategic imperatives for long-term competitiveness and social responsibility, rather than just as a means of complying with regulations. Green marketing, defined as the practice of developing and promoting products and services with minimal environmental impact, has gained significant traction among Indian firms seeking to align with sustainability trends while addressing the evolving preferences of increasingly environmentally conscious consumers (Kumar et al., 2025; Peattie & Crane, 2005).

Green marketing incorporates environmental considerations throughout the whole value chain, from product design and production to distribution and consumer communication, in contrast to traditional marketing strategies that place a higher priority on immediate sales and profit maximization (Dangelico & Vocellelli, 2017; Ottman, 2011). This signifies a fundamental change from transactional to transformational marketing, where businesses aim to establish real stakeholder trust while making a significant contribution to environmental sustainability, in addition to meeting legal requirements and standing out in competitive markets.

### 1.1 Policy Context and Implementation Realities

The Indian government has introduced various policies and regulations designed to guide industries toward more sustainable practices, each affecting different stakeholders in distinct ways. Notable examples include the Extended Producer Responsibility (EPR) framework (Singh & Chariar, 2022) under the Plastic Waste Management Rules, which places legal responsibility on manufacturers for post-consumer waste management; the Ecomark eco-labelling scheme designed to help consumers identify genuinely environmentally friendly products; the Corporate Social Responsibility (CSR) mandate under Section 135 of the Companies Act, 2013; and comprehensive single-use plastic bans (Sharma & Gupta, 2021) affecting businesses and consumers nationwide (Government of India, 2013; MoEFCC, 2022).

However, the implementation of these policies reveals significant challenges that affect real businesses and communities. Studies indicate that while large corporations like ITC, and Tata have successfully integrated sustainability into their marketing strategies and operations, many small and medium enterprises (SMEs)—representing over 90% of Indian businesses—struggle with compliance costs, capacity constraints, and institutional barriers that can significantly impact their viability (Gupta & Kumar, 2021; Singh & Chariar, 2022). Furthermore, the effectiveness of eco-labelling schemes such as Ecomark remains limited due to weak institutional support, low consumer recognition, and inadequate enforcement mechanisms, affecting both business investment decisions and consumer choice patterns (Sharma & Kushwaha, 2019).

## 1.2 Research Gap and Contribution

This paper addresses a critical gap in understanding how India's policy environment influences green marketing practices through an institutional lens that considers the diverse stakeholders affected by these policies. While several studies examine green marketing from corporate strategy or consumer behavior perspectives, few systematically analyze the institutional factors and policy implementation dynamics that shape green marketing effectiveness in emerging economy contexts, where businesses operate under significantly different resource constraints and market conditions than their developed economy counterparts (Dangelico et al., 2024; Kaur et al., 2022).

**Research Objectives:** This study aims to: (1) critically analyse the evolution and institutional effectiveness of key green marketing-related policies in India using established institutional theory and stakeholder theory frameworks; (2) identify specific institutional gaps, implementation challenges, and stakeholder alignment issues that limit policy effectiveness for different types of businesses and communities; (3) provide theoretically-grounded, practically feasible recommendations for institutional strengthening and innovative policy mechanisms to enhance green marketing effectiveness; and (4) develop a conceptual framework for policy-business-consumer alignment that can inform similar emerging economy contexts.

The insights generated from this research are particularly relevant as India advances toward its sustainability commitments under the Paris Agreement and its pledge to achieve net-zero emissions by 2070, commitments that will require coordinated action across millions of businesses and consumers (PIB, 2021). Effective green marketing supported by robust institutional frameworks can play a crucial role in steering industries and consumers toward sustainable consumption and production patterns while maintaining economic growth trajectories that support livelihoods and development goals.

## 2. Theoretical Framework: Understanding Institutional Dynamics in Green Marketing

### 2.1 Conceptual Foundations

Green marketing is defined as the process of developing and promoting products and services based on their environmental benefits while creating authentic value for multiple stakeholders including consumers, communities, employees, and shareholders (Dangelico & Vocalelli, 2017; Polonsky, 1994). This definition has evolved from early "ecological marketing" concepts focused primarily on pollution control to more comprehensive "sustainable marketing" approaches that integrate environmental, social, and economic considerations throughout business operations and stakeholder relationships.

Contemporary green marketing operates at the complex intersection of business strategy, environmental policy, consumer behavior, and social expectations, requiring sophisticated understanding of institutional contexts and stakeholder dynamics that vary significantly across different markets and communities (Ottman, 2011). Unlike conventional marketing paradigms, green marketing demands transparency, authenticity, and long-term value creation across multiple stakeholder groups rather than short-term

profit maximization, creating both opportunities and challenges for businesses of different sizes and capabilities.

## 2.2 Integrated Theoretical Framework

This study employs an integrated theoretical framework that combines **Institutional Theory**, **Stakeholder Theory**, and **Triple Bottom Line (TBL)** approaches to analyze the complex policy-business-consumer dynamics in India's diverse green marketing landscape.

**Institutional Theory** (DiMaggio & Powell, 1983; Scott, 2014) provides the primary analytical lens for understanding how regulatory frameworks, cultural norms, and organizational practices shape green marketing adoption across different business contexts. The theory's three institutional pillars offer a comprehensive framework for analyzing policy effectiveness and implementation challenges:

- **Regulative pillar:** Examines formal policies like EPR, Ecomark, and CSR mandates, including their design, enforcement mechanisms, and compliance requirements that affect businesses differently based on size and resources
- **Normative pillar:** Analyses industry standards, professional norms, stakeholder expectations, and peer pressure mechanisms that influence business behavior and consumer acceptance
- **Cognitive pillar:** Investigates mental models, consumer awareness levels, cultural beliefs about sustainability, and the knowledge gaps that affect both business decision-making and consumer choices

**Stakeholder Theory** (Clarkson, 1995; Freeman, 1984) complements institutional analysis by examining how different stakeholder groups—including consumers with varying purchasing power, regulators with limited enforcement resources, investors with different risk tolerances, communities with diverse environmental priorities, and NGOs with varying influence—affect and are affected by green marketing practices. This theory helps identify stakeholder conflicts, alignment opportunities, and power dynamics that influence policy implementation success.

**Triple Bottom Line (TBL)** approach (Elkington, 1997) provides the normative framework for evaluating green marketing effectiveness across environmental, social, and economic dimensions, ensuring that policy analysis considers multiple value creation pathways rather than focusing solely on compliance metrics or profit outcomes.

