Antecedents and consequences of strategic green marketing orientation

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Abstract
Purpose – The study aims to propose four novel constructs of green satisfaction, green loyalty, green trust and green brand equity. It identifies the role of social marketing, relationship marketing, marketing orientation, general strategies, green marketing and marketing mix elements in enhancing financial and non-financial performance and ultimately the green brand equity. Green marketing strategies are gaining significant attention in the literature to support societal marketing concept vis-à-vis to enhance brand equity in the present competitive era. The present study conceptualizes a novel strategic green marketing orientation (SGMO) concept.

Design/methodology/approach – The paper draws upon the extant literature to present a series of research propositions relating to SGMO.

Findings – The study provides new insight to marketing management by highlighting the factors such as social marketing, relationship marketing and marketing orientation as the constituent elements which facilitate the development of SGMO in an organization. Further, the study has put emphasis on SGMO-performance relationship which is mediated by green trust, green satisfaction and green loyalty. Finally, it advances an understanding in enhancing green brand equity of the organization.

Research limitations – Being conceptual in nature, the paper needs to be empirically tested across manufacturing and service sectors. Further, lack of generalization of the scale items in various sectors needs to be researched in the future research.

Originality/value – This paper can help managers in identifying the three perspectives of SGMO, which include strategies (general), green marketing and marketing mix elements.

Keywords Strategic green marketing orientation, Marketing orientation, Green marketing and Business performance

Paper type Conceptual paper

Introduction
Green marketing has gained momentum, primarily with the change in attitude and behaviour of the consumers. Although environmental issues influence all human activities, few researchers have integrated green issues in the literature (Chen and Chang, 2012; Cronin et al., 2011; Green et al., 2011; Vaccaro, 2009). As society becomes
more concerned with the natural environment, businesses have begun to modify their behaviour in an attempt to address new societal concerns. Some businesses have been quick to accept concepts like environmental management systems and waste minimization, etc. and have integrated environmental issues into all organizational activities. Therefore, green marketing and environmental marketing have emerged to develop strategies for the organizations’ social growth. Hong et al. (2009) stated that the objective of the strategic green marketing orientation (SGMO) is to enhance organizations’ tangible benefit through implementing strategies that are innovative and require environmental initiatives. SGMO requires long-term commitment to enhance organization’s image vis-à-vis business performance through internal integration of design, manufacturing and engineering, and external coordination with customers and suppliers from product concept to disposal (Seuring and Muller, 2008; Linton et al., 2007).

Although the green marketing concept has evolved since 1960s and early 1970s with increasing concern about the impact of consumption and production patterns on the environment (Cohen, 2001); however, it has received significant attention from late 1980s with an increase in the level of green consumerism (Mishra and Sharma, 2010). Until today, the concept has not been developed comprehensively. Lee (2008) remarked that the companies which initially produced green products were not successful in their ventures. Limited availability, limited functionality features and high price were found to be major reasons for the failure of such products (Grant, 2007). This, consequently, reduced the demand for green products and hence, the green marketing concept lost some prominence in the debate. Later, companies again took the initiative to produce green products but after considering thorough research on four P’s (product, price, place and promotion). Ottman (1993) argued that such companies emphasise identification of the nature of customer expectations of product, price and the marketing approach that helps in the ease of accessibility of the product. Further, researchers such as Grant (2007) and Peattie and Crane (2005) argued that for companies to establish a green image they need market presence and must undertake research to understand and to educate their customers to build brands, products and services that are environmental-friendly. The concept later expanded to include not only environmental-friendly activities but also activities which are healthy, conducive, encouraging, advantageous and favourable for the overall benefit of the stakeholders. In this context, Lee (2009) in his study highlighted the need to identify the management practices that will reduce negative sustainability impacts. Gurau and Ranchhod (2009) also emphasised the need to measure marketing strategies using variables such as determinants of green strategy. In addition, Hong et al. (2009) remarked that further research must focus on the refinement of measures of strategic green orientation. Hence, there is a need to pursue research on the green marketing strategies to bridge the extant research gap that exists between marketer’s SGMO and customers concern, and actual purchasing (Cronin et al., 2011). The purpose of the present study is to examine and analyse the antecedents of SGMO and also to examine the moderating role of education and role of income between antecedents and SGMO.

