

Chapter 19

Green Marketing, Green Management, and Sustainability

Ayansola Olatunji Ayandibu

 <https://orcid.org/0000-0001-5870-2388>

University of Zululand, South Africa

Khalida Akbar

Durban University of Technology, South Africa

ABSTRACT

Green branding marketing techniques have become a popular area of research; however, the use of ‘green’ terms confuses both businesses and customers. This has resulted in consumers becoming more suspicious about the validity of green marketing and green management practices. The objective of this chapter is to outline the concepts of green marketing and green management in detail to clearly demonstrate how they can effectively achieve their aims of ensuring environmental sustainability. An analysis of current extant literature will be explored, and successful green approaches will be used to develop a theoretical framework for green marketing, green management, and sustainability to foster a more climatic conditions-sustainable economy. The literature in this chapter indicated the need for understanding the impact of green marketing and green management on the sustainability of the financial services sector in order to provide recommendations that can direct funding more effectively towards climate-resilient activities and a more climatic conditions-sustainable economy.

INTRODUCTION

Global warming and climate change form the backdrop of the debates surrounding green management practices and green marketing aimed at creating more sustainable sectors in the worlds’ economies (Akanwa & Joe-Ikechebelu, 2019). Green can be defined as “the design, commercialisation, and use of processes and products that are feasible and economical while reducing the generation of pollution at the source; and minimizing the risk to human health and the environment” (Dwyer, 2009:1200). This

DOI: 10.4018/978-1-7998-7967-1.ch019

poses a key question on “how to integrate environmental decision making into business with profitable results?” (Lee, 2009:1100).

The idea of green marketing applies to this issue since it contributes to fulfilling customers’ wants and preferences while ensuring the least possible effect on the climate (Ranjan, 2020). In light of this, the key aim of green marketing and green management strategies is to ensure environmental sustainability; however, the concept of greenwashing blurs the lines for the consumer and companies (Lee, 2014). Greenwashing refers to positive communication about environmental performance despite poor environmental performance (Ranjan, 2020; Lyon & Montgomery, 2015) and is a typical example of organizational hypocrisy.

A study by Higgins, Tang and Stubbs (2020) in the Australian financial services sector found that in addition to reducing duplicity, transparency in sustainability reporting will increase the commitment to competing requirements of businesses. Their analysis has discovered that, amid its shortcomings, sustainability reporting offers insights into the existence, effects, and repercussions of corporate hypocrisy in the financial services industry (Higgins et al, 2020). In a similar vein, a study by Abdelzaher, Martynov and Zaher (2020) discovered that research and development (R&D) expenses as a proportion of GDP (innovation input), trade transparency, and regulatory efficiency minimize a country’s susceptibility to climate change. As a consequence, successful and consistent green management and green marketing practices that remain committed to their goals would ultimately contribute to the end objective of achieving environmental protection.

GREEN MARKETING IN THE FINANCIAL SERVICES SECTOR

According to Ranjan (2020), the concept of green marketing is interpreted differently by customers and marketers. Nogueira (2020) suggests that from the perspective of companies in the financial services sector, green marketing is concerned with marketing to green products and positioning them as green brands. From the academic point of view, the concept of green marketing has a specific meaning; however, companies in the financial services sector might have a very different perspective on green marketing; because satisfying customers is not enough, marketers should take into account ecological interests of the society as a whole. It is within this context, that this section will compare the conventional marketing mix to the green marketing equivalent to derive insights and provide a deeper understanding to demystify any misconceptions.

Green Marketing Mix

The traditional marketing mix consists of strategies relating to product, price, place and promotion; but on the other hand, green marketing strategies should consider the following: Customer participation in the process (product development and communication), transparency (for customers to trust in the validity of marketed attributes), ecological promise (added benefit for the products), and price consideration, whereby the company must make sure that the consumer is willing to pay more for the ecological attributes of the products (Nogueira, 2020).

Traditional product implies all the components that are required for services to generate value for consumers (Dastak & Aligholi, 2014). Green products, on the other hand, help both customers and the natural world, and the green quality of the packaging is an important component of the commodity

13 more pages are available in the full version of this document, which may be purchased using the "Add to Cart" button on the publisher's webpage:

www.igi-global.com/chapter/green-marketing-green-management-and-sustainability/280974

Related Content

Approaches on Physical Education Management and Sports Lessons

Finichiu Marin (2018). *International Journal of Sustainable Economies Management* (pp. 16-28).

www.irma-international.org/article/approaches-on-physical-education-management-and-sports-lessons/214007

Positions of Mobile Phone Brands on University Students' Mind

Tamer Baran (2016). *International Journal of Sustainable Economies Management* (pp. 18-28).

www.irma-international.org/article/positions-of-mobile-phone-brands-on-university-students-mind/161629

Did COVID-19 Support Sustainable Marketing?: Modelling the Enablers of E-Commerce – Online Shopping in the Pandemic

Meenakshi Sharma and Pramod Kumar Painuly (2023). *Sustainable Marketing, Branding, and Reputation Management: Strategies for a Greener Future* (pp. 522-537).

www.irma-international.org/chapter/did-covid-19-support-sustainable-marketing/330816

Public-Private Partnership Model for Supporting Traditional Producers

Ioana Claudia Todirica, Anca Marina Dinu and Henriette Cristiana Calin (2019). *Agrifood Economics and Sustainable Development in Contemporary Society* (pp. 227-245).

www.irma-international.org/chapter/public-private-partnership-model-for-supporting-traditional-producers/210024

Meat Production and Consumption: An Ethical Educational Approach

Paula Brügger, Dora Marinova and Talia Raphaely (2016). *Impact of Meat Consumption on Health and Environmental Sustainability* (pp. 295-311).

www.irma-international.org/chapter/meat-production-and-consumption/139634