## 2.3 Application to Indian Context

In the Indian context, institutional theory helps explain why policies like Ecomark struggle with low adoption despite being well-designed (weak cognitive institutionalization among consumers and businesses), while EPR shows mixed results due to implementation complexity and significant resource disparities between large corporations and SMEs (regulative-normative gaps). Stakeholder theory illuminates the conflicts between large corporations' green marketing capabilities and SMEs' resource constraints, as well as the disconnects between policy design assumptions and actual consumer behavior patterns across India's diverse socioeconomic landscape.

This integrated framework enables systematic analysis of how institutional factors, stakeholder dynamics, and implementation challenges interact to shape green marketing effectiveness in India's unique and diverse socio-economic context, where solutions must work for both multinational corporations and village-level enterprises.

## 3. METHODOLOGY: Systematic Policy Review and Thematic Analysis

### 3.1 Research Design and Rationale

This research employs a systematic policy review and thematic analysis approach to examine India's green marketing policy landscape comprehensively. Given the exploratory nature of policy-business interactions and the need for comprehensive coverage of multiple policy instruments affecting diverse stakeholders, a qualitative methodology using rigorous secondary data analysis is most appropriate for capturing the complexity and nuance of implementation experiences (Denyer & Tranfield, 2009; Tranfield et al., 2003). The methodology is designed to understand not just what policies exist, but how they function in practice across different business contexts, geographic regions, and stakeholder groups, providing insights that purely quantitative approaches might miss.

### 3.2 Data Sources and Selection Framework

### Primary Policy Documents:

- Official notifications and implementation guidelines from Ministry of Environment, Forest and Climate Change (MoEFCC)
- Central Pollution Control Board (CPCB) reports (2022) and compliance monitoring data (2023)
- Bureau of Indian Standards (BIS) Ecomark documentation and certification records (2023)
- Companies Act 2013 and CSR implementation rules with compliance statistics
- State-level policy notifications and implementation reports showing regional variation

### Secondary Sources:

- Peer-reviewed journal articles (2015-2024) from Scopus, Web of Science, and Google Scholar focusing on Indian context
- Corporate sustainability reports from top 50 Indian companies by market capitalization, including both large corporations and representative SMEs
- Industry reports from Confederation of Indian Industry (CII) and Federation of Indian Chambers of Commerce and Industry (FICCI) reflecting business perspectives
- International policy documents and comparative studies from similar emerging economies

### Selection Criteria ensured systematic inclusion:

- **Relevance:** Direct relationship to green marketing policies, environmental regulations, or sustainable business practices in India
- **Credibility:** Official government sources, peer-reviewed publications, or reports from recognized institutions
- **Temporal relevance:** Priority given to sources published 2015-2024, with foundational texts included regardless of date
- **Accessibility:** Publicly available sources to ensure research replicability
- **Stakeholder representation:** Sources reflecting perspectives of businesses, consumers, regulators, and civil society

### 3.3 Analysis Process

The analysis employed systematic thematic analysis using NVivo 12 software to identify patterns across the 67 documents meeting inclusion criteria. The process involved:

**Phase 1: Systematic familiarization** with all selected documents, including initial coding based on theoretical framework elements

**Phase 2: Pattern identification** across different policy areas, business sizes, and implementation contexts

**Phase 3: Theme development and validation** through independent researcher review (Cohen's  $\kappa = 0.83$ ) and expert consultation

**Final thematic structure** emerged covering:

1. Institutional design effectiveness and coherence across policies
2. Implementation gaps and resource constraints affecting different stakeholders
3. Stakeholder alignment challenges and power imbalances
4. Market mechanism effectiveness and incentive structures
5. Consumer behavior patterns and awareness levels across demographic groups
6. Innovation barriers and technology adoption challenges

### 3.4 Quality Assurance and Limitations

Each source underwent systematic quality assessment using adapted Critical Appraisal Skills Programme (CASP) criteria. Key limitations acknowledged include reliance on secondary data that may miss nuanced stakeholder perspectives, potential positive bias in corporate reports, and time lags between policy implementation and documented outcomes. These limitations were mitigated through triangulation across multiple source types and critical assessment of claims against independent evaluations.

## 4. Key Environmental Policies Influencing Green Marketing: Implementation Analysis

### 4.1 Extended Producer Responsibility (EPR): Bridging Policy Intent and Business Reality

Extended Producer Responsibility represents India's most significant institutional intervention in sustainable production and consumption patterns, with direct implications for how businesses approach product design, marketing, and stakeholder engagement. The Plastic Waste Management Rules, 2016

(revised in 2018 and 2022) established EPR as a core regulatory mechanism, making manufacturers, importers, and brand owners (PIBOs) legally responsible for post-consumer waste management—a responsibility that fundamentally changes business models and market dynamics (MoEFCC, 2022; Singh & Chariar, 2022).

**Institutional Effectiveness Analysis:** From an institutional theory perspective, EPR demonstrates strong **regulative institutionalization** through mandatory compliance requirements, clear penalties, and systematic monitoring mechanisms. However, normative institutionalization remains incomplete, as industry standards and professional practices vary significantly across sectors, company sizes, and geographic regions (Singh & Chariar, 2020). The cognitive institutionalization proves weakest, with limited consumer awareness of EPR principles, their role in the circular economy, and how their purchasing decisions connect to waste management outcomes (CPCB, 2022).

**Stakeholder Impact Assessment:** Large FMCG companies like Hindustan Unilever Limited (HUL) and ITC Limited (2022) have successfully developed comprehensive EPR action plans, leveraging their substantial resources, technical capabilities, and existing supply chain relationships to establish collection networks and recycler partnerships. HUL reported collecting over 100,000 tonnes of plastic waste across India in FY 2022-23, representing 100% of its plastic packaging footprint—a significant achievement that also provides authentic content for green marketing communications (HUL Sustainability Report, 2023). However, this creates a significant stakeholder power imbalance where large corporations can achieve compliance relatively efficiently while SMEs face disproportionate compliance costs and capacity constraints. For small manufacturers, EPR compliance can represent 3-4% of annual turnover—a substantial burden that affects pricing, profitability, and competitiveness (Gupta & Kumar, 2021).

**Implementation Challenges in Practice:** EPR implementation reveals what policy implementation theory identifies as "high ambiguity, high conflict" conditions (Matland, 1995). While policy goals are clear, implementation mechanisms remain ambiguous, particularly regarding compliance verification standards, quality requirements for recycled content, coordination protocols between producers and waste management systems, and enforcement consistency across different states and regions.

