

October 2018

MARKETING ROLE IN ALTERING STRATEGIES TO COLLABORATE IN SUSTAINABLE DEVELOPMENT

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Recommended Citation

AL- FAKHRY, CAROLINE D. KASSABLI PhD Candidate, Faculty of Business Administration (2018) "MARKETING ROLE IN ALTERING STRATEGIES TO COLLABORATE IN SUSTAINABLE DEVELOPMENT," *BAU Journal - Health and Wellbeing*: Vol. 1 : Iss. 3 , Article 72.

Available at: <https://digitalcommons.bau.edu.lb/hwbjournal/vol1/iss3/72>

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Abstract

With the growing recognition of major environmental trends, marketers are reorganizing or regenerating their strategies and practices to meet the new challenges. The intent of this paper is to highlight new marketing strategic thinking, to accommodate for creative sustainable development. It introduces the importance of environment and sustainable development to the world around us. It defines a critical environmental problem and tries to find solutions from a marketing discipline. It tackles on latest marketing terminologies, such as consumerism, green marketing, ethical consumption, ecological concerns and green innovation and promotion. This paper reviews and analyzes three environmental trends, to determine their effects on marketing strategies interventions toward providing solutions to environmental problems opposing our globe today. The paper indicates that businesses can change and alter marketing strategies to protect the environment and consequently achieve creative sustainable development. We also note the essential role of learning organizations in the twenty first century. Successful strategies in prospect will need to be receptive and adaptive rather than permanent and rigid to accommodate the fact that customers are more market literate. Close to the end of the paper is a reflection of misuse of some companies with respect to corporate social responsibility, thus misleading the society by taking green marketing as propaganda for their advertizing and using marketing strategies to differentiate themselves rather than save the planet.

Keywords

Sustainable development, marketing strategies, green promotion, green innovation

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ABSTRACT: *With the growing recognition of major environmental trends, marketers are reorganizing or regenerating their strategies and practices to meet the new challenges. The intent of this paper is to highlight new marketing strategic thinking, to accommodate for creative sustainable development. It introduces the importance of environment and sustainable development to the world around us. It defines a critical environmental problem and tries to find solutions from a marketing discipline. It tackles on latest marketing terminologies, such as consumerism, green marketing, ethical consumption, ecological concerns and green innovation and promotion. This paper reviews and analyzes three environmental trends, to determine their effects on marketing strategies interventions toward providing solutions to environmental problems opposing our globe today. The paper indicates that businesses can change and alter marketing strategies to protect the environment and consequently achieve creative sustainable development. We also note the essential role of learning organizations in the twenty first century. Successful strategies in prospect will need to be receptive and adaptive rather than permanent and rigid to accommodate the fact that customers are more market literate. Close to the end of the paper is a reflection of misuse of some companies with respect to corporate social responsibility, thus misleading the society by taking green marketing as propaganda for their advertizing and using marketing strategies to differentiate themselves rather than save the planet.*

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1. INTRODUCTION

Governments established environment ministries and agencies, and treated 'the Environment' as a separate sector of human activities, like industry, agriculture and health. However, there is broad agreement today that 'the Environment' can no longer be viewed as a separate sector. It is therefore, where we live and where we act, and it provides the resources that sustain us all. Accordingly, any action is 'environmental action', any policy is an environmental policy - whether it relates to energy, industry, commerce or agriculture. Consequently, "Environment and Development are not two concerns that must be traded off one against another. They are instead inseparable: the warp and weft of the same cloth." This perception is best summed up in the phrase "sustainable development" (Timberlake L, 1989) Sustainable development has become both a slogan and a goal for organizations concerned with the environment and with development. Brundtland Commission which, is The World Commission on Environment and Development, defined sustainable development as development that "meets the needs of the present without compromising the ability of future generations to meet their own needs". (Timberlake L, 1989) This new understanding is pushing policy makers to reassess methods devised in late 1960s and early 1970s for coping with environmental problems. (Timberlake L, 1989) In the aim of addressing environmental issues, the world has been observing what we describe as environmental movement.

