

Sustainable Marketing Transformation – COVID-19 and Beyond – Results from Mixed Method Research

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Abstract

Sustainable marketing is the marketing relationship that aims to build sustainable, long-term thinking, and future relations with the social and natural environment and this philosophy enables all three dimensions of sustainability to be supported. The purpose of this paper is to concentrate on sustainable practices and an overview of the research discussion as well as the present investigation. The demand for sustainable promotion and constant innovation are improvements for sustainable products, the development and use of customized communication, a multi-channel distribution system and the sale of sustainable products and services at fair prices as marketing solutions are contributing to sustainable development. This study develops an understanding of the factors affecting people's behavior in sustainable marketing (SM) due to COVID-19 marketing transformation. The working methodology is based on the definition of the core theory, the selection of solutions, methods, and strategies, and the description of times that move research logic to research-generation – the gathering and analysis of crucial data. This research effort is based on the data collection of quantitative and qualitative analyses performed by interviews with different respondents and manufacturers located across the country.

Keywords: Sustainable Marketing Transformation, COVID-19, Triple bottom line

1. Introduction

“Sustainable marketing entails creating and supporting goods and services that meet the needs of consumers and business users while responsibly using Society’s nature and cultural capital to ensure a better quality of life now and for future generations. The aim of this paper is to help readers understand what sustainable marketing is and how consumers and brands are affected during COVID situation. Sustainable marketing is helping in becoming more environmentally friendly, economically and socially aware promoting the substance (Orindaru et al., 2021).”

The key drivers for sustainable marketing are the following:

1. Consumers are preferring more socially responsible products and actions that concern the environment.
2. Large organizations are calling for environmental measures from their suppliers to achieve competitive advantage and client loyalty in a developing market for sustainable goods and services.
3. The cost of natural resources has been increased so Sustainable products and practices are being encouraged

2. Literature Review

2.1. Sustainability: Triple bottom line Approach

This study introduces the application of the triple bottom line as the notion of sustainable development (Elkington, 1994). Crossroads between social, environmental, and financial results are the triple bottom line. Financial or social projects cannot be implemented in vacuum for an organization to achieve prosperity. Supply chain managers should connect economic, social, and financial concerns to maintain sustainability.



FIGURE 1. Sustainability - triple bottom line. (Source: Carter & Roger, 2008 in Shafie et.al, 2021).

Business success can no longer be assessed exclusively on financial results, because other variables are essential for long-term success. Such theories focus on the assumption

that companies might have a stronger possibility of long-term performance managed using triple bottom line results.”

2.2. Consumer Buying Behavior

Consumer behavior refers to the study of persons, groups, and organizations, all the actions related to the acquisition, utilization, and disposal of products and services, and how the emotions, positions, and preferences of consumers influence purchasing behavior. In the last two decades, almost every company has made a major attempt to adjust its plans to the adverse consequences of global warming on the planet. Companies recognize that consumer awareness of environmental issues and importance of digital marketing is increasing. As a result, they would be willing to pay a premium for ethically produced sustainable products.

2.3. The Concept of Sustainable Consumer Behavior during COVID-19

Research focusing on consumer subjectivity and post-modern culture was particularly true. Research on the immediate effect on consumption and consumer behavior of the COVID-19 pandemic shows a number of behavioral developments, including storing and hosting, improvisation, postponing acquisitions, digital technology and home supply integrations, blurring working and family borders, virtual reunions with friends, discovery of talent, and do-it-yourself projects. An international report of sustainability produced by highlights which affirm that 73% of consumers are willing to pay more for organic products. Sales of sustainable products increased faster than conventional equivalents for more than 90% of the consumer-packaged goods on the market (Alexa et. al, 2021).

2.4. Market Sustainability and Overview

Following the declaration of the COVID-19 pandemic by the World Health Organization (WHO) on 11 March 2020, practically every nation was locked. In addition, during the lockdowns, special attention was paid by local and sustainable firms to boost the sustainability interest, which in recent years has increased. Some companies take proactive steps to resolve sustainability issues, while others respond to stakeholder demands for sustainability. External stakeholders, such as regulators, investors, manufacturers, customers/consumers, rivals, and the general public/community/NGOs, are increasing their demands on businesses.

