

INNOVATIVE MARKETING CONCEPTS IN A GREEN ECONOMY

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Abstract

This article highlights the content, importance, opportunities and specific features of the development of the innovative marketing concepts in green economy, with a focus on sustainable strategies that emphasize green marketing, eco-innovation, circular economy and economic growth. The current study examines the effects of green economy practices through eco-innovation to improve the sustainable performance of manufacturing industries. Moreover, this research also intends to test the moderating effect of circular economy practices on the direct relationship between green market practices and eco-innovation. For each of the concepts of innovative marketing, the article outlines the root causes of related problems, suggests solutions, as well as practical recommendations.

Keywords: green economy, green marketing, eco-innovation, circular economy, sustainable performance, economic efficiency, green advertisement.

Annotatsiya

Ushbu maqolada yashil iqtisodiyotda innovatsion marketing konsepsiyalarining mazmuni, ahamiyati, imkoniyatlari va o'ziga xos xususiyatlari yoritilgan bo'lib, yashil marketing, eko-innovatsiya, aylanish iqtisodiyoti va iqtisodiy o'sishni ta'minlovchi barqaror strategiyalar tahlil qilingan. Tadqiqotda yashil iqtisodiyot amaliyotlari orqali ishlab chiqaruvchi sanoat tarmoqlarining barqaror faoliyat ko'rsatkichlarini yaxshilashda eko-innovatsiyaning roli ko'rib chiqiladi. Shuningdek, yashil marketing amaliyoti bilan eko-innovatsiya o'rtasidagi bevosita munosabatda aylanish iqtisodiyoti amaliyotlarining moderatsion ta'sirini aniqlash ham ushbu tadqiqotning maqsadlaridan biridir. Maqolada innovatsion marketing konsepsiyalariga oid muammolarning asosiy sabablari, ularning yechimlari hamda amaliy tavsiyalar bayon qilingan.

Kalit so'zlar: yashil iqtisodiyot, yashil marketing, eko-innovatsiya, aylanish iqtisodiyoti, barqaror samaradorlik, iqtisodiy samaradorlik, yashil reklama.

Аннотация

В данной статье рассматриваются содержание, значение, возможности и особенности развития инновационных маркетинговых концепций в условиях «зеленой» экономики с акцентом на устойчивые стратегии, охватывающие зеленый маркетинг, эко-инновации, циркулярную экономику и экономический рост. Исследование анализирует влияние практик зеленой экономики через эко-инновации на повышение устойчивой эффективности производственных отраслей. Кроме того, цель исследования — изучить модерационное воздействие практик циркулярной экономики на прямую взаимосвязь между практиками зеленого маркетинга и эко-инновациями. В статье также представлены коренные

причины существующих проблем, предложены пути их решения и практические рекомендации для каждого из аспектов инновационного маркетинга.

Ключевые слова: зеленая экономика, зеленый маркетинг, эко-инновации, циркулярная экономика, устойчивая эффективность, экономическая эффективность, зеленая реклама.

INTRODUCTION

Businesses are increasingly realizing the significance of sustainability due to growing consumer demands, regulatory requirements and the necessity to address negative impacts. In regard to the environment, companies can contribute to greenhouse gas emissions, resource depletion, pollution, and harm ecosystems. In the social sphere, poor labor practices, unsafe working conditions, and inadequate community engagement can negatively impact workers and the society. In terms of economics, unsustainable business models and unfair trade practices can erode local economies and cause financial instability. Through sustainable practices, businesses can meet regulatory requirements and consumer expectations while also enhancing their long-term success and resilience. Companies are embracing methods such as reducing carbon emissions, utilizing eco materials and prioritizing social responsibility. This shift goes beyond compliance; it intends at gaining an advantage, enhancing brand reputation and ensuring long term viability. Consequently, marketing strategies need to adapt to these values by highlighting transparency, social accountability and environmental protection. Green marketing, which emphasizes the promotion of products and services based on their environmental benefits, differs significantly from traditional marketing approaches due to its focus on sustainability and ecological responsibility. Unlike conventional marketing, which primarily aims to drive sales and increase market share, green marketing seeks to align a company's offerings with the growing consumer demand for environmentally responsible products. This approach requires companies to not only highlight the eco-friendly attributes of their products but also to ensure that their overall business practices are sustainable and transparent. Green marketing requires educating consumers about a company's sustainability initiatives, integrating these practices into all business functions and fostering lasting consumer loyalty by aligning with their beliefs. Through efforts companies can build connections, with environmentally conscious consumers strengthen their market position and contribute positively to global sustainability objectives.

