

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

A Study on Assessing the Role of Ecopreneurs in Solving Environmental Problems

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Abstract

Introduction: Market systems have had a negative impact on the environment because they have not addressed negative environmental externalities and have undervalued natural resources, which have resulted in over-exploitation and depletion. With varying degrees of success, governments have tried to address the issue using a combination of market-based and command-and-control tools. Ecopreneurship, the practice of businesses bringing environmentally friendly or comparatively more environmentally friendly goods and procedures to the market, is one of the most effective solutions for addressing such market failures. The objective of the study is to evaluate the various approaches used by ecopreneurs to address environmental issues.

Methodology: This article presents a theoretical framework for evaluating the rise of ecopreneurship in a particular business or community. It is a conceptual paper, and all relevant secondary data have been included in the study. The study identifies the different ecopreneur techniques and how to apply them to eliminate environmental problems, and examines how programs for waste reduction, recycling and reuse

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have been implemented by industrial environmental management, together with the role of production technology selection. The literature reviewed covers Schaper (2002a) on entrepreneurs addressing environmental issues, Kirkwood and Walton (2010) on entrepreneurs basing operations on sustainability principles, and Ghisellini et al. (2016) on the circular economy, alongside the three ecopreneurship approaches proposed by Rodriguez-Garcia, Maria and Agustin, presented in Table 1.

Results & Discussion: Three approaches to ecopreneurship are identified. The first, drawing on Gerlach (2003), Pastakia (1998) and Petersen and Schaltegger (2002a), holds that ecopreneurship is based on implementing innovations in the environmental sector, where the ecopreneur is aware of the environmental impact of their business and develops innovations that reduce it. The second, drawing on Volery (2019), Azzone and Noci (1998), Porter and van der Linde (1995) and Holger (2006), holds that ecopreneurship is a strategic tool whose sustainable policies improve profit prospects while being kind to the environment. The third, drawing on Anderson (1998), Kyro (2001), Cantino et al. (2017) and Rodriguez-Garcia, Maria GG and Agustin CC (2019), holds that ecopreneurship is a tool to transform society, with ecopreneurs playing a key role in the evolution of institutions. The discussion covers eco-innovation as defined by the European Commission and its Environmental Technology Action Plan, the ecological consumer landscape, fair trade under the World Fair Trade Organization, local consumption, place-based enterprise, and organic products under the EU Organic Logo established in 1992.

Conclusion: The current status of ecopreneurship, a new branch of entrepreneurship, is examined holistically in this article, and the analysis of the literature highlights its salient characteristics. The study adds to the body of literature by examining the connections between eco-innovation and ecopreneurship, both of which are founded on the goal of being environmentally friendly. Active cooperation between customers, producers, distributors, and the government is required to achieve steady and constant success in this industry. Until all stakeholders embrace sustainable policies and initiatives, efforts to promote a more environmentally friendly production model will fail. Consumers ultimately decide the worth of a product through their purchasing habits, but consumer activism is ineffective unless government backs it with policies and laws.

Keywords: Ecopreneurship; Eco-Innovation; Environmental Problems; Circular Economy; Ecological Consumers; Fair Trade; Local Consumption; Organic Products; Sustainable Development; Market Failures.

1. Introduction

The most important worldwide issue of the twenty-first century is environmental deterioration, which has gotten worse. Environmental concerns are growing in importance, particularly as industry now accounts for a sizable portion of both GDP and environmental harm. The ability of resources to be employed in corporate operations has decreased since 2000, according to statistics from the World Resources Institute (WRI). In order to pursue future products, processes, and services for profit — which is broadly defined to encompass both financial and non-financial gains to people, the economy, and society — sustainable entrepreneurship is centered on protecting the environment and supporting the community.

Combining the words eco (as in ecological) and entrepreneurship results in the portmanteau term ecopreneurship. The Greek word “eikos,” which means “home,” is where the word “eco” originates. Science that examines how our homes work in relation to our surroundings and environment is called ecology. In reaction to a production model that depletes natural resources faster than they can be replenished, people are becoming more concerned about protecting and conserving biological resources. Resource depletion exceeds resource replenishment under such a paradigm.

2. Objective of the Study

- To evaluate the various approaches used by ecopreneurs to address environmental issues.

3. Need of the Study

This study aims to identify the different ecopreneur techniques and how to apply them to eliminate environmental problems. It will also help ecopreneurs overcome some obstacles. To adopt programs for waste reduction, recycling, and reuse have been

implemented by industrial environmental management. Additionally, reducing waste will be aided by the production technology selection. The selected technology ought to be environmentally friendly.

4. Literature Review

Entrepreneurs should focus on addressing environmental issues (Scharper, 2002a). Making their companies more ecologically friendly before they even launch could help entrepreneurs solve environmental issues. Entrepreneurs who base their operations on sustainability principles are known as ecopreneurs (Krikwood and Walton, 2010). In order to improve the balance and harmony between the economy, environment, and society, the circular economy is a new business model that attempts to produce more environmentally friendly and sustainable development. It focuses specifically on urban and industrial waste (Ghisellini et al., 2016). Table 1 lists a few ecopreneurship strategies that Rodriguez-Garcia, Maria, and Agustin have proposed.

