

Impact of Eco-Friendly and Sustainable Marketing Strategies on Business Growth through Consumer Engagement: An Empirical Study

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ABSTRACT

The development of marketing has brought an important transformation, mainly in the domain of sustainability marketing. It traces back to the inception of ecological marketing and social and societal marketing concepts. Ecological marketing appeared as green marketing, then greener marketing, and eventually sustainable marketing. Similarly, social and societal marketing branched into six interconnected concepts during its development. Digital marketing includes a wide range of strategies, which include online advertising campaigns and initiatives aimed at gathering user feedback and opinions. Moreover, there is a growing trend of new business models online that supports social cause, platforms dedicated to advancing “social and sustainable projects, and digital advertising efforts that champion sustainability.” It is important to understand user behavior, emotions, and response to company messages has become paramount, along with effective management of the vast data generated through these interactions. 218 people from marketing sector were considered to know the Impact of Eco-Friendly and Sustainable Marketing Strategies on Business Growth through Consumer Engagement and found that Online advertising campaigns, Sustainable digital marketing strategy, Eco-friendly marketing and Customer Experience are the factors that shows the Impact of Eco-Friendly and Sustainable Marketing Strategies on Business Growth through Consumer Engagement.

Keywords: *Eco-Friendly, Sustainable, Marketing, Strategies, Business, Consumer Engagement*

Introduction

Despite being discussed separately, social and societal marketing always maintained a link with these concepts. Sustainability works as a roadmap toward sustainable development, emphasizing

a forward-thinking approach aligned with the organization's long-term future. It highlights the significance of values, including ethical and moral principles, in guiding organizations' actions and strategy formulation processes (Kumar et al., 2013). Sustainability in marketing includes various perspectives, including environmental, social, and economic dimensions. It has transitioned from being an optional consideration to a fundamental obligation for companies that seek competitive advantage. Modern marketing is increasingly focused on meeting the requirements of future generations, demanding the creation, communication, and delivery of sustainability-based value to customers. Mixing sustainability into marketing strategy necessitates companies to adopt sustainable practices across their strategic marketing and marketing mix. However, this incorporation is complicated due to the diverse wants and requirements of customers, who are central to designing effective marketing strategies. The progress of sustainability marketing strategy has developed from addressing ecological concerns to broader sustainability issues, reflecting a growing awareness of the interconnectedness of environmental, social, and economic factors in business practices (Kumar and Kamal, 2013). In recent years, the landscape of marketing has been transformed by digital channels, fundamentally altering how organizations get d with a global base of customers. Flow in social media usage and the interactive nature of online communication have paved the way for innovative business models cantered on bidirectional communication between companies and internet users.. This data-driven approach not only strengthens business strategies and management but also enhances data collection and analysis capabilities. Through these advanced strategies, companies can effectively promote their sustainable initiatives and communicate such efforts to users, fostering greater awareness and engagement (Saura et al., 2020). The marketing discipline has experienced significant evolution in the past century, advancing our understanding of micro-marketing techniques to cater to specific consumer needs and macro-marketing strategies that address broader societal issues, including public policy and multi-stakeholder engagements. However, the escalating global sustainability challenges, largely stemming from unsustainable production and consumption patterns, present a critical concern. Marketing faces a substantial challenge in shifting long-standing consumption cultures towards more mindful and reduced consumption behaviors. Historically, marketing practices have often focused on meeting consumer demands without sufficient consideration for sustainability. This approach has inadvertently contributed to unsustainable production-consumption cycles. To address this, marketing must transition from a primarily market-driven and consumption-oriented model to one that champions responsible consumption and promotes sustainable products and services. This shift is important for the development of sustainable societies and mitigating environmental impacts caused by consumption practices (Sheth & Parvatiyar, 2021).

