



REVIEW OF RESEARCH

ISSN: 2249-894X

IMPACT FACTOR : 5.7631 (UIF)

UGC APPROVED JOURNAL NO. 48514

VOLUME - 8 | ISSUE - 9 | JUNE - 2019



GREEN MARKETING PRACTICES OF PHARMA COMPANIES IN MAHARASHTRA

Ms. Pooja Halkude¹ and Dr. Anita Sathe²

¹Kaveri College of Arts, Science and Commerce, Savitribai Phule Pune University, Pune.

²H.V. Desai Arts, Commerce and Science College, Pune.

ABSTRACT:

Environmental Conservation is a great necessity in the present day. The world cannot subside the issues like rising temperature, melting glaciers, deforestation, erratic rainfall, destruction of the flora and fauna and many more things which are making life difficult on earth. The pharma companies – serving the mankind to maintain and build a healthy life, have adversely affected the environment in many regions of the world. There is a dire need for green marketing (environmental marketing) in the Pharma Industry which can lead the industry towards achieving their environmental objectives and sustainability. This paper focuses the green marketing practices of the top 3 BSE Listed Pharma companies in the State of Maharashtra. These green marketing practices are studied based on the 7p's of the marketing mix. The findings of the paper state that all the three companies (Piramal Enterprises Ltd., Cipla Ltd. and Lupin Ltd.) have well defined practices for all the P's of marketing except Price.



KEYWORDS: Environmental Marketing, Green Marketing, Sustainability, Marketing Mix.

1. INTRODUCTION

In today's day, a lot is talked about the environmental issues like pollution, deforestation, drastic changing climatic conditions, carbon emissions, etc. On the contrary, we also find the terms like green, sustainable, eco-friendly, chemical free buzzing around us. It is a well-accepted fact that organizations along with the society and government are sharing the responsibility of protecting the natural environment thoroughly.

Maharashtra is one of the developing states of India. The state has many prominent industries in various sectors like Automobiles, FMCG, Pharmaceuticals, Telecom and IT, and many more contributing towards the Nation's development. Pharmaceutical industry in Maharashtra results in approximately 18.4 % of country's pharmaceutical output by value (*Magnetic Maharashtra 2014...*). Major pharmaceutical companies like Pfizer, Johnson and Johnson, Sun Pharma, Cipla,

Emcure have their presence in the state. These Pharma companies cannot neglect the impact of their activities on the natural environment on the grounds of supervisions and audits conducted by the regulatory bodies. Green Marketing is a way to reduce the ill-effects on the environment caused by the business activities. It can help companies to behave responsibly towards the natural environment.

OBJECTIVE:

To find out and understand the green marketing practices of Pharma Companies in Maharashtra

3. RESEARCH METHODOLOGY:

Population: 10 Pharma companies listed on BSE as on 31st March 2019

Sample size: 3 Pharma companies which are registered in Maharashtra out of the above listed companies (Piramal Enterprises Ltd., Cipla Ltd. And Lupin Ltd.)

Data Source: Secondary data from the Publications of the companies and various websites

4. CONCEPT OF GREEN MARKETING:

“Green or Environmental Marketing consists of all activities designed to generate and facilitate any exchanges intended to satisfy human needs or wants, such that the satisfaction of these needs and wants occurs, with minimal detrimental impact on the natural environment.” (Polonsky 1994)

5. GREEN MARKETING AND PHARMA COMPANIES

The pharma companies have a direct impact on the health of the consumers as well as on the environment. Hence their activities play a vital role in keeping people and environment healthy. With increasing awareness amongst the customers about the environmental issues, Pressures to behave in an environment friendly manner from government, gaining competitive advantage, creating an image of being a green company, sharing the social responsibility, finding alternative source towards sustainability, these and many such aspects have reinforced the need to be green. The Pharma giants with the changing times have to prove themselves of being 'green'.

The paper focuses on the green practices of the three Pharma giants Piramal Enterprises Ltd., Cipla and Lupin Ltd. from the state of Maharashtra. Their green practices are studied for all the 7p's of marketing.

Green Marketing Practices**Piramal Enterprises Ltd.**

Product	Product designs which have incorporated environmental and social concerns (Products like Trazadone, Mebeverine, Hydrogen Chloride and Vitamins)
	Initiatives in Green Chemistry and Life Cycle Assessment
	Resource Optimization resulting into reduced power and fuel cost\
	GHG Protocol (Scope 1 and Scope 2) (agro briquette-an initiative) followed
	Zero liquid discharge
	Energy Conservation and Efficiency initiatives (Centrifugal Chillers.)
	Recycling waste
	Upgraded Equipments and Technology
Place	Green Procurement Policy
	Engagement with vendors for environmental sustainability initiatives
	Procures goods and services from local and small producers
Promotion	Conduction of Tree Census Programme
	Employee Social Impact Programme
	Member of various industry associations
People	A separate Governance Committee on Sustainability

Process	Investment for upgradation of equipment and technology
Physical Evidence	Well- defined Environment Health and Safety Policy
	Sustainable Development Policy
	Creating Optimal and Responsible Environment Programme (CORE)
	Cleared number of regulatory audits and customer audits

Cipla Ltd.

