ESG Investing from the Perspective of 4Ps of Marketing

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Abstract

Purpose : This research paper aimed to investigate the global and Indian context of environmental, social, and governance (ESG) implementation and to assess the feasibility of positioning "ESG" as a product through government and financial institutions. India had unique obstacles to overcome, as well as a large backlog of unmet goals in relation to its social and environmental obligations. The possibility of achieving net zero emissions through implementing ESG norms existed, provided they were effectively promoted. The paper explored utilizing promotion methods by governmental entities to enhance ESG adoption and awareness.

Design/Methodology/Approach : The study was an exploratory examination of research carried out by various investment companies, consulting firms, international research organizations, research bloggers, and ESG rating agencies. Additionally, it included presentations made by speakers at conferences and award ceremonies that emphasized the application of ESG.

Findings : This perspective paper underscored the significance of ESG investing and framed the concept through the lens of the 4Ps of marketing.

Practical Implications : A number of factors, including population growth, high inflation, corruption, economic uncertainty, and the demand for natural resources, have always made it difficult for the nation to achieve its social and environmental goals. The goal of reaching "net zero" by 2070 posed a substantial execution and achievement hurdle. This study showed how national ESG product promotion may have increased public knowledge of the advantages of ESG implementation.

Originality/Value : This paper has tried to relate ESG investing to the concept of marketing, drawing parallels with social initiatives marketed by the government.

Keywords : environment, social, governance, investing, product, price, promotion, place, marketing

JEL Classification Codes : Q00, Q01, Q510, Q540, Q560

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There has been irreversible environmental devastation and immense human suffering as a result of the capitalist mindset and entrepreneurs' drive for profit maximization. Global warming and climate change are the results of industrialization's immense environmental damage. Saarangapani and Sripathi (2015) emphasized that environmental sustainability could become the next major challenge for India as the costs of degradation are substantial. In the past, various measures were implemented to address corporate errors. Subjects like corporate social responsibility were integrated into business management courses, and a percentage of profits was allocated toward this cause. Although these initiatives were successful in drawing business attention to their social obligations, they ultimately lacked the necessary outcomes.

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When the principles of environmental, social, and corporate governance (ESG) investing were established by the United Nations (UN) in 2006, it was hailed as a pivotal development for "responsible investing" in the financial markets by then-Secretary-General Kofi Annan. This initiative provided a marketable concept for fund managers and fund houses, offering opportunities to realign corporate investment practices. ESG considerations have emerged as crucial factors shaping corporate strategy and performance in today's rapidly evolving business landscape. ESG encompasses various issues, including environmental sustainability, social responsibility, and ethical governance practices. Embracing ESG principles is a moral imperative and a strategic necessity for businesses seeking long-term viability and success. In this day and age of marketing dominance, the development of product personalities, or brands, has become essential to the success of any given good, service, occasion, cause, individual, or endeavor. Today, nearly anything can be marketed effectively if its objectives and target segments are clearly defined. While we have a history of "Hero" creations through films, marketing now assumes this role. Public relations firms are used by a lot of athletes, politicians, and celebrities to control their public image. Event marketing is another area where this phenomenon is evident; the G20 Summit in India, Made in India, and Startup India are just a few examples.

The purpose of this study is to look into how companies may use ESG as a marketing tool and how it can improve their reputation and increase consumer loyalty. The study aims to determine how companies can effectively use ESG activities to differentiate themselves in the marketplace and draw in socially conscious consumers by looking at how ESG principles are used in marketing tactics. "ESG" as a cause can be marketed by taking corporate houses and investment firms as the target segment. This study investigates this hypothesis by analyzing its 16-year history in the context of the 4Ps of marketing.

Literature Review

ESG considerations are increasingly being integrated into investment strategies worldwide. This integration goes beyond compliance and incorporates environmental, social, and governance factors into investment decision-making processes. It reflects a growing recognition among investors that ESG factors can materially impact investment risk and long-term returns. ESG gradually became important for companies all over the world. Indian investors may encourage sustainable and ethical business practices by funding companies that adhere to and implement ESG standards. Over the last 10 years, the ESG-related products and services market has increased in complexities, relevance, and size (Sipiczki, 2022). More than 30% of investors said that their fiduciary obligation included taking ESG factors into account (Boffo & Patalano, 2020).