2.5. Pre and Post COVID-19 Situation

The global COVID-19 virus outbreak has revealed numerous vulnerabilities in global production and supply networks. The circular economy, it is argued, can make companies more resilient to such pandemic disruptions in the future, particularly through the development of local production and supply networks. The circular economy is also

being promoted as an environmentally responsible approach to post-pandemic economic recovery. Small-scale organizations felt that the online scenario is important but due to unavailability of technical knowledge and costing. They felt being able to establish a retail business is their primary concern for growth. Many companies felt that only having retail stores will not help the business to sustain and help to generate revenue in the long run. Small and medium scale companies adapted to appear both digitally and physically into the market (Orîndaru et al., 2021).

2.6. New Steps Adopted to Maintain Sustainability Marketing

Companies can play an important role in achieving sustainability by planning and implementing appropriate strategies and functions. Report on the success of these plans and the achievement of the targets should be completely transparent. Growing number of businesses have realized that adopting long-term business plans yields better outcomes and opens up new possibilities. It is critical to ensure that all business aspects, including product life cycle management, operations, information, and technology, are effective enough to protect the environment.

2.7. Statement of the Problem

It is with this background that the study aims to know the responses from the consumers for the environmental sustainability and the scope for marketers to use digital marketing to achieve sustainability in business. Study looks into the sustainable consumer behavior during COVID and how it would be beyond the COVID period.

2.8. Objectives

- Understanding of consumer's values and buying behavior related to sustainability
- To investigate the willingness of the small scale businesses to adopt digital marketing as a means of adopting sustainable business practices
- To critically examine the commitment of the small scale businesses towards eco-friendliness of the products they market during pre and post COVID phase.

2.9. Limitations of the Study

- The consumer behavior during COVID period may not be applicable to the other time periods
- The sample selected is small, it may result in sampling error.
- The results of the study may not be generalized to the other businesses

3. Hypotheses for the Study

Hypothesis 1:

Ho: There is no association between the occupation and the opinion on is there a decrease in employment post COVID-19.

H1: there is an association between the occupation and the opinion on is there a decrease in employment post COVID-19.

Hypothesis 2:

Ho: there is no association between the preferences for online purchase and reduction in the use of certain products during COVID period

H1: there is an association between the preferences for online purchase and reduction in the use of certain products during COVID period.

Hypothesis 3:

Ho: There is no significant differences between respondents who search for eco-friendly products and those who have eco-friendly products as a parameter for product purchase, given that the other parameters being product features, attractive promotional campaign, and durability of the products.

H1: There is a significant difference between respondents who search for eco-friendly products and those who have eco-friendly products as a parameter for product purchase, given that the other parameters being product features, attractive promotional campaign, and durability of the products.

4. Methodology

4.1. Research Philosophy

Research philosophy explains in detail how the research technique is performed through the research process. Qualitative work thus explores the perception and understanding of persons of their social environment. Both interpretivism and positivism were chosen by researchers.

4.2. Research Design

For the purpose of the study, a mixed method research design was adopted.

Part I: A survey was taken among the appropriate respondents and open-ended questions/semi structured questions were put to the manufacturers/suppliers or those who were in the supply chain.

Part II of the study was taken by a survey method. A total of 166 respondents were taken on as a sample based on convenience sampling method. The sampling frame was students

and working people. The study assumed 90% confidence level and equal responses from all the respondents and an error of 6% of the true value (Kothari, 2009), (Lisa, n.d.). About 23 samples were rejected for want of insufficient information.

4.3. Primary Data and Secondary Data

Primary data collection was conducted through interviews. Structured, semi-organized, or unstructured interviews may be available. The survey covers a series of questions with a broad range of questions.

For Part I of the study: Four standard sets of questionnaires with open ended questions have been asked through telephonic interviews and Google forms to four small scale business enterprises. Most of the questions asked to them revolved around sustainable marketing practices. The questionnaire consisted of manufacturing of the product right from the scratch to delivering the product to the customers at the right time.

For Part II of the study: A structured undisguised questionnaire was used to gather the primary data. Likert scale of 5,4,3,2,1 was used for the purpose of some questions for the parameters – strongly agree, agree, neutral, disagree, and strongly disagree. For one question, reverse coding in the Likert scale was used.

Quantitative (numerical) statistics have been provided here by asking seven questions for 166 participants. Students, managers, engineers, digital marketers, business analysts, and research scientists were all involved.

4.4. Secondary Data

The relevant journals, reports on research designs, books, and articles pertaining to sustainability were taken as a secondary data. For want of limited literature in the present study, a lot of the analysis was deducted from the primary data.

