

Consumer Perception of Coal India Limited: Analyzing The Effectiveness of Branding and Advertising Strategies

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Abstract

This research paper examines consumer perception of Coal India Limited (CIL) and evaluates the effectiveness of its branding and advertising strategies. Established in 1975, CIL is a leading coal producer in India, crucial for the country's energy supply. Despite its significant economic contributions, CIL faces challenges such as environmental concerns, negative public perception, and competition from renewable energy sources. The study highlights the importance of consumer perception in shaping brand loyalty and purchasing decisions. Through a comprehensive analysis of CIL's branding initiatives—focused on sustainability, community engagement, and effective communication—the paper reveals that while CIL's efforts to enhance its brand image are commendable, ongoing environmental challenges and market dynamics necessitate a more proactive approach. The findings suggest that to strengthen its market position, CIL must address consumer concerns through transparent practices, innovative marketing strategies, and a commitment to sustainability.

Keywords: Coal India Limited (CIL), 1975, consumer perception, brand loyalty, purchasing decisions

1. INTRODUCTION

Founded in 1975, Coal India Limited (CIL) is a state-owned coal mining business in India that is regarded as one of the world's major producers of coal. Functioning under the purview of the Indian government's Ministry of Coal, CIL is crucial to meeting the nation's energy needs. The company's main business is the manufacture and selling of coal, mostly to the energy industry. It has a number of subsidiaries, including Bharat Coking Coal Limited and Eastern Coalfields Limited. Through a variety of open cast and underground mining operations, CIL contributes to over 80% of India's total coal output by producing both non-coking coal for power generation and coking coal, which is necessary for the production of steel. Economically, CIL is important because it supports a variety of sectors with a steady supply of coal, creates millions of employment, and significantly increases national income via taxes and royalties. In response to social and environmental issues, CIL has invested in renewable energy sources, adopted cleaner mining techniques, and launched community development programs in an attempt to lessen its ecological imprint. Even though CIL has a strong brand in the coal sector, it faces competition from both local and foreign companies. To fight this, CIL has centered its branding tactics on sustainability, dependability, and high-quality coal. In the future, CIL is investigating diversification into clean energy while seeking to improve its coal production capacity, balancing both goals to coincide with national energy regulations, as India moves toward renewable energy and environmental sustainability.



Figure 1: Coal India Limited

1.1. Importance of Consumer Perception in Branding

- **Affects Brand Loyalty:** Positive customer impression promotes brand loyalty, which in turn promotes recurring business and enduring connections with clients.
- **Affects Purchasing Decisions:** People are more inclined to choose brands they think well of, therefore perception has a big impact on purchasing decisions.



Figure 2: Brand Perception

- **Shapes Brand Image:** A brand's overall perception is shaped by how customers see it, which affects how it is perceived in the market relative to rivals.
- **Establishes Brand Equity:** Companies that have a strong positive brand equity are able to command greater pricing and get better market values.
- **Directs Marketing tactics:** Brands may more successfully meet the requirements, preferences, and concerns of their customers by customizing their marketing tactics based on an understanding of consumer perception.
- **Establishes Credibility and Trust:** Customers are more inclined to believe a brand's pledges and promises when they have a positive view of the company.
- **Promotes Word-of-Mouth Marketing:** Happy customers are more inclined to tell others about the company, which increases the business's exposure and reputation.
- **Strengthens Competitive Advantage:** Companies may set themselves apart from rivals and get a major advantage in the market by cultivating a strong favorable impression.
- **Influences Crisis Management:** A strong favorable impression may help businesses recover more quickly and minimize harm during crises or unpleasant occurrences.
- **Promotes Innovation:** Companies that are aware of how consumers perceive their offerings may innovate and modify their offerings to better satisfy changing consumer demands.

2. LITERATURE REVIEW

Montrone et al., (2021) examined the political economics of coal in India via expert interviews, offering a comprehensive comprehension of the dynamics of the industry. They emphasized how the nation's coal production and consumption are influenced by the intricate interactions of political frameworks, environmental concerns, and economic interests. The authors pointed out that coal continued to be a vital part of India's energy mix, contributing to economic expansion but also presenting serious problems for sustainability and public health. Their research exposed a divisive debate over coal's place in India's energy future by highlighting the differing viewpoints of stakeholders, including legislators, business leaders, and environmentalists. The study emphasized the necessity for a well-rounded strategy that combined environmental sustainability with economic growth, eventually offering insightful information on the potential and difficulties that India's coal sector faces.

