

A STUDY TO INVESTIGATE THE ROLE OF SUSTAINABILITY AND ETHICAL MARKETING PRACTICES

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ABSTRACT:

There's no denying that the concept of a sustainable marketing plan has evolved. In contemporary business practices, sustainability and ethical considerations have become increasingly significant. Effective marketing improves the firm's profits and its stakeholders' wealth. Profits for the company and the wealth of its stakeholders both rise with effective marketing. Long-term benefits and client confidence are only achieved by businesses when agreements and transactions are founded on ethical marketing strategies. Sustainability and ethical considerations have grown manifold in importance in today's business operations. This study examines customer behaviour and trust building through sustainability and ethical practices, aiming to capture a large market share and improve profits for businesses.

Keywords: Sustainability, Ethical marketing, Strategic perspective, social responsibility, Consumer preferences, Transparent communication, Customer loyalty, and Sustainable practices.

INTRODUCTION:

Sustainability and ethical considerations are crucial in modern business practices, enhancing profits and stakeholder wealth. Effective marketing strategies with favourable parties ensure long-term benefits and customer trust. Customers are prioritizing ethical brands in the present era. The companies that lead this space can capture a large market share. Companies can use sustainability as a marketing strategy when it integrates into their operations. Since the importance of sustainability issues has already been established, businesses should give them top priority. Promoting goods and services that are not only safe but also responsible and sustainable is known as ethical marketing. In actuality, it emphasizes openness, truthfulness, and justice in marketing and commercial procedures. Ethical marketing seeks to establish enduring bonds of mutual respect and trust with clients in addition to financial success. Profits for the company and the wealth of its stakeholders both rise with effective marketing. Long-term benefits and client confidence are only

achieved by businesses when agreements and transactions are founded on ethical marketing strategies with favourable parties. It is difficult for businesses to manage customer relationships and brand loyalty in the cutthroat marketing environment. Consumer awareness of the environmental and social implications of their purchase decisions is growing in the quickly changing corporate world of today. The significance of implementing sustainable practices and ethical marketing is thus becoming more and more apparent to firms. Businesses may achieve commercial success and have a beneficial global influence by matching their values with those of their target audience. The journey of sustainability in marketing is one of change and adjustment, reflecting the way both consumers and businesses are becoming more aware of themselves.

LITERATURE REVIEW:

The impact of business and the enduring triumph of sustainable as well as ethical approaches have been investigated in many studies in the past. Building strong relationships with customers and loyalty is progressively significant in the context of sustainability and ethical marketing in the manner in which customers assess the outlook of the company towards customer-brand relations and product evaluation. **Greenwood (2017)**, argued that sustainable responsible consumption can be achieved through embracement. All company sectors that are designed to obtain a competitive advantage have researched ethical marketing tactics. According to **Battersby (2017)**, environmental strategies aim to address general issues to maximize the attention of clients when purchasing goods. The management of customer relations is not simple to pose and attain difficulties. All company sectors that are designed to obtain a competitive advantage have researched ethical marketing tactics. The ethical marketing of a company impacts the routine of customer activity and is associated with the buying of products. The fact that customers in contemporary cultures still demand high-quality goods and choose socially conscious businesses, even if they may have to pay more for those goods, emphasizes the need for ethical marketing even more. By gaining the trust of the public, ethical marketing can foster a long-lasting relationship between the consumer and the business. **Jones (2013)**, conceptualized ethically minded customer behavior with elements like recycling, plying, and price premium, the quality of brand relations with visions, and brand commitment for the reasons of ethical marketing.

RESEARCH METHODOLOGY:

The study is organized on global brand that is based on ethical marketing - Everlane which offers remarkable insight into the competition in the sustainable global market. The target population of three hundred twenty participants of this leading global brand. The methodology of the study uses online survey platforms to distribute the questionnaire to three hundred twenty participants of brand. In this method, a random sampling approach was employed and a structured questionnaire was designed. The questionnaire of the study captures relevant data about the ethical marketing of the company and the sustainability program.

OBJECTIVES OF THE STUDY: The objectives of the study are as follows:

1. To evaluate the importance of sustainability and ethical considerations in consumer purchasing decisions.
2. To analyze the impact of businesses' environmental initiatives on the trust of the consumer.
3. To explore the customer response to sustainable and ethically labelled products.
4. To assess the effectiveness of communication channels in conveying sustainability efforts.

DISCUSSION, FINDINGS AND RESULTS:

The study was conducted for the fulfilment of the study's objectives and its evaluation through analysis. A total of three hundred twenty responders are found to participate in this study consisting of one hundred seventy-six males and one hundred forty-four females.

Visualization of Demographic Profile

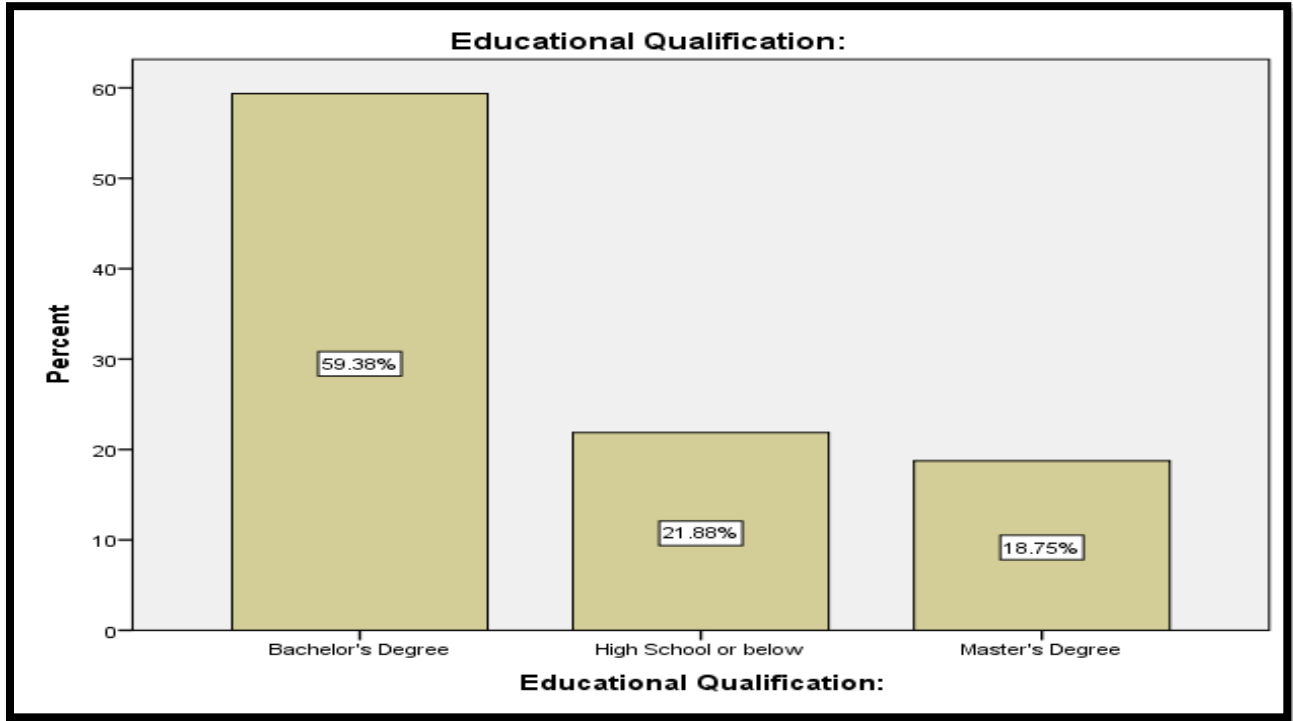


Figure I: Educational Qualification Demographic profile

From the above Figure I it is clear that responders who have completed the bachelor's degree are found to in more than others.

