

Case Study on Eco Glow: A Surat-Based Eco-Friendly Cosmetic Startup

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Abstract

The increasing awareness of environmental sustainability and personal health has significantly influenced consumer preferences in the cosmetic industry. This case study examines EcoGlow, a Surat-based eco-friendly cosmetic startup, which leverages natural ingredients, ethical sourcing, and sustainable packaging to position itself in the emerging green beauty market. The study explores the founders' journey, business model, product strategy, pricing, marketing initiatives, and financial projections. It also highlights key challenges and provides strategic recommendations for future growth. The case contributes to understanding sustainable entrepreneurship in emerging markets like India.

Keywords: Eco-friendly cosmetics, green marketing, startup case study, sustainability, D2C model, India

1. INTRODUCTION

The Indian cosmetic industry is undergoing a transformation, driven by increasing consumer awareness about harmful chemicals and environmental degradation. Consumers, especially millennials and Gen Z, are shifting toward **organic, cruelty-free, and eco-friendly products**.

In this evolving landscape, EcoGlow emerged as a startup that integrates **natural skincare with sustainability principles**, targeting conscious consumers in urban and semi-urban markets.

2. Founder's Journey and Entrepreneurial Motivation

Eco Glow was founded in **2023 in Surat, Gujarat** by:

Riya Shah (Co-founder & Product Head)

- Academic background in Biotechnology
- Passion for skincare formulations
- Strong belief in herbal and chemical-free solutions

Kunal Mehta (Co-founder & Marketing Head)

- MBA in Marketing
- Expertise in digital branding and social media strategy

The Idea Origin

The idea of EcoGlow originated during a **sustainability and entrepreneurship workshop**, where both founders identified a gap:

- Consumers wanted **safe skincare**
- But options were either **too expensive or not trustworthy**

They decided to create a brand that is:

- Affordable
- Authentic
- Eco-friendly

3. Startup Journey: From Idea to Market

Phase 1: Ideation (Early 2023)

- Research on natural ingredients (Neem, Aloe Vera, Turmeric)
- Study of consumer pain points (acne, sensitivity, chemicals)

Phase 2: Prototype Development

- Homemade formulations tested on small groups
- Feedback collected from friends and early users

Phase 3: Pilot Launch

- Sold products via:
 - Instagram
 - WhatsApp
 - Local exhibitions

Phase 4: Market Entry (2024)

- Official brand launch
- Packaging upgraded to eco-friendly materials
- Introduction of product range

Phase 5: Growth Stage (2025 onwards)

- Listing on e-commerce platforms
- Collaborations with influencers
- Expanding product categories

4. Product Portfolio and Design

Core Products

Product	Description	Price (INR)
Herbal Face Wash	Gentle cleanser with neem & aloe	₹299
Vitamin C Serum	Brightening serum	₹499
Face Cream	Moisturizing organic cream	₹399
Lip Balm	Vegan, chemical-free	₹149
Handmade Soap	Herbal bathing bar	₹199



Product Features

- 100% natural ingredients
- No parabens or sulphates
- Cruelty-free and vegan
- Eco-friendly packaging (glass jars, kraft paper)

5. Business Model

EcoGlow follows a **Direct-to-Consumer (D2C) model**:

Revenue Channels:

- Own website
- Instagram & WhatsApp selling
- Online marketplaces

Distribution:

- Online-first strategy
- Local organic stores
- Pop-up exhibitions

6. Marketing and Promotional Strategy

Digital Marketing

- Instagram reels (skincare routines)
- User-generated content
- Influencer collaborations (micro influencers)

Brand Positioning

- “Glow Naturally, Live Sustainably”
- Minimalist eco-friendly design
- Transparency in ingredients

Offline Strategy

- Flea markets

- College events
- Organic product exhibitions

7. Financial Statements (Estimated)

Initial Investment

Category	Amount (INR)
Raw Materials	₹2,00,000
Packaging	₹1,00,000
Marketing	₹1,50,000
Equipment	₹2,50,000
Miscellaneous	₹1,00,000
Total	₹8,00,000

Projected Profit & Loss Statement

Year	Revenue	Expenses	Profit
Year 1	₹8,00,000	₹6,50,000	₹1,50,000
Year 2	₹18,00,000	₹12,00,000	₹6,00,000
Year 3	₹35,00,000	₹22,00,000	₹13,00,000

Break-even Analysis

- Break-even expected in **Year 2**
- Fixed costs recovered through scaling sales

Cash Flow Insight

- Positive cash flow from Year 2
- Reinvestment in marketing and product expansion

8. Challenges Faced

Key Issues:

- Consumer trust in eco claims
- High cost of natural ingredients
- Competition from established brands
- Scaling production

9. SWOT Analysis

Strengths

- Strong eco-friendly positioning
- Growing demand

Weaknesses

- Limited brand awareness

- Higher cost

Opportunities

- Export potential
- Rising organic trend

Threats

- Greenwashing competitors
- Price-sensitive market

10. Future Growth Strategy

Expansion Plans:

1. Launch haircare and men's grooming products
2. Introduce refill packaging
3. Expand to metro cities
4. Export to international markets

Innovation:

1. AI-based skin analysis
2. Personalized skincare kits

11. Discussion and Learning Insights

EcoGlow highlights how startups can:

- Use **sustainability as differentiation**
- Build brand trust through transparency
- Leverage digital platforms for growth

However, scaling sustainably remains a challenge requiring:

- Cost efficiency
- Strong branding
- Consumer education

12. Conclusion

EcoGlow represents a **new-age sustainable startup** that aligns with evolving consumer values. Its journey demonstrates how innovation, ethical practices, and digital marketing can drive growth in competitive industries. With the right strategies, EcoGlow has the potential to become a leading eco-friendly cosmetic brand in India.

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Teaching Notes :

Learning Objectives

- Understand sustainable entrepreneurship
- Analyze D2C business models
- Evaluate green marketing strategies

Class Discussion Questions

1. What makes EcoGlow different from traditional cosmetic brands?
2. Is the pricing strategy appropriate?
3. How can EcoGlow scale sustainably?
4. What risks does green marketing involve?

Suggested Classroom Activity

Students design a **marketing campaign for EcoGlow targeting Gen Z consumers.**

Instructor Insight

Encourage students to critically evaluate:

- Authentic vs fake sustainability
- Cost vs ethics trade-off
- Startup scalability challenges