

National Seminar on Effect of Ecopreneurship on Environment Protection & Sustainable Development

The Hurdles of Ecopreneurs

Kireeti Kanupuri^{1*}

¹Assistant Professor in Management Studies, Rajiv Gandhi Degree and PG College, Rajahmundry, Andhra Pradesh, India.

***Corresponding author e-mail:** narasimhakireeti@gmail.com.

Abstract

Introduction: With growing concerns about climate change, pollution, and resource depletion, the world is shifting towards more sustainable solutions. Ecopreneurs — business owners who create eco-friendly solutions in areas such as renewable energy, biodegradable packaging, organic farming and waste reduction — are leading this change and making a big impact. However, starting and running a green business is not easy, and their journey is full of challenges that make it hard for them to grow and succeed. This paper explores these difficulties, including money issues, strict rules, and tough competition in the market.

Methodology: The paper takes a closer look at the challenges faced by ecopreneurs, supported by real-life examples. Evidence is drawn from case studies of successful and failed ecopreneurial ventures at three levels: global cases (Tesla and Patagonia in the USA; Solyndra in the USA, Bio-on in Italy and Better Place in Israel), Indian cases (SELCO India, Bare Necessities, EcoRight, EnviGreen and Nature's Basket), and ventures in Andhra Pradesh and Telangana (Goli Soda, Hyderabad and Green Waves Environmental Solutions, Visakhapatnam). The case evidence is supplemented by comparative data insights presented in graphical form, covering the common problems reported by successful and failed companies in the world, India, and Andhra Pradesh and Telangana, together with success-rate comparisons between traditional

enterprises and ecopreneurs worldwide (2020-2024), in India, and in Andhra Pradesh and Telangana (2019-2023).

Results & Discussion: In the world data, financial issues were reported by about 30% of successful companies against 70% of failed companies, marketing challenges by 20% against 80%, and resource availability problems by 15% against 85%. In India the corresponding figures are 25% against 75% for financial issues, 30% against 70% for marketing, and 20% against 80% for resources; in Andhra Pradesh and Telangana they are 20% against 80%, 25% against 75%, and 15% against 85%. Worldwide, the success rate of traditional enterprises declined from 70% in 2020 to 63% in 2024, while ecopreneurs improved from 50% to 67%. In India around 45% of traditional businesses stay active for more than two decades, whereas over 60% of eco-focused startups report delays due to unclear or complex policies, only about 25% secure seed funding compared with 45% of traditional startups, 70% of shoppers prioritise affordability over sustainability and only 20% are familiar with eco-friendly options. In Andhra Pradesh and Telangana successful traditional ventures rose from 100 in 2019 to 586 in 2023, and ecopreneurs from 20 to 250.

Conclusion: Ecopreneurs are essential in building a better, greener future, but for them to succeed they need more support from governments, investors and consumers. The data underscore the importance of sound financial planning, strategic marketing, and ensuring access to essential resources, since companies that effectively manage these aspects are far more likely to achieve long-term success. While traditional enterprises continue to hold a stronger presence, ecopreneurs are rapidly emerging as a powerful force in the business landscape. Addressing regulatory concerns, improving access to funding and promoting eco-awareness among consumers will be vital, and with continued investment, policy support and public awareness, green businesses have the potential to thrive even further.

Keywords: Ecopreneurs; Ecopreneurship; Green Startups; Sustainable Business; Financial Constraints; Regulatory Challenges; Market Awareness; Case Studies; Success Rate Comparison; Andhra Pradesh and Telangana.

1. Introduction

With growing concerns about climate change, pollution, and resource depletion, the world is shifting towards more sustainable solutions. Entrepreneurs who focus on eco-

IntelliMindEd | ISSN: 2998-8527, USA | National Seminar on Effect of Ecopreneurship on Environment Protection & Sustainable Development, Department of Commerce & Management Studies, AKNU, Rajamahendravaram, AP, India

friendly businesses, known as ecopreneurs, are leading this change by offering innovative products and services that help reduce environmental harm. Whether it's renewable energy, biodegradable packaging, organic farming, or waste reduction, these businesses aim to make a difference. However, starting and running a green business is not easy. Despite their positive impact, ecopreneurs face several hurdles that make it difficult to survive and grow in a competitive market.

