

Sustainable Commerce Practices: Green Marketing and Ethical Consumerism

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Abstract

Consumers are moving towards eco-friendly goods as a result of growing environmental consciousness worldwide, which makes green marketing a crucial component of modern corporate strategy. This research article reviews the various literature's study of Green Marketing and Ethical Consumerism. The chapter concludes that green marketing has become essential for businesses, offering environmental and economic benefits while enhancing public perception. To appeal to ethical customers and government agencies, businesses are incorporating sustainable practices including waste minimisation, energy efficiency, and environmentally friendly products. Digital marketing plays a key role in promoting green products, as the interest among people using green products increased post-COVID-19. Ethical consumerism, driven by transparency and accountability, influences purchasing behaviour. Third-party certifications strengthen consumer trust, while green strategies encourage sustainable consumption. Businesses must align with ethical values to foster brand loyalty. Addressing global environmental challenges, green marketing remains crucial in shaping responsible consumer behavior and long-term business success.

Keywords; Green marketing, Ethical consumerism, Environmental issues, Digital marketing, Consumer behavior, Business success, Sustainable Commerce, etc.

1 Introduction

In a world where environmental concerns are the most important, sustainable commerce aims to reduce the negative consequences of trade on the environment and society. The whole lifecycle of a product or

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service, from production to disposal, is considered in this all-encompassing approach, which minimizes waste, preserves resources, and promotes social responsibility. Eco-friendly packaging, waste reduction, ethical labour practices, and responsible procurement are just a few of the strategies that make up company sustainability [1]. By concentrating on these methods, businesses may drastically lower their environmental impact and help create a more sustainable future. And in this age of globalization, protecting our natural environment is as vital as keeping our customers and clients. Consumers are aware of the escalation of environmental issues such as land degradation, ozone layer depletion, acid rain, and global warming [2]. As a consequence, consumers' worries about environmentally friendly items for the restoration of ecological balance grew. Consequently, environmentalism is seen as an essential element. As consumers' sensitivity to natural products increases, businesses are beginning to modify their own behaviours and attitudes to address the concerns of the market. In certain ways, this has affected the marketing. Therefore, green marketing refers to the promotion of services and products with an emphasis on the environment. Often referred to as "green marketing," this all-encompassing idea integrates environmentally friendly practices into all facets of product and service design, production, marketing, and sales [3].

A. Green marketing

The promotion of products deemed environmentally safe is known as "green marketing." It covers a wide variety of actions, such as altering advertising, making adjustments to the manufacturing process, changing the product, and using sustainable packaging. But it's not easy to define green marketing. Other phrases that are used similarly include ecological marketing and environmental marketing [4]. "Green, environmental, and eco-marketing" are instances of innovative marketing methods that seek to challenge conventional notions and provide a radically different perspective, in addition to refocusing, altering, or refining existing marketing processes and concepts. More precisely, the collection of tactics known as eco-, green-, and environmental marketing aims to address the discrepancy between the ecological and social reality of "the marketing environment and marketing" as it is now practiced [5], [6].

B. Ethical consumerism

Several terms, such as "ethical consuming, ethical buying, moral purchasing, ethical sourcing, or ethical shopping", are used to describe this kind of consumer activism, which is based on the concept of dollar voting. It is also linked to sustainable and green consumerism. People put it into reality by purchasing things that are manufactured ethically, support local craftsmen or small-scale manufacturers, and safeguard the environment and animals [7]. They also boycott products that harm the environment, use child labor, or involve animal testing. The word "ethical consumer," which is now used broadly, was first introduced in 1989 by the UK magazine Ethical Consumer. Motivated by the criteria-based approach of the then-emerging ethical investment movement, Ethical Consumer magazine made a significant contribution by creating ratings tables [8]. Beginning in 2005, Ethical Consumer's rating tables assigned poor ratings (and total scores) to companies in a number of ethical and environmental areas, such as human rights, animal rights, pollution and toxics, and more. This gave consumers the power to make morally sound purchasing decisions and gave activists trustworthy data on business practices. Consumer

data and business-to-business CSR and sustainability ratings, such as those provided by Innovest, increasingly often use standards-based environmental and ethical evaluations [9], [10].

