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The Relationship between Green Marketing and Business Performance: A Systematic Literature Review

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Abstrak

Lingkungan perusahaan bersifat dinamis dan dapat memberikan dampak terhadap kinerja perusahaan. Salah satunya adalah peraturan pemerintah terkait kelestarian lingkungan hidup. Hal ini harus diwaspadai oleh perusahaan agar dapat menghasilkan produk atau jasa yang ramah lingkungan dan aman bagi konsumen. Banyak perusahaan yang melakukan promosi ramah lingkungan dalam rangka memperkenalkan produk yang ramah lingkungan, baik dari segi kemasan maupun bahan yang digunakan dalam produksinya. Terdapat beberapa penelitian dan pembahasan dengan hasil yang berbeda-beda mengenai hubungan antara green marketing dengan perusahaan dan variabel green marketing. Tujuan artikel ini adalah untuk memberikan pemahaman tentang hubungan antara pemasaran ramah lingkungan dan Kinerja Bisnis dengan melakukan tinjauan literatur sistematis terhadap 283 artikel terindeks Scopus yang diterbitkan oleh Elsevier, Springer, Emerald dan SAGE. Dari 283 artikel kami memilih 40 kutipan. Selanjutnya, kami memilih 10 artikel terbitan yang sesuai dan relevan dengan topik pada tahun 2013 hingga 2024. Hasilnya menunjukkan bahwa Green marketing mempunyai hubungan dan pengaruh terhadap perusahaan.

Kata Kunci: *Pemasaran Ramah Lingkungan, Kinerja Bisnis, Tinjauan Literatur Sistematis*

Abstract

The company's environment is dynamic and can have an impact on company performance. One of them is government regulations related to environmental sustainability. Companies must be aware of this in order to make products or services that are environmentally friendly and safe for consumers. Many companies carry out green promotions in order to introduce products which are environmentally friendly, both in terms of packaging and materials used in production. There are several studies and discussions with different results regarding the relationship between green marketing and companies and green marketing variables. The purpose of this article is to provide an understanding of the relationship between green marketing and Business Performance by conducting a systematic literature review of 283 Scopus indexed articles published by Elsevier, Springer, Emerald and SAGE. From the 283 articles we selected 40 quotes. Next, we selected 10 published articles that were appropriate and relevant to the topic from 2013 to 2024. The results show that Green marketing has a relationship and influence on companies.

Keyword: *Green Marketing, Business Performance, Systematic Literature Review*

INTRODUCTION

Over the past few decades, environmental sustainability has become a global concern and has been considered a driving factor for innovation . As a result , companies that develop *green products* (environmentally friendly products) is increasing and consumer demand is too there has been an increase in products with environmentally friendly (green) labels (Dangelico & Vocalelli, 2017) .

Green marketing (environmentally friendly) has begun to be carried out by many companies , one of which is through green innovation. These green innovations are increasingly achieving organizational relevance because its contribution to the satisfaction of environmental needs while enabling companies to do so differentiate themselves from their competitors, and thereby gain sustainable competitive advantage and ultimately improve company performance (Albort-Morant et al., 2017) . Companies that carry out green innovation are part of green marketing which is carried out in order to make products that are environmentally friendly and attractive to consumers and ultimately improve company performance. (Qayyum et al., 2023).Green marketing can also be used as a business strategy to increase the resilience and sustainability of business activities (Hidayat, 2021)

Many academics and researchers have carried out systematic literature reviews. This study aims to further clarify the relationship between antecedent variables and latent variables by mapping articles in a journal. Braik et al., (2023) in an empirical study whose results show a simple and unstructured green marketing strategy. More specifically, both

environmentally friendly products and environmentally friendly placement and distribution contribute to improving corporate environmental performance, while environmentally friendly promotion improves corporate performance.

In the field of green marketing services, it is also very important to pay attention, Chung (2019) found that corporate social responsibility stakeholders and executives Hotels can indirectly increase consumer loyalty to this image hotels through environmentally friendly marketing . (Chung, 2020)

Martins, (2022) conducted research which found that green marketing with the dimensions of environmental knowledge , environmental awareness (*green care*) , environmentally friendly prices (*Green price*) , environmentally friendly advertising (*Green advertising*) influence positive and significant towards perceptions of company profitability and consumer purchasing behavior . Then environmentally friendly purchasing behavior can mediate relationships dimensions of green marketing and perception SME profitability.