ESG initiatives often involve engaging with various stakeholders, including investors, customers, employees, communities, and regulators. Effective stakeholder engagement allows companies to understand and respond to stakeholder concerns, build trust and credibility, and enhance their social license to operate (Aydoğmuş et al., 2022; Byun, 2018). ESG factors are increasingly recognized as important long-term business sustainability and resilience indicators. According to De Souza and Pai (2013), companies that effectively managed ESG risks were better positioned to navigate regulatory changes, mitigate operational disruptions, and respond to stakeholder expectations. It may be possible to detect and resolve new risks before they become substantial liabilities by including ESG factors in risk management frameworks. Various research studies suggested that better ESG practices led to lower potential firm risk, greater stability, better credit ratings, and firm value (Aydoğmuş et al., 2022; Czerwińska & Kaźmierkiewicz, 2015; Friede et al., 2015; Gupta & Das, 2022). Gupta et al. (2022) concluded that superior ESG performance reduced the risk of Indian consumer goods companies and helped increase shareholders' wealth. Soni (2023) discovered, however, that throughout both the regular period and the COVID-19 period, the performance of mutual funds with higher ESG scores did not produce statistically significant positive alphas.

However, more clarity was needed regarding ESG reporting. The lack of universally accepted norms and clarity regarding methods followed by ESG rating agencies led to large discrepancies and variations in the ratings and scores received by companies rated by different agencies (Berg et al., 2019; Dimson et al., 2020; Kotsantonis & Serafeim, 2019; Lopez et al., 2020; Pyles, 2020). Additionally, research findings suggested that fund managers struggled to strike a compromise between the ESG principles and to optimize return on investment (PricewaterhouseCoopers, 2022). It was imperative to establish an environment that adhered to an ESG culture and policies founded on sustainable and socially responsible business practices. All parties involved should have worked together for a better tomorrow rather than putting the onus of making this transformation on any one person (Mehta, 2022; Singh, 2013).

ESG performance must be measured and reported in order to promote responsibility, openness, and well-informed decision-making. Businesses are using integrated reporting frameworks, sustainability reports, and ESG grading systems to reveal more and more ESG-related data. Robust ESG performance measurement allows investors to assess the sustainability of companies' business models, operations, and supply chains and make informed investment decisions; thus, establishing a standard ESG framework would guide effective implementation (Santhi et al., 2024). The majority of the material currently in publication ignores the implications of ESG investing and company sustainability policies for marketing strategies in favor of concentrating on their financial elements. Further comprehension is required regarding the ways in which corporations can utilize ESG activities as a marketing tactic to improve their brand perception and foster customer loyalty.

Objectives

The goal of this study is to add to the body of knowledge by highlighting the unrealized potential of ESG as a corporate marketing idea. The study intends to give useful advice for businesses looking to improve their brand image and create enduring relationships with customers by providing insights into the strategic integration of ESG principles into a marketing strategy. In the end, our research aims to widen our knowledge of how ESG, marketing, and corporate sustainability intersect, opening the door to more thorough and integrated approaches to ethical business practices.

Research Methodology

It is an exploratory analysis of the work undertaken by various investment companies, consultancies firms, research studies undertaken by international research organizations, research blog writers, ESG rating agencies, and text presented by speakers on conclaves and awards functions on ESG implementation. This study is based on the secondary data available on ESG, its implementation, research surveys, and rating criteria. The conclusion drawn is based on past, present, and future implementation needs of ESG in light of the "net zero" target taken by India for the year 2070.

