

# THE IMPLEMENTATION OF GREEN MARKETING IN INDONESIA

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## Abstract

The purpose of this extensive literature review on the application of green marketing in Indonesia is to assess the advancements and difficulties associated with implementing sustainable marketing techniques. The background of the research emphasizes how companies are being encouraged to engage in environmentally friendly business practices and how environmental issues are becoming more widely known. Through the systematic identification and analysis of literature pertaining to the application of green marketing in Indonesia, the research methodology employs a Systematic Literature Review (SLR) approach. The study's findings show encouraging advancements in environmentally friendly business practices, such as modifications to supply chains and a focus on environmental values in advertising campaigns. Notwithstanding, certain obstacles persist, such as disparities in consumer comprehension and challenges in executing sustainable business strategies. The keys to success were found to be government and policy initiatives that support sustainability as well as business initiatives to raise consumer awareness. The research's discussion emphasizes Indonesia's potential for a constructive change in the direction of a more ethical and sustainable corporate culture. In summary, Indonesia's adoption of green marketing initiatives is indicative of a promising trend toward more ecologically friendly corporate practices. To overcome current obstacles and promote future advancements in Indonesia's adoption of green marketing, the government's assistance and consumer education are essential.

**Keywords:** Green, Marketing, Indonesia

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## 1. INTRODUCTION

For any business or organization to succeed, marketing is essential. Marketing plays a more crucial role in gaining a competitive edge as market dynamics shift and competition rises. This introduction will go over a number of the reasons that make marketing an essential component of today's business environment (Made Utari Tisna Angela et al., 2022). Understanding and addressing customer needs is a critical function of marketing. Businesses can determine consumer trends, preferences, and expectations by examining market behavior. This data serves as the foundation for creating goods and services that appeal to the target market and are relevant to them, satisfying customers and fostering enduring loyalty. Aside from that, marketing is crucial to creating a positive brand image. Creating a powerful and uplifting brand identity can set a product or business apart from its rivals. Marketing has the power to influence consumer perceptions, provide value, and deepen the emotional connections that brands have with their patrons through a strong branding strategy (Gede Sueca Arimbawa & Wayan Ekawati, 2017).

The primary instrument for promoting goods or services is marketing. By utilizing diverse communication channels, like social media, advertising, and marketing campaigns, businesses can expand their customer base and raise awareness of their offerings. Promotions that are successful can motivate potential customers to take action—from making a purchase to sticking with you. In addition to its strategic value, marketing has a big financial impact. According to Indriani et al. (2020), a company's ability to market itself successfully can lead to increased revenue, investment opportunities, and job creation. Aside from that, marketing contributes to fostering connections with business associates, generating chances for cooperation, and growing networks within the business ecosystem. Over the past few decades, adopting sustainable business practices has drawn attention from all over the world.

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The application of green marketing, a marketing tactic that prioritizes environmental friendliness and sustainability, is one area that is receiving attention. Given its rich natural diversity, Indonesia is not exempt from this trend (Idrus & Serang, 2023). With its diverse culture and abundant natural resources, Indonesia faces significant environmental impact challenges. Fast economic expansion is frequently correlated with harmful environmental pollution and deterioration. Within this framework, green marketing presents itself as a viable means of mitigating the adverse effects of commercial operations on the natural world. Nevertheless, there are still a number of barriers and difficulties facing Indonesia's adoption of green marketing, despite a growing consciousness among consumers and businesses of the value of sustainability (Khoirudin et al., 2016).

The lack of awareness of the Green Marketing concept and the lack of incentives to put it into practice are two issues that require more research. Aside from that, another important factor that requires further analysis is shifts in consumer behavior. This study intends to investigate how Indonesian consumers react to goods and services that are marketed as environmentally friendly, as well as how they perceive the concept's level of maturity. Research on the application of green marketing in Indonesia is anticipated to shed more light on the problem's history and serve as a foundation for creating successful marketing campaigns that are sustainable in the face of mounting environmental challenges. As a result, this study is highly relevant to Indonesia's sustainable business development and advances efforts to preserve environmental sustainability overall.