This study proceeds as follows. First, a review of literature focussing on SGMO is provided. Second, research model and propositions including antecedents (i.e. relationship marketing, social marketing and marketing orientation), moderating factor (i.e. education and income) and their relationship between antecedents of SGMO and its
dimensions, and mediating factors (i.e. green trust, green satisfaction and green loyalty) and their relationship between SGMO and business performance are discussed. Third, managerial implications followed by limitations and directions for future research is provided.

**Review of literature**

**Marketing orientation**

Marketing orientation appears to be a key factor that influences organizational actions and performance and has potential social implications. It is an underlying mindset for approaching the operations and processes of an organization through marketing eyes. As such, this concept is a necessary prerequisite for market-oriented firms to adopt a focus on marketing (Cass, 2000). Most researchers perceive that recognition of customer needs and expectations is the main component of marketing orientation (Kobylanski and Szulc, 2011). Chiou and Chang (2009); Woodalla and Swailes (2009) and Avlonitis and Gounaris (1999) defined the concept of marketing orientation as the degree to which an organization obtains and uses information from customers, develops a strategy which will meet customer needs and implement that strategy by being responsive to customer needs and wants. Further, according to Kobylanski and Szulc (2011), it is the internal driving force that affects marketing actions, influence employees of an organization and their relationship with the customers. In simple words, marketing orientation is about doing things that can transform the marketing actions into practice (Stevens et al., 2004). Different schools of thought exist with regard to the marketing orientation concept. The first school of thought focusses on the adaptive ability of the firm to organize around the marketplace and measures the degree of marketing orientation through customer intelligence, competitor intelligence, organizational learning potential, intelligence dissemination and responsiveness to intelligence (Kurtinaitiene, 2005) While other researchers such as Carr and Lopez (2007); Miles and Arnold (2001); and Danehower et al. (1994) conceptualized marketing orientation concept as total business concept comprised customer orientation, competitor orientation, product orientation and cross-functional coordination. Kobylanski and Szulc (2011); Wrenn (2007); Stevens et al. (2004) and White et al. (2001), on the other hand, characterized the marketing orientation concept using five attributes such as customer philosophy, integrated marketing organization, marketing information, strategic orientation and operational efficiency (Figure 1).

**Social marketing**

Number of researchers such as Lefebvre (2011); Dann (2010); Andreasen (2006); Gordon et al. (2008); Rangun and Karim (1991); Bloom and Novelli (1981); Luck (1974); Kotler and Zaltman (1971), etc. have conceptualized the concept of social marketing. They considered social marketing as a means for promoting institutional goals and products. Kotler and Zaltman (1971) contributed to the concept of social marketing and focussed on the usage of marketing skills for transforming the social efforts into more effective programmes to bring out desired response of the customers. They argued that:

Social marketing is the design, implementation and control of programs calculated to influence the acceptability of social ideas and involving considerations of product planning, pricing, communication, distribution and marketing research (p. 5).
To give support to the concept and to achieve the social objective, the Advertising Council of America in the year 1971 conducted various campaigns such as “Join the Peace corps”, “Buy Bonds” and “Go to college” to make stakeholders aware about social marketing. Later, Luck (1974) focussed on the collaboration of marketing knowledge and techniques for enhancing social ends. He remarked that an organization should consider the elements in the marketing mix in comprehending social marketing: these elements being 4 P’s – (product, place, price and promotion). However, Rangun and Karim, 1997 further contemplated the concept and stated that changing attitudes, beliefs and behaviours of an individual are also substantial in considering social marketing along with the performance of the organization. Afterwards, Andreasen (2006) and Gordon et al. (2008) observed social marketing as a tool to improve the customer welfare in particular and social welfare in general. Dann (2010, p. 147) expanded the scope of social marketing by assisting the individuals to adopt positive actions rather than negative behaviour for the benefit of themselves, group and society. He also remarked that “Social marketing is based on the adaption of the contemporary commercial marketing theory and practice as a means of guiding and aiding the social change campaigns”. To reconceptualize social marketing Lefebvre (2011) gave importance to the role of seven P’s that is, product, place, price, promotion, physical evidence, process and people in the social marketing process, although Lefebvre also considered green and non-green activities for understanding social marketing. Both these conceptualizations are equally important for developing social marketing in the present scenario as well (Figure 2 and Table 2).

