



FIFTH INTERNATIONAL CONFERENCE ON MARKETING AND RETAILING (5TH INCOMaR) 2015

Environment Dominant Logic: Concerning for Achieving the Sustainability Marketing

Farzana Quoquab^{a*}, Jihad Mohammad^a

^a*International Business School, Universiti Teknologi Malaysia, Kuala Lumpur 54100, Malaysia*

Abstract

Environmental issues are now at the forefront of global agenda. This is because, the natural resources are depleting in alarming rate. Moreover, environmental pollution, need for future generation as well as quality of life became few more crucial issues for the survival of the human life. In order to attain a sustainable existence of individuals, several researchers have started to point marketers' role as the catalyst in bringing the change in conventional way of looking of business aspects. Considering the environmental deterioration, a new business philosophy became the necessary. This research addresses this issue by proposing a paradigm shift of the present marketing approach to a more timely, needed and holistic approach which can be called as 'environment – dominant' logic. Particularly, this study attempts to answer three basic questions related to this phenomenon: (i) Why the 'environment-dominant' logic is in the forefront? (ii) How does E-D logic differ from the conventional views of marketing paradigm? (iii) What is the role of E-D logic in marketing activities?

© 2016 The Authors. Published by Elsevier B.V. This is an open access article under the CC BY-NC-ND license (<http://creativecommons.org/licenses/by-nc-nd/4.0/>).

Peer-review under responsibility of Faculty of Business Management, Universiti Teknologi MARA

Keywords: Environment – Dominant logic; Conventional marketing; Paradigm shift; Ecologically friendly marketing

1. Introduction

In recent years, environmental issues have received significant research attention. This is because the whole world is encountering challenges due to global warming, natural disasters, air and water pollution, habitat distraction

* Corresponding author. Tel.: +6-03-2180-5049;
E-mail address: fqbhabib@ibs.utm.my

and fragmentation shortage of natural resources and the like. An environmental outcry emerged by concerning the welfare of present and future generation. Agricultural runoff, unknown diseases, flooding, genetic pollution, global dimming given the birth of feeling of vulnerability which lead research interest among the academicians and practitioners.

It is often claimed that marketing activities are partly responsible for ill environment which is generated from consumption and over-consumption (Fisk, 1974; Polonsky, 2011; Sheth & Sisodia, 2006). This is due to the fact that marketers are responsible for creating environmental awareness among its consumers, offering the environmental friendly products and educate consumers to make a habit of practicing environmental friendly behavior.

Given the priority to avail a better life and to improve and preserve the health of people and environment, academicians and practitioners have devoted their efforts in understanding and solving the issues pertaining to create environmental hazards. Such efforts have triggered initiation of new strategic approaches such as green marketing (Rex & Baumann, 2007), green chemistry (Iles, 2008), environmental citizenship (Seyfang, 2006), transformative consumer researchers (Polonsky, 2011), sustainability development and the like.

These new approaches and/or philosophies clearly call for a paradigm shift from present state of thinking to environmental dominant (E-D) logic. In response to this call, the present study addresses some issues pertaining to environmental dominant logic which requires further exploration:

- Why the 'environment-dominant' logic is in the forefront?
- How does the E-D logic differ from the conventional view of marketing?
- What is the role of E-D logic in marketing activities?

The rest of the paper is fourfold. First, the importance of the Environment Dominant (E-D) logic is discussed. Next, a distinct borderline has been drawn between conventional marketing practices and environmentally concerned marketing practices. The discussion follows by highlighting the role of E-D logic in marketing activities. Lastly, the conclusion has been drawn. It is expected that, the findings of this study will enhance the understanding of the necessity to consider a paradigm shift to gain sustainability marketing.

2. Why 'Environment-Dominant' Logic is in the Forefront?

There is a strong interdependence between global ecology and global economy (Sheth & Parvatiyar, 1995). Much of the economic growth and human welfare improved by utilizing the abandoned environmental resources such as utilizing the raw materials from forests, soils, seas, and waterways. Marketing plays a significant role in this enhancement by facilitating the use and development of products with new technologies in biology, materials, construction, chemicals, energy, and electronics. Economic activities are predominantly driven by marketing process which stimulates consumption opportunities to satisfy human and organizational needs and wants.

