Sustainability Marketing: A Changing of Marketing Concept Lead to Sustainable Business

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Abstract

The paper presents the concepts drive the market towards sustainability through research synthesis method. The marketing growth has occurred by virtue of five concepts which are manufacturing, product, selling, marketing, and societal. In the research, five concepts of marketing would be introduced as 1) societal marketing, 2) social marketing, 3) ecological marketing, 4) green marketing, and 5) sustainability marketing. Research finding as the two points, The First is sustainability marketing formed of four factors that are planning, organizing, operating and controlling the resources and marketing campaign in order to meet the demand of consumer. In the meantime, social and environment factor are concerned with regard to achieve the organization milestones which encourage sustainable business. The second, sustainability marketing model comprises three dimension are economic viability, social equity and environmental protection.

Keywords: Sustainability marketing, Marketing, Sustainable business

1. Introduction

The knowledge and theory of marketing have been developed and enhanced since the 1970s, the sciences of marketing has been demonstrated in the context of the exchange paradigm. The marketing ideas are implemented in every structure of exchange, connected with products, services, peoples, places or concepts, and also involved with individuals in both profit and non-profit organizations, governments, nongovernmental organizations (Achrol & Kotler, 2012). When 'marketing' was first conceptualized, the line of thought trended toward the marketing of products (Belz & Peattie, 2012). Afterwards, the focus moved towards consumers as it was believed that customers are the core of every business (Kumar, Rahman, Kazmi, & Goyal, 2012) As a result, a long-term customer relationship and marketing research have been brought into focus for customer satisfaction in order to create long-term profit in business (Bowie & Buttle, 2011, p. 15; Jamrozy, 2007; Kotler, Bowen, & Makens, 2006; Kotler & Keller, 2006).

In 1987, World Commission on Environment and Development of United Nation introduced the report called "Our Common Future" also as known as The Brundtland Report. This report presented the idea of economic development that is not only related with success of highest economy growth but also related with the equality between individuals and group of people (World Commission on Environment and Development, 1987). The report also includes the significance of intergenerational equity, namely fairness of people in present and future that is intergenerational equity. Nevertheless, the report supports the aspect of intergenerational equity particularly the environment impact of economic activities towards people. Current economic activities influence dramatic degradation of environment and impact on descendants who are not permitted to use natural resources that are fundamental for economic welfare and equality of life for next generation (Garrod & Fyall, 1998; Hunter, 1997; World Commission on Environment and Development, 1987). These concepts lead to sustainable marketing.

Sustainability marketing is the development of marketing that integrates aspects of economy and the new concept of relationship marketing, and social, moral, environment perspectives. It also includes outlooks among the period of sustainable development that are an improvement of marketing through intense understanding and strength of diverse prospects.

These object to establish marketing for sustainability. In the operations of business, furthermore, ought to be assessed by the three dimensions of sustainable structure that include economy, environment and social element (Belz & Peattie, 2012; Kumar et al., 2012). However, future marketing will be determined by several influences such as relationship management, increasing of production technology, and communication, etc. Moreover, the expansion of social and environment concern in the growth of economies, particularly impact on climate change, are bound to drive businesses and marketers to look for sustainable solutions in order to maintain customer relationship and invest in customer value (Belz & Peattie, 2012). Accordingly, this paper will introduce the concept of sustainability marketing and sustainability marketing model.

2. Materials and Methods

This article utilizes research synthesis method which was conducted using narrative reviews and content summaries. The research articles were researched from four electronic databases is <u>ABI/Inform Complete</u>, Business Source Complete, Emerald Management E-journal, and Science Direct. The keywords used for the search are "sustainability marketing" and "sustainable marketing" in title of the article. The primary screening used inclusion and exclusion criteria for selecting articles which related to sustainability marketing context. The inclusion and exclusion criteria for the selection literatures are shown in Table 1.

| Inclusion criteria | Exclusion criteria |
|--------------------------------------|-----------------------------------------------------|
| Published in English. | 1. Not related to sustainability marketing context. |
| Published during the years 2000-2012 | 2. Not full-text article |

Then, the secondary screening by review abstracts and titles for selected articles that can provide answers to the research objectives. There are eleven articles which associate to research objective. In addition, sustainability marketing, sustainable marketing and marketing books were used synthesis as well. Therefore, the researcher formed concept of sustainability marketing through synthesizing research work employing interpretation.