**Relationship marketing**

Relationship marketing in the literature is defined primarily as marketing seen in the form of relationships, networks and interaction (Gummesson, 1997). The concept of relationship marketing was formally introduced by Parasuraman (1991) who defined it as attracting, maintaining and enhancing customer relationships. Later, Gronroos (1995) proposed that in addition to establishing relationship with customers, relationship marketing also includes interaction with other parties that can generate profit by mutual exchange and fulfillment of promises. According to Morgan and Hunt (1994), relationship marketing is characterized by reciprocal, interdependent,
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<td>3.</td>
<td>Chiou and Chang, 2009</td>
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<td>Journal of Global Marketing</td>
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<td>4.</td>
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<td>Customer philosophy, integrated marketing organization, marketing information, strategic orientation and operational efficiency</td>
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<td>6.</td>
<td>Kurtinaitiene, 2005</td>
<td>Intelligence about customers, intelligence about competitors, intelligence dissemination and responsiveness to intelligence</td>
<td>Marketing Intelligence &amp; Planning</td>
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<td>7.</td>
<td>Sin et al., 2005</td>
<td>Trust, bonding, communication, empathy, shared value and reciprocity</td>
<td>Journal of Business Research</td>
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<td>8.</td>
<td>Miles and Arnold, 2001</td>
<td>Customer orientation, customer satisfaction, integrated marketing actions and profitability</td>
<td>Entrepreneurship Theory and Practice</td>
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<td>Tzokas et al., 2001</td>
<td>Knowledge about customers, market trends and competitive advantages</td>
<td>Enterprise and Innovation Management Studies</td>
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<td>White et al., 2001</td>
<td>Customer philosophy, integrated marketing organization, marketing information, strategic orientation and operational efficiency</td>
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<td>12.</td>
<td>Avlonitis and Gounaris, 1999</td>
<td>Degree of risk aversion, centralization and formalization, competitive hostility and buyers power</td>
<td>European Journal of Marketing</td>
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<td>15.</td>
<td>Clabaugh and Wallace, 1982</td>
<td>Analysis of market environment, production orientation and sales orientation</td>
<td>Journal of Health Care Marketing</td>
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</table>
commitment and long-term relationship between sellers and buyers that has dominated much of the managerial and academic discussions during 1990s. Further, relationship marketing also offers a broader focus than the conventional marketing paradigm. It concerns not only the customer–supplier dyad but also a supplier’s relationship with his own suppliers, competitors and middlemen (Gummesson, 1998). Similarly, Theron and Terblanche (2009) conceptualized relationship marketing as a firm’s ability to identify, develop and manage cooperative relationships. Relationship marketing is considered as a multi-dimensional concept comprising dimensions such as empathy, bonding, trust,

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<td>1.</td>
<td>Luca and Suggs, 2012</td>
<td>Product, price, place, promotion, policy and partnership</td>
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<td>2.</td>
<td>Lefebvre, 2011</td>
<td>Price, place, promotion and product</td>
<td>Journal of Social Marketing</td>
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<td>3.</td>
<td>Vazifehdust et al., 2011</td>
<td>Green positioning, green pricing, green logistics, green promotion and green alliances</td>
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<td>5.</td>
<td>Evans, 2006</td>
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<td>8.</td>
<td>Luck, 1974</td>
<td>Product, price, place and promotion</td>
<td>The Journal of Marketing</td>
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### Figure 2.
Paradigm shift in the concept of social marketing

### Table II.
Paradigm shift in the concept of Social Marketing

Strategic green marketing orientation
caring, shared value, reciprocity, information sharing, customization, conflict handling, communication, etc. However, other researchers such as Arnett et al. (2003); Abramson and Ai (1998); and Stern (1997) have focussed only on some of the limited dimensions such as prestige, participation, mutual benefits, network failures, empathy and trust (Figure 3 and Table 3).