Product	Reduced testing of raw materials and finished products
	Zero defect strategy
	Safe destruction of defective and expired products
	Application of Principles of Green Chemistry
	Energy Management through alternative sources such as natural gas, furnace oil, high-speed diesel and purchased electricity
	reduce Renewable energy
	Adoption of Solar and Wind energy
	GHG Emissions- Scope 1 and Scope 2
	Control of Air Pollution
	5R approach for Water Management
	Waste Management system- responsible waste collection, storage and disposal mechanisms
	Cipla's Resource Conservation Programme- judicious consumption of all natural and manmade resources
	Replacement of old equipments with new energy efficient equipments
	Prevention of Volatile Organic Compounds
Price	Affordable prices through cost optimization through yield/ process improvements and alternate vendor development
Place	Consistent and timely delivery of products
	E-sourcing and E-auction
	Dedicated efforts for local sourcing
	Sustainable Procurement
	Onsite training to the local and small vendors for complying with the sustainable sourcing of the company
Promotion	Well communicated and followed Standard Operating Procedures
	Observance of World Environment Day
	Initiatives like planting saplings, environmental pledge and many more
	Member of various industry associations
People	Emphasis on awareness amongst its employees and other stakeholders
	Advocates EHS as a line function responsibility
Process	Adequate and timely investment in Quality Management Protocols
	Meticulous Review Procedures
	Constant Upgradation of equipment
	Adoption of technological advances

	Implementation of industry benchmarked practices
Physical Evidence	Cipla's 71 QMS Policies with Supporting SOPs
	Track wise Quality Management System
	Various Regulatory audits across Cipla facilities
	EHS Policy – Cipla's Top Down and Bottom up approach
	ISO 14001 and ISO 50001
	cGMP Compliant and approved globally manufacturing
	Rain Water harvesting at sites in India

Lupin Ltd.

Product	Product designs which have incorporated environmental and social concerns (Products like Tonact, Gluconorm and Rablet)
	Ongoing measures are taken to reduce consumption of energy and water.
	Mechanism of recycle and re-use for water management
	Energy-efficient and clean technology initiatives
	Waste Management practices
Price	Continuous efforts are made to promote the use of generic medicines in order to make medical treatment affordable to the under-privileged sections of the society
Place	continues to procure goods and avail services from local and small vendors
Promotion	Member of various industry associations Advocates at various forums about measures to be undertaken with a view to address basic issues related to improvement of public health and promotes balanced and sustainable economic development
Physical Evidence	Environment, Health and Safety policy
	Received the prestigious International Sustainability Rating System (ISRS) certification
	Regulatory Audits
	Lupin Human Welfare and Research Foundation (LHWRF), a CSR arm, conducting the social responsibility activities
	Member of various Industry associations

6. FINDINGS AND CONCLUSIONS:

1. All these companies have well defined practices for all the P's of marketing except Price.
2. These companies have observed the following benefits in their activities (annual reports 2017-18)
 - reduced wastages
 - reduced emissions
 - reduced cost
 - reduced energy consumption
 - optimum utilization of resources

3. These benefits are surely the outcome of the dedicated efforts taken by these companies. Apart from these direct benefits, the green practices of the companies have great contribution towards environmental sustainability. Their contribution can be stated as below:

I. Green People:

The practices mentioned above show that being green is the part and parcel of the day to day activities of these organizations. The people working from the top to bottom level in the organization are influenced to think and live green. The green sourcing has brought the small and local sellers within the purview of greenness of the organization.

II. Green image:

These firms have faced various regulatory audits at the national and international level across their facilities. They have been successful in presenting to the authorities of their green practices. They have created a green image in the pharmaceutical sector.

III. Green Culture:

The policies of these organizations have clear stated goals towards environmental conservation. This policy making has surely set in a green culture within the organization.

IV. Getting green, getting sustainable:

These companies have done immense work in the areas of natural capital existing with them. These efforts are surely lessening the ill-effects on the environment and have become the catalyst in moving towards sustainability, a prime issue today before mankind.

V. Great source for Best practices:

The State of Maharashtra has around 3000 pharma companies (NPPA directory, 2007). The magnificent efforts taken by these 3 pharma companies can become the source of knowing best of the industry practices in green marketing for other pharma companies which have not yet moved into the green business.

The pharma companies studied here are public limited companies which face the extensive regulatory scrutiny. Hence for them responsible behavior towards the environment is a must. But the depth of green marketing activities taken by these companies is awakening in a real sense. The motivation to take up these green activities is surely not from the regulations but from the company's own value system towards the environmental conservation.

7. REFERENCES:

1. Polonsky, M. J. (1994), An Introduction To Green Marketing, *Electronic Green Journal*, 1(2).
2. Pharmaceutical Companies Target Green Manufacturing-A roundup of pharmaceutical companies' sustainability objectives and key projects, Dec 07, 2011 By Pharmaceutical Technology Editors, PTSM: Pharmaceutical Technology Sourcing and Management, Vol 7, Issue 12.
3. Piramal Enterprises Limited, Annual Report 2017-18
4. Cipla Limited, Annual Report 2017-18
5. Lupin Limited, Annual Report 2017-18
6. <https://www.thehindubusinessline.com/specials/pulse/how-green-are-indian-drug-manufacturing-sites/article24595829.ece>
7. <http://www.greenprof.org/wp-content/uploads/2010/06/An-Introduction-to-Green-Marketing.pdf>