Green management techniques, like green marketing that is one of the main innovative marketing concepts in green economy, are all-encompassing processes that entail recognizing, foreseeing, and meeting societal and consumer needs in a sustainable and profitable way. It is the promotion of goods that are considered safe for the environment. It arose in response to people's growing concern about the state of the environment and how it affects the well-being of society. This evolution is a purposeful reaction to the shifting dynamics of consumer behavior, where environmental factors influence more purchases.

At its core, green marketing is a strategic communication method that effectively includes sustainability into all aspects of a brand's marketing. It goes beyond a simple green logo or a tag indicating recycled packaging, encompassing a thorough incorporation of environmentally friendly methods across the entire supply chain, product lifespan, and corporate values. Businesses implementing green marketing strategies integrate sustainability into their operations by sustainably procuring raw materials and using energy-efficient production processes. Beyond environmental credentials, green marketing connects with consumers who want significance in their choices. It builds brand loyalty and environmental responsibility by turning transactions into positive stories.

LITERATURE REVIEW

Green Marketing

Since green marketing is more comprehensive and incorporates social, economic, and environmental factors into business plans, it requires a different approach. Through the promotion of goods and methods that are socially and ecologically conscious, green marketing seeks to produce long-term value, which is primarily concerned with increasing sales and short-term profits. This strategy necessitates a mental change away from only meeting the wants of consumers and toward taking into account the welfare of society and the environment. Green marketing requires building consumer trust, promoting responsible consumption, and being open and honest about a business's sustainability initiatives. However, some consequences may be faced by the company when starting to implement green practice. Usually, it requires upfront investments in sustainable technologies, processes, and materials. The company may have to invest in renewable energy sources, energy-efficient equipment, sustainable raw materials, and eco-friendly packaging. Supply chain management can be made more difficult by sourcing environmentally friendly goods and making sure suppliers follow regulations. Cost increases and disruptions to the supply chain may result from this. Also, navigating the complex landscape of environmental regulations and standards can be challenging and time-consuming. Non-compliance can result in legal penalties and damage to the company's reputation. In order to guarantee that sustainability is integrated into every phase of product development and delivery, cooperation throughout the supply chain is also required. A company entering green practice need to build strong relationships with suppliers and work collaboratively to provide adherence to sustainability standards, including diversify the supplier base to reduce dependency on any single source and enhance supply chain resilience. To answer the funding, companies may start to seek external funding sources such as green loans, grants, or investment from sustainability focused investors. Green practices can be phased in gradually over time to spread out the costs. In green marketing, companies should provide verifiable evidence and third-party certifications to ensure authenticity and transparency. Businesses can enhance brand loyalty and contribute to a more environmentally conscious future by developing deeper and more genuine relationships with consumers that emphasize sustainability through several approaches to green marketing. To create awareness of green products and assist customers in

making informed decisions, eco-friendly products need to be properly communicated. Promoting ecological awareness, advertising, sales promotion, public relations, and personal selling using a variety of promotion methods is recommended. This incorporates the assumption that marketing initiatives also seek to change wasteful and hazardous consuming practices, such as the post-consumption disposal and recycling of products. Positive incentives, new product and process innovations, obstacles against specific consumer practices through pricing or other means, and macro-marketing activities that constructively engage numerous stakeholders are all necessary to transform, and occasionally even reduce consumption patterns. And also, green marketing promotes environmentally responsible products and practices, which has become critical in shaping consumer perceptions and driving corporate strategies[1].

H1 Green Marketing Practices have a positive influence on ecological innovation.

Role of eco-innovation

Eco-innovation refers to an innovation that try to achieve significant and measurable advancements towards sustainable development. We achieve this by either mitigating negative impacts on the natural environment or by achieving enhanced efficiency and responsible material utilization. Eco-innovation includes green technologies, operations, structures, and services and the foreseen and unexpected environmental implications of innovation. It is a solution to the societal challenge of balancing present demands while protecting the capacity of future generations to fulfill their fundamental requirements. Similarly, circular economy practices emphasize various approaches and objectives to achieve sustainable development. Additionally, it suggests ways to provide benefits for consumers, community members, and other stakeholders. Studies have found that eco-innovation positively influences a company's long-term performance across social, economic, and environmental dimensions. It is demonstrated that eco-innovation generates both direct and indirect benefits that contribute to minimizing environmental stress. Direct benefits include reduced resource consumption and waste, leading to cost savings and improved efficiency. Indirectly, eco-innovation enhances a company's reputation and compliance with environmental regulations, which can attract environmentally conscious customers and investors. Research on European Union states further supports the positive impact of eco-innovation on economic and environmental performance. The study suggests that countries embracing eco-innovation practices tend to experience sustainable economic growth while mitigating adverse environmental impacts. This dual outcome underscores the role of eco-innovation in fostering a balanced approach to development where economic progress does not come at the expense of environmental health. I further investigated the impact of eco-innovation on businesses' financial and environmental performance, revealing that eco-innovative practices can drive profitability by reducing costs and improving market competitiveness. While eco-innovation generally enhances long-term corporate performance, its impact may vary based on contextual factors. As a result, hypotheses are generated:

- H2 Eco-innovation positively impacts the environmental performance of firms.

- H3 Eco-innovation positively impacts the economic performance of firms.
- H4 Eco-innovation positively impacts the social performance of firms. [2]

The research recognized that green marketing is integrating environmental considerations into product development and marketing strategies as a key driver in improving both environmental performance and corporate reputation. Building on this concept, subsequent studies have explored the structural dynamics of corporate green strategies, highlighting the critical role of innovative green marketing techniques in conjunction with supply chain management to enhance environmental performance. Notably, green product innovation emerged as a critical intermediary within this complex interaction, emphasizing its role in bridging innovative efforts and tangible, sustainable outcomes. Especially, green product innovation emerged as a critical intermediary within this complex interaction, emphasizing its role in bridging innovative efforts and tangible, sustainable outcomes. Therefore, we can propose the following hypotheses: [3]

- H5 Eco-innovation mediates the relationship between green marketing and the environmental performance of firms.
- H6 Eco-innovation mediates the relationship between green marketing and the economic performance of firms.
- H7 Eco-innovation mediates the relationship between green marketing and the social performance of firms.

Moderating role of circular economy

Another concept of innovative marketing in green economy is circular economy. Circular economy foundation research has increased in recent years, which has led national governments, academics, and enterprises worldwide to adopt it. The circular economy has become a sustainable policy tool. Many businesses follow the "Take, Make, and Dispose" model.

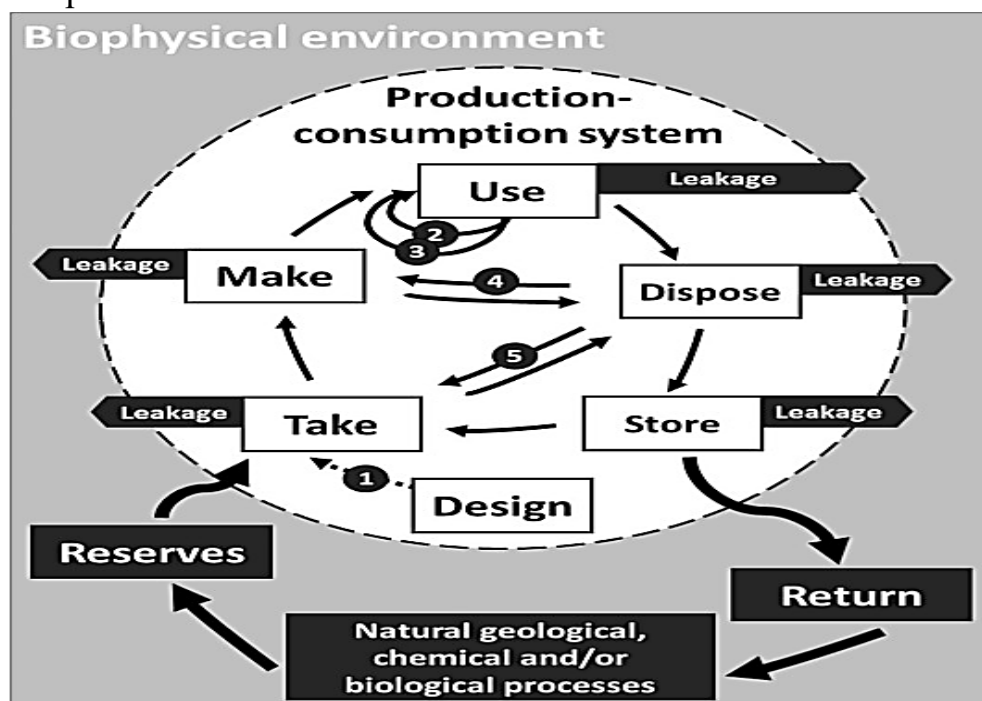


Figure 1. Conceptual framework [<https://share.google/mCtjLm3gGZhBSKJBO>]