**2. IMPLEMENTATION METHOD**

In order to methodically look into pertinent literature about the application of green marketing in Indonesia, this research will employ the Systematic Literature Review (SLR) method. Using the structured scientific method known as the SLR method, researchers find, pick, compile, and critically evaluate scientific publications that are pertinent to their area of study. With the use of this methodology, the study seeks to identify key findings, trends, and areas of knowledge that require further investigation in order to provide a comprehensive and in-depth understanding of the requirements for implementing Green Marketing in Indonesia (Akhigbe et al., 2017). The SLR method comprises several steps, such as defining precise inclusion and exclusion criteria, locating relevant literature, extracting data in a methodical manner, and conducting a synthetic analysis of prior research findings. Through the use of this methodology, it is hoped that this research will offer a more comprehensive understanding of the variables influencing Green Marketing implementation in Indonesia, along with suggestions or possible solutions for bolstering sustainable marketing strategies at the business and industrial levels.

**3. RESULTS AND DISCUSSION**

Based on the SLR results of 6 journals that match the searched keywords, namely Green, Marketing, Indonesia, the following results were obtained :

No.	Article Title	Writer	Research Findings/Results
1	The Effect of Implementing Green Marketing on Brand Image and Product Purchasing Decisions	(Gede Sueca Arimbawa & Wayan Ekawati, 2017)	The findings of this research show that the role of brand image has a positive and significant influence on the correlation between green marketing variables and purchasing decisions.
2	Application of Green Marketing in Efforts to Form a Brand Image in Creating a Go Green Corporate Image (Study at PT. Cabot Indonesia, Jakarta)	(Khoirudin et al., 2016)	The internal implementation of green marketing at PT Cabot Indonesia, which is the focus of the research, involves the production of goods that do not cause negative impacts or risks for consumers and the environment. PT Cabot Indonesia applies this approach by reducing the use

			of raw materials, including the use of water and electricity.
3	Green Marketing Practices in Companies in Indonesia	(Hariyani & Sartana, 2020)	The implementation of green marketing practices faces several challenges during its implementation. One step that the government can take is to establish regulations or laws that regulate the implementation of green marketing.
4	Review of the Application of Green Marketing Concepts in Environmental Conservation	(Islam, 2018)	Implementing a sustainable marketing strategy requires a basic, holistic and integrated approach in all aspects of the marketing function, including all marketing elements such as product design, pricing, distribution and promotion.
5	The Effect of Implementing Green Marketing and Green Trust on Product Repeat Purchases	(Idrus & Serang, 2023)	Green marketing is able to increase the frequency of repurchase of bottled drinking water products through the positive influence of green trust.
6	Implementation of green economy and green marketing as a sales strategy for MSMEs in Indonesia	(Indriani et al., 2020)	The findings from this research show that adopting a green economy and implementing green marketing in the marketing and sales strategies of MSMEs can be an effective solution to the challenges they face.

Green marketing adoption in Indonesia is growing in significance as corporate and public awareness of environmental sustainability rises. The company's attempts to lessen the adverse effects of its products' life cycle on the environment are a key component of green marketing (Istiqomah et al., 2022). Specifically, there are a number of important components to Indonesia's application of green marketing. An increasing number of Indonesian businesses are beginning to concentrate on producing eco-friendly goods. This entails developing recyclable products, employing more environmentally friendly raw materials, and utilizing energy-efficient production techniques. These actions are intended to improve corporate social responsibility and lessen the environmental impact of products (Fataron, 2022). Environmental factors are also being incorporated into marketing strategies by Indonesian businesses more and more. Environmentally friendly business practices, social responsibility, and product sustainability are all frequently highlighted in marketing campaigns. Indonesian consumers are responding to these messages more and more, which is raising demand for goods and services that are thought to be more sustainable (Yulianti, 2020).

Additionally, the Indonesian government supports and encourages the use of green marketing. Governments foster an environment that supports businesses that are committed to sustainable business practices by enacting laws and offering incentives. Companies may be encouraged to implement Green Marketing, for instance, by tax incentive programs or the recognition of environmentally friendly certification (Rossiana Shalsabillal et al., 2023). Although there has been progress, there are still obstacles in the way of Indonesia's adoption of green marketing. There is still a need to raise consumer awareness, and some industry sectors may find it challenging to modify their business practices. Overall though, there is a positive trend toward more sustainable change in Indonesia's application of green marketing, and this is anticipated to help shape a future in business that is both environmentally conscious and responsible (Istiqomah et al., 2022).

