

The Role of Sustainable Societal Marketing in Business

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Abstract

Background & Statement of the problem: This article emphasizes the critical role of sustainable marketing within the framework of sustainable development, focusing on a holistic approach to societal marketing that prioritizes social and environmental responsibility. Despite challenges such as conflicting consumer expectations, sustainable marketing offers tangible benefits.

Objectives: The objective is to showcase the advantages of sustainable marketing, including enhanced brand reputation and customer loyalty, and to demonstrate how companies can integrate sustainable initiatives into their strategies.

Methods: To achieve this, we employed descriptive methods to illustrate the role of sustainable development culture at LAFARGE. Lafarge Holcim Algeria's experience is used as a case study, highlighting initiatives like training young people in construction and supporting local subcontractors.

Results: Findings indicate that sustainable marketing improves brand reputation and boosts customer loyalty, with Lafarge Holcim Algeria's efforts serving as concrete examples.

Conclusions (Recommendations and contributions): At the end of this study, we recommend adopting a comprehensive sustainable marketing strategy that incorporates all aspects of sustainability, while enhancing collaboration with stakeholders and educating employees on its importance. Additionally, companies should focus on innovating eco-friendly products and services, evaluating the performance of sustainable initiatives, staying updated with regulatory changes, and maintaining continuous communication with customers to raise awareness and encourage sustainable behaviors.

Key words

Brand Reputation, Business Strategy, Environmental Responsibility, Social Responsibility, Sustainable Marketing.

دور التسويق المجتمعي المُستدام في الأعمال

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الملخص

خلفية الدراسة ومشكلتها: تسلط هذه الدراسة الضوء على الدور الحاسم للتسويق المُستدام في التنمية المستدامة، مع التركيز على المسؤولية الاجتماعية والبيئية. على الرغم من التحديات مثل توقعات المستهلكين المتضاربة، يقدم التسويق المُستدام فوائد ملموسة.

الأهداف: الهدف هو إظهار مزايا التسويق المُستدام مثل تحسين سمعة العلامة التجارية، وزيادة ولاء العملاء، وكيف يمكن للشركات دمج هذه المبادرات.

الطرق المستخدمة: لتحقيق هذه الدراسة، استخدمنا الأسلوب الوصفي لتوضيح دور ثقافة التنمية المستدامة في شركة لافارج.

النتائج: يحسن التسويق المُستدام سمعة العلامة التجارية، ويُعزز ولاء العملاء، كما يتضح من جهود لافارج هولسيم الجزائر.

الاستنتاجات (التوصيات والمساهمة): توصي الدراسة بتبني إستراتيجية شاملة للتسويق المستدام تتضمن جميع جوانب الاستدامة، مع تعزيز التعاون بين الأطراف المعنية وتوعية الموظفين بأهمية الاستدامة. كما يجب التركيز على الابتكار في المنتجات والخدمات الصديقة للبيئة، وتقييم أداء المبادرات المستدامة. بالإضافة إلى مواكبة التغيرات التشريعية والتواصل المستمر مع العملاء لنشر الوعي وتشجيع السلوك المستدام.

الكلمات المفتاحية

استراتيجية الأعمال، التسويق المُستدام، سمعة العلامة التجارية، المسؤولية الاجتماعية، المسؤولية البيئية، ولاء العملاء.

Introduction

Recently, businesses have changed their methods to focus more on sustainability and social responsibility. This shift is driven by a growing awareness of environmental issues, changing consumer preferences, and the understanding that business success is closely linked to societal well-being. As a result, sustainable societal marketing has become a crucial strategy for companies aiming to succeed in the 21st century.

Sustainable societal marketing involves the integration of environmental, social, and economic considerations into marketing practices, to generate value for both businesses and society at large. This approach encompasses a diverse array of activities, including product development, supply chain management, communication strategies, and community engagement, all geared toward promoting sustainability while fulfilling the needs and expectations of consumers.

One of the primary functions of sustainable societal marketing in business is its capacity to bolster brand reputation and foster customer loyalty. In today's increasingly conscious consumer landscape, individuals are more attuned to the social and environmental repercussions of their purchasing decisions. Consequently, they are more inclined to support companies that steadfastly commit to sustainability. By embracing sustainable marketing strategies, businesses can establish trust with consumers, differentiate themselves from competitors, and cultivate enduring relationships with their customer base.