This figure includes raw material acquisition, product conversion, and end-user distribution. The product's lifecycle ends with consumer disposal, creating waste. Circular economy provides new business models to transform linear economies, characterized by the "take, make, dispose" pattern, into circular economies with closed loop. Circular materials can reduce energy and unprocessed material use while creating new economic opportunities. Researchers also argue that the relationship between sustainability and circular economy may be enhanced by environmental impact. Circular economy practices are crucial to the success of manufacturing organizations because of their importance in the use-phase of resources and energy, production of byproducts, impact on employment, and GDP. The fundamental principle of the circular economy is to recover the value of physical products through restoration and reuse. This strategy may enhance energy recovery and recycling systems in an environmentally and financially beneficial way. Circular economy knowledge is fundamental to reviving eco-innovative processes since it promotes reuse, sharing, repair, refurbishment, remanufacturing, and recycling. This method seeks to minimize resource input by creating a closed-loop system while lowering waste, pollution, and emissions. Employees who are well-versed in the circular economy are more likely to perceive the company as committed to producing sustainable results. Consequently, the following insights are created;

H8 The positive relationship between green marketing and eco-innovation will be stronger when circular economy practices are implemented in organizations.

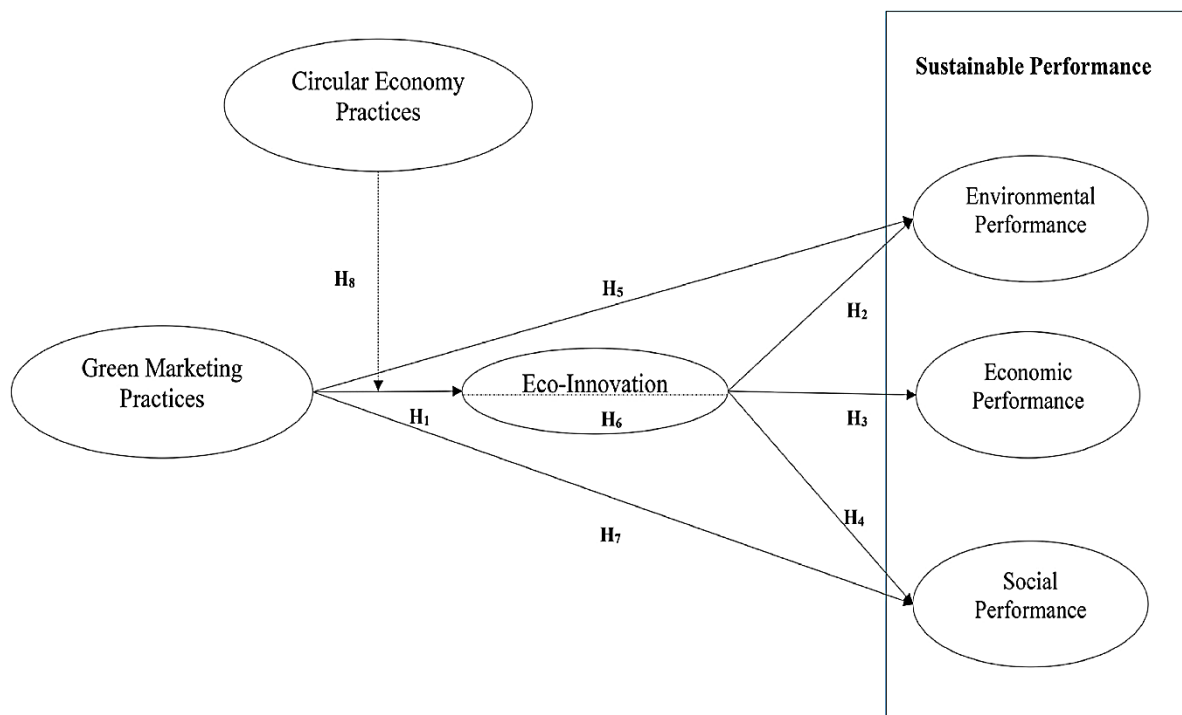


Figure 2. https://ars.els-cdn.com/content/image/1-s2.0-S2444569X24001458-gr1_lrg.jpg

This figure above displays the study's framework drawn from previous academic research. The assessment of the literature and the scope of future work specifically for

developing economies led to the discovery of these four major factors: green marketing, eco-innovation, circular economy practices, and sustainable performance. These four significant factors stood out from the rest as influencers for manufacturing firms in developing nations. By emphasizing the social benefits and the influence of others on adopting green behaviors, marketers can target consumers and facilitate the transition toward more sustainable consumption patterns.