One of the biggest struggles is getting enough financial support. Unlike traditional businesses, which can quickly attract investors, eco-friendly startups often require more time and money to develop. Since profits don't come immediately, many investors see them as risky. As a result, ecopreneurs often have to rely on personal savings, government grants, or crowdfunding, which may not be enough to keep the business running in the long term.

Another major challenge is dealing with complex government regulations. While rules are necessary to protect the environment, they can sometimes be confusing, expensive, and difficult to follow. Many eco-friendly businesses need certifications, legal approvals, and environmental audits, which require a lot of money and effort. On top of that, policies keep changing, and what works in one country or region may not apply elsewhere, making expansion and growth even harder.

Market challenges also make things tough. Even though more people are becoming environmentally conscious, many still choose cheaper, non-sustainable products because they are more affordable. Producing eco-friendly goods often costs more because sustainable raw materials and ethical production methods are expensive. Convincing customers to pay extra for green products requires strong marketing and awareness campaigns, which small businesses may not always afford.

Besides money and market struggles, technology and supply chain issues also create roadblocks. Many eco-friendly products need advanced research and new technology, which can be costly and difficult to access. On top of that, finding sustainable raw materials in large quantities at reasonable prices is a challenge, making it hard for businesses to produce eco-friendly goods on a larger scale.

Even with all these difficulties, ecopreneurs are essential in building a better, greener future. But for them to succeed, they need more support from governments, investors, and consumers. Governments should provide better funding options, simpler rules, and incentives for green businesses. Investors need to see the long-term benefits of sustainability and provide patient funding. At the same time, consumers should be encouraged to make eco-friendly choices to create stronger market for Green products. This paper takes a closer look at the challenges faced by ecopreneurs, supported by real-life examples. By understanding these obstacles, we can find ways to help them succeed and create an economy that supports sustainability. If we work together — businesses, governments, investors, and consumers — we can make eco-friendly entrepreneurship a powerful force for positive change.

2. Case Studies of Successful Ecopreneurs (Global)

2.1 Tesla (USA) – Transforming the Auto Industry with Electric Vehicles

Tesla, founded by Elon Musk, has completely changed the way the world views electric vehicles (EVs). When Tesla first entered the market, many doubted whether EVs could truly compete with traditional gas-powered cars.

However, Tesla not only proved them wrong but also made electric cars desirable, high-performance, and luxurious.

Key reasons for Tesla's success:

- Breakthrough technology – Tesla developed powerful, long-range batteries that made EVs more practical for everyday use.
- Government incentives – Support in the form of subsidies and tax credits encouraged EV adoption.
- Growing consumer interest – As people became more environmentally conscious, Tesla positioned itself as a premium brand for sustainable transportation.

Tesla's story proves that **eco-friendly businesses can thrive** when they offer **innovation, quality and strong brand appeal**.

2.2 Patagonia (USA) – Leading the Sustainable Fashion Revolution

Founded by Yvon Chouinard, Patagonia is a brand that has stood the test of time by staying committed to its environmental mission. Unlike fast fashion brands that prioritize profits over sustainability, Patagonia creates high-quality, eco-friendly apparel while promoting ethical production.

What sets Patagonia apart?

- **Sustainable materials** – The company uses organic cotton, recycled fabrics, and fair-trade materials.
- **Repair & reuse philosophy** – Instead of encouraging overconsumption, Patagonia promotes repairing clothes rather than replacing them.
- **Environmental activism** – The brand donates 1% of its sales to environmental causes and actively fights for climate action.

3. Case Studies of Failed Ecopreneur Ventures (Global)

3.1 Solyndra (USA) – The Solar Energy Startup That Collapsed

Solyndra was once seen as the future of solar energy. The U.S. government even provided \$535 million in loans to help it scale. But despite all the hype, the company went bankrupt in 2011.

What went wrong?

- Expensive technology – Solyndra's unique solar panels cost too much to produce, making them uncompetitive.
- Cheaper alternatives from China – Chinese manufacturers introduced much more affordable solar panels, making Solyndra's pricing unsustainable.
- Dependence on government funding – Without private investors, the company struggled when financial support declined.