Zhang et al., (2023) conducted a literature analysis on people's behavior in purchasing green (environmentally friendly) products. The results show that there are 3 factors that influence environmentally friendly purchasing behavior, namely individuals, product and marketing attributes and social factors. Furthermore, Khan, (2020) in an empirical study stated that the green marketing mix and environmentally friendly labeling strategy transmit the influence of environmental orientation on the business performance of small companies . This was also confirmed by (Braik et al., 2023) who said that Green marketing promotion had a positive effect on the company's economic performance.

The results of several empirical reviews show that there are still differences regarding the dimensions or antecedent variables of the relationship between green marketing *and* company performance. Therefore, researchers are interested in finding out whether there is a relationship between green marketing and business (company) performance.

RESEARCH METHOD

Data Collection

1. Search for Green Marketing articles for 2013-2024

The author searched for scientific articles related to Green marketing contained in the Scopus, Elsevier, Emerald, Science Direct and Springer data bases with the Scopus Q1, Q2 and Q3 indexes for 2013-2024.

2. Data from 238 Articles

We limited the articles searched to only Scopus indexed journals using the keywords green marketing and business performance. As a result we found 306 articles consisting of articles, book chapters, proceedings with 2,515 citations. Then we selected this number again specifically for articles and found 242 articles with 2,317 citation. Furthermore, for the analysis of documents referenced in articles, we are limited to a minimum of 40 citations, which we consider to be quality articles and a sufficient number of articles for selection so that they can be processed for further study and discussion .

Data collection was carried out by means of article identification and assessment selection (screening). The stages in this process can be explained as follows :

a. Article Identification

The next stage is to identify articles which are carried out systematically and randomly . In this search, articles were explored through the Scopus indexed publish and perish data base published on Elsevier, Emerald, Springer and Sage which are widely known academically. We carry out identification using the most important keywords related to green marketing and business performance. In identifying relevant articles in databases and journals, we carefully use the title , abstract , body text and keywords.

b. Assessment Selection (Screening)

In this stage, an assessment is carried out to select articles, with four steps where the final set of articles is extracted with the help of Publish and Perish and Excel software, namely: (1) deleting the same articles, (2) title and abstract selection (3) text selection complete, and (4) Extract data. Of the 38 articles we selected , 10 articles were found.

With the adoption of the PRISMA (Preferred Reporting Items for Systematic Reviews and Meta-Analyses) model from Page et al., (2021) , the data collection steps can be explained in the following figure:

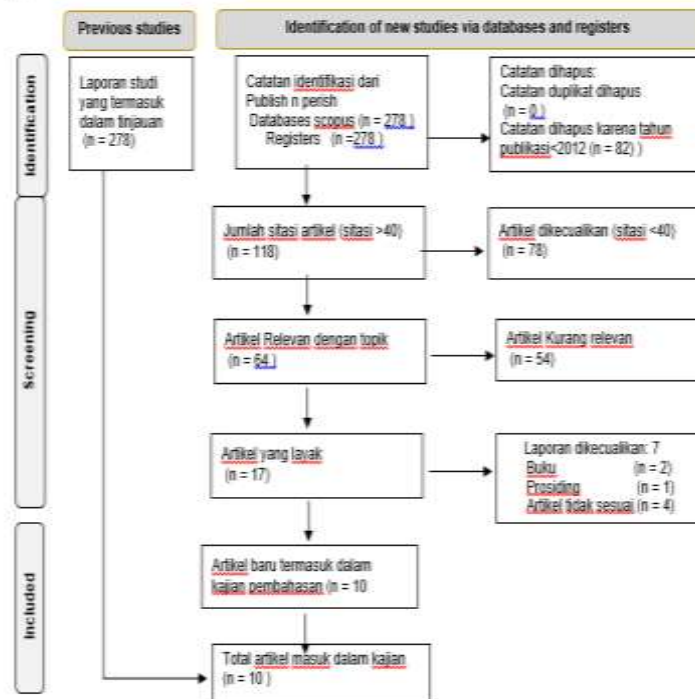


Figure 1. Research Design

c. Data Analysis

The analysis of this study uses descriptive analysis, namely the results of reviews and article studies are grouped into several categories. Then scientific articles are reviewed and analyzed descriptively.