Table 1: Approaches to ecopreneurship

Approach	References	Definition
1.	Gerlach, 2003, Pastakia, 1998, Petersen and Schaltegger, 2002a	"Ecopreneurship is based on implementing innovations in the environmental sector. The ecopreneur is aware of the environmental impact that their businesses exert on their surroundings and develops innovations that reduce this impact."
2.	Volery, 2019, Azzone and Noci, 1998, Porter and van der Linde, 1995, Holger, 2006	"Ecopreneurship is a strategic tool. The application of sustainable policies has a twofold benefit: it improves profit prospects and is kind to the environment."
3.	Anderson, 1998, Kyro, 2001, Cantino et al., 2017, Rodriguez-Garcia, Maria GG, and Agustin CC, 2019	"Ecopreneurship is a tool to transform society. Ecopreneurs play a key role in the evolution and development of institutions."

According to the first approach, ecopreneurship would identify innovations to address environmental issues for entrepreneurial endeavors, whereas entrepreneurship might use innovation to solve problems. As seen in the second way, ecopreneurs can modify their business strategy to address environmental issues by increasing their

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understanding of environmental issues. Lastly, ecopreneurs can influence society by educating consumers about environmental issues.

5. Innovations to Address Environmental Issues for Entrepreneurial Endeavors

As previously mentioned, ecopreneurship cannot be comprehended without taking innovation into account. When it comes to environmental development, ecopreneurship and innovation are two different but connected ideas that work hand in hand. The European Commission (EC) adopted the Environmental Technology Action Plan (ETAP) to encourage eco-innovation and the use of environmental technologies. The ETP defines environmental innovation as “the production, assimilation, or exploitation of a novelty in products, production processes, services, or in management and business methods, which aims, throughout its life cycle, to prevent or substantially reduce environmental risk, pollution, and other negative impacts of resource use (including energy).”

“Eco-innovation is any innovation resulting in significant progress toward the goal of sustainable development, by reducing the impacts of our production modes on the environment, enhancing nature's resilience to environmental pressures, or achieving a more efficient and responsible use of natural resources,” the European Commission stated in 2004 when it identified eco-innovation as one of the key factors to Europe's competitiveness. Additionally, ecological innovation lowers expenses, seizes fresh growth prospects, and enhances a business's reputation with clients.

Tomás-Estrada defines innovation applied to cities as the activities intended to enhance the economic, social, and environmental functioning of the city. Urban creativity is encouraged by these three factors. We focus on the environmental dimension, which refers to the practice of supporting a reduction in the environmental impact of business.

6. The Application of Sustainable Policies

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The values, customs, and behaviors of consumers in a particular setting influence the ecological consumer landscape. Peattie maintained that consumers' desire to work together and promote more environmentally friendly purchasing habits is ultimately what will determine the growth and evolution of production and consumption systems that aim for environmental balance and long-term sustainability. Therefore, consumers need to understand the environmental impact of the production and consumption of the items they use, as well as identify with this new production model. Customers are therefore more inclined to act sustainably if they believe that their choices have a big influence on the environment and society.

Pardave asserts that environmentally conscious buyers steer clear of any product that is associated with needless waste or poses a risk to the environment. Stated differently, ecological consumers steer clear of goods whose manufacture involves the misuse of biological resources and damages the environment. By this description, ecological consumers support a new paradigm for thinking about how we live in addition to a way of life. According to this new model, limited amounts of goods and services should be produced locally and consumed in moderation.

According to Martínez, these customers are typically conscious of the effects of their purchase patterns. The quality of life in their community and the surrounding environment, as well as sustainable development, can all benefit from these activities. Because these habits give less weight to the increased costs that must be incurred over time to support this kind of consumption, the contribution is made possible. Thus, ecological consumers are frequently linked to the Greek stoic philosophy. Stoicism holds that one cannot comprehend life if one does not care about other people. It has to do with people's awareness of their living surroundings. Therefore, the major goal is to

continuously eliminate wealth, material possessions, and unnecessary conveniences in order to reach a condition of bliss and enlightenment.

Conversely, Antonetti and Maklan confirmed that ecological consumers are motivated to change their behaviors in an effort to adopt more ecologically friendly activities by feelings of guilt and responsibility, which are the results of consumption. As a result, they contended that when consumers feel these emotions, they opt to change their purchase patterns because they perceive themselves as the primary environmental threat. Consuming more ecologically friendly goods made with unconventional production techniques is the result of changing these habits. Therefore, the company in its organizational role also constitutes an important component of the ecological transition in the framework of ecopreneurship.