Solyndra's failure is a reminder that **green innovation alone isn't enough — businesses must also be financially sustainable.**

3.2 Bio-on (Italy) – A Bioplastics Startup that Crashed

Bio-on was an Italian company promising biodegradable plastic alternatives.

At first, it gained praise for its eco-friendly mission, but it collapsed in 2019, leading to allegations of fraud.

Why did Bio-on fail?

- Exaggerated claims – The company made big promises about bioplastics but failed to deliver on a large scale.
- Market unpreparedness – Traditional plastic was still cheaper and more widely available, limiting the demand for Bio-On's alternative.
- Financial mismanagement – Inaccurate financial reporting led to legal troubles and loss of investor trust.

This case highlights that transparency and realistic market planning are crucial for any ecopreneurial venture.

3.3 Better Place (Israel) – The EV Charging Network That Didn't Take Off

Better Place was an Israeli startup with an ambitious plan: instead of waiting for EVs to charge, drivers could swap out depleted batteries for fully charged ones at designated

stations. This concept raised nearly \$1 billion in funding but ultimately failed, with the company declaring bankruptcy in 2013.

Why did Better Place fail?

- High infrastructure costs – Building swapping stations across multiple cities was too expensive.
- Consumer hesitation – Drivers were not fully convinced by the battery-swapping model, preferring direct charging solutions.
- **Limited partnerships** – The company collaborated only with Renault, restricting the number of compatible vehicles.

Better Place's failure highlights an important lesson: even great ideas need strong execution, strategic planning, and consumer buy-in to succeed.

4. Successful Ecopreneur Startups in India

4.1 SELCO India – Solar Energy for Rural India

SELCO India, founded by Harish Hande in 1995, is a pioneer in bringing solar energy solutions to rural households. The company provides affordable solar-powered lighting to off-grid villages, improving livelihoods and reducing dependence on kerosene.

Key Success Factors:

- Strong focus on affordability and accessibility.
- Community engagement and financing options for rural customers.
- Government support and long-term sustainability goals.

4.2 Bare Necessities – Zero-Waste Lifestyle Brand

Bare Necessities, founded by Sahar Mansoor, promotes sustainable and plastic-free living by offering eco-friendly alternatives such as reusable home care and personal hygiene products.

Key Success Factors:

IntelliMindEd | ISSN: 2998-8527, USA | National Seminar on Effect of Ecopreneurship on Environment Protection & Sustainable Development, Department of Commerce & Management Studies, AKNU, Rajamahendravaram, AP, India

- Growing demand for zero-waste products.
- Strong brand identity and consumer awareness initiatives.
- Sustainable production and supply chain.

4.3 EcoRight – Sustainable Fashion & Accessories

EcoRight is an Indian startup producing eco-friendly handbags, tote bags, and accessories using recycled and organic materials.

Key Success Factors:

- Adoption of eco-conscious consumer trends.
- International market reach and strong online presence.
- Ethical sourcing and production transparency.

Reasons for Failure:

- Poor battery technology leading to safety concerns.
- High manufacturing costs and low margins.
- Lack of widespread EV infrastructure.

4.4 EnviGreen – Biodegradable Plastic Alternative

EnviGreen developed biodegradable plastic bags but struggled with mass production and compliance issues.

Reasons for Failure:

- High production costs compared to regular plastics.
- Regulatory hurdles and unclear policy frameworks.
- Difficulty in scaling the business profitably.

4.5 Nature's Basket – Sustainable Groceries

This startup aimed to offer organic and sustainable grocery products but could not sustain itself.

Reasons for Failure:

IntelliMindEd | ISSN: 2998-8527, USA | National Seminar on Effect of Ecopreneurship on Environment Protection & Sustainable Development, Department of Commerce & Management Studies, AKNU, Rajamahendravaram, AP, India

- High competition from larger organic brands.
- Supply chain inefficiencies and product shortages.
- Lack of consumer awareness in smaller markets.

5. Success Ecopreneur Start-ups in AP & Telangana

Goli Soda (Hyderabad) – A brand that promotes eco-friendly products such as biodegradable home goods and sustainable personal care items.

What Worked:

- Growing awareness of sustainable living practices.
- Strong brand identity and customer engagement.
- Reduction of plastic waste through upcycled products.

Green Waves Environmental Solutions (Visakhapatnam) – Specializes in innovative waste management and recycling solutions.

