

SUSTAINABLE BRANDING REVOLUTION: BUILDING AN ENVIRONMENTALLY CONSCIOUS BRAND AND INFLUENCING CONSUMER CHOICES

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Abstract

Sustainable branding is a socially and environmentally responsible approach for companies in the modern era. This research aims to analyze the role of sustainable branding in building a positive brand reputation and influencing purchasing decisions. The research method employs a literature review to integrate knowledge from various relevant sources. The discussion's outcomes indicate that consumer awareness of environmental issues is increasing, driving the demand for sustainable products. Sustainable branding strategies aid in establishing a favorable brand image among environmentally conscious consumers. Despite implementation challenges, innovation and ethics emerge as key factors to overcome these hurdles. In conclusion, sustainable branding plays a crucial role in cultivating a positive brand reputation and influencing purchasing decisions. Companies need to adapt to consumer trends and environmental concerns to achieve long-term success and amplify positive impacts on society and the environment.

Keywords: *Sustainable Branding, Brand Reputation, Purchasing Decisions, Consumer Awareness, Social and Environmental Responsibility.*

A. INTRODUCTION

Sustainability and environmental issues are the biggest challenges faced by the business world in the current era. Climate change, pollution, loss of biodiversity, over-exploitation of natural resources, over-consumption and large waste production, socio-economic inequality, and sustainable development are all problems associated with this. Therefore, companies must pay attention to their environmental and social impacts through sustainable branding. According to Grubor & Milovanov (2016), an understanding of sustainable branding is very important to drive change.

The results of research by Elistia E (2016) explain that ethical marketing actions and corporate social responsibility can have an impact on brand image and improve brand management. Dikutat Ayuningrum, S., Dharma, and Lindawati, L. (2020) shows that brands that are environmentally and socially friendly can increase customer perceptions. In this regard, sustainable branding can help companies build

a good reputation in the eyes of consumers who care about the environment and social.

Sustainable branding is a company's effort to improve people's perception of their brand. Responding to these challenges by integrating sustainability strategies into branding can provide positive benefits to company performance. Mildawati (2018) explains that branding sustainability strategies have a positive impact on company performance. The study found that disclosure of climate change strategies is associated with better performance in corporate environments, demonstrating corporate commitment to addressing environmental issues.

Today's consumers are increasingly aware of environmental and social issues related to the goods and services they buy because access to information is easier and faster. Current trends show that many buyers are increasingly concerned about environmental issues and pay more attention to how the products they buy impact the environment (Kusumawati & Tiarawati, 2022). Therefore, branding is considered as a promotional strategy that has the ability to build a good brand reputation and a communication strategy to influence consumer purchasing decisions. In addition, research shows that branding influences purchase choices (Usadha & Merta, 2022).

Sustainable branding considers corporate social responsibility and sustainability, which can be applied to brand management practices (Foroudi & Palazzo, 2021). Opportunities for brands that can implement sustainable branding strategies arise as a result of the increasing consumer needs for sustainable products. Although it is important, implementing a sustainable branding strategy is not easy and is often faced with various problems.

Sustainable branding challenges can come from internal sources, such as problems with company branding rules, problems from external sources (industry competition), or problems that cover the entire process and scope of the business (Akbar et al., 2021). Taking into account these problems and obstacles, companies must take strategic actions to build sustainable branding that has a positive impact on society, customers and the environment. A case study of brands that successfully implemented sustainable branding demonstrated that by focusing on relevant social, environmental and economic issues, they were able to build a strong and enduring brand image. One example of a company that has taken steps to support environmental policies are Hyundai and Tesla.

Tesla has discontinued the production of fossil-fuel cars and is developing electric-powered cars, while Hyundai is committed to developing solar and hydrogen-powered cars (Gavsi, U.S., 2023). Thus, sustainable branding can become the main strategy to achieve business sustainability and have a positive impact on both the environment and society. By implementing an HR management strategy that emphasizes innovation, sustainability and ethics, organizations can develop in a sustainable manner (Basuki, N., 2023). In addition, increasing public awareness of social and environmental issues will be a major driver for the development of sustainable branding in the future. This shows that consumers are increasingly concerned about the environment and are more prepared to buy green products. Customers prefer to buy green products that guarantee the safety and naturalness of the basic ingredients used than ordinary products, even though they are more expensive (Shaputra, R. K., 2013).

The purpose of writing this article is to provide an overview of the sustainable branding revolution which includes how this revolution is shaping brands that care about the environment and how this revolution has an impact on contemporary consumer desires for sustainability. One part of the "sustainable branding revolution" is the application of sustainability principles and values in a brand. Brand goals, principles and actions must be aligned with social and environmental obligations. Consumers are more concerned with the impact of their choices, and support brands with strong commitment.