C. Challenges in adopting green marketing strategies

There are numerous obstacles that Indian companies encounter when attempting to adopt and implement green marketing strategies. Economic, regulatory, and cultural factors are the primary categories into which these challenges can be classified [11].

- **Higher costs:** Because eco-friendly items are made using cleaner technology, sustainable materials, and smaller production sizes, they are often more expensive to develop and produce.
- **Limited access to green technologies:** The newest green technology are difficult for many Indian businesses, especially small and medium-sized businesses (SMEs), to get and afford.
- **Lack of clear and consistent regulations:** Businesses face uncertainty due to India's often changing and ambiguous regulatory framework for green practices and goods.
- **Inadequate enforcement:** Businesses may be discouraged from investing in compliance due to the inconsistent or absent enforcement of environmental regulations, even when they are present.
- **Limited incentives:** It may be challenging for businesses to defend the extra expenses related to green marketing when there aren't any significant government incentives for green efforts, such tax cuts or subsidies.
- **Low environmental awareness:** Even with increased concern, Indian consumers' general level of environmental knowledge is still low, especially in rural regions.
- **Resistance to change:** Introducing new, environmentally friendly alternatives might be difficult due to traditional consumption patterns and a preference for well-known brands.
- **Diverse market:** It is challenging to use a one-size-fits-all green marketing approach in India due to the country's enormous and diversified market, which has notable differences in economic levels, educational attainment, and cultural customs.

D. Challenges for ethical consumerism

The absence of adequate labeling and the availability of substitutes in the market are characteristics of many consumer concern areas. Many eager environmental customers were found to be unable to locate "neither the products nor the accurate information to guide their behavior," according to the National Consumer Council (NCC) [12]. Customers lacked the knowledge necessary to make an educated choice on the social and environmental practices of the firm. Because there isn't a perfect alternative that aligns with their ideals, would-be ethical shoppers are compelled to make decisions based on incomplete information [13]. Given that consumption tends to contribute to un sustainability, the idea that an ethical consumer may successfully aid in guiding society toward sustainability is naturally called into doubt. Furthermore, these techniques may often be deceptive; occasionally, they might generate new problems while resolving existing ones related to sustainability [14]. Unbeknownst to them, customers may be misled by eco-labels' absence of a comprehensive systems approach to sustainability. A preliminary

analysis of contemporary ethical consumption trends from the standpoint of strategic sustainable development revealed both their advantages and disadvantages [15], [16].

2 Literature Review

(Kumar, 2024) [17] This essay aims to comprehend the reasons behind, actions taken by, and consequences of ethical consumption for companies in a range of sectors. It lists the goals of the research, which include analyzing the reasons for ethical consumption, looking at how information affects consumer behavior, and determining how it affects companies. The results show a variety of motives, such as self-interest and altruism that drive ethical consumption. Ethical factors are a major factor in consumers' decision-making as they look for items that reflect their beliefs. To sum up, this study advances knowledge of ethical consumption and its effects on companies. It helps firms interact with ethically conscientious customers in an efficient manner by identifying their motives, actions, and effects. Businesses must put ethics, accountability, and transparency first if they want to fulfill the changing needs of this expanding market sector.

(Rawat & Pande, 2024)[11] Examining the concept's development, strategic importance, and the challenges faced by enterprises in this space, this critical study aims to provide light on the green marketing environment in India. The findings highlight the fact that environmental goals are advanced and company competitiveness is enhanced via the use of green marketing strategies. The paper concludes that the resolution of contemporary ecological challenges can be substantially influenced by every incremental effort toward environmental sustainability. Therefore, the integration of green marketing strategies is a logical and essential step for organizations that seek to attain societal benefits and long-term sustainability. In order to cultivate a more sustainable future for both present and future generations, it is imperative to promote green marketing, which is bolstered by governmental incentives.