RESULTS AND DISCUSSION

The articles were grouped by analysis based on categories, with the aim of making it easier to understand the relationship between green marketing and business performance. The following explains the grouping of articles by category:

1. Research Type Category

This category explains the type of research in the selected articles. Table 1 explains that there are 2 (two) types of research, namely qualitative research with 1 article and quantitative research with 10 articles. The percentage of quantitative research is 90% while qualitative research is 10%. This can be concluded that researchers are more interested in quantitative research compared to qualitative research.

Table 1. Category of Research Type (n=23)

Types of research	Author's	Amount	Percentage (%)
Qualitative	Kumar	1	10
Quantitative	Leonidou et al Szabo&Webster,Martinez, Amoako et al., Fraj et al.,Nguyen-viet,, Mukonza & Swarts ,Chung.	9	90
Amount		10	100

Source: data processed by the author (2024)

From the figure below (Figure 2), the number and percentage of research types in the articles are explained in detail, including Qualitative 1 article (10%) and Quantitative 9 (90%).

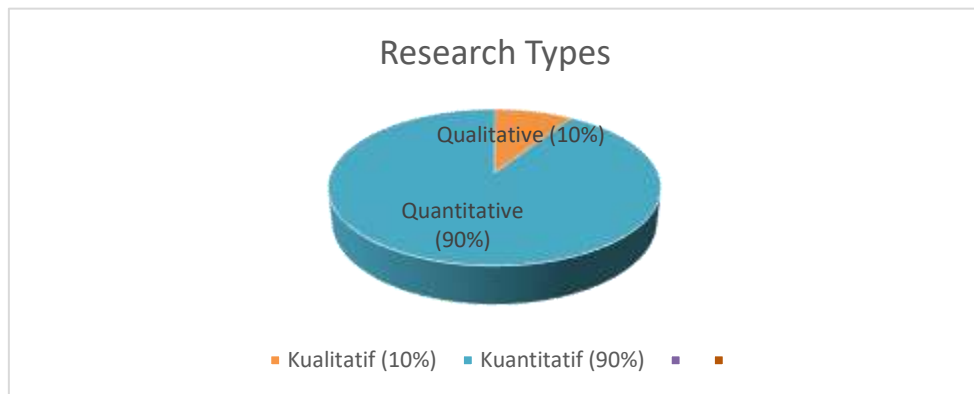


Figure 2. Categories of Research Types

2. Data Analysis Category

The results of the analysis in this category, there are 3 (three) groups of data analysis used in the selected articles, namely: SEM PLS Structural Equations with 9 articles, SEM-AMOS Structural Equations with 1 article and Descriptive Statistics with 1 article.

From table 2, it can be concluded that the most common use of data analysis is SEM-PLS analysis. The percentages include Structural Equation Model- Partial Least Square (SEM-PLS) which is 80%, Structural Equation Model (SEM)-AMOS is 10% and Descriptive analysis is 10%.

Table 2. Data Analysis Technique Methodology Categories (n=23)

Types of Data Analysis	Author's	Amount	Percentage (%)
SEM-PLS	Leonidou et al.,Martinez,,Amoako et a. ,Fraj et al.,Nguyen-viet,,Mukonza & Swarts ,Chung	8	80
SEM-AMOS	Szabo&Webster	1	10
Descriptive	Kumar	1	10
Amount		10	100

Source: Data provided by the author (2024)

Figure 3 explains in detail the number and percentage of types of data analysis used in the article, including SEM-PLS- totaling 8 articles (80%), SEM-AMOS totaling 1 article (10%), and 1 article with descriptive analysis. (10%).