4.5. Data Analysis

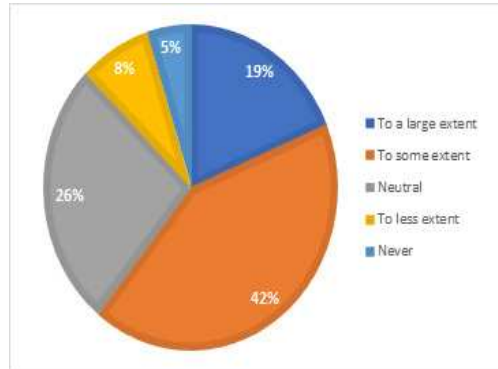
For Part I of the study a deductive thematic analysis was performed. Thematic analysis offers a mechanism of coding and analyzing qualitative data systematically, which can be linked to broader theoretical and conceptual issues. Two types are prevalent: inductive thematic analysis and deductive thematic analysis. In inductive thematic analysis, the data coding and analysis stems from what is in the data while deductive data coding, the researcher brings the concepts that he/she wishes to code (Braun & Clarke, 2012). Four themes originated from the responses and were coded accordingly. The number of responses from the businessmen was mapped to the respective themes and sub-themes.

MaxQDA version 20.4.0 was used to visual representation of the qualitative data.

For Part II of the study: data was tabulated and expressed as charts. The chi-square test and ANOVA test were deployed. SPSS version 28 was used for analysis.

5. Results - Quantitative Analysis

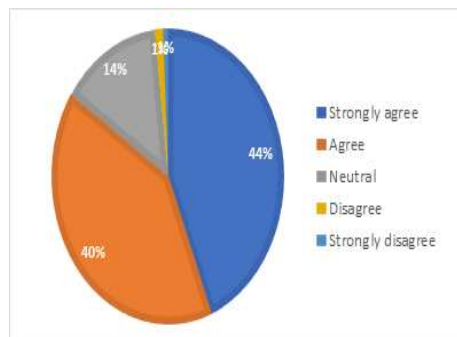
FIGURE 2. Search for the eco-friendly products during COVID.



Analysis:

Out of 166 respondents, 42% of the people who opted for the option to some extent, i.e., 70 people look for eco-friendliness.

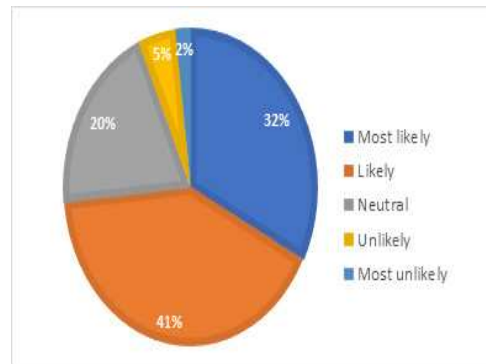
FIGURE 3. Opinion on decrease in employment as a result of COVID.



Analysis:

Out of 166 respondents, almost 44% of the people strongly agreed that there is a decrease in the level of income/salary, which indicates that people's preferences of brand have also changed due to it and people started to look at products which are providing more value for money. This sector of people are mainly employees of private companies and small sector workers across the country.

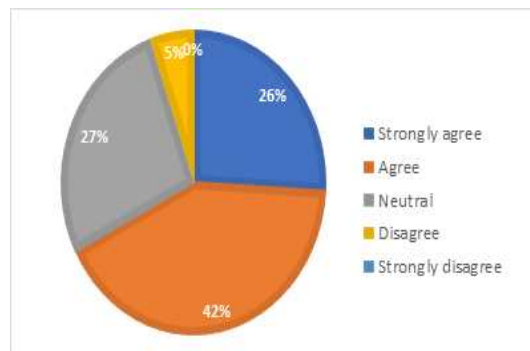
FIGURE 4. Likelihood of shifting to other product due to value for money/any other offer.



Analysis:

Out of 166 respondents, almost 41% of the people, i.e., 68 people opined that they are likely to look for value in product as they directly compare the ratio of price: benefits of the product. A very marginal 2% of those surveyed were least likely to shift to the other products for value for money.

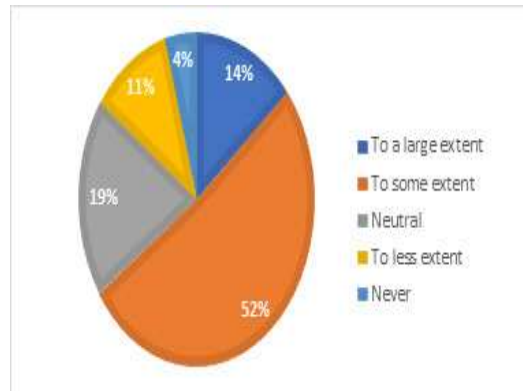
FIGURE 5. Opinion on safety of online purchase of products during COVID.