Net Zero and ESG

Every part of the earth is feeling the impact of the changes in climatic conditions. There are variations in the timings of winter, summer, and spring seasons and changes in the intensity of the seasonal effect. Untimely rains and floods are some of the phenomena visible worldwide. Governments, institutions, and corporate houses must revisit their missions, vision, and purpose of existence to address the challenges arising from these fast-changing climatic conditions. This is why working toward a "just transition" is critical for the future health and prosperity of all of us collectively (PricewaterhouseCoopers, 2022). Net Zero's target is an initiative that can prevent further damage to the atmosphere by preventing the emission of greenhouse gases produced by human activities and implementing processes and methods that can help in the reduction of carbon dioxide from the atmosphere.

The "E" in ESG is entirely about the environment and includes everything related to the environment. According to the Oxford Dictionary, "Environment" means (noun) "the natural world in which people, animals, and plants live." It covers several issues like climate risk, emission of greenhouse gases, energy efficiency, water management, recycling processes, renewable fuel, etc. ESG, being a broader term, can help a country achieve not only "net zero" in time but simultaneously improve the social contributions, sustenance, and governance of the country's organization.

ESG Defined

ESG is the short form of environmental, social, and governance. "E" stands for environmental issues like greenhouse gas emissions, pollution mitigations, water usage, waste management, etc. "S" stands for issues affecting society like wages and benefits, labor standards, data protection, privacy, community relations, etc., and "G" represents governance issues related to the environment and society, e.g., sustainability oversight, compliance, lobbying, bribery, corruption, etc.

The term ESG was popularised by The Global Compact (2004). According to some views, the Financial Times Stock Exchange-Russell Group (FTSE) FTSE4 Good Indices launched in 2001 was the start of ESG. In the general opinion of management scholars, the need to incorporate non-financial issues that affect the business was long felt. Efforts like provisioning for corporate social responsibility (CSR), environmental impact assessment (EIA), and environmental clearance laws for industrial development have existed for decades and have yet to solve the main problems. ESG is an attempt to bring all non-financial issues under one umbrella. It provides the framework for ethical and sustainable governance and has a strong emphasis on the environment. ESG is becoming more and more well-known in its effort to promote investments that have the potential to have a positive influence on society, the environment, and finances. Table 1 lists the elements of ESG.

Table 1. ***The Components of ESG***

Environmental	Social	Governance
Climate change	Customer satisfaction	Board compositions
Carbon emission	Data protection	Audit committee structure
Air & water pollution	Data privacy	Bribery and corruption
Bio-diversity	Gender and diversity	Executive compensation
Deforestation	Employee engagement	Lobbying
Energy efficiency	Community relations	Political contributions
Waste management	Human rights	Whistleblower schemes
Water scarcity	Labor standards	

Need for ESG

Everyone wants to expand, but progress cannot be meaningful if it comes at the expense of environmental degradation and human misery. The effects of disasters caused by humans are starting to become apparent over time. These changes are related to the short-sighted approach of the corporate world that is directly responsible for the emission of gases that are very harmful to the environment. Making concessions on environmental issues in order to advance is nothing new. Developed economies are following the lead set by their predecessors. This unsustainable expansion has to be borne by the environment. The findings of ozone layer depletion brought significant attention to environmental conservation and greenhouse gas emission reduction. The majority of nations have formulated diverse standards and legislative frameworks that delineate industrialization and its impact on the environment and society. Still, in order to attain the intended outcomes, these activities need to keep up with the speed.

While it is widely accepted that businesses should lessen their environmental impact by cutting back on greenhouse gas emissions and water and air pollution, the ESG framework takes a holistic approach, understanding that sustainability involves more than just environmental issues. Consequently, the social dimension considers whether a company upholds equitable labor practices, fosters diversity and inclusivity in the workplace, and ethically sources resources. In addition, governance concerns the manner in which an organization is run, promoting openness and responsibility, safeguarding the interests of shareholders, and promoting diversity on the board. Environmental ministries are present in nations like India, and their approval is needed before any industrial infrastructure is built. Several laws were made and enforced for environmental protection, leading to complications and reduced ease of doing business. It is often argued that too many laws lead to increased corruption and red-tapism. These laws should come under one umbrella of ESG. The idea of ESG brings the lost focus of environmentally friendly, sustainable decision-making related to business issues and rewards such companies.