Green marketing

The concept of green marketing is evolved from the traditional marketing concept since 1980s (Peattie and Crane, 2005). According to Prakash (2002), relationship between marketing discipline and natural environment is important as organizations perceive it as an opportunity that can be used to achieve their objectives. This relationship has been described by many terms: that is, environmental marketing (Coddington, 1993), ecological marketing (Fisk, 1974; Henion and Kinnear, 1976), green marketing (Mishra and Sharma, 2010; Peattie, 1995; Elkington, 1994; Pride and Ferrell, 1993; Ottman, 1992), sustainable marketing (Fuller, 1999) and greener marketing (Charter and Polonsky, 1999). The green marketing or environmental marketing encompass all activities related to product modification, production process and packaging changes, as well as modifying advertising, etc. These activities are designed to generate and facilitate any exchanges that intend to satisfy the needs or wants of customers, and society and also simultaneously pave way for organizational growth in a profitable manner with minimal negative impact on the natural environment (The American Marketing Association, Welling and Chavan, 2010; Ottman, 2006; Peattie, 2001, 1995). Further, Prakash (2002), Kilbourne (1998) and Pride and Ferrell (1993) explained green marketing as a composite of broad range of activities which include recycling, construction and renovation of building with the marketing mix elements in the manufacturing sector. Later, Cronin et al. (2011) underscored the fact that an organization, to achieve its goals, must pursue green strategies which pave ways for addressing the needs of the various stakeholder groups. They identified three main types of green strategies from the literature: that is, green innovation, greening the process and green alliances. The first strategy (green innovation) is the development of new or innovative green products. It is believed that the development of new products or services send a positive signal to each
stakeholder that the organization is a green company. Another potential strategy (greening the process) is to focus on environmental aspects within the firm itself. In this case, the initiatives are more focussed on greening the processes associated with the production of a good or the delivery of a service. Beyond producing new, green products or greening the organization’s processes, a company can also choose to utilize an alliance or partnership to enhance the green orientation (green alliances). While, other researchers such as Ottoman (2011) and Grant (2007) put forth that the green marketing concept not only emphasises on product improvement but also improves the life style of

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<td>Hoffmann et al., 2011</td>
<td>Trust, commitment, communication, conflict handling, bonding, shared values, reciprocity, loyalty and empathy</td>
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<td>Taleghani et al., 2011</td>
<td>Trust, commitment, communication, conflict handling, bonding, shared values, reciprocity, loyalty and empathy</td>
<td>Journal of Business Research</td>
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<td>3.</td>
<td>Alrubaee and Nazer, 2010</td>
<td>Trust, commitment, communication and satisfaction</td>
<td>International Journal of Marketing Studies</td>
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<td>4.</td>
<td>Theron and Terblanche, 2009</td>
<td>Trust, commitment, communication, satisfaction, bonding, competence, shared values and customization</td>
<td>Journal of Marketing Management</td>
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<td>5.</td>
<td>Ching and Ellis, 2006</td>
<td>Trust, commitment, communication, long term orientation, satisfaction and information sharing</td>
<td>Management International Review</td>
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<td>6.</td>
<td>MacMillan et al., 2005</td>
<td>Trust, communication, bonding, shared values, reciprocity and empathy</td>
<td>Journal of Business Research</td>
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<td>7.</td>
<td>Sin et al., 2005</td>
<td>Trust, communication, bonding, shared values, reciprocity and empathy</td>
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<td>Malley and Prothero, 2004</td>
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<td>9.</td>
<td>Arnett et al., 2003</td>
<td>Participation, reciprocity, prestige and satisfaction</td>
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<td>11.</td>
<td>Abramson and Ai, 1998</td>
<td>Trust, shared values, harmony, mutual benefits and network favours</td>
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<td>12.</td>
<td>Stone and Mason, 1998</td>
<td>Customer retention, product benefits, service emphasis, commitment, contact and concern</td>
<td>Journal of Marketing Theory and Practice</td>
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<td>Lewin and Johnston, 1997</td>
<td>Dependence, trust, commitment, communication, cooperation and equity</td>
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<td>Gronroos, 1994</td>
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the people by changing their behaviour which ultimately enhances the marketability and the overall performance of the firm. This ultimately can result in a new source of innovation (Ottoman, 2011) (Figure 4 and Table 4).