Environmental movement is not a new notion; George Catlin anticipated the idea of national parks in United States to conserve wildlife back in 1830s. (UNEP, The Public and Environment, 1988) quoted by (Kinoti M, 2011). Today more and more we realize the trend toward natural preserving, urban health and sustainable development for the aim of creating better lives for inhabitants. Currently there are many

environmental groups and organizations including The Green Belt Movement of Kenya (1977), (IUCN), which is the International Union for Conservation of Nature and Natural Resources, the (EEB) or The European Environment Bureau, and African NGOs Environment Network (ANEN). (Kinoti M, 2011). In addition to a principal global environmental power, The United Nations Environment Programme (UN Environment) “that sets the global environmental agenda, promotes the coherent implementation of the environmental dimension of sustainable development within the United Nations system, and serves as an authoritative advocate for the global environment.” (About UN Environment) The UNEP Governing Council is a policy-making body composed of representatives of 58 governments.” (Timberlake L, 1989) Although the incitation and environmental movements are present, yet we always notice a problem that is affecting us all.

1.1 The Problem

Our globe is facing serious environmental concerns and problems. This comprises global warming, ozone depletion, waste disposal, air pollution, urban sprawl, water pollution, climate change and all other factors that affect every human, animal and nation on this world. The production, transportation, transformation and use of energy have already caused serious environmental problems. “This is true where the main fuel is biomass (wood, charcoal, crop residues), the primary domestic fuel of about half of humanity, and in industrialized nations where over 90 per cent of energy consumption is based on fossil fuels (coal, oil, gas).” (Timberlake L, 1989) Pollution impacts are generally not well controlled, because markets, or other mechanisms contributing to economic decisions, select the lowest conventional costs. Therefore, systems, which pollute or corrupt the environment, are preferred, for systems that are more environmentally required may be seen as too expensive. (Timberlake L, 1989)

However, what is the necessary role of Businesses in solving environmental problems. What is the role of marketing specifically? Is it collaborating to sustainable development creatively? Marketing like other areas of business has a function to provide solutions to environmental troubles and help bring about sustainable development.

The intention of this paper is to analyze three essential trends (accelerating technological change, ethical consumption, and ecological concerns and sustainability aspects) and review marketing strategies addressing and affecting environmental problems in order to bring about sustainable development.

The research methodology used is mainly desk research where sources of published information methodology are used in a conceptual framework.

2. TREND ANALYSIS

Understanding internal and external factors at a specific time and equally important anticipating future events, trends, and conditions is crucial to creating and progressing effective strategies. (Mooradian *et al.*, 2012)

The aim here is to identify and concentrate on the context of three specific trends. After perceiving the changing environment and trends in which new marketing strategies are shaped, and creating challenges for companies currently and in the future, supported with industry, product, cultural and environmental examples.

2.1 Accelerating Technological Change

We are in an era of dramatic technological change. Predicting technological change is difficult because it is a result of research. Yet main changes occurring today include connectivity, internet, and computers will develop five senses to create intelligent data and green technologies. (Kerin *et al.*, 2015) Tools and strategies that were cutting -edge only some year ago are becoming obsolete. (Arons *et al.*, 2014)

Accelerating technology has a crucial impact on marketing strategy. Companies are benefiting from technological development to recycle products. For example, “Tomra Systems has installed more than 67,000 reverse vending machines in North America, Europe, Japan, South America, and the Middle East, facilitating the collection of more than 30 billion cans and bottles annually.” (Kerin *et al.*, 2015) Another important strategy is that companies can use technology to open labs and help “experiment with emerging technologies before they are ubiquitous.” (Benson-Armer *et al.*, 2015)

The trend will continually affect the future of companies, thus, introducing the notion of green innovation. According to Chen *et al.* (2006), green innovation whether software or hardware innovation, may be separated into green products and processes. Green innovations consist of innovation in technologies, which are concerned in the design of green products; using energy saving, waste recycling, and technology to avoid pollution. (Chen *et al.*, 2006) According to Zuhairah *et al.* 2015, “the literature enables to provide results on the role of green innovation and green promotion as a marketing strategy” Setting the

concept of environmental protection into the design of products is Green innovation, then build a green promotion, which refers as the communication that promotes the product and the services. Therefore, promoting the green advertising campaign ought to have also the distinctiveness to enhance the corporate image of social responsibility. Accordingly, “the success of the green innovation and green promotion is a success factor to influence the firms’ performance.” (Zuhairah *et al.*, 2015)

As technology continues to change, incorporated redesigned market strategies are vital specifically those related to green promotion to influence success factors in companies’ performance.

