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Sustainable Marketing: A Global Imperative

Dr. Romita Popli¹, Dr. Reema Dehal²

¹Associate Professor, Department of Commerce, Gargi College,

²Associate Professor, Department of Commerce, Daulat Ram College,
University of Delhi, Delhi, India.

ABSTRACT:

Sustainability and sustainable development have become household terms in the present times. Gone are the days of luxury for a few and penury for the many. Today, it has come to be accepted that global ecology and economy are highly intertwined. The age-old Indian principle of the entire world being regarded as one family: “*Vasudhaiva Kutumbakam*” has been globally acknowledged and accepted. The developed world is now forthcoming in meeting the developmental needs of the developing nations by sharing sustainable technology to solve ecological problems and offering financial support for cooperative research. Thus, sustainability can be achieved as a global goal by the coordinated, conscientious and collaborative efforts of all the stakeholders viz. industry, government, environmentalists, consumers and society at large, across the world. Sustainability has become a virtue of the 21st century that must be imbibed by each and every individual, for each one of us have the capacity and onus as well to conserve our environment and resource endowments for the sake of future generations. The individual contribution of various stakeholders in the form of mindful production and consumption will collectively help in making long strides on the pathway of sustainability.

KEYWORDS:

Sustainability, Sustainable Development Goals (SDGs), Sustainable Marketing, Demarketing, Social Marketing

INTRODUCTION

Sustainability has been defined by the United Nations Brundtland Commission in the year 1987 as “meeting the needs of the present without compromising the ability of future generations to meet their own needs.” The Sustainable Development Goals (SDGs), seventeen in number (see Table I), as given by the United Nations, configure the framework for bettering the lives of populations worldwide as well as reducing the harmful, man-made, disastrous effects of climate change. (<https://www.un.org/en/academic-impact/sustainability>) In other words, sustainability implies maintaining or enhancing both ecological as well as human wellbeing. It implies a shift from the use of finite raw inputs to renewable resources; mitigation and finally the extirpation of contaminating effluents and hazardous or poisonous wastes. It puts a moral responsibility on business firms engaged in harnessing natural resources to find out renewable and more sustainable options.

A key component of sustainability is sustainable marketing, a term given by Sheth and Parvatiyar (1995) who have defined it as “a marketing approach that promotes sustainable development and protection of our ecosystem.” Sustainable marketing is a necessary prerequisite for sustainable development, for it encompasses all the marketing initiatives that are competitively as well as ecologically sustainable. Sustainable marketing rests on three pillars, also known as “triple bottomline” (Charter et al., 2002) namely, planet, people and profit. Ecological sustainability (*planet*) and social sustainability (*people*) form the inviolable foundation for economic sustainability (*profits*); for there is no economic profit without the planet and the people. Thus, sustainable marketing seeks to ensure that marketing and sustainability function in a parallel manner.

Businesses face external pressure from various sources such as consumers, media, B2B customers, government regulations and public opinion, to better their social and ecological performance (Charter et al., 2002). Businesses have to embrace sustainable marketing orientation in letter and spirit; some of the major driving forces being (i) rising number of regulations related to pollution control and ecological preservation; (ii) limited and expensive natural resources; (iii) shifts in customers' attitudes as well as behaviour towards patronizing sustainable solutions (iv) increased awareness of various stakeholders with regard to the indispensability of more ecologically-conscious and socially-responsible actions (v) attainment of competitive advantage by adoption of sustainable business strategies (Catoiu et al, 2010). If on the other hand, marketers fail to imbibe sustainability in their operations, there may be long run problems in marketing the product/service offerings; abiding by various environmental laws and regulations; hiring and retaining competent employees; waste disposal; obtaining insurance cover; obtaining funds for organic expansion of the business; upholding the confidence of the shareholders, maintaining the prices of the shares and the resultant controlling power of the company (Charter et al., 2011).

Table 1. Key Sustainability Development Goals*.