**Quantitative Impact Assessment** based on CPCB (2022) data reveals implementation gaps:

- 65% of registered PIBOs submitted EPR action plans, but submission doesn't guarantee effective implementation
- Only 23% achieved full compliance with collection targets, indicating significant performance gaps
- Recycling infrastructure utilization remains at 34% of installed capacity, suggesting systemic bottlenecks
- SMEs represent 78% of non-compliant entities, highlighting the resource constraint challenge

**Green Marketing Implications:** EPR's institutional design creates opportunities for authentic green marketing differentiation, particularly for companies that exceed minimum compliance requirements. ITC's "Mission Sunehra Kal" exemplifies how EPR compliance can be transformed into comprehensive sustainability positioning that resonates with stakeholders, though this advantage remains primarily available to large corporations with adequate resources and communication capabilities (ITC Sustainability Report, 2022).

#### **4.2 Ecomark Eco-labelling: Lessons from Institutional Underperformance**

The Ecomark Scheme, launched in 1991 and administered by the Bureau of Indian Standards (BIS), represents India's primary attempt at creating institutional support for informed green consumer choice. Despite covering 17 product categories and being one of the world's earliest eco-labelling initiatives, Ecomark exemplifies how well-intentioned policies can fail when institutional support mechanisms are inadequate (BIS, 2023).

**Institutional Analysis:** Ecomark demonstrates regulative institutional weakness through its voluntary nature and limited enforcement mechanisms. Unlike mandatory standards that can drive compliance through penalties, voluntary eco-labelling requires strong normative and cognitive institutionalization to be effective (Sharma & Kushwaha, 2019). The scheme lacks normative institutionalization as industry associations, professional bodies, and trade organizations provide minimal promotional support or peer

pressure for adoption. Most critically, cognitive institutionalization is minimal, with consumer awareness studies showing less than 15% recognition of the Ecomark symbol among urban consumers, and significantly lower recognition in rural markets (Narayan & Deshmukh, 2022).

**Comparative International Context** reveals that Ecomark's challenges stem not from inherent flaws in voluntary approaches, but from inadequate institutional support:

Eco-label	Country	Consumer Recognition	Business Participation	Government Support
Ecomark	India	15%	0.8% of eligible products	Limited promotional budget
EU Ecolabel	European Union	74%	12% of eligible products	€15M annual promotion
Energy Star	USA	85%	67% of eligible products	\$50M annual support
Eco Mark	Japan	68%	8.4% of eligible products	¥2.1B annual investment

**Stakeholder Misalignment:** Companies like Godrej Consumer Products occasionally highlight Ecomark-compliant products in their communications but primarily invest in internationally recognized certifications (ISO 14001, LEED) for credibility in both domestic and export markets. This creates a stakeholder disconnect where businesses invest resources in globally recognized standards while the domestic eco-labelling system remains underutilized and undervalued by consumers.

**Revival Strategy Implications:** Revitalizing Ecomark requires comprehensive institutional strengthening across all three dimensions: regulative strengthening through mandatory labelling for specific high-impact categories, normative development through industry association partnerships and professional standards integration, and cognitive enhancement through consumer education campaigns and digital verification systems that connect with modern communication preferences.

#### 4.3 Corporate Social Responsibility (CSR): Mandatory Philanthropy or Strategic Integration?

India's Companies Act, 2013 (Section 135) represents a unique global institutional innovation by making CSR spending mandatory for qualifying companies—those with net worth exceeding ₹500 crore, turnover exceeding ₹1,000 crore, or net profit exceeding ₹5 crore. This creates an interesting institutional dynamic where regulatory requirements intersect with voluntary sustainability initiatives, affecting how companies approach both social responsibility and environmental marketing (Government of India, 2013).

**Institutional Design Analysis:** The CSR mandate demonstrates strong regulative institutionalization through legal requirements, compliance monitoring, and penalty mechanisms. However, it creates normative institutional complexity as companies struggle to balance traditional philanthropic approaches with strategic sustainability investments that align with business objectives and stakeholder expectations (Kumar & Arora, 2020). The cognitive institutionalization varies significantly across organizations; with some viewing CSR as compliance cost while others leverage it for strategic competitive advantage and stakeholder engagement (Zeng et al, 2023).

**Stakeholder Theory Application reveals complex dynamics:**

- **Primary stakeholders** (shareholders, customers) may initially view CSR spending as profit reduction, but increasingly recognize strategic value
- **Secondary stakeholders** (communities, NGOs) benefit directly from CSR investments but may not directly influence purchasing decisions
- **Regulatory stakeholders** enforce compliance but don't evaluate strategic alignment or effectiveness
- **Market stakeholders** (competitors, suppliers) demonstrate variable responses to CSR positioning, creating competitive implications

The Strategic Integration Assessment reveals varying levels of alignment between CSR and green marketing, with high-integration examples like Tata Group (*Annual Sustainability Report 2021-22*, Tata Group, 2022) and ITC Limited demonstrating strategic coherence by linking CSR initiatives (e.g.,

biodiversity conservation, watershed management) to sustainability branding, supported by measurable outcomes and third-party verification. In contrast, low-integration examples reflect compliance-driven CSR, such as traditional philanthropic spending on education/healthcare or minimal legal adherence, lacking meaningful connection to green marketing or stakeholder engagement strategies.

**Quantitative Assessment** of top 100 companies by market capitalization (FY 2022-23):

- Total CSR spending: ₹14,567 crore, representing significant resource deployment
- Environmental projects: 23% of total CSR spending, indicating substantial but minority environmental focus
- Companies linking CSR to sustainability marketing: 31%, showing growing but incomplete integration
- Companies with integrated CSR-business sustainability strategy: 12%, indicating significant opportunity for strategic alignment

#### 4.4 Plastic Ban Implementation: Policy Ambition Meets Market Reality

India's comprehensive approach to single-use plastic regulation, culminating in the national ban effective July 2022, represents a significant institutional intervention in market behavior with direct implications for business operations, consumer choices, and environmental outcomes. This policy demonstrates the complex relationship between regulatory enforcement, market innovation, and stakeholder adaptation in green marketing contexts (MoEFCC, 2022).

**Institutional Implementation Analysis:** The plastic ban exhibits high regulative ambition through comprehensive product coverage and penalty mechanisms, but demonstrates inconsistent normative and cognitive institutionalization across states, market segments, and stakeholder groups. Implementation studies reveal significant variation in enforcement effectiveness, business compliance, and consumer adaptation:

State	Enforcement Score	Alternative Infrastructure	Business Compliance	Consumer Adaptation
Maharashtra	7.8/10	High	73%	Good
Tamil Nadu	7.2/10	Medium	68%	Moderate
Delhi	5.4/10	Medium	45%	Variable
Uttar Pradesh	3.9/10	Low	32%	Limited

Source: CPCB Implementation Assessment (2023)

The plastic ban has spurred a wave of sustainable packaging innovations, opening avenues for genuine green marketing while tackling environmental concerns. Large corporations like ITC have leveraged their resources to adopt biodegradable, compostable, and paperboard-based solutions, combining R&D strength, supply chain networks, and capital investment to reduce plastic use and support rural employment. Simultaneously, startups such as Ecoware, Chuk, and Biotrans have emerged as agile innovators, creating compostable tableware, biodegradable food packaging, and plant-based plastic alternatives, securing multi-crore valuations, revenues, and investments while proving both market viability and socio-environmental impact.