**Strategic orientation**

In any competitive environment, organizations bring about changes to implement strategies that enable them to gain or sustain competitive advantage in the market place (Pechlaner and Sauerwein, 2002). In this context, “strategic content” or “strategic orientation” is seen as the overall strategic direction of the organization to design new initiatives (Okumus, 2001, p. 328) (cited in Avci et al., 2011). In other words, it can be considered as the guiding principle that influences firm’s marketing and strategy making activities. Strategic orientation is also represented as the element of the organization’s culture that guides interactions with the marketplace: that is, the customers and the competitors (Noble et al., 2002). According to Gatignon and Xuereb (1997, p. 78), strategic orientation is defined as “The strategic directions implemented by the firm to create the proper behaviours for the continuous superior performance of the business”. From broader perspective, strategic orientation concept examines the package of managerial choices to achieve the business objectives (Miles and Snow, 1978).

The literature reviews the strategic orientation concept from generic, market-based, green and innovation perspectives. Slater et al. (2006), Morgan and Strong (2003), Rajagopalan and Finkelstein (2002), Rajagopalan (1996), Ramaswamy et al. (1994) and Venkatraman (1989) linked strategic orientation with the generic strategies in which two schools of thought exist. First school of thought examines strategic orientation based on the theoretical perspective wherein the six dimensions of strategic orientation are identified as analysis, aggressiveness, defensiveness, riskiness, proactiveness and futurity (Lau and Burton, 2011; Morgan and Strong, 2003 and Venkatraman, 1989). The second school of thought put forth generic strategy – based dimensions that provides a rich description of organizational behaviour comprising key elements of strategy, structure and process. Researchers such as Avci et al. (2011), Laforet (2008), Slater et al.
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<td>2.</td>
<td>Chen and Chang, 2012</td>
<td>Green perceived risk, green perceived value and green trust</td>
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<td>4.</td>
<td>Cronin et al., 2011</td>
<td>Green innovation, greening the organization and green supply chain management</td>
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<td>5.</td>
<td>Green et al., 2011</td>
<td>Internal environmental management, green information system, environmental collaboration</td>
<td>Management and Data Systems</td>
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<td>7.</td>
<td>Banyte et al., 2010</td>
<td>Demographic variables and psychographic behavioural variables</td>
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<td>Chang and Fong, 2010</td>
<td>Green product quality, green image, green trust and green satisfaction</td>
<td>Journal of Business Ethics</td>
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<td>Dief and Font, 2010</td>
<td>Demographic variables and organizational values</td>
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<td>Suplico, 2009</td>
<td>Product, need, price, preference and budget</td>
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<td>15.</td>
<td>Chen, 2008a, 2008b</td>
<td>Green innovation, green image and green core competencies</td>
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(continued)
(2006), Rajagopalan (1996) and Ramaswamy et al. (1994) have identified four basic strategies which include defenders, prospectors, analysers and reactors.

Further, the strategic orientation is conceptualized by researchers from the market-based perspective which focusses on three distinct orientations:

1. **Customer orientation**: An organization’s commitment to integrate customer preferences into the product development and marketing process.

2. **Competitor orientation**: An organization’s commitment to integrate competitor intelligence into the product development and marketing process.

3. **Product/technology orientation**: An organization’s commitment to integrate innovation into the product development and marketing process (Hynes, 2009; Noble et al., 2002; Voss and Voss, 2000; Gatignon and Xuereb, 1997; Day and Wensley, 1983).

In the context of the green aspect of strategic orientation Crane (2011) argued that the organizations which are not in the favour of green marketing are presented with difficult strategic choices. Based on green approaches, Crane (2011) categorised organization under four, namely, passive greening, muted greening, niche greening and collaborative greening. Passive greening is a strategy whereby a firm is neither actively involved in green markets nor in improving the environmental performance but tackles environmental issues through key stakeholders such as customers, regulators, etc. Muted greening focusses on achieving incremental improvements so that products can gradually modified to become more environment friendly over time. The third strategic route recognized is niche greening, representing a situation where the firm targets consumers with strong environmental preferences and hence, positions its products as green alternatives, which are better than those provided by their competitors (Peattie, 1992, 1995). Collaborative greening is based on the integrated aspect which considers
passive greening, muted greening and niche greening. The last strategy includes the innovation aspect of strategic orientation, wherein newness, radicalness, creativity of ideas, innovation orientation, market orientation, product innovation are the dimensions (Lau and Burton, 2011; Miller et al., 2007; Zhou et al., 2005) (Figure 5 and Table 5).