Sustainability Goals	Operational Directives and Rationale
1. No Poverty	End poverty in all its forms everywhere. More than 100 million people still live in extreme poverty. Economic growth must be inclusive of providing sustainable jobs and promoting equality.
2. Zero Hunger	End hunger, achieve food security, and improved nutrition. A third of the world's food is wasted, yet 821 million people are undernourished. Reduce food waste and support local farmers.
3. Good Health and Well-Being	Ensure healthy lives and promote well-being for all at all ages. Reduce global maternal, infant, and child mortality rates; end epidemics of AIDS, tuberculosis, and malaria; and reduce deaths due to the road and hazardous chemical accidents.
4. Quality Education	Ensure inclusive and equitable quality education and promote lifelong learning opportunities for all. 617 million children and adolescents lack minimum proficiency in reading and mathematics.
5. Gender Equality	Achieve gender equality and empower all women and girls. 1 in 3 women between the age of 15-49 has experienced physical and/or sexual violence. Provide women equal access to education, healthcare, decent work, and political & economic representation.
6. Clean Water and Sanitation	Ensure availability and sustainable management of water and sanitation for all. Water scarcity affects more than 40% of the world's population, and more than 2 billion people are living with the risk of reduced access to freshwater resources.
7. Affordable and Clean Energy	Ensure access to affordable, reliable, sustainable modern energy for all. 3 billion people still lack access to clean cooking solutions and are exposed to dangerous air pollution levels.
8. Decent Work and Economic Growth	Promote inclusive and sustainable economic growth, full and productive employment, and decent work for all. One-fifth of young people are not in education, employment, or training. Roughly half the world's population still lives on the equivalent of about US\$2 a day and having a job that does not guarantee the ability to escape from poverty in many places.
9. Industry, Innovation, and Infrastructure	Build resilient infrastructure, promote sustainable industrialization, and foster innovation. Manufacturing value added per capita currently is only US\$100 in the least developed countries compared to over US\$4,500 in Europe and North America.
10. Reduced Inequalities	Reduce inequality within and among countries. The poorest 40% of the population earn less than 25% of global income. Inequality persists, and large disparities remain regarding access to health and education services, in addition to other assets.
11. Sustainable Cities and Communities	Make cities and human settlements inclusive, safe, resilient, and sustainable. By 2030 people living within cities are projected to rise to 5 billion people. Moreover, 9 out of 10 urban residents breathe polluted air. Common urban challenges include congestion, lack of essential services to many, shortage of adequate housing, declining infrastructure, solid waste disposal, and pollution within cities.
12. Responsible Consumption and Production	Ensure sustainable consumption and production patterns. The material consumption of natural resources is increasing. By 2050, the equivalent of three planets could be required to sustain current lifestyles. This goal aims at "doing more and better with less."
13. Climate Action	Take urgent action to combat climate change and its impacts. Global emissions of carbon dioxide (CO ₂) have increased by almost 50% since 1990. Without action, the world's average surface temperature is likely to rise by 3 degrees centigrade this century.
14. Life Below Water	Conserve and sustainably use the oceans, seas, and marine resources. Continuous deterioration of coastal waters from pollution acidification is adversely affecting the livelihood of over three billion people dependent on marine and coastal biodiversity.
15. Life on Land	Protect, restore, and promote sustainable use of terrestrial ecosystems, manage forests, combat desertification, and halt and reverse land degradation and biodiversity loss. Three million hectares of forests are lost every year, and persistent degradation of drylands has led to the desertification of 3.6 billion hectares, affecting the lives and livelihoods of millions of people.
16. Peace, Justice and Strong Institutions	Promote just, peaceful and inclusive societies for sustainable development. In 2018, the number of people fleeing war, persecution, and conflict exceeded 70 million. The threats of international homicide, human trafficking, sexual violence, and violence against children need to be addressed.
17. Partnerships	Strengthen the means of implementation by revitalizing global partnerships between governments, the private sector, and civil society for sustainable development. Delivering SDGs could open up US\$ 12 trillion of market opportunities and create 300 million new jobs by 2030, unlocking private resources' transformative power.