ESG Investing – World Scenario

ESG investing has moved rapidly in the last two decades from a niche to a major market. The world has started recognizing ESG as a collection of important practices capable of correcting corporate actions and ensuring effective future results. It is not just a tick box. It is now viewed as a practical plan that can produce effective, achievable results. Success parameters cannot be defined only in terms of environmental and social benchmarks, but the real achievements are in sustaining these outcomes. When corporate activities are scanned through ESG lenses, room for improvement is identified, and corrections are made. It is a model that can deliver sustainable business advantages.

According to an ESG report from Bloomberg (2024), global ESG assets surpassed $30 trillion in 2022 and are on track to surpass $40 trillion by 2030 – over 25% of the projected $140 trillion assets under management (AUM). According to PwC Global (2023), ESG AUM will grow to US$ 33.09 TN by 2026 from US$ 18.4 TN in 2021. With an annual compound growth rate of nearly 13%, ESG AUM is expected to have a share of 21.5% of the world's asset and wealth management (AWM) market in less than five years. The AWM market as a whole is predicted to develop at a slower rate than the ESG – AUM between 2021 and 2026. MorningStar (2024) made the following observations:

> In the first quarter of 2024, global sustainable funds rebounded slightly by attracting nearly USD 900 million of net new money, compared with small, restated outflows of USD 88 million in Q4 2023. Despite the overall decline, European sustainable funds remained resilient and registered almost USD 11 billion of inflows, more than double the subscriptions of the previous quarter. On the other hand, US sustainable funds saw their worst-ever quarter, with USD 8.8 billion in outflows.

At the forefront of ESG integration within European markets, a report suggests that ESG assets will comprise between 41% and 57% of total mutual fund assets by 2025. Moreover, a poll conducted among European institutional investors revealed that more than 75% of them intended to stop buying non-ESG products in the following two years (PricewaterhouseCoopers, 2020).

Challenges That the World is Facing in ESG Implementation

Realizing the sustainable development goals (SDGs) necessitates collaborative efforts across all societal sectors, with the role of businesses emerging as increasingly pivotal in catalyzing a transformative progress, companies can re-evaluate their basic beliefs and match their business plans with the SDGs by integrating the ESG framework, which promotes alignment with more general sustainability goals.

Implementing ESG initiatives faces challenges such as inconsistent evaluation standards and metrics, difficulty quantifying non-financial impacts, and the need for cultural shifts within organizations. Additionally, there needs to be more transparency and greenwashing concerns, where companies may overstate their ESG efforts for marketing purposes. These hurdles underscore the complexity of integrating ESG principles into existing business models and operations (Kumar & Panwar, 2023 ; "9 key challenges companies face when implementing ESG goals," 2023).

Financial institutions, investors, and asset managers now heavily rely on ESG rating agencies. These organizations assess businesses based on a number of ESG factors in order to gauge their long-term viability and level of exposure to ESG hazards. Their ratings and metrics help investors make investment decisions related to various companies' risk management and capital allocations. ESG rating has become more significant over the last ten years, but there is still a need for universal non-financial reporting requirements and regulation of ESG service providers due to the inadequacy of rating methodology and the scarcity of high-quality ESG data (Sipiczki, 2022).

With the progress of ESG and the increase in investment in ESG-related products and services, their relevance,