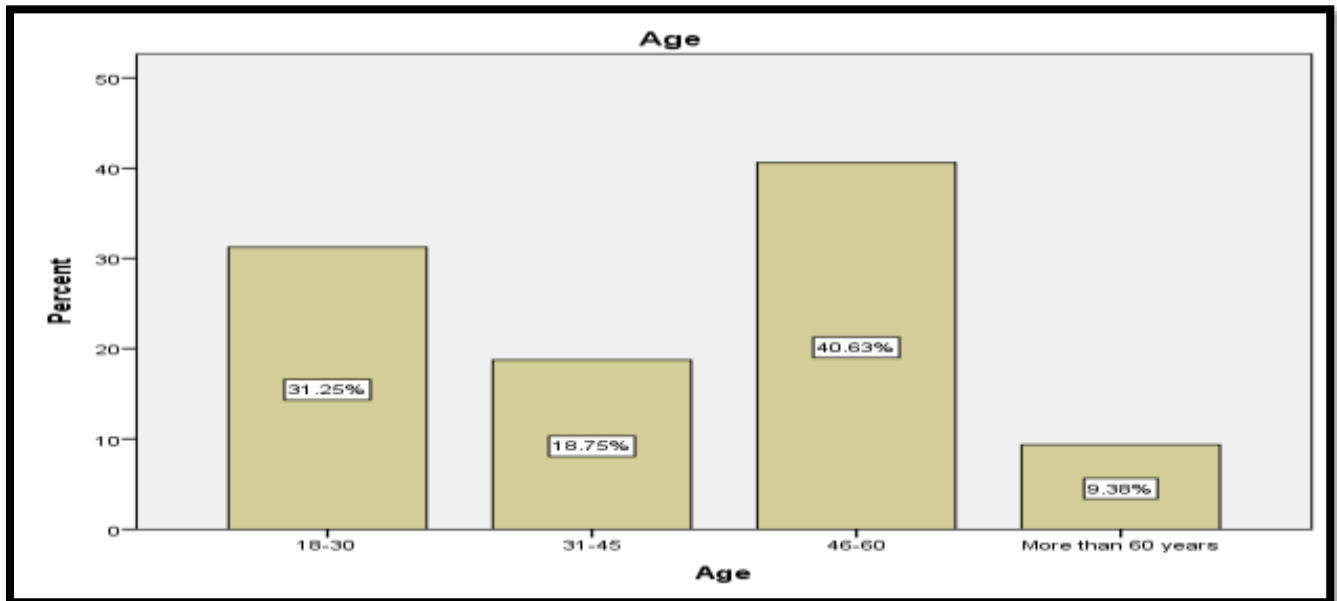


Figure II: Age Demographic profile

From the above figure II, it is clear that 46-60-year-old responders are found more than others.



Figure III Subjective Question 1: To what extent do you consider sustainability and ethical practices when making purchasing decisions?

From the above figure III, it is clear that the response is mostly favorable to neutral for survey question 1.

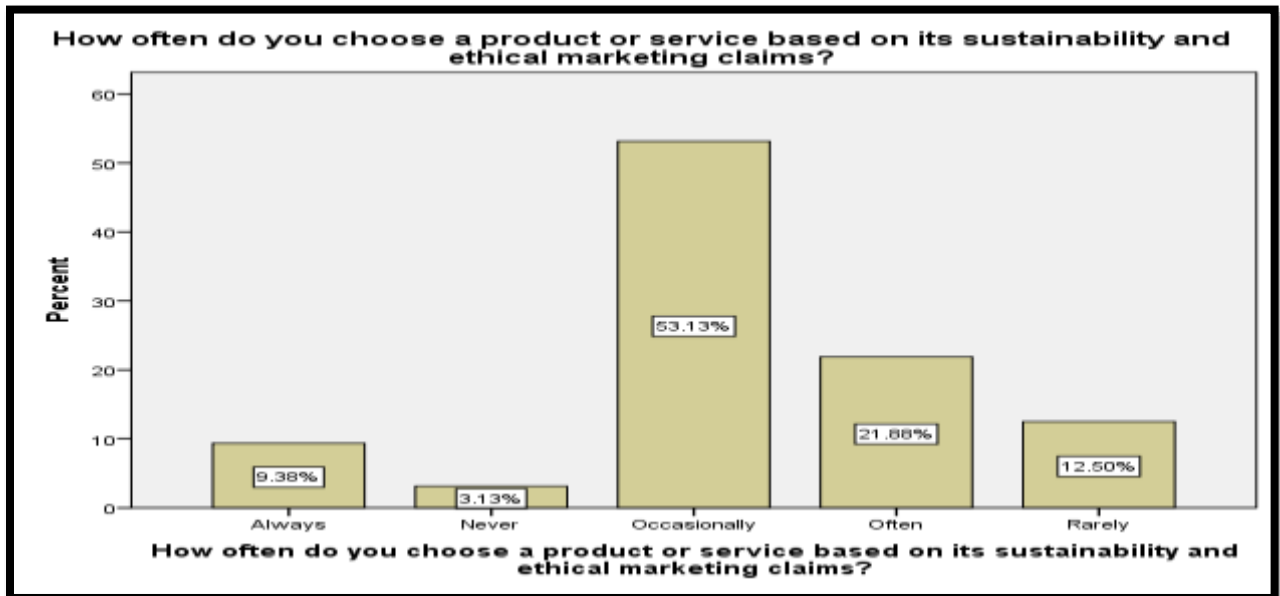


Figure IV Subjective Question 2: How often do you choose a product or service based on its sustainability and ethical marketing claims?

From above figure IV, it is clear that the response is mostly favorable to occasionally for survey question 2. 2.