What Worked:

- Partnerships with local governments for efficient waste handling.
- Advanced recycling technology.
- Addressing the rising problem of urban waste accumulation.

6. Results and Discussion

6.1 Data Insights of Problems facing by Ecopreneurs comparatively success and failed companies in world, India and Andhra Pradesh and Telangana

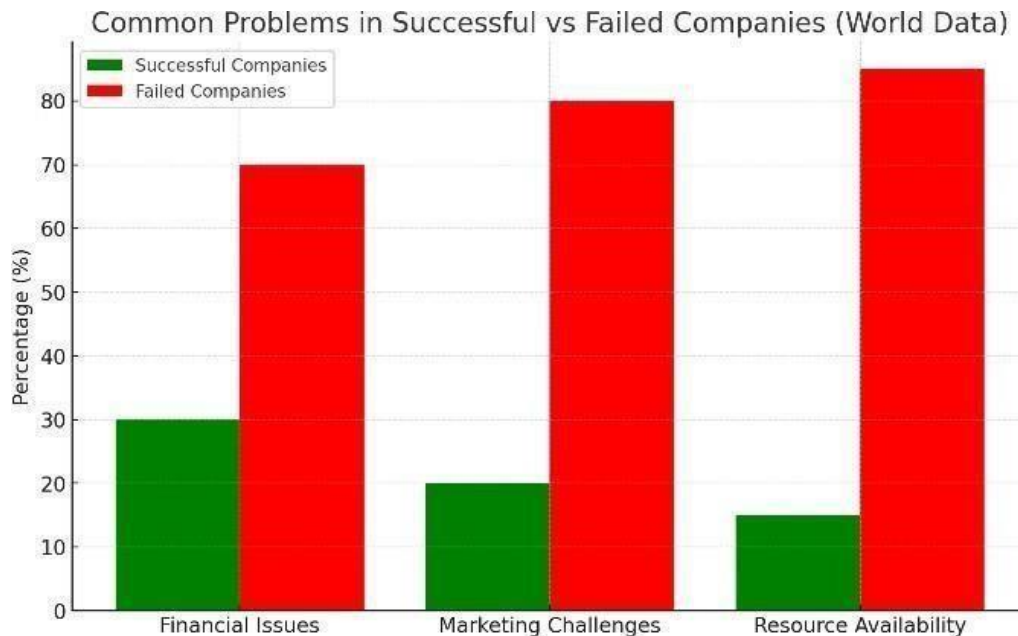


Figure 1: The graph highlights some key challenges that businesses face, shedding light on the differences between successful and failed companies worldwide.

Key Takeaways:

- **Financial Struggles:** While about 30% of successful businesses reported financial difficulties at some point, a significant 70% of failed companies identified financial issues as a major problem.
- **Marketing Challenges:** Around 20% of thriving companies encountered marketing hurdles, but this issue proved far more critical for businesses that didn't survive, with 80% citing marketing struggles as a major setback.
- **Resource Availability:** Only 15% of successful companies reported issues with securing resources, whereas a striking 85% of failed businesses faced challenges in this area.

Conclusion: This data underscores the importance of sound financial planning, strategic marketing, and ensuring access to essential resources. Companies that effectively manage these aspects are far more likely to achieve long-term success.