Research model and propositions

Based on the literature review discussed in the previous section, the study proposes SGMO concept and research model (Figure 6). It conceptualizes SGMO[1] as an integrated orientation based on green marketing (green innovation, greening the process and green supply chain) and strategic orientation (aggressiveness, analysis, defensiveness, proactiveness, riskiness, futurity and reactors) with marketing orientation (customer philosophy, integrated marketing organization, marketing information, strategic orientation and operational efficiency), relationship marketing (bonding, empathy, communication, shared value, reciprocity, information sharing, customization and conflict handling) and social marketing (green activities and non-green activities) as its important antecedents. Further, the study also put forth significant role of the SGMO in creating balance performance on financial and non-financial performance. The various propositions of SGMO research model are discussed as under.

Social marketing and SGMO

The British National Social Marketing Centre defined social marketing as “the systematic application of marketing techniques and concepts to achieve behavioural goals relevant to social good”. Thus, the implementation of social marketing influences the acceptability of social ideas as well as the products or services with positive impact on the environment (Kotler and Zaltman, 1971). Moreover, social marketing provides both an individual gain and the societal gain, wherein the customers are benefitted by purchasing the green products or utilizing the green services or influencing people by changing their behaviour that will directly or indirectly contribute to the environment.

Figure 5.
Paradigm shift in the concept of strategic orientation
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<td>Avci et al., 2011</td>
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<td>Overall low cost, product innovation, brand differentiation and service differentiation</td>
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<td>Hynes, 2009</td>
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<td>Laforet, 2008</td>
<td>Prospectors and defenders</td>
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<td>9.</td>
<td>Miller et al., 2007</td>
<td>Newness, radicalness, creativity of ideas and technology</td>
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*Table V.* Paradigm shift in the concept of Strategic Orientation

(continued)
Such consumers can be considered as the “green consumers” and are more socially integrated (Shamdasani et al., 1993). Kotler et al. (2002) also stated that social marketing techniques and principles are used by the organizations for improving the public health, developing the community and protecting the environment. Karna et al. (2003) observed that the companies adopting the proactive strategies emphasise environmental and social issues more clearly than more reactive types of strategies as proactive organizations maintain flexibility to adopt the new information. By contrast, the defensive type of strategy uses green marketing as the precautionary measure and pursues actions such as sponsoring smaller-scale environmental events and programmes. The defensive organizations use green strategy for promotion the aspect of marketing mix.

Further, the organizations that adopt the analysis type of strategy follow a total quality environmental management and maintain a stable position in the markets.
Moreover, the aggressive strategies followed by the organizations result in improving the competitive positions in the short run as they tend to be competitive, time urgent and hostile (Lascu and Zinkhan, 1999). Thus, we argue that both product and service organizations focusing on social marketing activities will have significant impact on the seven Ps. For instance, socially marketing-oriented organizations can be considered more active in manufacturing environmental-friendly products and delivering services using green processes. Hence, we propose the following:

- **P1.** Social marketing has overall significant impact on SGMO.
- **P1a.** Social marketing associated with green activities has a significant impact on SGMO.
- **P1b.** Social marketing associated with non-green activities has a significant impact on SGMO.

**Relationship marketing and SGMO**

Relationship marketing is about understanding, creating and managing exchange relationships among economic partners, manufacturers, service providers, various channel members and final consumers (Moller and Wilson, 1995). Changing environment, changing consumer preferences and behaviours require organizations to modify the marketing strategies as per the customers’ needs and requirements. The long term and continuous interaction between the producers, consumers, suppliers, etc. generates the possibility of establishing emotional bonding which can act as a potential source of innovation (proactive or reactive) as producers and consumers/suppliers can understand and appreciate each other’s needs (Sheth and Parvatiyar, 1995). Further, they also stated that the environmental forces such as rapid technological advancements and adoption of total quality programmes by companies encourage interaction between producers and consumers/suppliers and which encourage the relationship marketing strategies. These relationships are likely to involve adaptations in their processes, products, etc. and may be recommended by the consumers/suppliers or producers as per their needs and wants. Such relationships ultimately reduce the short sightedness of marketer and ultimately focus on the new concepts of marketing. In this regard, we argue that the selection of the appropriate strategy using green marketing processes can build strong relationship with B2B consumers and which may be reflected through easy acceptance and more saleability of the products. Thus, we propose that:

- **P2.** Relationship marketing has a significant impact on SGMO.