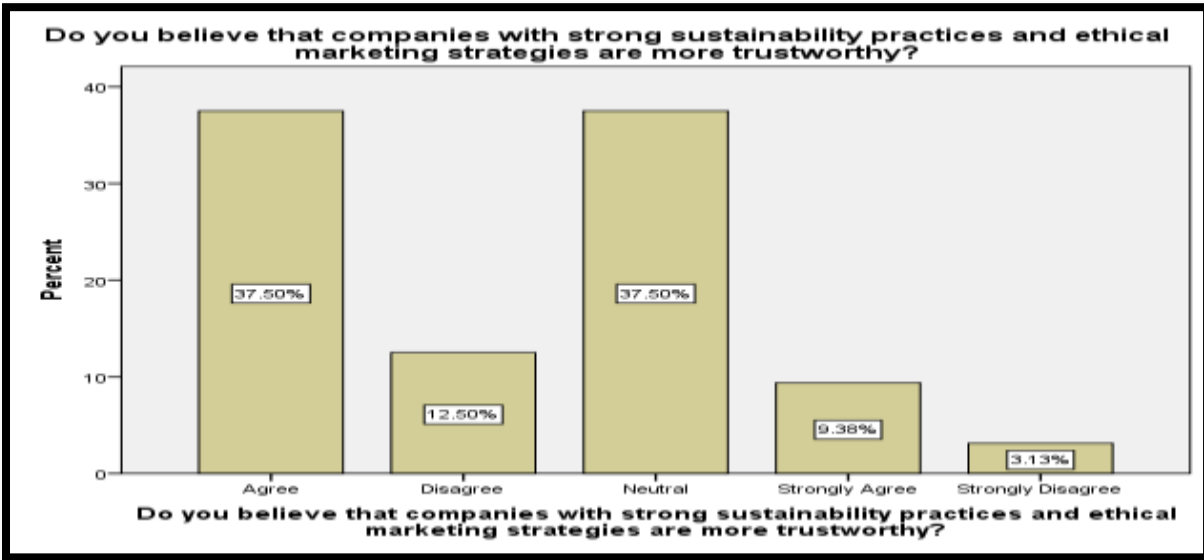


Figure V: Subjective Question 3: Do you believe that companies with strong sustainability practices and ethical marketing strategies are more trustworthy?

From the above Figure V, it is clear that the response is mostly favorable to agree and neutral for survey question 3.

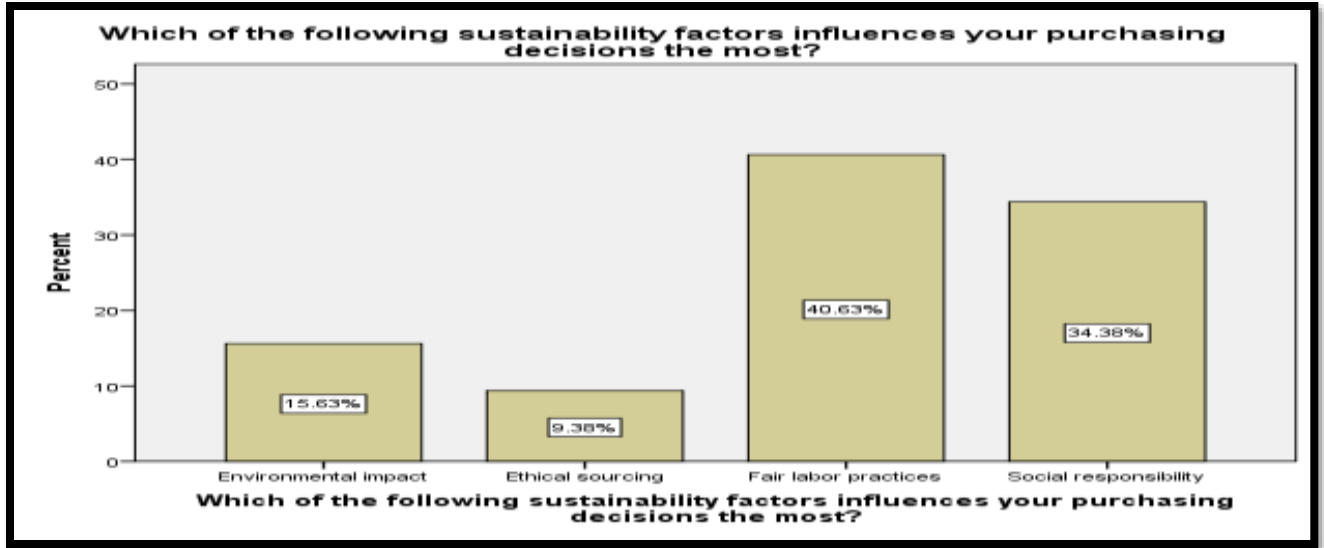


Figure VI: Subjective Question 4: Which of the following sustainability factors influences your purchasing decisions the most?

From the above Figure VI, it is clear that the response is mostly favourable to labour practices for survey question 4.

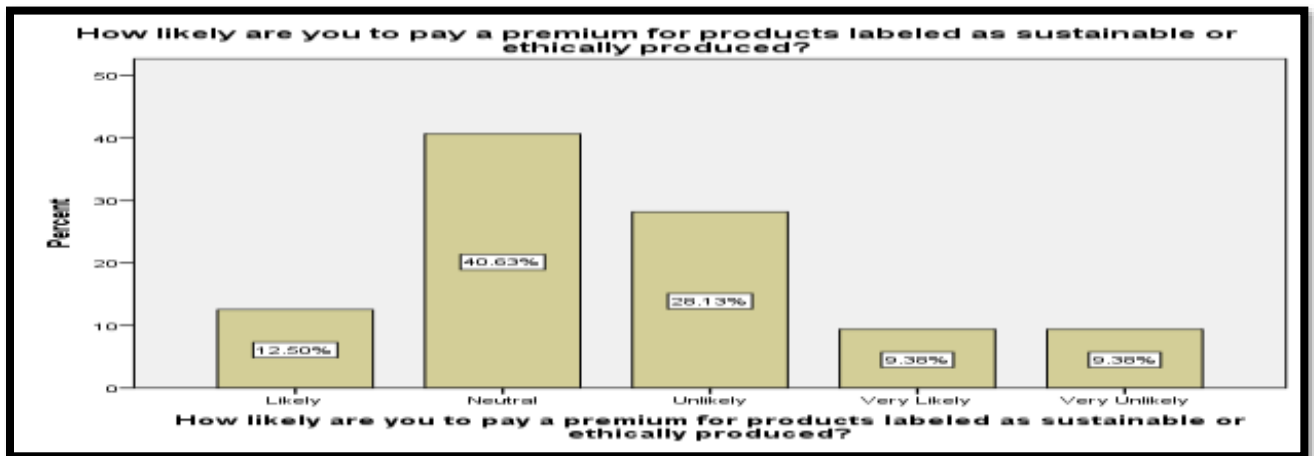


Figure VII: Subjective Question 5: How likely are you to pay a premium for products labelled as sustainable or ethically produced?

From the above Figure VII, it is clear that the response is mostly favorable to neutral for survey question 5.