Sebothoma, Clooked explored how South African consumers saw the switch from coal to renewable energy, with a particular emphasis on how the public felt about replacing fossil fuels with renewable energy technologies to generate power. He discovered that customer views of renewable energy options were significantly influenced by consumer knowledge of the environmental effects of coal. According to the study, consumers are becoming more aware of the need for sustainable energy solutions as a result of worries about energy security and climate change. Sebothoma did, however, also point up difficulties, such as opposition owing to perceived greater prices and dependability problems with renewable energy sources. The research shed light on the complexity of consumer attitudes and made the case that efficient education and communication were crucial for enabling a more seamless adoption of renewable energy solutions. Sebothoma's research has, all things considered, advanced our knowledge of the socioeconomic variables influencing South Africa's energy transition.

Reddy et al., (2021) revealed how environmentally aware marketing methods impacted customer buying behavior by conducting a research on consumer views of green marketing in relation to eco-friendly fast-moving consumer goods (FMCGs). Customers' preference for eco-friendly items was favorably impacted by their growing understanding of the effects that their consumption decisions had on the environment, according to the study. Consumer attitudes and purchasing choices were shown to be highly influenced by green marketing initiatives, such as eco-friendly packaging and sustainability labeling. But the research also identified obstacles to broader adoption, such as doubts about the veracity of green promises and greater costs for environmentally friendly goods. Building customer trust and increasing the efficacy of green marketing initiatives, according to the authors, requires clear

information and more robust regulatory frameworks. All things considered, the research offered insightful information on changing consumer perceptions of sustainable FMCGs and the function of marketing in advancing green goods.

Haralayya, B. (2021) shown how important branding was in influencing customers' opinions and choices about what to buy in the car industry. Haralayya discovered that a strong brand's reputation and identity had a major impact on customer loyalty and trust, which raised sales. In order to draw in and keep consumers, the research underlined the need of strong branding techniques, such as consistent message, quality control, and customer involvement. The results also showed that customers often connected certain brands with dependability and better performance, which had an immediate effect on their purchasing decisions. The research did, however, also highlight the importance of considerations like cost and level of service when making decisions. All things considered, Haralayya's research provided insightful information on how branding affects customer behavior, especially in relation to the automobile sector.

3. BRANDING STRATEGIES OF COAL INDIA LIMITED

Coal India Limited (CIL) uses a range of branding techniques to create a name for itself in the coal sector and fortify its position in the market. Key components of CIL's branding efforts include the following:

1. **Brand positioning:** CIL highlights its involvement in assisting India's energy demands and economic growth by presenting itself as a dependable and ethical coal provider. The brand communicates a dedication to effectiveness and quality with the goal of fostering stakeholder trust.
2. **Sustainability Initiatives:** CIL has included sustainability into their branding in order to address environmental issues. The corporation works to improve its image as an ecologically conscientious company by promoting its use of cleaner mining technology and investments in renewable energy initiatives.
3. **Community Engagement:** Through a range of corporate social responsibility (CSR) programs, CIL interacts with nearby communities. In the areas in which it works, the corporation builds goodwill and enhances its reputation by funding health, education, and community development initiatives.
4. **Effective Communication:** To spread its brand messaging, CIL uses a variety of communication platforms, such as social media, public relations, and advertising. The organization improves its public impression and exposure by disseminating sustainability initiatives, success stories, and community activities.
5. **Crisis Management:** Proactive crisis management is a component of CIL's branding strategy, which aims to reduce unfavorable opinions about coal mining. The firm wants to keep consumers trusting it and being loyal to its brand, so it tries to show off its efforts to reduce environmental effect and publicly resolve concerns.
6. **Partnerships and Collaborations:** CIL strengthens its reputation as a pioneer in the coal industry by working with governmental bodies, business associations, and educational institutions. These alliances strengthen the company's reputation and establish it as a key participant in talks on energy policy.
7. **Digital Transformation:** To increase customer engagement and operational efficiency, CIL has embraced digital technology. The firm wants to improve its relationship with stakeholders and increase brand exposure by using data analytics and digital marketing.