Analysis:

With the pandemic, shoppers have clearly shifted their expenditure on the web. Out of 166 respondents, 52% of the people felt safe to purchase the product online. This is a clear indication that in order to sustain the business in the pandemic, each and every organization should use the digital platform effectively to reach out more potential customers across the globe in order to deliver their product/services.

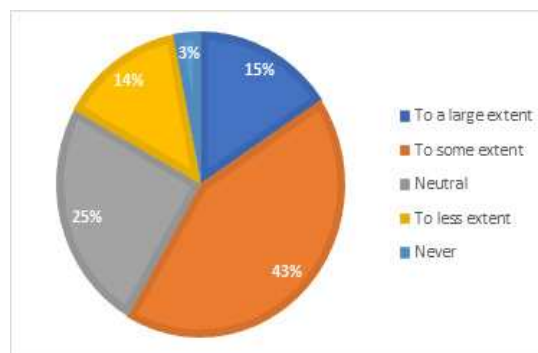
FIGURE 6. Opinion on reduction in the use of products during COVID.



Analysis:

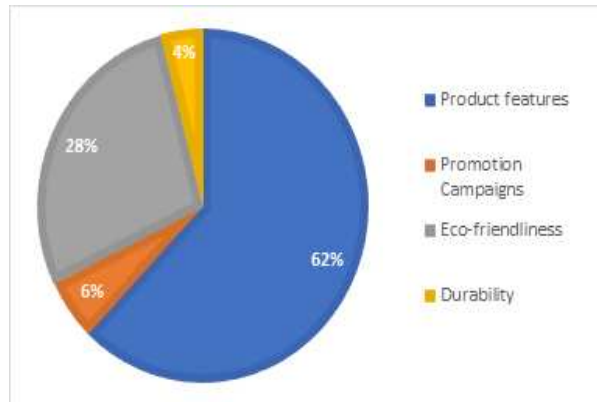
Out of 166 respondents, 43%, i.e., 71 of the respondents had to cut down a use of a particular commodity. This clearly indicates for the product to sustain in the market, it should provide excellent value and connect well with the consumers and if possible, reduce the profit margin and provide discounts, so that the product becomes irreplaceable.

FIGURE 7. Extent of recycling and disposal of goods.



Analysis:

Out of 166 responses, 43%, i.e., 71 responses were that they are willing to recycle the product and dispose the goods properly. This shows people are much more concerned about the environment and thus they prefer eco-friendly products.

FIGURE 8. Factors influencing the product purchase decision.**Analysis:**

Out of 166 respondents, 122 people (62%) look out for product features. Secondly a quite lesser percentage of about 28% of the people preferred eco-friendliness of the product. Thus, product features assumed significance and eco-friendliness was the second priority.

Hypothesis 1:

Ho: There is no association between the occupation and the opinion on is there a decrease in employment post COVID-19.

H1: there is an association between the occupation and the opinion on is there a decrease in employment post COVID-19.

TABLE 1. Chi-square test 1.

| Chi-square tests | | | |
|------------------------------|--------------------|----|-----------------------------------|
| | Value | df | Asymptotic significance (2-sided) |
| Pearson chi-square | 5.636 ^a | 8 | .688 |
| Likelihood ratio | 6.856 | 8 | .552 |
| Linear-by-linear association | .212 | 1 | .645 |
| N of valid cases | 166 | | |

a. 9 Cells (60.0%) have expected count less than 5. The minimum expected count is .01.

The value of chi-square with 8 d.f. at 5% l.o.s is 5.636, $p = 0.688$, we do not reject the null hypothesis, there is no association between occupation and the opinion on the decrease of employment post COVID-19.

Hypothesis 2:

Ho: there is no association between the preferences for online purchase and reduction in the use of certain products during COVID period

H1: there is an association between the preferences for online purchase and reduction in the use of certain products during COVID period.

TABLE 2. Chi-square test 2.

| Chi-square tests | | | |
|------------------------------|---------------------|----|-----------------------------------|
| | Value | df | Asymptotic significance (2-sided) |
| Pearson chi-square | 23.974 ^a | 12 | .021 |
| Likelihood ratio | 26.126 | 12 | .010 |
| Linear-by-linear association | .954 | 1 | .329 |
| N of valid cases | 166 | | |

a. 9 Cells (45.0%) have expected count less than 5. The minimum expected count is .38.