#### Implementation Challenges reveal systemic constraints:

- **Resource limitations:** SMEs lack capital for packaging transitions, with costs often exceeding their financial capacity
- **Infrastructure gaps:** Limited composting and waste processing facilities for biodegradable alternatives affect their practical viability
- **Consumer price sensitivity:** Cost premiums for sustainable alternatives limit adoption, particularly in price-sensitive market segments
- **Enforcement inconsistency:** Variable compliance monitoring across regions creates uneven competitive conditions

## 5. Critical Analysis: Institutional Gaps and Stakeholder Challenges

### 5.1 Systematic Institutional Design Failures

India's green marketing policy landscape demonstrates several fundamental institutional design **failures** that create unintended consequences and limit policy effectiveness across different stakeholder groups. Using institutional theory as an analytical framework, three primary failure modes emerge with significant implications for businesses and consumers.

**1. Institutional Incoherence across Policy Domains** Multiple policies operate with overlapping jurisdictions and conflicting incentive structures that create strategic confusion for businesses and compliance challenges for implementers. The EPR framework emphasizes producer responsibility for plastic waste management, requiring companies to invest in collection and recycling infrastructure, while the plastic ban simultaneously focuses on consumption restriction, pushing businesses toward non-plastic alternatives. This creates contradictory market signals where companies like Hindustan Unilever must simultaneously invest in plastic recycling capabilities (EPR compliance) while transitioning away from plastic packaging (ban compliance), leading to resource misallocation and strategic uncertainty (Singh & Chariar, 2022).

**2. Regulative-Normative Institutional Gaps** Strong regulatory frameworks exist without corresponding normative institutional support mechanisms that could facilitate effective implementation. The Ecomark scheme exemplifies this failure pattern, where comprehensive legal frameworks and technical standards exist but industry associations, professional bodies, and trade organizations provide minimal promotional, educational, or peer pressure support. This creates what DiMaggio and Powell (1983) identify as "institutional void"—formal rules operating without supporting social structures, professional norms, or market mechanisms that could drive adoption and effectiveness.

**3. Cognitive Institutional Weakness across Stakeholder Groups** Most policies demonstrate inadequate attention to cognitive institutionalization—the mental models, beliefs, knowledge systems, and awareness levels that enable policy effectiveness among different stakeholder groups. Consumer research reveals fundamental cognitive gaps that affect market dynamics:

- 68% of urban consumers cannot identify any Indian eco-label or explain its significance
  - 52% express skepticism about corporate green marketing claims, affecting purchase decisions
  - 34% understand the basic concept of Extended Producer Responsibility and their role in it
  - 29% make conscious connections between individual consumption choices and environmental outcomes
- Rural consumers show significantly lower awareness levels across all environmental policy areas (Source: Comprehensive Consumer Awareness Survey, FICCI-CII Joint Study, 2023)

### 5.2 Implementation Complexity and Resource Disparities

**Multi-Level Governance Coordination Challenges** Green marketing policies require coordination across multiple governance levels, each with different capabilities, priorities, and resource constraints:

- **Federal level:** Policy design, national standards setting, and international commitment coordination
- **State level:** Implementation adaptation, enforcement mechanisms, and regional priority balancing
- **Local level:** Ground-level compliance monitoring, waste management coordination, and community engagement
- **Sectoral level:** Industry-specific adaptations, technical standard development, and business support provision

This creates implementation chains with multiple potential failure points (Matland, 1995). EPR implementation, for example, requires seamless coordination between MoEFCC (policy design), CPCB (technical standards), State Pollution Control Boards (monitoring and enforcement), Urban Local Bodies (waste collection infrastructure), and private recyclers (processing capabilities). Each additional coordination requirement increases the probability of implementation breakdown, particularly when stakeholders have different resources, incentives, and capabilities.

**Resource Adequacy Assessment reveals systematic underfunding:**

Policy Area	Required Resources	Available Resources	Resource Gap	Primary Constraint
EPR Monitoring	₹2,340 crore annually	₹890 crore allocated	crore 62% shortfall	Technical capacity
Ecomark Promotion	₹450 crore awareness	for ₹67 crore budgeted	crore 85% shortfall	Marketing budget
Plastic Ban Enforcement	₹1,200 crore alternatives	for ₹340 crore available	crore 72% shortfall	Infrastructure
CSR Effectiveness Monitoring	₹890 crore evaluation	for ₹234 crore allocated	crore 74% shortfall	Evaluation systems

(Source: Parliamentary Standing Committee on Environment Reports, 2022-2023)

**SME Sector Capacity Constraints** Small and Medium Enterprises represent 94% of Indian businesses but demonstrate only 23% compliance rates with green marketing policies. Institutional analysis reveals systematic capacity constraints that disproportionately affect smaller businesses:

- **Technical capacity limitations:** Limited understanding of environmental regulations, compliance procedures, and available support mechanisms
- **Financial resource constraints:** High compliance costs relative to revenue (averaging 3.4% of annual turnover for EPR compliance) that can significantly impact viability
- **Human resource gaps:** Lack of specialized sustainability professionals, limited access to consultants, and insufficient training opportunities
- **Institutional access barriers:** Weak connections to formal waste management systems, recycling networks, certification bodies, and government support programs

### 5.3 Stakeholder Misalignment and Power Dynamics

**Primary Stakeholder Conflict Analysis** Stakeholder theory analysis reveals fundamental conflicts and power imbalances that systematically undermine green marketing policy effectiveness:

**Shareholder-Environmental Goal Tensions:** Quarterly profit pressures and environmental investment requirements create ongoing tensions, particularly for publicly traded companies where short-term performance metrics may not capture long-term sustainability value creation.

**Consumer Preference-Payment Behavior Gaps:** While consumer surveys consistently show strong stated environmental preferences, actual purchasing behavior reveals limited willingness to pay premiums for green products, with average premium acceptance ranging only 8-12% across product categories.

**Large Corporation-SME Competitive Imbalances:** Resource advantages enable large corporations to achieve compliance more easily and transform environmental requirements into marketing advantages, while SMEs face disproportionate burden without corresponding competitive benefits.

**Secondary Stakeholder Marginalization NGO and Civil Society Limited Influence:** Despite significant environmental expertise and community connections, NGOs receive limited formal consultation in policy design and implementation processes, reducing policy effectiveness and stakeholder buy-in.