B. METHOD

The literature review method shows that this approach has a very valuable and essential value in the research process. By conducting a literature review, researchers can collect and integrate existing knowledge on a particular topic from various sources. Through analysis and synthesis of literature, researchers can gain an understanding of the latest developments in the research field, identify knowledge gaps, and determine future research directions.

C. RESULT AND DISCUSSION

The results of this study enhance our understanding of the relationship between consumers' perceptions of sustainable brands and how these perceptions influence their actions. This research not only looks at how consumers view sustainable brands, but also explains how this perception influences their actions. Previous research has focused on how consumers perceive and choose sustainable brands, but this article goes further into how these perceptions influence their choice of sustainable brands.

Continuous branding is very important to build a good product reputation. Businesses often carry out sustainable initiatives to attract customers because of consumer awareness of the importance of social and environmental responsibility. For example, Mjd Studies, A.M. (2002), shows that the textile industry in Indonesia faces several problems, including slow economic growth that hinders market growth. However, textile companies are taking steps to implement sustainable branding so as to successfully increase their exports, as well as demonstrate commitment to social and environmental issues. This explains that, a brand that successfully integrates sustainability messages into a marketing communication strategy, then they succeed in influencing positive perceptions from consumers.

Integrating sustainability branding messages into marketing communication strategies can increase consumers' positive perceptions of brands. Through a clear and consistent commitment to environmental and social issues, brands can make consumers feel emotionally connected. This research shows that companies that are able to properly implement sustainable branding strategies have a competitive advantage in building a good reputation in the eyes of consumers.

Environmentally conscious consumers tend to be more attracted and more likely to choose products and services from brands that are committed to sustainable practices. This is supported by research results showing that consumers are increasingly paying attention to the environmental and social impacts of the products they buy. Therefore, companies must pay attention to sustainability issues in

designing their branding strategy. One of the branding strategies that can help companies build customer trust in their brand is content marketing. This strategy is carried out by creating interesting and useful content for consumers, such as articles, videos, podcasts, or infographics.

The application of sustainable branding must be carried out sincerely and consistently. This is because customers are increasingly critical of greenwashing and marketing efforts that are just the surface without any concrete evidence. Therefore, brand efforts in adopting sustainable practices must be genuine and clear. The importance of sustainable branding as an effective method for creating a good brand reputation and influencing customer perceptions and behavior. Companies that can incorporate sustainability into their brand strategy can help both the environment and their own business sustainability. The results of this study indicate that sustainable branding is not only related to brand perceptions or consumer preferences, but also about how brands can contribute to changes in consumer behavior. By understanding how sustainable brand perceptions influence consumer behavior, brands can create better strategies to support sustainability and social responsibility goals.

The concept of sustainability has become very important in recent years, and company management is paying more and more attention to the concept of corporate sustainability. The future success and competitive advantage of the company is highly dependent on sustainability-oriented brand management. This is because companies must pay more attention to their social responsibilities, especially since educated interested parties can influence the company's reputation through media and social networks (Meffert, H.). Sustainability is very important in today's business world. Companies must adapt to the trends and needs of customers who are increasingly concerned with social and environmental responsibility. Companies can achieve a competitive advantage in an increasingly dynamic market by building a solid foundation for long-term success through implementing sustainability-oriented brand management.

The sustainable branding revolution is a paradigm shift in the marketing industry where brands are not only focused on business, but also on social and environmental issues. Today, companies are being asked by consumers, regulators and society to adopt sustainable practices and be responsible for the environmental impact of their operations. Therefore, a continuous branding revolution is a strategic choice for brands to build a good reputation in the eyes of customers and the public.

Consumers who are increasingly concerned about the environment have become one of the main factors in their purchasing decisions. This awareness has led to a demand for environmentally friendly products, and companies are facing the challenge of reducing their environmental impact. However, this awareness also opens up new business opportunities for companies capable of creating long-lasting innovative solutions (Rustam, A., Wang, Y., & Zameer, H., 2020).

This explanation shows that increased environmental awareness among consumers has a significant influence on the business world. Consumer purchasing decisions are influenced by these factors, which tend to choose goods that are environmentally friendly and have a positive impact on the environment. The demand for eco-friendly goods brings business opportunities for companies to offer

creative, sustainable solutions. However, companies also face the problem of reducing the environmental impact caused by brand operations.

Companies that are able to create products and solutions towards a sustainable branding revolution can achieve success and have a competitive advantage in a market that is increasingly concerned about environmental issues. To identify themselves as socially and environmentally responsible businesses, companies must use a variety of approaches to implement sustainable branding. Strategic direction, effective collaboration with internal and external stakeholders, and improvement of operational and value chain performance are some of the components of the company's sustainability strategy. This sustainability strategy offers many advantages for businesses (Kashmanian, R. M., Wells, R. P., & Keenan, C., 2011). As a result, to achieve social and environmental sustainability goals, the company places great importance on branding and sustainability strategies.