In today's fast-changing business world, using sustainable marketing is tough for companies trying to do well and meet what consumers want. The big question is: How can businesses use sustainable marketing to do better and also help society and the environment? This tough problem shows that companies

need to balance making money with doing the right thing while dealing with challenges to succeed in a market where people care more about these issues.

1. Marketing in a sustainable development context:

Sustainability has become a major issue for companies, encouraging them to rethink their marketing strategies to integrate sustainable practices. Marketing in this context aims to reconcile economic objectives with social and environmental responsibility. This approach raises various questions and challenges that companies need to address.

1.1 Evolution of Societal Marketing:

Social marketing has evolved from a simple promotional tool to a more holistic business philosophy focused on corporate social responsibility (CSR) and societal well-being. Kotler and Zaltman (1971) were among the first to formulate the concept of societal marketing, putting forward the idea that businesses should not only meet the needs and desires of consumers but also contribute to the well-being of society as a whole. In the years that followed, societal marketing became increasingly important as consumers and stakeholders demanded that companies take on social and environmental responsibilities (Kotler and Lee, 2005).

The transition to sustainable societal marketing has become a major priority for many companies in the modern era. Companies are increasingly recognizing the importance of integrating sustainability into their marketing strategy to meet consumer expectations and to address environmental and social challenges (Pujari Devashish and Roberta M. Dangelico, 2010). This transition often involves the adoption of responsible business practices, such as reducing the carbon footprint, responsible management of natural resources, and community engagement (Luchs et al., 2012).

1.2 Transition to Sustainable Societal Marketing:

In conclusion, the evolution of societal marketing reflects a fundamental shift in how companies perceive their role in society from a purely profit-driven approach to one that is more sustainable and socially responsible.

The concept of “sustainable marketing” or “green marketing” has emerged to refer to marketing practices that integrate environmental considerations into their strategy (Polonsky, 2011). Companies are looking to meet growing consumer demand for environmentally friendly products and services (Grissemann and Stokburger-Sauer, 2012).

Sustainable marketing goes beyond simple communication about the company’s green initiatives and involves a real integration of sustainability into the entire marketing process, including product development, distribution, and communication (Tanner and Wölfling Kast, 2003).

However, marketing in a sustainable development context is not without challenges. Businesses face conflicting consumer expectations, additional costs related to sustainability, and the need to measure the real impact of their sustainable initiatives (Rex and Baumann, 2007).

Figure (1): Sustainable Societal Marketing



2. The role of sustainable societal marketing in companies:

Sustainable societal marketing has become an essential aspect of companies’ business strategy, given the growing challenges related to environmental, social, and economic sustainability. This concept is based on the idea that companies have a responsibility to adopt business practices that take into account the social and environmental impacts of their activities.

Sustainable social marketing encompasses several dimensions, including environmental responsibility, social responsibility, and economic sustainability. In terms of environmental responsibility, companies are striving to reduce their environmental footprint by adopting more sustainable production practices, minimizing waste, and promoting the use of renewable energy sources (Auger. P And Devinney. T.M, 2007).

2.1 Environmental Responsibility:

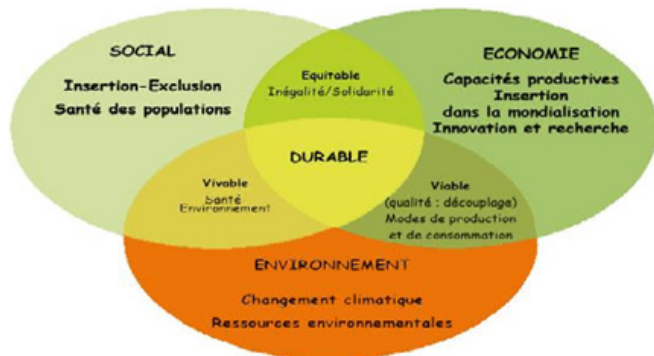
Corporate environmental responsibility has become a major concern in the current context of climate change and environmental degradation. Sustainable societal marketing plays a crucial role in helping companies adopt environmentally friendly practices throughout their value chain (Auger and Devinney, 2007). Companies that integrate environmental considerations into their marketing strategy can benefit from a better reputation and greater consumer loyalty (Chernev, 2018).

2.2 Social Responsibility:

Corporate social responsibility (CSR) is an essential pillar of sustainable social marketing. Companies are increasingly required to meet stakeholder expectations for social responsibility, including ethical supply chain management, promoting diversity and inclusion, and supporting local communities (Maignan and Ralston, 2002). Sustainable societal marketing often involves transparent communication of the

company's social initiatives to build consumer confidence (Sen and Bhattacharya, 2001).