In recent decades, there has been a notable flow in integrating sustainability into marketing practices. The emphasis of sustainability and marketing research has shifted from general sustainable concepts to more specific areas like environmental concerns and innovative technologies. Sustainability necessitates interdisciplinary collaboration, making it more multidisciplinary in comparison to traditional scientific research. While earlier studies mainly viewed sustainability as an element of marketing strategies with the aim to encourage sustainable consumer behaviour or foster sustainability in the market, there is a growing agreement that sustainability should no longer be seen just as a marketing tool. Instead, it should be deeply ingrained across all levels of marketing activities, going beyond a superficial eco-friendly image. This shift in perspective advises that marketing strategies need to encompass sustainability as a fundamental principle rather than just a promotional tactic. Therefore, this work proposes actionable directions for both companies and scholars to navigate the sustainability landscape within marketing.

Literature Review

It highlights the arrival of key topics over the past decade, such as environmental sustainability and the sustainability dynamics within various industries. The findings are vital as they highlight the interconnection of diverse marketing perspectives with sustainability, paving the way for more holistic and impactful approaches in both theory and practice (Jung & Kim, 2023). Sustainability has become a significant concern in the modern world, it symbolizes the constant effort to preserve resources for present and future generations. Many companies have successfully combined sustainability principles into their business practices. However, they remain uncertain about the measurable value created from these efforts.

Today, companies are investing substantial amounts in energy conservation, developing green products, and fostering employee engagement for long-term growth and business value creation. Simultaneously, there is mounting pressure from consumers and stakeholders for higher sustainability standards. Research indicates that both business investors and consumers prioritize sustainable business practices. The sustainable performance of companies can significantly influence consumer buying behavior. To navigate this landscape, businesses are adopting socially responsible, environmentally conscious, and purpose-driven strategies. Given the increasing public concern about environmental issues and stricter regulations, sustainable marketing practices have become inevitable. Marketers have embraced sustainable practices not only to avoid criticism from stakeholders but also to align with evolving consumer preferences and expectations. Despite these efforts, there is still uncertainty regarding the direct impact of sustainable practices on consumer buying decisions and the overall business value generated (Trivedi et al., 2018).

Consumers worldwide are increasingly prioritizing environmental protection, leading to a significant shift in their behaviors. This movement has risen to green marketing, highlighting the expanding market for justifiable and informally accountable products and services. However, it's critical for green marketing not to oversee the economic dimension of marketing. Marketers need a deep understanding of the implications of green marketing initiatives. Contrary to expectations that customers may not value environmental concerns or be unwilling to pay extra for eco-friendly products, marketers should reconsider.

According to Das et al. (2012) there's a clear opportunity for marketers to improve their products and appeal to environmentally conscious consumers, thereby enhancing both environmental sustainability and business profitability. Sustainability marketing includes planning, organizing, implementing, and controlling resources and marketing programs to meet customer needs and wants while considering societal norms and environmental factors. Green marketing strategies target environmentally conscious consumers who are willing to pay premium prices for eco-friendly products.

Societal marketing goes beyond traditional advertising to communicate social messages. Sustainability marketing aims to increase customer, social, and ecological value through strategic resource management and targeted campaigns that fulfil consumer demands (Noo-urai & Jaroenwisan, 2016). To achieve success in the present aggressively competitive digital business environment, "Micro, Small, and Medium Enterprises" must adopt a comprehensive and sustainable digital marketing strategy. This includes gaining a deep understanding of their market and target audience, ensuring consistency in branding, implementing effective SEO strategies for search engine optimization, leveraging social media platforms, engaging in relevant content marketing efforts, conducting thorough data analysis, deploying efficient email marketing

campaigns, and continuously learning and innovating to keep up with technological advancements and market trends.

By embracing these strategies, companies can establish a strong foundation for sustainable business growth in the dynamic digital landscape (Risdiyanto, Sulaeman & Rachman, 2023). Sustainable marketing includes considering the requirements of customers, organizations, and society over an extended period. It concentrates on designing and promoting products that can be used commonly without harming consumers or the environment. Green marketing is still in its early stages, requiring further research to unlock its full potential. Marketers play a vital role in educating consumers about the benefits of green products and their positive impact on the environment. Consumers are often willing to pay more for environmentally friendly options, reflecting their desire for a cleaner and greener world (Nandini, 2016).

