



## AN OUTLINE ON GREEN PRODUCT DEVELOPMENT AND ITS EXPORT MARKETING ENVIRONMENT

**N. RAMAR**

(M. Phil. Research Scholar )  
Alagappa Institute of Management,  
Alagappa University, Karaikudi,  
Tamil Nadu. INDIA

**DR. C. K. MUTHUKUMARAN**

(Associate Professor)  
Alagappa Institute of Management,  
Alagappa University, Karaikudi,  
Tamil Nadu. INDIA

### ABSTRACT

*Product development and tailoring is the best option to opt for buyer acceptance and customer expansion. Export market is the cluster of economic factor, political factor and cultural factor, erroneous understanding will cause business disaster. The study depicts complimentary evidence that, exporter have to develop product that matches market features to exist in international business. Designing production system for developed product in green way were found to produce better sustainability to environment and higher production and profit ratio comparably. It have been noticed considerable amount of investment at initial stage for implementation of green system, but over the time proved to be beneficial and better return on investment. The standard of living, dynamism and geography are unearthed to be important economic factor in export environment. Cultural environment are found to be adapted rather inherited through religion, social esteem, education and family playing a crucial role in customer buying pattern. Though law, rules and government differs from country to country, the findings recommended that, it is mandatory to make analyses on domestic and foreign market to which the goods are planned to be exported for better marketing. The study was made through exploratory research methodology using secondary data to identify the possibility of developing green product for the purpose of export and environmental strategies that could be adapted for better production and environmental sustainability.*

**Keywords :** *Export Product Development, Export Environment, Green Strategy.*

### INTRODUCTION

Export marketing environment imposes several constraints and opportunities on insight. Typically a firm performing well in domestic market is not assured to perform well in foreign market, more time and resources had to be spend in order to improvise the marketing through knowledge acutance of foreign country (Navarro, 2010). Knowledge on export environment



guarantee survival of the export firm not the success, this due to the fact that the firm can't exercise control over the export environment mostly. Understanding export marketing environment helps in anticipate and withstand changes in the business world (O'Cass, 2003). The process of finding out possibility of producing a product that matches the market demand is called the product development. Firms existence and profit are mostly depend on successful product development. Product development ideas are mostly generated from external sources such as; consumer, competitor, trade literature, professional society meeting, trade shows and exhibition, government research institutions and universities, consulting organization and free-lance investors. Stimulated ideas from the external source is the base, in most of the case the vale is added to the existing ideas through the internal source such as; research and development department, technical service staffs, company salesman, executive personnel, company sales record, intermediaries, top management and company patent department (Calantone, 2006). Cognitive market research is best solution for understanding export business environment and product development, it s for the reason that, it helps in creating customer value for product not merely a customer solution. Product development research is not always about looking the product in isolation; the product, the packaging, the advertisement, and the pricing strategy are all the integral parts of the research (Dr. S. Rajasekar, 2014). Any new product launch is inherently risky as it is a venture into the unknown. The factors contributing to product development are; dynamism in customer preference due to trends, technological advancement, product life cycle, international laws and government policies governing the product (B. M. Wali, 1993). In current scenario export firms are facing major challenges in product development in the form of; global competition, market potential, technological change, new features, market size, resistant to change and time of release, but with environment approach there exist more possibility gaining customer and loyal consumers. The study illustrates the export product development in current state and way to implement environmentally approach for betterment in its development, production, and process also study touches on underpin of its export marketing.

## **PRODUCT DEVELOPMENT FOR AN EXPORT MARKET**

Developing product for the purpose of export must possess objective of customer maximization, this can be achieved only through tailoring the goods according to the customer expectation. It is always advisable for the export firm to consider the income level, educational level and value system of consumers and characteristic of the society they residing in to produce a goods with value. Product developed should have undisputable primary function, product having many features without serving it primary function properly can never exist in industry for even shorter duration (Dr. S. Rajasekar, 2014). Uncompromised primary function when correlated with features and utilities with competitive price will add value to product, brand and profit of the firm. Product consumption might occur due to the result of its primary function effectiveness, utility and features, but the product acceptance can result if the product is durable and quality. Knowing



customer perception on quality and durability towards specific product and providing the same, will provide better recognition among the competitive products, in some case there is a possibility of product fighting against existing brand. Successful product development once tested in small segment of market in ready to go long ride of production process, firm should do keen optimization to produce the product in large quantities for the purpose of export without altering any its functions. Maintenance of the system and in parallel reviewing on product life cycle will yield innovative product and better product development for dynamic world, gaining survival and success.