The value chi-square with 12 d.f. at 5% l.o.s is 23.974, $p = 0.021$, we reject the null hypothesis, there is an association between the intention to purchase online and the reduction of use of certain products in the COVID period

Hypothesis 3:

Ho: There is no significant differences between respondents who search for eco-friendly products and those who have eco-friendly products as a parameter for product purchase, given that the other parameters being product features, attractive promotional campaign, and durability of the products.

H1: There is a significant difference between respondents who search for eco-friendly products and those who have eco-friendly products as a parameter for product purchase, given that the other parameters are product features, attractive promotional campaign, and durability of products.

TABLE 3. ANOVA table.

| ANOVA | | | | | |
|-------------------------------|----------------|-----|-------------|-------|------|
| Choice of product ecofriendly | | | | | |
| | Sum of Squares | df | Mean Square | F | Sig. |
| Between Groups | 2.398 | 4 | .600 | 2.931 | .023 |
| Within Groups | 32.933 | 161 | .205 | | |
| Total | 35.331 | 165 | | | |

There is a statistically significant difference between the choice of eco-friendly products as one of the product parameters while buying and the search for ecofriendly products as shown by one-way ANOVA with $F(4,161) = 2.931$, $p = 0.023$. It concludes that there is difference between the respondents who opined on the search for eco-friendly products and the purchase of eco-friendly products.

6. Results - Qualitative Analysis

Theme 1: Did you take up digital marketing during COVID period to get business/orders? The following were the sub-themes:

| Sub theme | Frequency of the responses |
|---|----------------------------|
| Adopting digital marketing | 4 |
| Online platforms like Swiggy/Zomato | 1 |
| Websites like Flipkart, Shopify, Myntra | 3 |

Theme 2: How difficult is it to get raw materials from the supplier in pre and post COVID?
The following were the sub-themes:

| Sub theme | Frequency of the responses |
|--|----------------------------|
| Stock of raw materials/inventory piling up | 2 |
| Transportation/ government regulations | 2 |
| Funds for the inventory | 1 |

Theme 3: Does the sustainability of the product increase the quality?
The following were the sub themes:

| Sub theme | Frequency of the responses |
|----------------------------|----------------------------|
| Power cuts | 1 |
| High quality raw materials | 1 |
| Goodwill | 1 |
| Value for money products | 1 |

Theme 4: Do you believe that Sustainable marketing helps to improve a company's reputation among customers?
The following were the sub-themes:

| Sub theme | Frequency of the responses |
|--|----------------------------|
| Long term marketing /Sustainability | 3 |
| Environmentally friendly products and energy sources | 1 |
| Is beneficial | 1 |

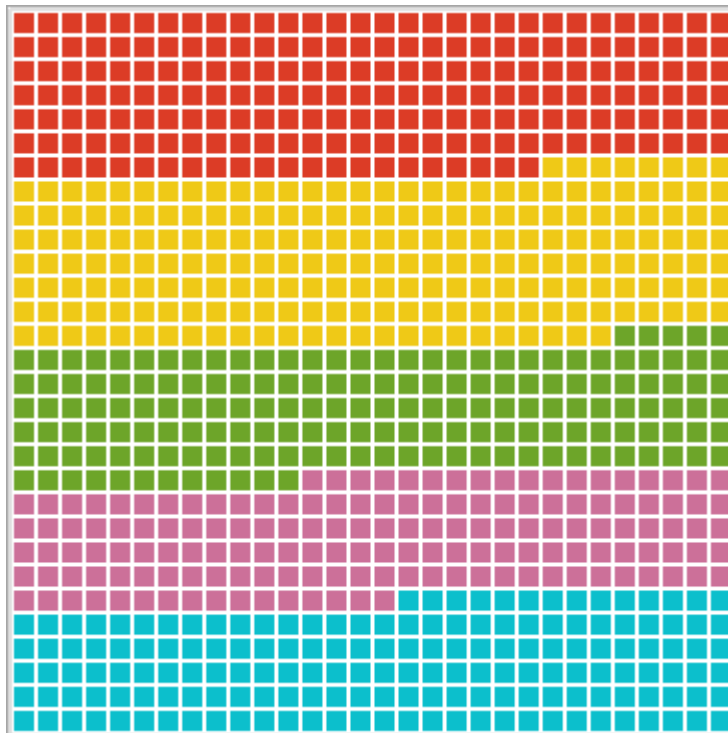
Theme 5: By adopting sustainability is there any substantial growth in your company's revenue?
The following were the sub themes:

| Sub theme | Frequency of the responses |
|--|----------------------------|
| Yes, more potential clients acquired | 3 |
| Rivals/competitors | 1 |
| Takeaway products/ eco-friendly packages/jute bags/ recyclable cloth | 2 |