The traditional marketing system is focused on consumer satisfaction which limits the consideration of the need of future generation. Driven by utilitarian values, it seems that the marketing slogan 'consumer is the king' provides short term satisfaction and ignores the concern for the society. For example, if consumers opt for several dresses, shoes, or cars and marketers insist to provide it and/or to stimulate more wants and demands, it may make present generation satisfied. However, over consumption or excess production may hinder the smooth production in future due to the limited natural resources. In this instance, marketing efforts seem to be myopic by focusing the short term gain. Indeed there is a need to shift the current marketing practices into broader aspect in order to sustain in the future.

However, due to the excess use and misuse of the environmental resources, earth's vital resources are shrinking to alarming levels. Human life is at a stake due to global warming, acid precipitation, threat to Earth's ozone layer, accumulation of greenhouse gases, fast depletion of vital natural resources and so on. Given this, marketing cannot avoid its responsibility towards environmental sustainability. There is a need to consider the holistic marketing effort and approach in order to modify the whole consumption pattern for the betterment of the future generation. Only government or social marketers cannot enhance this movement. There is a need to consider a shift of paradigm from conventional marketing to 'Environmental Dominant Logic (E-D logic)' to make this movement stronger.

3. How Does the E-D Logic Differ from the Conventional View of Marketing?

It is needless to say that, by considering the deterioration of the natural environment and environmental hazards, E-D logic became the utmost necessity. As mentioned earlier, in order to embrace this logic, it is important to shift the conventional view of marketing to a more ecologically concerned marketing practice. Based on literature review, five aspects are found to be considered while embracing E-D logic. These aspects are: (i) need and want, (ii) key focal point, (iii) Need gratification, (iv) motive, and (v) quality concern. Some of the differences between the conventional marketing and ecologically concerned marketing are shown in the Table 1 below.

Table 1. Some differences between conventional marketing and ecologically concerned marketing

Criteria	Conventional marketing	Ecologically concerned marketing
1. Need and want	Need and want satisfaction	Need and want satisfaction through environmental welfare
2. Key focal point	Consumption Consumer is the king	Re-consumption Environmental concern for the present and future
3. Need gratification priority	Satisfying needs and wants of the present consumers	Protecting the right of the future consumers
4. Ultimate motive	Firms are predominantly driven by profit motive	Firms' initiatives are driven by present need fulfillment and protection of the future environment
5. Quality concern	Zero defection	Zero pollution, zero waste

3.1 Need and Want

The notion of need and want is universal. Need generates the feeling of deprivation whereas wants is shaped by the culture. As such, marketers can largely deal with consumers' want since want can be created. The conventional marketing takes this opportunity to sell more in order to earn profit. For instance, fashion shows organized by jewelry firms, dress makers, shoe and bag marketers stimulate extravagant purchase. The advertisements that focus on quantity sells and frequent use also another example of motivating customers to buy more. On the other hand, E-D logic advocates for giving priority to environmental welfare and to consider the need of future generation while satisfying the present customerse.

3.2 Key Focal Point

Conventional marketing emphasizes on consumption whereas, E-D logic focuses on re-consumption in order to reduce the waste. Re-using the empty container, recycling the used package in order to produce new item, refilling printer cartridge and toners, re-gifting are some of the examples of re-consumption which advocates for reducing level of consumption.

Although consumption is an economically desirable activity, the most significant criticism to such activity is that its focus is myopic. More clearly, the traditional view of consumerism hardly emphasizes on minimizing the consumption effort. This is important because, the more individuals will consume, the more natural resources will be used. Furthermore, it does not consider the long run outcome, rather focuses on short term gain (gaining profit through consumer satisfaction).