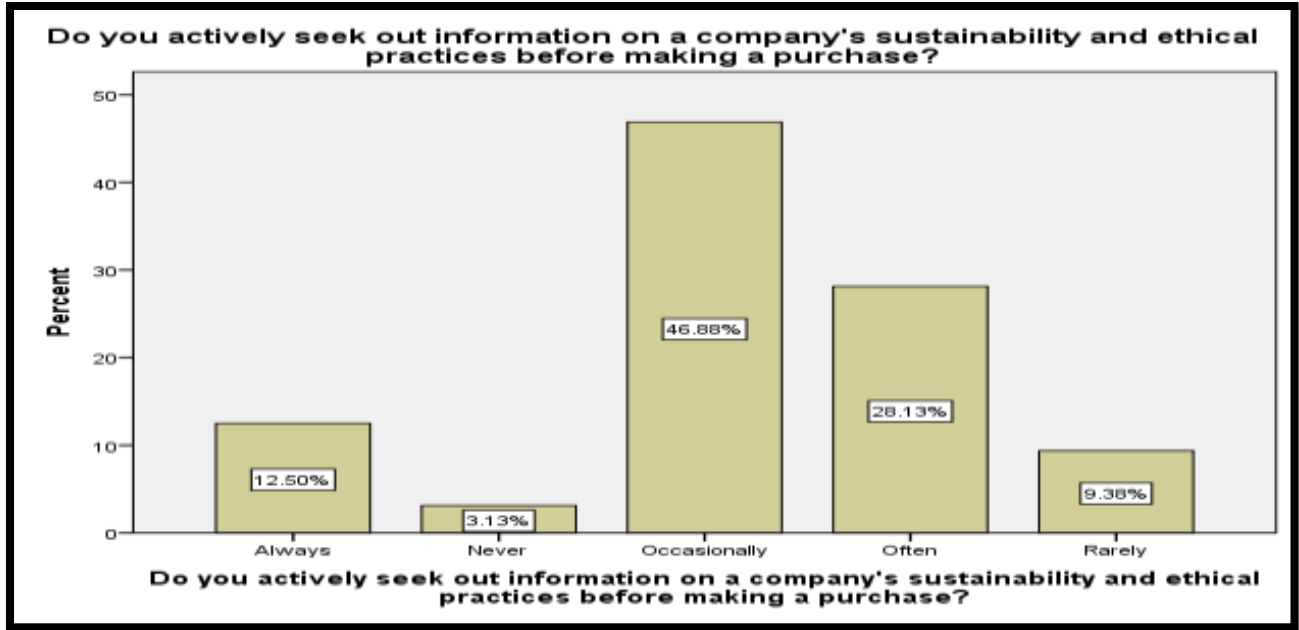


Figure VIII: Subjective Question 6:

Do you enthusiastically look for information on a company's ethical and sustainable practices?

From the above figure VIII, it is clear that the response is mostly favorable to occasionally for survey question 6.

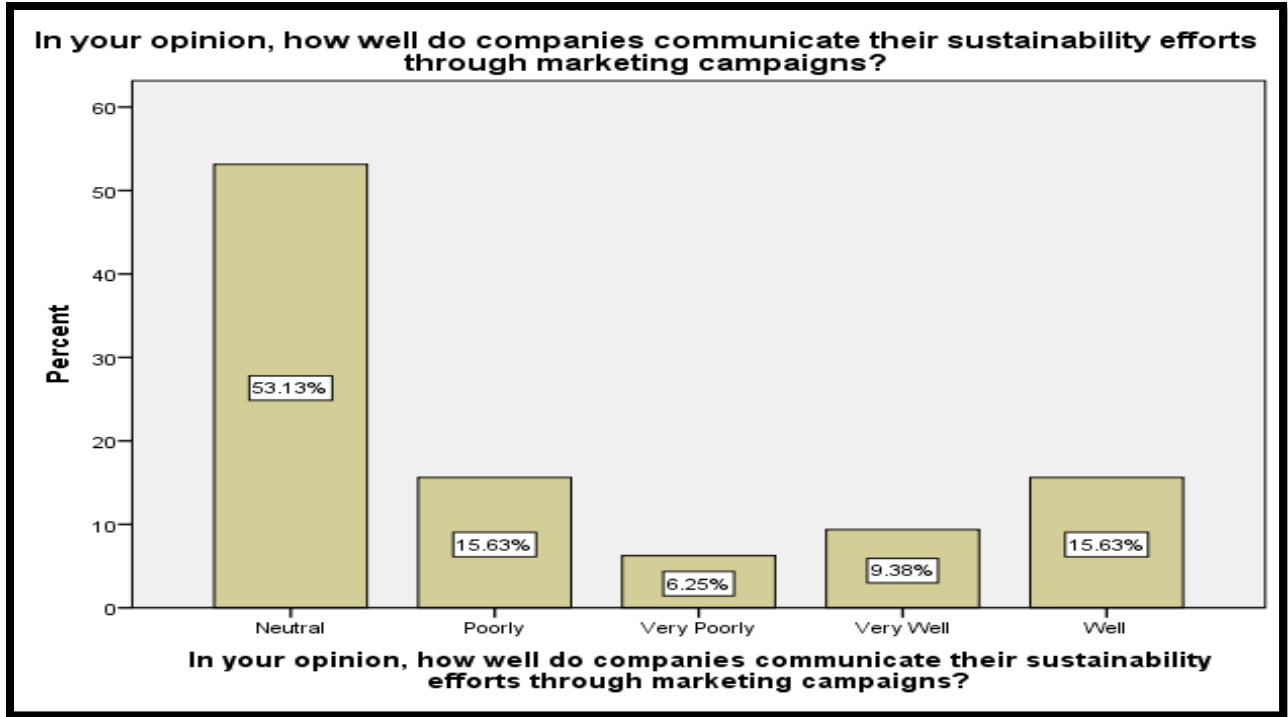


Fig IX: Subjective Question 7: In your opinion, how well do companies communicate their sustainability efforts through marketing campaigns?

From the above figure IX, it is clear that the response is mostly favorable to neutral for survey question 7.

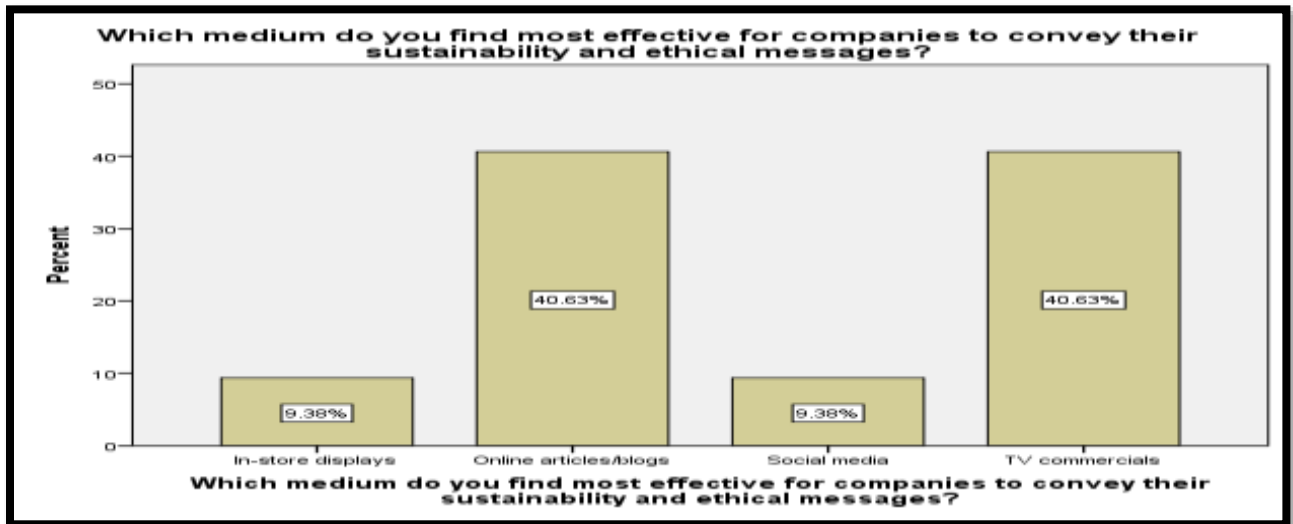


Figure X: Subjective Question 8: Which medium do you find most effective for companies to convey their sustainability and ethical messages?