4. ADVERTISING STRATEGIES OF COAL INDIA LIMITED

Coal India Limited (CIL) utilizes several advertising tactics to proficiently convey its brand principles, endorse its merchandise, and interact with relevant parties. The following are some crucial facets of CIL's marketing approaches:



Figure 3: Advertising Strategies

1. **Integrated Marketing Communication:** To guarantee consistent message across a range of channels, including print, television, radio, and digital media, CIL use an integrated strategy. This methodical approach improves audience memory and strengthens brand identification.
2. **Targeted Campaigns:** The business crafts its advertising campaigns to speak to certain target groups, including local communities, businesses, and government organizations. CIL hopes to develop campaigns that are relevant and effective by concentrating on the particular needs and issues that these groups face.
3. **Emphasizing Sustainability Efforts:** CIL highlights in its advertising its dedication to sustainable practices in response to rising environmental concerns. In order to present CIL as a conscientious corporate citizen, campaigns often highlight projects pertaining to cleaner mining technology, investments in renewable energy, and community welfare.
4. **Public Awareness Campaigns:** To educate stakeholders and consumers about the value of coal in the energy mix and how it helps India's economy grow, CIL organizes public awareness campaigns. The goal of these initiatives is to increase awareness of and acceptance for coal as an essential resource.
5. **Digital Marketing and Social Media:** To reach a wider audience, CIL makes use of social media and digital platforms. The company's online presence is enhanced by fostering connection and conversation with stakeholders via the creation of compelling material such as infographics, videos, and articles.
6. **Brand Sponsorships and Events:** To raise its profile and establish credibility, the firm sponsors a range of events and attends industry conferences. These initiatives highlight CIL's leadership in the coal industry and provide chances for direct interaction with stakeholders.
7. **Crisis Communication:** CIL uses strategic communication to address issues and make its stance clear when it is under public scrutiny or is perceived negatively. In order to preserve stakeholder confidence and minimize harm to the brand, proactive messaging and open communication are essential.
8. **Customer-Centric Messaging:** CIL concentrates on communicating the advantages of its goods, such as dependability, quality, and customer support. Promotional efforts often include case studies and endorsements from happy clients, which helps to strengthen favourable opinions of the company.

5. CHALLENGES AND LIMITATIONS IN BRANDING AND ADVERTISING

Companies like Coal India Limited (CIL) must overcome a number of obstacles and constraints related to branding and advertising in order to continue having a significant market presence. The following are some major obstacles:

1. **Environmental Concerns:** CIL is under intense examination for its effects on the environment, particularly pollution and climate change, given its status as a coal producer. Since customers are becoming more and more interested in ecological practices and renewable energy sources, this notion may undermine branding efforts.
2. **Negative Public Perception:** Because coal is linked to health hazards and environmental damage, the sector often faces a bad reputation. It will need consistent work to rebrand and efficient communication techniques to overcome this reputation.
3. **Regulatory Obstacles:** CIL's operations and marketing may be impacted by government restrictions pertaining to emissions and environmental standards. It might be challenging to successfully promote the brand while making adjustments for evolving restrictions.
4. **Competition from Alternatives:** Coal branding faces serious challenges from the emergence of renewable energy sources. In addition to reacting to the rising customer desire for greener energy sources, CIL must distinguish itself from its competitors and show the value of coal in the energy mix.
5. **Industry Dynamics:** Demand and price swings in the coal industry might make branding tactics more difficult to implement. Because market changes might affect

advertising expenditures and campaign success, CIL has to continue being flexible and responsive.

6. CONCLUSION

As a well-known coal producer and state-owned company, Coal India Limited (CIL) is an important player in the Indian energy sector. As such, CIL has to use efficient branding and advertising techniques to foster good customer views despite obstacles facing the business. Through integrated marketing communications and targeted initiatives directed at multiple stakeholders, CIL aims to solve environmental issues while improving its brand image by prioritizing sustainability, dependability, and community participation. However, the business faces other challenges, including as the public's misperception of coal's environmental effects, strict regulatory requirements, and growing competition from renewable energy sources. In order to stay in the market, CIL has to build customer trust, explain its commitment to sustainability clearly, and constantly adjust its branding strategy. Even though CIL has built a strong brand presence, the company's ability to adapt to the shifting energy environment and strike a balance between producing coal and diversifying into renewable energy will ultimately determine its market relevance and brand image.

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