Green Promotion and Green Advertisement

Another innovative marketing concept is green promotion. A green marketing strategy involves promoting green products, services, or brand images. Consumers have become increasingly aware of environmental issues in recent years and are seeking eco-friendly alternatives. The goal of green advertising is to attract environmentally conscious consumers and demonstrate a company's commitment to environmental responsibility. Some important aspects of green advertising include:

- Product attributes: Making use of environmentally friendly materials, reducing emissions, or optimizing energy use [4]
- Production processes: Emphasizing sustainable manufacturing methods, renewable energy usage, or waste reduction efforts. [5]
- Corporate image: Showing commitment to environmental issues and sustainability. [6]
- Eco-labels and certifications: Using certified or eco-labelled products to confirm their environmental credentials. [7]

Green advertising can be found in a variety of places, such as digital platforms like social media and websites, print and broadcast media, and product packaging. However, businesses need to exercise caution to avoid “greenwashing,” which is the practice of presenting fictitious or overstated environmental statements that harm the reputation of a brand. [8]

A company's brand image can be enhanced, consumer loyalty can rise, and it may even gain a competitive edge in the market with the help of efficient green advertising. To preserve customer trust and stay out of trouble with the law, companies must make sure that their environmental claims are supported by evidence and consistent with their real operations.

Green social media campaign

Social media platforms increasingly play a significant role in peoples' daily lives. Its communication expands not only from one individual to another but also from one individual to hundreds of people and eventually to millions of people. A green social media campaign makes use of social media channels to encourage eco-friendly behaviors, sustainability, and environmental awareness. These campaigns share interesting and educational content about environmental challenges, sustainable products, and conservation initiatives in an effort to change consumer attitudes and behaviors toward green consumerism. Clear messaging, captivating imagery, and calls to action that inspire followers to lead more sustainable lives are essential components of successful green social media initiatives. However, the cost of online activity in energy terms is indeed considerable and can have a significant impact on the

sustainability and “green” credentials of companies. A substantial amount of energy is required for online activities, including data storage, streaming, and cloud computing. This energy consumption contributes to the carbon footprint of companies, potentially undermining their efforts to present themselves as environmentally responsible. Businesses should invest in renewable energy sources to power their data centers to reduce their reliance on non-renewable energy and manage the negative effects of social media activities on energy consumption and carbon footprint. The use of energy-efficient technologies and practices, such as optimizing server utilization and improving cooling systems, can further reduce energy consumption. Additionally, companies should regularly monitor and report their energy use and carbon emissions to ensure transparency and accountability. By adopting these measures, businesses can align their social media operations with their sustainability goals, enhancing their green credentials and demonstrating a genuine commitment to environmental responsibility. [9]

CONCLUSION AND SUGGESTIONS

This study successfully achieved its primary research objective by analyzing the direct effects of green marketing on eco-innovation and eco-innovation on all three components of sustainable performance (economic, environmental, and social). Interestingly, the findings of this study succeeded in supporting the hypothesis proposed in the study. The first hypothesis, "that green marketing has a direct and significant positive impact on eco-innovation (H1)," analysis suggests that the findings are in accordance with prior studies that also indicated that green marketing had a positive effect on eco-innovation implementation. Furthermore, according to the findings of this study, eco-innovation is positively connected with all three sustainable performances of the firm (H2), (H3), and (H4), and there is an abundance of prior research to support this conclusion.

The secondary objective of the current study was to evaluate the indirect influence of both green marketing and sustainable performance (SP). According to the research findings, green marketing has a strong, positive relationship with SP through eco-innovation implementation (EI) (H5) (H6) (H7). This hypothesis's findings are consistent with earlier studies. The specific impact of green marketing on sustainable performance, besides eco-innovation acting as a mediator, is also demonstrated. Literature is scarce on the specific relation. According to the analysis, it has been determined that eco-innovations play a full mediation role in the interaction between green marketing and sustainable performance (environmental, social, and economic). Moreover, the circular economy moderates the relationships between green marketing and eco-innovation.

In today's environmentally sensitive market, developing a successful green marketing plan is essential for companies looking to attract and keep eco-conscious consumers. Consumers actively seek out brands that share their values of sustainability and responsibility as they become more aware of their own environmental impact. So, the role of green promotion and advertisement is very important in green economy.

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