**Marketing orientation and SGMO**

Marketing orientation has a significant impact on the green marketing practices. Miles and Munilla (1993) has adopted McNamarafs (1972) framework to measure organization’s degree of marketing orientation. In this framework, some combinations of structural and behavioural indicators of green orientation are used. Structural indicators include employee, supplier, community and customer eco-education programmes, toll-free eco-hotlines, a designated environmental marketing staff and a support to severe planned product eco-lifecycles. Behavioural indicators involve packaging in containers made of recyclable material, having an active recycling
programme and having a commitment to buy products which have been produced utilizing some proportion of recycled materials. Behavioural indicators of a green orientation are currently measured by environmental and product testing organizations. These organizations assess product and packaging characteristics to decide whether these characteristics meet minimum environmental criteria (cited in Miles and Munilla, 1993). Thus, marketing-oriented organizations with features such as customer philosophy, operational efficiency are in a position to use effective strategies and ready to take green initiatives more effectively and which ultimately results in good marketing mix. Therefore, we propose that:

P3. Marketing orientation has a significant impact on SGMO.

Impact of education and income on antecedents and dimensions of SGMO

Education and income are seen as important moderating factors that influence social marketing, relationship marketing, marketing orientation and SGMO relationships. For instance, Maloney et al. (1975) argued that the higher-educated consumers can understand the social issues more clearly, are more concerned about environmental quality and, hence, are more motivated to participate in environmentally responsible behaviours. Similarly, Buttel and Flinn (1978) suggested that there is a positive association between income of the consumers and the green behaviour. They remarked that the high-income consumers give priority to green products. Hence, it is proposed that:

P4. Education and income moderate the relationship between antecedents of SGMO and its dimensions.

Impact of green trust, green satisfaction and green loyalty on business performance

Satisfaction is defined as a general feeling of pleasure or gratification experienced by a consumer arising from the ability of a product or service to satisfy the consumer’s expectations, desires and needs (Mai and Ness, 1999). Similarly, green satisfaction can be defined as a degree to which customer environmental desires, sustainable expectations and/or green need is satisfied (Chen, 2010). It has been explored as a significant predictor of customer loyalty (Cronin et al., 2000), and it has also been suggested that loyalty is one means by which consumers express their satisfaction with the quality of the obtained product or service (Bloemer and Kasper, 1995). Thus, the loyalty that consumers exhibit towards a given brand is therefore partly realised through their consistent satisfaction with the performance of that brand. Dick and Basu (1994) defined green loyalty as consumer’s commitment to repurchase or continue using a green brand. Further, Ganesan (1994) defined “green trust” as the tendency to rely on a product, service or brand out of a belief or expectation resulting from its capability with respect to environmental performance. According to Chen (2010), there is a positive relationship between green trust, green satisfaction, green loyalty and the performance (financial or non-financial performance) of the organization, which ultimately enhances the green brand equity.

This study proposes that green trust, green satisfaction and green loyalty mediate the relationship between SGMO and performance. For example, good SGMO with green trust, green satisfaction and green loyalty result in better performance. Hence, it is proposed that:
P5. Green trust, green satisfaction and green loyalty mediate the relationship between SGMO and business performance.

Study implications and limitations
The study makes a number of academic and managerial contributions. The study advances an in-depth understanding of the significance of SGMO in attaining financial and non-financial performance with green brand equity in the following manner. It offers new insight into marketing theory by identifying a comprehensive view of the SGMO concept, which includes strategies (general), green marketing and marketing mix elements. Moreover, the paper also discusses antecedents of SGMO (social marketing, relationship marketing and marketing orientation) which function as the supplementing factors that expedite the development of SGMO. Further, it contributes to marketing management literature by highlighting the factors that are required to develop strategies for enhancing green marketing in an organization. This, in turn, paves way for increased green brand equity and enhanced performance in terms of profit, market share, sales growth, customer satisfaction, employee satisfaction, etc. Although the study adds to the existing literature, the conceptual nature of the study is the major limitation. The research propositions formulated need to be empirically tested across various sectors.

Note
1. The dimensions of SGMO are explained in the review of literature

References.


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Further reading


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