Figure (2): Pillar of CSR (Corporate Social Responsibility)



2.3 Economic sustainability:

Economic sustainability is a crucial aspect of sustainable societal marketing, as companies need to be economically viable in the long run to continue to invest in sustainable practices. Sustainable societal marketing can contribute to business economic growth by driving innovation, improving operational efficiency, and opening new markets (Kotler et al., 2019). By integrating sustainability into their marketing strategy, companies can create value both for themselves and for society as a whole.

In conclusion, sustainable societal marketing plays a critical role in promoting corporate environmental, social, and economic responsibility, thereby contributing to a more sustainable and equitable future.

Here is a table with various statistics related to economic sustainability, highlighting the financial performance of companies, their contributions to the economy, and the integration of sustainable practices.

Table (1): Economic sustainability statistics

Aspect	Statistic	Source	Year
Green Growth	The global clean technology market was estimated at \$ around 2.5 trillion	OECD	2020
Renewable Energy	Renewable energy accounted for approximately 29% of global electricity production	International Energy Agency (IEA)	2021
Green Jobs	The transition to a green economy could create up to 60 million new jobs worldwide by 2030	International Labour Organization (ILO)	2019
Resource Efficiency	Improving resource efficiency could generate up to 2.9 trillion \$ in savings for the global economy by 2030	McKinsey & Company	2016
Corporate Social Responsibility (CSR)	Companies with high CSR scores had higher profitability and lower financial risk	Harvard Business Review	2015

3. Benefits of Sustainable Societal Marketing:

Sustainable societal marketing offers many benefits for companies adopting it, including an improved brand reputation, increased customer loyalty and trust, and a competitive advantage in the market.

3.1 Enhanced Brand Reputation:

Research shows that sustainable social marketing can help strengthen companies' brand reputation by demonstrating their commitment to social and environmental responsibility (Kotler. P and al, 2021). Consumers are increasingly aware of companies' ethical practices and are more likely to support brands that adopt sustainable initiatives (Kim et al., 2020).

Improved brand reputation is widely recognized as one of the key benefits of sustainable societal marketing for businesses. This reputation improvement stems from the company's commitment to socially responsible business practices, particularly in the areas of environmental, social, and economic responsibility (Kotler and Keller, 2021).

Indeed, when companies communicate effectively about their sustainable initiatives, they strengthen

the public's perception of their commitment to society and the environment, which contributes to a better brand image (Hsu et al., 2020).

A positive brand reputation can lead to several tangible benefits for the business. First, a better reputation can increase consumer trust in the brand, which can translate into increased sales and customer loyalty (López et al., 2019). In addition, a positive reputation can attract new customers who are more sensitive to the company's ethical and environmental values (Kaufmann et al., 2019).

Financially, an improved brand reputation can also have a positive impact on business value. Investors are often more inclined to financially support companies with a strong reputation for social and environmental responsibility, which can translate into long-term financial benefits (Kotler and Keller, 2021).

Finally, a better brand reputation can offer a significant competitive advantage in the market. Consumers are more likely to choose brands with which they have an emotional affinity and that reflect their values, which can lead to competitive differentiation and increased market share for the company (Kim et al., 2020).

3.2 Customer Loyalty and Trust:

Improved brand reputation through sustainable societal marketing can lead to increased customer loyalty as well as increased brand trust (Kim et al., 2020). When companies demonstrate their commitment to social and environmental responsibility through their actions and communications, consumers are more likely to develop a relationship of trust with the brand (Hsu et al., 2020).

Customer trust is an essential part of brand loyalty. When consumers have confidence in a company's

values and practices, they are more likely to regularly choose that brand for their future purchases (López et al., 2019). A positive brand reputation for social and environmental responsibility can therefore foster consumer trust and long-term commitment to the brand.

In addition, customer loyalty can also be enhanced by positive experiences associated with socially responsible brands. Consumers are more likely to remain loyal to a brand that demonstrates its commitment to social and environmental causes to which they are sensitive (Kaufmann et al., 2019). They are also more likely to recommend the brand to those around them, which can lead to organic customer growth.

Companies that invest in sustainable initiatives and transparently communicate about their social and environmental practices can therefore benefit from increased customer loyalty and trust in their brand. These benefits can translate into increased sales, better customer retention, and long-term sustainable growth for the business.