*Adapted from United Nations, Sustainable Development Goals 2019. <https://sustainabledevelopment.un.org/sdgsummit>

[Source: Sheth, J. N., & Parvatiyar, A. (2021). Sustainable marketing: Market-driving, not market-driven. *Journal of macromarketing*, 41(1), 150-165.]

ETHICAL UNDERPINNINGS OF SUSTAINABLE MARKETING

Sustainable marketing is also an ethical imperative for numerous reasons, some of which are stated below:

Principle of precaution: means an earnest commitment to future generations. Investment in the unforeseen future constitutes a precaution that must be considered. Marketers have the bounden responsibility to examine “their future ecological footprint with great caution and respect” (Jeurissen and Keijzers, 2004 cited in Murphy et al., 2005).

Balance the triplet: Business firms must incorporate the ecological, societal and economic considerations in their activities and strive to achieve symmetry among them.

Equilibrium between power and responsibility: Bigger and more financially sound businesses have greater responsibility in the context of ecological improvement and restoration. Large firms in any industry have more resources at their disposal to foresee problems with unsustainable products/processes and therefore have greater responsibility to act proactively. In fact, it would be a future challenge for such longstanding, prosperous firms to uphold the virtue of sustainability and live up to the lofty expectations of the most important stakeholders: consumers and society.

Environment is also, ethically, a stakeholder: Marketers who adopt sustainability as a corporate value view the environment or future generations as an important stakeholder. However, they face the challenge of how to assess the impact on this mute stakeholder compared to other stakeholders (such as consumers, investors, suppliers) who have a strong say.

Bounden duty towards the planet: includes a business firm’s responsibility towards the environment and society. It refers to more inclusive and sustainable development at global level (Murphy et al., 2005).

MAJOR SUSTAINABILITY ISSUES

Sustainable development integrates ecological, societal and economic advancement. Business firms, no matter how small or big, must address sustainability issues at domestic (local/regional/national) as well as international level. Some of the major sustainability issues are as follows:

Pressure of increasing population: It is only a quick reduction in the rate of birth that can stop the conversion of natural habitats and forestlands into concrete jungles; especially in the developing countries where birth rate is high and environmental controls are still in the nascent stage.

Manufacturing and using up: Increasing population demands increased scale of manufacturing i.e. *production* and using up i.e. *consumption* especially in the wake of increasing levels of prosperity. This issue gets escalated as an increasing proportion of worldlings expect higher standard of material living and interestingly a substantial number have discretionary purchasing power. The rise in use of resources like water, wood, electricity and petroleum coupled with growing hedonism among people are a cause of concern regarding their impact on environment and society in future.

Globalization: is a key to address the consumption requirements world over in a more effective way. Consumers are becoming aware of the imperative for sustainable growth and development, business ethics and employment of child labour in factories that are outsourcing some part of production. With the rising use of internet and availability of global news networks, the world has become a global village.

Global warming and climate change: have been brought about by ever-increasing levels of carbon-dioxide emissions. An irreversible change in the atmospheric layers and the resultant impact on the climate has led to internationally agreed upon preventive measures such as decrease in carbon-dioxide emission levels and restriction on the usage of chlorofluorocarbons.

Depletion of ozone layer: by greenhouse gases such as carbon dioxide, chlorofluorocarbons, hydrofluorocarbons etc. results in letting in of ultraviolet radiation that potentially devastates healthy life on the Earth.

Acid rain: Increased air pollution due to sulphur-dioxide and nitrogen oxide emissions result in acidification and ecological ruin especially in forestlands and water bodies. Acid rain harms buildings, automobiles and human health and wellbeing.

Genetic engineering technology: Although Genetically Modified Organisms (GMOs) are an expedient to enhancing agricultural produce thereby alleviating world hunger, yet the risk of potentially fatal impact of any errors leading to unintentional flow of genes and attributes among species can adversely affect the balance of Mother Nature.