From the above figure, **X** it is clear that the response is mostly favorable to online articles, and TV commercials for the survey question 8.

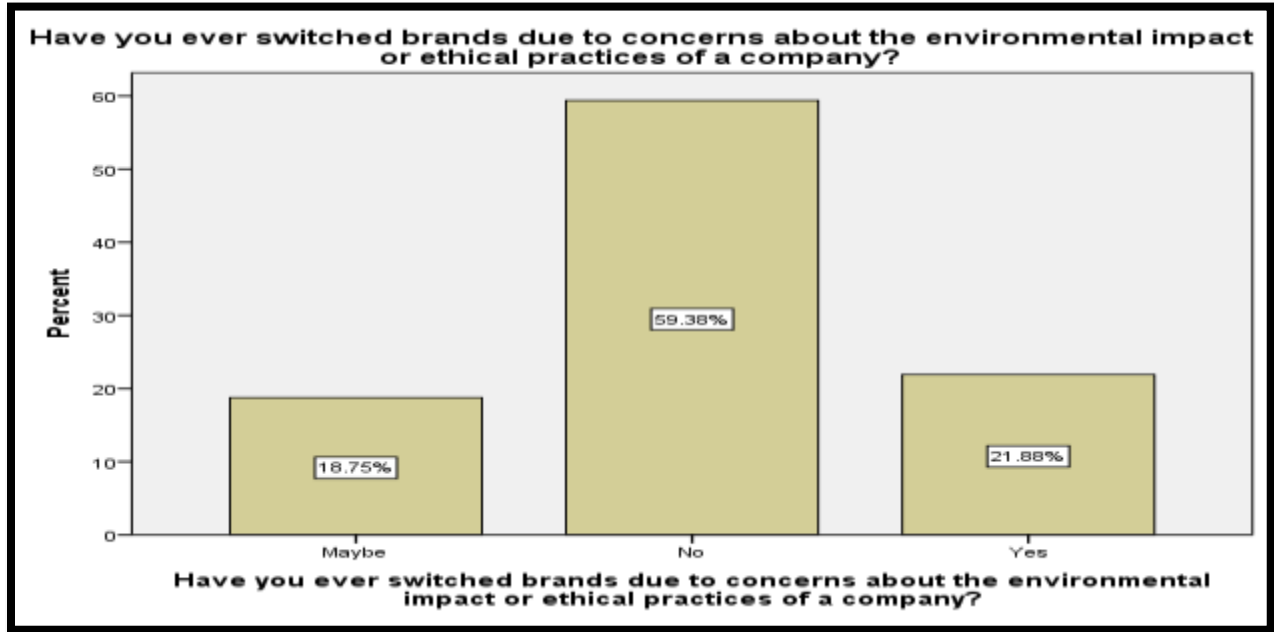


Figure XI: Subjective Question 9: Have you ever switched brands due to concerns about the environmental impact or ethical practices of a company?

From the above figure **XI** it is clear that the response is mostly favorable to no for survey question 9.

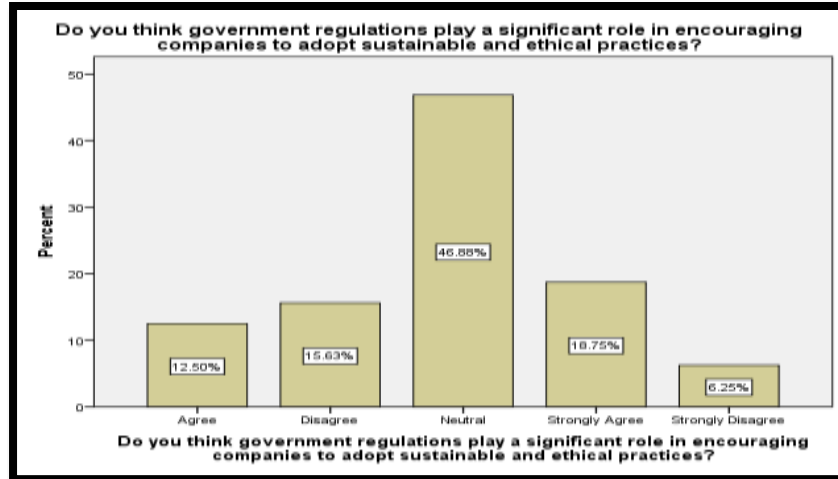


Figure XII: Subjective Question 10: Do you believe that laws and regulations have a big influence on businesses deciding to follow ethical and sustainable business practices?

From the above Figure XII, it is clear that the response is mostly favorable to neutral for survey question 10.

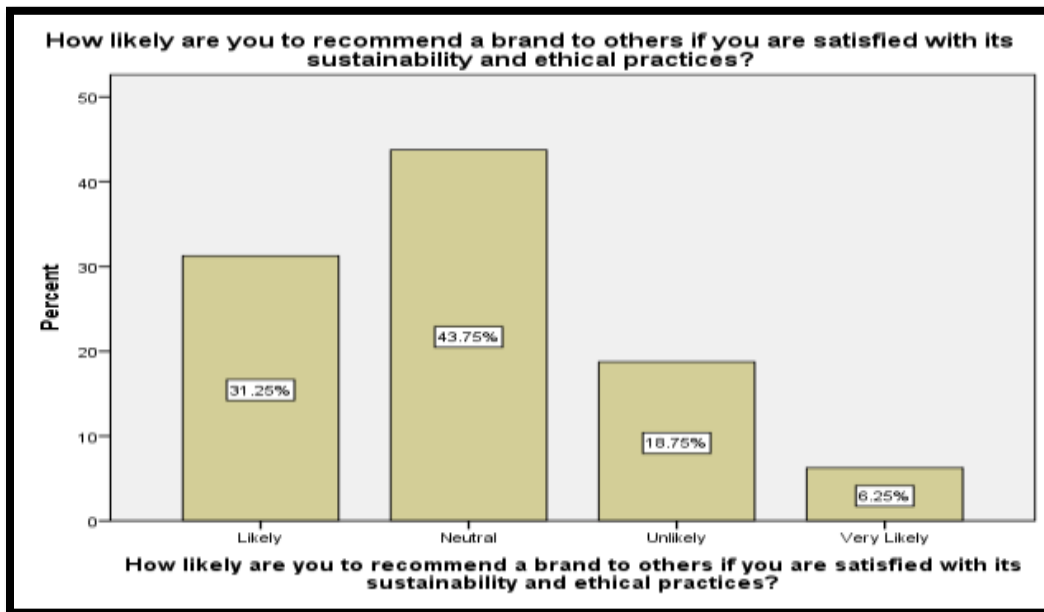


Figure XIII: Subjective Question 11: How likely are you to recommend a brand if you are satisfied with its sustainability and ethical practices?