**Informal Sector Exclusion:** Informal recyclers and waste collectors, who currently handle approximately 60% of plastic waste collection in urban areas, are systematically excluded from formal EPR systems, missing opportunities for integration and livelihood improvement.

**Rural Consumer Policy Disconnect:** Policies designed primarily for urban markets ignore the needs, constraints, and consumption patterns of rural populations representing 65% of India's population, limiting policy reach and effectiveness.

**Regulatory Coordination Failures** Multiple regulatory agencies operate with overlapping mandates and competing priorities that create confusion and inefficiency:

- MoEFCC emphasizes environmental outcome achievement and regulatory compliance
- Ministry of Consumer Affairs prioritizes consumer protection and market fairness
- Ministry of Corporate Affairs focuses on business compliance and corporate governance
- State governments balance economic development priorities with environmental enforcement requirements

This regulatory fragmentation results in businesses receiving contradictory signals, compliance requirements that conflict across jurisdictions, and enforcement that varies dramatically by location and political priorities.

#### 5.4 Market Failure Analysis and Innovation Barriers

**Information Asymmetry Challenges** Green marketing in India faces several classic market failures that existing policies inadequately address:

**Producer-Consumer Information Gaps:** Companies possess detailed environmental impact data, life cycle assessments, and technical specifications while consumers rely on limited, often marketing-driven information that may not reflect actual environmental performance.

**Greenwashing Incentive Structures:** Weak verification systems and limited penalty enforcement create economic incentives for false or exaggerated environmental claims, undermining consumer trust and market effectiveness (Amanatidis & Parguel, 2024; Delmas, & Burbano, 2011).

**Certification System Proliferation:** Multiple, often competing certification systems (ISO 14001, LEED, Energy Star, Ecomark, various carbon footprint labels) create consumer confusion rather than clarity, reducing the effectiveness of any individual certification approach.

**Public Goods and Network Effects** Environmental benefits from green marketing represent non-excludable public goods, creating free-rider problems where companies investing in genuine sustainability bear full costs while competitors benefit from improved environmental conditions without corresponding investment.

Green marketing effectiveness depends on critical mass adoption across supply chains, consumer segments, and geographic regions. Current low adoption rates prevent network effects that could drive broader transformation, keeping green marketing in a low-equilibrium trap.

**Technology Adoption Barriers Financial Constraints:** High upfront costs for clean technology adoption, limited access to appropriate financing mechanisms, and uncertain return on investment timelines constrain business innovation capacity.

**Technical Infrastructure Limitations:** Limited domestic capacity for green technology development, dependence on imported solutions with foreign exchange implications, and skills gaps in implementation and maintenance.

**Institutional Support Gaps:** Slow bureaucratic approval processes for new technologies, risk-averse procurement policies in government sectors that could drive demand, and limited intellectual property protection for domestic green innovations.

This comprehensive analysis reveals that India's green marketing challenges stem from interconnected institutional failures rather than isolated policy weaknesses, requiring systemic approaches that address multiple failure modes simultaneously while recognizing the diverse capabilities and constraints of different stakeholder groups.

### 6. Strategic Recommendations: Institutional Strengthening and Policy Innovation

#### 6.1 Comprehensive Institutional Architecture Reform

##### Priority 1: Establishing Integrated Policy Coordination Framework

**Creation of Green Marketing Coordination Authority (GMCA):** Establish a dedicated inter-ministerial authority combining expertise from MoEFCC, Ministry of Consumer Affairs, Ministry of Corporate Affairs, and NITI Aayog to address institutional fragmentation that currently undermines policy effectiveness (North, 1990; Scott, 2014).

*Institutional Design Features:*

- Cabinet-level authority with budget allocation of ₹500 crore over five years for coordination activities and institutional development
- Clear mandate for policy harmonization, standard-setting, and cross-ministry coordination with defined accountability mechanisms
- Quarterly coordination protocols with state-level implementation agencies to ensure consistent policy interpretation and enforcement
- Annual policy coherence assessments and public reporting to ensure transparent performance monitoring

*Expected Institutional Outcomes:*

- Reduced regulatory complexity and compliance costs for businesses across size categories
- Enhanced enforcement consistency across jurisdictions and policy domains
- Streamlined approval processes for environmental innovations and green business models
- Improved policy legitimacy and stakeholder confidence through transparent coordination

**Priority 2: Cognitive Institutionalization through Strategic Communication**

**National Green Literacy Initiative:** Launch comprehensive, multi-channel consumer education program specifically targeting the cognitive institutionalization gaps identified in the analysis, using evidence-based communication strategies that connect with diverse consumer segments across urban and rural contexts (Narayan & Deshmukh, 2022; Sharma & Kushwaha, 2019).

*Strategic Implementation Framework:*

- Integration with existing Swachh Bharat Mission (Ministry of Housing and Urban Affairs, 2021) communication infrastructure to leverage established channels and community networks
- Digital-first approach utilizing QR codes, mobile applications, and social media platforms to reach tech-savvy consumers while maintaining traditional media for broader reach
- School curriculum integration through National Education Policy 2020 implementation to build long-term environmental awareness and understanding
- Celebrity endorsements and behavioral nudge campaigns designed to make environmental responsibility aspirational and socially desirable

*Resource Allocation and Success Metrics:*

- Budget allocation: ₹800 crore over three years for comprehensive awareness building
- Target outcomes: 60% consumer recognition of Ecomark by 2027, 45% basic understanding of EPR principles, 35% willingness to pay reasonable premiums for verified green products

**6.2 Market Mechanism Innovation and Financial Support Systems**

**Priority 3: Performance-Based Green Financing Framework**

**Green Marketing Tax Incentive Restructuring:** Implement comprehensive performance-based tax incentive framework that rewards authentic environmental improvement rather than mere regulatory compliance, addressing the current system's focus on minimal compliance rather than innovation excellence (Porter & van der Linde, 1995).

*Incentive Structure Design:*

- 30% additional depreciation allowance for verified green technology investments, encouraging capital deployment in environmental solutions
- GST rate reduction from 18% to 12% for products with verified Ecomark certification, making green products more price-competitive
- Corporate tax deductions for documented environmental impact improvements, measured through third-party verification systems
- Fast-track patent approval and reduced fees for environmental innovation applications, supporting domestic green technology development

**SME-Focused Green Bond Market Development:** Establish specialized green financing mechanisms that address the systematic exclusion of small and medium enterprises from sustainability financing markets (Kumar et al., 2025).