Dearth of natural habitats and biological diversity: Natural habitats maintain the biological diversity of various species such as flora, fauna, microbes and the genes that they possess. Many species have become endangered because of human encroachments on their natural habitats on the pretext of economic development. However, maintaining biological diversity is an absolute necessity, for it may permit crops and livestock to be adapted to the changing conditions and yet retain still undiscovered medical uses of various plant-based compounds (Charter et al., 2011).

Business firms must incorporate sustainability in their business practices by making significant changes in their research and development, production, financial, marketing and human resource practices, if truly and earnestly, sustainability has to be embraced (Kotler et al., 2011).

EMBRACING SUSTAINABILITY: A BUSINESS VALUE

When it comes to embracing the idea of sustainability, business firms may adopt a proactive or reactive approach. Firms may proactively be sensitive to the imperativeness of a cleaner, healthier environment concomitant with enhanced quality of life. On the other hand, they may respond to environmental concerns at the instance of consumers, shareholders, environmentalists and NGOs, government and other stakeholders. The big question is whether the firm determines *suo moto* what is ecologically and ethically correct or whether it reacts and responds to what the stakeholders really desire and will accept.

Over time, the society and the industry have started to assume their moral duty to take up the cause of sustainability. The younger generation of consumers today want to patronize the business firms that are conducting business in a more environmentally-safe and socially-responsible manner. Enlightened, sophisticated consumers support brands that are conscious of environmental preservation and restoration as well as social good. In the wake of growing adoption of the virtue of sustainability by all stakeholders, business firms will have to all the more evaluate their take on specific issues relating to environment and corporate social responsibility. This will necessitate an all-round, integrated, strategic approach covering all the functional areas of business namely, purchase (supply networks), production, marketing and the like. Firms will have to design and spell out an unambiguous stance on sustainability issues if they wish to garner and retain the continuing support of various stakeholders (customers, investors, employees etc.) with the view to ensuring their survival, growth and future prosperity.

In the context of consumer markets, brands are becoming all the more important and relatable. Firms keenly want to create, foster and sustain a good brand. However, nowadays sustainability issues are being linked to firm's reputation and brand trust. With the rising trend of outsourcing and contract manufacturing, it is very important for manufacturing firms to be extremely sensitive to the concerns of the ultimate beneficiaries of all business activities viz. consumers, at large and society, in general. Firms should find out ways and means to minimize negative impact of business activities on environment and society. A renowned brand though captures spotlight, it is also on the brink of (negative) publicity by environmentalists, NGOs, media and other pressure groups if it violates societal or ecological norms of doing business.

Interestingly, a new awareness should dawn upon business firms that tackling a societal or ecological problem may trigger an altogether novel set of problems and/or may be newer opportunities. It is important to note that trade-offs shall happen and via media may have to be evolved in the context of figuring out the most feasible and optimal levels of ecological, societal and financial performance of the firm. Thus, it behoves the business firms to ensure that necessary systems are in place for gathering, monitoring and regulating marketing intelligence; so that corrective actions are initiated whenever required. Firms ought to develop "sustainability radar" to address new sensitive issues as they come up and also manage the existing ones (Charter et al., 2011).

ROLE OF MARKETING IN IMBIBING SUSTAINABILITY

Marketing is a specialized business function that basically aims at creating and retaining customers. It initiates economic activity by offering and promoting consumption opportunities in a bid to fulfil needs and wants of the consumers. All the same, the role of marketing is critical in the current scenario. Through the expedient of sustainable marketing, it has to ensure that human needs at present are met without endangering the capacity of future generations to fulfill their own needs (Sheth and Parvatiyar, 1995). Thus, sustainability and marketing are closely interlinked.