Sustainable development has become imperative for every country or business due to the constant degradation of ecosystems and resource depletion. This has led to the emergence of sustainable development, which intends to see current requirements without any negotiating future generations' capability to meet their requirements. In the context of business, integrating and balancing economic, environmental, and social dimensions of sustainability is crucial. Sustainable marketing goes beyond green marketing and focuses on building and maintaining sustainable and profitable relationships with customers, social environments, and natural environments. The results of sustainable marketing efforts include economic sustainability, environmental sustainability, and social sustainability (Danciu, 2013).

Sustainable Marketing represents an innovative marketing approach that meets evolving consumer demands by prioritizing long-term value creation for society, businesses, and the environment. This approach encompasses integrating sustainability into recruitment practices and internal green marketing strategies. Across the marketing mix and brand communication, a sustainable marketing language is utilized, emphasizing benefits such as increased notoriety, cost reduction, good citizenship, promotion among dealers, and competitive advantage. Embracing a sustainable business posture can enhance the company's image, reputation, and consumer awareness, ultimately leading to a competitive advantage (Nogueira, 2020).

Objective

To know the factors that determines the Impact of Eco-Friendly and Sustainable Marketing Strategies on Business Growth through Consumer Engagement

Methodology

Study survey was conducted among 218 people from marketing sector to know the Impact of Eco-Friendly and Sustainable Marketing Strategies on Business Growth through Consumer Engagement. "Random sampling method" and "Factor Analysis" were used to collect and analyze the data.

Findings

Table below shows that males are 56.4% and 43.6% are female. Among them 30.7% are below 37 years of age, 44.1% are between 37-42 years of age and rest 25.2% are above 42 years of age. 32.6% are working from less than 5 years in higher education institute, 37.6% are working from 5-8 years and rest 29.8% are working from more than 8 years.

“Table 2 KMO and Bartlett's Test”

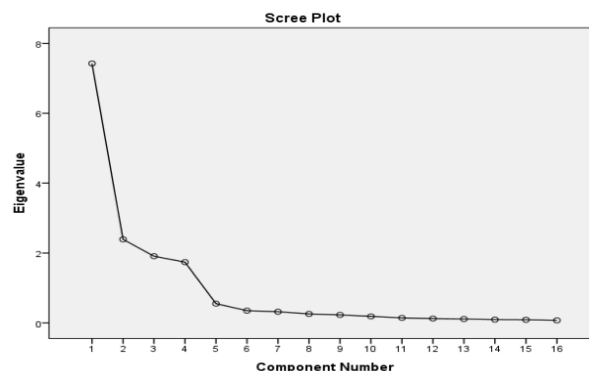
“Kaiser-Meyer-Olkin Measure of Sampling Adequacy”		.861
“Bartlett's Test of Sphericity”	“Approx. Chi-Square”	3538.228
	“df”	120
	“Sig.”	.000

KMO value is 0.861 and the “Barlett’s Test of Sphericity” is significant.

“Table 3 Total Variance Explained”

“Component”	“Initial Eigen values”			“Rotation Sums of Squared Loadings”		
	“Total”	“% of Variance”	“Cumulative %”	“Total”	“% of Variance”	“Cumulative %”
1	7.424	46.401	46.401	3.410	21.312	21.312
2	2.393	14.953	61.354	3.402	21.264	42.576
3	1.909	11.934	73.288	3.350	20.939	63.515
4	1.739	10.868	84.156	3.303	20.641	84.156
5	.551	3.442	87.598			
6	.350	2.187	89.785			
7	.320	2.002	91.787			
8	.257	1.609	93.396			
9	.230	1.438	94.834			
10	.186	1.166	96.000			
11	.144	.901	96.901			
12	.124	.773	97.674			
13	.112	.701	98.375			
14	.096	.599	98.974			
15	.090	.562	99.536			
16	.074	.464	100.000			

The “principal component analysis method was applied to extract the factors and it was found that 16 variables form 4 Factors. The factors explained the variance of 21.312%, 21.264%, 20.939% and 20.641% respectively. The total variance explained is 84.156%.”