Loh, L. dan Tan, S. (2020) explained that companies that make sustainability reports and adopt sustainable practices have a better brand image. Sustainable practices include the use of renewable energy and environmentally friendly methods. Sustainable practices can help build and maintain a good brand image in the eyes of consumers and other stakeholders because companies show concern for social and environmental issues. In addition, companies that carry out digital branding by implementing a sustainable branding revolution have a good image in the eyes of customers and gain great advantages in achieving leadership. The company has a competitive advantage in many ways compared to its competitors, which determines this leadership. Leading companies have both monetary value and real value. Such leadership can impact product quality and serve as a model for other organizations. Sustainable branding in the digital world is becoming increasingly important in the era of digital technology (Batu, M., & Kutlu, Ö., 2023).

Sustainable branding enables companies to interact with customers, build a good brand reputation and convey sustainability values. Companies that are successful in sustainable branding tend to have a good reputation in the eyes of customers, increase trust, and earn greater profits than their competitors. By increasing share value and customer loyalty, a strong brand can increase the financial and tangible value of a company.

Consumer psychological factors influence their purchasing decisions in the era of continuous branding revolution. The research results of Vainikka, B. (2015) show that this psychological component positively influences consumer purchasing decisions; this includes product beliefs, product brand beliefs, product knowledge, product feelings, and product reliability. However, research conducted by Sharif, MS, Shao, B, Xiao, and Saif, MK (2014) explains that certain personality components, such as being extroverted, friendly, and open to experiences, have a positive impact. The other personality components, on the other hand, did not have a significant impact. However, external environmental factors, such as perceived social influence, perceived risk, and perceived cost, do not have a significant impact on customer confidence.

Some things that need to be considered in making better purchasing decisions include trust in products and brands, product knowledge, feelings about products, and product reliability. Thus, marketers (sales) must understand the psychological

aspects to create a better branding strategy. These factors include consumer traits, such as extroverted, friendly, and open. While there are great advantages of implementing sustainable branding, brands face constraints while implementing it.

A paradigm shift regarding unlimited resources and awareness of the importance of sustainability are some of the challenges. Every aspect of human life will be affected by this problem, including economic, political, social and environmental. Sustainability is very important for the manufacturing industry, and to achieve its goals, new technologies, business models, and ways of thinking are needed (Garetti et al., 2012). To solve future problems, research and development will be very important.

The benefits of implementing sustainable branding include ¹Improvement of brand reputation, ²Business Benefits, ³Consumer Support, ⁴Innovation and Differentiation. While the challenges in implementing sustainable branding include paradigm shifts and awareness of the importance of sustainability needed to implement sustainable branding. A company has to change the way they think and incorporate sustainability into every aspect of their operations. To achieve sustainable branding, all sectors must make changes in technology, business models and operational practices. So companies must continue to develop innovative and sustainable solutions to deal with environmental and social changes. By understanding these benefits and challenges, companies can take appropriate actions to implement sustainable branding and gain competitive advantage by building consumer trust.

Certain companies have recorded an extraordinary success rate after adopting a sustainable approach. Sustainability is now considered an important component of strategic management. A well-designed and executed sustainability strategy can increase a company's competitiveness in competition and increase their brand value, Carcano, L. (2013). Taken together, these explanations show that sustainability has become an important component in modern industry. Companies that implement a sustainability strategy have a great opportunity to achieve long-term success and strengthen their position in an increasingly competitive market. Companies can also use sustainability strategies to enhance their brand reputation and increase their competitiveness in certain market segments.

Sustainable branding offers business opportunities and ethical consequences. Brands must ensure that their responsibility to the environment and society is visible and measurable. Communication must be clear and honest and accountable to all parties involved. The sustainable branding revolution faces challenges and opportunities in the future as it continues to evolve. One of the advantages of this opportunity is the possibility to enter a wider market which has consumers who are increasingly concerned about the environment and are pushing for increased industrial sustainability. In the future, it will be difficult to stay creative and adapt to changing lifestyles and consumer needs.

D. CONCLUSION

The result of this description is that sustainability has become an important component in the modern business world. Companies that implement a sustainability strategy have a great opportunity to achieve long-term success and strengthen their

position in an increasingly competitive market. Sustainability has significant ethical consequences besides enhancing brand reputation and business profits. Brands must prove and demonstrate their commitment to the environment and society. Moreover, these findings have far-reaching social and economic ramifications. This research can help in the creation of policies that encourage customers to act more sustainably. It also gives us an opportunity to talk about how brands contribute to social change.

The sustainable branding revolution continues to evolve and face challenges and opportunities in the future. Future opportunities include expanding markets with increasingly environmentally conscious consumers and increasing overall industry sustainability. Future challenges also involve the need to continue to innovate and adapt to changing trends and consumer demands. Therefore, this research provides a deeper and more relevant understanding of how sustainable brands influence consumer actions. This is expected to be the foundation for the development of a stronger and more relevant branding strategy that supports sustainable goals and responds to the environmental and social challenges facing society today.

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