The exact role of marketing in aligning with sustainability shall, however, differ among business firms on the basis of the industry they belong to, size of the firm, organizational culture prevalent in the firm and whether the marketing style being practised is classically consumer-driven, product/technology-driven or marketing communications-driven. For firms marked by pressure from green consumers, the marketers may develop sustainable strategies that promote production and sale of more environmental-friendly products/services. In firms wherein pursuit of sustainability is considered as a business value or is mandated by corporate social responsibility, marketers may imbibe sustainability by way of revising or realigning the business strategy. Herein, institutional marketing along with conventional product/service marketing will be required.

Some broad, strategic range of questions that marketing as a managerial function needs to address in order to respond effectively to sustainability concerns include (i) has the firm carried out market research to know and analyze the likely effect of sustainability issues on its activities? (ii) can modifications be made to the existing products/services/processes to incorporate sustainability concerns or will altogether novel innovations be needed? (iii) are positive linkages being made with environmental groups, NGOs and human rights organizations? (iv) does marketing communication accurately stresses upon ecological and societal aspects embraced by the firm?

It is interesting to note that in order that business firms and their product/service offerings become more sustainable or be viewed as more sustainable, a comprehensive strategy is needed that incorporates not only the marketing department's goals and plans but rather the coordinated plans of all the departments (such as Purchase, Operations, Human Resource, Finance and so on) clearly stating their objectives, strategies, policies, programmes and the necessary resources needed for their effective execution (Charter et al., 2011).

COMPLEMENTARITY OF DEMARKETING AND SOCIAL MARKETING TO SUSTAINABLE MARKETING

Philip Kotler has defined sustainable marketing as “socially and environmentally responsible marketing that meets the present needs of consumers and businesses while also preserving or enhancing the ability of future generations to meet their needs” (Kotler and Armstrong, 2017). From the point of view of sustainable marketing, two perspectives take the vanguard position namely, *demarketing* and *social marketing*, that shall be instrumental in preserving the quality of the environment hereafter.

Kotler and Levy (1971) define *demarketing* as “the practice of demand reduction.” In demarketing, the four P's of marketing mix are blended, but interestingly, in a reverse manner. Though traditional marketing propounded demand expansion by acquisition and retention of customers and incidentally that will continue to be the overarching pursuit, yet in the present times, the demand for scarce resources has to be reduced so that such resource conservation and thriftiness may provide the much-needed buffer of natural endowment for the future generations. A good example is of the electricity producing firms that educate consumers and urge them to switch off the lights/fans and also unplug the gadgets when not in use so as to save electricity, although doing thus, their revenue is bound to diminish (Kotler et al., 2011).

Kotler and Zaltman (1971) have defined *social marketing* as “the theory and practice of marketing an idea, cause or behaviour.” It has also been defined as “the use of traditional business marketing concepts and tools to encourage behaviors that will create individual and societal well-being (Kotler and Armstrong, 2017).” Social marketing initiatives in India, in the past such as “Swatchh Bharat Mission”, “Save Electricity”, “Each One, Teach One”, “Beti Bachao, Beti Padhao” have been successful in building awareness and influencing positive behaviour. Many governmental organizations, NGOs, communities and individuals are working across the world to influence attitudes and behaviours that help save, conserve and restore the natural environment. Some

of the major environmental initiatives in India are “Joint Forest Management”, “National Bamboo Mission”, “National Wildlife Action Plan”, “Comprehensive Environmental Pollution Index”, “Lighting a Billion Lives”, “Eco-Mark”, “Urban Services Environmental Rating System”, “National Clean Energy Fund”, “National Plan for Conservation of Aquatic Ecosystems”, “Mangroves For Future”, “National Afforestation Programme”, among others (<https://www.nextias.com/blog/environmental-initiatives>).

Thus, it may be concluded that sustainable marketing is an expedient to bring about sustainable development. Sustainable marketing requires a focus on not only production and consumption but also on post-consumption. Besides, ecological conservation and restoration is possible if all the stakeholders including consumers become mindful of their consumption and post-consumption sustainability issues (like solid waste management etc.), for sustainability requires consistent and collaborative efforts of industry, consumers, government and society in general.

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