7. Ecopreneurship is a Tool to Transform Society

In terms of eco-friendly businesses and goods, we must first make a distinction between fair trade, local consumption, and eco-friendly items. These three ideas have some distinctions even though they are closely related and not being promoted through traditional routes. In all three situations, buyers who look for fair trade, local, or ecological products demonstrate a desire to change to a more sustainable production and consumption model. Consumer activism, which is often equated with adopting specific beliefs to combat environmental and social justice challenges, is at issue here. Animal welfare is also supported by the related lifestyles of veganism and vegetarianism. Vegetarians are part of the consumer group that is conscious of their environment and works to create a model where economic activity does not negatively impact the natural and biological resources around them. Many stakeholders have the authority and duty to implement this change in the goal of a more ecologically friendly and sustainable

system for the benefit of all. All parties involved in the production and consumption processes must coordinate and encourage the adoption of more sustainable methods.

The World Fair Trade Organization (WFTO) defines fair trade as a system of trade that prioritizes social and environmental factors in order to promote greater equality in international trade. It is founded on communication, openness, and respect. By providing improved trading conditions and protecting the rights of underprivileged producers and workers, it promotes sustainable development. It is a different kind of intermediary-free commerce that aims to combat poverty and promote human development. Workers who would not otherwise be able to reach a worldwide market can now do so thanks to the WFTO.

The consumer is ultimately in charge of making the choice. Nevertheless, an efficient distribution network that functions as a whole and can reach the consumer with government assistance and advertising is required. Synergies amongst the many groups impacted by the ecological transition are therefore essential to ensuring everyone's long-term well-being. Producers and distributors must band together and cooperate in order to achieve these synergies, and consumer advocates must also make their demands known. These customers understand that a healthy diet devoid of harmful ingredients and environmental conservation are essential. By reducing or eliminating middlemen from the producer-consumer relationship, using local products also lowers the carbon footprints of businesses and customers. By reducing the number of middlemen, greenhouse gas emissions from the transportation of these goods are reduced.

The fact that there are fewer middlemen also suggests that the products are fresher because there is less time between collection and delivery to the customer. Moreover, chemical ingredients are not required to prolong the products' freshness. Thus, local

consumption typically refers to small and medium-sized businesses (SMEs) that support sustainable and ecological principles and are situated in a specific area.

Cantino et al. and Shrivastava and Kennelly both employed the place-based enterprise paradigm in their studies. According to these authors, this idea refers to local organizations that are crucial in the creation and promotion of sustainability policies in their immediate communities. This kind of business can pursue sustainability by utilizing knowledge co-creation and the adaptative management perspective. As previously stated, local organizations are gradually taking over the role of government institutions in the administration of natural resources. To guarantee the success of adaptative management and co-creation expertise, cooperation between local organizations and all stakeholders is required.

Finally, organic products respect the environment by being produced without the use of chemicals, such as pesticides and fertilizers. Nevertheless, the carbon footprint of these products will be higher if they are not purchased locally, which lowers their green worth. Therefore, it is simple to understand the connections between these three ideas (locally grown, fair trade, and organic). A production system that is different from traditional production is provided by organic meat and products in order to strike a balance between the environment and the economic. This formula also works well for industries that use organic ways to manufacture natural products, which removes the concerns to consumer health and the environment that come with chemical items like fertilizers and conservatives used in conventionally produced food.

Another important tool is the organic label. The European Union (EU) upholds legislation relating to organic cultivation under the EU Organic Logo. Since its establishment in 1992, this emblem has been an essential tool for encouraging EU member states to take environmental action. Among its tactics is the Sustainable

Industrial Policy Action Plan and the Sustainable Consumption and Production Action Plan of the European Union.

The European Commission defines organic agriculture as “an agricultural method that tends to have a limited environmental impact and aims to produce food using natural substances and processes.” Periodic crop rotation to ensure that resources in a particular area are not depleted and are used effectively, the restriction of pesticides, fertilizers, antibiotics, and other chemical products, the ban on transgenic and genetically modified organisms, the encouragement of native species due to their ability to adapt to local conditions, and the organic feeding and free-range rearing of livestock are some of the criteria used to determine whether a product is organic.

8. Conclusion

The current status of ecopreneurship, a new branch of entrepreneurship, is examined holistically in this article. Our analysis of this concept's literature highlights its salient characteristics. This study adds to the body of literature by examining the connections between eco-innovation and ecopreneurship. The goal of being environmentally friendly is the foundation of both of these phrases. In this perspective, it is important to recognize the critical role that consumers play in purchasing organic products and encouraging green behaviors. Understanding the significance of scholars' and businesses' long-term pursuit of sustainability and looking for methods to promote environmental care after all, the environment is our home are essential.

Active cooperation between customers, producers, distributors, and the government is required to achieve steady and constant success in this industry. Until all stakeholders in the production and consumption processes embrace sustainable policies and initiatives, efforts to promote a more environmentally friendly and sustainable production model will fail. Because they ultimately decide the worth of a product based on their

purchasing habits, consumers are important in this regard. However, unless the government backs this activity with policies and laws that guarantee that customers' expectations are satisfied and that production and distribution comply, consumer activism is ineffective. Therefore, the sector's operational synergies can be fostered by the beneficial contributions of all participants.

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