2.2 Ethical Consumption

Undoubtedly, ethical consumers have influenced businesses and marketers. Consumers concern of animal welfare, fair market, and social aspects such as labor standards (Carrigan *et al.*, 2004) increased thus creating a trend that is probably changing the minds of businesses. Moreover, consumers have more self-interest concerns, which is behind the growth of organic food sales. Therefore, ethical consumption is an awareness and preference or choice to choose certain consumption due to personal and moral thinking. Trend Monitor, 2016 as cited by (Wook Shin *et al.*, 2017) reports about 57% of Koreans consumers recognized contributing to social justice, and 63% thought consumption of fair-trade products would offer direct benefits to Third World countries. Moreover, 53% of those surveyed consider fair trade as part of a marketing strategy boosting businesses’ reputation.

According to Howie *et al.*, marketing managers have employed a variety of strategies to differentiate their programs. Numerous businesses “now structure their campaigns to require active participation from the consumer.” For instance, Nature Valley started their “Preserve the Parks” campaign in 2010 in an attempt profit the National Parks Conservation Association (NPCA). By entering their Universal Product Code from their packaging on the company’s website a \$1 donation will be granted in return (Cone 2011) cited by Howie *et al.* The website gave customers links to volunteer, make individual contribution, and “share” program updates on social media websites. The company has used cause-related marketing (CRM) expected to benefit the company, the cause and consumer. (Howie *et al.*, 2015)

Nike is another example; it has been a leader in improving workplace conditions in Asian factories. It forced codes of conduct to lessen unsafe, harsh, or cruel working circumstances at offshore manufacturing facilities. (Kerin *et al.*, 2015)

A good example of Ethical marketing in Lebanon would be a restaurant called Tawlet Aammiq. It is “housed in one of the greenest buildings in Lebanon” part of the proceeds from this eco-restaurant will be allocated to aid and fund the management of Aammiq Wetland and the Cedar Reserve. Hence, while enjoying the homemade food and the view of the beautiful nature, diners donate to the protection of rare habitats, and migrating birds. (Soukeltayeb, 2017)

Therefore, businesses are changing their marketing strategies to meet the anticipation of ethical consumers.

2.3 Ecological Concerns and Sustainability Aspects

Company’s actions are more and more visible, especially now that customers are more environmentally conscious. We mention consumerism a movement (started in 1960s) to increase the influence of consumers in dealing with institutions. It reflects the “growing consumer demand for ecologically safe products and ethical and socially responsible business practices.” Consumerism was behind many consumer-oriented federal laws regarding products. (Kerin *et al.*, 2015)

Nowadays, more stress is laid on the triple-bottom line, the need for institutions to progress the state of people, planet, and profit all together. That is if a company wants to achieve sustainable, long-term growth. (Kerin *et al.*, 2015)

This trend has affected marketing strategies of many companies. Producers are scoring carbon footprints of their products. Carbon footprint is “the amount of carbon dioxide and other greenhouse gases that get coughed into the air when the goods are made, shipped and stored, and then used by consumers.” (Ball J, 2008) To illustrate, New Belgium Brewing Co found that the bulk of its footprint score came from refrigeration of the beer at stores. Reducing this score was hard because New Belgium did not own stores that sold refrigerated the beer. Therefore, they considered using bottles with more recycled glass, because manufacturing reduces fuel consumption, in addition to buying organically produced barley and malt, instead of chemically fertilized, which are large releasers. (Ball J, 2008)

Ecological concerns have influenced marketing strategies, in what we call green marketing, cause marketing, social audits, and sustainable development.