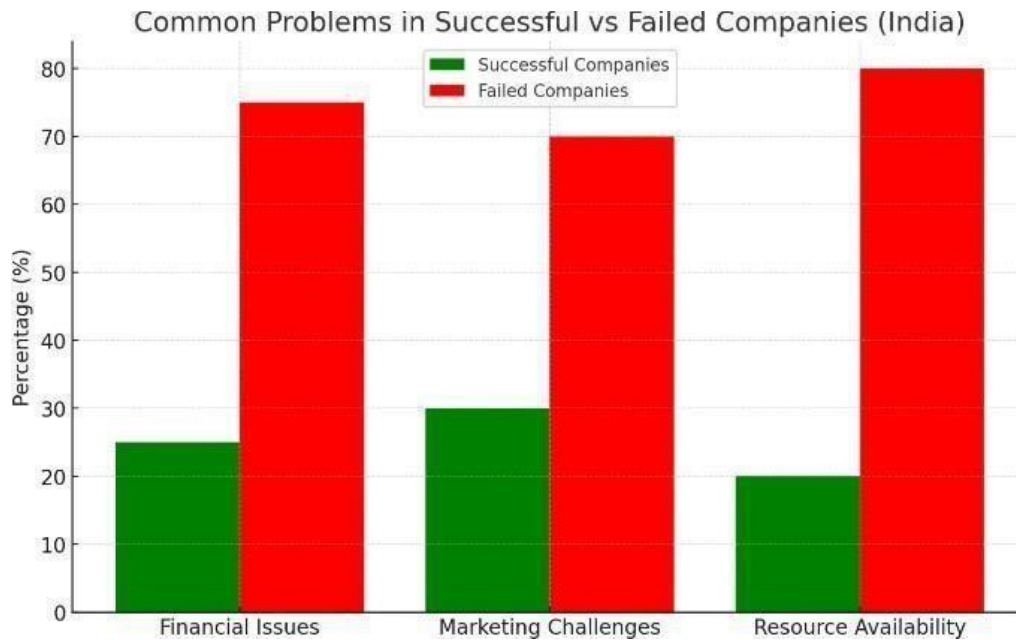


Figure 2: This graph highlights the common challenges faced by both successful and unsuccessful businesses in India, offering valuable insights into the key factors influencing their outcomes.

Key Observations:

Financial Issues: Around one-fourth of successful companies experienced financial struggles at some point. In contrast, three out of four failed businesses reported financial difficulties, emphasizing that poor financial management is a major contributor to business closures.

Marketing Challenges: While 30% of thriving businesses encountered marketing-related obstacles, this figure rises to 70% among failed companies. This suggests that businesses with well-planned and effective marketing strategies are better positioned for success.

Resource Availability: Only 20% of successful businesses faced issues with accessing necessary resources, whereas a significant 80% of failed companies struggled in this area. This underscores the importance of managing resources efficiently to ensure business continuity.

Conclusion: In India, businesses that effectively manage their finances, implement solid marketing strategies, and ensure steady access to resources are far more likely to thrive. Addressing these challenges is key to improving overall business survival rates.

Common Problems in Successful and Failed Companies - Andhra Pradesh & Telangana



Figure 3: This graph sheds light on the common challenges encountered by both successful and unsuccessful businesses in Andhra Pradesh and Telangana. It offers key insights into the factors that significantly impact business outcomes.

Key Takeaways:

Financial Challenges: Financial struggles were reported by just 20% of successful businesses, whereas a striking 80% of failed companies faced financial difficulties. This clearly emphasizes that effective financial planning plays a major role in keeping businesses afloat.

Marketing Difficulties: Marketing proved to be a hurdle for 25% of successful companies, but this issue was far more pronounced among failed businesses, with 75% struggling in this area. This highlights the critical role of strategic marketing in business growth and sustainability.

Resource Constraints: Resource limitations affected only 15% of successful companies, while a significant 85% of failed businesses cited resource shortages as a major

challenge. This underscores the importance of ensuring access to essential resources for business continuity.

Conclusion: In AP & Telangana, maintaining financial stability, adopting effective marketing strategies, and ensuring reliable access to resources are crucial steps toward long-term success.