3.3 Prioritizing Need Gratification

The need gratifying theory originated from hedonism which suggests to fulfill individual's need and wants to gain satisfaction. The key focal point of conventional marketing is consumption which given the rise of consumerism. This philosophy considers consumers as the king. More clearly it emphasizes satisfying consumer's need and wants without taking into consideration the long run outcome or environmental welfare. For example, if consumers tend to indulge in spending and consuming intoxicant products like cigarette or alcoholic beverage, conventional marketing effort will organize its Ps in such a way that will enable consumers to fulfill their want. This is because the conventional marketing effort considers consumers as the king. On the other hand E-D logic suggests

considering the pollution as well as the negative consequences that generate from such marketing effort which limit the healthy living for the future generation.

3.4 *Ultimate Motive*

In most of the cases, firms are driven by profit motive. In contrast, E-D logic advocates for considering such initiatives that are driven by present need fulfilment and protection of the future environment. In this instance, quick profit gain is not the main focus. Instead, the concern is to gain profit through considering environmental welfare.

3.5 *Quality Concern*

While conventional marketing focuses on Zero defection, E-D logic emphasizes on Zero pollution and zero waste. Zero defection is needed in order to produce product and deliver services based on consumer's preferences. It is assumed consumers prefer defection less product. This view supports the notion of consumer satisfaction in order make them loyal, to sell more and to earn higher margins. On the other hand, the concern of E-D logic is to minimize the pollution of air and water as well as to minimize the waste. This is to ensure a sound environment for the present and future generation.

4. What is the Role of E-D Logic in Marketing Activities?

The consideration of marketing activities' impact on the natural environment is treated as macro-marketing (Fisk, 1982). Some of the academicians fail to see the connection between these two systems and assume that each of the system work in isolation (Polonsky 2011). It is argued that it is hard to address the environmental concern in traditional micro-formation of marketing activities due to the fact that it is driven by the classical micro-economics thought that is, need and satisfaction maximization (Russell & Russell 2010). As such, it is largely assumed that, people control their environment since giving importance on environmental friendly consumption as well as environmental welfare depends on individual's value perception. However, this view is myopic since in the long run, micro-marketing affects society and society influences broad macro-system as a whole. As such, micro-marketing and macro-marketing activities are interconnected.

It is indeed a necessity to have ecologically 'sustainable marketing' in order to gain 'sustainable development'. Marketing's role in economic development can be appreciated once it addresses environmental concern and follow the environmental stewardship concept. In this regard, marketers are required to be careful in their marketing activities which are directed to satisfy needs of the customers without compromising the ability of future generations to meet their own needs. Some premises related to E-D logic are pointed bellow:

- Marketing activities are not limited to develop socio-ecological products in order to protect the environmental damage and harm. It is more crucial to develop such products and services that will contribute in enhancing the poor condition of the environment.
- Marketing promotion needs to promote the idea that environmental consequences should be prioritized over customer satisfaction or firm's profitability.
- Fulfilling customers' needs is not in a conflict with the environmental needs since they occur concurrently.

5. Conclusion

Due to the massive environmental concern, marketers and policy makers need to consider their business strategies from a holistic perspective, rather focusing solely on profit motive. A paradigm shift from conventional marketing to ecologically driven marketing approach became a must. Addressing this issue, this paper suggests to

incorporate this environmental concern in every aspect of marketing as well as business as strategies by focusing and emphasizing the E-D logic. The present study provides the platform for other researchers to provide more in-depth understanding of E-D logic.

References

- Fisk, G. 1974. *Marketing and the ecological crisis*. New York: Harper & Row.
- Fisk, G. 1982. Editor's working definition of macro-marketing. *Journal of Macromarketing*, 2, 3-4.
- Polonsky, M. J. 2011. Transformative green marketing. *Journal of Business Research*, 64, 1311-1319.
- Russell, D. W. & Russell, C. A. 2010. Here or there? Consumer reactions to corporate social responsibility initiatives: Ecocentric tendencies and their moderators. *Market Letters*, 21: 102-107.
- Sheth, J. N. & Sisodia, R. S. 2006. *Does marketing need reform? Fresh perspectives on the future*. New York: M. E. Sharpe.
- Sheth, J. N. & Parvatiyar, A. 1995. Ecological imperatives and the role of marketing. In *Environmental Marketing Strategies, Practice, Theory, and Research* (pp. 3-18). Edited by Polonsky, M. J. & Mintu-Wismatt, A. T.