3. Results and Discussion

3.1 Sustainability Marketing: Marketing growth has occurred by virtue of five concepts which are: manufacturing, product, selling, marketing, and societal (Kotler et al., 2006). The first concept, manufacturing is aimed to attracting consumers to purchase products and attractive and affordable prices and therefore customer or product demand is considered as a factor rather than supply, as this focuses on response from high customer demand. In relation to this, technology development is also another focus of marketing as in affects economy of scale that causes product's prices reduction (Bowie & Buttle, 2011; Kotler et al., 2006; Kumar et al., 2012). With regarding to the second concept of product, this is based on the belief that consumers are willing to purchase products that reflect on quality, performance and innovation. This concept focuses on the improvement of the existing product in order to increase its quality at low-cost (Bowie & Buttle, 2011; Kotler et al., 2006; Kumar et al., 2006; Kotler & Keller, 2006; Kumar et al., 2012).

In relation to that, the third concept, selling considers that customers would not purchase an enormous amount of goods or products due to higher supply than demand. Therefore, sales and promotion campaigns are fashioned to generate as much return as possible. However, this concept is mainly targeted at selling all of existing goods and products to the customer and has no concern with customer demand, essence of need and customer satisfaction after sale so this, in effect, creates no long-term relationship with consumer (Bowie & Buttle, 2011; Kotler et al., 2006; Kotler & Keller, 2006; Kumar et al., 2012). The fourth concept, marketing was introduced during the mid-20th century, and emphasized on the success of organization achievements of having a targeted market and high customer satisfaction while demonstrating higher efficiency and effectiveness than their competitors. Under this concept it is also perceived that long-term customer relationship will cause a longer period of a firm's profit (Bowie & Buttle, 2011; Jamrozy, 2007; Kotler et al., 2006; Kotler & Keller, 2006; Kumar et al., 2006; Kotler et al., 2006; Kumar et al., 2012).

Finally, Societal concept is defined as marketing strategy that delivers value to customers in order to remain and improve customer and public welfares by the basis of decision making in social and moral section toward marketing activity schemes. Yet, it is expected under the societal concept that organizations ought to determine the necessity, need and interest of the targeted market and deliver customer satisfaction more effectively and efficiently than their competitors. Because developing and sustaining of customer and public welfares are norms of sustainable marketing. Thus, sustainability becomes an organization's key success and the marketing concept will be expanded to meet the demands of next the generation, although the organization's strategies have to be balanced against profit and customer needs and market ecology (Armstrong & Kotler, 2007; Bowie & Buttle, 2011; Kotler et al., 2006; Kumar et al., 2012).

3.2 The Evaluation of Sustainability Marketing and Sustainable Marketing Model

The emergence of sustainability marketing has been introduced since 1970s, Diverse marketing concepts, that related with ecology and social marketing consist of societal marketing, social marketing, ecological marketing, green marketing, environment marketing, sustainable marketing and sustainability marketing, will be explained. As follows:

Societal Marketing: Societal issues are used as tools to outline marketing strategies which have the intention of promoting product trading. Societal marketing presents three points of intersection that could potentially lead to long-term opportunities and successful of marketing; these points are organizational goals, consumer goals and societal goals. The hypothesis of societal marketing is that mutual satisfaction between the needs and wants of the individual customer will induce the greatest long-term benefit of customer and public welfare (Belz & Peattie, 2012).