6.2 Success rate comparison between Traditional enterprises Vs Ecopreneurs (5 years worldwide data)

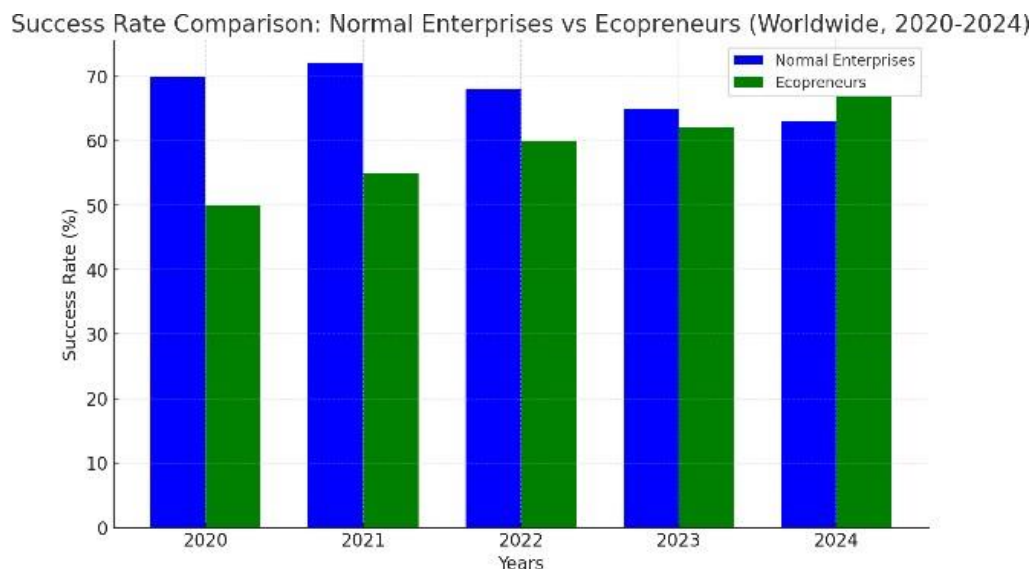


Figure 4: This graph highlights the success trends of traditional businesses and ecopreneurs worldwide from 2020 to 2024.

Key Insights:

Traditional Enterprises: These businesses maintained a fairly stable success rate, starting at 70% in 2020 and gradually decreasing to 63% by 2024. This slight decline may be linked to factors such as rising competition, shifting consumer preferences, or market saturation.

Ecopreneurs: In contrast, eco-focused businesses experienced steady growth in their success rates, improving from 50% in 2020 to 67% by 2024. This upward trend suggests

increased awareness of environmental concerns, better financial backing, and stronger support for sustainable business models.

Overall Observation: While traditional businesses still maintain a slightly higher success rate, ecopreneurs are rapidly narrowing the gap, showing encouraging progress in recent years.

6.3 Success rate comparison between Traditional enterprises Vs Ecopreneurs (5 years of India data)

Traditional Enterprises: Indian businesses have demonstrated impressive longevity, with around 45% managing to stay active for more than two decades. This far exceeds the typical five-year global survival average, highlighting their resilience and ability to adapt over time.

Over the past five years, the success patterns of traditional enterprises and ecopreneurs in India

Ecopreneurs: Despite their potential, green startups in India face unique obstacles:

- **Regulatory Challenges:** Over 60% of eco-focused startups report delays due to unclear or complex government policies, which hinder their progress.
- **Financial Struggles:** Only about 25% of these ventures manage to secure seed funding, compared to 45% of traditional startups that find financial backing more easily.
- **Cultural Hurdles:** Consumer behaviour also poses a challenge — 70% of Indian shoppers prioritize affordability over sustainability, and only 20 % are familiar with eco-friendly options.

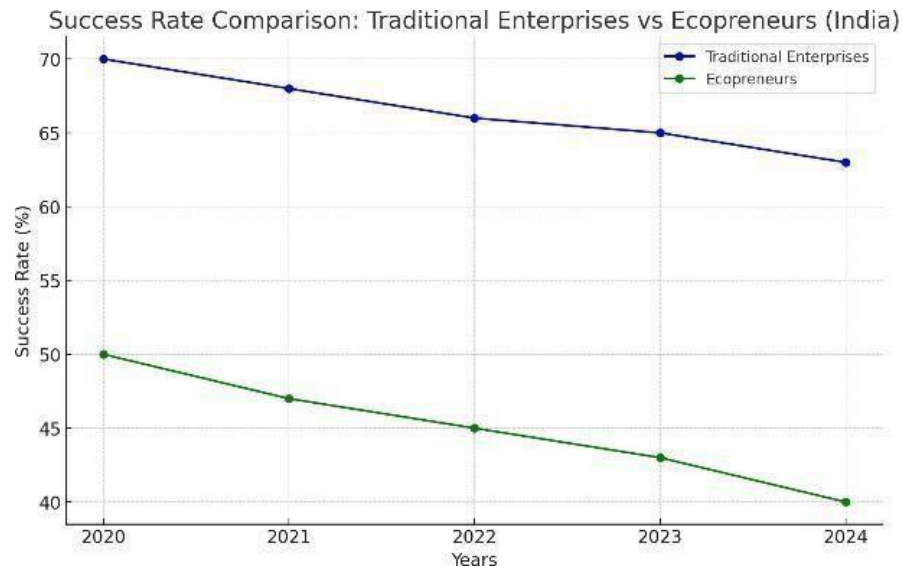


Figure 5: Success rate comparison between Traditional enterprises Vs Ecopreneurs (5 years of India data).