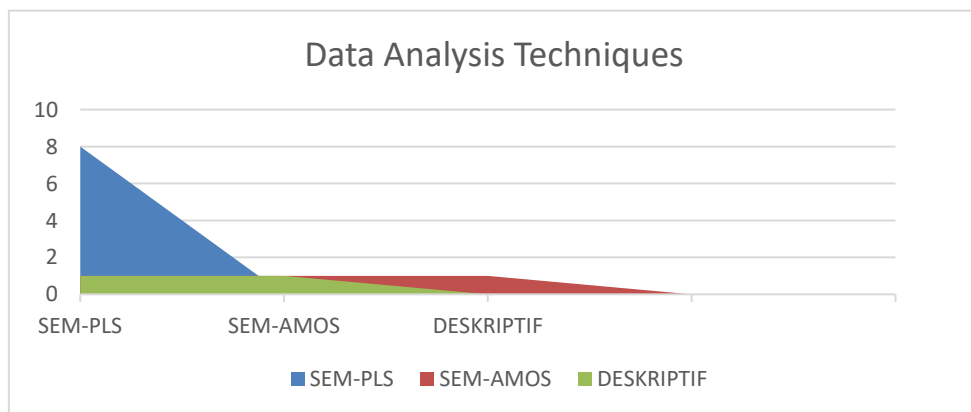


Figure 3. Categories of Data Analysis Techniques

3. Category with Most Citations

In this category, we group the articles with the most citations in 2013-2024 from 10 selected articles with a total number of citations of 2,840. The highest number of citations is 777 citations and the lowest is 44 citations. From table 3 below, it explains that the article with the highest number of citations is from the author Nytilasy *et al.* (2014) with a total of 777 citations. These results confirm that there are many researchers who are very interested in discussing the topic of the relationship between green marketing and business performance. The title of the article is "Perceived Greenwashing: The Interactive Effects of Green Advertising and Corporate Environmental Performance on Consumer Reactions " . impact on company performance.

Table 3. Categories According to the Highest Number of Citations (n=10)

Number of citations	Author's name	title	Research result
777	Nyilasy et al., (2014)	Perceived Greenwashing: The Interactive Effects of Green Advertising and Corporate Environmental Performance on Consumer Reactions	Green advertising and a company's environmental performance influence brand attitudes and purchase intentions
647	Leonidou et al., (2013)	"Greening" the marketing mix: Do firms do it and does it pay off?	green marketing programs are implemented by companies, and we find evidence of significant performance rewards. Specifically, the results show that environmentally friendly products and distribution programs have a positive effect on the market performance of a company's products, while environmentally friendly pricing and promotional practices are directly positively related to the company's return on assets. In addition, environmental reputation at the industry level moderates the relationship between green marketing program components and product market and corporate financial performance.
564	(Szabo & Webster, 2021)	Perceived Greenwashing: The Effects of Green Marketing on Environmental and	marketing perceptions are not related to environmental perceptions and company product perceptions , but also consumer happiness when interacting with the

		Product Perceptions	website
354	(Martínez, 2015)	Customer loyalty: Exploring its antecedents from a green marketing perspective	Eco-loyalty: Eco-trust, eco-satisfaction and overall eco-friendly image, influence Hotel customer behavior in Spain
118	Amoako et al.,(2022)	Green marketing and the SDGs : emerging market perspective.	Marketing strategies influence consumer purchasing decisions and brand loyalty. Findings reveal a positive relationship between green marketing and purchasing behavior . The empirical results of this research also confirm the mediating role of price on this relationship between environmentally friendly marketing strategies and purchasing behavior and will improve company performance.
100	Fraj et al., (2013)	Green marketing in B2B organizations: an empirical analysis from the natural-resource-based view of the firm	Managers indirectly play a key role in the design and development of green marketing strategies through the integration of environmental values into organizational culture. They also reveal that, although market-oriented practices directly determine economic performance , internally oriented green marketing activities indirectly influence financial results through improving a company's environmental performance.
93	Kumar et al., (2015)	Green marketing innovations in small Indian firms	Six categories of green marketing innovation were identified – marketing compliance, marketing strategic partnerships, marketing environmental commitment, green marketing teams, marketing

			benchmarking, and marketing ethical (environmental) behavior.
75	Nguyen-Viet, (2023)	The impact of green marketing mix elements on green customer based brand equity in an emerging market	The results show that green marketing mix tools have a positive impact on the creation of green customer-based brand equity. Furthermore, the results determine the causal order among the dimensions of eco-friendly brand equity in the Vietnamese context.
68	(Mukonza & Swarts, 2020)	The influence of green marketing strategies on business performance and corporate image in the retail sector	Green marketing strategy has a positive effect on company image and business performance.
44	(Chung, 2020)	Green marketing orientation: achieving sustainable development in green hotel management	Green marketing strategy Indirectly it can increase consumer loyalty and hotel image which will ultimately improve performance.