Social Marketing: Social marketing is the implementation of concept, principle and marketing tools on evaluation, strategy, performance, and exploration of marketing plans to have an impact on the behavior of the customer to enhance their individual welfare and their society. It covers consideration of product plans, communication, product distribution, marketing research and price declaration. Social marketing often correlates with macro marketing issues, and programmes of social marketing are frequently organized and operated by organizations that emphasize particular issues (Belz & Peattie, 2012; Dinan & Sargeant, 2000). Examples of social marketing's campaigns are public health campaigns (such as smoking reduction, alcohol drinking reduction, drug rehabilitation, obesity reduction and risky sexual avoidance.), environmental campaigns (such as forest reservation, wildlife conservation campaign, pollution prevention, and sustainability energy campaign, etc.), family planning, human rights campaigns, anti-corruption campaign, and gender equality, etc.

Ecological Marketing: In 1970, Ecological marketing was developed. It pays attention to the positive and negative effects of green marketing related with marketing activities which reduce and prevent environmental problems that include energy and natural resource consumption reductions. Ecological marketing aims at environmental friendly producers (Belz & Peattie, 2012; Kumar et al., 2012). The ecological marketing mix will be framed in terms of product strategies which mention about natural resources issues, energy consumptions, and amount and sort of packaging. Those are motivated product and package reuse. In term of promotion, this concept is still debatable idea due to negative outcome of lower customer demand, but positive outcomes occur with high quality products that profit environment. Besides, prices are influenced by external factors and the product's total cost. However, ecological marketing has been introduced in particular hazardous industries; for instance, the petroleum industry, the chemical industry, and the automotive industry. Although several businesses are consciously aware of existing and potential environment issues and mostly take action on rules rather than avoiding legal concern themselves with marketing (Belz & Peattie, 2012).

Green Marketing and Environmental Marketing: During the late 1980s, awareness and enthusiasm for green consumer had been appearing in Western Europe and northern America. The environment is nominated as a competitive factor. Green marketing and Environmental marketing concepts were formed as focus-group strategies to persuade green consumers to purchase high-price products that are green products or environmentally friendly products. The hypothesis of environmental marketing is producers are being pressured by green consumer's demand (Belz & Peattie, 2012; Jamrozy, 2007). However, green marketing's processes are determined by interested persons. And green consumer's demand will be completed through corporate procedures and management which will not have an effect on the well-being of humans and environment (Kumar et al., 2012).

Furthermore, green marketing's problems will occurred when green consumers or customers who willing to buy green product are unrealistic or unpractical. Consumer study reports the gap between environmental awareness and actual environmental behavior which lead to an impact on the environmentally friendly business are unexplainable consumer demand for green products (Belz & Peattie, 2012). In fact, consumers who have positive attitude about sustainability and green product appear to actually purchase green products less in reality (Prothero et al., 2011).

Sustainability Marketing: Sustainability marketing focuses on increasing customer value, social value and ecological value. The product of sustainability development has to be concerned about more than prices, distributions, and promotions in order to target audiences by integrating social and ecological factors into the marketing procedure (Belz, 2006). In addition, sustainability marketing also involves planning, organizing, operating, controlling of resources, and marketing campaigns that meet consumer needs and demands. Sustainability marketing concurs in market orientation and knowledge in order to manage market adaptation, avoiding legal concerns and therefore, there is a need to examine social and environmental quality in order to achieve the organization's objectives (Belz & Peattie, 2012). This concept encourages marketing firms to revise their institutional setting and price signals in terms of sustainability development. Sustainability marketing in the view of micromarketing is to change both consumer and producer behaviors in the long-term, while macro marketing's approach emphasizes three basic principles that are ecological, social and economic (Belz & Peattie, 2012; Jamrozy, 2007). Jamrozy (2007) demonstrated the triangular model as shown on figure 1. Three dimensions of sustainability marketing are economic viability, social equity and environmental protection.

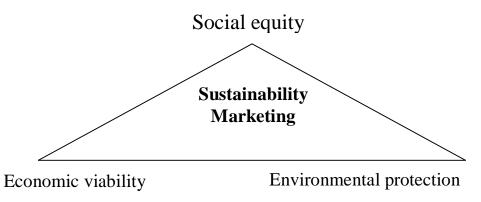


Figure 1: Sustainable marketing model

Adapted From: Jamrozy. (2007)

1. Economic viability: Generally, traditional marketing focusing on consumers who are located under the economic paradigm. This basically implies that the limitations of this paradigm will lead to unsustainable marketing practice in the long-run because only profit is intended and if this is the case, it could potentially causes limitation on marketing capability. However, sustainability marketing combines environmental, social, and economic purposes together and environmental problem awareness could potentially lead to the manufacture of green products are derived from natural resources. As a result of that, green marketing is concentrated on addressing environmental issues and promoting pollution reductions, even though green marketing is engaged in economic paradigm that is designed for exchange process between traditional economic theory and maximum profit (Belz & Peattie, 2012; Jamrozy, 2007).