To globally undertake more green marketing, the International Standards Organization (ISO) in Geneva, Switzerland developed ISO 14000 initiative. “ISO 1400 consists of worldwide standards for environmental

quality and green marketing practices. These standards are embraced by 158 countries, including the United States. More than 260,000 companies have met ISO 14000 standards for environmental quality and green marketing.” (Kerin *et al.*, 2015) “Green marketing, also alternatively known as environmental marketing and sustainable marketing, refers to an organization's efforts at designing, promoting, pricing and distributing products that will not harm the environment,” as quoted by Singh et al 2015. According to Singh et al 2015, green marketing brings together all marketing activities with protection of the environment. On the other side, “sustainable development insists that the future generations take over the natural environment in an unchanged condition or improved as inherited by the earlier generations.” This entails in support of the protection and step up of the environment. Consequently, sustainable development is a reliant variable of green marketing as well as other aspects. (Singh *et al.*, 2015)

Cause marketing, “occurs when the charitable contributions of a firm are tied directly to the customer revenues produced through the promotion of one of its products.” Cause marketing integrate all three concepts of social responsibility, it addresses public concerns, satisfies customer needs, and can improve sales and profits. Cause marketing benefits companies as well as causes. (Kerin *et al.*, 2015) As research designates, 85 percent of U.S consumers have a further positive opinion of companies that sustain causes. Moreover, 80 percent of consumers are ready to change to a brand that supports a good cause if the price and quality of products are equal. Therefore, cause marketing could be used as a strategy to differentiate a brand other things being equal. (Kerin *et al.*, 2015)

Companies use social audits as an evaluation of a firm’s objectives, strategies, and performance with respect to social responsibility. According to Karen et al, corporations’ attention to social audits will increase as companies search to achieve sustainable development to progress life’s quality in worldwide economy. As sustainable development, involves doing business in a way to shield the environment while making economic progress.

Moreover, corporate social responsibility (CSR) which is a factor of and major influence on marketing strategy is compulsory for executives in most organizations. This is due to the rising importance of CSR in how companies manage their main processes and deliver customer value. (Hooley *et al.*, 2012) In a world of continuous flux, learning organization is necessary. The twenty-first century is seeing issues of social responsibility and ethics and morality of a company practice a key element in understanding its customers. According to Maignan et al 2005, as quoted by (Hooley *et al.*, 2012) attention has been given to the operational role of marketing in managing CSR initiatives in businesses, and their focus went beyond consumers to include other stakeholders.

Hence, ecological concerns have influenced marketing strategies, in what we call green marketing, cause marketing, social audits, and consequently sustainable development.

3. FINDINGS AND REFLECTION

This paper stressed on marketing strategies addressing and affecting environmental problems in order to bring about creative sustainable development. However, more research is probably required in the areas of misuse and misleading claims of companies for social responsibility. Some analysis show that businesses can no longer be green for normal reasons such as social responsibility, they are shifting their strategies to differentiate themselves and compete for customers rather than save the planet. (Grecor J, 2012) Moreover, some companies have been blamed of exaggerated and deceptive claims for corporate social responsibility (CSR), with unfair marketing ploys, which use green propaganda to attract customers. (Hanlon 2007) as quoted by (Hooley et al 2012) “Green wash” or making false “eco” claims has been used by some companies to deceive consumers who seek a green lifestyle, as well. (Hooley et al 2012) Therefore, more research would probably be beneficial in this area.

4. CONCLUSION

It was proposed that marketing like other disciplines in business contribute to environmental concerns of our daily life. Marketing therefore has an important function in searching for solutions to environmental problems. Particularly this paper suggests that marketing strategies influenced through accelerating technological change, ethical consumption, and ecological concerns is tackling the challenge with optimistic results of improved organizational performance, with a better physical environment that guide to sustainable development.

The paper also highlighted the idea of creating a learning organization. The concentration on the customer is still prevailing strongly in literature, which alone is no longer a sustainable strategy. By reconsidering, the role of marketing in the business and learning to use creative marketing, where the focus is no longer the traditional needs of customers being prevalent in literature. By looking at trends and creating new innovative marketing strategies that benefit customers, businesses and the environment, marketing

departments in companies will create marketing souls. To end with, companies will have a new spirit, where successful strategies in prospect will need to be receptive and adaptive rather than permanent and rigid to accommodate the fact of awareness of society towards its environment.

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