Table 2. ***Main Rating Agencies***

ESG Rating Agency	Description	Rating
MSCI ESG Research Rating	Assigns firms ESG scores calculated by aggregating the weighted average of the key issue scores.	The rating system ranges from best (AAA) to worst (CCC).
S&P Global ESG Rank	Yields a total sustainability percentile rating derived from the total sustainability score and based on the S&P Global ESG Rank.	Offers a percentile score, with 1 being the worst and 100 being the best.
Sustainalytics Industry Rank	Provides a percentile rating to companies based on their ESG total score relative to their industry peers. Aggregate ESG performance encompasses a firm's level of preparedness, disclosure and controversy involvement across all three ESG themes.	Offers a percentile rating with 1 being the worst and 100 the best.
Carbon Disclosure Project (CDP) Score	Reflects a company's degree of commitment to climate change mitigation, adaptation, and transparency. The only firms rated are those that respond on time to a questionnaire sent following an investor request.	CDP climate scores range from 0 (failure) to 8 (A).
Institutional Shareholder Services (ISS) Governance Score	Assesses a company's governance practices.	ISS scores range from 1 (best) to 10 (worst).
Bloomberg ESG Disclosure Score	A proprietary rating is derived from the extent of a company's ESG disclosure.	ESG disclosure scores range from 0 (no information provided) to 100 (all possible information provided).

Source : Prall (2021).

size, complexity, and variety have also increased remarkably. The number of ESG standards, metrics, third-party data providers, ratings, ranking, and indexes has expanded, with more than 600 ESG ratings and rankings currently available worldwide (Wong et al., 2019). The goals of these rating agencies and consultancies are similar. However, due to different methodologies and model grids, ratings and observations tell different stories about a particular company's ESG credentials. Table 2 includes ratings, ESG definitions, and some of the biggest agencies.

These consultancies and rating agencies have their own set of environmental, social, and governance standards. The Morgan Stanley Capital International (MSCI) ESG Research rating, for instance, includes ten themes for each industry in addition to 35 ESG issues that are chosen every year. These themes include pollution and waste, corporate behavior, corporate governance, climate change, environmental opportunities, natural capital, human capital, stakeholder opposition, product liability, and social opportunities. Sustainability Industry Ranking evaluates more than 250 criteria in highlighting 20 ESG-related issues in three dimensions, e.g., performance, disclosure, and preparedness. S&P Global ESG Rank scores in almost 30 areas on 130 sub-industry sustainability topics. A corporate house rated by two rating agencies or two rating agencies is challenging due to rating diversities. This creates confusion that may aid business entities in embezzlement and ecologically disingenuous practices. Since different corporate organizations receive different ratings for ESG issues, they cannot be compared because of the rating agencies' shared methodology, lack of transparency, and inconsistent operational standards.

ESG in India

There are more than 50 acts that govern corporate activities in some way or another in India. They ensure that environmental, labor, reporting, and social welfare norms are fulfilled. Despite these laws, corporate houses evade and take undue advantage of the relaxation by corrupt means or greenwashing. According to the metrics on the website of the Bombay Stock Exchange, around 5,311 companies have listed their shares in the exchange as of January 13, 2023. On the National Stock Exchange, this number was 2,113 companies as of December 31, 2023 (Rathore, 2023). Around 10.68 lakh active unlisted private limited companies and 66,063 unlisted public limited companies operate in the country ("Over 10 lakh active unlisted private companies exist: Government," 2017). Ensuring this huge number of companies follow the ESG norms is an uphill task.

India has a strong corporate social responsibility (CSR) policy that makes it compulsory for corporate houses to contribute to social welfare. It requires companies to spend at least 2% of their net profit over the preceding three years on the welfare of society. This provision is mandated through 2014 and 2021 amendments in the Companies Act 2013. In 2020–2021, ₹ 25,714 crores were spent on CSR activities across 14 development sectors (Rishi, 2023). Another similar statutory requirement is the Business Responsibility and Sustainability Report (BRSR). It is a report (part of the annual report) submitted to Indian stock exchanges by the top 1,000 listed entities by market capitalization. Equity Listing Agreement Clause 55 is broken by failing to submit the BRR (Dhamne & Modak, 2021). The idea of BRR is to hold publicly traded firms accountable for their impact on stakeholders and the environment. In India, CSR and BRSR are currently responsible for the majority of the cost of ESG implementation.