From the above Figure XIII, it is clear that the response is mostly favorable to neutral for survey question 11.

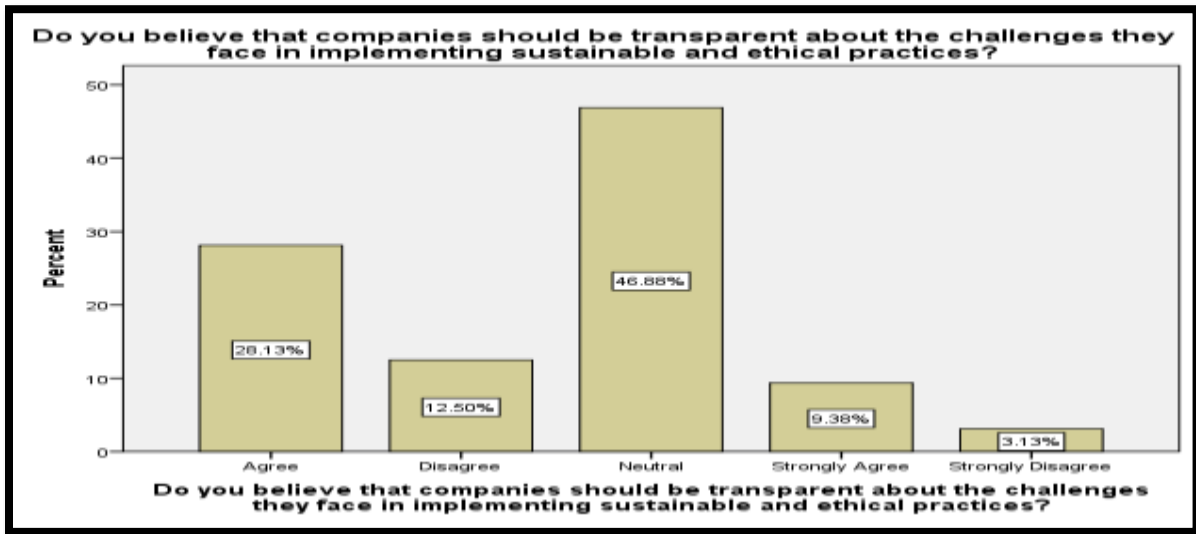


Figure XIV: Subjective Question 12: Do you believe that companies should be transparent about the challenges they face in implementing sustainable and ethical practices?

From the above Figure XIV, it is clear that the response is mostly favorable to neutral for survey question 12.

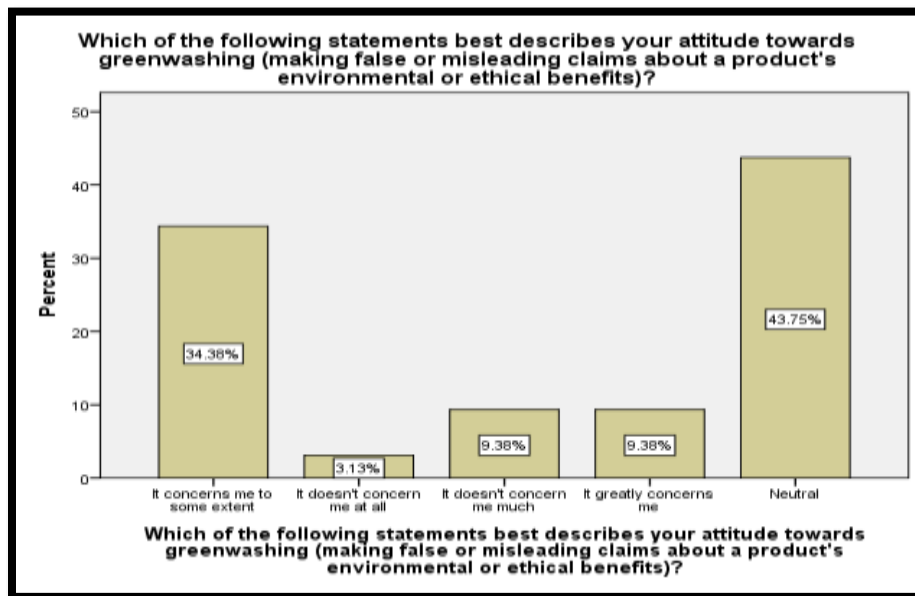


Figure XV: Subjective Question 13: Which of the following statements best describes your attitude towards greenwashing (making false or misleading claims about a product's environmental or ethical benefits)?

From the above Figure XV, it is clear that the response is mostly favorable to neutral for survey question 13.

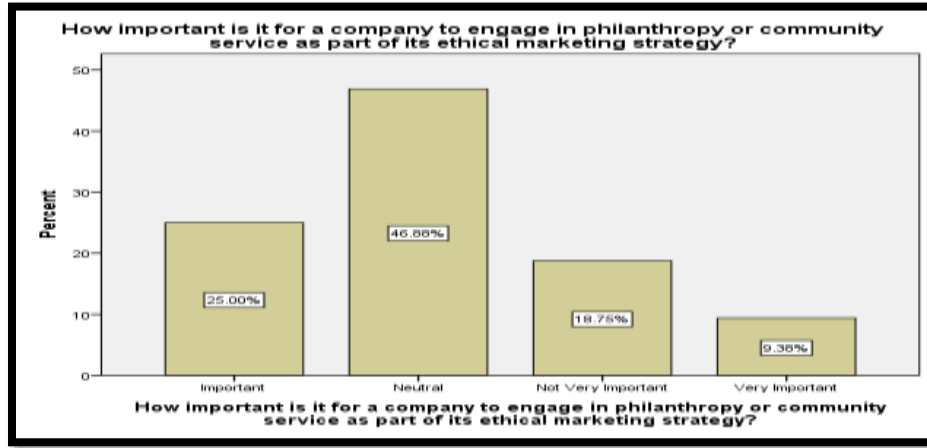


Figure XVI: Subjective Question 14: How important is it for a company to engage in philanthropy or community service as part of its ethical marketing strategy?

From the above figure XVI, it is clear that the response is mostly favorable to neutral for survey question 14.