2. Social equity: In terms of the sustainability development principle, this theory raises the issue of poverty whereby any solution is considerably in need for developing countries. Solutions include poverty prevention strategies and addressing the issues caused by social inequality. In the matter of social equality, social marketing procedure evaluates an effect of community business and business's action of social responsibility (Grundey, 2008; Jamrozy, 2007).

3. Environmental protection: The environmental dimension is similar to ecological in that it is biocentric or ecocentric. The living system blends with the human system and others systems together and this then leads to another network of relationships where they are co-beneficiaries. There are objections to raise the strength of the environment based on natural recourses and culture protection (Jamrozy, 2007).

However, marketing does not assist in natural resource usage but it does encourage environmental conservation promotion and environmental behavior as a part of a living system.

4. Conclusion

Sustainability marketing is planning, organizing, implementing, and controlling resources and the marketing programme to meet the needs and wants of customer. While the organizations will be taken into consideration of the norms of society and the environment in order to achieve the organization's objective. In the future, the organizations need to integrating the sustainability marketing concept for identifying marketing strategy, which will fulfill the needs and wants of stakeholders in the present or future, and allow for long-term business life (Belz & Peattie, 2012; Jamrozy, 2007). The literature synthesis shows that sustainability marketing model comprises three dimensions are economic viability, social equity and environmental protection. Firstly, the economic viability dimension relate to green or environmental marketing. The traditional marketing focus under the economic paradigm is inherently non-sustainable as it is solely focused on economic profit. The green marketing still follows the economic paradigm which is focusing on the traditional economic exchange process and profit as the ultimate goal (Jamrozy, 2007). Moreover, the strategies of green marketing focus on green consumers, who are glad to pay higher prices for environmentally friendly products.

The assumption of the green marketing concept for producers is maintained by green market demand (Belz & Peattie, 2012; Kumar et al., 2012). Secondly, the social equity dimension concerns with societal and social marketing. The society marketing is using societal issues, as the tools, for design of marketing strategies. The organizations expect to sell their products (Belz & Peattie, 2012). Societal marketing looked at going beyond just the role of advertising and mass media to communicate the social marketing message. The media advertising and the distribution of printed materials are utilized to convey social marketing message to consumer (Tinnish & Mangal, 2012). The social marketing is implementing the principles, concepts and marketing tools for designing, planning, controlling and evaluating marketing programmes which influence individual behavior. The objective of social marketing is developing well-being of people and society (Belz & Peattie, 2012; Dinan & Sargeant, 2000). In addition, social marketing can be classified as a social change management which offers a framework with which to change unhealthful or unsocial behavior of other (Tinnish & Mangal, 2012).

Examples of social marketing's campaigns are smoking reduction, alcohol drinking reduction, etc. Lastly, environmental protection dimension associate with ecological marketing. Ecological marketing is concerned with marketing activities, which are supported to reduce and protect against environmental problems. Moreover ecological marketing abates the use of energy and other natural resources, and decreases the pollution from the manufacturing process and the consumption of products (Belz & Peattie, 2012; Kumar et al., 2012). However, the ecological marketing emphasizes the producer, who is producing eco-friendly products (Kumar et al., 2012). The marketing mix from an ecological point of view. In terms of product policy, ecological marketing raises type of packaging used. In distribution, the recycling of products and packaging are key issues. Promotion's role is ambiguous, since on the negative side it stimulates demand but on the positive side it may benefit environmentally superior products. Pricing is concerned with externalities and the total cost of products (Belz & Peattie, 2012)

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