(Nassani et al., 2023) [18] Intends to investigate how ethical consumption is impacted by green environmental measures directly as well as how green marketing influences ethical consumption indirectly and acts as a mediator between the two. Furthermore, this study indicates that psychological factors moderate the association among GES and ethical consumption. The results validate that ethical consumerism and green environmental approach are positively correlated. According to the results,

Green marketing is a combination of ethical consumerism and green environmental strategy. This research contributes to the body of knowledge by highlighting the critical role that psychological variables play in enhancing green environmental initiatives and helping members create ethical consumption habits that will enhance ethical consumption among tourist organizations.

(Kailash et al., 2023) [19] Our goal is to provide a thorough understanding of how ethical issues impact consumer behaviour and to show how companies may profitably target this growing market niche. Consumer preferences and purchasing behaviors are increasingly influenced by ethical considerations, as evidenced by the compelling findings of the research paper. The essay outlines many successful marketing techniques that companies may employ to appeal to and engage the conscientious customer,

including cause-related advertising, open communication in the supply chain, environmentally friendly packaging, and moral storytelling.

(Alkhatib et al., 2023) [20] Take care of digital and green marketing. Tracking the development of the field's study and comprehending the patterns that have been studied in that discipline throughout time are the goals. Within the research field, the five primary topics or categories identified by this study are strategies, difficulties, promotion, consumers, and digital media. In addition to offering practitioners and academics insightful information, these themes also help the general public by educating people about decision-making and encouraging sustainability in digital and green marketing.

(Tomşa et al., 2021) [21] Analyse the impact of sustainable practices on customers' aspirations to behave ethically in the context of politics, society, and the environment. In order to provide an alternate explanation for ethical consumer behaviour, enlightening data may be offered. Three antecedents have been shown to have a major and positive impact on the choice to act as an ethical consumer: the environmental, social, and economic components of sustainable consumption. Businesses who want to actively contact environmentally concerned consumers in this circumstance need to understand how challenging it is for them to make choices.

(Mokha, 2017)[22] The practice of green marketing involves the promotion of products and services that are perceived to be environmentally friendly. The use of eco-friendly items by consumers of various ages and educational backgrounds is examined in this article. In addition to finding a statistical difference among the educational backgrounds of high school students and professionals, this study reveals that younger generations are more likely than middle-aged or older generations to utilize eco-friendly items. This means that people of all ages and educational backgrounds need to be more conscious of eco-friendly goods.

(Medhi, 2015) [23] As a result, green marketing emerged, signifying the growing demand for products and services that are socially and ecologically responsible. Addressing ethical dilemmas and practices is the focus of the Green Marketing idea. A contemporary company must take ethical marketing concerns into account. In order to keep the firm running smoothly, marketing is the foundation of all other operations. Therefore, examining how different organizations use ethics in the marketing field is crucial. Identifying the Green Marketing strategies used by different firms and the advantages they provide is the goal of this research report.

3 Conclusion

In today's competitive business landscape, green marketing has evolved from an option to a necessity, enabling organizations to enhance their public image while contributing to environmental sustainability. By incorporating eco-friendly practices like energy saving, trash reduction, and sustainable material usage, companies may reduce their environmental impact and win over environmentally sensitive customers and authorities. The increasing awareness of climate change has fueled consumer preference for brands committed to sustainability and corporate social responsibility. Moreover, digital marketing has emerged as a crucial tool in promoting green products, particularly in the post-pandemic era, where

interest in sustainability has surged. Ethical consumerism, driven by access to information, transparency, and accountability, has reshaped consumer behaviour, compelling businesses to align their values with those of conscientious buyers. The study underscores the importance of third-party certifications in building consumer trust and highlights the psychological factors influencing ethical consumption. As firms increasingly adopt green environmental strategies to address global challenges like pollution and resource depletion, ethical and sustainable business practices will remain central to fostering brand loyalty and long-term success.

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