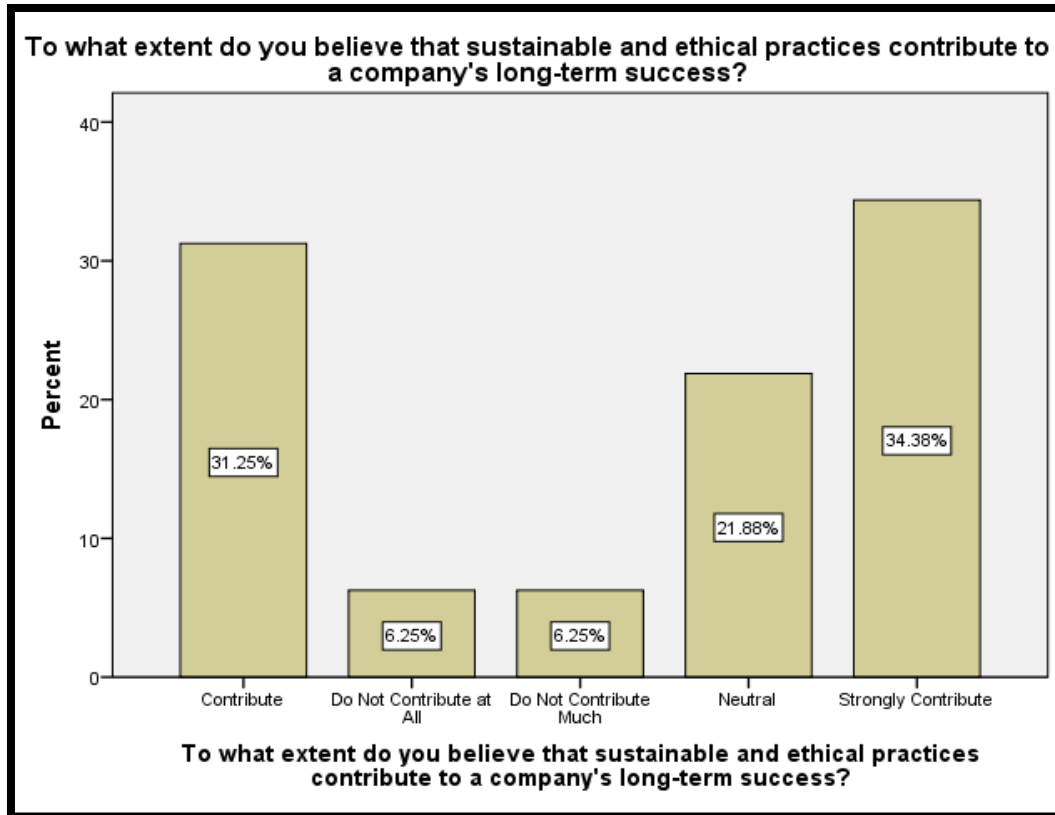


Figure XVII: Subjective Question 15: To what extent do you believe that sustainable and ethical practices promote a corporation's long-standing triumph?

From above figure XVII, it is clear that the response is mostly favorable to strongly contribute to the survey question 15.

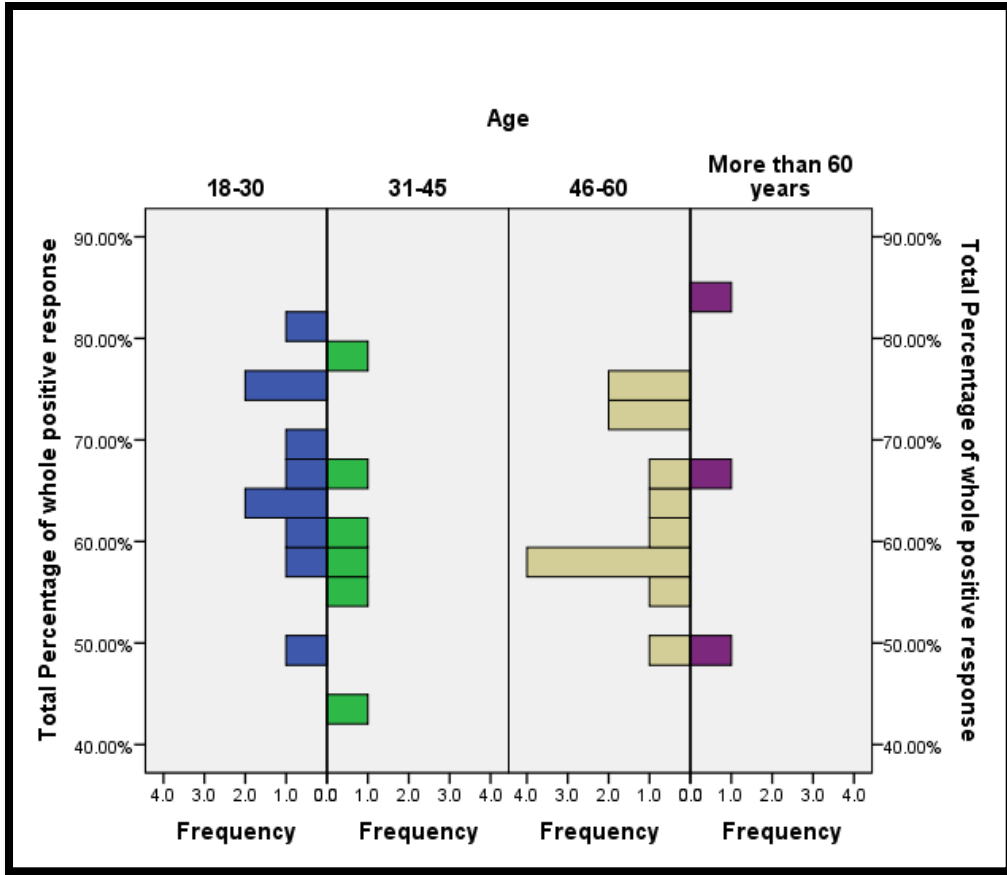


Figure XVIII: Total percentage of whole positive response by individual responders

From the above table, 46-60 aged responders gave the maximum responses than others.

- **REGRESSION ANALYSIS:**

| Model | R | R Square | Adjusted R Square | Std. Error of the Estimate | Change Statistics | | |
|-------|-------------------|----------|-------------------|----------------------------|-------------------|----------|-----|
| | | | | | R Square Change | F Change | df1 |
| 1 | .855 ^a | .731 | .509 | .6600 | .731 | 3.295 | 14 |

Model Summary

| Model | Change Statistics | |
|-------|-------------------|---------------|
| | df2 | Sig. F Change |
| 1 | 17 | .011 |

ANOVA^a

| Model | Sum of Squares | df | Mean Square | F | Sig. |
|--------------|----------------|----|-------------|-------|-------------------|
| 1 Regression | 20.095 | 14 | 1.435 | 3.295 | .011 ^b |
| Residual | 7.399 | 17 | .436 | | |
| Total | 27.500 | 31 | | | |

a. Dependent Variable: Do you enthusiastically look for information on a company's ethical and sustainable practices?