3.3 The Competitive Advantage:

Sustainable societal marketing gives companies a significant competitive advantage by strengthening their market position. Companies that adopt responsible business practices and integrate sustainability into their marketing strategy can differentiate themselves from their competitors and attract a sustainable customer base (Kotler and Keller, 2021). This competitive differentiation can translate into several benefits for the company.

First, sustainable societal marketing can make companies stand out by meeting changing consumer expectations. More and more consumers prefer to buy from companies that adopt sustainable practices, which gives these companies a competitive advantage in markets where competition is strong (Kim et

al., 2020). By positioning itself as a socially responsible brand, a company can attract a wider customer base and retain its current customers.

Second, sustainable societal marketing can drive innovation and product differentiation. Companies that integrate sustainability into their product development process can create innovative products that meet consumer needs while reducing their environmental impact (Kaufmann et al., 2019). These differentiated products can grab consumers' attention and offer a competitive advantage in the market.

Third, sustainable societal marketing can strengthen brand reputation and consumer trust, which can lead to greater customer loyalty and increased market share (Hsu et al., 2020). Consumers are more likely to choose socially responsible brands, which can help a company stand out from its competitors and maintain its market position.

In conclusion, sustainable societal marketing can provide businesses with a significant competitive advantage by meeting consumer expectations, driving product innovation, and strengthening brand reputation. These benefits can contribute to the company's long-term growth and success in the market.

4. AFARGE Algeria's experience in societal marketing:

4.1 Presentation of the LAFARGE Company:

Lafarge is a French building materials company Created in 1833, in Ardèche, by the Pavin de Lafarge family to produce lime, the Company led by Bertrand Colomb has now become an internationalized group that is positioned as the world's leading cement producer. It contributes significantly to participation in major international projects, including the construc-

tion of the Suez Canal or the construction of the building housing the American Stock Exchange on Wall Street.

The company produces and sells worldwide mainly cement, aggregates, and ready-mix concrete. Lafarge has developed special cements and innovative concretes of international renown.

LAFARGE group occupies the leading position in all activities related to construction, world leader in cement and aggregates, and world number three in concrete and plaster. The group is present in 76 countries with 90,000 employees and 2,000 industrial sites worldwide. In 2008, the group posted a turnover of 17.6 billion euros and 1.9 billion euros in net results (website LAFARGE).

4.2 Environmental protection issues for LAFARGE:

As any industrial activity can have an impact on the environment, Lafarge Algeria is committed to taking care of aspects related to the rehabilitation of industrial sites, by the provisions of the Algerian mining law (Law 01-10 of 07/03/2001) and its commitments in terms of sustainable development.

To do this, Lafarge Algeria relies on the group's international standards. Environmental impact and management studies are developed for all quarries in operation. As soon as they open, they have a redevelopment plan integrated into the operating plan. The plan entails:

- The protection of biodiversity, water, soil, and landscape preservation.
- This work is done taking into account the point of view of stakeholders (local authorities, environmental agencies, research firms, etc.).

4.3 The societal marketing of LAFARGE Holcim Algeria:

Lafarge Algeria contributes to the development of local economies and adopts the adage that means thinking globally and acting locally. Indeed, several actions have been launched in this direction, including:

- Qualifying training for young people in the building trades: Lafarge Algeria trains young people from the factory and building communities (masonry, electricity), this is to maximize the integration of young people in the building trades.

- Launch of the eco-district project: This project has a more national dimension. This is the role of actor in the housing problem in Algeria, with an innovative concept of housing meeting standards of sustainability and respect for the traditional Algerian construction style, as such, we mention the construction in the wilaya of Algiers of 150 housing units combining modernity, sustainability, greenery and authenticity (architectural style of the houses of the Casbah).

- Promote the local development of subcontractors: Lafarge calls on subcontractors on almost the entire value chain of its activities (extraction, maintenance, transport, to recruit local human resources through subcontractors. So the vision of Lafarge Holcim Algeria is:

- Design and development
- Social progress
- Environment friendly
- These issues are at the heart of Lafarge's strategy.

- Sustainable partnership development: Societe Generale Algeria and Lafarge Holcim Algeria Group concluded a credit agreement during an official ceremony on Tuesday, July 12, 2022. This agreement, worth 1.4 billion dinars, is a first in Algeria and aims to support Lafarge Algeria's activities by integrating a Bonus-Malus mechanism linked to its climate objectives. The funding is specifically designed to promote the reduction of greenhouse gas (CO₂) emissions, measured through performance indicators related to the production activities of its subsidiary LCM (Lafarge Ciment de M'Sila). This partnership is part of sustainable development in Algeria.