*Market Structure Innovation:*

- Reduced minimum bond size to ₹5 crore (compared to current ₹100 crore requirement) to enable SME access to green capital markets
- Government guarantee mechanisms providing first-loss protection to reduce investor risk and lower interest costs
- Simplified issuance procedures through dedicated stock exchange windows to reduce transaction costs and complexity
- Specialized green bond rating criteria that consider SME-specific environmental impacts and social benefits

*Expected Impact Assessment:* Enable 15,000 SMEs to access green financing within five years, with estimated total financing of ₹50,000 crore for environmental improvements and green innovation.

### 6.3 Technology Innovation and Capacity Building Ecosystem

#### Priority 4: National Green Innovation Mission

**Comprehensive Innovation Support System:** Establish integrated innovation ecosystem combining R&D funding, business incubation, market development support, and commercialization assistance to address the technology gaps constraining green marketing effectiveness (NITI Aayog, 2021).

*Innovation Infrastructure Components:*

- ₹2,000 crore Green Innovation Fund managed by Department of Science and Technology with dedicated focus on commercially viable environmental solutions
- 50 specialized Green Technology Incubators across IITs, IIMs, and state universities, providing technical and business development support
- Public procurement preference policy providing 20% price advantage for indigenous green technologies in government purchases
- Intellectual property fast-tracking system for environmental innovations with dedicated patent examination resources

*Strategic Focus Areas for Maximum Impact:*

- Biodegradable packaging materials from agricultural waste, addressing both packaging needs and farm waste management
- Digital traceability and monitoring systems for EPR compliance, reducing administrative burden and improving transparency
- Low-cost environmental monitoring technologies accessible to SMEs and smaller communities
- Circular economy business model innovations that create value from waste streams while providing livelihood opportunities

#### Priority 5: Multi-Stakeholder Capacity Building Program

**SME Green Marketing Certification and Support System:** Address the systematic capacity constraints that prevent small and medium enterprises from participating effectively in green marketing initiatives (Gupta & Kumar, 2021; Singh & Chariar, 2022).

*Comprehensive Support Framework:*

- 40-hour online Green Marketing Certification Course developed in partnership with industry associations and technical institutions
- Subsidized sustainability consulting services with 75% government subsidy for certified consultants working with SMEs
- Peer learning networks facilitated by industry associations to share practical experiences and solutions
- Pre-approved vendor networks for green technology providers and financing options with negotiated favorable terms

*Resource Commitment and Targets:*

- Budget allocation: ₹300 crore over four years for comprehensive capacity building
- Performance target: 50,000 SMEs completing certification program by 2028, with 70% implementing at least one significant green marketing initiative

### 6.4 Regulatory Innovation and Smart Enforcement Systems

#### Priority 6: Digital Monitoring and Verification Infrastructure

**Blockchain-Based Traceability System:** Implement advanced digital monitoring system combining blockchain technology and artificial intelligence to address information asymmetries, reduce greenwashing, and improve enforcement effectiveness (Kumar et al., 2025; Dangelico et al., 2024).

*Technical Architecture and Implementation:*

- Mandatory QR codes linking to verified environmental performance data for all products making green marketing claims
- AI-powered algorithms continuously monitoring marketing claims against third-party environmental databases and scientific literature

- Consumer reporting mobile application enabling real-time greenwashing complaints with photographic evidence and location data
- Automated penalty assessment system for verified false environmental claims, with appeal mechanisms for disputed cases

*Phased Implementation Strategy:*

- Phase 1 (Year 1): Pilot implementation with top 100 companies by market capitalization to test system functionality and refine processes
- Phase 2 (Year 2): Extension to all companies with annual revenue exceeding ₹500 crore, capturing major market players
- Phase 3 (Year 3): Full implementation including SME sector with simplified compliance requirements and technical support

**Mandatory Environmental Impact Disclosure Framework:** Require standardized environmental impact reporting for all green marketing claims, based on European Union Non-Financial Reporting Directive principles adapted for Indian market conditions (European Commission, 2021).

*Disclosure Requirements and Standards:*

- Comprehensive Life Cycle Assessment (LCA) data for all products marketed with environmental claims
- Third-party verification by accredited environmental auditors with public database of verified results
- Standardized metrics aligned with Global Reporting Initiative (GRI) standards for international comparability
- Public accessibility through government-maintained digital platform with user-friendly search and comparison features

## 6.5 Stakeholder Engagement and Democratic Participation

### Priority 7: Institutional Stakeholder Consultation Mechanism

**National Green Marketing Stakeholder Council:** Establish formal, ongoing consultation mechanism to address the stakeholder misalignment and power imbalances identified in the analysis (Freeman, 1984; Clarkson, 1995).

*Representative Membership Structure:*

- 40% Business representation (20% large corporations, 20% SME associations) ensuring diverse business perspective inclusion
- 25% Civil society representation (NGOs, consumer groups, environmental organizations) providing independent oversight
- 20% Government representation (federal, state, local) ensuring policy coordination and implementation feasibility
- 15% Academic and research institution representation providing evidence-based policy assessment and recommendations

*Operational Framework for Effective Engagement:*

- Quarterly policy consultation meetings with structured agenda and formal recommendation processes
- Annual comprehensive green marketing effectiveness assessment with public reporting and stakeholder feedback
- Bi-annual stakeholder satisfaction surveys measuring policy effectiveness from different perspectives
- Dedicated policy impact evaluation and recommendation reports with follow-up tracking mechanisms

## 6.6 Performance Measurement and Adaptive Management Systems

### Priority 8: Evidence-Based Policy Adaptation Framework

**Green Marketing Policy Effectiveness Index (GMPEI):** Develop comprehensive measurement system enabling systematic policy performance assessment and adaptive management based on institutional theory metrics and stakeholder outcomes.

*GMPEI Component Structure and Weighting:*

- **Regulative Effectiveness (40%):** Compliance rates across business segments, enforcement consistency across jurisdictions, legal framework clarity and accessibility
- **Normative Integration (30%):** Industry standard adoption rates, professional association engagement levels, peer influence mechanisms and effectiveness
- **Cognitive Institutionalization (30%):** Consumer awareness levels across demographic groups, business understanding of requirements and opportunities, cultural norm shifts toward sustainability

*Comprehensive Data Collection Methodology:*

- Annual business compliance surveys with stratified sample of 2,000 companies across sectors, sizes, and regions
- Bi-annual consumer awareness studies with representative sample of 10,000 consumers across urban-rural and socioeconomic divides
- Quarterly enforcement monitoring reports from all state-level agencies with standardized reporting formats
- Independent third-party policy effectiveness evaluations conducted by recognized research institutions

**Policy Experimentation and Learning Framework:** Implement systematic pilot programs for policy innovations before national implementation, incorporating lessons from policy implementation theory and international best practices (Matland, 1995).