Table I: Regression Analysis and its ANOVA Table

From the above table, the R square value i.e. 0.731 which evidently reveals the dataset's nature (here strong dependencies among the variables). However, the significant level is not satisfied because its value i.e. 0.011 is not less than 0.005. The coefficient table is as follows:

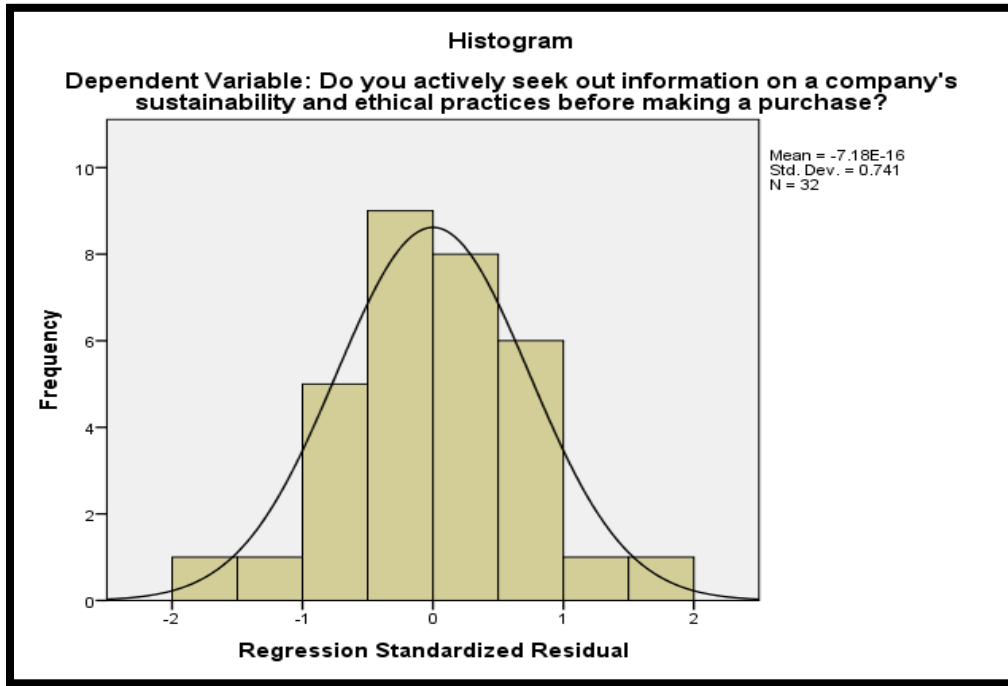


Figure XIX: Histogram analysis of the dependent variable

From the above Figure **XIX**, it can be depicted that the dependent variable is normally distributed.

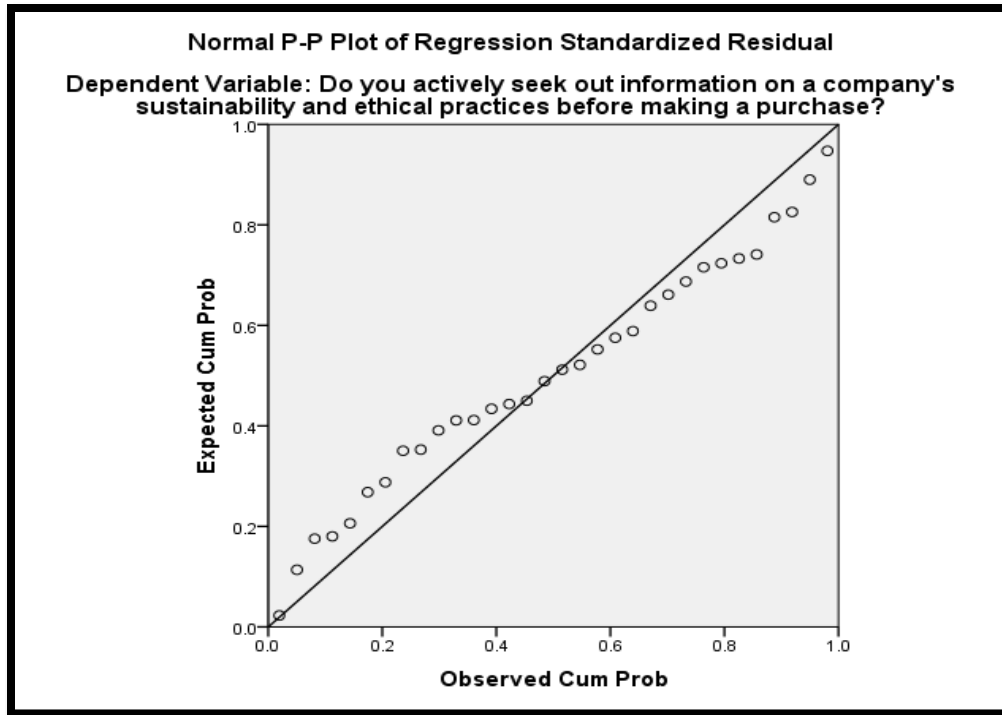


Figure XX: P-P plot analysis of the dependent variable

From the above figure XX, it can be depicted that the dots between the probable probability and discerned cumulative probability are proximate to the straight line. This suggests the prediction rate is not more scattered.

REGRESSION ANALYSIS:

Reliability Statistics

| | | |
|------------------|--|------------|
| Cronbach's Alpha | Cronbach's Alpha Based on Standardized Items | N of Items |
| 0.733 | 0.752 | 15 |

Table II: Cronbach's Alpha Test

As depicted in Table II above, reliability analysis shows the data consistencies. Here the data consistency is reliable because Cronbach's alpha value is about 0.733.

| Dependent variable | Independent variables | Correlation |
|--|---|--------------------|
| Do you actively seek out data on a company's sustainability and ethical practices before making a purchase? | In your opinion, how well does company communicate sustainability efforts through marketing campaigns? | negative |
| | Do you believe that company should be transparent about the challenges they face in implementing sustainable and ethical practices? | positive |

Table III: Correlation Type between Dependent variable and independent variables

From above table III, it can be concluded that a company's sustainability and ethical practices before making a purchase negatively correlate with companies communicating their sustainability efforts through marketing campaigns and positively correlate with companies being transparent about the challenges they face in implementing sustainable and ethical practices. The study shows

that environmental ethics could provide useful insight and a set of practical conceptual tools for the development of sustainable marketing theory. The roles, rights, and responsibilities of various market actors are the subject of ethical and social value discussions and debates that contribute to sustainability thinking and debate in non-governmental organizations, the public sector, the private sector, and industry.

CONCLUSION:

Sustainability and ethical considerations have grown in importance in today's business operations. Companies consider their strategies through sustainability and ethical marketing. Through the adoption of sustainable and ethical practices, companies can build trust, enhance their reputation, and pay attention to socially conscious customers. For businesses, sustainability and ethical marketing are becoming progressively significant. Effective marketing improves the firm's profits and its stakeholders' wealth. It can aid firms provide goods and services that better meet customer needs and wants. Sustainability marketing strategy aims to gain a competitive advantage by presenting a desirable, different, and defensible position. However, designing such strategies is challenging due to issues like resource conservation and consumption. Balancing these principles requires formulating strategies that ensure profits can still be earned despite reduced environmental and societal impact. Problems and solutions are interconnected, as they can lead to new problems arising from profitable solutions. Sustainability marketing strategies help companies gain a competitive advantage, save costs, and innovate. Companies must become truly sustainable to stay in the market and stay competitive. Companies can use sustainability as a marketing strategy when it integrates into their operations. Since the importance of sustainability issues has already been established, businesses should give them top priority.

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