- The development of the group's green growth strategy: which has set itself the target of reaching more than 40% of financing agreements linked to sustainability objectives by 2025. Through this new financial agreement, Lafarge Algeria continues to make a citizen and responsible contribution to the positive transformations that Algeria is experiencing, by the orientations of the Algerian government, "emphasizes Nicolas GEORGE, Holcim Group Representative in Algeria.

- The Lafarge Tosyali Partnership Agreement on Sustainable Development: This is a partnership that aims to preserve natural resources. The two contracting companies have signed an unprecedented partnership agreement aimed at recovering the residues of the metallurgical industry in Lafarge's cement process, through an approach of sustainable development and preservation of natural resources, by their environmental and societal values.

This table provides a clear overview of key sustainability metrics for Lafarge, including their achievements and targets.

Table (2): key sustainability metrics for Lafarge company

spect	Statistic
CO2 Emis- sions Reduc- tion	Reduced CO2 emissions by 22% per tonne of cement produced compared to 1990; aiming for a 30% reduction by 2030.
Renewable Energy	About 20% of energy used came from renewable sources, with a target of 30% by 2025.
Alternative Materials	Approximately 10% of materials used are alternative, reducing dependence on traditional raw materials.
Site Certifica- tion	Over 70% of production sites are ISO 14001 certified (environmental management systems).
Social and Community Investment	Invested approximately €13 million in community initiatives and sustainable development projects.

Source: Lafarge Sustainability Report 2020 and 2021

4.4 Perspectives in sustainable marketing of LA-FARGE Holcim Group Algeria:

In a context where sustainability has become an imperative for businesses, sustainable marketing is emerging as a key strategic foundation. Lafarge Holcim Algeria, as a leader in the construction sector, is fully embracing this approach by integrating responsible practices into its business operations. Lafarge Holcim Algeria's perspectives on sustainable marketing, exploring its initiatives and ambitions to contribute to a greener and fairer future. Among the actions taken in this regard, mention may be made of:

- Contributing to the development of communities in terms of health and safety: achieving zero fatal accidents and avoiding work-related accidents with time off for our employees and our subcontractors.

- Commitment to diversity: This is materialized by the ambitious goal of seeing 35% of leadership positions held by women, thus illustrating their support for gender equality and social inclusion. At the same time, they devote one million hours each year to volunteering to support selected local projects, thus strengthening links with local communities. In addition, as part of local job creation plans, they strive to implement an education and job creation program in 75% of the countries where Lafarge operates, thereby

contributing to the socio-economic development of the regions where they operate.

- The contribution to sustainable and affordable construction: With this in mind, the objective is two-fold: to facilitate access to affordable and sustainable housing for two million people, while generating an annual turnover of 3 billion euros through the offer of sustainable products and services.

- Lafarge Holcim Algeria's contribution to the circular economy: Lafarge Holcim Algeria is actively engaged in sustainable development practices aimed at reducing CO2 emissions, using non-fossil fuels in its cement plants, and promoting the reuse and recycling of materials in its concretes. These actions reflect the company's commitment to the circular economy. In addition, Lafarge Holcim Algeria signed important partnerships in 2022, demonstrating its involvement in sustainable development in Algeria. This approach contributes to the competitiveness of the company while preserving the environment.

Conclusion

Overall, this article highlights the growing relevance of sustainable marketing in the context of sustainability. As companies become aware of the imperative to meet consumer expectations for social and environmental responsibility, sustainable marketing is emerging as a central pillar of their business strategy. The evolution of societal marketing from a simple promotional approach to a more global philosophy focused on sustainability is a testament to this paradigm shift.

Sustainable societal marketing has multiple benefits for businesses, including improved brand reputation, increased customer loyalty, and a competitive advantage in the marketplace. By integrating environmental, social, and economic responsibility into their

marketing strategy, companies can create value while contributing to a more sustainable and equitable future.

The experience of Lafarge Holcim Algeria exemplifies this transition to sustainable marketing. By adopting responsible practices in its business activities and being actively involved in the development of local communities, the company demonstrates its commitment to building a greener and more socially inclusive future. Through initiatives such as promoting diversity within its management, local volunteering, and supporting the circular economy, Lafarge Holcim Algeria is developing a business model that fully integrates the principles of sustainable development.

In a context where environmental and social challenges are becoming increasingly urgent, sustainable marketing is becoming a necessity for companies concerned about their impact on the planet and local communities. By following this path, companies can not only ensure their long-term success but also contribute significantly to building a better future for all.

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