*Geographic and Sectoral Pilot Selection Criteria:*

- Geographic diversity: two developed states, two developing states, one union territory to capture different implementation contexts
- Sectoral representation across FMCG, textiles, electronics, automotive, and agriculture to understand industry-specific dynamics
- Company size variation including multinational corporations, mid-size companies, and SME clusters for comprehensive impact assessment
- Urban-rural market representation ensuring policy effectiveness across different consumer contexts and infrastructure conditions

## 6.7 International Cooperation and Global Integration

### Priority 9: Strategic International Partnership Development

**India-EU Green Marketing Cooperation Agreement:** Establish comprehensive cooperation framework for mutual recognition, technology transfer, and best practice sharing with the European Union, leveraging their advanced regulatory experience while maintaining Indian contextual relevance.

*Cooperation Framework Components:*

- Mutual recognition protocols for Ecomark and EU Ecolabel to facilitate trade and reduce compliance costs for exporters
- Technology transfer agreements for green marketing innovations with favorable licensing terms for Indian companies
- Joint research programs addressing emerging economy-specific green marketing challenges with shared funding and expertise
- Institutional capacity building support for Indian regulatory and certification bodies based on EU experience

**BRICS Green Marketing Alliance:** Lead formation of emerging economy coalition for green marketing policy coordination and South-South knowledge sharing, recognizing shared challenges and opportunities.

*Alliance Strategic Objectives:*

- Development of shared standards for green marketing verification specifically adapted for emerging market conditions
- Joint government procurement preferences for verified green products across member countries
- Collaborative technology sharing for affordable, scalable green innovations suitable for emerging economy contexts

- Coordinated consumer education and awareness programs leveraging cultural similarities and shared communication challenges

### 6.8 Implementation Timeline and Resource Framework

#### Phase 1: Foundation Building (2024-2026) *Priority Initiatives:*

- Green Marketing Coordination Authority establishment and initial operations
- Digital monitoring system pilot implementation with major corporations
- National Green Literacy Initiative launch with comprehensive awareness campaigns
- SME capacity building program initiation with initial cohorts of participants
- *Total Budget Allocation: ₹3,200 crore*

#### Phase 2: System Expansion and Integration (2026-2028) *Scaling and Enhancement Activities:*

- Full digital monitoring system deployment across all business segments
- Green innovation mission implementation with research and commercialization support
- International cooperation framework development and initial agreements
- Comprehensive policy experimentation program launch with multiple pilots
- *Total Budget Allocation: ₹4,800 crore*

#### Phase 3: Optimization and Performance Enhancement (2028-2030) *Refinement and Excellence Focus:*

- System-wide performance optimization based on GMPEI data and stakeholder feedback
- Advanced green financing mechanisms including sophisticated market instruments
- Full integration of international best practices adapted for Indian context
- Comprehensive impact evaluation with long-term trend analysis and policy refinement
- *Total Budget Allocation: ₹2,400 crore*

**Total Investment Requirement:** ₹10,400 crore over six years **Expected Return on Investment:** ₹45,000 crore in green economy development, employment creation, environmental benefit quantification, and export market development

### 6.9 Success Metrics and Monitoring Framework

#### Quantitative Performance Targets (2030):

- 75% consumer recognition of primary Indian eco-labels across urban and rural markets
- 60% EPR compliance rate among all registered companies with quality outcome verification
- 40% of SMEs actively engaging in verified green marketing activities with measurable environmental benefits
- 25% reduction in documented greenwashing incidents through digital monitoring and enforcement
- ₹2,00,000 crore green product market size (current baseline: ₹45,000 crore) with demonstrated environmental impact

#### Qualitative Institutional Outcomes:

- Enhanced consumer trust and confidence in green marketing claims based on verification and transparency
- Improved international competitiveness of Indian green products in global markets
- Strengthened institutional capacity for environmental regulation and market oversight
- Measurable cultural norm shifts toward sustainable consumption patterns across demographic groups
- Robust innovation ecosystem supporting green technology development and commercialization

This comprehensive recommendation framework directly addresses the institutional failures, stakeholder misalignments, and implementation gaps identified in the critical analysis while providing practical, resource-conscious pathways for transforming India's green marketing ecosystem into a globally competitive and environmentally effective system.

## 7. CONCLUSION AND FUTURE DIRECTIONS

### 7.1 Key Findings

This comprehensive analysis of India's green marketing policy landscape reveals both the significant potential and persistent institutional challenges that must be addressed to realize green marketing's

capacity for environmental and economic transformation. The research demonstrates that effective green marketing policy requires more than regulatory frameworks—it demands comprehensive institutional architecture that aligns stakeholder incentives, builds market capabilities, and creates sustainable competitive advantages for businesses genuinely committed to environmental improvement.

**Primary Theoretical Contribution:** The study's integrated application of institutional theory, stakeholder theory, and policy implementation analysis provides crucial insights for understanding green marketing effectiveness in emerging economy contexts. The analysis demonstrates that policy success depends fundamentally on institutional coherence across regulative, normative, and cognitive dimensions, rather than on individual policy strength alone. The CSR mandate's relative effectiveness compared to Ecomark's limited impact illustrates how normative and cognitive institutionalization can enable voluntary frameworks to succeed, while strong regulations without adequate institutional support produce disappointing outcomes.

**Stakeholder Analysis Insights:** The research reveals how resource-based advantages systematically enable large corporations to dominate green marketing opportunities while smes face exclusion from sustainable business practices due to capacity constraints rather than lack of environmental commitment. This creates concerning dual-economy dynamics where authentic environmental responsibility becomes associated with business scale rather than environmental outcomes, potentially limiting the broader transformative potential of green marketing policies.

**Implementation Complexity Recognition:** The analysis supports emerging scholarly consensus that traditional command-and-control regulations prove insufficient for green marketing's inherent multi-stakeholder, multi-level coordination requirements. The findings strongly advocate for adaptive policy approaches that enable systematic learning, stakeholder feedback integration, and responsive adjustment—particularly crucial in emerging economy contexts where institutional capacity and stakeholder resources vary dramatically across regions, sectors, and business sizes.

### 7.2 Policy Innovation Implications for Emerging Economies

The research findings offer several insights with potential applicability to other emerging economy contexts facing similar challenges in balancing economic development with environmental sustainability:

**Beyond Regulatory Mimicry:** The analysis demonstrates that simply adopting successful policies from developed economies without considering institutional context and stakeholder capacity leads to predictable policy failure. The Ecomark experience illustrates this clearly—comprehensive technical standards and legal frameworks modeled on successful international approaches failed due to inadequate attention to institutional support mechanisms and stakeholder engagement strategies. Emerging economies must develop context-appropriate institutional support systems that address their specific capacity constraints, stakeholder configurations, cultural contexts, and development priorities.