Conclusion: While traditional enterprises in India have built a solid track record of stability, ecopreneurs face several roadblocks that limit their growth. To improve the success rates of green businesses, addressing regulatory concerns, improving access to funding, and promoting eco-awareness among consumers will be vital.

6.4 Success rate comparison between Traditional enterprises Vs Ecopreneurs (5 years of Andhra Pradesh and Telangana data)

Success Rate of Traditional Enterprises vs Ecopreneurs in Andhra Pradesh & Telangana (2019-2023)

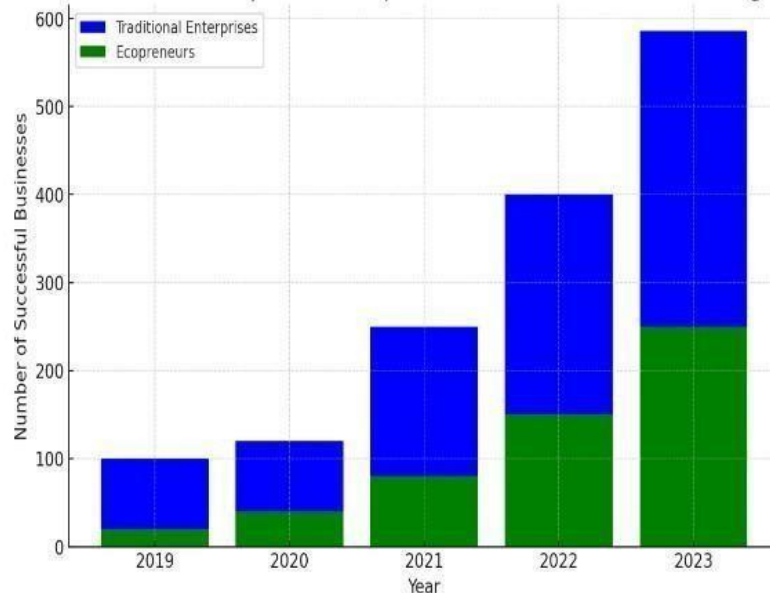


Figure 6: The graph illustrates how traditional enterprises and ecopreneurs in Andhra Pradesh and Telangana have progressed over the past five years (2019-2023).

Key Observations:

Traditional Enterprises: These businesses have experienced consistent growth, starting with 100 successful ventures in 2019 and climbing steadily to 586 by 2023. This stable upward trend reflects the strength of traditional businesses, which benefit from established markets, reliable customer bases, and proven business models.

Ecopreneurs: Although eco-friendly ventures began with a modest count of just 20 in 2019, they showed remarkable progress, reaching 250 successful enterprises by 2023. This impressive growth highlights the increasing awareness around sustainable practices, improved access to funding for green initiatives, and the positive impact of government support for eco-conscious businesses.

7. Conclusion

While traditional enterprises continue to hold a stronger presence, ecopreneurs are rapidly emerging as a powerful force in the business landscape. With continued investment, policy support, and public awareness, green businesses have the potential to thrive even further in Andhra Pradesh and Telangana

References

1. Anderson, T., & Leal, D. (2001). *Free Market Environmentalism*. Palgrave Macmillan.
2. Esty, D. C., & Winston, A. S. (2009). *Green to Gold: How Smart Companies Use Environmental Strategy to Innovate, Create Value, and Build Competitive Advantage*. Wiley.
3. NITI Aayog. (2022). *India's Green Economy: Policies and Progress*. Retrieved from <https://www.niti.gov.in>

4. Andhra Pradesh State Organic Certification Authority (APSCOCA). (2023). Organic Farming and Sustainability Initiatives in AP. Retrieved from <https://apscoca.ap.gov.in>
5. Andhra Jyothy. (2022). "The Rise and Fall of Green Entrepreneurs in Telugu States."
6. Namaste Telangana. (2023). "Sustainable Startups in Hyderabad: Why Some Fail Before They Even Begin." Retrieved from
7. Hans India. (2023).