Source: data processed by the Author (2024)

In Figure 4, below, the percentage and number of 10 articles with the most citations are explained in detail, namely Nyulasi et al. with 777 citations (27.3%), Leonidou et al., 647 citations (22.7%), Szabo&Webster with 564 citations (19.9%), Martinez with 354 citations (12.5%), Amoako et a., with 118 citations (4.1%), Fraj et al., with 100 citations (3.5%), Kumar et al., with 93 citations (3.3%), Nguyen-viet with 75 citations (2.6%), Mukonza & Swarts with 68 citations (2.4%) and Chung with 44 citations (1.7%).

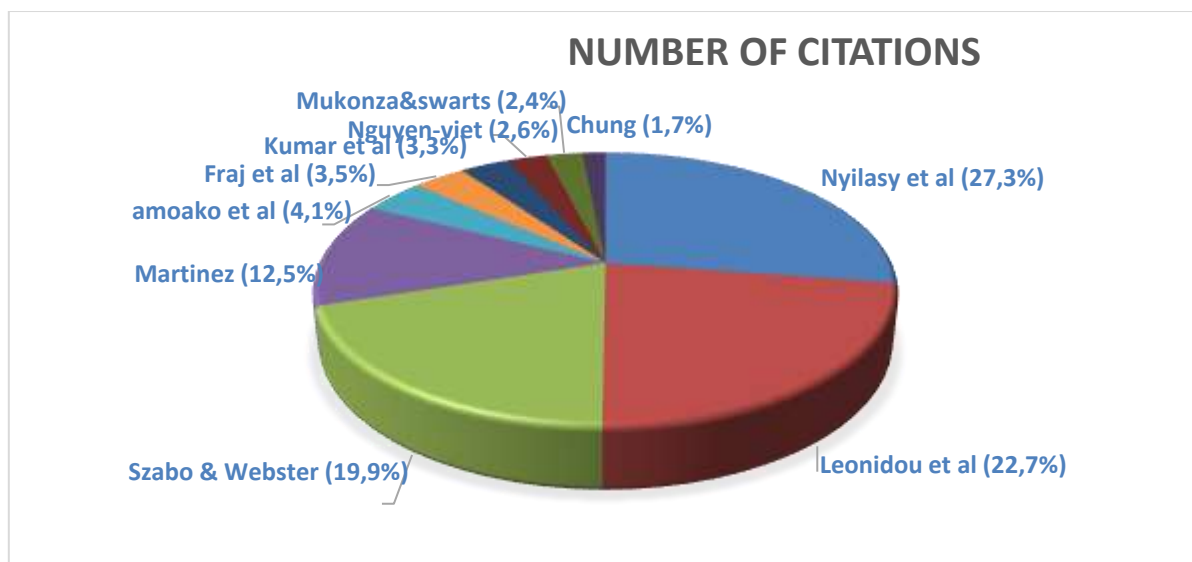


Figure 4. The Highest Number of Citations

Source: Data provided by the author (2024)

4. The relationship between green marketing and business performance

Green marketing has a close relationship with business performance, increasing green marketing carried out by a company will be followed by an increase in the company's business performance. Green marketing antecedent variables from several researchers include green advertising, green product, green price, green promotion, green distribution and green innovation. Nyilasy et al, stated that green advertising carried out by companies influences brand attitudes and consumer purchasing intentions. Leonidou et al also in their empirical study show that green products and green distribution programs have a positive influence on the market performance of company products, whereas setting green prices (environmentally friendly prices) and promotional practices (green promotion) are directly positively related to the company's return on assets. Likewise, Szabo & Webster in their research on 146 companies in North America showed that the perception of green marketing is not related to environmental perceptions and perceptions of the company's products, but also consumer happiness when interacting with websites and the company's website will influence performance.

CONCLUSION

In recent decades, there has been increasing recognition of existing difficulties long-term growth of the organization and corporate sustainability practices. Need for Environmental conservation management has developed very rapidly and is environmentally friendly management has developed as an important tool for business.

Manufacturing sector cannot be excluded from this environmentally conscious movement. this economic sector must recognize its role in accelerating environmental degradation and amplifying the impacts of climate change . (Ali et al., 2021) In the future, research on Green marketing will still be an interesting topic for academics and researchers. The articles included in the discussion show that green marketing has a relationship with business performance.

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