TABLE 5. Code coverage in MaxQDA.

| S. No | Code | Code coverage (%) |
|-------|--|-------------------|
| 1. | Did you take up digital marketing during COVID period to get business/orders? | 22% |
| 2. | How difficult is it to get raw materials from the supplier in pre and post COVID? | 23% |
| 3. | Does the sustainability of the product increase the quality? | 18% |
| 4. | Do you believe that sustainable marketing helps to improve a company's reputation among customers? | 17% |
| 5. | By adopting sustainability is there any substantial growth in your company's revenue? | 18% |
| | Coded Text | 99% |
| | Non-coded text | 1% |
| | Whole text (6283) | 100% |

The code coverage indicated that the theme 1 – taking up digital marketing and theme 2 – availability of raw materials during pre and post COVID-19 were coded the maximum. While the other segments were coded almost equally.

FIGURE 10. Showing the document portrait from MaxQDA.

The five themes were coded as theme 1 – red, theme 2 – yellow, theme 3 – green, theme 4 – pink, and theme 5 – sky blue. The document portrait transforms the coded segments

into points. The maximum coding is found for themes 1 and 2 while the other themes were coded almost equally.

7. Discussion

The findings of the paper are in congruence to the dimensions of the triple bottom line – firms should focus on the social and environmental impact of the business rather than just measuring the financial performance and as per research. Consumer responses showed more preference for digital marketing platforms as it has become inevitable during COVID period.

In relation to the primary data collection, it was found that respondents prefer only the basic products and owing to the pandemic, they look for the those giving good deals and products that give them value for the money. The customers look into digital marketing as an avenue for the purchase of the same. Though many customers prefer the recyclable products, the extent of search is limited given that the need for procurement of essential products is more. When it comes to search attributes, the product features assumed importance. From the qualitative study of four managers of small and medium scale industries, some managers believe that sustainable marketing helps to improve company's reputation among customers as well as product and bring more goodwill to the company, thus increasing the potential customers. In contrast to this, it has been observed that the unavailability of regular transport and the norms passed by the government made it difficult during lockdown to get the raw materials required for the industries. Manufacturers after witnessing the growth of digital marketing have opted for digital marketing platforms to sustain the business rather than facing a loss of orders during COVID. While it can be said that more small-scale businesses can resort to online marketing, there are impending factors for the same, one textile shop owner opined that the touch and feel is most important while buying clothes.

The two parts of the study indicated a high congruence in three dimensions:

1. Businesses trying to adapt to digital marketing owing to the lockdown and the customers purchasing the products online
2. Customers preferring value added products and managers trying to give value added products.
3. Customers preferring to use recyclable products and managers emphasizing the importance of giving recyclable products by giving recyclable packages.

The study indicated incongruence in the following dimension:

Eco-friendly products, though given by managers are not much preferred by customers given that features of a product are an important determinant. This is because during the pandemic, getting the product with the expected features is of utmost prominence. Eco-friendly package/product assumed a secondary importance.

8. Implications

The theoretical considerations, methodology, and research results were presented and reflected on the broad viewpoint of sustainable marketing transformation COVID-19 and beyond. Results demonstrate that the retort to digital marketing by small and medium-sized enterprises was high and quick. Sustainable marketing helps in understanding the long-term, trust-based relations to sustain. This makes sustainable marketing to act like a bridge between consumers and manufacturers.


Based on the analysis conveyed, it can be concluded that there is an implied behavior modification that is witnessed both on the part of the consumers and business owners.

8.1. Implications for Asian Business

The Asian scenario particularly affected by COVID, poses a lot of challenge for the small and medium enterprises to combat the environment. The study throws light on how the businesses can investigate sustainability and how digital marketing can be seen as a means of sustainable business. The study can be applied to the other Asian countries as well.

But what is to be noticed is whether the small and medium enterprises are willing to continue online marketing efforts, or they perceive it as a short-term implied strategy to manage the crisis of the pandemic. The study explores the application of digital technology to the supply chain and procurement of raw materials which can be taken up by small and medium scale businesses. The marketing efforts to build a long-term sustainability of the business even after the pandemic and future course of action to be taken by the small and medium enterprises are worth exploring.

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