“Table 4 Rotated Component Matrix”

“S. No.”	“Statements”	“Factor Loading”	“Factor Reliability”
	Online advertising campaigns		.937
1	Gathers user feedback and opinions	.905	
2	Business models online support social causes	.872	
3	Platforms dedicated to advancing social and sustainable projects	.863	
4	Digital advertising efforts that champion sustainability	.849	
	Sustainable digital marketing strategy		.936
5	Helps to gain deep understanding of their market and target audience	.882	
6	Ensures consistency in branding	.879	
7	Implementing effective SEO strategies for search engine optimization	.866	
8	Leveraging social media platforms	.857	
	Eco-friendly marketing		.933
9	Engaging users in relevant content marketing	.885	
10	Concentrates on designing and promoting products that are environment friendly	.877	
11	Increase public concern about environmental issues	.865	
12	Mitigates environmental impacts caused by consumption practices	.857	
	Customer Experience		.930
13	Foster users’ awareness and engagement	.873	
14	Public policy and multi-stakeholder engagements	.873	
15	Boost customers involvement through interactive activities	.852	
16	Fostering long-term loyalty through personalised communications	.831	

Factors and variables that shows Impact of Eco-Friendly and Sustainable Marketing Strategies on Business Growth through Consumer Engagement. Factor “Online advertising campaigns” includes the variables like gathers user feedback and opinions, Business models online support social causes, Platforms dedicated to advancing social and sustainable projects and Digital advertising efforts that champion sustainability. Factor “Sustainable digital marketing strategy” consists of variables like Helps to gain deep understanding of their market and target audience, ensures consistency in branding, implementing effective SEO strategies for search engine optimization and leveraging social media platforms. Factor “Eco-friendly marketing” includes the variables like engaging users in relevant content marketing, concentrates on designing and promoting products that are environment friendly, increase public concern about environmental issues and mitigates environmental impacts caused by consumption practices. Factor “Customer Experience” includes the variables like foster users’ awareness and engagement, public policy and multi-stakeholder engagements, Boost customers involvement through interactive activities and fostering long-term loyalty through personalised communications.

“Table 5 Reliability Statistics”

“Cronbach's Alpha”	“N of Items”
.922	16

Total four factors namely Online advertising campaigns, Sustainable digital marketing strategy, Eco-friendly marketing and Customer Experience shows 0.922 reliability that includes sixteen variables.

Conclusion

The findings of the study shows that maintainable performance of business is substantially influenced by government and ecological alignment, whereas no significant impact of digital alignment on sustainable business performance. It is also found that there is significant impact of Environmental orientation on “Tri Hita Karana's” business strategies, at the same time there is no effect of ecological alignment on digital marketing strategies. In the frameworks of Sustainable business in SMEs it is important to integrate the role of {government, environmental orientation, digital orientation, green business strategy, and digital marketing.” Present study aims to develop a model that integrates new concepts on the basis of state of the art namely “Tri Hita Karana, Business Strategy and Marketing Digitalization,” for the development of sustainable business performance (Yasa et al., 2024). To organise an event is a highly resource-concentrated process which may have negative environmental consequences like “waste of water, energy, and materials.” This is the reason why it is important to green the events and ensure that sustainability development in event management become responsible decisions during the “planning, organization, and implementation” of an event. Successful events can only be achieved when planning becomes the most important component that involves maintainable development values and practices at all levels of event organization and determined to ensure that an event is hosted sensibly. All this signifies the total set of interferences at an event that needs to be done in a combined manner. Organizers must take initiatives to promote sustainable management in all aspects of event operation.

This work mainly focuses on the area of event management (Ahmad et al. 2013).

The study aims to know the factors that determines the Impact of Eco-Friendly and Sustainable Marketing Strategies on Business Growth through Consumer Engagement and found that Online advertising campaigns, Sustainable digital marketing strategy, Eco-friendly marketing and Customer Experience are the factors that shows the Impact of Eco-Friendly and Sustainable Marketing Strategies on Business Growth through Consumer Engagement.

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