The concept of ESG has been in talks for the last few years, and it is still evolving in India. Many corporate houses and asset managers feel that India has distinct growth requirements with huge diversity in corporate, social, and demographic structures, and we must do more than just cut copy past what the West is doing on the ESG front. According to Nilesh Shah, MD, Kotak AMC, ESG is a multifaceted idea rather than a one-dimensional one. We are more capable and will continue to change in terms of the social and environmental dimensions of governance. We cannot mindlessly copy the developed markets and must contextualize ESG for Indian standards

(Das, 2023; Keshavdev, 2022). Additionally, he believes that the pertinent, tailored versions of worldwide ESG experiences should be implemented in accordance with India's requirements.

These issues can only be resolved faster, and net zero targets can be achieved if ESG regulations are implemented in letter and spirit. Finance is the lifeblood of corporate activities, and without finance, businesses, old or new, cannot survive. In the upcoming years, we may anticipate that all business operations will be in line with ESG adherence if financiers and investors begin to insist that the organization seeking investment must comply with ESG investing standards.

Promoting ESG Investing in the Concept of 5Ps of Marketing

Considering not only financial indicators but also a company's influence on people, the environment, and governance, ESG investment offers a more comprehensive assessment of a business's performance and prospects. This essay emphasizes the value and justification for encouraging ESG investing using the principles of the five Ps of marketing.

Importance of "ESG Investing" as a 'Product'

A product is a cluster of psychological satisfactions (Fisk, 1967). A product can be an idea, concept, or information based on nature. A concept or idea can only take the shape of a product if it can satisfy an existing and important need and, at the same time, the consumer is ready to make financial and non-financial sacrifices to pay the price of that product. The distribution of target consumers determines the location and mode of product delivery. A product's distribution channel selection should have a defined goal together with practical, reachable objectives. ESG investing has the potential to become a marketable product because of its need and importance in present and future business financing and funding decisions. The lifeblood of operating companies and corporate endeavors is finance. In order to determine whether an investment opportunity is attractive, investors today typically conduct a financial audit. Even with sound financial records, mishaps occur. This is due to the ignorance of important non-financial factors like sustainability, corruption, data protection, human rights, waste management, etc. Investing and financing should incorporate financial and non-financial audits as a prerequisite. The criteria for financial audits have already been developed, but data manipulation charges and the authenticity of audited reports have always posed a morality check on corporate houses. "ESG Investing" guidelines can be converted into compulsory non-financial audit requirements that all corporate entities must fulfill- big or small- for financing and investment purposes. It can become a solution to almost all kinds of issues related to investing and financing. ESG needs to be marketed as a product rather than treated as an investing criterion. It may lose its relevance over time if treated like quality and other process criteria like AGMARK, ISI, ISO, Six Sigma, etc. The achievement of "net zero" by 2070 by a country like India, which has failed to clean the river Ganga after investing more than ₹ 20,000 crore in the last 20 years, will not be possible without focusing on ESG Investing.

Price of ESG

Consumers are ready to pay if they satisfy their needs with a product. The amount of monetary, emotional, and physical effort put into getting this satisfaction of needs from a product is the price. It is easy to quantify the monetary part of the price. However, the emotional and physical parts cannot be quantified as no measuring parameter exists. These aspects are very important and related to services. A number of paperwork and reports from different approving bodies are needed for project and corporate finance. Typically, experts with expertise in these procedures and chartered accountants provide this service. That is a laborious procedure that costs money in fees and other charges. These reports are more related to financial implications and requirements, clearance by local authorities, environmental clearances, etc. The authenticity of these reports and the data is often challenged for accuracy. Investors and banks investing in these opportunities are always at risk. Bank non-performing assets (NPAs) are one such indicator (Singh & Singh, 2021). It also underlines the fact that there are areas for improvement in project financing requirements. Although the Securities and Exchange Board of India (SEBI) has taken several steps, issues related to price manipulation through shell companies and failure of initial public offers (IPO) are indicators of improvement areas. Typically, the general population puts its hard-earned money into stocks and banks in the hopes of earning a higher return. But when these banks fail and wealth declines, it destroys not just a family's hopes but also the will of others to make investments.