### **Export Marketing Environment**

Successful product development can be realized in terms of value only if effective marketing is carried out for the product, Successful product development may comparatively reduce the cost of marketing, but without effective marketing brand image can't be diversified also customer expansion will be limited, which are the major tool export firm success and growth. Export are the vital tool to developing countries such as India to bring in foreign currencies and to provide pay to importing for growing domestic population. There subsist various distortions in export trade, such as; import restriction, trade agreement and trade blocks, hence proper knowledge on export environment is key entity to progress through the export business and make the firm attain its survival and success. Export marketing environment can be classified into three types namely; Economic, Cultural and Political (B. M. Wali, 1993).

### ***Economic Environment***

The economic environment in most cases influenced by the; the standard of living, dynamism of population and geography of the country. In countries whose per capita is not up to mark, marketing in these societies is relatively simple and volume of goods traded and its varieties in such countries are limited (B. M. Wali, 1993). In moderate income countries such as Germany, it is found that people have the ability to purchase beyond their subsistence level. Thereby marketing of goods and different varieties are more seen with competitive products and pricing. While in high income countries like U. S. A. people enjoy adequate income and possess more purchasing power, hence most of the countries performing international business will have a target towards developed countries as such to sell their products, this because people possess higher purchasing power and the volume of commodities that can be sold is relatively high in these places. The static society is inevitable have a same consumption pattern and mostly exhibit to stick with innovative products coming to market, this mostly hold good for countries having low educational standards, while on countries progressing through trends and technology will be the better place for marketing as people will accept products if it meets their requirement. The contributing factor is the geography, the climatic conditions, natural environmental imposes need for certain products such as woolen clothes for cold countries, cars with better suspension system for Indian roads.



### *Cultural Environment*

Family, religion, education and social system are the influential factor pertaining to cultural environment. Religion is an important deterministic factor that settle on moral and ethical standards of the people within the religion also religion leads a way to consumption of specific product creating a demand though there exists no requirement to the consumer example giving sacrifice to god during bakrid by Muslim is highly appreciable as it creates demand for the animals also fills the stomach various poor people in need, this also considered as ethical standard of this specific religion as such many religion follows their own ethical standards. Family system on other end produce a consumption pattern and amount, just with an example a traditional family will possess more number of members and consumption level is comparatively high than that of non-traditional and ultra-modern family also the buying pattern of any particular commodity will mostly be in large amount to satisfy all members in it. The most influential element in the cultural environment is the educational level, level of education decides consumption pattern and life style, As individual with zero educational background prefers to buy basic phone to make a call due to lack of knowledge in operating smart phone. Education level may a number of time incompatible with income of individual but, not in case of consumption pattern (B. M. Wali, 1993). The other most influential factor is the social group to which an individual belong, social factor is unique to each society. The social factor are further influenced by the work system, value and buying system.

### *Political Environment*

The system of government and their attitude towards business greatly influences the operations of the business. Political stability is the most demanded by the exporter, but they are mostly out of hand and business can never exercise control on it (B. M. Wali, 1993). The framed laws and rules are undeniable and its obligatory for exporter and the importer to abide by it, no matter what is the cause. Greater care on analyzing; policies towards international business, treatment of foreign investors, government control and restriction and political ideology of the government are the best risk mitigation method in exporting (Dr. S. Rajasekar, 2014).

## **GOING GREEN STRATEGY**

### *Green Products Development*

The concept is not shifting to production to new products but to produce the product that export firm producing in better eco friendly way and if possible producing pure environmental friendly product that benefits nature and humanity, to illustrate with an



example; producing jeans with plastic, this in turn utilizes the non degradable plastic waste also a utility to use every day in human life which most cloth export companies could follow. In recent times attention of corporate management are shifting to better clean technologies and pollution products (Y. Chung, 2007). Effective development of green products in export related firm will lead a better way to environmental problems (D. Pujari, 2003), this because unlike other industries export firms are involved in surplus production satisfying domestic and foreign countries need hence, green product development through innovation and creativity will provide a better platform for environmental stability. During new product development for export two dimensional view i.e. customer and environment is utmost required 'Design for Environment' (DfE) and 'Life Cycle Assessment' (LCA) and impact test will be a useful additional tool for product (G. Keoleian, 1993), but as many studies illustrated the initial investment exist still return on investment and satisfaction from stakeholder especially customer will be the result. Three distinct types of ISO have been identified namely ISO I, ISO II and ISO III. If a company produces eco-friendly products it could claim for ISO type I and is recognized under category of ISO 140200:2000. Similarly ISO II is green claims and ISO III is eco certification on verifying its impact and life cycle study. Eco label always has values with stakeholders and the end consumer feels convenient in using the product and continue to the product and stick to brand, hence going green is not just cost but also opportunity for firm to gain customer and loyal consumers making product more recognizable.