**Strategic Institutional Sequencing:** The study suggests that emerging economies should prioritize cognitive institutionalization through awareness and education initiatives and normative institutionalization through industry engagement and peer networks before implementing complex regulatory frameworks that assume high levels of stakeholder capacity and market sophistication. India's experience demonstrates significant risks in implementing sophisticated policies without adequate institutional foundation, but also shows how targeted institutional building can enhance policy effectiveness.

**Innovation-Oriented Policy Design Philosophy:** Rather than focusing primarily on compliance monitoring and penalty enforcement, the analysis suggests emerging economy green marketing policies should emphasize innovation support, capacity building, and technology development to enable businesses to develop contextually appropriate sustainable solutions rather than merely importing expensive technologies developed for different market conditions.

### 7.3 Strategic Business Implications

For businesses operating in India's evolving green marketing environment, the analysis suggests several critical strategic considerations that will likely apply in other emerging economy contexts:

**Authentic Sustainability Investment Imperative:** As digital monitoring capabilities expand and consumer environmental awareness increases, long-term competitive advantage increasingly requires

genuine sustainability investment rather than superficial green marketing approaches. Companies like ITC and HUL that have systematically integrated environmental considerations into core business operations demonstrate superior resilience and market positioning compared to organizations pursuing compliance-minimum or cosmetic environmental initiatives.

**Stakeholder Ecosystem Development Strategy:** The analysis shows that successful green marketing in emerging economies requires proactive development of stakeholder ecosystems, particularly collaboration with SME suppliers, local communities, informal sector participants, and civil society organizations who often play crucial roles in environmental outcomes but lack resources for independent participation in formal green marketing systems.

**Active Policy Engagement and Co-Creation:** Given dynamic policy environments and persistent implementation challenges, the research suggests businesses should engage proactively in policy development processes rather than merely responding to regulatory requirements. The most successful companies participate actively in multi-stakeholder platforms, contribute constructively to policy design through industry associations and direct government consultation, and help develop practical solutions to implementation challenges.

#### 7.4 Research Contributions and Acknowledged Limitations

**Theoretical Advancement:** This study contributes to sustainability management literature by demonstrating how institutional theory can effectively analyse policy-business interactions in environmental contexts, providing an analytical framework that extends beyond traditional compliance-focused approaches to examine the complex relationships between regulatory design, market dynamics, and stakeholder behavior. The integration of stakeholder theory and policy implementation analysis offers a comprehensive analytical framework with potential application to other emerging economy sustainability challenges.

**Methodological Innovation:** The development of the Policy Institutional Effectiveness Index (PIEI) and Green Marketing Policy Effectiveness Index (GMPEI) provides quantitative tools for systematic policy performance comparison across different institutional dimensions. These measurement frameworks enable more rigorous policy evaluation and systematic improvement processes, with potential application to other policy domains requiring institutional analysis.

**Empirical Documentation:** The research provides comprehensive empirical documentation of India's green marketing policy landscape, including quantitative assessment of implementation gaps, stakeholder capacity constraints, and performance variations that previous studies addressed primarily through qualitative analysis. This empirical foundation supports evidence-based policy development and provides baseline data for longitudinal impact assessment.

**Research Limitations:** Despite these contributions, the study's reliance on secondary data sources limits insights into nuanced stakeholder perspectives, implementation dynamics, and informal institutional factors that could be captured through primary research methods. Future research should complement this analysis with qualitative interviews, ethnographic studies, and participatory research approaches to understand how policies operate in practice across different business contexts, regional variations, and cultural settings.

The study's focus on formal policy instruments may underestimate the significance of informal institutions, social networks, community relationships, and cultural factors that substantially influence green marketing effectiveness in emerging economy contexts where formal institutions often operate alongside traditional governance systems.

#### 7.5 Future Research Agenda

This analysis opens several important directions for continued research that could enhance understanding and policy effectiveness:

**Comparative Emerging Economy Analysis:** Systematic comparison of green marketing policy effectiveness across BRICS nations, ASEAN countries, Latin American emerging economies, and African developing nations could identify transferable best practices, common implementation challenges, and contextual factors that determine policy success. Such comparative research could significantly enhance South-South cooperation in sustainability policy development.

**Longitudinal Impact Assessment:** Extended studies tracking implementation of recommended policy changes over multi-year periods could provide crucial evidence about institutional change processes, policy learning dynamics, and long-term effectiveness patterns. Given the extended timeframes required for institutional transformation, longitudinal research is essential for understanding what works and why in different contexts.

**Sectoral Deep-Dive Analysis:** Industry-specific studies examining green marketing policy implementation in sectors like textiles, pharmaceuticals, automotive manufacturing, and agriculture could reveal sector-specific institutional factors, technology constraints, and stakeholder dynamics that require targeted policy approaches rather than universal solutions.

**Consumer Behavior Integration:** Future research should systematically integrate detailed consumer behavior analysis with policy evaluation to understand how policy changes influence consumption patterns, purchase decisions, cultural norms, and social expectations around environmental responsibility across different demographic groups and regional contexts.

### 7.6 Final Reflections on Sustainable Development Governance

India's green marketing journey reflects broader global challenges facing emerging economies as they navigate complex relationships between rapid economic development, social equity, and environmental sustainability. The analysis reveals that effective environmental policy is fundamentally about institutional design and stakeholder coordination rather than technical regulatory specification alone.

The recommended policy innovations—from digital monitoring systems to multi-stakeholder consultation platforms—represent systematic attempts to create institutional arrangements capable of supporting sustainable economic transformation while addressing the diverse needs and capabilities of different stakeholder groups. Whether India successfully implements these changes will depend on sustained political commitment, adequate resource allocation, and genuine commitment to inclusive stakeholder engagement that recognizes the legitimate needs and constraints of all participants.

**Broader Implications for Sustainable Development:** This research demonstrates that green marketing represents a critical component of sustainable development governance that requires sophisticated understanding of institutional dynamics, stakeholder relationships, and adaptive management processes. As climate pressures intensify globally and environmental awareness continues expanding, countries that develop effective green marketing ecosystems will gain substantial competitive advantages in international markets while contributing meaningfully to global environmental objectives.

**The Path Forward:** Success requires recognition that green marketing transformation represents a fundamental institutional change process demanding patience, persistence, and commitment to inclusive development approaches that create opportunities for all stakeholders rather than concentrating benefits among the largest and most resource-advantaged market participants. India's experience in this transformation will provide valuable insights for emerging economies worldwide as they navigate their own sustainability transitions while maintaining economic growth and social development objectives.

The ultimate measure of success will not be perfect policy compliance or complete elimination of environmental challenges, but rather the development of institutional systems capable of continuous learning, adaptation, and improvement in response to changing environmental conditions, stakeholder needs, and technological possibilities.

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