ESG can offer a solution if the governments and their regulators take its implementations seriously. ESG offers a comprehensive framework for investing. It is observed that ESG-compliant institutions and corporate houses are better places for investing, which is also evident from the progress of ESG worldwide. The government must redefine and customize the ESG requirement to suit Indian requirements. It should create a checklist of documents and reports for anyone needing investments as per the customized ESG requirements. Make all investors and financiers adhere to a new set of ESG standards in place of the current ones. This will ensure a better corporate mindset for the new and existing corporate houses regarding governance, society, and sustenance issues and push the old organizations to adopt ESG, as finance is the lifeblood of business. The price the corporate houses and institutions will pay is much less than what the country and humanity will pay in the coming years. It is a good bargain as getting investors will be easy with ESG implementation.

Promotion of ESG

The target segment for ESG includes those who require investments and those who are making investments. In other words, the entire country is the target market. If the country wants to seriously fulfill its "net zero" promise and improve the corporate environment toward its social responsibilities, promoting ESG on a war footing is the need of the hour. The urgency of promoting ESG aggressively as soon as possible is also due to India being far behind Europe and the US, and the low level of investment in ESG mutual funds indicates a very low level of investor awareness. Table 3 displays the total amount invested in ESG mutual funds in India.

The government can use various methods to promote ESG. Public service advertising is one such instrument for promoting ESG. Government, non-government, and non-profit organizations have frequently used it, and

Table 3. ***Total Investment in ESG Mutual Funds in India***

Funds	Riskometer	Category	Launch	Net Assets (Cr.)
Aditya Birla Sun Life ESG Fund	Very High	EQ-T-ESG	2020-12-24	792.0
Axis ESG Equity Fund	Very High	EQ-T-ESG	2020-02-12	1,496.0
ICICI Prudential ESG Fund	Very High	EQ-T-ESG	2020-10-09	1,266.0
Invesco India ESG Equity Fund	Very High	EQ-T-ESG	2021-03-18	601.0
Kotak ESG Opportunities Fund	Very High	EQ-T-ESG	2020-12-11	1,106.0
Mirae Asset Nifty 100 ESG Sector Leaders ETF	Very High	EQ-T-ESG	2020-11-17	141.0
Mirae Asset Nifty 100 ESG Sector Leaders FoF	Very High	EQ-T-ESG	2020-11-18	119.0
Quant ESG Equity Fund	Very High	EQ-T-ESG	2020-11-06	170.0
Quantum India ESG Equity Fund	Very High	EQ-T-ESG	2019-07-12	69.0
SBI Magnum Equity ESG Fund	Very High	EQ-T-ESG	2013-01-01	4,914.0
Total AUM as of July 25, 2023				10,674.00

Table 4. ***Common Certifications Promoted by the Government of India***

Certificate Name	Issuing Authority	Purpose
BIS Hallmark	Bureau of Indian Standards	Gold and Silver Jewelry
AGMARK	Directorate of Marketing and Inspection of the Government of India	Agricultural Products
ISI Mark	Bureau of Indian Standards (BIS)	Industrial Products
FPO Mark	Ministry of Food Processing	Processed Fruit Products
Ecomark or Eco mark	Bureau of Indian Standards (BIS)	Eco-friendly Products
India Organic Certification	Testing centers accredited by the Agricultural and Processed Food Products Export Development Authority (APEDA)	Organically Farmed Food Products
Non-Polluting Vehicle Mark	Testing centers authorized by the Central Pollution Control Board of India	Pollution Control

even corporate houses fulfill their social responsibility. The government has aggressively used it to publicize social welfare schemes using mass media. HIV/AIDS awareness, Pulse polio, and save water/oil/energy campaigns are examples of public service advertising. In the past, celebrities like Amitabh Bachchan, Sachin Tendulkar, and Shabana Azmi have been used to bring greater focus to the campaign's message. As net zero is the target taken by the country, the ESG must be promoted as a national movement. Advertising, seminars, workshops, public awareness programs, billboards, wall painting, etc., can be done simultaneously, as in the case of the *"Mutual fund sahi hai"* campaign. In the past, the government has also promoted a few marks for the safety and betterment of its citizens. A few examples are AGMARK – an acronym coined by merging "Ag" in agriculture and "mark" in marketing – written on a product. This means that it conforms to the standards approved by the Directorate of Marketing and Inspection, a government agency in India (Raja, 2019). The names of a few of the quality standard certificates that the Indian government has granted are shown in Table 4. Similarly, ESG might become a new benchmark.