### *Environmental Strategies*

In order to face this dynamic scenario were; growing population, depleting resources and environmental issues, green strategy are becoming common interest of various firms and their stakeholders for current and future sustainability (Vito Albino, 2009). Three strategies have to be addressed to promote environmental sustainability namely; pollution prevention, product stewardship and clean technology (Hart, 1995). There have been a view point of formulating a management system which produces competitive environmental strategies; beyond compliance leadership, eco-efficiency, environmental cost leadership and eco-branding (Orsato, 2006). Any emergent strategy out of business should be two dimensional; one focusing on organizational level and other on environmental, the resulting option then opt for every system such as; process improvement, product development, marketing strategy, emission reduction and environmental supply chain measures (A.Kolk, 2005). The environmental stability within a firm have to be initiated at production process, clean production is the base platform (Baas, 1995), industrial production should be planned and should constitute right technology that conserves material and energy, non polluting and energy efficient (Geiser, 2001). Implementing environment management system, paperless system, lean production, extended environmental supply chain in export production and marketing is the opt option to go green in export environment.



## CONCLUSION

Export firms are those which carry bulk order execution to make profit out of surplus produced within country. Exporter are off large population in recent trends, going green of few export companies may create a significant positive impact on environment they reside as large production of pollution are turned to environmental utility, product become eco-friendly hence complete environmental cycle is produced, the action serves nature and save future. The analysis illustrates that green strategic approach which can globally implemented in any industry belonging to any sector so, in export industries if made can contribute to environment conservation and eco-friendly products that has value to environment and consumer. The study exemplify development of product should possess analysis such as; Design for Environment, Life Cycle Assessment, Environmental impact factor to provide better option for more productivity, profitability and possibility of producing green products. Green strategy should encompasses process improvement, product development, marketing strategy, emission reduction and environmental supply chain measures that can yield benefit for organization and environment.

## REFERENCES

1. A.Kolk, J. P. (2005). Business responses to climate change: identifying emergent strategies. *California Management Review* , 6-20.
2. B. M. Wali, B. K. (1993). *Export management*. New delhi: Sterling Publisher Extension.
3. Baas, L. W. (1995). Cleaner production: beyond projects. . *Journal of Cleaner Production* , 3(1/2): 55–59.
4. Calantone, R. J. (2006). The influence of internal and external firm factors on international product adaptation strategy and export performance: A three-country comparison. *Journal of Business Research* , 176-185.
5. D. Pujari, G. W. (2003). Green and competitive. Infl uences on environmental new product development performance. *Journal of business research* , 657-671.
6. Dr. S. Rajasekar, D. P. (2014). *International Business Management* . Lucknow: Thakur Publisher.
7. G. Keoleian, D. M. (1993). *Environmental Protection Agency: Cincinnati, OH. Life Cycle Design Guidance Manual* .
8. Geiser, K. (2001). Cleaner production perspectives 2: integrating CP into sustainability strategies. *UNEP Industry and Environment* , 33-36.
9. Hart, S. L. (1995). A natural-resource-based view of the fi rm. *Academy of Management Review* , 986-1014.



10. Navarro, A. L. (2010). Implications of perceived competitive advantages, adaptation of marketing tactics and export commitment on export performance. *Journal of World Business*, , 45(1), 49–58.
11. O'Cass, A. &. (2003). Examining firm and environmental influences on export marketing mix strategy and export performance of Australian exporters. *European Journal of Marketing*, , 37(3/4), 366–384.
12. Orsato, R. J. (2006). Competitive environmental strategies: when does it pay to be green? *California Management Review* , 127-143.
13. Vito Albino, A. B. (2009). *Environmental Strategies and Green Product Development: an Overview on Sustainability-Driven Companies*. Wiley InterScience , 83-96.
14. Y. Chung, C. T. (2007). The effect of green design activities on new product strategies and performance: an empirical study among high-tech companies. *International Journal of Management* , 276–288.