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The way Indonesian consumers react to goods and services that are marketed as eco-friendly has changed dramatically in the last several years. Indonesian society is becoming more conscious of environmental issues, which motivates consumers to consider sustainability factors more carefully when making decisions about what to buy (Fataron, 2022). Indonesian consumers have a tendency to read product labels and information more carefully. Their concerns regarding the life cycles of products, production methods, and raw materials are growing. Consumers who recognize the value of supporting sustainability frequently respond favorably to products made with cleaner production techniques or with environmentally friendly raw materials (Rossiana Shalsabillal et al., 2023). Moreover, consumer decisions are frequently influenced by marketing campaigns that highlight environmental values and corporate social responsibility. Consumers who wish to support businesses that have similar values will often find messages emphasizing a company's dedication to sustainability, environmental restoration, or social program participation particularly appealing (Gede Sueca Arimbawa & Wayan Ekawati, 2017).

Another significant factor influencing customer response is price. In Indonesia, the majority of consumers still believe that eco-friendly goods are typically more expensive. Therefore, consumers can be encouraged to switch to more environmentally friendly products by offering competitive prices, discount programs, and special offers for sustainable products. It must be noted, though, that despite increased awareness, some consumers still do not fully comprehend sustainability issues or give them top priority when making purchases. To improve awareness and encourage a change in consumer behavior toward greater sustainability, more education and information campaigns may be essential (Indriani et al., 2020). As a result of these encouraging developments, businesses in Indonesia are beginning to understand that implementing sustainable business practices is not only morally required but also a viable marketing tactic that can boost product appeal and satisfy the needs of a consumer base that is becoming more and more conscious of environmental issues (Idrus & Serang, 2023).

In Indonesia, consumers' comprehension of the idea of goods or services that are marketed as environmentally friendly is still developing. Numerous encouraging signs suggest that consumers' awareness of sustainability has grown dramatically. The general public is becoming more and more familiar with phrases like "green," "sustainable," and "eco-friendly," which suggests that people's fundamental comprehension of these ideas has improved (Hariyani & Sartana, 2020). It's important to remember that different customers still have different understandings of this. Although most consumers can recognize products or services that are advertised as environmentally friendly, not all societal levels may yet fully understand the benefits and implications of these products for the environment.

According to Gede Sueca Arimbawa and Wayan Ekawati (2017), there is therefore potential for greater consumer understanding of the concept of sustainability, particularly among groups that may not yet be fully engaged with environmental issues. Consumer awareness of the environment, information availability, and educational attainment are additional variables that could affect their comprehension. Higher levels of education and easier access to information may contribute to a deeper understanding of sustainability in communities. It is hoped that consumer awareness of sustainability will increase as long as marketing campaigns continue to highlight it. A higher degree of consumer understanding can be achieved by providing better education and information about the environmental advantages of sustainable goods and services (Istiqomah et al., 2022). As a result, businesses and governments must keep working together to raise consumer awareness in order to empower people to make more sustainable and environmentally conscious purchases.

**4. CONCLUSION**

It is clear from a review of the literature on the implementation of green marketing in Indonesia that businesses and society as a whole are becoming more and more interested in sustainable business practices. Growing environmental consciousness has prompted Indonesian businesses to implement sustainable marketing approaches in their product development and advertising. In Indonesia, green marketing is being implemented in a number of ways, from campaigns that highlight environmental values to modifications in the supply chain and marketing

mix. While there are still obstacles to overcome, like different customer comprehension levels and difficulties putting sustainable business practices into practice, this literature review points to a trend in the right direction: a greater acceptance of green marketing. The government's support, sustainability-promoting policies, business consumer education initiatives, and other factors may be crucial to the success of green marketing in Indonesia. This conclusion points in the right direction for the future development of a more ethical and sustainable corporate culture.

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