ISI is for the safety of consumers, FPO certifies that products are manufactured in hygienic food-safe environments, and green and red dots are for vegetarian and non-vegetarian ingredients. Similar arguments can be used to support ESG since it represents the nation's and its residents' sole chance for an improved future. The government can also introduce the ESG Awards to honor those organizations that are doing a good job promoting and implementing ESG, like the "KPMG India ESG Excellence Awards." The government should form an ESG implementation and regulatory body like SEBI that can ensure the implementation of its laid-down norms and report annually on the progress of ESG.

Place of ESG

ESG is important for anyone in need of finance and investments. The places where investments are made and financing activities are held should be prominent targets for ESG. Examples could be banks, brokerage houses, finance companies, and all the stakeholders in the financial services sector. The ESG regulators should reach out to all big and small production houses, mining, high carbon emission, and labor-intensive industries, ensuring the implementation of every guideline. Public awareness and support are a must for the success of any initiative. Every citizen of the country should know about ESG to make wise investments.

Policy Implications

Leveraging ESG as a marketing tool enables companies to differentiate their products and services in the marketplace. Businesses can attract socially conscious customers and obtain a competitive advantage in congested marketplaces by emphasizing their environmental and social effects in marketing communications. ESG considerations present opportunities for innovation, differentiation, and competitive advantage. Companies that embrace ESG principles can drive product and service innovation, attract and retain top talent, and access new markets and capital sources. Through the alignment of business strategy with sustainability goals, organizations can generate positive social and environmental benefits in addition to long-term shareholder profit. Overall, integrating ESG principles with the marketing concept of 4Ps has significant managerial, theoretical, and policy implications, highlighting the potential of ESG-oriented marketing strategies to drive positive social and environmental change while delivering value to businesses and society.

Conclusion

Economic uncertainties, high inflation, corruption, overload on natural resources, and population growth have always delayed the country's plans related to social and environmental agenda. The commitment to "net zero" by 2070 is huge in execution and achievement ("COP26: India PM Narendra Modi pledges net zero by 2070," 2021). A country can achieve this only if this commitment shapes a national movement. It is the right time for the country, which has kept on adding acts and laws in the last 70 years, to rethink rationalizing the corporate and labor laws and take a holistic view under the guidelines of ESG norms. Even more deceit is used to ensure compliance, which breeds corruption. It's time to combine all of these laws and acts into the ESG Act. The country-wide promotion of ESG as a product could lead to a general understanding of the advantages of ESG implementation. It will alter the investor's selection criteria for investments and guarantee that the organizations in need of funding comply with the ESG guidelines. The largest employers and pollutants of the environment are large corporations and industries. It is anticipated that achieving net zero will be simple once they commit ESG. If the government can set aside some of this money for ESG marketing, it will go a long way toward meeting the net-zero targets. It has the potential to be crucial in fulfilling the nation's promise.

Limitations of the Study and Scope for Further Research

The current paper presents a theoretical viewpoint on the recommendation of ESG as a quality certificate, among several others that various organizations offer. The reports and insights used in this work are from secondary sources. Empirical investigations could be used in subsequent research to broaden and further validate this idea.

Authors' Contributions

Dr. Farrukh Nadeem envisaged the idea and completed the preliminary writing. Dr. Ajay Singh further contributed to the paper by enriching the literature review from reputed sources.

Conflict of Interest

The authors certify that they have no affiliations with or involvement in any organization or entity with any financial interest or non-financial interest in the subject matter or materials discussed in this manuscript.

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